The Sir Edward 'Weary' Dunlop Medical Research Foundation

ABN: 92 536 010 060

ACN: 006 753 162

Financial Statements

For the year ended 30 June 2016

The Sir Edward 'Weary' Dunlop Medical Research Foundation
ABN 92 536 010 060

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The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Directors' Report

The Directors submit their report on The Sir Edward 'Weary' Dunlop Medical Research Foundation ('The Foundation') together with the financial statements of the Foundation, for the year ended 30 June 2016, in accordance with a resolution of the Directors.

Directors
The names of the directors in office at any time during or since the end of the year are:
Mr Mike O'Meara (Chairman) Retired Deputy Commissioner Department of Veterans Affairs
Mr Michael Fidler (Vice Chairman) Retired Court Officer, RSL Representative
Mr Raymond Gill (Secretary) Retired Bank Officer
Mr Dennis Payne (Treasurer) Business Executive
Ross Smith JP Retired State MP
Mr Fred A Cullen OAM Investor, Primary Producer
Dr Jane FyField Gerontologist, Medical Practitioner
Mr John Geary Deputy Commissioner, Department of Veterans Affairs
Mr Geoffrey Hook OAM Cartoonist
Professor Jeffrey Rosenfeld Major General, Defence Forces Representative
Mr Neil Thompson CSC, SAS Association Representative
Mr Hugh Roberton Legacy Representative
Professor Jeffrey Zajac MBBS PhD FRACP, Head of Department of Medicine, University of Melbourne, Chairman of Medical Research Committee
Dr Elif Ekinci MBBS FRACP PhD, Sir Edward Dunlop Senior Research Fellow, University of Melbourne
Mr Russell Pettis Naval Association Representative
Mr Thomas Roberts Retired Medical Practitioner (resigned 31 December 2015)
Mr Carl Schiller OAM CSM RAAFA Representative (commenced 13 February 2016)

The 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 Foundation during the financial year continued to be the promotion of medical research through the encouragement of donations, fund raising activities and education.

Review of Operations
The net loss of the Foundation for the financial year was $168,702 (2015: loss $55,531)
The Foundation is exempt from income tax.

Significant Changes in the State of Affairs
No significant changes in the Foundation's state of affairs occurred during the financial year.

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Directors' Report continued

Events Subsequent to the End of the Reporting Period
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

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

Directors Benefits
Since the end of the previous financial year, no director of the Foundation has received or become entitled to receive a benefit by reason of a contract entered into by the Foundation with the director or with a firm of which he is a member, or a foundation in which he has a substantial financial interest.

Dividends
The Foundation is limited by guarantee and is precluded from paying dividends.

Indemnification of Officers
There has been no indemnification of officers during the financial year.

Proceedings on behalf of the Foundation
No person has applied for leave of court to bring proceedings on behalf of the Foundation or intervene in any proceedings to which a Foundation is a party for the purpose of taking responsibility on behalf of the Foundation for all or any part of these proceedings.
The Foundation was not a party to any such proceedings during the year.

Auditor's Independence Declaration
A copy of the Auditor's Independence Declaration as required under Section 307c of the *Corporations Act 2001* is attached.
The Directors report is signed in accordance with a resolution of the Board of Directors:

M O'Meara
Chairman

R Gill
Secretary

D Payne Treasurer

Dated this 19th day of October 2016

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE SIR EDWARD 'WEARY' DUNLOP MEDICAL RESEARCH FOUNDATION
ABN : 92 536 010 060

I declare that, to the best of my knowledge and belief during the year ended 30 June 2016 there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

CFMC Assurance Pty Ltd

CFMC Assurance Pty Ltd

Gregory Hudswell
Director

19th October 2016
Melbourne

The Sir Edward 'Weary' Dunlop Medical Research Foundation
ABN 92 536 010 060

Statement of Operating Surplus

For the year ended 30 June 2016

	Note	2016 $	2015 $
Operating revenue from ordinary activities	2a	**105,528**	175,643
Operating expenses from ordinary activities	2b	**(274,230)**	(231,174)
Operating deficit before income tax		**(168,702)**	(55,531)
Income tax attributable to operating deficit	1	**-**	**-**
		(168,702)	(55,531)
Other comprehensive income		**-**	**-**
Operating deficit for the year		**(168,702)**	(55,531)

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Statement of Financial Position

as at 30 June 2016

	Note	2016	2015
		$	$
Assets			
Current assets			
Cash assets	3	**29,759**	49,127
Receivables	4	**10,100**	11,053
Other financial assets	5	**1,586,024**	1,732,040
Total current assets		**1,625,883**	1,792,220
Total assets		**1,625,883**	1,792,220
Net assets		**1,625,883**	1,792,220
Equity			
Retained surplus		**1,466,374**	1,635,076
Asset revaluation reserve		**159,509**	157,144
Total equity		**1,625,883**	1,792,220

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Statement of Changes in Equity

For the year ended 30 June 2016

	Asset Revaluation Reserve $	Retained Surplus $	Total $
Balance at 1 July 2014	73,561	1,690,607	**1,764,168**
Operating deficit for the year	-	(55,531)	**(55,531)**
Revaluation increment for the year	83,583	-	**83,583**
Balance at 30 June 2015	**157,144**	**1,635,076**	**1,792,220**
Balance at 1 July 2015	157,144	1,635,076	**1,792,220**
Operating deficit for the year	-	(168,702)	**(168,702)**
Revaluation increment for the year	2,365	-	**2,365**
Balance at 30 June 2016	**159,509**	**1,466,374**	**1,625,883**

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Statement of Cash Flows

For the year ended 30 June 2016

	Note	2016	2015
		$	$
Cash flows from operating activities			
Receipts from donations and events		**50,633**	75,982
Payments for research grants and donations		**(195,451)**	(200,000)
Interest received		**737**	801
Distribution received		**40,321**	61,443
Payments to suppliers		**(78,071)**	(31,639)
Sundry income		**14,083**	8,142
Net cash used in operating activities	11	**(167,748)**	(85,271)
Cash flows from investing activities			
Investment acquisitions		**148,380**	97,711
Asset disposal		-	2,150
Net cash provided by investing activities		**148,380**	99,861
Net increase! (decrease) in cash held		**(19,368)**	14,590
Add opening cash brought forward		**49,127**	34,537
Cash at the end of the year	3	**29,759**	49,127

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Notes to the financial statements
For the year ended 30 June 2016

1 Summary of significant accounting policies

The financial statements are a general-purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001.* The Foundation is a not for profit entity for financial reporting purposes.
Following the adoption of Australian equivalents to International Financial Reporting Standards (AIFRS), the Foundation presents its financial report in compliance with AIFRS framework. Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with IFRS requirements. The directors have analysed its purpose, objectives, and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate, the directors have elected to apply options and exemptions within the AIFRS that are applicable to not-for-profit entities.
The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected assets.
The accounting policies adopted are consistent with those of the previous year unless otherwise specified.

Cash and Cash Equivalents
Cash on hand, in banks and short-term deposits are stated at the lower of cost and net realisable value. For the purposes of the Cash Flow Statement, cash includes cash on hand and money market investments readily convertible into cash.

Financial Instruments
Available-for-sale investments
Available-for-sale investments are non-derivative financial assets that comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.
They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is sold, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Asset Revaluation Reserve
The asset revaluation reserve records revaluation of available for sale financial assets.

Revenue Recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Foundation and the revenue can be reliably measured. Revenue is recognised in the period to which it relates. Donations and bequests are recognised as revenue when received.

Income Tax
The Foundation is an approved research institute under Division 50 of the Income Tax Assessment Act

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

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Notes to the financial statements
For the year ended 30 June 2016

		2016 $	2015 $
2	**Operating surplus from ordinary activities**		
	Included in the operating surplus are the following items:		
a	**Revenue from operating activities**		
	Donations events & book sales	**50,885**	101,093
	Deceased estate bequests	**-**	3,608
	Total Revenue from operating activities	**50,885**	104,701
	Revenue from non-operating activities		
	Interest received	**737**	1,177
	Distributions received	**40,321**	61,443
	Other income	**13,585**	8,321
	Total Revenue from non-operating activities	**54,643**	70,941
	Total revenue from ordinary activities	**105,528**	175,643
b	**Expenses**		
	Research Grants	**195,000**	195,000
	Other Grants and Donations	**451**	5,000
	Fundraising and other operating expenses	**76,740**	28,674
	Audit and accounting services	**2,039**	2,500
	Total expenses from operating activities	**274,230**	231,174

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Notes to the financial statements
For the year ended 30 June 2016

		2016 $	2015 $
3	**Cash assets**		
	ANZ Research Account	**970**	970
	ANZ Premium	**28,789**	48,157
		29,759	49,127
4	**Receivables**		
	Current:		
	Franking credit refund	**7,823**	8,321
	Prepayments	**1,846**	2,555
	GST Receivable	**431**	177
		10,100	11,053
5	**Other financial assets**		
	Current:		
	Shadforth Investment Account	**1,586,024**	1,732,040
	Investment Portfolio readily saleable with no fixed terms		
6	**Cash flow Statement**		
	Reconciliation of cash flows from operations with operating deficit		
	Operating Deficit	**(168,702)**	(55,531)
	Changes in assets and liabilities		
	(increase)/decrease in receivables	**954**	(4,740)
	decrease in payables	**-**	(25,000)
		(167,748)	(85,271)

7 Director's Remuneration

No remuneration was paid to directors during the year.
The Foundation has directors and officers' liability insurance.

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Notes to the financial statements
For the year ended 30 June 2016

8 Related Party Disclosures

The Directors of the Sir Edwards "Weary Dunlop Medical Research Foundation during the financial year were:

M O'Meara
M Fidler
R Gill
D Payne
R Smith
F Cullen
J Geary
E Ekinci
C Schiller
T Roberts
J V Rosenfeld
N Thompson
H Robertson
J Zajac
G Hook
J Fyfield
R Pettis

There were no amounts paid to directors or related parties during the year (2015: nil).

9 Subsequent Events

There are no subsequent events to report.

The Sir Edward 'Weary' Dunlop Medical Research Foundation
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Directors' Declaration

In accordance with a resolution of the Directors of the Sir Edward "Weary" Dunlop Medical Research Foundation we state that:

In the opinion of the directors:

1 the financial statements and notes, present fairly the Foundation's financial position as at 30 June 2016 and its performance for the year ended on that date in accordance with the *Corporations Act 2001,* and the requirements of *Corporations Regulations 2001;* and

2 in the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board

M O'Meara
Chairman

R Gill
Secretary

D Payne
Treasurer

Dated this 19th day of October 2016

CFMC Assurance

INDEPENDENT AUDITOR REPORT

To the members of The Sir Edward 'Weary' Dunlop Medical Research Foundation

We have audited the accompanying financial report, being a general purpose financial report, of The Sir Edward 'Weary' Dunlop Medical Research Foundation (the Foundation), which comprises the statement of operating surplus, statement of financial position as at 30 June 2016, 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 Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have 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 company's preparation of the financial report that gives 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. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of The Foundation, would be in the same terms if given to the directors as at the time of this auditor's report.

Basis for Qualified Conclusion

Revenue from Donations, Events and Book Sales is a significant source of income for the Foundation. It is not considered practicable to establish total control over the collection of this revenue prior to entry into the financial records. Accordingly, as the evidence available to us regarding revenue from this source is limited, our audit procedures with respect to donations income has to be restricted to the amounts recorded in the financial records. We are therefore unable to express a conclusion as to whether the revenue recorded from this source is complete.

Qualified Conclusion

Based on our review, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the above mentioned revenue amounts, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial position of the company as at 30 June 2016 and its financial performance for the year then ended in accordance with Australian Accounting Standards.

Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Conclusion paragraph, the financial report of The Foundation 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 2016 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001

CFMC Assurance Pty Ltd

CFMC Assurance Pty Ltd

Gregory Hudswell
Director

Level 15,
390 St Kilda Road
MELBOURNE, VIC 3004

Dated this 19th day of October 2016