

Dry July Foundation

Financial Statements

For the Eighteen Months Ended 31 December 2016

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Financial Statements
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Dry July Foundation

Directors' Report For the Eighteen Months Ended 31 December 2016

The directors present their report on Dry July Foundation (the "Foundation") for the financial period ended 31 December 2016. During the financial period, the Foundation changed its financial reporting date from 30 June to 31 December. This report covers the period from 1 July 2015 to 31 December 2016.

General information

Directors

The names of the directors of Dry July Limited, the Trustee Company of the Foundation, at any time during, or since the end of the financial period are:

Names	Position
Mr. B. Macdonald	Executive Director
Mr. P. Grove	Non Executive Director
Mr. I. Elliot	Chairman, Non Executive Director
Mr. G. Dennis	Non Executive Director
Mr. S. Abraham	Non Executive Director
Mr. K. McGilvary	Non Executive Director

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

Principal activities

The principal activity of Dry July Foundation during the financial period was fundraising and charitable donations to Australian cancer services.

Dry July Foundation is the sole beneficiary of Clear Heads International Limited as Trustee for Clear Heads Foundation, which delivers fundraising services in other jurisdictions and also assists Dry July Foundation in delivering its local campaign.

Information on directors of the Trustee Company

Mr. B. Macdonald	Executive Director BA (Hons) Graphic Design (University of the West of England) Graduate, Australian Institute of Company Directors
Mr. P. Grove	Non Executive Director Bsc (Hons) Electronic Imaging and Media Communication (University of Bradford, UK) Graduate, Australian Institute of Company Directors
Mr. I. Elliot	Chairman, Non Executive Director Australian Institute of Company Directors
Mr. G. Dennis	Non Executive Director Partner, HWL Ebsworth Bachelor of Laws (Sydney University) Bachelor of Arts (Sydney University) Admitted as a solicitor in NSW, VIC and NZ

Dry July Foundation

Directors' Report For the Eighteen Months Ended 31 December 2016

Mr. S. Abraham

Non Executive Director

B. Bus - Accounting (Charles Sturt University)
Fellow, Institute of Chartered Accountants of Australia
Registered Tax Agent
Director and Owner of ABR Virtus Chartered Accountants, Canberra

Mr. K. McGilvary

Non Executive Director

MA (Hons) Management (St Andrews University)
Chartered Institute of Marketing Advanced Certificate
Member, Australian Institute of Management

Company secretary

The following person held the position of Company Secretary for the Trustee Company at the end of the reporting period:

Mr. S. Bardwell

Company Secretary since 26 March 2015

Company Secretary Salmat Limited
Bachelor of Business - Charles Sturt University
Fellow of CPA Australia
Fellow of Corporate Governance Australia

Review of operations

The operating deficit of the Foundation for the eighteen months ended 31 December 2016, amounted to \$ 474,508 (year ended 30 June 2015: Surplus of \$ 46,518).

Events after the reporting date

No matters or circumstances have arisen since the end of the financial reporting period which significantly affected or may significantly affect the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in future financial years.

Future developments

Likely developments in the operations of the Foundation and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Foundation.

Meetings of directors

During the financial reporting period, 12 meetings of directors of the Trustee Company of the Foundation were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr. B. Macdonald	12	12
Mr. P. Grove	12	7
Mr. I. Elliot	12	10
Mr. G. Dennis	12	8
Mr. S. Abraham	12	11
Mr. K. McGilvary	12	9
Mr. S. Bardwell	12	11

Dry July Foundation

Directors' Report For the Eighteen Months Ended 31 December 2016

Auditor's independence declaration

The lead auditor's independence declaration for the eighteen months ended 31 December 2016 has been received and can be found on page 4 of the financial report.

Remuneration Report

No remuneration or benefits were paid or attributed to any director or non-executive director during the period of this report except as disclosed in Note 10 to the financial statements.

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

Director:


Director:


Dated this 14 day of June 2017

Auditor's Independence Declaration To the Directors of the Trustee Company of Dry July Foundation

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of the Trustee Company of Dry July Foundation.

As lead audit partner for the audit of the financial report for the period ended 31 December 2016, I declare that, to the best of my knowledge and belief, during eighteen months ended 31 December 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF
Chartered Accountants

MARTIN MATTHEWS
Partner

Newcastle West, NSW 2302

Dated: 14 June 2017

Dry July Foundation

Independent Audit Report

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dry July Limited (the Foundation), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Foundation is in accordance with the *ACNC Act 2012*, including:

- (i) giving a true and fair view of the Foundation's financial position as at 31 December 2016 and of its financial performance and cash flows for the period ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Auditor's opinion pursuant to the Charitable Fundraising (NSW) Act 1991

In our opinion:

- (i) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the period ended 31 December 2016;
- (ii) the financial report has been properly drawn up, and the associated records have been properly kept for the period ended on 31 December 2016 in accordance with the *Charitable Fundraising (NSW) Act 1991 and Regulations*;
- (iii) money received as a result of fundraising appeal activities conducted during the period ended 31 December 2016 has been properly accounted for and applied in accordance with the *Charitable Fundraising (NSW) ACT 1991 and Regulations*; and
- (iv) there are reasonable grounds to believe that Dry July Foundation will be able to pay its debts as and when they fall due.

Basis for Accounting

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

Auditor's Independence Declaration To the Directors of the Trustee Company of Dry July Foundation

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Foundation in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

The directors of the Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *ACNC Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Foundation'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 directors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Australian Auditing Standards 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 the financial report.



PKF
Chartered Accountants

Newcastle West, NSW 2302

Dated: 14 June 2017



MARTIN MATTHEWS
Partner

Dry July Foundation


Directors' of the Trustee Company's Declaration

The directors have determined that the Foundation is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Trustee Company declare that:

1. The financial statements and notes, as set out on page 8 to 22, are in accordance with the ACNC Act 2012 and:
 - (a) comply with Australian Accounting Standards as stated in Note 2; and
 - (b) give a true and fair view of the financial position as at 31 December 2016 and of the performance for the eighteen month period ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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

Director


Director


Dated this ^{14th} day of June 2017

Dry July Foundation

Statement of Profit or Loss and Other Comprehensive Income For the Eighteen Months Ended 31 December 2016

		18 Months Ended 31 December 2016	12 Months Ended 30 June 2015
	Note	\$	\$
Revenue	4	7,017,932	4,033,924
Other income	4	1,584,582	1,087,900
Marketing expenses	4	(1,689,348)	(738,326)
Administrative expenses		(769,273)	(624,030)
Grants and donations to Charitable Beneficiaries	4	(6,557,736)	(3,257,178)
Depreciation		(11,107)	(3,999)
Employee Expenses		-	(422,306)
Other expenses		(6,357)	(3,199)
Finance and merchant costs		(43,201)	(26,268)
(Deficit) / surplus before income tax		(474,508)	46,518
Income tax expense		-	-
(Deficit) / surplus after income tax expense		(474,508)	46,518
Other comprehensive income		-	-
Total comprehensive income		(474,508)	46,518

The accompanying notes form part of these financial statements.

Dry July Foundation

Statement of Financial Position As At 31 December 2016

		31 December 2016	30 June 2015
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,810,320	1,986,994
Trade and other receivables	6	188,781	696,207
Other assets	7	11,321	-
TOTAL CURRENT ASSETS		<u>2,010,422</u>	<u>2,683,201</u>
NON-CURRENT ASSETS			
Trade and other receivables	6	173,513	521,096
Plant and equipment	8	53,807	12,914
TOTAL NON-CURRENT ASSETS		<u>227,320</u>	<u>534,010</u>
TOTAL ASSETS		<u>2,237,742</u>	<u>3,217,211</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	7,695	512,656
TOTAL CURRENT LIABILITIES		<u>7,695</u>	<u>512,656</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>7,695</u>	<u>512,656</u>
NET ASSETS		<u>2,230,047</u>	<u>2,704,555</u>
EQUITY			
Retained earnings		<u>2,230,047</u>	<u>2,704,555</u>
TOTAL EQUITY		<u>2,230,047</u>	<u>2,704,555</u>

The accompanying notes form part of these financial statements.

Dry July Foundation

Statement of Changes in Equity For the Eighteen Months Ended 31 December 2016

2016

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2015	2,704,555	2,704,555
Deficit for the eighteen months	(474,508)	(474,508)
Balance at 31 December 2016	2,230,047	2,230,047

2015

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2014	2,658,037	2,658,037
Surplus for the year	46,518	46,518
Balance at 30 June 2015	2,704,555	2,704,555

The accompanying notes form part of these financial statements.

Dry July Foundation

Statement of Cash Flows For the Eighteen Months Ended 31 December 2016

	18 Months Ended 31 December 2016	12 Months Ended 30 June 2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	7,262,631	4,551,383
Payments to suppliers and employees	(7,695,643)	(4,347,753)
Interest received	95,734	51,130
Net cash (used in) / provided by operating activities	12 (337,278)	254,760
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(52,000)	(4,598)
Net cash used by investing activities	(52,000)	(4,598)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from repayment of loans	212,604	66,550
Net cash provided by financing activities	212,604	66,550
Net (decrease) / increase in cash and cash equivalents held	(176,674)	316,712
Cash and cash equivalents at beginning of period	1,986,994	1,670,282
Cash and cash equivalents at end of financial period	5 1,810,320	1,986,994

The accompanying notes form part of these financial statements.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

The financial report covers Dry July Foundation as an individual entity. Dry July Foundation is a trust settled in Australia.

During the financial period, the Foundation changed its financial reporting balance date from 30 June to 31 December. Accordingly, the financial report covers the financial period from 1 July 2015 to 31 December 2016.

The functional and presentation currency of Dry July Foundation is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *ACNC Act 2012*.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

(a) Income Tax

As a Trust, the Foundation is exempt from income tax.

(b) Leases

(i) Finance leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the trust are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(ii) Operating leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

2 Summary of Significant Accounting Policies (cont'd)

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the trust and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Donations received are credited to income in the period in which they are received. In respect of pledges committed, income is recognised when the pledge is received.

Revenue from the sale of merchandise is recognised when the trust has transferred the risks and rewards to the customer and there is no longer any ownership or effective control over the goods.

In kind donations including professional pro bono services that can be reasonably valued are brought to account as revenue when the benefit of the service or control of the asset transfers to the trust.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the trust and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Rental revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Other income is recognised on an accruals basis when the Trust is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

(e) Property, plant and equipment

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment are measured using the cost model.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

2 Summary of Significant Accounting Policies (cont'd)

(e) Property, plant and equipment (cont'd)

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the trust, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Office and Computer Equipment	25%
Web Development	20%

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the trust becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. The trust's trade and other receivables fall into this category of financial instruments.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

Discounting is omitted where the effect of discounting is considered immaterial. Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default. The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the trust's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The trusts's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the trust assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

2 Summary of Significant Accounting Policies (cont'd)

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(h) Finance costs

Finance costs comprise commissions, transaction fees and charges and are recognised in profit and loss when they are incurred.

(i) Adoption of new and revised accounting standards

During the current half year, the trust adopted all new and revised accounting standards. There was no material change in recognition and measurement of assets, liabilities, income and expenses as a result of the adoption of these standards.

(j) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The trust has decided against early adoption of these Standards. The following summarises those future requirements, and their impact on the trust:

AASB 9 Financial Instruments – Classification and Measurement (applicable for annual reporting periods beginning on or after 1 January 2018). AASB 9 introduces new requirements for classifying and measuring financial assets, and new requirements apply where an entity chooses to measure a liability at fair value through profit or loss – in these cases, the portion of the change in fair value related to changes in the entity's own credit risk is presented in other comprehensive income rather than within profit or loss.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

2 Summary of Significant Accounting Policies (cont'd)

(j) New Accounting Standards and Interpretations (cont'd)

AASB 15 Revenue from Contracts with Customers, (applicable for annual reporting periods beginning on or after 1 January 2018). The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

AASB 16 Leases (applicable for annual reporting periods beginning on or after 1 January 2019). The AASB has issued a new standard for the recognition of leases. This will replace AASB 117 and some lease-related interpretations. AASB 16 introduces new requirements for accounting for leases "on balance sheet" by lessees, including new disclosure requirements.

The Trust does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the trust's financial statements.

3 Critical Accounting Estimates & Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

	18 Months Ended 31 December 2016 \$	12 Months Ended 30 June 2015 \$
4 Significant Items of Revenue & Expense		
The following significant revenue and expense items are relevant in explaining the financial performance of the Foundation:		
Revenue		
Donations	6,997,140	4,015,756
Merchandise	20,792	18,168
	<u>7,017,932</u>	<u>4,033,924</u>
Other Income		
Rental income	31,799	27,212
Sponsorship	107,270	-
Web cover fees	47,476	-
Distribution income	12,643	600,884
In - kind donations received	1,269,228	349,864
Interest income	103,307	109,940
Sundry income	12,859	-
	<u>1,584,582</u>	<u>1,087,900</u>
Marketing expenses (i)	1,689,348	738,326
Grants and donations to Charitable Beneficiaries	<u>6,557,736</u>	<u>3,257,178</u>
(i) Included within marketing expense for the eighteen months was \$1,269,228 of in-kind expenditure (12 months to 30 June 2015: \$349,864).		
	<u>31 December 2016</u>	<u>30 June 2015</u>
5 Cash and cash equivalents -		
Cash at bank and in hand	<u>1,810,320</u>	<u>1,986,994</u>
6 Trade and other receivables		
CURRENT		
Pledges receivables	5,500	89,463
Receivable from Dry July NZ Trust	2,263	1,542
GST receivable	18,375	11,577
Distribution receivable from Clear Heads Trust	12,643	593,506
Loan to Clear Heads Trust	150,000	-
Other Receivables	-	119
Total current trade and other receivables	<u>188,781</u>	<u>696,207</u>
NON-CURRENT		
Loan to Clear Heads Trust	<u>173,513</u>	<u>521,096</u>
Total non-current trade and other receivables	<u>173,513</u>	<u>521,096</u>

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

	31 December 2016	30 June 2015
7 Other assets		
Total non-current trade and other receivables	11,321	-
8 Property, plant and equipment		
Plant and equipment		
At cost	75,824	23,824
Accumulated depreciation	(22,017)	(10,910)
Total plant and equipment	53,807	12,914
9 Trade and other payables		
CURRENT		
Trade payables	942	70,573
Superannuation Payable	-	263
Accrued expenses	5,500	439,479
Other payables	70	-
Sundry payables	1,183	2,340
	7,695	512,655
	18 Months Ended 31 December 2016 \$	12 Months Ended 30 June 2015 \$
10 Key Management Personnel Disclosures		
The totals of remuneration paid to the key management personnel of the Dry July Foundation during the period are as follows:		
Short-term employee benefits	-	-
Post-employment benefits	-	-
	-	-
11 Remuneration of Auditors		
Auditing the financial statements	12,500	7,500

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

	18 Months Ended 31 December 2016 \$	12 Months Ended 30 June 2015 \$
12 Cash Flow Information		
(a) Reconciliation of result for the period to cashflows from operating activities		
(Deficit) / surplus for the period	(474,508)	46,518
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in profit:		
- depreciation	11,107	4,000
Changes in assets and liabilities:		
- decrease in trade and other receivables	652,380	(176,756)
- increase in other assets	(21,298)	7,309
- increase in provisions	-	(26,634)
- (increase) decrease in trade and other payables	(504,959)	400,323
Cashflow from operations	<u>(337,278)</u>	<u>254,760</u>
(b) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	<u>1,810,320</u>	<u>1,986,994</u>

13 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the trust, the results of those operations, or the state of affairs of the trust in future financial years.

14 Contingent Assets & Liabilities

The Foundation does not have any known contingent liabilities as at 31 December 2016. The Foundation has a contingent asset as at 31 December 2016, representing distributions receivable from Clear Heads Trust. The amount of the distribution receivable by the Foundation will not be determined until the finalization of the results of the Clear Heads Trust for the financial year ended 30 June 2017.

15 Foundation Details

The registered office of and principal place of business of the Foundation is:
705/6A Glen Street
Milsons Point NSW 2061

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

16 Charitable Beneficiaries

The Charitable Beneficiaries of Dry July Foundation throughout the eighteen month period were as follows:

<u>State/Territory</u>	<u>Name</u>	<u>State/Territory</u>	<u>Name</u>
NSW	Blacktown Cancer and Haematology Foundation	VIC	St. Vincent's Hospital (Melbourne)
NSW	Calvary Mater Hospital, Newcastle	VIC	The Alfred
NSW	Camden and Campbelltown Hospitals	VIC	The Otis Foundation
NSW	Cancer Care Western NSW	VIC	Wimmera Health
NSW	Cancer Council NSW	QLD	Bundaberg Health Services Foundation
NSW	Central Coast Local Health District	QLD	Cancer Council Queensland
NSW	Chris O'Brien Lifehouse	QLD	Far North Queensland Hospital Foundation
NSW	Concord Cancer Centre	QLD	Gold Coast Hospital Foundation
NSW	Coonabarabran Hospital	QLD	Mater Foundation
NSW	Lismore Hospital	QLD	Princess Alexandra Hospital
NSW	Liverpool Cancer Therapy Centre	QLD	Townsville Hospital
NSW	Moruya District Hospital	ACT	The Canberra Hospital
NSW	Nepean Cancer Centre	WA	Albany Hospital
NSW	Nordoff Robbins Music Therapy	WA	Bruce Rock Memorial Health Services
NSW	North West Cancer Centre (Tamworth)	WA	Cancer Council Western Australia
NSW	Prince of Wales Hospital Foundation	WA	Cancer Support WA
NSW	Prostate and Breast Cancer Foundation	WA	Country Health Goldfields
NSW	Royal North Shore Hospital	WA	Fiona Stanley Hospital
NSW	St George and Sutherland Hospitals	WA	Geraldton Hospital
NSW	St Vincent's Hospital Sydney	WA	Leukaemia Foundation
NSW	The Crown Princess Mary Cancer Centre, Westmead Hospital	WA	SolarisCare Cancer Support Centres
NSW	Wollongong Hospital	NT	Cancer Council Northern Territory
VIC	Andrew Love Cancer Centre Geelong	NT	Royal Darwin Hospital
VIC	Ballarat Health Services Foundation	TAS	Burnie Hospital
VIC	Barwon Health Foundation	TAS	Cancer Council Tasmania
VIC	Bendigo Health	TAS	Launceston General Hospital
		TAS	Spurr wing incorporated
VIC	Cancer Council Victoria	SA	Cancer Care Centre South Australia
VIC	Fight Cancer Foundation	SA	Cancer Council South Australia
VIC	Olivia Newton John Cancer & Wellness Centre	SA	Finders Medical Centre Foundation
VIC	Peninsula Health Foundation	SA	The Hospital Research Foundation
VIC	Royal Melbourne Hospital		

Dry July Foundation

Notes to the Financial Statements For the Eighteen Months Ended 31 December 2016

17 Additional Disclosures Required By The Charitable Fundraising Act 1991 and The Charitable Fundraising Regulations 2015

(a) Details of Aggregate Gross Income and Total Expenses of Fundraising Appeals

	18 months ending 31 December 2016 \$	12 months ending 30 June 2015 \$
Donations received (excluding in-kind donations of \$1,269,228 (12 months to 30 June 2015: \$349,864))	6,997,140	4,015,756
Merchandise	20,792	18,168
	7,017,932	4,033,924
Less cost of fundraising appeals	(43,201)	(26,268)
Net surplus from fundraising appeals	6,974,731	4,007,656

Statement showing how funds received were applied to charitable purposes

Grants and donations to Charitable Beneficiaries	(6,557,736)	(3,257,178)
Administration costs (excluding in-kind expenditure of \$1,269,228 (12 months to 30 June 2015: \$ 349,864))	(1,206,857)	(1,441,996)
Total expenditure on direct and indirect services	(7,764,593)	(4,699,174)

Accounting Principles and Methods Adopted in the Financial Statements

The accounting principles and methods adopted in the preparation of the financial statements are set out in Note 2 of Financial Statements.

Fundraising appeals conducted during the financial period

	\$	%
18 Months to 31 December 2016		
Total cost of services/total income derived (i)	1,206,857 / 7,333,286	16.46

- (i) The Dry July Foundation fundraising campaign conducted during the 2016 calendar year raised a total of \$3.7m. The amount committed to our beneficiaries was \$2.9m (80% of the total funds raised) which is distributed at their request. Due to the current financial period comprising the entire 2016 campaign and the majority of the 2015 campaign, the ratios above do not reflect the actual donation/expense ratio of the Dry July Foundation which is calculated on a campaign basis. Excluded from total income derived was the in-kind donations of \$1,269,228 (June 2016: \$664,905).

	\$	%
12 Months to 30 June 2015		
Total cost of services/total income derived	1,441,996 / 4,771,960	30.22

Dry July Foundation

Charitable Fundraising Act Declaration

I, Brett Macdonald, Executive Director of Dry July Limited, declare that in my opinion:

- (a) the Financial Statements and notes thereto give a true and fair view of all income and expenditure of Dry July Limited with respect to fundraising appeals and merchandising;
- (b) the Statement of Financial Position, Statement of Comprehensive Income, and notices thereto give a true and fair view of the state of affairs with respect to fundraising appeals and merchandising sales;
- (c) the provision of the *Charitable Fundraising Act 1991* and its regulations, *Charitable Collections Act 1946* and *Charitable Collections Regulations 1947* have been complied with; and
- (d) the internal controls exercised by Dry July Limited are appropriate and effective in accounting for all income received.

Director.....

Dated this..........day of June 2017