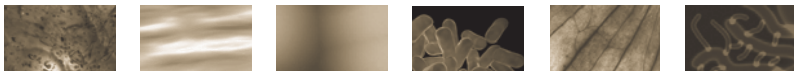




HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC  
50th Annual Report 01 April 2010 - 31 March 2011





## WELCOME TO THE ANNUAL REPORT FOR 2011

Welcome to the Annual Report for 2011. As you will have notice from the cover, 2011 is the 50th anniversary of the formation of the Foundation. It is with considerable pride that we look back over those 50 years and acknowledge the contribution that the Foundation has made to health research locally, nationally and internationally. Over the last 50 years the Foundation has made distributions in excess of \$2,000,000. The ongoing challenge for the Foundation is having the financial capacity to fund research that makes a difference in our community. We are hoping to use the golden jubilee as a springboard to raise further capital and I would ask that all members contribute to our golden jubilee fund.

The year has seen a number of changes to Council. Mr Jim Heron (appointed by the Wairoa District Council) retired and was replaced by Ms Benita Cairns. I would like to thank Jim for his contribution. Mr Michael Jackson was appointed Treasurer to replace Max Collett, who retired. Professor Bob Marshall was appointed by Council. Mr Kevin Atkinson was re-appointed by the Hawkes Bay District Health Board (after a 3 year hiatus). Dr Paul Hendy was appointed by the Hawkes Bay Branch of the NZ Medical Association. It is great to have an almost full compliment of appointments.

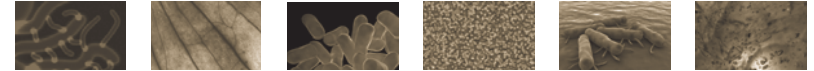
Once again the global recession has resulted in a relatively poor financial outcome for

the financial year ended 31 March 2011. After 4 years of reduced income from our investments, we may have to accept that this is a new norm. Despite the financial difficulties, the Foundation continued its commitment to medical research by making grants of more than \$51,000. Reports on the current research projects funded in whole or in part by the Foundation are included in this Annual Report.

I continue to be grateful for the assistance and forbearance of all the members of Council and, in particular, Mrs Judy Baxter (secretary) and Mr Michael Jackson (treasurer) for the assistance they provide.

I am pleased to report that the affairs of the Foundation are in good order.

**Andrew Wares - President**



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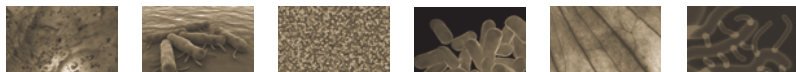
## RESEARCH FUNDED BY THE FOUNDATION

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## COUNCIL AND OFFICE BEARERS 1st April 2010 - 31st March 2011

<b>President</b>	Mr Andrew Wares	
<b>Council</b>	Mr Bill Dalton	Nominee, Mayor of Napier City Council
	Mrs Judith Baxter	Nominee, Mayor of Hastings District Council
	Mrs Di Petersen	Nominee, Mayor of CHB District Council
	Ms Benita Cairns	Nominee, Mayor of Wairoa District Council
	Dr D M Barry	Approved by Members of the Foundation
	Ms Cath Kingston	Appointed by Members of the Foundation
	Mr Kevin Atkinson	Hawkes Bay District Health Board. From Nov.10
	Dr J Meates	Staff, Hawkes Bay Hospital
	Dr Paul Hendy	NZ Medical Assn - H.B. Branch. From Nov.10
	Prof Bob Marshall	Appointed by Council
	Mrs Brenda Fine	Appointed by Council
	Mr Andrew Wares	Appointed by Council
<b>Auditors</b>	Staples Rodway	
<b>Solicitors</b>	Carlile Dowling	
<b>Medical Director</b>	Dr D M J Barry	
<b>Secretary</b>	Mrs Judith Baxter	
<b>Treasurer</b>	Mr Michael Jackson	

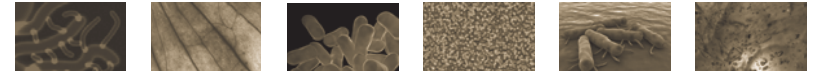
## MEMBERS OF COMMITTEES

### SCIENTIFIC AND HEALTH SERVICES COMMITTEE

Dr D M Barry
Dr J Meates
Dr M Arnold
Dr R Wills
Cath Kingston
Prof B Marshall
Judith Baxter

### FINANCE AND INVESTMENT COMMITTEE

Mr Andrew Wares
Mr Michael Jackson
Mr Bill Dalton
Mrs J Baxter (Secretary)



## DONATIONS AND BEQUESTS

Made for the Year Ended 31st March 2011

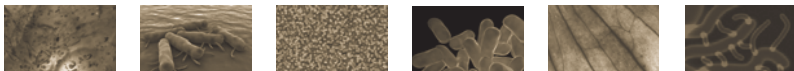
Atkinson, Mr D R	McQuillam, Dr I W
August, Mr C M	Millar, Mr & Mrs D G L
Baker, Dr P C H	McIntosh, Mrs A E
Bayliss, Mr & Mrs N G	McLeod, Mr & Mrs B J
Binmore, Mr & Mrs K F	Neal, Dr G
Broadhurst, Mr G	Patterson, Mr & Mrs D
Dine, Mr & Mrs J D	Petersen, Mrs D
Dunkerly, Mr P	Povey, Mrs R
Fan, Dr C J	Ritchie, Dr B
Fine, Mrs B	Roberts, Dr V
Glenny, Mrs E D	Sheppard, Mrs A
Harris, Dr R G H	Tatum, Mrs C K
Hosking, Mrs F A B	Taylor, Mrs D
Lopdell, Mr & Mrs B J	Thompson, Dr W
McConnochie, Mrs J	Vaughan, Dr J

## CORPORATE MEMBERSHIP

Hastings Building Society	\$200
HB Trust For The Elderly	\$200
Mrs Williamson	\$500
Women's Welfare Clinic	\$500
Graeme Lowe Foundation	\$10,000
(\$2,000 over 5 years)	

## HONORARY MEMBERSHIP

McPherson, Dr I
Train, Mr A
Verry, Mr H
Collett, Mr M

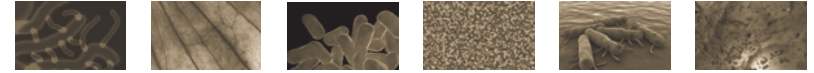


## LIFE MEMBERS

Bannister, Dr P	Luft, Dr A J
Barry, Dr D M & K J	Mason, Dr D F C
Beacham, Dr G	Mason, Dr T J
Beaumont, Dr J T	Meech, Dr R J
Bennett, Mr G W	Munroe, Mrs A S
Bentall, Mr S	Napier Lions Club
Bowes, Mr G J & Mrs A S	Neal, Dr R G
Boyce, Mr P G	NZ Dental Association
Brownlie, Mr & Mrs J A	NZ Nurses Association
Chisholm, Mr R H	Nicholson, Dr N W
Davidson, Dr D	O'Brien, Dr P M
Duncan, Dr G	Proehl, Dr C
Doig, Dr D	Rose, Dr J A
Dykes, Dr C H	Short, Dr M J
Eames, Dr J D	Smales, Dr L
English, Dr R M	St. Paul's Presbyterian Thrift shop
Foote, Dr D	Taylor, Dr I
Gare, Dr B L	Thomson, Mr R H
Goodwin, Mr D S & C M	Travis, Mr M
Grayson, Dr D	Twigg, Mr P
Hastings District Council	United Friendly Soc. of H.B
Hastings Health Centre	Van der Heaver, Dr B
Hawke's Bay Regional Council	Velvin, Mrs J
Houliston, Dr M J	Wairoa District Council
Janes, Dr R	Wakeman, Dr J S
Jessop, Dr S	Wiggins, Dr M G
Kerr, Dr	Wills, Dr
Knight, Mr L J	Wilson, Mrs M

## MEMBERS

Atkinson, Dr D R	Gibson, Mr P	Millar, Mr DGL
August, Mr C M	Glenny, Mrs E D	Parker, Mr AGH
Bannister, Dr J	Gush, Dr E W	Patterson, Mr & Mrs C
Bayliss, Mr N G & E	Hansen, Mrs S	Petersen, Mrs D
Benjamin, Dr R A & J	Hawke, Mr P	Povey, Mrs R
Bowmer, Dr H A	Harris, Dr RGH	Pratt, Dr J
Broadhurst, Mr G	Hendy, Dr P	Ritchie, Dr B
Brougham, Mrs M	Henderson, Dr R	Roberts, Dr V
Dine, Mrs M	Jolly, Dr MSC	Sheppard, Mrs A
Dine, Mr J D & A P	Lopdell, Mr & Mrs B	Stark, Dr B
Duncan, Mr A H	Lutter, Mr. R	Taylor, Mrs C K
Dunkerley, Mr P	Marshall, R N	Tatum, Mrs C K
E I T	McLeod, B J & M	Thompson, Dr W
Elliott, Mr J D R	McConnochie, Mrs J	Titchener, Dr D K
Fan, Dr C J	McIntosh, Mrs A E	Vaughan, Dr J
Fine, Mrs B	McQuillan, Dr IW	



## THE FOUNDATION

In November 1960 a small number of people in Hawkes Bay met and discussed the importance of medical research in New Zealand and the feasibility of carrying out worthwhile research in Hawkes Bay. In particular it was noted that the doctors in Hawkes Bay who had undertaken specialist training overseas found, on coming home, a partial vacuum because of the lack of research facilities available locally. It was agreed that there was a need for facilities to be made available. The first meeting to establish the Hawkes Bay Medical Research Foundation was held on 16th March 1961 and the Foundation was registered shortly thereafter under the Incorporated Societies Act 1908. The objects of the Foundation are to promote, initiate and support research in all health related fields including medical and health education, knowledge and understanding.

A Governing body was set up comprising representatives of the Hospital Board, the medical profession, local authorities and Members of Parliament. Anyone could become a life member on payment of 100 pounds or a subscribing member on paying 1 pound annually. These rates converted to \$200 and \$2 by introduction of decimal currency but from 1 April 1994 became \$150 and \$10, with corporate membership being \$200.

Current rates are as follows: Life Membership \$200. Annual Subscription \$10. Corporate membership equates to: Gold: \$10,000. Silver \$5,000 and

Bronze \$2,000. A framed certificate is presented in appreciation of the grant or donation. Donations over \$5, and gifts and bequests are eligible, within limits, for tax exemptions and rebates.

The Foundation receives the wholehearted support of the Local Authorities, Service organisations and people of Hawkes Bay, and continues its role in medical research. Over the years the funds not used for research have been built up by donations, bequests, wise investments and recognition as a charitable organisation for taxation purposes. Funds have been made available for research into many areas and these include asthma, arthritis, cancer, cot deaths, diabetes leukemia, heart disease, mental health and community health.

It is important that the existence of the Foundation should be widely known and that the funds are available to encourage and assist health research and training.

Enquiries as to membership should be made to the Foundation. Bequests have been significant in the building up of funds and it can be of advantage to make a gift or legacy for research. A bequest may be made in the following form:

*I give and bequeath to the Hawke's Bay Medical Research Foundation the sum of (or description of property or assets given) for the general purpose of the Foundation (or other specified purpose) for which*

*receipt of the Secretary of the Foundation shall be a good discharge to my trustee.*

Remember donations in lieu of floral tributes are acknowledged by the Foundation and next of kin or executors can be asked to specify that donations in lieu of floral tributes be made to the Foundation on death. This can be done by including a suitable request in the obituary notice.

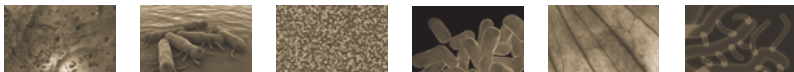
This year (2011) the Foundation reaches the significant milestone of 50 years of research funding, not only in Hawke's Bay but also across the whole of New Zealand.

A "Golden Jubilee Year fund" has been set up to sustain and extend the Foundation's unique role of funding health research relevant to Hawke's Bay people. More information regarding this 50th Jubilee Year can be found on our website.

**[www.hbmr.org.nz](http://www.hbmr.org.nz)**

Further information is available on request to:

The Secretary  
Hawkes Bay Medical Research Foundation  
P O Box 596,  
NAPIER  
Website: [hbmr.org.nz](http://hbmr.org.nz)  
Phone and Fax: 06 879 9199



## TRUST FUNDS ADMINISTERED BY THE FOUNDATION

### HAWKES BAY ELECTRIC POWER BOARD JUBILEE CHILDRENS FOUNDATION TRUST

This Charitable Trust was formed in 1974 for the purpose of financing and encouraging research into illnesses and handicaps of children, whether caused by disease or accident and financing the care and treatment of children.

In August 1999 the Hawkes Bay Medical Research Foundation was appointed Sole Trustee of the Hawkes Bay Electric Power Board Jubilee Children's Foundation Trust.

A recent donation of \$20,000 was made from this Trust to The Hastings Health Centre "Family Violence Intervention Programme" to enable the evaluation of the Programme to continue. This research is NZ's first comprehensive programme of screening, identification, assessment, support and referral for both partner and child abuse in Accident and Medical and General Practice settings.

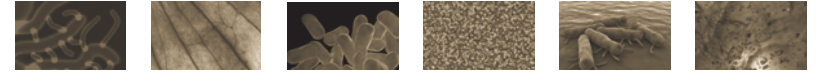
### GEORGE FORSTER MEMORIAL TRUST

This Charitable Trust was established in 1993 in memory of the late George Forster. The purpose is to further the education of medical and allied staff in Hawkes Bay.

The main aim of the Trust is to sponsor lectures conducted by experts or specialists organized by the Trustees to be held in Hawkes Bay or elsewhere in New Zealand. The lecture or seminar held is known and promoted as the George Forster Memorial Lecture.

A further aim is to support educational programmes and attendance at such programmes by the medical and allied staff (full or part time).





## RESEARCH FUNDED BY THE FOUNDATION

### NUTRITIONAL RISK AMONGST COMMUNITY-LIVING OLDER PEOPLE IN HAWKE'S BAY

Lisa Jones

HBMRF \$7,440

#### Abstract:

To assess the population prevalence of nutritional risk amongst Maori and non-Maori older people, living in the community, in Hawke's Bay.

#### Methods:

A postal survey of 1268 older, community living, people on the electoral roll for Hawke's Bay was conducted. Nutritional risk assessment was measured using the Seniors in the Community Risk Evaluation for Eating and Nutrition questionnaire.

#### Results:

Nutritional risk was present amongst 56.5% of community living older people with 23.7% at risk and 32.8% at high risk. Older Maori were 5.2 times more likely to be at nutritional risk than non-Maori. Older people living alone were 3.5 times more likely to be at nutritional risk than those living with others. The most frequently occurring nutritional risk factors were low milk product intake, perception of own weight being more or less than it should be, and low seat and alternatives intake. Skipping meals and low fruit and vegetable were additional frequent risk factors for Maori.

#### Conclusions:

Both living situation and ethnicity are associated with nutritional risk. Further investigation is needed to confirm these findings and to determine issues specific for older Maori including barriers to good nutrition and opportunities for nutritional improvement.

### ORAL AND MAXILOFACIAL SERVICES

Derek W Goodisson

(Studentship)

HBMRF \$4,803.10

The data collected relates to the head and neck cutaneous malignancy removed by Hawke's Bay District Health Board as well as other head and neck benign and malignant lesions.

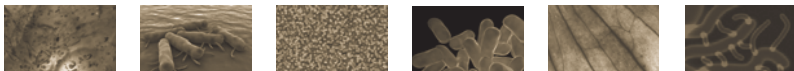
The benign and malignant head and neck cancer figures are comparable to results collected in the rest of New Zealand.

The exciting figures however arise from the cutaneous malignance figures which reveal an incomplete excision rate of less than 5% which is comparable to Ministry of Health micrographic surgical results.

Five year recurrence rates are however at this stage a little early to call as the service has not existed for that long.

We look forward to continuing to collect the data over the years to come.

An exciting development has been working in with the primary health care organisation who have established a more robust or what may prove to be a more robust database that we can amalgamate this information with, and it may be that we will be able to approach the Hawke's Bay Medical Research Foundation to look at data entry for this new format.



## DETENTION IN THE COMMUNITY AND THE MENTAL HEALTH ACT—A CROSS SECTIONAL SURVEY OF PATIENT'S VIEWS OBJECTIVES AND OUTCOMES

Dr Giles Newton-Howes

HBMRF \$10,000

### Introduction:

Patients preferred one to one contact with patient support and therefore, rather than group hui it was decided to see patients on a one to one basis to collect data. This was approved by the Ethic's Committee. Data collection took place over approximately 6 months with a total of 89 participants finally participating in the research.

### Results:

Analysis of the data was undertaken looking at the differences between patients with schizophrenia and patients with other mental health diagnosis with respect to their engagement with services, psychopathology and social functioning. This research indicates that a diagnosis of personality disorder in combination with schizophrenia tends to lead to poorer social functioning but not poorer satisfaction with care. This is a potentially important finding as social dysfunction is a severe chronic and morbid problem in patients with schizophrenia. Most research

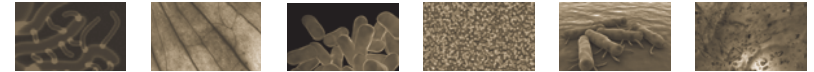
to the current time has focused on improving psychotic symptoms to improve social symptoms although this new research suggests focusing on personality status may be of increasing, or even more, importance. At this current time the data is being re analysed in this respect undertaking further regression analysis to take into account other diagnosis and degree of personality dysfunction. This additional research is being undertaken with Professor Henry Jackson from Australia and should be ready for submission to a peer journal shortly.

### Future Studies

At the ISSPD conference a poster presentation was undertaken outlining the major indices of association between personality disorder and views of community treatment. Interestingly patients with personality disorder, may be expected to have a more negative view of community detention and feel more coerced although this was not the case in this group. This has some importance with respect to considering ongoing

community detention as properly conceptualizing the risks of coercion, a side effect from this intervention should help psychiatrists identify which patients are likely to be harmed and enable this to be taken into consideration should detention be viewed as important. Again this piece of work is being re-analysed in an effort to provide more finer grained support and will be prepared for publication in a peer review journal shortly.

This statistical approach should allow us to determine what factors, both positive and negative, most heavily impact on patients who are detained. This will, it is hoped, provide some statistical evidence for the limbs of the Mental Health Act as they are described and contemplate whether any further requirements, such as a capacity assessment, may be warranted from the patient's perspective. It is envisaged that this paper will be prepared and ready for publication in the next 3 to 6 months.



## THE HASTINGS HEALTH CENTRE FAMILY VIOLENCE INTERVENTION PROGRAMME

Helen Francis/Debs Higgins

HBMRF: \$20,000 (Year one) \$20,000 (Year two) \$10,000 (Year three)

**Background:** This report provides an update to Hawke's Bay Medical Research Foundation on activity within the Hastings Health Centre Family Violence Intervention programme. This programme is the first comprehensive programme of screening, identification, assessment, support and referral for both partner and child abuse in primary care in New Zealand.

Following an informative meeting with Health Hawke's Bay in May 2011 we are developing a training proposal to support the roll out of our family violence intervention programme to other primary care providers throughout Hawke's Bay.

Included is an aspect of elder abuse and neglect into our clinical policy, this will be updated when it has been approved. The associated training for this aspect will be incorporated into the VIP training programme.

Identification and intervention rates for situations of family violence from January 2011 to current date totalled 30 cases for child protection and 21 for partner abuse.

### Future Plans

1. Update of in house VIP training to include aspects of elder abuse and neglect.
2. The successful roll out of a FVI training programme to other primary care providers in Hawke's Bay.
3. Continuous support and encouragement of all staff to screen for partner and child abuse at every appropriate opportunity.

### Conclusion

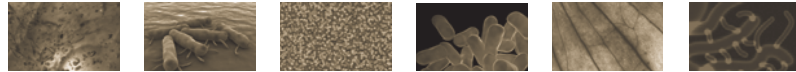
The Hastings Health Centre Family Violence Intervention project continues to make traction and is evolving in response to the needs of our population.

## PROJECTS THAT HAVE RECEIVED FUNDING IN THE PAST YEAR BUT ARE YET TO BE COMPLETED

Second Emergency Department Anaphylaxis Study-infusion trial.  
(EDA-11Bo) **\$11,500**  
Dr Craig Ellis

Bone Health and increased intake of Fruit and Vegetables at Midlife.  
Caroline Gunn. **\$23,090**

The effectiveness of the Fostering Security training programme for parents and caregivers of children with histories of early trauma, abuse and neglect and children with attachment problems.  
Bernice Gabriel **\$18,363**



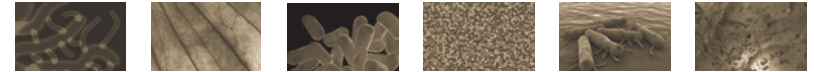
## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### STATEMENT OF FINANCIAL PERFORMANCE

For the Year Ended 31st March 2011

	2011	2010
<b>Operating Revenue</b>	\$	\$
Bequest	8,750	-
Donations	770	805
Grants	950	950
Interest - Bank of New Zealand	-	162
Interest - Sundry Bank Deposits	4,234	2,625
Portfolio Income - Forsyth Barr	36,853	38,997
Portfolio Income - Spicers		
Financial Services Ltd	16,522	15,563
Subscriptions	1,210	1,440
<b>Gross Surplus from Trading</b>	<b>69,289</b>	<b>60,542</b>
<b>Other Income</b>		
Change in Value of Portfolio Investments	36,018	82,978
<b>GROSS SURPLUS AFTER OTHER INCOME</b>	<b><u>105,307</u></b>	<b><u>143,520</u></b>

	2011	2010
<b>Expenses</b>	\$	\$
Accountancy Fees	2,870	731
ACC Levies	91	85
Advertising	-	843
Audit Fees	3,165	3,743
Bank Fees & Charges	24	-
Portfolio Management Fee	10,620	9,155
Computer Expenses	41	180
General Expenses	963	797
General Meeting & Annual Reporting Expenses	5,211	3,149
Interest Paid	9	-
Postage	145	122
Printing & Stationery	556	291
Promotional Expenses	-	950
Salary & Travelling	19,693	21,000
Website Expenses	-	90
<b>Total Expenses</b>	<b>43,388</b>	<b>41,136</b>
<b>NET SURPLUS BEFORE DEPRECIATION ADJUSTMENTS</b>	<b>61,919</b>	<b>102,384</b>



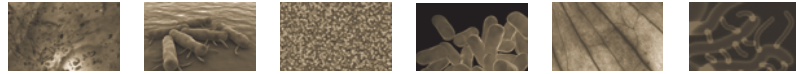
**THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**For the Year Ended 31st March 2011**

The accompanying notes form part of these financial statements and should be read in conjunction with the reports contained herein.

	Note	2011	2010
Expenses		\$	\$
Less Depreciation Adjustments			
Depreciation		223	390
Loss on Sale of Fixed Assets		-	92
<b>Total Depreciation Adjustments</b>		<b>223</b>	<b>482</b>
<b>Surplus before Grants Distributed</b>		<b>61,696</b>	<b>101,902</b>
Less Grants Distributed	2	51,452	38,396
<b>NET SURPLUS</b>		<b><u>10,244</u></b>	<b><u>63,506</u></b>

**STATEMENT OF MOVEMENTS IN GENERAL FUNDS**  
**As at 31st March 2011**

	2011	2010
	\$	\$
Revenue and Revaluations		
Net Surplus	10,244	63,506
<b>Total Revenue and Revaluations</b>	<b>10,244</b>	<b>63,506</b>
General Funds at the Beginning of the Year	1,130,875	1,067,369
<b>GENERAL FUNDS AT THE END OF THE YEAR</b>	<b><u>1,141,119</u></b>	<b><u>1,130,875</u></b>



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### STATEMENT OF FINANCIAL POSITION

As at 31st March 2011

	Note	2011	2010
<b>Current Assets</b>		\$	\$
Cash & Bank Balances	3	2,211	18,086
<b>Non Current Assets</b>			
Property, Plant & Equipment	4	364	588
Term Investments	5	1,220,300	1,146,356
<b>Total Non Current Assets</b>		<b>1,220,664</b>	<b>1,146,944</b>
<b>TOTAL ASSETS</b>		<b><u>1,222,875</u></b>	<b><u>1,165,030</u></b>

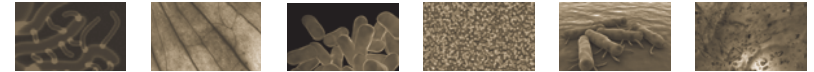
	Note	2011	2010
<b>Current Liabilities</b>		\$	\$
Accounts Payable		61,756	34,155
Hawkes Bay Electric Power Board Jubilee Trust		20,000	-
<b>Total Liabilities</b>		<b>81,756</b>	<b>34,155</b>
<b>NET ASSETS</b>		<b>1,141,119</b>	<b>1,130,875</b>
<b>General Funds</b>			
Retained Earnings	6	21,031	10,787
Capital Reserve	7	1,120,088	1,120,088
<b>TOTAL GENERAL FUNDS</b>		<b><u>1,141,119</u></b>	<b><u>1,130,875</u></b>

For and on behalf of the Board

President

Treasurer

Dated this 27th day of October 2011



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### HAWKE'S BAY ELECTRIC POWER BOARD JUBILEE CHILDREN'S FOUNDATION TRUST

For the Year Ended 31st March 2011

#### PURPOSE

The Hawkes Bay Electric Power Board Jubilee Trust was created for the promotion of research into the diseases and illnesses of children and the provision of facilities to further or assist such research. The Foundation acts as Trustee for this Trust.

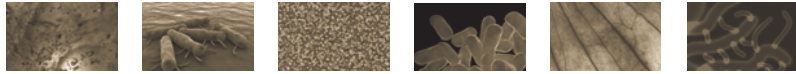
CURRENT ASSETS	2011	2010
	\$	\$
Receivable from Hawkes Bay Medical Research Foundation Inc	20,000	-
<b>TOTAL CURRENT ASSETS</b>	<b>20,000</b>	<b>-</b>

NON CURRENT ASSETS - Investments Held	MARKET VALUE	2011	2010
		\$	\$
Bank of New Zealand Deposits	-	26,643	44,232
Bank of New Zealand Savings	-	313	546
Fletcher Building Ltd \$2500 8.5% due 15.3.15 (cost)	2,095	2,597	2,597
Fletcher Building Ltd \$3000 7.5% due 15.3.12 (cost)	3,039	3,075	3,075
Spicers Financial Services Ltd (market value)	-	57,551	55,715
<b>Total Non Current Assets - Investments Held</b>		<b>90,179</b>	<b>106,165</b>

<b>TOTAL ASSETS</b>	<b>110,179</b>	<b>106,165</b>
---------------------	----------------	----------------

Movement In Equity	\$	\$
Opening Balance	106,165	111,203
Net Surplus	2,206	3,164
Grants distributed - Family Violence (H Francis)	-	(20,000)
Changes in Value of Portfolio Investments	1,808	11,798

<b>CLOSING BALANCE</b>	<b>110,179</b>	<b>106,165</b>
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## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### GEORGE FORSTER MEMORIAL TRUST

For the Year Ended 31st March 2011

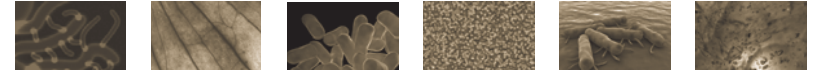
#### PURPOSE

The Dr George Forster Memorial Trust was created for the purpose of furthering the education of medical and allied staff in the Hawkes Bay region.

The Foundation acts as Trustee for this Trust.

Investments Held	Market Value	2011	2010
		\$	\$
Westpac	-	50,461	49,125
<b>TOTAL INVESTMENTS HELD</b>		<b>50,461</b>	<b>49,125</b>
Movement In Equity		2011	2010
		\$	\$
Opening Balance		49,125	46,728
Net Surplus		1,336	2,397
<b>Closing Balance</b>		<u><u>50,461</u></u>	<u><u>49,125</u></u>





## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### REPORTING ENTITY

The Hawke's Bay Medical Research Foundation Incorporated (the Foundation) is an incorporated society under the Incorporated Societies Act 1908 and a registered Charity under the Charities Act 2005.

Two separate Trusts, (The Hawkes Bay Electric Power Board Jubilee Trust and the Dr George Forster Memorial Trust) governed and administered by the Council are also included with these financial statements.

The financial statements of the Foundation have been prepared in accordance with Generally Accepted Accounting Practice.

The Foundation is a qualifying entity for differential reporting purposes. The grounds upon which the Foundation qualifies are:

The Foundation is not publicly accountable as defined in the Framework for Differential reporting,

and it is not large. All differential reporting exemptions have been applied.

##### Statement of Compliance and Basis of Preparation

The measurement base adopted is historical cost, with the exception of certain investments which are recorded at market valuation.

##### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

##### (a) Revenue

Revenue comprises Donations, Grants & Subscriptions amounts received.

##### Investment Income

Interest income is recognised in the Statement of Financial Performance as it accrues, using the effective interest rate method.

Dividend income is recognised on the payment date.

##### (b) Expenses

Expenses have been classified on their business function.

##### (c) Property, Plant & Equipment

Property, Plant & Equipment are recognised at Cost less aggregate depreciation. Depreciation has been calculated using rates considered by the Council to be appropriate. The rates used for office equipment range from 12% to 48% on a diminishing value basis.

##### (d) Income Tax

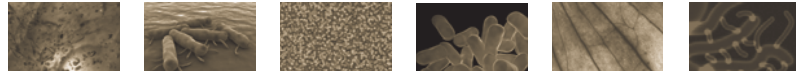
The Foundation is exempt from income tax as a charity under Section CW41 of the Income Tax Act 2007.

##### (e) Investments

Investments comprise non-operational cash holdings, bonds and portfolios administered by investment managers. Portfolio investments are carried at market value with both earning and changes in the underlying asset values being included in the statement of financial performance. Other investments are at cost.

##### (f) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements inclusive of GST as the Foundation is not GST registered.



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

#### (g) Grants

Grants are accounted for once approved for payment by the Council. Unpaid grants are accrued as liabilities.

#### (h) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

## 2 GRANTS DISTRIBUTED

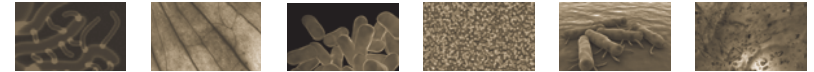
	2011	2010
	\$	\$
Nursing Survey Medication (I Hosford)	-	(1,700)
Altitude on Cardiac Patients (P Kennedy)	-	5,000
Minimum Income for Pensioners (J McIntosh)	-	5,000
Studentship Data Base (D Goodisson)	-	3,596
Diabetes Study (O Schmiedel)	-	5,000
Mental Health Act Study (G Newton-Howes)	-	10,000
Anaphylaxis Study (C Ellis)	-	11,500
Bone Health (C Gunn)	23,090	-
Family Violence (H Francis)	10,000	-
Fostering Security (B Gabriel)	18,362	-
	<b>51,452</b>	<b>38,396</b>
<b>Total Grants Distributed</b>	<b><u>51,452</u></b>	<b><u>38,396</u></b>

## 3 Cash & Bank Balance

	2011	2010
	\$	\$
<b>Bank Account Balances</b>		
Bank of New Zealand - Current Account	2,075	17,984
Bank of New Zealand - Autocall Account	106	72
Cash on Hand	30	30
<b>TOTAL CASH &amp; BANK BALANCES</b>	<b><u>2,211</u></b>	<b><u>18,086</u></b>

## 4 Property, Plant & Equipment

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
<b>Property, Plant &amp; Equipment 2011</b>	\$	\$	\$	\$
Office Equipment	6,946	223	6,582	364
<b>Total Property, Plant &amp; Equipment</b>	<b><u>6,946</u></b>	<b><u>223</u></b>	<b><u>6,582</u></b>	<b><u>364</u></b>
<b>Property, Plant &amp; Equipment 2010</b>				
Office Equipment	6,946	390	6,359	588
<b>Total Property, Plant &amp; Equipment</b>	<b><u>6,946</u></b>	<b><u>390</u></b>	<b><u>6,359</u></b>	<b><u>588</u></b>



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

#### 5 TERM INVESTMENTS

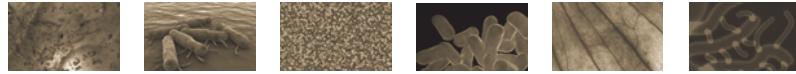
	2011	2010
	\$	\$
<b>Bank Fixed Deposits</b>		
Bank Fixed Deposits	118,260	73,089
<b>Spicers Financial Services</b>		
Property	8,888	8,991
Equities - Australasian	42,895	43,918
Equities - Offshore	76,341	70,217
Fixed Interest	296,669	333,023
Cash	69,546	42,682
<b>Total</b>	<b>494,339</b>	<b>498,831</b>
<b>Forsyth Barr Esam Cushing</b>		
Property	16,244	-
Equities - Australasian	146,688	106,609
Equities - Offshore	38,552	38,535
Fixed Interest	367,673	412,535
Cash	38,544	16,757
<b>Total</b>	<b>607,701</b>	<b>574,436</b>
<b>TOTAL TERM INVESTMENTS</b>	<b><u>1,220,300</u></b>	<b><u>1,146,356</u></b>

#### 6 RETAINED EARNINGS

	2011	2010
	\$	\$
<b>Opening Balance</b>	10,787	(52,719)
<b>Plus:</b>		
Net Surplus	10,244	63,506
<b>Retained Earnings Closing Balance</b>	<b><u>21,031</u></b>	<b><u>10,787</u></b>

#### 7 RESERVES

	2011	2010
	\$	\$
<b>Capital Reserve</b>		
Opening Balance	1,120,088	1,120,088
<b>Closing Balance</b>	<b><u>1,120,088</u></b>	<b><u>1,120,088</u></b>
<b>Total Reserves</b>	<b><u>1,120,088</u></b>	<b><u>1,120,088</u></b>



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

#### 8 EVENTS OCCURRING AFTER BALANCE DATE

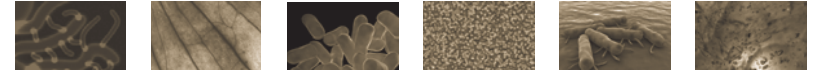
Subsequent to year end the trustees transferred the management of Spicers portfolio to Forsyth Barr Esam Cushing.

#### 9 INVESTMENTS - SPICERS FINANCIAL SERVICES

	2011	2010
	\$	\$
Opening Balance	498,831	469,053
Funds Introduced	-	596
Portfolio Income	16,522	15,564
Fees	(4,676)	(4,660)
Change in value of portfolio	8,662	38,278
Withdrawals to fund grants	(25,000)	(20,000)
<b>Total Investments - Spicers Financial Services</b>	<b><u>494,339</u></b>	<b><u>498,831</u></b>

#### 10 INVESTMENTS - FORSYTH BARR ESAM CUSHING

	2011	2010
	\$	\$
Opening Balance	574,436	515,234
Portfolio Income	36,852	38,997
Fees	(4,729)	(4,495)
Change in value of portfolio	27,356	44,700
Withdrawals to fund grants	(25,000)	(20,000)
<b>Total Investments - Forsyth Barr Esam Cushing</b>	<b><u>608,915</u></b>	<b><u>574,436</u></b>



## THE HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INC

### NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st March 2011

#### 11 RELATED PARTIES

Council members Judy Baxter (Secretary) and Max Collet (Treasurer) are paid for the services rendered to the foundation. Michael Jackson is a Director of PKF Carr and Stanton Limited and the new treasurer of the foundation from 17th November 2010. PKF Carr and Stanton Limited perform accounting work on behalf of the trust.

The Dr George Forster trust and the Hawkes Bay Electric Power Board Jubilee Trust are governed by the same council. At year end \$20,000 was payable by Hawke's Bay Medical Research Foundation to the Hawkes Bay Power Board Jubilee Trust.

#### 12 BANK OVERDRAFT

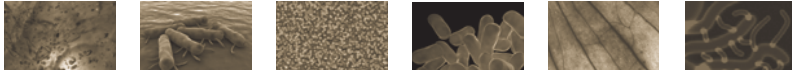
There was no bank overdraft at balance date nor was any facility arranged.

#### 13 CONTINGENT LIABILITIES

Hawkes Bay Medical Research Foundation Inc has no contingent liabilities as at 31 March 2011, (2010 Nil).

#### 14 CAPITAL COMMITMENTS

Hawkes Bay Medical Research Foundation Inc has no capital commitments as at 31 March 2011, (2010 Nil).



## INDEPENDENT AUDITOR'S REPORT

### To the Hawkes Bay Medical Research Foundation Inc

We have audited the financial statements of Hawkes Bay Medical Research Foundation Inc on pages 10 to 19, which comprise the statement of financial position as at 31 March 2011, and the statement of financial performance and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on financial position and our qualified audit opinion on financial performance.

Our firm has, using staff independent of the audit engagement team, assisted the preparation and presentation of the financial report based upon summary financial records provided by the Council.



The Council has taken responsibility for the financial report. Other than in our capacity as auditor and preparers of the financial report we have no relationship with, or interests in, Hawkes Bay Medical Research Foundation Inc.

#### Basis for Qualified Opinion on Financial Performance

The Hawkes Bay Medical Research Foundation Inc control over revenues from donations and subscriptions prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

#### Qualified Opinion on Financial Performance

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements on pages 10 to 19 present fairly, in all material respects, the financial performance for the year ended 31 March 2011 in accordance with generally accepted accounting practice in New Zealand.

#### Opinion on Financial Position

In our opinion, the financial statements on pages 10 to 19 present fairly, in all material respects, the financial position of Hawkes Bay Medical Research Foundation Inc as at 31 March 2011, in accordance with generally accepted accounting practice in New Zealand.

Staples Rodway Hawkes Bay Partnership  
27 October 2011  
Hastings, New Zealand