

FINANCIAL REPORT
FOR YEAR ENDED JUNE 2021



MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

Financial Report for the year ended
30 JUNE 2021

Liability limited by a scheme approved under
Professional Standards Legislation

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MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

COMMITTEE'S REPORT

Your committee members submit the financial report of the Making Waves Foundation Inc. for the financial year ended 30 June 2021.

COMMITTEE MEMBERS

The names of committee members throughout the year and at the date of this report are:

Andrew King
Clive Hassett
John Gray
Peter Lewis
Bryan Dorman
Yvonne White

PRINCIPAL ACTIVITIES

The principal activities of the association during the financial year were:

Providing sailing adventures to disabled or disadvantaged individuals.

SIGNIFICANT CHANGES

During the financial year, Making Waves Foundation Inc. entered into an Auspicing Agreement with Guy Reynolds. The agreement relates to the receipt of donations on behalf of the Shoreline Foundation Ltd.

OPERATING RESULT

The Profit amounted to \$382,627, of which \$21,179 is attributable to Making Waves Foundation and \$361,448 to its auspicee, Shoreline.

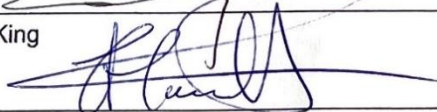
Signed in accordance with a resolution of the Members of the Committee.

Committee Member:



Andrew King

Committee Member:



Clive Hassett

Date this day of:

October 19 2021

MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
MAKING WAVES		
Other Income		
Sponsorships Received	9,996	19,996
Donations	509,999	627,535
Grants Received	45,009	176,501
Interest Received	1,320	2,995
Cash Flow Boost	26,536	21,244
Membership Fees	11,301	9,869
Jobkeeper	63,450	24,000
Raffle Income	42,080	-
Shoreline Fees	29,543	-
Sundry Income	12,939	6,670
Yacht Leasing Income	17,500	32,792
	<u>769,673</u>	<u>921,602</u>
Expenses		
Advertising & Promotion	20,655	10,275
ASX Outlay	-	35,010
Auditors Remuneration - Fees	4,200	5,600
Bank Charges	-	(282)
Bank Merchant Fees	2,311	3,004
Boat Expenses	51,124	149,889
Bookkeeping	21,267	21,652
Boat Cleaning	5,496	8,532
Client Support Services	199	-
Computer Expenses	29,903	30,882
Contractor Expenses	-	500
Depreciation	18,206	34,863
Donations	61	-
Employee Benefits Paid	-	36,717
Employee Support & Supervision	8,359	-
Employees Entitlement Prov'n	3,079	3,378
Entertainment	2,254	2,867
Equipment	29	-
Fundraising Expenses	21,000	20,447
Fuel & Lubricants	1,053	1,759
Insurance	24,786	29,899
Interest	-	2
Legal Costs	16,279	94
Licences, Registrations, Permits	421	-

MAKING WAVES FOUNDATION INC.
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Loss on Sale of Fixed Assets	16,262	2,802
Office Expenses	1,452	2,210
Postage	29	1,880
Printing & Stationery	4,249	12,773
Recruitment	12,285	1,263
Rent	28,793	34,572
Revaluation Non Current Assets	148,646	-
Salaries	254,221	219,207
Staff Training	12,056	16,265
Subscriptions	3,042	3,352
Superannuation	22,272	22,445
Telephone	4,347	8,502
Travelling Expenses	1,806	3,923
Uniforms	6,327	7,779
Volunteer Costs	1,903	434
Website Costs	122	3,752
	<u>748,494</u>	<u>736,247</u>
Net Profit	<u>21,179</u>	<u>185,355</u>

MAKING WAVES FOUNDATION INC.
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
SHORELINE		
Sales	22,497	-
Other Income		
Donations	507,020	-
Interest Received	10	-
Sundry Income	18,425	-
Abnormal Items	210,630	-
	<u>736,085</u>	-
Expenses		
Advertising & Promotion	18,429	-
Boat Expenses	19,848	-
Bookkeeping	1,954	-
Client Support Services	2,437	-
Computer Expenses	67	-
Employee Support & Supervision	108,876	-
Entertainment	3,351	-
Fundraising Expenses	21,367	-
Insurance	3,468	-
Licences, Registrations, Permits	23,496	-
Office Expenses	9,143	-
Postage	3,822	-
Printing & Stationery	722	-
Staff Training	5,131	-
Sub Contractors	77,700	-
Subscriptions	1,014	-
Telephone	787	-
Travelling Expenses	33,072	-
Uniforms	57,449	-
Website Costs	5,001	-
	<u>397,134</u>	-
Net Profit	<u>361,448</u>	-

MAKING WAVES FOUNDATION INC.
 ABN 82 714 459 575

STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Income			
Sponsorships Received		9,996	19,996
Donations		1,017,019	627,535
Grants Received		45,009	176,501
Interest Received		1,330	2,995
Cash Flow Boost		26,536	21,244
Membership Fees		11,301	9,869
Jobkeeper		<u>63,450</u>	<u>24,000</u>
		<u>1,174,641</u>	<u>882,140</u>
Other Income			
Raffle Income		42,080	-
Shoreline Fees		29,543	-
Sundry Income		31,364	6,670
Yacht Leasing Income		17,500	32,792
Abnormal Items		210,630	-
Gross profit from trading		<u>22,497</u>	<u>-</u>
		<u>353,614</u>	<u>39,462</u>
		<u>1,528,255</u>	<u>921,602</u>

MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Expenditure			
Advertising & Promotion		39,084	10,275
ASX Outlay		-	35,010
Auditors Remuneration - Fees		4,200	5,600
Bank Charges		-	(282)
Bank Merchant Fees		2,311	3,004
Boat Expenses		70,972	149,889
Bookkeeping		23,221	21,652
Boat Cleaning		5,496	8,532
Client Support Services		2,636	-
Computer Expenses		29,970	30,882
Contractor Expenses		-	500
Depreciation		18,206	34,863
Donations		61	-
Employee Benefits Paid		-	36,717
Employee Support & Supervision		117,235	-
Employees Entitlement Prov'n		3,079	3,378
Entertainment		5,605	2,867
Equipment		29	-
Fundraising Expenses		42,367	20,447
Fuel & Lubricants		1,053	1,759
Insurance		28,254	29,899
Interest		-	2
Legal Costs		16,279	94
Licences, Registrations, Permits		23,917	-
Loss on Sale of Fixed Assets		16,262	2,802
Office Expenses		10,595	2,210
Postage		3,851	1,880
Printing & Stationery		4,971	12,773
Recruitment		12,285	1,263
Rent		28,793	34,572
Revaluation Non Current Assets		148,646	-
Salaries		254,221	219,207
Staff Training		17,187	16,265
Sub Contractors		77,700	-
Subscriptions		4,056	3,352
Superannuation		22,272	22,445
Telephone		5,134	8,502
Travelling Expenses		34,878	3,923
Uniforms		63,776	7,779

The accompanying notes form part of these financial statements.

MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Volunteer Costs		1,903	434
Website Costs		5,123	3,752
		<u>1,145,628</u>	<u>736,247</u>
Profit before income tax		<u>382,627</u>	<u>185,355</u>
Profit for the year		382,627	185,355
Retained earnings at the beginning of the financial year		1,135,953	950,598
Retained earnings at the end of the financial year		<u>1,518,580</u>	<u>1,135,953</u>

The accompanying notes form part of these financial statements.

MAKING WAVES FOUNDATION INC.
A.B.N. 82 714 459 575

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
Assets			
Cash and cash equivalents	2	932,179	519,521
Trade and other receivables	3	92,348	74,876
Prepayments		<u>10,563</u>	<u>12,017</u>
Total Current Assets		<u>1,035,090</u>	<u>606,414</u>
Non-currents Assets			
Property, plant and equipment	4	<u>656,143</u>	<u>589,256</u>
Total Non-currents Assets		<u>656,143</u>	<u>589,256</u>
Total Assets		<u>1,691,233</u>	<u>1,195,670</u>
 Liabilities			
Current Liabilities			
Trade and Other Payables	5	<u>172,653</u>	<u>59,717</u>
Total Current Liabilities		<u>172,653</u>	<u>59,717</u>
Total Liabilities		<u>172,653</u>	<u>59,717</u>
Net Assets		<u>1,518,580</u>	<u>1,135,953</u>
 Member's Funds			
Retained earnings	6	<u>1,518,580</u>	<u>1,135,953</u>
Total Members' Funds		<u>1,518,580</u>	<u>1,135,953</u>

The accompanying notes form part of these financial statements.

MAKING WAVES FOUNDATION INC.
A.B.N. 82 714 459 575

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Donations Received		997,939	535,716
Payments to suppliers and employees		(1,020,118)	(821,991)
Other Income		683,507	356,952
Interest received		1,330	2,994
Net cash provided by operating activities		<u>662,658</u>	<u>73,671</u>
Cash Flows from Investing Activities			
Payments for plant and equipment		<u>(250,000)</u>	<u>(22,319)</u>
Net cash used in investing activities		<u>(250,000)</u>	<u>(22,319)</u>
Net increase in cash held		<u>412,658</u>	<u>51,352</u>
Cash at beginning of financial year		<u>519,521</u>	<u>468,168</u>
Cash at end of financial year	2	<u>932,179</u>	<u>519,520</u>

The accompanying notes form part of these financial statements.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Making Waves Foundation Inc as an individual entity. Making Waves Foundation Inc is an association incorporated in NSW under the Associations Incorporation Act NSW 2009.

These general purpose financial statements have been prepared in accordance with the Associations Incorporation Act NSW 2009 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

INCOME TAX

Income tax expenses and provision for taxation have not been included. The entity has been endorsed as a deductible gift recipient and tax exempt charity.

PROPERTY, PLANT AND EQUIPMENT (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

DEPRECIATION

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

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

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	10% to 30%
Office Equipment	30% to 50%

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at each balance sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

IMPAIRMENT OF ASSETS

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired.

The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

EMPLOYEE BENEFITS

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred & until those conditions are satisfied.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

ACCOUNTS PAYABLE AND OTHER PAYABLES

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

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 Tax 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 balance sheet.

COMPARATIVE AMOUNTS

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

INDUSTRY AND GEOGRAPHICAL SEGMENTS

The association acts as a facilitator of sailing opportunities to disabled people in Australia.

MEMBER REMUNERATION AND BENEFITS

Making Waves Foundation Inc. paid expenses in relation to the ongoing maintenance and operation of the boat owned by Mr David Pescud. Mr Pescud's boat was used by Making Waves Foundation Inc. to provide sailing opportunities to disabled Australians.

In February 2021, the boat Kayle, was purchased by the Making Waves Foundation Inc. from David Pescud at the fair market value of \$250,000.

Apart from the above benefits, no members received any remuneration or benefits from the organisation as a direct result of holding office as a member of the governing body.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

COVID-19

In March 2020 the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Association was not affected financially by the outbreak in the 2020 year.

The outbreak and the response of Governments in dealing with the pandemic had a great impact on the community. The requirement of social distancing had a great impact on the operations of the entity.

Due to the recent Delta outbreak in June 2021, the scale and duration of these developments remain uncertain as at the date of this report however they are having an impact on the earnings, cash flow and financial condition in the 2022 year.

RELATED PARTIES

David Pescud has in the past provided the use of his boat for Making Waves Foundation Inc. free of charge. In exchange for the use of this boat expenses had been paid towards the ongoing maintenance of this boat.

This has been reviewed in the past and is listed as a note to the accounts.

Expenses have been reviewed and authorised by committee members. The risk of fraud is low as all expenses are reviewed and approved by the committee before payment.

David Pescud resigned on 11th January 2021 and since then no related party transactions have been incurred.

AUSPICING AGREEMENT

During the financial year, Making Waves Foundation Inc. entered into an Auspicing Agreement with Guy Reynolds. The agreement relates to the receipt of donations on behalf of the Shoreline Foundation Ltd.

Income and expenses in the financial statement have been departmentalised in the profit and loss statement for the year ended 30th June 2021.

The Agreement allows for termination and cash has been held at bank in order to payout the net liability owed to the Shoreline Foundation Ltd of \$361,449 as at 30th June 2021.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
2 Cash and Cash Equivalents			
Cash at Bank			
- Westpac Melbourne		197	526
- Westpac Kayle		832	597
- Westpac Office General		3,774	508
- Westpac Disbursement		11,691	33,035
- Westpac Donation		400,246	380,695
- Westpac Office IT		3,661	710
- E-way		-	800
- Shoreline Disbursement		15,142	-
- Shoreline Donations		<u>392,822</u>	-
		828,365	416,871
Interest Bearing Deposits		<u>103,814</u>	102,650
		<u>932,179</u>	<u>519,521</u>
Reconciliation of cash			
Cash and Cash equivalents reported in the cash flow statement are reconciled to the equivalent items in the balance sheet as follows:			
Cash and cash equivalents		<u>932,179</u>	<u>519,520</u>
		<u>932,179</u>	<u>519,520</u>
3 Trade and Other Receivables			
Other Debtors			
- ATO ICA		4,990	591
Trade Debtors		55,992	57,700
Deposits Refundable		13,215	11,191
GST on Acquisitions			
Acquisitions subject to GST (normal GST acquisitions A/c)		<u>18,151</u>	<u>5,394</u>
		<u>92,348</u>	<u>74,876</u>
4 Property, Plant and Equipment			
Plant & Equipment - at Valuation		657,613	1,133,360
Less Prov'n for Depreciation		<u>(1,470)</u>	<u>(544,104)</u>
		656,143	589,256
Total Plant and Equipment		<u>656,143</u>	<u>589,256</u>
Total Property, Plant and Equipment		<u>656,143</u>	<u>589,256</u>

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

	2021	2020
	\$	\$
5		
Accounts Payable and Other Payables		
Current		
Trade Creditors	65,646	11,137
Other Creditors		
- PAYG Withholding Payable	4,740	2,646
- Superannuation Accrued	7,335	4,452
- Bank Funds Repayable	<u>33,127</u>	-
	45,202	7,098
Grants Received in Advance	47,044	22,726
Unearned Income	8	10,004
GST on Supplies		
Supplies subject to GST (normal GST supplies A/c)	3,994	1,073
Provision for Employee Entitlements	<u>10,759</u>	<u>7,679</u>
	<u>172,653</u>	<u>59,717</u>
6		
Retained Earnings		
Retained earnings at the beginning of the financial year	1,135,953	950,598
Net profit attributable to the association	<u>382,627</u>	<u>185,355</u>
Retained earnings at the end of the financial year	<u>1,518,580</u>	<u>1,135,953</u>

7 **Financial Risk Management**

Risk management framework

Making Waves Foundation Inc. has exposure to the following risks from its use of financial instruments:

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk

This note presents information about Making Waves Foundation Inc's exposure to each of the above risks, the association's objectives, policies and processes for measuring and managing risk, and the association's management of capital.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

(a) Credit Risk

Credit risk is the potential risk of financial loss resulting from the failure of a client to meet their obligations on time and in full, as contracted. It arises principally from receivables from clients and from investment securities.

Management of credit risk

Making Waves Foundation Inc's exposure to credit risk is reduced due to the stability of its funding sources. Grants and other receivables are mostly from public sector agencies. Receivables are only ever minor amounts. If any credit is to be given, Making Waves Foundation Inc would make an assessment of the risk and set appropriate contract terms and follow up overdue amounts to limit any losses. Investments are placed only with reputable financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the association does not have sufficient financial resources to meet its obligations when they come due, or will have to do so at excessive cost.

Management of liquidity risk

The association maintains separate accounts for funding day to day operations. The majority of the association's grant income is determined by agreement for twelve month periods, enabling cash flow planning. These strategies ensure that the association is able to meet its short term and long-term liabilities. The association has reduced the exposure to liquidity risk through a process of annual budgeting and cash flow forecasting.

(c) Market risk

Market risk is the risk that movements in interest rates, foreign exchange rates, equity prices or commodity prices will affect the association's income and capital. Making Waves Foundation Inc. faces no material market risk other than interest rate risk - see below.

Interest rate risk

Interest rate risk arises from changes in the shape and direction of interest rates (yield curve risk) as well as mismatches in the re-pricing term of assets and liabilities.

Management of interest rate risk

Interest rate risk occurs when the association may lock in to fixed rates that may rise during the period of a term deposit. The committee consider the appropriate term for deposits and the mix of deposits given the state of the market and expectations at any point in time.

MAKING WAVES FOUNDATION INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021

8 Economic Dependence

The association is dependent on future donations being received in order to continue its operations.

9 Association Details

The registered office of the association is:

Level 1, 1C New Beach Rd, Darling Point, NSW 2027

The principal place of business is:

Level 1, 1C New Beach Rd, Darling Point, NSW 2027

MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

STATEMENT BY MEMBERS OF THE COMMITTEE

The committee has determined that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial statements:

1. Presents a true and fair view of the financial position of Making Waves Foundation Inc. as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Making Waves Foundation Inc. will be able to pay its debts as and when they fall due.
3. The financial statements and notes satisfy the requirements of the ACNC Act.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President:

Andrew King

Treasurer:

Clive Hassett

Dated this day of October 19 2021

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAKING WAVES FOUNDATION INC.
ABN 82 714 459 575

Opinion

We have audited the accompanying financial report of Making Waves Foundation Inc. (the association), which comprises the statement of financial position as at 30 June 2021, and the statement of comprehensive income and cash flow statement, for the year then ended and notes to the financial statements including a summary of significant accounting policies, other explanatory information and the statement by members of the committee.

In our opinion, the accompanying financial report of the association is in accordance with the Association Incorporation Act NSW 2009, including;

- (i) giving a true and fair view of the association's financial position as at 30 June 2021 and of its financial performance of the year then ended; and
- (ii) That the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

Basis for Opinion

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

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

Information Other Than the Financial Report and Auditors Report Thereon

The committee of the association is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2021, but does not include the financial report and our auditors' report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Committee's Responsibility for the Financial Report

The committee of Making Waves Foundation Inc. is responsible for the preparation of the financial report and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act NSW 2009 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

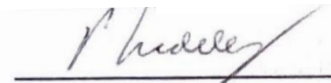
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Name of Firm: JPL Partners, Chartered Accountants

Name of Partner: Peter Liddy, ICAA: 72116, ARN: 1674844



Address: Suite 6, Level 2, Croydon Street, CRONULLA NSW 2230

Dated this: 20TH day of OCTOBER, 2021

