



JDRF AUSTRALIA
ABN 40 002 286 553

FINANCIAL REPORT - 30 JUNE 2016

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JDRF AUSTRALIA
ABN 40 002 286 553

FINANCIAL REPORT - 30 JUNE 2016

DIRECTORS' REPORT

JDRF Australia is registered as a company limited by guarantee and not having a share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors present the financial report on JDRF Australia for the year ended 30 June 2016 and report as follows:

DIRECTORS

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

DIRECTOR'S NAME	QUALIFICATIONS, EXPERIENCE & OTHER INFORMATION
Richard Goyder AO	Chair Member of the Advisory Board
<i>Year appointed:</i>	2016 (<i>appointed March 2016</i>)
<i>Qualifications and experience:</i>	Managing Director, Wesfarmers Director, Gresham Partners Holdings Director, Business Council of Australia Director, University of Western Australia Business School Advisory Board Council Member, Australian Business and Community Network Commissioner, Australian Football League Father of a son with type 1 diabetes
Natasha Mandie	Vice-Chair
<i>Year appointed:</i>	2009 (<i>resigned December 2015</i>)
<i>Qualifications and experience:</i>	B Comm (Hons), LLB (Hons), GAICD Managing Director, EM Advisory Non-executive Director of a number of private technology companies Former Director of Corporate Advisory Solutions, Credit Suisse Has type 1 diabetes
Stuart Green	Treasurer Chair of the Finance and Audit Committee
<i>Year appointed:</i>	2010
<i>Qualifications and experience:</i>	B.A. (Hons), MBA, FCA, ACMT Executive Director, Macquarie Group Limited Group Treasurer, Macquarie Group Limited
Mike Wilson	Director Company Secretary and CEO
<i>Year appointed</i>	2011
<i>Qualifications and experience:</i>	BSc, BEc (Hons), GAICD Director, Somark Innovations CEO of JDRF Australia since 2004

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DIRECTORS' REPORT

DIRECTOR'S NAME	QUALIFICATIONS, EXPERIENCE & OTHER INFORMATION
Kate Aitken	Director Chair of the Talent Committee
<i>Year appointed:</i>	2015
<i>Qualifications and experience:</i>	Managing Director, Asia Regional Co-Head Human Capital Management, Goldman Sachs Advisory Member of Pride in Diversity's Strategic Executive Forum
Professor James Best AO	Director Member of the Research Committee
<i>Year appointed:</i>	2014
<i>Qualifications and experience:</i>	MB BS, MD (Melb), Hon MD (St Andrews), FRACP, FRCPath, FRCP (Edin) Dean, Lee Kong Chian Schools of Medicine, Singapore Former Professor of Medicine and Head of the School of Medicine, University of Melbourne Former Chair of Research Committee, National Health and Medical Research Council
Jeffrey Browne	Director Member of the Advisory Board
<i>Year appointed:</i>	2015
<i>Qualifications and experience:</i>	LLB Former Director, Sky News Limited Former Managing Director and Director, Nine Network Australia Pty Ltd and Chairman of carsales.com Limited Father of two children with type 1 diabetes
Phil Chronican	Director Member of the Advisory Board
<i>Year appointed:</i>	2015
<i>Qualifications and experience:</i>	Chairman of the NSW Treasury Corporation Former CEO, ANZ Australia Former CEO, Westpac Institutional Bank Former CFO, Westpac Group Husband of late wife with type 1 diabetes

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DIRECTORS' REPORT

DIRECTOR'S NAME	QUALIFICATIONS, EXPERIENCE & OTHER INFORMATION
Mike Chuter	Director Chairman of Victorian Corporate Committee
<i>Year appointed:</i>	2013
<i>Qualifications and experience:</i>	Joint Managing Director, Publicis CUBED Founding Partner, CUBED Communications Co-Founder, Thankful Former Board Director, Association of Data driven Marketing and Advertising Former Board Director, Comic Relief Australia Father of a daughter and son of a father both with type 1 diabetes
Rebecca Davies	Director Chair of the Research Committee Member of the Advisory Board
<i>Year appointed:</i>	1997
<i>Qualifications and experience:</i>	LLB (Hons), BEc, FAICD Company Director Former Partner and board member of a major national law firm Director and chair of various companies in the arts, hospitals, medical research and health sectors Member of the Medical Innovations and Australian Health Ethics Committees of the National Health and Medical Research Council Former member of the Board and current Chancellor, JDRF International Member of the JDRF International Nominating and Governance Committee Mother of a daughter with type 1 diabetes
Paul Heath	Director
<i>Year appointed:</i>	2012
<i>Qualifications and experience:</i>	CEO, Koda Capital Member, Endowment Investment Committee of the Benevolent Society Former CEO, JBWere Pty Ltd Father of a daughter with type 1 diabetes
Selina Lightfoot	Director Member of the Talent Committee
<i>Year appointed:</i>	2016 (<i>appointed March 2016</i>)
<i>Qualifications and experience:</i>	BA/LLB Consultant, Herbert Smith Freehills Director, Queen Elizabeth Centre Advisory Board Member, Nuchev Pty Ltd Advisory Board Member, TLC Aged Care Pty Ltd

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DIRECTORS' REPORT

DIRECTOR'S NAME

QUALIFICATIONS, EXPERIENCE & OTHER INFORMATION

Jonathon Salmon

Director
Chair of the Funding Committee
Member of the Research Committee

Year appointed:

2012

Qualifications and experience:

MAICD
Managing Director, Viatak Technology
Director, Adscensio
Director, Unlisted Marketplace
Founder, DNS IT and Hosted IT
Father of a son with type 1 diabetes

Cathryn Urquhart

Director

Year appointed:

2013 (*resigned March 2016*)

Qualifications and experience:

BJuris, LLB.
Learning and Development Consultant
Adjunct Lecturer, College of Law
Former Lawyer-Professional Development and Risk Management,
Law Society of Western Australia
Former Senior Associate, Allens Arthur Robinson
Mother of a son and wife of a husband both with type 1 diabetes

MEETINGS OF DIRECTORS

The number of meetings each Director was eligible to attend and actually attended during the financial year is summarised as follows:

Director	Full Meeting of Directors*		Finance & Audit Committee**		Funding Committee		Research Committee***	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Paul Heath	4	4						
Natasha Mandie	2	2						
Stuart Green	4	4	5	5				
Mike Wilson	4	4						
Kate Aitken	4	4						
Jim Best	4	4					4	4
Jeffrey Browne	4	3						
Phil Chronican	4	4						
Mike Chuter	4	2			3	3		
Rebecca Davies	4	4					4	4
Richard Goyder	2	2						
Selina Lightfoot	2	1						
Jonathon Salmon	4	4			5	5	4	4
Cathryn Urquhart	3	3						

*The COO attends Board meetings as a guest when invited and appropriate. The CEO and COO attend meetings of the sub committees as guests when invited and appropriate.

** In addition to the Director listed above, the Finance & Audit Committee includes three independent non-director members: Boris Musa, Fiona Hindmarsh and Penny Austin (*joined October 2015*)

*** In addition to the Directors listed above, the Research Committee includes an independent non-director member: Dr Tim Fountaine (*joined November 2015*)

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DIRECTORS' REPORT

OPERATING RESULT

The net result of the company for the financial year was a surplus of \$61,660 (2015: deficit \$139,950). The company is a not-for-profit entity and is exempt from the payment of income tax.

REVIEW OF OPERATIONS

JDRF Australia's mission

Accelerating life-changing breakthroughs to cure, prevent, and treat type 1 diabetes and its complications.

Strategy

Our multi-year strategy recognises five focus areas through which JDRF Australia can deliver on its mission:

- Bridging key gaps in the research system
- Supporting tools and talent to accelerate research progress
- Measuring and promoting impact
- Engaging our community and partners for funding and influence
- Being an exceptional organisation

Principal Activities and Performance

JDRF Australia measures performance through the monitoring and oversight of outcomes against budgets and annual operating plans. Regular reporting is provided to the Board and relevant Board Committees including on the following key areas:

- Research strategy and investment
- Government programs, policy, and advocacy
- Financial performance, risk and operations
- Community engagement

Research investment

In FY16 JDRF Australia continued to fund the best and most promising Australian type 1 diabetes research, as well as providing support programs to the Australian type 1 diabetes community. JDRF Australia invested \$8.4m directly in Australian research and support programs, including direct funding for Australian research projects, management of Government-funded research and support initiatives, fellowships, conference grants, postgraduate scholarships, travel grants for young scientists, and a range of other support programs.

In February 2015 JDRF Australia signed a partnership agreement with the Helmsley Charitable Trust to jointly fund the Environmental Determinants of Islet Autoimmunity (ENDIA) Study at The University of Adelaide to a total value of \$8m over three years. At the end of FY16 we had disbursed \$2.1m towards this program.

Government support

The JDRF Australian Clinical Research Network (CRN2) completed its second year of operation in FY16. Of the \$29.6m earmarked for competitive funding \$21.6m has been committed towards research projects of which we had expended \$3.8m by the end of FY16. Our budgeted outlay on research spending in competitive funding for FY17 is \$5.7m which is in line with payment milestones being met during the next 12 months.

As a result of continued advocacy and collaboration with stakeholder groups, the Prime Minister, The Hon. Malcolm Turnbull MP, and the Health Minister, The Hon. Sussan Ley MP, announced that a re-elected Coalition Government will provide \$54m in funding for Continuous Glucose Monitoring (CGM) technology for children and young people under 21 with type 1 diabetes.

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DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

Financial performance & operations

JDRF Australia raised funds from a variety of sources to support our ability to invest in Australian type 1 diabetes research. In FY16 total revenue increased by 22% to \$14.3m from \$11.7m in FY15. Revenue from Government & Partnership grants increased to \$6.41m in FY16 from \$3.2m in the prior year. Our forecast for Government and Partnership grants in FY17 is \$8.6m driven by the continued growth of the CRN.

The federally funded JDRF Australian Clinical Research Network (CRN) expenditure for FY16 was \$4.7m. The federally funded Insulin Pump Programs (IPP) expenditure in FY16 was \$522K, enabling an allocation of 68 pumps to eligible children in FY16, who otherwise would not have been able to access these devices due to their economic circumstances.

Gross fundraising revenue was \$7.3m for FY16, marginally less than \$7.4m in the previous year. Gross revenue from events decreased by \$169k compared to FY15 while Major Contributions increased by \$44k to end the year at \$2.2m. Traditional fundraising events and campaigns had mixed results with increases on prior year being achieved in Community Fundraising (up \$302k) and Gala Balls (up \$267k). Conversely, the Walk and Ride fundraising events were down \$237 and \$70k respectively. We discontinued the merchandise campaign which contributed \$241k in the prior year.

JDRF Australia has cash reserves of \$22.1m as at 30 June 2016. This reserve includes \$16.5m that is committed to the CRN and \$1.7m for research funded by the Helmsley Charitable Trust; the remaining cash reserves are held to cover unexpected or sustained downturns in revenue raising, so that the organisation can continue to operate, fund research and meet its obligations.

Community engagement

JDRF Australia's fundraising results and related research investment is not possible without the strong support of the Australian type 1 diabetes community and their family and friends. JDRF Australia continued its active engagement with the type 1 diabetes community, reaching out through the Peer Support Program to over 90% of newly diagnosed children and families known to JDRF Australia. These individuals also received a KIDSAC or t1d resources pack followed by a peer support call within six weeks of diagnosis. They were then kept informed of key developments at JDRF Australia and in the type 1 diabetes world through the monthly 'Path to a Cure' newsletter, delivering relevant stories and up-to-date research information each month. JDRF Australia also recognised dedication and commitment in the type 1 diabetes community with the presentation of an annual Volunteer Recognition Award.

Other business

Our Affiliate Agreement between JDRF International and JDRF Australia was executed during FY15 and will remain in place through FY19. The Agreement governs JDRF Australia's relationship with JDRF International (operating in the USA), giving particular regard to the licencing of the JDRF brand and related intellectual property considerations as well as the coordination of research funding decisions.

LIMITATION OF MEMBERS' LIABILITY

The company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* as a company limited by guarantee. If the company is wound up, its Constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 30 June 2016 the number of members was 3,854 and their collective potential liability was \$7,708.

INDEPENDENCE DECLARATION

The auditor's independence declaration as required under subdivision 60-C section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2016 has been received and can be found on the following page, which forms part of the Directors' report.

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DIRECTORS' REPORT

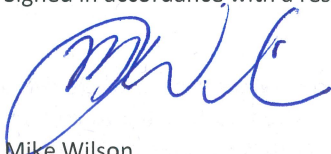
AUDITOR

PricewaterhouseCoopers continues in office in accordance with Section 327 of the *Corporations Act 2001*.

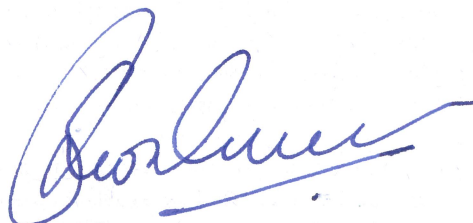
PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

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

A blue ink signature of Mike Wilson, consisting of stylized initials and a surname.

Mike Wilson
Chief Executive Officer and Managing Director

A blue ink signature of Stuart Green, featuring a large, flowing initial 'S' followed by the surname.

Stuart Green
Treasurer

Sydney, 25 October 2016



Auditor's Independence Declaration

As lead auditor for the audit of JDRF Australia for the year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to be 'SJ Bourke', written over a horizontal line.

SJ Bourke
Partner
PricewaterhouseCoopers

Sydney
25 October 2016

JDRF AUSTRALIA

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CORPORATE GOVERNANCE STATEMENT

JDRF Australia and the JDRF Australia Board are committed to achieving and demonstrating high standards of corporate governance. JDRF Australia's approach to corporate governance was developed with reference to the recommendations released by the Australian Securities Exchange Corporate Governance Council and updated in 2010. The Board continues to review corporate governance practices to ensure they meet the interests of members.

The relationship between the Board and senior management is critical to JDRF Australia's long-term success.

The directors are responsible to the members for the performance of the company and seek to balance a range of objectives in the best interests of the company as a whole. Their focus is to enhance the interests of members and other key stakeholders and to ensure the company is properly managed.

Day to day management of JDRF Australia's affairs and its implementation of the corporate strategy and policy initiatives are delegated by the Board to the CEO/Managing Director and senior executives.

A description of JDRF Australia's main corporate governance practices is set out below.

The Board of Directors

The Board operates in accordance with the broad principles set out in its Constitution was updated and adopted by the company on 27 November 2014. A Board Charter has been approved by the Directors and aids in guiding the operation and activities of the Board. The responsibilities of the Board as outlined in the Board Charter include the following:

- Assist JDRF Australia to carry out its objects as described in the JDRF Australia Constitution in a manner consistent with the requirements of the Constitution;
- Lead and assist management in setting strategies and plans for carrying out the objects of JDRF Australia, and reviewing progress against these plans;
- Monitor the performance of JDRF Australia;
- Facilitate and support the development of an effective, cohesive, and high performing Board;
- Review and enhance the performance of the Board and directors over time;
- Set and approve policies for JDRF Australia;
- Ensure the compliance by JDRF Australia with all required Directors responsibilities and relevant laws and regulations;
- Ensure appropriate insurances, internal controls, risk management practices, compliance frameworks and reporting procedures are in place and operating effectively;
- Appoint, consider succession planning for, and periodically review the performance of the CEO;
- Ensure JDRF Australia is well regarded by potential supporters and maintains community respect; and
- Document and report outcomes to stakeholders including statutory requirements.

Directors' independence and conflict of interest

Directors are required to be free from any undisclosed interest, business or other relationship that could or could reasonably be perceived to materially interfere with the Director's ability to act in the best interest of the organisation. Any matters relating to conflict of interest are dealt with in accordance with JDRF Australia's Conflict of Interest Policy, which requires disclosure of interests by Directors and appropriate management of any conflicts.

Chairman and Chief Executive Officer/Managing Director

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating board discussions and managing the Board's relationship with the company's senior executives. The CEO/Managing Director is responsible for implementing company strategies and policies.

JDRF AUSTRALIA**FINANCIAL REPORT - 30 JUNE 2016****CORPORATE GOVERNANCE STATEMENT*****Corporate reporting***

The CEO/Managing Director has made the following certifications to the Board:

- That the company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the company and are in accordance with relevant accounting standards.
- That the above statement is founded on risk management, internal compliance and control processes that implement the policies approved by the Board

Board committees

The Board has four standing committees to assist in the execution of its duties and to allow detailed consideration of complex issues. These committees are:

- The Finance & Audit Committee
- The Talent Committee
- The Research Committee
- The Funding Committee

The outcomes of committee meetings are tabled at the subsequent board meeting. Other ad-hoc committees of the Board may be formed in response to specific purpose requirements.

Finance & Audit Committee

The Finance & Audit Committee includes the following director:

Stuart Green (Treasurer and Chairperson)

In addition to the director listed above, the Finance & Audit Committee includes three independent non-director members: Boris Musa, Fiona Hindmarsh, and Penny Austin.

The Finance & Audit Committee has access to appropriate expertise, operates to the provisions of its Board-approved Charter, and all members are financially literate.

External auditors

JDRF Australia appoints external auditors who demonstrate quality and independence. The performance of the external auditor, currently PricewaterhouseCoopers, is reviewed annually and applications for tender of external audit services are requested as deemed appropriate.

The external auditor is requested to attend the Annual General Meeting and be available to answer member questions about the conduct of the audit and preparation and content of the audit report. The auditors also meet annually with the Finance & Audit Committee without management present.

Risk assessment and management

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the organisation's objectives.

Where risks are identified, mitigating strategies and actions are put in place. Reporting has been provided to the Finance and Audit Committee during the 2016 financial year.

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	22,181,005	18,714,790
Trade and other receivables	6	717,269	421,222
Inventories	7	-	20,514
<i>Total current assets</i>		<u>22,898,274</u>	<u>19,156,526</u>
Non-current assets			
Property, plant and equipment	8	124,189	109,574
Intangible assets	9	21,098	59,405
<i>Total non-current assets</i>		<u>145,287</u>	<u>168,979</u>
TOTAL ASSETS		<u>23,043,561</u>	<u>19,325,505</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	7,932,293	6,914,696
Provisions	11	37,422	50,128
<i>Total current liabilities</i>		<u>7,969,715</u>	<u>6,964,824</u>
Non-current liabilities			
Trade and other payables	10	10,795,713	8,161,710
Provisions	11	97,692	80,190
<i>Total non-current liabilities</i>		<u>10,893,405</u>	<u>8,241,900</u>
TOTAL LIABILITIES		<u>18,863,120</u>	<u>15,206,724</u>
NET ASSETS		<u><u>4,180,441</u></u>	<u><u>4,118,781</u></u>
FUNDS			
Accumulated funds		<u>4,180,441</u>	<u>4,118,781</u>
TOTAL FUNDS		<u><u>4,180,441</u></u>	<u><u>4,118,781</u></u>

JDRF AUSTRALIA

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue			
Fundraising revenue	4	7,262,931	7,406,485
Government grants	4	6,408,096	3,742,324
Other revenue	4	639,906	599,306
		<u>14,310,933</u>	<u>11,748,115</u>
Expenses			
Administration expenses		(301,546)	(310,790)
Advertising, promotion and printing expenses		(230,372)	(211,641)
Communication and technology expenses		(187,279)	(188,688)
Depreciation and amortisation		(112,080)	(100,661)
Employee benefits expense		(3,174,499)	(3,053,144)
Education and support expenses		(143,192)	(135,232)
Fundraising expenses		(1,239,206)	(1,337,546)
Occupancy expenses		(303,357)	(295,225)
Research, travel and pump grants expenses		(8,557,742)	(6,255,138)
		<u>(14,249,273)</u>	<u>(11,888,065)</u>
Surplus (deficit) before income tax		61,660	(139,950)
Income tax expense		<u>-</u>	<u>-</u>
Surplus (deficit) for the year		61,660	(139,950)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the year		<u><u>61,660</u></u>	<u><u>(139,950)</u></u>

JDRF AUSTRALIASTATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated Funds \$	Total \$
Balance at 1 July 2014	4,258,731	4,258,731
Comprehensive income		
Deficit for the year	(139,950)	(139,950)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>(139,950)</u>	<u>(139,950)</u>
Balance at 30 June 2015	<u>4,118,781</u>	<u>4,118,781</u>
Balance at 1 July 2015	4,118,781	4,118,781
Comprehensive income		
Surplus for the year	61,660	61,660
Other comprehensive income	-	-
Total comprehensive income for the year	<u>61,660</u>	<u>61,660</u>
Balance at 30 June 2016	<u>4,180,441</u>	<u>4,180,441</u>

JDRF AUSTRALIASTATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from fundraising activities		6,878,347	7,576,785
Government and partnership grants received		10,956,329	10,178,508
Interest received		587,186	384,350
Other revenue		41,801	47,635
Payments to suppliers and employees		(6,208,126)	(6,915,652)
Grants and travel awards paid		(8,700,934)	(6,390,370)
<i>Net cash inflows from operating activities</i>		<u>3,554,603</u>	<u>4,881,256</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(88,388)	(129,425)
Purchase of intangible assets		-	(44,573)
<i>Net cash (outflows) from investing activities</i>		<u>(88,388)</u>	<u>(173,998)</u>
Net increase in cash and cash equivalents		3,466,215	4,707,258
Cash and cash equivalents at the beginning of the financial year		<u>18,714,790</u>	<u>14,007,532</u>
Cash and cash equivalents at the end of the financial year	5	<u>22,181,005</u>	<u>18,714,790</u>

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016**Note 1 - Reporting entity**

The financial report is for JDRF Australia as an individual entity and domiciled in Australia. The company is registered under the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements were approved by the Board of Directors on 25 October 2016.

Note 2 - Basis of preparation***Statement of compliance***

JDRF Australia adopted Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 2008 (NSW)*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Basis of measurement

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical accounting estimates and judgements

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. The Directors have determined that there are no critical estimates and judgements for this financial year.

New and revised standards that are effective for these financial statements

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2016, however none are expected to significantly impact the company's financial statements.

Note 3 - Significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Income tax

JDRF Australia is a not-for-profit exempt institution from income tax under Division 50 of the *Income Tax Assessment Act 1997*. JDRF Australia has deductible gift recipient (DGR) status.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016**Note 3 - Significant accounting policies (continued)*****Goods and services tax (GST)***

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Revenue recognition

Amounts disclosed as revenue are net of taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Government grants

In accordance with *AASB 1004: Contributions*, non-reciprocal grant revenue is recognised in the statement of profit and loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before JDRF Australia obtains control of the contribution, such as the grant funding which must be spent and the grantor does not seek to claw back the funding, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability, as grants received in advance, until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donations in-kind

Donations in-kind of fixed assets or other services are recorded as revenue where it is probable that economic benefits will be generated, the amount of the contribution can be measured reliably, where control of the contribution or the right to receive the contribution has been gained, and where cost would otherwise have been planned and expected to be incurred by the organisation in gaining access to the asset or service. Other donations in kind, which are not of a material nature or which do not offset otherwise planned expenditure, are not recorded in the financial statements.

Community fundraising

Income received from fundraising events organised and run by third parties for the benefit of JDRF Australia is recorded as net donations to JDRF Australia.

Foreign currency transactions and balances

Both the functional and presentation currency of the company is Australian dollars. Any transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end of any assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016****Note 3 - Significant accounting policies (continued)*****Cash and cash equivalents***

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Trade and other receivables

For all sources of recurrent income, trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Property, plant and equipment**Recognition and measurement**

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Carrying Amount

The carrying amount of property, plant and equipment is reviewed annually by the Directors to ensure that it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Leasehold improvements	Life of the lease
Equipment	20%
Computer equipment	50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016**Note 3 - Significant accounting policies (continued)*****Leases***

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the entity, are classified as finance leases. Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Intangible assets***Software***

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of between 3 and 10 years.

Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Financial instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016**Note 3 - Significant accounting policies (continued)*****Financial instruments (continued)***

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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 when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Impairment

At the end of each reporting period, the Directors assess whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

The carrying amount of trade and other payables is deemed to reflect fair value.

Income received in advance

Income, other than government grants and other contributions recognised under AASB 1004: Contributions as described above under Revenue Recognition – Government Grants, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of comprehensive income.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016**Note 3 - Significant accounting policies (continued)*****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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<u>Note 4 - Revenue</u>		
Fundraising revenue		
Walk to Cure Diabetes	879,413	1,116,614
Merchandising campaign	53,533	241,271
Gala dinners	1,474,083	1,206,838
Ride to Cure Diabetes	768,004	837,863
Golf days	-	49,334
Jump to Cure Diabetes	930	190,392
Other fundraising activities	51,168	55,722
Corporate partnership	800,202	396,856
Bequest revenue	90,767	104,955
Community fundraising	1,400,962	1,099,439
Major contributions	1,382,737	1,742,572
Direct mail	210,092	282,028
Donations	151,040	82,601
<i>Total fundraising revenue</i>	<u>7,262,931</u>	<u>7,406,485</u>
Government and partnership grants		
Insulin Pump Program	522,237	913,519
Clinical Research Networks	4,254,645	2,171,180
Partnerships	1,631,214	657,625
<i>Total government and partnership grants</i>	<u>6,408,096</u>	<u>3,742,324</u>
Other revenue		
Interest	533,105	471,671
Donations (in-kind)	65,000	80,000
Membership fees	16,598	28,506
Other revenue	25,203	19,129
<i>Total other revenue</i>	<u>639,906</u>	<u>599,306</u>
<i>Total revenue</i>	<u><u>14,310,933</u></u>	<u><u>11,748,115</u></u>
<u>Note 5 - Cash and cash equivalents</u>		
Cash at bank and on hand	1,979,577	2,576,025
Deposits at call	20,201,428	16,138,765
<i>Total cash and cash equivalents</i>	<u><u>22,181,005</u></u>	<u><u>18,714,790</u></u>
<u>Note 6 - Trade and other receivables</u>		
<u>Current</u>		
Accrued income	231,554	111,434
Interest receivable	100,990	155,071
GST receivable	254,071	87,927
Other receivables	33,072	10,349
Advance to Glycemic Index Foundation (see note 16)	100	8,039
Prepayments	97,482	48,402
<i>Total current trade and other receivables</i>	<u><u>717,269</u></u>	<u><u>421,222</u></u>

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<u>Note 7 - Inventories</u>		
Jelly Baby merchandise	-	20,514

Note 8 - Property, plant and equipment

	Leasehold Improvements \$	Office Equipment \$	Computers and Electrical \$	Total \$
At 30 June 2015				
Cost	319,316	22,497	165,928	507,741
Accumulated depreciation	(273,150)	(16,804)	(108,213)	(398,167)
<i>Net carrying amount</i>	46,166	5,693	57,715	109,574
<i>Movements in carrying amounts</i>				
Net opening carrying amount	46,166	5,693	57,715	109,574
Additions	-	31,617	56,771	88,388
Depreciation charge for the year	(17,971)	(5,803)	(49,999)	(73,773)
Net closing carrying amount	28,195	31,507	64,487	124,189
At 30 June 2016				
Cost	319,316	54,113	222,700	596,129
Accumulated depreciation	(291,121)	(22,606)	(158,213)	(471,940)
<i>Net carrying amount</i>	28,195	31,507	64,487	124,189

	2016 \$	2015 \$
<u>Note 9 - Intangible assets</u>		
Software		
<i>Movements in carrying amounts</i>		
Net opening carrying amount	59,405	57,616
Additions	-	44,573
Amortisation	(38,307)	(42,784)
Net closing carrying amount	21,098	59,405
At the end of the financial year		
Cost	358,881	358,881
Accumulated amortisation	(337,783)	(299,476)
<i>Net carrying amount</i>	21,098	59,405

JDRF AUSTRALIANOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<u>Note 10 - Trade and other payables</u>		
<u>Current</u>		
Trade payables	102,685	72,052
Grants received in advance	7,379,784	6,432,501
Income received in advance	15,375	98,911
Liabilities to employees	274,539	224,997
Other payables	159,910	86,235
<i>Total current trade and other payables</i>	<u>7,932,293</u>	<u>6,914,696</u>
<u>Non-current</u>		
Grants received in advance	10,795,713	8,161,710
<i>Total non-current trade and other payables</i>	<u>10,795,713</u>	<u>8,161,710</u>
<u>Note 11 - Provisions</u>		
<u>Current</u>		
Employee entitlements - long service leave	37,422	50,128
<i>Total current provisions</i>	<u>37,422</u>	<u>50,128</u>
<u>Non-current</u>		
Employee entitlements - long service leave	97,692	80,190
<i>Total non-current provisions</i>	<u>97,692</u>	<u>80,190</u>
<u>Note 12 - Commitments</u>		
<i>Lease commitments</i>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Within one year	215,486	167,224
Later than one year but no later than five years	200,466	183,613
	<u>415,952</u>	<u>350,837</u>

Note 13 - Events occurring after balance date

There were no significant events occurring after balance date.

Note 14 - Related party transactions***Remuneration of non-executive Directors***

No remuneration was received or is receivable by non-executive Directors. No superannuation contributions were paid or are payable in respect of non-executive Directors.

Other transactions of directors and director-related entities

Viatek Technology continues to provide a pro-bono IT service to JDRF Australia in the 2016 financial year. The amount of pro bono service is \$65,000 (2015: \$80,000) and is included in note 4. Both entities share a common Director.

JDRF AUSTRALIA**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	2016 \$	2015 \$
Note 15 - Key management personnel		
Remuneration of key management personnel		
The aggregate amount of compensation paid to key personnel during the year	<u>1,521,664</u>	<u>1,245,924</u>

Note 16 - Interests in other entities

During the 2016 financial year, the company ceased its membership with the Glycemic Index Foundation (GIF), a business established to promote the use of the low glycemic index diet for people with diabetes. One of JDRF Australia's directors was also a director of GIF, however his directorship ceased on 14 June 2016. JDRF Australia is not entitled to any distribution of proceeds from this venture without impacting GIF's charitable status. At 30 June 2016 JDRF Australia had an advance to GIF of \$100 (2015: \$8,039).

Note 17 - Limitation of members' liability

The company is incorporated as a company limited by guarantee, and in accordance with the constitution the liability of members in the event of the company being wound up would not exceed \$2 per member. At 30 June 2016 the number of members of this company was 3,854 (2015: 4,417).

	2016 \$	2015 \$
Note 18 - Charitable fundraising activities		
(a) Fundraising income and expenditure		
Gross proceeds from fundraising	7,262,931	7,406,485
Less: Expenses associated directly with undertaking fundraising activity	<u>(1,239,030)</u>	<u>(1,336,666)</u>
Net fundraising income	6,023,901	6,069,819
Less: Indirect fundraising expenses	<u>(1,950,669)</u>	<u>(2,123,925)</u>
Net surplus from fundraising	<u>4,073,232</u>	<u>3,945,894</u>

(b) Key fundraising ratios

Indirect fundraising expenses (A)	1,950,669	2,123,925
Net proceeds from fundraising (B)	6,023,901	6,069,819
(A) divided by (B)	32%	35%
Total cost of fundraising (A)	3,189,699	3,460,591
Gross proceeds from fundraising (B)	7,262,931	7,406,485
(A) divided by (B)	44%	47%
Net surplus from fundraising (A)	4,073,232	3,945,894
Gross proceeds from fundraising (B)	7,262,931	7,406,485
(A) divided by (B)	56%	53%

(c) Fundraising income activities

Direct expenditure includes all the costs for staging the Walk, Ride and Jump to Cure Diabetes, Gala Dinners and other fundraising activities. It also includes the cost of goods for resale and mailing charges. Indirect expenditure includes overheads such as premises and administrative staff costs.

The net proceeds from fundraising are being used for current and future research grants and to offer practical support and education to families of people with type 1 diabetes.

JDRF Australia has an objective to limit the amount of cash it handles as part of its fundraising activities. Cash receipts amounted to less than 1% of the above fundraising activities for the year ended 30 June 2016 (2015: less than 1%).

JDRF AUSTRALIA
ABN 40 002 286 553

FINANCIAL REPORT - 30 JUNE 2016

DIRECTORS' DECLARATION

Declaration made in accordance with the Australian Charities and Not-for-profits Commission Regulation 2013

The Directors of the JDRF Australia declare that:

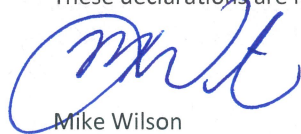
1. The financial statements, which comprise the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the company.
2. In the opinion of the Directors there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Declaration made in accordance with the Charitable Fundraising Act 1991

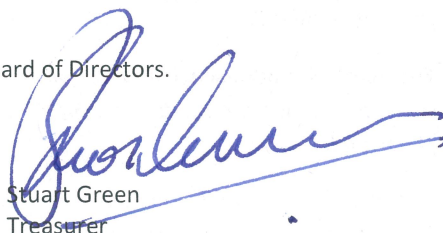
In the opinion of the Directors of JDRF Australia:

1. The financial statements and notes thereto give a true and fair view of all income and expenditure with respect to fundraising appeals conducted by the organisation for the year ended 30 June 2016; and
2. The statement of financial position as at 30 June 2016 gives a true and fair view of the state of affairs of the company with respect to fundraising appeals conducted by the organisation; and
3. The provisions of the *Charitable Fundraising Act 1991*, the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with by the organisation; and
4. The internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

These declarations are made in accordance with a resolution of the Board of Directors.



Mike Wilson
Chief Executive Officer and Managing Director



Stuart Green
Treasurer

Sydney, 25 October 2016



Independent auditor's report to the members of JDRF Australia

Report on the financial report

We have audited the accompanying financial report of JDRF Australia (the company), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 2008 (NSW)* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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 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.

PricewaterhouseCoopers, ABN 52 780 433 757

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Auditor's Opinion

In our opinion, the financial report of JDRF Australia is in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 2008 (NSW)*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and
- (c) presenting a true and fair view as required by the *Charitable Fundraising Act 1991 (NSW)* of the financial result of fundraising appeals for the financial year ended 30 June 2016; and
- (d) its associated records have been properly kept, in all material respects, in accordance with the *Charitable Fundraising Regulations 2008 (NSW)* for the financial year ended 30 June 2016; and
- (e) money received as a result of fundraising appeals conducted by the company during the year ended 30 June 2016 has been properly accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 2008 (NSW)*; and
- (f) there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'SJ Bourke', written in a cursive style.

SJ Bourke
Partner

Sydney
25 October 2016