

# **Dry July Limited as Trustee for the Dry July Foundation**

**Financial Statements**

**For the Year Ended 30 June 2015**

**Dry July Limited as Trustee for the Dry July Foundation  
For the Year Ended 30 June 2015**

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## Dry July Limited as Trustee for the Dry July Foundation

### Directors' Report 30 June 2015

The directors present their report on Dry July Limited ("the Company") as Trustee for the Dry July Foundation for the financial year ended 30 June 2015.

#### General information

##### Directors

The names of the directors in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Mr. B. Macdonald	Executive Director	
Mr. P. Grove	Non Executive Director	
Mr. I. Elliot	Chairman, Non Executive Director	Appointed 17 February 2015
Mr. G. Dennis	Non Executive Director	
Mr. S. Abraham	Non Executive Director	
Mr. K. McGilvary	Non Executive Director	
Ms. J. Jeffrey	Non Executive Director	Resigned 1 January 2015

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

##### Principal activities

The principal activity of the Dry July Limited as Trustee for the Dry July Foundation during the financial year was fundraising and charitable donations to Australian cancer services.

Dry July Limited as Trustee for the Dry July Foundation has an associated company Clear Heads International Limited as Trustee for Clear Heads Trust, which delivers fundraising services in other jurisdictions. It also assists Dry July Limited as Trustee for the Dry July Foundation in delivering its local campaign.

Dry July Limited as Trustee for the Dry July Foundation is the sole beneficiary of Clear Heads International Limited as Trustee for Clear Heads Trust. The net proceeds of the principal activities from Clear Heads International Limited as Trustee for Clear Heads Trust is remitted in full to Dry July Limited as Trustee for the Dry July Foundation.

##### Information on directors

###### Mr. B. Macdonald

###### Executive Director

BA (Hons) Graphic Design (University of the West of England)  
Member, International Society of Typographic Designers  
Graduate Member, Australian Institute of Company Directors

###### Mr. P. Grove

###### Non Executive Director

Bsc (Hons) Electronic Imaging and Media Communication (University of Bradford, UK)  
Australian Institute of Company Directors

###### Mr. I. Elliot

###### Chairman, Non Executive Director

Australian Institute of Company Directors

###### Mr. G. Dennis

###### Non Executive Director

Partner, Clayton Utz  
Bachelor of Laws (Sydney University)  
Bachelor of Arts (Sydney University)  
Member, College of Law (Sydney)

## Dry July Limited as Trustee for the Dry July Foundation

### Directors' Report 30 June 2015

#### Information on directors continued

**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**

Director, Acumen Republic MA (Hens) Management  
Chartered Institute of Marketing Advanced Certificate  
Member, Australian Institute of Management

**Ms. J. Jeffrey**

**Non Executive Director**

Manager, Australian Customs and Border Protection Service  
Masters in Human Resource Management  
BA (Human Resource Management)

#### Review of operations

The operating surplus of the Company amounted to \$ NIL (2014: \$ NIL).

#### Events after the reporting date

Except for matters listed in Note 12, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

#### Future developments

Likely developments in the operations of the Company 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 Company.

#### Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

Stephen Bardell has been the Company Secretary since 26 March 2015.

Prior to this appointment, Brett Macdonald was the Company Secretary for the period 26 November 2014 to 26 March 2015. Prior to Mr Macdonald's appointment, Jaclyn Jeffrey was the Company secretary for the period 18 February 2009 to 26 November 2014.

Dry July Limited as Trustee for the Dry July Foundation

Directors' Report  
30 June 2015

Meetings of directors

During the financial year, 9 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr. B. Macdonald	9	9
Mr. P. Grove	9	7
Mr. I. Elliot	7	7
Mr. G. Dennis	9	9
Mr. S. Abraham	9	8
Mr. K. McGilvary	9	9
Ms. J. Jeffrey	3	1

Indemnification and insurance of officers and auditors

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to ensure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2015 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 9 to the financial statements.

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

Director

 - BRETT MACDONALD

Director

 - IAN ELLIOT

Dated this 23 day of 12 2015

## Auditor's Independence Declaration

### To the Directors of Dry July Limited as Trustee for the 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 Dry July Limited as Trustee for the Dry July Foundation.

As lead audit partner for the audit of the financial report for the period ended 30 June 2015, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *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

Newcastle, NSW

Dated: 23 December 2015



**MARTIN MATTHEWS**  
Partner

## Dry July Limited as Trustee for the Dry July Foundation

### Independent Audit Report

#### Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of the Company, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission ("ACNC") Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and for the accounting estimates inherent in the financial report.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

#### Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

#### Auditor's Opinion

In our opinion the financial report of Dry July Limited as Trustee for the Dry July Foundation is in accordance with the *ACNC Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 2, and the *Corporations Regulations 2001*.

Dry July Limited as Trustee for the Dry July Foundation



Independent Audit Report

**Audit opinion pursuant to the *Charitable Fundraising (NSW) Act 1991***

In our opinion:

- (a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the period ended 30 June 2015;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period ended on 30 June 2015 in accordance with the *Charitable Fundraising (NSW) Act 1991* and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period ended 30 June 2015 has been properly accounted for and applied in accordance with the *Charitable Fundraising (NSW) Act 1991* and Regulations; and
- (d) there are reasonable grounds to believe that Dry July Limited as Trustee for the Dry July Foundation will be able to pay its debts as and when they fall due.

**Basis of 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 ACNC Act 2012. As a result, the financial report may not be suitable for another purpose.

**PKF**  
Chartered Accountants

**MARTIN MATTHEWS**  
Partner

Newcastle, NSW

Dated: 23 December 2015



Dry July Limited as Trustee for the Dry July Foundation


Director's Declaration

The directors have determined that the Company 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 Company declare that:

1. The financial statements and notes, as set out on pages 8 to 21, 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 30 June 2015 and of the performance for the year 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 Company will be able to pay its debts as and when they become due and payable.

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

Director  - BRETT MACDONALD

Director  - IAN ELLIOT

Dated this 23 day of 12 2015

**Dry July Limited as Trustee for the Dry July Foundation**

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2015**

		2015	2014
		\$	\$
Revenue	4	4,033,924	4,441,468
Other income	4	1,087,900	1,258,759
Marketing expenses		(738,326)	(476,355)
Administrative expenses		(624,030)	(309,225)
Donation expense		(3,303,696)	(4,247,296)
Depreciation		(3,999)	(2,360)
Employee expenses		(422,306)	(629,594)
Other expenses		(3,199)	(1,992)
Finance and merchant costs		(26,268)	(33,405)
<b>Surplus before income tax</b>		-	-
Income tax expense		-	-
<b>Surplus after income tax expense</b>		-	-
Other comprehensive income		-	-
<b>Total comprehensive income</b>		-	-

**Dry July Limited as Trustee for the Dry July Foundation**

**Statement of Financial Position  
As at 30 June 2015**

	Note	2015 \$	2014 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,986,994	1,670,282
Trade and other receivables	6	696,206	519,450
Other assets		-	7,309
<b>TOTAL CURRENT ASSETS</b>		<b>2,683,200</b>	<b>2,197,041</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	6	521,096	587,646
Plant and equipment		12,914	12,315
<b>TOTAL NON-CURRENT ASSETS</b>		<b>534,010</b>	<b>599,961</b>
		<b>3,217,210</b>	<b>2,797,002</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	3,217,210	2,770,368
Provisions	8	-	26,634
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,217,210</b>	<b>2,797,002</b>
NON-CURRENT LIABILITIES			
<b>TOTAL LIABILITIES</b>		<b>3,217,210</b>	<b>2,797,002</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>
<b>EQUITY</b>			
Retained earnings		-	-
<b>TOTAL EQUITY</b>		<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

Dry July Limited as Trustee for the Dry July Foundation

Statement of Changes in Equity  
For the Year Ended 30 June 2015

2015

	Retained Earnings \$	Total \$
Balance at 1 July 2014	-	-
Surplus for the year	-	-
Balance at 30 June 2015	-	-

2014

	Retained Earnings \$	Total \$
Balance at 1 July 2013	-	-
Surplus for the year	-	-
Balance at 30 June 2014	-	-

The accompanying notes form part of these financial statements.

**Dry July Limited as Trustee for the Dry July Foundation**

**Statement of Cash Flows  
For the Year Ended 30 June 2015**

	2015	2014
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	4,465,939	4,227,817
Payments to suppliers and employees	(4,321,119)	(3,718,296)
Interest received	109,940	76,079
Net cash provided by/(used in) operating activities	11 <u>254,760</u>	<u>585,600</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	<u>(4,598)</u>	<u>(7,358)</u>
Net cash used by investing activities	<u>(4,598)</u>	<u>(7,358)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from repayment of loans	<u>66,550</u>	<u>760</u>
Net cash used by financing activities	<u>66,550</u>	<u>760</u>
Net increase/(decrease) in cash and cash equivalents held	316,712	579,002
	<u>1,670,282</u>	<u>1,091,280</u>
Cash and cash equivalents at end of financial year	5 <u><u>1,986,994</u></u>	<u><u>1,670,282</u></u>

## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

The financial report covers Dry July Limited as Trustee for the Dry July Foundation as an individual entity. Dry July Limited as Trustee for the Dry July Foundation is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Dry July Limited as Trustee for the Dry July Foundation is Australian dollars.

#### 1 Basis of Preparation

The directors have prepared the financial statements on the basis that the not-for-profit Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *ACNC Act 2012*.

This special purpose financial report has been prepared for the sole purpose of complying with the *ACNC Act 2012*, *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulation 1993* requirements to prepare and distribute a financial report to the members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the need of the members.

The financial statements have been prepared in accordance with the recognition and measurement criteria in the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated. The directors have determined these are appropriate to meet the needs of members.

#### 2 Summary of Significant Accounting Policies

##### (a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### (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 Company 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 Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 2 Summary of Significant Accounting Policies continued

##### (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 Company 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 Company 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 Company.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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 Company 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 Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 2 Summary of Significant Accounting Policies continued

##### (e) Property, Plant and Equipment continued

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, 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:

Plant and Equipment	25%
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##### (f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company 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 Company's trade and most other receivables fall into this category of financial instruments.

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.



## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 2 Summary of Significant Accounting Policies continued

##### *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 Company'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 Company'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 Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### **(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.

## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 2 Summary of Significant Accounting Policies continued

##### (h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

##### (i) Finance costs

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

##### (j) Adoption of new and revised accounting standards

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

##### (k) 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 Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

<b>Standard Name</b>	<b>Effective date for entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB 9 Financial Instruments	Annual reporting periods beginning on or after 1 January 2018	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to the derecognition of financial liabilities.	This standard is not expected to have a significant impact on the Company's financial statements.
AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation	Annual reporting periods beginning on or after 1 January 2016.	Changes to establishing the principle for the basis of depreciation and amortisation with reference to revenue-based methods.	This standard is not expected to have a significant impact on the Company's financial statements.

## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 3 Critical Accounting Estimates and Judgments

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

These estimates and judgments 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.

#### 4 Revenue and Other Income

The following significant revenue items are relevant in explaining the financial performance of the Company:

##### Revenue

- Donations	4,015,756	4,430,813
- Merchandise	18,168	10,655
	<u>4,033,924</u>	<u>4,441,468</u>

##### Other Income

License fee	-	500,000
Rental income	27,212	-
Distribution income	600,884	234,965
In - kind donations received	349,864	412,428
Interest income	109,940	111,366
	<u>1,087,900</u>	<u>1,258,759</u>

#### 5 Cash and cash equivalents

<u>1,986,994</u>	<u>1,670,282</u>
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#### 6 Trade and other receivables

##### CURRENT

Pledges receivable	89,463	227,608
Receivable from Dry July NZ Trust	1,542	(30)
GST receivable	11,577	-
Receivable from Clear Heads Trust	593,506	289,825
Other receivables	118	2,047
Total current trade and other receivables	<u>696,206</u>	<u>519,450</u>

##### NON-CURRENT

Loan to Clear Heads Trust	<u>521,096</u>	<u>587,646</u>
Total non-current trade and other receivables	<u>521,096</u>	<u>587,646</u>

**Dry July Limited as Trustee for the Dry July Foundation**

**Notes to the Financial Statements  
For the Year Ended 30 June 2015**

	2015	2014
	\$	\$
<b>7 Trade and other payables</b>		
CURRENT		
Trade payables	70,573	61,174
Superannuation payable	263	16,534
Accrued expenses	439,479	-
Donations payable to Dry July Foundation	2,704,555	2,658,037
Trade payables	2,340	-
GST payable	-	34,623
	3,217,210	2,770,368
<b>8 Employee Benefits</b>		
Current liabilities		
Employee entitlements	-	26,634
	-	26,634
<b>9 Key Management Personnel Disclosures</b>		
The totals of remuneration paid to the key management personnel of Dry July Limited as Trustee for the Dry July Foundation during the year are as follows:		
Short-term employee benefits	127,349	253,268
Post-employment benefits	12,098	23,426
	139,447	276,694
<b>10 Remuneration of Auditors</b>		
- Auditing the financial statements	7,500	-
	7,500	-
<b>11 Cash Flow Information</b>		
<b>(a) Reconciliation of result for the year to cashflows from operating activities</b>		
Profit for the year	-	-
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	3,999	2,360
- loss/gain on sale of plant and equipment	-	(379)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(203,390)	(1,038,765)
- (increase)/decrease in other assets	7,309	6,729
- increase/(decrease) in trade and other payables	446,842	1,599,996
- increase/(decrease) in provisions	-	15,659
Cashflow from operations	254,760	585,600

## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

	2015	2014
	\$	\$
<b>11 Cash Flow Information continued</b>		
<b>(b) Reconciliation of cash</b>		
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	1,986,994	1,670,282

#### 12 Events Occurring After the Reporting Date

Further donations of \$3.4m were received in July - October 2015 in respect of the Dry July promotion in July 2015.

#### 13 Company Details

The registered office and principal place of business of the company is:

705/6A Glen Street  
Milsons Point NSW 2061

#### 14 Charitable Beneficiaries

Dry July Foundation is the beneficiary of Dry July Limited.

NSW	Prince of Wales Hospital Foundation
NSW	Calvary Mater Hospital, Newcastle
NSW	Lismore Hospital
NSW	Royal North Shore Hospital
NSW	The Crown Princess Mary Cancer Centre, Westmead Hospital
NSW	Central Coast Local Health District
NSW	Nepean Cancer Centre
NSW	North West Cancer Centre (Tamworth)
NSW	Wollongong Hospital
NSW	Liverpool Cancer Therapy Centre
NSW	Camden and Campbelltown Hospitals
NSW	Concord Cancer Centre
NSW	Chris O'Brien Lifehouse
NSW	St. George and Sutherland Hospitals
NSW	Cancer Council NSW
VIC	Olivia Newton John Cancer & Wellness Centre

## Dry July Limited as Trustee for the Dry July Foundation

### Notes to the Financial Statements For the Year Ended 30 June 2015

#### 14 Charitable Beneficiaries continued

Dry July Foundation is the beneficiary of Dry July Limited. continued

VIC	Royal Melbourne Hospital
VIC	Ballarat Health Services Foundation
VIC	Bendigo Health
VIC	St. Vincent's Hospital (Melbourne)
VIC	The Alfred
VIC	Barwon Health Foundation
QLD	Cancer Council Queensland
QLD	Mater Foundation
QLD	Far North Queensland Hospital Foundation
QLD	Princess Alexandra Hospital
QLD	Townsville Hospital
ACT	The Canberra Hospital
WA	Cancer Council Western Australia
WA	Albany Hospital
WA	SolarisCare Cancer Support Centres
WA	Geraldton Hospital
WA	Cancer Support WA
WA	Fiona Stanley Hospital
NT	Royal Darwin Hospital
NT	Cancer Council Northern Territory
TAS	Cancer Council Tasmania
TAS	Launceston General Hospital
TAS	Spurr Wing Incorporated
SA	The Hospital Research Foundation
SA	Flinders Medical Centre Foundation

## Dry July Limited as Trustee for the Dry July Foundation

### 15 Additional Disclosures Required By The Charitable Fundraising Act 1991 and The Charitable Fundraising Regulations 1993

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

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Donations	4,616,641	4,665,778
Merchandise	18,168	10,655
	4,634,809	4,676,433
Less cost of fundraising appeals	(26,268)	(33,405)
Net surplus from fundraising appeals	4,608,541	4,643,028

#### Statement showing how funds received were applied to charitable purposes

Beneficiaries Dry July Foundation	(3,166,545)	(3,635,930)
Administration costs	(1,441,996)	(1,007,098)
Total expenditure on direct and indirect services	(4,608,541)	(4,643,028)

#### 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 the Notes to the Financial Statements.

#### Statement showing how funds received were applied to Charitable purposes

Net surplus from fundraising	4,608,541	4,643,028
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#### Fundraising appeals conducted during the financial period

Online donations and merchandising.  
Comparison by monetary figures and percentages.

	<b>\$</b>	<b>%</b>
<b>2015</b>		
Total cost of fundraising/gross income from fundraising	26,268 / 4,634,809	0.57
Net surplus from fundraising/gross income from fundraising	4,608,541 / 4,634,809	99.43
Total cost of services/total expenditure	1,441,996 / 1,468,264	98.21
Total cost of services/total income derived (i)	1,441,996 / 4,771,961	30.22

- (i) The Dry July Foundation fundraising campaign conducted during the 2014 calendar year raised a total of \$3.8m. The amount committed to our beneficiaries was \$3m (80% of the total funds raised) which is distributed at their request. Due to the financial year ending in the middle of our campaign, these ratios do not reflect the actual donation/expense ratio of the Dry July Foundation which we calculate on a campaign basis.

	<b>\$</b>	<b>%</b>
<b>2014</b>		
Total cost of fundraising/gross income from fundraising	33,405 / 4,676,433	0.71
Net surplus from fundraising/gross income from fundraising	4,643,028 / 4,676,433	99.29
Total cost of services/total expenditure	1,007,098 / 1,040,503	96.79
Total cost of services/total income derived	1,007,098 / 5,287,799	19.05

**Dry July Limited as Trustee for the 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 23 day of 12 2015