

**SIGNING
COPY**

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 2017

GSM&Co

Griffin Stone Moscrop & Co
CHARTERED ACCOUNTANTS & REGISTERED AUDITORS

100 YEARS

Building better business

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 2017**

Trustees and persons co-opted to the board

Prof. William Carroll, (Australia) President (appointed 1 January 2018)
Prof. Raad Shakir, (UK) President (resigned 1 January 2018)
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) (resigned 1 January 2018)
Prof. Riadh Gouider, (Tunisia)
Prof. Morris Freedman, (Canada)
Prof. Steven Lewis M.D., (USA)
Prof. Jean-Marc Léger M.D., (France) (co-opted) (appointed 26 February 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

Mr. Nick Millar
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 2017

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 2017. 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 2017

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.

WORLD FEDERATION OF NEUROLOGY
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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 our approach and focusing our activities, we can have an impact greater than the sum of our 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 2017

ACHIEVEMENTS AND PERFORMANCE

Review of activities

Kenes International continues as the core PCO for the WFN.

The relationship with Elsevier international publishers of JNS and eNS continued as agreed previously.

The annual Council of Delegates (COD) was held on 26th September 2017 at the commencement of the Kyoto World Congress of Neurology. During the COD, Professor William Carroll was elected President, Professor Ryuji Kaji was elected First Vice President and Professor Riadh Gouider was re-elected as trustee.

Prof Gallo Diop from Senegal was replaced by Riadh Gouider as the trustee representative for African matters to ensure that all educational activities in Africa are represented and coordinated at trustee's level.

The World Congress in Kyoto 2017 was a record financial success. The total revenue received was \$8,052,155 and the total expenses were \$4,733,344 with a total profit of \$3,318,812 (60% of which is allocated to the WFN and 40 % to the Journal of Neurological Sciences (JNS)). The balance due to WFN net of expenses came to \$1,991,287. (These figures are in US dollars.)

The Public Awareness and Action Committee celebrated the fourth World Brain Day (WBD) on 22 July 2017. The theme was "Stroke". Stroke is a major cause of death and disability. It was pleasing to see the development of a united confrontation to this global scourge.

Media reports and activities in a large number of national societies were carried out. Many newspaper items and electronic postings were made through social media. This annual activity will continue in years to come.

The WFN remains wholly supportive of the declaration of the World Health Assembly on Dementia.

The Website Committee decided to offer three different social media services via Facebook, LinkedIn and Twitter. WFN's Facebook page had acquired 7,861 followers. The WFN LinkedIn group had recruited 2,077 members. Finally, by the end of the year, WFN had registered 2,643 Twitter followers.

The Membership Committee proposed to the COD one new member society, Benin, this was accepted by the Council of Delegates in Kyoto and Benin became a new WFN member.

The collaboration with the WHO has matured and continues to progress. The ICD11 process is being finalised, and publication is to be delayed until 2018. The issue of including cerebral vascular disease under the Neurology chapter was intensely discussed and culminated in intensive negotiations with the WHO followed by an agreed understanding on this matter.

The WFN and the WHO also collaborated in the production of the second Neurology Atlas, which was publically released during the Kyoto World Congress of Neurology.

The Education Committee is actively promoting junior travel grants (JTF), the use of Continuum with the AAN, and has created training centres, to empower regional education and teaching. Their 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), Cairo (2015), Dakar commenced WFN training in 2017 and the Capetown Centre was visited by the WFN in December 2017.

In addition to the WFN's efforts in Africa, the WFN has also accredited a training centre in Mexico, serving for Meso and South American countries. This Training centre will become operational in 2018.

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

Review of activities (continued)

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

In March, 2017, the newly formed African Academy of Neurology held its first scientific meeting in conjunction with the biennial meeting of the Pan Arab Union of Neurological Societies and the Tunisian Neurological Society. Together with support from the WFN, EAN and AAN a most successful meeting occurred in Hammamet, Tunisia.

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 £500,000 of the c. £950,000 of 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 smaller Euro account.

Interest on the fixed term deposits (typically 12-24 month terms) averaged around 1.2% pa against a backdrop of UK based rate being 0.5% during the accounting period.

The longer-term reserve fund, to which £1.5m had been allocated before 2017 (£1m in 2010 and £500k in 2014) and a further £312,000 added during 2017, 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 £2.3m 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 £1.4m, 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 £960,000 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.

2017 was another year of positive equity returns around the world with the UK market up 6% and the US over 20%. 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 sterling terms, this resulted in some reduction of the equity returns of non-UK funds in the portfolio.

Bond markets remained difficult with the expectation of rising interest rates around the world. In that context capital values of bond holdings in WFN's portfolio dipped very slightly, although income distributions compensated and resulted in modest positive total returns.

Looking at the long-term portfolio, as a whole, we have seen total returns in the year of around 6.5%; consisted of reinvested income of 1.8% and capital growth of 4.7%.

Pay policy for senior staff

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

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TRUSTEES' REPORT (continued)
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FINANCIAL REVIEW

The finances of the WFN remain healthy with net assets of just over £4.4m at the end of 2017. The 2017 World Congress in Kyoto realised a substantial surplus, exceeding expectations. This will allow the Federation to maintain its programme of grants and other educational activities, and increase them in due course.

Financial activities and affairs

For 2017 the Grants Committee continued its work and grants to the value of £37,000 were approved.

Junior Travelling Fellowships, of up to £1,000 each, were again awarded in 2017 to 29 young neurologists to enable them to attend international conferences.

The statement of financial activities on page 13 shows total incoming resources of £2,049,854 and net resources expended of £651,461 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.

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, that 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). There has been a keen response to the possibility of a further training centre being established in the Asian and Oceanian region.

The initial agreement on introducing a CME program 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 program appraisal as well as course evaluations and, if needed, accreditation.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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

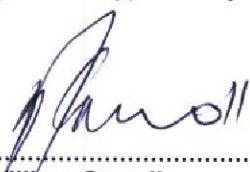
Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- 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 17 August 2018 and signed on their behalf by:


.....
Prof. William Carroll
President

WORLD FEDERATION OF NEUROLOGY
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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 2017 set out on pages 13 to 33. 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 2017 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.

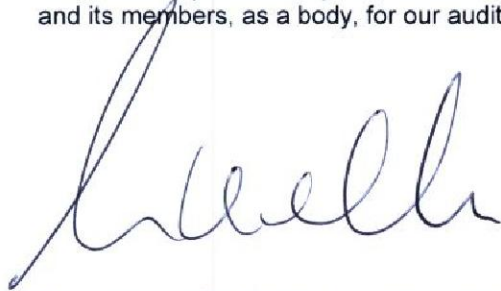
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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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.



David Wells FCA (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:

16 September 2018

WORLD FEDERATION OF NEUROLOGY
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	2	3,777	16,147	19,924	17,490
Other trading activities	3	-	135,057	135,057	132,793
Investments	4	4,052	41,684	45,736	41,310
Charitable activities	5	-	1,849,137	1,849,137	334,503
Total income		7,829	2,042,025	2,049,854	526,096
Expenditure on:					
Raising funds	6	-	11,642	11,642	11,387
Charitable activities	7,12	14,999	624,820	639,819	530,299
Total expenditure		14,999	636,462	651,461	541,686
Net income / (expenditure) before investment gains		(7,170)	1,405,563	1,398,393	(15,590)
Net gains on investments	16	-	93,736	93,736	177,749
Net income / (expenditure) before other recognised gains and losses		(7,170)	1,499,299	1,492,129	162,159
Net movement in funds		(7,170)	1,499,299	1,492,129	162,159
Reconciliation of funds:					
Total funds brought forward		264,309	2,718,873	2,983,182	2,821,023
Total funds carried forward		257,139	4,218,172	4,475,311	2,983,182

The notes on pages 16 to 33 form part of these financial statements.

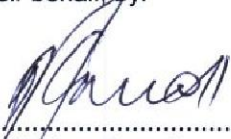
WORLD FEDERATION OF NEUROLOGY
(A company limited by guarantee and not having a share capital)
REGISTERED NUMBER: 03502244

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	15		4,572		3,467
Investments	16		2,339,173		1,910,040
			<u>2,343,745</u>		<u>1,913,507</u>
Current assets					
Stocks		1,031		1,031	
Debtors	17	1,767,593		1,045,578	
Cash at bank and in hand		448,136		150,751	
		<u>2,216,760</u>		<u>1,197,360</u>	
Creditors: amounts falling due within one year	18	(85,194)		(127,685)	
Net current assets			<u>2,131,566</u>		<u>1,069,675</u>
Net assets			<u><u>4,475,311</u></u>		<u><u>2,983,182</u></u>
Charity funds					
Restricted funds	19		257,139		264,309
Unrestricted funds	19		4,218,172		2,718,873
Total funds			<u><u>4,475,311</u></u>		<u><u>2,983,182</u></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 17 August 2018 and signed on their behalf, by:



Prof. William Carroll

The notes on pages 16 to 33 form part of these financial statements.

WORLD FEDERATION OF NEUROLOGY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	589,904	(574,761)
Cash flows from investing activities:			
Dividends and interest from investments		45,736	41,310
Proceeds from the sale of tangible fixed assets		320	-
Purchase of tangible fixed assets		(3,178)	-
Proceeds from sale of investments		69,700	69,119
Purchase of investments		(405,097)	(96,945)
Net cash (used in)/provided by investing activities		(292,519)	13,484
Change in cash and cash equivalents in the year		297,385	(561,277)
Cash and cash equivalents brought forward		150,751	712,028
Cash and cash equivalents carried forward	23	448,136	150,751

The notes on pages 16 to 33 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 2017**

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 2017

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 Donated goods

Donated goods, comprising journals given to the Federation by a publisher, are included in both incoming resources (see Note 2) and resources expended (see Note 8) at a value equivalent to the cost that would have been charged thereby.

1.6 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.

1.7 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.

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.8 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

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.15 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.

1.16 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.

1.17 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.

1.18 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.

1.19 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 £55,513 during the year ended 31 December 2017 (2016 - £50,159) and were made to 8 (2016 - 8) of the trustees and persons co-opted to the board.

1.20 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.

1.21 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 2017**

2. Income from donations and legacies

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	3,777	16,147	19,924	17,490
Total 2016	15,399	2,091	17,490	

3. Income from other trading activities

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
National membership dues	-	135,057	135,057	132,793
	-	135,057	135,057	132,793
Total 2016	-	132,793	132,793	

4. Investment income

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from listed investments	3,211	33,029	36,240	32,748
Bank and other interest	841	8,655	9,496	8,562
	4,052	41,684	45,736	41,310
Total 2016	3,417	37,893	41,310	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Income from charitable activities

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Share of surplus from the XXIII World Congress of Neurology	-	1,435,887	1,435,887	-
Share of surplus from ICNMD conference	-	-	-	21,608
Royalties receivable	-	361,020	361,020	312,895
Subtotal	-	1,796,907	1,796,907	334,503
Other income from charitable activities	-	52,230	52,230	-
	-	1,849,137	1,849,137	334,503
Total 2016	-	334,502	334,502	

6. Investment management costs

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Commission and independent financial adviser's fees and expenses	-	11,642	11,642	11,387
Total 2016	-	11,387	11,387	

7. Analysis of expenditure by activities

	Activities undertaken directly (Note 9) 2017 £	Grant funding of activities (Note 10,11) 2017 £	Support costs (Note 12) 2017 £	Total 2017 £	Total 2016 £
Charitable activities	229,097	94,415	256,294	579,806	476,755
Total 2016	172,258	23,443	281,054	476,755	

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

	Total 2017 £	Total 2016 £
Africa Project costs	8,818	-
Publishing costs	53,849	53,347
Website and computer costs	21,437	23,684
COD and standing committees (including meetings, travel and CME costs)	61,015	86,774
WCN presidential reception	52,230	-
Regional initiatives	31,748	8,453
	<u>229,097</u>	<u>172,258</u>
Total 2016	<u>172,258</u>	

9. Grant to individuals

Name of grant	Number	Total 2017 £	Number	Total 2016 £
Junior Travelling Fellowships (JTFs)	29	28,945	28	29,000
WFN medal awards	2	7,652	-	-
Zika working group	-	-	1	24,319
Other awards	4	2,291	-	-
Total unrestricted grants	<u>35</u>	<u>38,888</u>	<u>29</u>	<u>53,319</u>
Soriano Lecture award	1	3,706	-	-
Victor and Clara Soriano award	1	3,826	-	-
Total restricted grants	<u>2</u>	<u>7,532</u>	<u>-</u>	<u>-</u>
Total grants to individuals	<u>37</u>	<u>46,420</u>	<u>29</u>	<u>53,319</u>

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Grant to institutions

Name of institution	Grant description	2017 £	2016 £
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	-
Mohamed-V University, Rabat, Morocco	Grant for Teaching centre	7,693	-
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	-
Universite Cheikh Anta Diop de Dakar	Grant for Teaching centre	4,142	-
Dayanand Medical College, Punjab	Impact of epilepsy on arranged marriages in South Asia	-	7,756
Indian Academy of Neurology	Training accredited social health activist to assist in stroke prevention in rural communities	-	6,080
Institute of Human Behaviour and Allied Sciences, India	Returned unexpended grant	(1,517)	(6,590)
Michigan State University	Research on Assessments of Vitamin B12 and evaluation of neurological symptoms in Zambia	-	9,912
University of Nairobi	Returned unexpended grant	-	(31,496)
Other grants written off	Previous grants awarded not to be paid	-	(15,538)
		47,994	(29,876)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Support costs

	Total 2017 £	Total 2016 £
Website and computer costs	14,561	16,258
Secretarial and office expenses	28,668	30,486
Plaques and medals	6,597	-
Insurance	1,195	1,204
Bank charges	2,364	3,352
Loss on disposal of assets	180	-
(Gain)/Loss on exchange	7,960	(16,244)
Office rent and services	49,137	45,694
Accountancy charges	3,395	2,554
PR and advertising	12,907	9,660
Wages and salaries	108,883	160,811
National insurance	9,402	11,852
Pension costs	9,472	13,823
Depreciation	1,573	1,603
	<u>256,294</u>	<u>281,053</u>
Total 2016		<u>281,053</u>

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

12. Governance costs

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Governance Auditors' remuneration	-	4,500	4,500	3,386
Trustees' meeting and other expenses	-	29,312	29,312	45,351
President's expenses	-	26,201	26,201	4,808
	<u>-</u>	<u>60,013</u>	<u>60,013</u>	<u>53,545</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Net incoming resources

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the Federation	1,573	1,602
Auditors' remuneration - audit	4,501	3,386
Pension costs	13,823	13,823
	<u>13,823</u>	<u>13,823</u>

During the year, no trustees received any remuneration (2016 - the same).

During the year, no trustees received any benefits in kind (2016 - the same).

14. Staff costs and other information

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	108,883	160,811
Social security costs	9,402	11,852
Pension costs	9,472	13,823
	<u>127,757</u>	<u>186,486</u>

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

	2017 No.	2016 No.
Administrative staff (full-time)	2	3

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

During the year no members of key management personnel received redundancy payments (2016 - one, £35,433).

During the year, contributions made by the Federation to the personal pension plans of higher paid employees totalled £6,011 (2016 - £6,625).

The key management personnel of the Federation comprise the Management Director (2016 - Executive Director and Management Director). The total employee benefits of these 1 (2016 - 2) key management personnel were £81,074 (2016 - £157,655), including employer national insurance and pension contribution costs.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

15. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 January 2017	11,979
Additions	3,178
Disposals	(1,249)
	<u>13,908</u>
At 31 December 2017	<u>13,908</u>
Depreciation	
At 1 January 2017	8,512
Charge for the year	1,573
On disposals	(749)
	<u>9,336</u>
At 31 December 2017	<u>9,336</u>
Net book value	
At 31 December 2017	<u>4,572</u>
At 31 December 2016	<u>3,467</u>

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 2017	1,910,040
Additions at cost	405,097
Disposals at market value, 1 January 2017	(68,811)
Revaluations at 31 December 2017	92,847
	<u>2,339,173</u>
At 31 December 2017	<u>2,339,173</u>
Historical cost	<u>2,015,449</u>

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

16. Fixed asset investments (continued)

Investments at market value comprise:

	2017 £	2016 £
Listed investments	<u>2,339,173</u>	<u>1,910,039</u>

All the fixed asset investments are held in the UK

Material investments

	31 December 2017 £	31 December 2016 £
Dimensional Funds ICVC		
- Emerging Markets Core Equity Fund Income Shares	146,997	121,001
Dimensional Funds ICVC		
- Global Short Bond Fund Income Shares	614,183	476,915
Dimensional Funds ICVC		
- UK Smaller Companies Fund Income Shares	130,318	91,342
Dimensional Funds ICVC - UK Value Fund Income Shares	130,241	141,010
Legal & General All Stocks Index Linked Gilt Index Trust		
- Income Units	138,919	121,744
Legal & General UK Index Trust - 'I' Income Units	192,541	152,775
Dimensional Funds Plc		
- Global Short Term Investment Grade Fixed GBP Income Shares	609,731	475,791
Dimensional Funds Plc		
- Global Sustainable Core Equity GBP Income Shares	318,149	271,166
Dimensional Funds Plc		
- Global Targeted Value Income Shares	58,094	58,295
	<u>2,339,173</u>	<u>1,910,039</u>

17. Debtors

	2017 £	2016 £
Other debtors	550,018	850,896
Prepayments and accrued income	1,217,575	194,682
	<u>1,767,593</u>	<u>1,045,578</u>

As at 31 December 2017, £543,926 (2016 - £837,770) 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 2017**

18. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	3,285	2,434
Other creditors	63,423	88,085
Accruals and deferred income	18,486	37,166
	<u>85,194</u>	<u>127,685</u>

19. Statement of funds

Statement of funds - current year

	Brought forward £	Income £	Resources expended £	Gains £	Balance at 31 December 2017 £
Designated funds					
Designated Funds - Africa Initiative fund	33,978	16,668	(24,280)	-	26,366
Prof. Theodore Munsat fund	2,699	41	-	-	2,740
	<u>36,677</u>	<u>16,709</u>	<u>(24,280)</u>	<u>-</u>	<u>29,106</u>
General funds					
General Funds	2,682,195	2,025,316	(612,182)	93,736	4,189,065
Other General funds	1	-	-	-	1
	<u>2,682,196</u>	<u>2,025,316</u>	<u>(612,182)</u>	<u>93,736</u>	<u>4,189,066</u>
Total unrestricted funds	<u>2,718,873</u>	<u>2,042,025</u>	<u>(636,462)</u>	<u>93,736</u>	<u>4,218,172</u>
Restricted funds					
Research Committee 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 funds	<u>2,983,182</u>	<u>2,049,854</u>	<u>(651,461)</u>	<u>93,736</u>	<u>4,475,311</u>

WORLD FEDERATION OF NEUROLOGY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

19. 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2016 £	Income £	Resources expended £	Transfers in/out £	Gains £	Balance at 31 December 2016 £
Designated funds						
Designated Funds - Africa Initiative fund	33,499	479	-	-	-	33,978
Prof. Theodore Munsat fund	2,209	490	-	-	-	2,699
General funds						
General fund	2,551,982	506,311	(541,687)	(12,160)	177,750	2,682,196
Total Unrestricted funds	2,587,690	507,280	(541,687)	(12,160)	177,750	2,718,873
Restricted funds						
Research Committee fund	34,070	499	-	-	-	34,569
Soriano Lectureship fund	4,172	61	-	-	-	4,233
Victor and Clara Soriano fund	191,821	2,809	-	-	-	194,630
Continuing Medical Education (CME) fund	3,270	48	-	-	-	3,318
Latin America Initiative fund	-	15,399	-	12,160	-	27,559
	233,333	18,816	-	12,160	-	264,309
Total of funds	2,821,023	526,096	(541,687)	-	177,750	2,983,182

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**NOTES TO THE FINANCIAL STATEMENTS
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Summary of funds - current year

	Brought forward £	Income £	Resources expended £	Gains £	Balance at 31 December 2017 £
Designated funds	36,677	16,709	(24,280)	-	29,106
General fund	2,682,196	2,025,316	(612,182)	93,736	4,189,066
	<u>2,718,873</u>	<u>2,042,025</u>	<u>(636,462)</u>	<u>93,736</u>	<u>4,218,172</u>
Restricted funds	264,309	7,829	(14,999)	-	257,139
	<u>2,983,182</u>	<u>2,049,854</u>	<u>(651,461)</u>	<u>93,736</u>	<u>4,475,311</u>

Summary of funds - prior year

	Balance at 1 January 2016 £	Income £	Resources expended £	Transfers in/out £	Gains £	Balance at 31 December 2016 £
Designated funds	35,708	969	-	-	-	36,677
General funds	2,551,982	506,311	(541,687)	(12,160)	177,750	2,682,196
	<u>2,587,690</u>	<u>507,280</u>	<u>(541,687)</u>	<u>(12,160)</u>	<u>177,750</u>	<u>2,718,873</u>
Restricted funds	233,333	18,816	-	12,160	-	264,309
	<u>2,821,023</u>	<u>526,096</u>	<u>(541,687)</u>	<u>-</u>	<u>177,750</u>	<u>2,983,182</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current 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>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	3,467	3,467
Fixed asset investments	-	1,910,039	1,910,039
Current assets	264,309	933,052	1,197,361
Creditors due within one year	-	(127,685)	(127,685)
	<u>264,309</u>	<u>2,718,873</u>	<u>2,983,182</u>

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

	2017 £	2016 £
Unrealised gains at 1 January 2017	245,337	76,987
Net unrealised gains brought forward realised during the year	(14,460)	(2,101)
Unrealised (losses)/gains on revaluation at 31 December 2017 (see Note 16)	92,847	170,451
Unrealised gains at 31 December 2017	<u>323,724</u>	<u>245,337</u>

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	1,492,129	162,159
Adjustment for:		
Depreciation charges	1,572	1,602
(Gains)/losses on investments	(93,736)	(177,750)
Dividends and interest from investments	(45,736)	(41,310)
Loss on the sale of fixed assets	180	-
Increase in debtors	(722,014)	(490,730)
Decrease in creditors	(42,491)	(28,732)
Net cash provided by/(used in) operating activities	<u>589,904</u>	<u>(574,761)</u>

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23. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	448,136	150,751
Total	<u>448,136</u>	<u>150,751</u>

24. Pension commitments

Included within Accruals and deferred income (please see Note 18 Creditors: Amounts falling due within one year) is £Nil (2016 - £Nil) relating to pension contributions payable into defined contribution schemes as at 31 December 2017.

25. Operating lease commitments

At 31 December 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	42,352	23,480
Between 1 and 5 years	3,850	-
Total	<u>46,202</u>	<u>23,480</u>

Lease payments recognised as an expense in the SOFA total £40,251 (2016 - £38,922).

26. 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.

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**DETAILED ANALYSIS OF MOVEMENT IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
Incoming resources		
Donations	19,924	17,490
National membership dues	135,057	132,793
Income from listed investments	45,695	41,310
Bank and other interest	41	-
Share of surplus arising from WCN	1,488,117	-
Royalties receivable	361,020	312,895
Share of ICNMD surplus	-	21,608
Total Incoming resources	2,049,854	526,096
Less: Resources expended		
Commission and IFA's fees / expenses	11,642	11,387
Africa Project costs	8,818	-
Publishing costs	53,849	53,347
Website and computer costs	35,998	39,942
COD and standing committees	61,015	86,774
Regional initiatives	31,747	8,453
WCN presidential reception	52,230	-
Grants to individuals	46,421	53,319
Grants to institutions	47,994	(29,876)
Secretarial and office expenses	28,668	30,485
Plaques and medals	6,597	-
Insurance	1,195	1,204
Bank charges	2,364	3,352
(Gain)/Loss on exchange	7,960	(16,244)
Office rent	49,137	45,695
Accountancy charges	3,395	2,554
PR and advertising	12,907	9,660
Wages and salaries	108,883	160,811
National insurance	9,402	11,852
Pension costs	9,472	13,823
Depreciation	1,573	1,603
President's expenses	26,201	4,808
Trustees' meeting and other expenses	29,312	45,352
Auditors' remuneration	4,501	3,386
Loss on disposal of assets	180	-
Total Resources expended	651,461	541,687
Net expenditure from charitable resources	1,398,393	(15,591)

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DETAILED ANALYSIS OF MOVEMENT IN FUNDS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Net expenditure from charitable resources (brought forward)	1,398,393	(15,591)
Gains on disposals of investments	889	7,304
Gains/(Losses) on revaluations of investments	92,847	170,445
Total investment gains	93,736	177,749
Net income for the year	1,492,129	162,158