

Registered number: 03502244
Charity number: 1068673



WORLD FEDERATION OF NEUROLOGY

(A company limited by guarantee and not having a share capital)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

WORLD FEDERATION OF NEUROLOGY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FEDERATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Trustees and persons co-opted to the board

Prof. William Carroll, (Australia) President (appointed 1 January 2018)
Prof. Raad Shakir, (UK) President (term expired 31 December 2017)
Prof. Ryuji Kaji, (Japan) Vice-President (appointed 1 January 2018)
Prof. Dr. Wolfgang Grisold, (Austria) Secretary general
Prof. Richard Stark, (Australia) Treasurer
Prof. Amadou Gallo Diop, (Senegal) (term expired 31 December 2017)
Prof. Riadh Gouider, (Tunisia)
Prof. Morris Freedman, (Canada) (resigned 9 October 2018)
Prof. Steven Lewis M.D., (USA)
Prof. Jean-Marc Léger M.D., (France) (co-opted) (appointed 26 February 2018)
Prof. Alla Guekht, (Russia) (elected 9 October 2018)

Company registered number

03502244

Charity registered number

1068673

Principal and registered office

Chester House Fulham Green
81-83 Fulham High Street
London
SW6 3JA

Company secretary

Prof. Dr. Wolfgang Grisold

Management Director

Laura Druce

Independent auditors

Griffin Stone Moscrop & Co
Chartered Accountants
Statutory Auditors
21-27 Lamb's Conduit Street
London, WC1N 3GS

Bankers

National Westminster Bank plc
1 Market Place
Devizes
Wiltshire, SN10 1HR

Solicitors

Hunters
9 New Square
Lincolns Inn
London, WC2A 3QN

Independent financial adviser

Ashburn Wealth Management Limited
84 Grange Road
Darlington
County Durham, DL1 5NP

WORLD FEDERATION OF NEUROLOGY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees (who are also directors of the charity for the purposes of the Companies Act 2006) present their annual report together with the audited financial statements of the World Federation of Neurology ("the Federation" or "WFN") for the year ended 31 December 2018. The trustees confirm that the Annual Report and financial statements of the Federation comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015). The trustees confirm that the annual report and the financial statements of the Federation comply with the current statutory requirements, the requirements of the Federation's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the Federation qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Federation was incorporated as a charitable company limited by guarantee and not having a share capital on 27 January 1998 and is a registered charity.

The Federation is governed by its Memorandum and Articles of Association.

Membership

The membership of the Federation is formed by national neurological societies or equivalent bodies throughout the world. Such a body should have at least five active members in order to be eligible for full membership of the Federation.

Directors and trustees

The directors of the charitable company are its trustees for the purpose of charity law and those persons co-opted to the board, and throughout this report and financial statements are collectively referred to as the trustees. As set out in the Articles of Association, the nominating committee chooses a list of candidates for the office of trustee and officer. The officers of the Federation are the president, the first vice-president, the secretary general and the treasurer. The Federation may have up to five further trustees, three elected trustees and up to two co-opted trustees chosen by the trustees at any time who will hold office until the next annual general meeting. The first three elected trustees were elected at the 2001 annual general meeting. One elected trustee must retire at each annual general meeting, the longest in office retiring first.

Method of appointment of trustees

The nominating committee of the World Federation of Neurology consists of at least five members, usually drawn from different countries. No trustee may serve on this committee and its proceedings and decision-making processes are held in private to avoid any outside pressures and influences. It conducts its business by regular mail and other forms of communication (e-mail, fax etc.) and it invites nominations for any officer or trustee posts that fall vacant from delegates, national societies, past and present trustees/officers and committee members. Requirements are that a nominee should be a member with a national and international reputation whose contributions to neurology and, as importantly, his or her commitment to the growth and development of the WFN have been substantial.

Consideration is also given, in evaluating nominations, to geography and gender.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Method of appointment of trustees (continued)

Names of individuals, together with confirmation of their willingness to stand for election, a brief CV and evidence of support from their national society, must be submitted to the secretary general, c/o the London headquarters office. In a year when officer posts fall vacant, candidates for president, first vice-president, secretary general and treasurer are required to formulate a statement of their goals and objectives for the organisation if elected, and these are published in the Federation's newsletter and on its website at least six months before the annual general meeting at which election takes place. The list of candidates agreed by the committee is also published in *World Neurology* and the WFN website as appropriate at least six months prior to the meeting of the Council of Delegates (COD) and further names may be added to it (subject to review by the committee) if submitted by five or more delegates at least 30 days prior to the council meeting.

The committee, on request, confidentially advises candidates who have not been shortlisted, and their proposers and immediate supporters, of the reasons for their omission. It is recognised that there may be nominees who fully meet the guidelines for selection mentioned above, but who, for a variety of administrative reasons, cannot be included on the published shortlist. Exclusion is in no way indicative of unsuitability and should not be regarded as such.

At the annual general meeting, the delegates of the member societies elect individuals from the list submitted by the nominating committee to fill any vacancies amongst the officers and the elected trustees owing to retirement or expiry of term of office.

Policies adopted for the induction and training of trustees

New trustees are made aware by the London office of the responsibilities attaching to the position of charity trustee by having their attention drawn to the comprehensive guidance available to them on the website of the Charity Commission.

Organisational structure and decision-making

The trustees have control of the Federation and its property and funds. The trustees must hold at least four meetings each year. A quorum is three trustees.

The trustees may delegate any of their functions to other committees, including a finance committee, each of which comprises three or more individuals appointed by the trustees and at least one of whom shall be a trustee. All proceedings of the committees are reported to the trustees.

Because membership of the body of trustees and of all WFN committees is international, often making it difficult to arrange face-to-face meetings, extensive use is made, wherever possible, of telephone and electronic conference calls. The trustees hold these on a monthly basis. The major occasions when face-to-face meetings are possible and organised occur during major scientific conferences when many committee members register, at their own expense. Principally these are the annual meetings of regional or specialist societies meetings such as the American Academy of Neurology and the European Academy of Neurology.

The day-to-day management of the Federation has been delegated to the WFN central office in London.

Risk management

The trustees have assessed the major risks to which the Federation is exposed, in particular those related to the operations and finances of the Federation, and are satisfied that systems and procedures are in place to mitigate exposure to those risks. There are no significant risks to the funding requirements of the Federation due to the unrestricted reserve built up in previous years. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality for all operational aspects of the Federation. The procedures are reviewed periodically to ensure that they still meet the needs of the Federation.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

OBJECTIVES AND ACTIVITIES

Objects

The objects of the Federation are to improve brain health worldwide by promoting prevention and the care of persons with disorders of the entire nervous system by:

- Fostering the best standards of neurological practice;
- Educating, in collaboration with neuroscience and other public and private organisations; and
- Facilitating research through its research groups and other means.

The income and property of the Federation are applied solely towards the promotion of its objects.

Aims and objectives

As the representative body of international neurology, the World Federation of Neurology has sought to create alliances for specific purposes with other neurological organisations on the premise that by broadening its approach and focusing its activities, WFN can have an impact greater than the sum of its individual efforts.

The World Federation of Neurology's foremost principle, driving its policy throughout this administration, will be one of global involvement through regional empowerment. This will mean widespread consultation on such matters as nominations for all WFN committees and participation by a large number of stakeholders in the implementation of the administration's policy.

Closer collaboration with The World Health Organization (WHO) is crucial for the future of neurology and this is a major objective, which is pursued vigorously.

Activities for achieving objectives

The Federation seeks to achieve its aims and objectives in a number of ways: by organising congresses and symposia, promoting the highest standards of practice in neurology, encouraging professional interaction and dialogue, publishing and distributing information and journals, making travel grants available, establishing training centres in low and low-middle income countries, providing research grants through its grants committee and co-operating and liaising with regional groups, member societies and other bodies.

Public benefit

In setting objectives and planning for activities, and in preparing this report, the trustees have given due consideration to the Charity Commission's general guidance relating to public benefit. The WFN's avowed aim is to improve health worldwide by promoting education and research in neurology and the prevention and treatment of disorders of the nervous system. As noted above, it seeks to do this by undertaking a range of varied activities. The focus of all these activities is the patient, the member of the public.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Federation has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

ACHIEVEMENTS AND PERFORMANCE

Review of activities

World Brain Day

The Public Awareness and Advocacy Committee organised the fifth World Brain Day (WBD) on 22 July 2018. The theme was "Clean Air and the Environment". The WFN partnered with the Environmental Neurology Specialty Group, chaired by Jacques Reis.

Media reports and activities in a large number of national societies were conducted. Newspaper items and electronic postings were made through social media. It was agreed to focus on migraine and other headaches for WBD 2019.

Committees

The Website Committee decided to offer three different social media services via Facebook, LinkedIn and Twitter. At the time of writing, WFN's Facebook had 9,488 Likes and 9,912 followers, 3,460 Twitter followers, and 2,161 LinkedIn members.

The Membership Committee proposed two new member societies Kosovo and Nepal as pending members awaiting the completion of further paperwork.

The Education Committee has continued to promote junior travel grants (JTF), support the use of the AAN Continuum programme and has funded training centres in Africa and Mexico, to enhance regional education and teaching. The goal is to provide high quality fellowship training centres to fulfil educational needs in specific regions of the world. In addition to the accreditation of Rabat (2013) and Cairo (2015), Dakar commenced WFN training in 2017. All training centres had new trainees appointed in 2018. The Cape Town Centre is hoped to be operational in 2019.

The WFN's efforts in Africa are complemented by the, accredited training centre in Mexico, serving for Meso and South American countries. This Training centre became operational in 2018 and the first trainee completed their programme in December.

The WFN continues to support short term training for young African Neurologists through short term "department visits". The WFN advertises these visits among member states. Several countries such as Turkey, Austria, Germany, Norway and Italy participate by taking young African neurologists for periods of four weeks.

For Meso and South America, the first department visit took place in Canada in 2018.

WHO

The WFN remains wholly supportive of issues before the World Health Organisation, with which it is aligned. These include epilepsy, stroke, Alzheimer's disease and dementia and other neurological non-communicable disorders. The WFN was represented by the President at the launch of the latest Global Burden of Neurological Disorders report presented in Auckland in November 2018.

The collaboration with the WHO has matured and continues to progress. The revised edition of ICD11 process is being finalised, and publication is planned for 2019. The issue of including cerebrovascular disease under the Neurology chapter was intensely discussed and culminated in intensive negotiations with the WHO followed by an agreed understanding on this matter.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Review of activities (continued)

At the World Health assembly (WHA) in Geneva in May 2018, the WFN took the opportunity to post statements. These posts, published during this meeting, included those on combating noncommunicable diseases, access to medicines, and the global action plan for epilepsy. The WFN presented an oral statement on the global action plan for epilepsy to the WHA. The WFN has been active in other global health matters, most notably WHO conferences on dementia (attended by Riadh Gouider), the Regional WHO meeting in September in Rome, the WHO general assembly in New York (attended by Wolfgang Grisold) and the Global Burden of Neurological Disorders World Summit (attended by Dr Carroll).

Strategic issues

The trustees have dealt with and are continuing to deal with several strategic issues. These include the Global Neurological Alliance (GNA), the Needs Registry to combat inequities of access to quality neurological care and improved visibility of the WFN. With the release of the latest global burden of neurological disorders (Lancet Neurology 2018) showing the considerable rise in numbers of people affected by neurological noncommunicable diseases, the GNA is likely to have a pivotal role in the relationship with the WFN and in turn its relationship with the World Health Organization (WHO). It is worth mentioning that the revised International Classification of Disease (ICD11), is due to be released in 2019, with the major change being the reclassification of stroke as a brain disease rather than a cardiovascular disease.

Investment performance

The Federation's funds are treated as two portions with different aims, as detailed under the section below headed "Investment policy and objectives".

The short- to medium-term working capital is retained in bank deposit accounts and fixed-term bonds. Nominal capital values have been maintained and competitive interest added.

Cash has been managed carefully with an eye to liquidity needs, currencies of income and expected expenditure. At the year-end £900,000 of the c. £1.4m cash was held in sterling denominated fixed term deposits attracting competitive interest rates. To match likely expenditure needs liquid cash was held predominately in Sterling, and US Dollars, along with a nominal amount in a Euro account.

Interest on the fixed term deposits (typically 12-24 month terms) averaged around 1.5% pa against a backdrop of UK base rate rising from 0.5% to 0.75% in August 2018.

The longer-term reserve fund, to which £1.5m had been allocated before 2017 (£1m in 2010 and £500k in 2014) with a further £312,000 added during 2017 and £500,000 in 2018 is invested in a range of funds containing government bonds (gilts), high-quality corporate bonds, other fixed-interest securities and global equities. Whilst access to this fund is vital, and a conservative risk profile is to be maintained, the trustees' objective is to generate higher medium-term returns than those available from cash deposits in the current low-interest rate environment.

This fund, which had grown to over £2.7m at the accounting date, has been invested in line with the agreed conservative asset split of 60% in bonds, fixed-interest securities and gilts, and 40% in global equities. This equated to bond holdings of around £1.66m, which in combination with significant cash deposits, gave the Federation a secure and accessible capital base fulfilling the twin roles of income production to support future projects and maintaining reserves in case of a downturn in congress income in the future.

The £1,060,000 or so in equity funds provides dividend income, but is held predominantly in the hope of inflation-beating capital growth to support the Federation's work in the longer term.

2018 was a year of negative equity returns around the world with the UK market down 12.5% and the US over 6.5%. In 2016 the portfolio's overseas holdings benefited from post Brexit-vote fall in sterling. However, this was largely reversed in 2017 as the pound regained over 10% of its value against the dollar. In 2018 the pound fell around 6% against the dollar and so overseas holding gained, offsetting some falls in non-UK equity holdings.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Investment performance (continued)

Bond markets were difficult in 2018 as interest rates remained low, meaning capital values of bond holdings in WFN's portfolio dipped during the year. Increases in capital values in the last quarter of 2018 and income distributions resulted in the total return being ever so slightly positive.

Looking at the long-term portfolio, as a whole, we have seen total negative returns in the year of around -3.75% taking into account the timing of money in and money out; consisted of reinvested income of about 1.75% and capital losses of -5.5%.

Pay policy for senior staff

Staff salaries are reviewed annually by the board of trustees and agreed.

FINANCIAL REVIEW

The finances of the WFN remain healthy with net assets of just over £4.2m at the end of 2018. The 2017 World Congress in Kyoto realised a substantial surplus in 2017, but the biennial cycle of conferences means that there was no World Congress in 2018. The Federation was able to maintain its programme of grants and other educational activities, using accumulated funds and still intends to increase them in due course.

Reserves policy and funding position

The Federation has a source of income from the biennial world congress. The other main sources of income, such as membership dues, royalty income and investment income, are received either monthly or annually.

At 31 December 2018 the Federation's unrestricted funds not invested in tangible fixed assets and excluding designated funds totalled £3,998,154. The Trustees consider it prudent for the Federation to maintain an available reserve of liquid or readily accessible funds in the region of one to two times its normal annual expenditure. This reserve would be used to enable the Federation to plan and execute in good order either a reduction in its activities or an improvement in its income stream.

Financial activities and affairs

For 2018 the Grants Committee continued its work and grants to the value of £73,000 were approved.

Junior Travelling Fellowships, of up to £1,000 each, were again awarded in 2018 to 27 young neurologists to enable them to attend international conferences.

Training positions designed to improve the quality of neurological practice in areas with limited resources have been established in Rabat, Cairo and Dakar to allow the training of neurologists from other parts of Africa and in Mexico City to allow the training of neurologists from other parts of Latin America. In 2018 The Federation invested £53,000 in these projects, allowing the training of 8 trainees.

The statement of financial activities on page 14 shows total incoming resources of £652,169 and net resources expended of £694,793 in the year under review.

In the opinion of the trustees the overall state of affairs of the Federation is satisfactory and adequate to fulfil its obligations.

Investment policy and objectives

Under its Memorandum and Articles of Association, the Federation has the power to make any investment that it sees fit. The trustees, mindful of their charitable goals, are concerned to ensure they hold in balance the following objectives:

- To retain sufficient funds on short notice to cover administrative expenses, and fund capital projects;
- To generate an income from investments to increase reserves and support the Federation's work; and
- To seek capital appreciation to maintain the real (inflation-adjusted) value of assets over the longer term.

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TRUSTEES' REPORT (continued)
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Investment policy and objectives (continued)

In this respect they look to hold a range of deposits and investments which are well-diversified and suitable. They appreciate the need for advice and, whilst not delegating discretionary investment management to their advisers, Ashburn Wealth Management Limited, they ensure investments are reviewed regularly.

The Trustees continue to believe it is appropriate to set aside a significant portion of those Federation assets, which they anticipate will not be required to meet its objects within the next 3 to 4 years, and to hold them as a long-term reserve fund. Although invested for the longer term, this fund is not restricted in its use, and should remain accessible. This longer term portfolio is invested in a range of widely-diversified passive funds with the aim of achieving a long-term return in excess of inflation. Broadly, 60% is held in low-risk gilt and bond funds, with the remaining 40% in equity funds. It is understood this may result in volatility in the short term, but gives better prospects of long-term growth.

The remainder of the Federation's capital is to be held predominately in liquid bank deposits, fixed-term deposits, or other fixed-interest securities. Capital protection, allied with reliable and competitive interest, is the primary investment objective of this element.

PLANS FOR FUTURE PERIODS

The major plan for education and training is to consolidate and expand the training centres beyond Africa. The centre for Latin America is in Mexico City in addition to four centres in Africa; Rabat and Dakar (francophone) and Cairo and Cape Town (anglophone).

The initial agreement on introducing a CME programme into China is currently on hold while the matter is awaiting the final approval of the Chinese Medical Association. The WFN has offered to help in every way possible in this across China endeavour. The offer includes CME training programme appraisal as well as course evaluations and, if needed, accreditation.

CME

There was a WFN/AAN survey conducted on WFN/AAN Continuum Programme and in 2019 we plan to implement the findings raised in the survey.

London Office

The office implemented and continues to use a new software package called Asana that streamlines all of the important projects and regular tasks of the WFN. This has assisted in creating a catalogue of all of the work that the WFN does and keeps records of important dates, timelines and events.

The WFN is also looking to expand the London Office with another senior manager working on strategic issues and to source possible additional funding streams.

MEMBER SOCIETIES' LIABILITY

The member societies of the Federation guarantee to contribute an amount not exceeding £1 per member society to the assets of the charity in the event of winding up.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also directors of World Federation of Neurology for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS


Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

AUDITORS

A resolution to re-appoint Griffin Stone Moscrop & Co, Chartered Accountants and Statutory Auditors, as auditors of the company will be proposed at the annual general meeting.

This report was approved by the trustees, on 12 September 2019 and signed on their behalf by:


.....
Prof. William Carroll
President

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD FEDERATION OF NEUROLOGY

Opinion

We have audited the financial statements of World Federation of Neurology (the 'Federation') for the year ended 31 December 2018 set out on pages 14 to 34. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Federation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD FEDERATION OF NEUROLOGY

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Federation and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the Federation for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD FEDERATION OF NEUROLOGY

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the the state of the Federation's affairs internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the the state of the Federation's affairs ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Federation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD FEDERATION OF NEUROLOGY

Use of our report

This report is made solely to the Federation's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Federation's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Federation and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Reema Mistry ACA (Senior statutory auditor)

for and on behalf of

Griffin Stone Moscrop & Co

Chartered Accountants
Statutory Auditors

21-27 Lamb's Conduit Street
London, WC1N 3GS

Date: 20/09/2019

WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations and legacies	2	-	10,051	10,051	19,924
Charitable activities	5	-	443,171	443,171	1,849,137
Other trading activities	3	-	148,413	148,413	135,057
Investments	4	2,904	47,630	50,534	45,736
Total income		2,904	649,265	652,169	2,049,854
Expenditure on:					
Raising funds	6	-	11,986	11,986	11,642
Charitable activities	7,12	-	682,807	682,807	639,819
Total expenditure		-	694,793	694,793	651,461
Net income / (expenditure) before investment gains/(losses)		2,904	(45,528)	(42,624)	1,398,393
Net gains/(losses) on investments	16	-	(142,966)	(142,966)	93,736
Net income / (expenditure) before other recognised gains and losses		2,904	(188,494)	(185,590)	1,492,129
Net movement in funds		2,904	(188,494)	(185,590)	1,492,129
Reconciliation of funds:					
Total funds brought forward		257,139	4,218,172	4,475,311	2,983,182
Total funds carried forward		260,043	4,029,678	4,289,721	4,475,311

The notes on pages 17 to 34 form part of these financial statements.

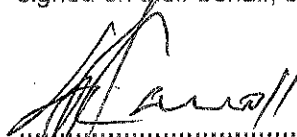
WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)
REGISTERED NUMBER: 03502244

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	15		2,089		4,572
Investments	16		2,719,200		2,339,173
			<u>2,721,289</u>		<u>2,343,745</u>
Current assets					
Stocks		1,031		1,031	
Debtors	17	1,192,300		1,767,593	
Cash at bank and in hand	24	501,885		448,136	
		<u>1,695,216</u>		<u>2,216,760</u>	
Creditors: amounts falling due within one year	18	<u>(126,784)</u>		<u>(85,194)</u>	
Net current assets			<u>1,568,432</u>		<u>2,131,566</u>
Net assets			<u>4,289,721</u>		<u>4,475,311</u>
Charity funds					
Restricted funds	20		260,043		257,139
Unrestricted funds	20		4,029,678		4,218,172
Total funds			<u>4,289,721</u>		<u>4,475,311</u>

The Federation's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 12 September 2019 and signed on their behalf, by:


.....
Prof. William Carroll

The notes on pages 17 to 34 form part of these financial statements.

WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>525,626</u>	<u>589,904</u>
Cash flows from investing activities:			
Dividends and interest from investments		50,534	45,736
Proceeds from the sale of tangible fixed assets		900	320
Purchase of tangible fixed assets		(318)	(3,178)
Proceeds from sale of investments		165,163	69,700
Purchase of investments		<u>(688,156)</u>	<u>(405,097)</u>
Net cash used in investing activities		<u>(471,877)</u>	<u>(292,519)</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		448,136	150,751
Cash and cash equivalents carried forward	24	<u><u>501,885</u></u>	<u><u>448,136</u></u>

The notes on pages 17 to 34 form part of these financial statements.

WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

World Federation of Neurology meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Federation is a company limited by guarantee, which was incorporated in England. The members of the company are the member societies. In the event of the Federation being wound up, the liability in respect of the guarantee is limited to £1 per member society. The registered office is displayed on the company information page.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Federation and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Federation for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting policies (continued)

1.4 Income

Investment income is accounted for as received. The Federation's share of any surplus arising from a world congress is estimated until final accounts of that congress become available, at which time an adjustment is made for the difference between the Federation's estimated and actual share of the surplus. All other income including membership dues, royalty income, grant and donations are recognised once the Federation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the Federation is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Federation has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Federation, or the Federation is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Where a donor specifies that a donation or grant given to the Federation is for a particular restricted purpose, or where funds have been raised for a particular restricted purpose, this income is included in the incoming resources of the appropriate restricted fund.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Federation has adequate resources to continue in operational existence for the next twelve months. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings and equipment - 20% straight line

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

All gains or losses on fixed asset investments are accounted for when identified.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

1.12 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Federation; this is normally upon notification of the interest paid or payable by the Bank.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.14 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Accounting policies (continued)

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Federation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.16 Financial instruments

The Federation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Pensions

The Federation contributes to personal pension plans for each of its employees. The pension cost to the Federation is charged to the statement of financial activities on the basis of a constant percentage of the employee earnings.

1.18 Expenses of trustees

Trustees are reimbursed necessarily-incurred expenses, either by reimbursement or by direct payment to a third party. These are included in the appropriate category of resources expended or prepayments. Such reimbursements, relating to travel, accommodation, subsistence and office expenses, totalled £72,895 during the year ended 31 December 2018 (2017 - £55,513) and were made to 8 (2017 - 8) of the trustees and persons co-opted to the board.

1.19 Taxation

As a registered charity the Federation is generally not liable to taxation on its surplus or capital gains. It is not, however, exempt from value added tax. Irrecoverable value added tax is included in the cost of those items to which it relates.

1.20 Redundancy payments

Redundancy payments are approved by the board of trustees and are recognised in the period to which they relate.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Income from donations and legacies

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	-	-	-	19,924
Grants	-	10,051	10,051	-
Total donations and legacies	-	10,051	10,051	19,924
Total 2017	3,777	16,147	19,924	

3. Income from other trading activities

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
National membership dues	-	148,413	148,413	135,057
Total 2017	-	135,057	135,057	

4. Investment income

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from listed investments	2,590	42,491	45,081	36,240
Bank and other interest	314	5,139	5,453	9,496
Total 2017	4,052	41,684	45,736	

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Income from charitable activities

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Share of surplus from the XXIII World Congress of Neurology	-	(1,852)	(1,852)	1,488,117
Share of surplus from ICNMD conference	-	21,445	21,445	-
Royalties receivable	-	423,578	423,578	361,020
	-	443,171	443,171	1,849,137
Total 2017	-	1,849,136	1,849,136	

6. Investment management costs

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Commission and independent financial adviser's fees and expenses	-	11,986	11,986	11,642
Total 2017	-	11,642	11,642	

7. Analysis of expenditure by activities

	Activities undertaken directly (Note 8) 2018 £	Grant funding of activities (Note 9,10) 2018 £	Support costs (Note 11) 2018 £	Total 2018 £	Total 2017 £
Charitable activities	181,277	153,057	271,132	605,466	579,806
Total 2017	229,097	94,415	256,294	579,806	

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Cost of activities in furtherance of the Federation's objects

	Total 2018 £	Total 2017 £
Africa Project costs	17,384	8,818
Publishing costs	53,143	53,849
Website and computer costs	22,085	21,437
COD and standing committees (including meetings, travel and CME costs)	88,665	61,015
WCN presidential reception	-	52,230
Regional initiatives	-	31,748
	181,277	229,097
	181,277	229,097
Total 2017	229,097	

9. Grant to individuals

Name of grant	Number	Total 2018 £	Number	Total 2017 £
Junior Travelling Fellowships (JTFs)	27	26,978	29	28,945
WFN medal awards	-	-	2	7,652
Other awards	-	-	4	2,291
	27	26,978	35	38,888
	27	26,978	35	38,888
Soriano Lecture award	-	-	1	3,706
Victor and Clara Soriano award	-	-	1	3,826
	-	-	2	7,532
	-	-	2	7,532
Total grants to individuals	27	26,978	37	46,420

Junior Travelling Fellowships comprise travel grants to enable attendance at international conferences.

WFN medal awards comprise honoraria awarded in recognition of service to international neurology and scientific achievement in neurology.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Grant to institutions

Name of institution	Grant description	2018 £	2017 £
Charutar Arogya Mandal, India	Parkinsonism screening in rural Western India	19,632	-
Fundep, Brazil	Basic literacy, memory and brain connectivity	19,632	-
Latin Advocay Network, Havana	Capacity building in Behavioral Neurology. An educational program for skills development on Mental Health and early diagnosis of Dementia.	19,632	-
University of Oxford, UK	Epilepsy in Zimbabwe – an historical and ethnographic approach to demystify an ancient disease	14,135	-
Cairo University, Egypt	Grant for Teaching centre	11,553	-
General Hospital of Mexico and the Central Hospital in San Luis Potosi, Mexico	Grant for Teaching centre	5,758	-
Mohamed-V University, Rabat, Morocco	Grant for Teaching centre	23,174	7,693
Universite Cheikh Anta Diop de Dakar	Grant for Teaching centre	12,563	4,142
University of Liverpool	Establishing the burden of Atrial fibrillation (AF) in Stroke and Transient ischemic attack (TIA) patients in Malawi.	-	22,237
Mohamed-V University, Rabat, Morocco	Program Education on Neurology in Migrants	-	11,332
Annapurna Neurological Institute and Allied Sciences, Nepal	To find out whether the depletion of vitamin D in our population is for real and if these are of real, do the depletion vitamin D actually cause the neurological disorders?	-	4,107
Institute of Human Behaviour and Allied Sciences, India	Returned unexpended grant	-	(1,517)
		126,079	47,994

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. Support costs

	Total 2018 £	Total 2017 £
Website and computer costs	15,908	14,561
Secretarial and office expenses	19,713	28,668
Plaques and medals	-	6,597
Insurance	1,265	1,195
Bank charges	2,616	2,364
Loss on disposal of assets	732	180
(Gain)/Loss on exchange	21,852	7,960
Office rent and services	54,936	49,137
Accountancy charges	5,172	3,395
PR and advertising	8,174	12,907
Wages and salaries	120,164	108,883
National insurance	10,122	9,402
Pension costs	9,308	9,472
Depreciation	1,170	1,573
	271,132	256,294
	271,132	256,294
Total 2017	256,294	256,294
	256,294	

Office rent is incurred under operating leases for the use of office space.

12. Governance costs

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Governance Auditors' remuneration	-	4,446	4,446	4,500
Trustees' meeting and other expenses	-	58,147	58,147	29,312
President's expenses	-	14,748	14,748	26,201
	-	77,341	77,341	60,013
	-	77,341	77,341	60,013

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

13. Net incoming resources

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the Federation	1,170	1,573
Auditors' remuneration - audit	4,446	4,501
Pension costs	9,308	9,472
	9,308	9,472

During the year, no trustees received any remuneration (2017 - the same).

During the year, no trustees received any benefits in kind (2017 - the same).

14. Staff costs and other information

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	120,164	108,883
Social security costs	10,122	9,402
Pension costs	9,308	9,472
	139,594	127,757

The average number of persons employed by the Federation during the year was as follows:

	2018	2017
	No.	No.
Administrative staff (full-time)	3	2

The number of higher paid employees was:

	2018	2017
	No.	No.
In the band £60,001 - £70,000	1	1

During the year, contributions made by the Federation to the personal pension plans of higher paid employees totalled £6,122 (2017 - £6,011).

The key management personnel of the Federation comprise the Management Director (2017 - the same). The total employee benefits of these 1 (2017 - 1) key management personnel were £76,197 (2017 - £81,074), including employer national insurance and pension contribution costs.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 January 2018	13,908
Additions	319
Disposals	(2,129)
At 31 December 2018	12,098
Depreciation	
At 1 January 2018	9,336
Charge for the year	1,170
On disposals	(497)
At 31 December 2018	10,009
Net book value	
At 31 December 2018	2,089
At 31 December 2017	4,572

The Federation's fixtures, fittings and equipment are used for management and administration purposes.

16. Fixed asset investments

	Listed securities £
Market value	
At 1 January 2018	2,339,173
Additions at cost	688,156
Disposals at market value, 1 January 2018	(166,489)
Revaluations at 31 December 2018	(141,640)
At 31 December 2018	2,719,200
Historical cost	2,589,256

WORLD FEDERATION OF NEUROLOGY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

16. Fixed asset investments (continued)

Investments at market value comprise:

	2018 £	2017 £
Listed investments	<u>2,719,199</u>	<u>2,339,173</u>

All the fixed asset investments are held in the UK

Material investments

	31 December 2018 £	31 December 2017 £
Dimensional Funds ICVC		
- Emerging Markets Core Equity Fund Income Shares	156,155	146,997
Dimensional Funds ICVC		
- Global Short Bond Fund Income Shares	836,330	614,183
Dimensional Funds ICVC		
- UK Smaller Companies Fund Income Shares	129,457	130,318
Dimensional Funds ICVC - UK Value Fund Income Shares	132,405	130,241
Legal & General All Stocks Index Linked Gilt Index Trust		
- Income Units	-	138,919
Legal & General UK Index Trust - 'I' Income Units	212,142	192,541
Dimensional Funds Plc		
- Global Short Term Investment Grade Fixed GBP Income Shares	823,627	609,731
Dimensional Funds Plc		
- Global Sustainable Core Equity GBP Income Shares	368,663	318,149
Dimensional Funds Plc		
- Global Targeted Value Income Shares	60,421	58,094
	<u>2,719,200</u>	<u>2,339,173</u>

17. Debtors

	2018 £	2017 £
Other debtors	970,678	550,018
Prepayments and accrued income	221,622	1,217,575
	<u>1,192,300</u>	<u>1,767,593</u>

As at 31 December 2018, £966,760 (2017 - £543,926) of other debtors is represented by uninvested cash or cash held in short term fixed interest deposits held by the charity's investment managers.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

18. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	3,586	3,285
Other creditors	100,751	63,423
Accruals and deferred income	22,447	18,486
	126,784	85,194

19. Financial instruments

	2018	2017
	£	£
Financial assets measured at fair value through income and expenditure	3,221,085	2,787,309
Financial assets measured at amortised cost	1,183,217	1,762,321
	4,404,302	4,549,630
Financial liabilities measured at amortised cost	115,364	81,909

Financial assets measured at fair value through income and expenditure comprise listed investments and cash at bank and in hand.

Financial assets measured at amortised cost comprise debtors excluding prepayments.

Financial liabilities measured at amortised cost comprise creditors excluding deferred income and social security and other taxes.

WORLD FEDERATION OF NEUROLOGY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

20. Statement of funds

Statement of funds - current year

	Brought forward £	Income £	Resources expended £	Gains £	Balance at 31 December 2018 £
Designated funds					
Designated Funds - Africa Initiative fund	26,366	298	-	-	26,664
Prof. Theodore Munsat fund	2,740	31	-	-	2,771
	<u>29,106</u>	<u>329</u>	<u>-</u>	<u>-</u>	<u>29,435</u>
General funds					
General Funds	4,189,066	648,936	(694,793)	(142,966)	4,000,243
Total unrestricted funds	<u>4,218,172</u>	<u>649,265</u>	<u>(694,793)</u>	<u>(142,966)</u>	<u>4,029,678</u>
Restricted funds					
Research Committee fund	35,099	396	-	-	35,495
Soriano Lectureship fund	592	7	-	-	599
Victor and Clara Soriano fund	193,788	2,188	-	-	195,976
Continuing Medical Education (CME) fund	3,369	38	-	-	3,407
Latin America Initiative fund	20,514	232	-	-	20,746
Angela Vincent fund	3,777	43	-	-	3,820
	<u>257,139</u>	<u>2,904</u>	<u>-</u>	<u>-</u>	<u>260,043</u>
Total funds	<u><u>4,475,311</u></u>	<u><u>652,169</u></u>	<u><u>(694,793)</u></u>	<u><u>(142,966)</u></u>	<u><u>4,289,721</u></u>

WORLD FEDERATION OF NEUROLOGY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

20. Statement of funds (continued)

Africa Initiative fund

This represents 20% of the net surplus (amounting to one third of the Federation's share) from the XX World Congress of Neurology, held in November 2011 in Marrakesh, Morocco, less qualifying expenditure. The trustees took the decision to designate this amount for the benefit of neurology in Africa.

Prof. Theodore Munsat fund

This represents donations received in memory of Prof. Theodore Munsat. A decision in relation to the use of these funds is yet to be taken.

Research Committee fund

This is available to support the activities of the Research Committee and its constituent research groups.

Soriano Lectureship fund

This represents gifts received from Victor and Clara Soriano in support of the Soriano Lecture, which takes place at the Fulton Symposium during each world congress, held every two years, plus interest thereon and net of appropriate expenditure. The lecturer receives a bronze plaque and an honorarium of US\$5,000 plus business class airfare.

Victor and Clara Soriano fund

This represents gifts received from Victor and Clara Soriano in support of the Victor and Clara Soriano Lecture, which also takes place during each world congress, plus interest thereon and net of appropriate expenditure. The lecturer receives a bronze plaque and an honorarium of US\$5,000 plus business class airfare.

Continuing Medical Education (CME) fund

This comprises a number of separate funds each set up to receive income for, and to meet expenditure in respect of, continuing education in neurology in a particular part of the world.

Latin American Initiative fund

Represents seed money held for the Pan-American Federation until they establish its legal status. The transfer in of £12,160 from unrestricted funds was approved by the trustees during the year ended 31 December 2016.

Angela Vincent fund

To support the training and education of young neurologists especially in low and low-middle income countries.

Statement of funds - prior year

	Balance at 1 January 2017 £	Income £	Resources expended £	Gains £	Balance at 31 December 2017 £
Unrestricted funds					
Designated Funds - Africa Initiative fund	33,978	16,668	(24,280)	-	26,366
Prof. Theodore Munsat fund	2,699	41	-	-	2,740
General funds	2,682,195	2,025,316	(612,182)	93,736	4,189,065
	<u>2,718,872</u>	<u>2,042,025</u>	<u>(636,462)</u>	<u>93,736</u>	<u>4,218,171</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

20. Statement of funds (continued)

Restricted funds

Research Comittee fund	34,569	530	-	-	35,099
Soriano Lectureship fund	4,233	65	(3,706)	-	592
Victor and Clara Soriano fund	194,630	2,984	(3,826)	-	193,788
Continuing Medical Education (CME) fund	3,318	51	-	-	3,369
Latin America Initiative fund	27,559	422	(7,467)	-	20,514
Angela Vincent fund	-	3,777	-	-	3,777
	<u>264,309</u>	<u>7,829</u>	<u>(14,999)</u>	<u>-</u>	<u>257,139</u>
Total of funds	<u>2,983,181</u>	<u>2,049,854</u>	<u>(651,461)</u>	<u>93,736</u>	<u>4,475,310</u>

Summary of funds - current year

	Brought forward £	Income £	Resources expended £	Gains £	Balance at 31 December 2018 £
Designated funds	29,106	329	-	-	29,435
General fund	4,189,066	648,936	(694,793)	(142,966)	4,000,243
	<u>4,218,172</u>	<u>649,265</u>	<u>(694,793)</u>	<u>(142,966)</u>	<u>4,029,678</u>
Restricted funds	257,139	2,904	-	-	260,043
	<u>4,475,311</u>	<u>652,169</u>	<u>(694,793)</u>	<u>(142,966)</u>	<u>4,289,721</u>

Summary of funds - prior year

	Balance at 1 January 2017 £	Income £	Resources expended £	Gains £	Balance at 31 December 2017 £
Designated funds	2,718,872	2,042,025	(636,462)	93,736	4,218,171
Restricted funds	264,309	7,829	(14,999)	-	257,139
	<u>2,983,181</u>	<u>2,049,854</u>	<u>(651,461)</u>	<u>93,736</u>	<u>4,475,310</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	2,089	2,089
Fixed asset investments	-	2,719,199	2,719,199
Current assets	260,043	1,435,174	1,695,217
Creditors due within one year	-	(126,784)	(126,784)
	<u>260,043</u>	<u>4,029,678</u>	<u>4,289,721</u>

Analysis of net assets between funds - prior year

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	4,572	4,572
Fixed asset investments	-	2,339,173	2,339,173
Current assets	257,139	1,959,621	2,216,760
Creditors due within one year	-	(85,194)	(85,194)
	<u>257,139</u>	<u>4,218,172</u>	<u>4,475,311</u>

22. Reconciliation of movements in unrealised gains and losses on investment assets

	2018 £	2017 £
Unrealised gains at 1 January 2018	323,724	245,337
Net unrealised gains brought forward realised during the year	(52,140)	(14,460)
Unrealised (losses)/gains on revaluation at 31 December 2018 (see Note 16)	(141,640)	92,847
	<u>129,944</u>	<u>323,724</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(185,590)	1,492,129
Adjustment for:		
Depreciation charges	1,170	1,572
(Gains)/losses on investments	142,966	(93,736)
Dividends and interest from investments	(50,534)	(45,736)
Loss on the sale of fixed assets	732	180
Decrease/(increase) in debtors	575,293	(722,014)
Increase/(decrease) in creditors	41,589	(42,491)
Net cash provided by operating activities	525,626	589,904

24. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	501,885	448,136
Total	501,885	448,136

25. Pension commitments

Included within Accruals and deferred income (please see Note 18 Creditors: Amounts falling due within one year) is £Nil (2017 - £Nil) relating to pension contributions payable into defined contribution schemes as at 31 December 2018.

26. Operating lease commitments

At 31 December 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	49,939	42,352
Between 1 and 5 years	4,190	3,850
Total	54,129	46,202

Lease payments recognised as an expense in the SOFA total £45,707 (2017 - £40,251).

27. Material incoming resources

The major sources of material incoming resources are corporations, organisations and individuals involved in, or with an active interest in, the medical profession.