

# DRY JULY<sup>®</sup>

Clear your head, make a difference<sup>®</sup>

**ANNUAL REPORT 2009**

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This annual report covers the financials from 19th February 2009 (company inauguration) to end of financial year 2009 (30th June 2009).

## MISSION / VISION

Dry July's mission is to directly benefit adult cancer patients with real and tangible change. We will achieve this by providing organisations with funds to create better environments and support networks for patients and their families.

Dry July also aims to make people aware of their own drinking habits and the value of a balanced, healthy lifestyle.

Our vision is to become a well respected not-for-profit organisation, locally, nationally and internationally in the cancer and hospital community.

Our vision is to be a technological leader in the web-based fundraising community.

Our vision is to make Dry July the standout campaign of the calendar year where not consuming alcohol for the month of July is considered the "thing to do".

## A MESSAGE FROM THE EXECUTIVE DIRECTORS

We are delighted to be presenting to you our first Dry July annual report. From the initial days of discussing the Dry July concept with friends and family, little did we expect the idea to be so warmly received and bring us to where we are now.

For a cause that is very close to our hearts, we have worked tirelessly to deliver the best possible Dry July within our capabilities.

2009 is the first year that Dry July has run nationally and with the unpredictability surrounding the campaign, we are truly excited about the tangible change we collectively can bring to the lives of adults living with cancer across Australia.

A collaboration of skill sets amongst the founders has brought Dry July together. It is however, all the participants that dare to take on the challenge of a 'dry' month and their generous supporters that truly make Dry July what it is today. Thank you for your overwhelming support, generosity and enthusiasm.

Behind the scenes of the website there has been substantial dedication from numerous people and companies including our beneficiary partners and ambassadors to make Dry July a successful national fundraising event for 2009 and beyond.

It is with our sincere thanks that you have embraced the Dry July concept, seen potential in what we have set out to achieve and that you have given us the opportunity to make it happen!

We strive to deliver a creative and captivating campaign to inspire you to take a month off the booze... and to ensure you enjoy it. Being fond of a beer ourselves we know just how difficult the challenge can be.

We hope you find the 'dry' experience enjoyable and one which is rewarding both for yourself and our beneficiary partners across Australia.

Cheers,



Brett Macdonald



Phil Grove

# ABOUT DRY JULY

## What is Dry July?

Dry July is an online social community, health awareness initiative, where an individual or group signs up to the challenge of a month long sponsored abstinence from alcohol.

The funds raised from sponsorship of these brave 'dry' efforts directly benefit the lives of adults living with cancer right across Australia.

Sponsorship is primarily raised online via participant or group profile pages.

Dry July is about clearing your head and making a difference. Get healthy, challenge yourself, encourage positive change and a healthy attitude to alcohol consumption.

DJ (Dry.July.er) [dee-jay] noun: a person or group actively sponsored to participate in Dry July.

In early 2009 the Dry July Foundation established itself as a stand alone, national, not for profit, charitable organisation.

The Dry July Foundation is a registered charity approved by the Australian Tax Office.

## Background

Dry July began as an idea amongst mates in June 2007 to ease back off the beers for a month whilst raising money for a cause very close to their hearts.

With a collaboration of skills-sets and an aspiration to make a positive change, Brett Macdonald, Phil Grove and Kenny McGilvary founded Dry July in hope of improving the lives of adults living with cancer in their local community.

## Objectives

Our objectives are to deliver an engaging charitable campaign which inspires people to enjoy a month off the booze, all the while raising funds to directly benefit the lives of adults living with cancer.

Dry July aims to make people aware of their own drinking habits and the value of a balanced, healthy lifestyle.

We aim to raise awareness of the number of adults living with cancer in local communities and set out to improve the quality of their lives.

Working closely with our beneficiary partners we endeavor to document and show where the funds raised are being spent.

To deliver an efficient, low cost ratio fundraising campaign, utilising online technology to minimise administration costs.

## Dry July 2008

The Dry July concept originated in June 2007. Initially a simple idea with a catchy name, the founders were dedicated to pursue the potential of Dry July through a series of unfortunate personal events. The positive feedback received from both friends and influential people in the charity/hospital sector meant the team were committed to following through with their fundraising idea.

With an initial aim of cleaning up the livers of 10 of their mates and with hope of raising AUD\$3000 for The Prince of Wales Hospital Foundation, Sydney, the final outcome was outstanding.

On receiving numerous write-ups in local papers and magazines

the momentum and interest in Dry July 2008 was notably growing. The real turning point for the campaign came from an unexpected interview with ABC 702am presenter Adam Spencer.

Through his involvement and dedication to our cause, the Dry July concept began to receive a far greater reach and interest than ever perceived possible.

The final outcome of the 2008 campaign encouraged 1049 people to go 'dry', raising a grand total of AUD\$257,283.02 for adult cancer patients.

With such an amazing outcome, collectively we were able to achieve so much more than ever thought possible.

All the funds raised by Dry July 2008 were donated to The Prince of Wales Hospital Foundation and the Dreams2Live4 Committee. The funds were used to purchase four new treatment beds for the radiation oncology ward. Brand new state-of-the-art kitchen and waiting areas were installed and the ward's garden was given an overhaul - it was fully landscaped and furnished with garden tables and chairs for patients to enjoy a few moments of sunshine in a secure environment. Several 'Dreams' were also fulfilled for cancer patients, bringing hope, real life experiences and lasting memories to those patients and their families.

On seeing the tangible changes achieved for cancer patients in the local community and with such positive feedback received, it was with great enthusiasm that the founders built upon this momentum to take the campaign national across Australia for Dry July 2009.

# POSITIVE OUTCOMES 2008

The Dry July 2008, 3 month long campaign running from June 1st 2008 to August 31st 2008 generated...

50,118 website visits

26,545 unique website visits

216,682 page views

5,163 online donations

Average donation: \$49.83

Average time spent on the Dry July website: 3 minutes 33 seconds

Total number of participants: 1049

Total funds raised: \$257,283.02

Beneficiary: The Prince of Wales Hospital Foundation, Dreams2Live4 Committee, Randwick, Sydney, NSW.

Highest Fundraiser: Adam Spencer  
Total raised: \$22,980

***"You are a true inspiration to what life is all about."***

- Anonymous donation message, 2008.

## TESTIMONIALS

**Leanne M Zalapa, CEO  
POWHF - August 2008**

"As CEO of the Prince of Wales Hospital Foundation I would like to say a big THANK YOU on behalf of the staff at the Prince of Wales Hospital and in particular all those dedicated staff members who care 24/7 for our cancer patients.

To all the DJ's for not drinking for the month and all those who supported their DJ mates (often believing they could never do it). Thank you to all those who participated because they have been touched by cancer.

To Phil, Brett and Kenny, the men behind this great initiative, without them we would not have had this wonderful Journey.

To the Dreams2live4 committee who are dedicated to making a difference for our patients living with cancer.

Lastly, thank you to Adam Spencer and Lindsay McDougall who have bantered, plugged, tousled and brought this great event and cause out into the open.

See you same place next year and be safe as you enter back into your world's with a drink in hand!"

**Tom O'Callaghan, Chairman  
POWHF - August 2008**

"On behalf of the Board of Directors of the Prince of Wales Hospital Foundation and the Dreams 2 Live 4 committee we thank you for getting on board... and off the drink!

You will all be making a difference to our patients living with cancer. Not to mention what you are doing for your own health. We wish you all the best for the month of July and may it be DRY!"



# BENEFICIARY PARTNERS 2009

Due to the overwhelming interest and support across Australia in 2008, in 2009 Dry July became a national fundraising event.

We invited 29 hospitals across Australia to complete and submit an expression of interest. Our chosen beneficiaries for Dry July 2009 were selected on merit of how and where funds raised would bring tangible change to the lives of adult cancer patients, their families, nurses and doctors.

On completion of the selection process we identified one key hospital in each state to be the beneficiary of the funds raised by participants in that state.

Unfortunately we were unable to secure a beneficiary in Tasmania and the Northern Territory for the 2009 campaign. Funds raised by participants in Tasmania will be directed to Victoria. Funds raised in the Northern Territory will be directed to South Australia.

Funds raised by our international participants will be split equally amongst the six State and Territory beneficiaries.

The beneficiary hospitals of the Dry July 2009 campaign are detailed below.

Further to the hospitals being the beneficiaries, it's clear participants (DJs) themselves have much to benefit healthwise from Dry July. We expect people to feel sharper, more energised, sleep better and snore less. DJs can expect to experience weight loss, positive cash flow, re-discover Saturday and Sunday mornings and a certain new found fondness of their livers.

***"An extremely spirited..(umm unspirited) sacrifice indeed, by you, for a very worthy cause."***

- Anonymous donation message, 2009.



**Australian Capital Territory - Canberra**  
The Canberra Hospital



**South Australia - Adelaide**  
The Queen Elizabeth Hospital  
Research Foundation



**New South Wales - Sydney**  
Prince of Wales Hospital Foundation,  
Dreams2Live4 Committee



**Victoria - Melbourne**  
The Royal Melbourne Hospital



**Queensland - Brisbane**  
The Mater Adult Hospital



**Western Australia - Perth**  
Sir Charles Gairdner Hospital

# CORPORATE SUPPORT

We would like to thank the following companies for their dedicated commitment, support and belief in Dry July.

It is with their help, assistance and advice that we were able to deliver such an exciting campaign.

By greatly helping us to raise the level of awareness within our target audience we have been able to strengthen the Dry July brand and message. One which we look forward to building upon year on year.

*"You have inspired me. I will also have a Dry July. Not an easy thing, I know. I really don't mind a Chardy in the evening. This one is for my husband. He has just recovered from his second bout of Cancer thanks to our wonderful doctors and nurses."*

- Anonymous donation message, 2009.

## Partner

### Traction

Traction is a relationship marketing platform that makes it easy to manage multi-channel campaigns and build brand advocacy through the effective use of data.

Traction has been utilised by Dry July to effectively manage all email correspondence through their safe and secure platform.



## Supporters



Blake Dawson



Fitness First



treeleaf



happy soldiers



Pottinger



**EXTRACT FROM THE  
AUDITED FINANCIAL REPORT  
OF DRY JULY LIMITED  
AS TRUSTEE FOR THE  
DRY JULY FOUNDATION**

*"Helping cancer patients plus  
boosting your health - what more  
could you ask for? Keep strong!"  
- Anonymous donation message, 2009.*

# SUMMERISED FINANCIAL STATEMENTS

Income Statement for the Financial Period Ended 30th June 2009

	Note	2009
		\$
<b>Continuing Operations</b>		
Revenue from operations		238,130
Other income		12
Marketing expenses		(748)
Employee benefits expenses		(16,100)
Administration expenses		(410)
Finance costs		(6,441)
Donation expenses		(214,184)
Other expenses		(259)
<b>Surplus before income tax expense</b>	2	-
Income tax expense		-
<b>Surplus after income tax expense</b>		-

Note 1 is detailed on pages 18 and 19. To receive additional 'Notes' to the financial statements please email: [team@dryjuly.com](mailto:team@dryjuly.com)

## SUMMERISED FINANCIAL STATEMENTS - CONTINUED

Balance Sheet as at 30th June 2009

	Note	2009
		\$
<b>Current Assets</b>		
Cash and cash equivalents	7(a)	216,571
Receivables	4	18,539
<b>Total current assets</b>		<b>235,110</b>
<b>Total assets</b>		
		235,110
<b>Current liabilities</b>		
Payables	5	233,850
Provisions	6	1,260
<b>Total current liabilities</b>		<b>235,110</b>
<b>Total liabilities</b>		
		<b>235,110</b>
<b>Net assets</b>		
		-
<b>Equity</b>		
Retained earnings		-
<b>Total equity</b>		
		-

Note 1 is detailed on pages 18 and 19. To receive additional 'Notes' to the financial statements please email: [team@dryjuly.com](mailto:team@dryjuly.com)

## SUMMERISED FINANCIAL STATEMENTS - CONTINUED

Cash Flow Statement for the Financial Period Ended 30th June 2009

	Note	2009 \$
<b>Cash flows from operating activities</b>		
Receipts and donations received		219,833
Payments to suppliers and employees		(3,274)
Interest received		12
<b>Net cash provided by operating activities</b>	7(b)	<b>216,571</b>
<b>Cash flows from investing activities</b>		
Payment for plant and equipment		-
Proceeds from sale of plant and equipment		-
Payment for other financial assets		-
Proceeds from sale of other financial assets		-
Dividends received		-
<b>Net cash (used in)/ provided by investing activities</b>		<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from related parties		-
<b>Net cash provided by financing activities</b>		<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>216,571</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>		<b>-</b>
<b>Cash and cash equivalents at the end of the financial period</b>	7(a)	<b>216,571</b>

Note 1 is detailed on pages 18 and 19. To receive additional 'Notes' to the financial statements please email: [team@dryjuly.com](mailto:team@dryjuly.com)

# CORPORATE GOVERNANCE

The Dry July Foundation board consists of 7 Directors.

The board is responsible for the corporate governance, direction and management of Dry July to ensure successful delivery of an accountable and transparent campaign.

## **Brett Macdonald** Executive Director

‘My creative experience has enabled me to develop the concept, visual identity and web design for Dry July.

My passions are creative design, skiing, football, the surf, music and of course my family and friends who have supported us in making Dry July all it can be.”

## **Phil Grove** Executive Director

“I run my own Web Development company in Sydney and when I am not at work or boring people to death about how great Dry July is, I can either be found in the pub or at a gig.”

## **Kenny McGilvary** Director

“I am a communications specialist with extensive experience in both B2B and B2C technology in Australia and the UK. I work closely with clients to develop and implement effective strategic communications campaigns that align with their business goals and ultimately, deliver results. I have worked with start-ups through to blue chip organisations across the full spectrum of information and communications technology, applications and services.

Outside of work hours my main interests include travelling, playing or watching sport and listening to music.”

## **Scott Abraham** Director

“I’m a chartered accountant with 13 years private sector experience. Specialising in business advisory services and taxation has given me valuable knowledge that compliments the Dry July team.

Nature and I are good buddies. I find no better way to spend my days than on the snow, on my mountain bike or at a good vineyard.

Dry July is a cause that benefits everyone and I am looking forward to the challenge.”

## **Mark Robinson** Director

“For the past eight years I have been working in real estate. My company now has a number of developments under construction, which keeps me on my toes most of the time.

A hard run, a good swim or a hit of tennis helps me to relax and stay fit.”

## **Jacqui Jeffery** Director

“Having survived Dry July 2008, I look forward to being able to use my event and project management skills to assist the Dry July team in 2009.

Outside of work I enjoy a glass of wine or two (except in July), playing the piano and travelling.”

## **Louise Hendry** Director

“At work I’m a chartered accountant. Outside work I enjoy meeting with friends and travelling. I used to be an enthusiastic scuba diver but my leisure pursuits now revolve around my son (aged 3) – who is a water baby but isn’t quite ready for diving.

Dry July is personally important to me and I am excited to be part of the team.”

## **Meetings of Directors**

During the financial period 2 meetings of directors were held. Attendances in 2009 were:

Name	Eligible to attend	Number attended
S. Abraham	2	2
P. Grove	2	2
L. Hendry	2	2
J. Jeffery	2	2
B. Macdonald	2	2
K. McGilvary	2	2
D. Robinson	2	2

## INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF DRY JULY LIMITED

We have audited the accompanying financial report of Dry July Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### *Directors' responsibility for the financial report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from the material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with the Accounting Standard AASB 101 "Presentation of Financial Statements", that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes complies with International Financial Reporting Standards.

### *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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates 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:

- (a) the financial report of Dry July Limited is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the period ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

## **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 2009;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period from 18 February 2009 to 30 June 2009, 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 from 18 February 2009 to 30 June 2009 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 will be able to pay its debts as and when they fall due.



FORSYTHES



M J Matthews  
Partner  
Chartered Accountants  
Newcastle, 28 October 2009

# CHARITABLE FUNDRAISING ACT DECLARATION

I, Philip Grove, Managing 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 Balance Sheet, Income Statement and notes 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
- d) the internal controls exercised by Dry July Limited are appropriate and effective in accounting for all income received.



**Philip Grove**  
Director



**Brett Macdonald**  
Director

Dated: 28th October 2009

# DIRECTORS DECLARATION

As detailed in Note 1 to the financial statements, the company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this "special purpose financial report" has been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

The directors declare that:

a) 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; and

b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position of the company as at 30 June 2009 and of its performance, as represented by the results of its operations and its cash flows, for the financial period ended on that date in accordance with Note 1; and

(ii) complying with Australian Accounting standards, other mandatory professional reporting requirements to the extent described in Note 1 and the Corporation Regulations 2001.

This statement is made in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



**Philip Grove**  
Director



**Brett Macdonald**  
Director

Dated: 28th October 2009

# NOTES

Note 1 to the Financial Statements for the Financial Period Ended 30th June 2009

## 1 Summary of accounting policies

### Financial reporting framework

The company is not a reporting entity because in the opinion of the director there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the Corporations Act 2001, NSW Charitable Fundraising Act 1991 and 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 needs of the members.

This financial report is prepared from the incorporation of the company on 18 February 2009 to 30 June 2009.

### Statement of compliance

The financial report has been prepared in accordance with the Corporations Act 2001, the basis of accounting specified by all Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements' and AASB 108 'Accounting Policies, Changes in Accounting Estimates and

Errors'. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

### Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. Unless otherwise indicated, all amounts are presented in Australian dollars, which is the functional currency of the company.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### (a) Cash and cash equivalents

Cash and cash equivalents comprise on hand and cash in banks, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### (b) Payables

Trade payables and other accounts payable are recognized when the company becomes obliged to make future payments resulting from the purchase of goods and services. Payables are measured at amortised cost using the effective interest method.

As trustee for the Dry July Foundation, Dry July Limited transfers the net surplus from fundraising to the Dry July Foundation.

#### (c) Financial assets

##### Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determined payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective method less impairment.

Interest income is recognised by applying the effective interest rate.

#### (d) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the company's obligations.

A defined contribution plan is a post - employment benefit plan under which an entity pays fixed

## NOTES CONTINUED

contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an administration expense in the income statement when they are due.

### **(e) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST),

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as

Cash flows are included in the cash flow statement on a gross basis. 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.

### **(f) Revenue**

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

Revenue from the sale of merchandise is recognised when the company has transferred the significant risks and rewards of ownership of the goods to the buyer.

### **(g) Finance costs**

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

### **(h) Impairment**

#### Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial measure at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit and loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

### **(i) Income tax**

The company has been granted charity status and, as such, is exempt from income tax.

### **(j) Use of estimates and judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 6: Provisions.

To receive additional 'Notes' to the financial statements please email: [team@dryjuly.com](mailto:team@dryjuly.com)

**“Always do sober what  
you said you’d do drunk.  
That will teach you to  
keep your mouth shut.”**

**- Ernest Hemmingway**

**DRYJULY.COM**