Make-A-Wish Foundation of Australia Ltd
ABN 97 006 497 632

Financial Report
31 August 2021

CONTENTS

The Directors present their report together with the financial report of the Make-A-Wish Foundation of Australia Ltd ("the Company"), for the financial period ended August 31st 2021 including the Auditor's Report.

1. Directors

The Directors of the Company at any time during or since the end of the financial period are:

John Armstrong (Chairperson, Member of the Finance Committee)*
BBus (Accounting), MAICD
Director, Brown Family Wine Group

Steve Billingham (Deputy Chairperson)**
MSc
Partner PwC Australia

Sarah Saville (Treasurer, Chair of the Finance Committee, Company Secretary)
BComm/BAsian Studies, CA
Partner PwC Australia

Sally Bateman (CEO, Member of the Finance Committee)
BA (Public Relations), Grad Dip (Psych), GAICD
Director, Stroke Foundation

Russell Evans****
BBus (Marketing), MBA, GAICD
Director, Global Sales, Dubber Corporation Ltd; Director, University of New England

Amanda French
BA, MAICD
CEO, Dress for Success Hobart

Melinda Geertz***
BA
CEO, Leo Burnett Australia; Director Wesley College

Margaret Little
MBBS, FRACP, PhD
Senior Staff Specialist, Paediatric Oncology, Queensland Children's Hospital

Russell Smith (Member of the Finance Committee)

Members of the Finance Committee

Stephen Sharp *****
BEc, LL.B
Partner, Arnold Bloch Leibler Lawyers and Advisers

David Briskin
BEc, LL.B
Director, Briskin Group of Companies; Chairman, MJ Bale; Director, Melbourne Fashion Festival

* Appointed Chairman 20th August 2021
** Appointed Deputy Chairman 20th August 2021

*** Resigned 19th February 2021
**** Appointed 23rd April 2021
***** Resigned 20th August 2021 but remained on the FC

2. Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Board		Finance		Finance / COVID^	
	Attended	Available Meeting	Attended	Available Meeting	Attended	Available Meeting
John Armstrong*	6	6	4	5	3	3
Stephen Billingham**	4	6	-	-	3	3
Sally Bateman	6	6	5	5	3	3
David Briskin	-	-	-	-	3	3
Russell Evans****	2	3	4	4	2	3
Amanda French	5	6	-	-	0	3
Melinda Geertz***	3	3	-	-	2	3
Margaret Little	5	6	-	-	1	3
Sarah Saville	6	6	5	5	2	3
Russell Smith	6	6	5	5	3	3
Stephen Sharp*****	6	6	5	5	3	3

^ Please note that regular Finance Committee / COVID meetings were scheduled and attended by invitation in order to manage Make-A-Wish through this period of uncertainty.

3. Principal Activities

The principal activity of the Company during the year was to grant life-changing wishes for children with a critical illness. Wishes are designed to complement medical treatment, supporting families and empowering sick children with hope and joy when they need it most. There were no significant changes in the nature of the activities of the Company during the year.

4. Short and Long Term Objectives and Strategy of the Company

The Company's strategic objectives for the 2022 financial year and beyond are built around the following key areas for success:

- Exceptional Wish Journeys for everyone involved in our program.
- Financial Sustainability. A commitment to managing our operations for the future benefit of our cause.
- People and Development. An admired culture where fun, diversity, accountability and continuous learning thrive.
- Volunteers with Impact. Volunteering Programmes that deliver value and shared impact.
- Smart Technology to drive ongoing digital technology efficiencies, speed and value.

5. Performance Measurements of the company

The Directors meet regularly to monitor the performance of the Company. KPIs include growth in the number of children on their wish journeys, the quality of wishes, increased fundraising income, cost optimisation and the embedding of child safe processes and compliance.

6. Operating and Financial Reviews

The company recorded a surplus of $2,128,821 for the year ended August 31st 2021 (2020: surplus $371,352).
The company has recorded a surplus in the year despite the economic uncertainty associated with the COVID-19 pandemic. This is as a result of management action in managing our cost base and qualification for the Jobkeeper payment scheme. The varying levels of lockdown have also impacted our ability to be able to deliver wishes safely. These wishes and associated costs will be delivered in future periods as it is safe to do so.
The organisation is expecting to remain in surplus in the new financial year.

7. Significant Changes in the State of Affairs

The Company is incorporated in Australia and is limited by guarantee. In the opinion of the Directors there was no significant change in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.

8. Environmental Regulations

The Company does not have exposure to any significant environmental reporting requirements. The Company acknowledges its responsibility to environmental issues.

9. Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the period that have significantly affected or may significantly affect either:

- The entity's operations in future financial years;
- The results of those operations in future financial years; or
- The entity's state of affairs in future financial years.

10. Indemnification

The constitution of the Company provides for every Director, Chief Executive Officer, Secretary and other Officer to be indemnified out of the assets of the Company against any liability incurred by them in carrying out their duties.

11. Insurance Premiums

During the financial period the Company paid insurance premiums for Directors' and Officers' Liability insurance, details of which have not been disclosed due to confidentiality provisions contained in the insurance contract.

12. Member Contribution

The Company is a public company limited by guarantee. Each member of the Company undertakes to contribute an amount not exceeding $20 in the event of the Company being wound up while a member, or within one year after ceasing to be a member. As at 31st August 2021 the number of members was 51 (31 August 2020: 60).

13. Non-Audit Services

During the period the Company's auditor did not change from Grant Thornton. Grant Thornton has not provided other services in addition to their statutory audit services.

14. Proceedings on Behalf of the Company

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

15. Auditor's Independence Declaration

The auditor's independence declaration is set out on page 6 and forms part of the Directors' Report for the financial period ended August 31st 2021.

This report is made with a resolution of the Directors.

………………………………………….	………………………………………….
John Armstrong	Sarah Saville
Chairman	Treasurer

Dated at: Victoria **this** …10th… **Day of** …December 2021…

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Auditor's Independence Declaration

To the Directors of Make-A-Wish Foundation of Australia Ltd

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Make-A-Wish Foundation of Australia Ltd for the year ended 31 August 2021, 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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

D G Ng
Partner – Audit & Assurance

Melbourne, 10th December 2021

	Note	2021 $	2020 $
Operations			
Income			
Public support	4	10,974,072	9,825,213
Special events	4	1,465,006	1,795,083
Less cost of direct benefit to donors	4	(187,194)	(255,476)
Total Income		12,251,884	11,364,820
Other income	5	315,873	104,811
Total Income and Other Income		12,567,757	11,469,631
Expenses			
Wish services		(6,299,711)	(6,157,528)
Support services:			
Fundraising, Marketing and Communications		(3,172,525)	(3,927,568)
Management and general		(966,700)	(1,013,183)
Total expenses	12,13	(10,438,936)	(11,098,279)
Surplus before income tax		2,128,821	371,352
Income tax expense	3(l)	-	-
Surplus after income tax		2,128,821	371,352
Other comprehensive income			
Items that may be re-classified subsequently to profit or loss			
Net change in fair value of financial assets		-	-
Other comprehensive income for the period		-	-
Total comprehensive income for the period		2,128,821	371,352

The accompanying notes on pages 11 to 26 form part of these financial statements.

Make-A-Wish Foundation of Australia Ltd
Statement of Financial Position
As at August 31st 2021

	Note	2021	2020
Current Assets		$	$
Cash and cash equivalents	*10*	4,016,134	3,097,097
Trade and other receivables	*9*	334,968	99,307
Financial Assets	*8*	4,283,917	2,870,605
Inventories		2,123	3,869
Prepayments		395,357	322,964
Total current assets		9,032,499	6,393,842
Non-current Assets			
Property, plant and equipment	*7*	65,677	22,903
Intangible Assets	*7*	161,972	407,152
Total non-current assets		227,649	430,055
Total assets		9,260,148	6,823,897
Current Liabilities			
Trade and other payables	*15*	1,050,367	670,373
Employee benefits	*14*	540,517	432,972
Contract Liability		25,000	202,547
Other financial liabilities	*16*	500	500
Total current liabilities		1,616,384	1,309,392
Non-current Liabilities			
Employee benefits	*14*	68,280	67,843
Total non-current liabilities		68,280	67,843
Total liabilities		1,684,665	1,377,235
Net assets		7,575,483	5,446,662
Equity			
Accumulated Funds			
Accumulated funds	*11*	5,446,662	5,075,310
Current year surplus / (deficit)		2,128,821	371,352
		7,575,483	5,446,662
Total equity		7,575,483	5,446,662

The accompanying notes on pages 11 to 26 form part of these financial statements

	Note	Accumulated Funds $	Total Equity $
Balance at 1 September 2019		**5,075,310**	**5,075,310**
Surplus / (Deficit) after tax	11	371,352	371,352
As at 31 August 2020		**5,446,662**	**5,446,662**

	Note	Accumulated Funds $	Total Equity $
Balance at 1 September 2020		**5,446,662**	**5,446,662**
Surplus / (Deficit) after tax	11	2,128,821	2,128,821
As at 31 August 2021		**7,575,483**	**7,575,483**

The accompanying notes on pages 11 to 26 form part of these financial statements.

	2021 $	2020 $
Cash flows from operating activities		
Cash receipts from donations and fundraising activities	11,913,181	12,147,114
Cash paid to suppliers and employees	(9,715,438)	(10,556,364)
Cash from operations	2,197,743	1,590,750
Interest received	150,527	100,059
Net cash from operating activities	2,348,270	1,690,809
Cash flows from investing activities		
Payment for property, plant and equipment, and intangibles	(161,117)	(70,883)
Payments for investments	(1,268,116)	-
Net cash from investing activities	(1,429,233)	(70,883)
Net increase / (decrease) in cash and cash equivalents	919,037	1,477,171
Cash and cash equivalents at 1 September	3,097,097	1,619,926
Cash and cash equivalents at 31 August	4,016,134	3,097,097

The accompanying notes on pages 11 to 26 form part of these financial statements.

1. General information and statement of compliance

Make-A-Wish Foundation of Australia Ltd (the "Company") is an unlisted public company limited by guarantee incorporated and domiciled in Australia. The Company's registered office is 658 Church Street, Richmond, Victoria, Australia. The principal activity of the Company is granting of cherished Wishes to children under 18 years old who are suffering with a life threatening illness.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission 2012*. Make-A-Wish Foundation Australia Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the 12 month period ended 31 August 2021 were approved and authorised for issue by the Board of Directors on 10th December 2021.

(a) Basis of measurement

The financial report has been prepared on a going concern and accruals basis based on historical costs and, except where stated, do not take into account current valuations of non-current assets. Cost is based upon the fair values of the consideration given in exchange for assets.

(b) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Company's functional currency.

(c) Use of estimates and judgements

The preparation of financial statements in accordance with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:
3. (i) Employee benefits

2. Changes in accounting policies

New and revised standards that are effective for annual periods beginning on or after 1 September 2021.

Configuration or Customisation Costs in a Cloud Computing Arrangement (AASB 138 Intangible Assets)

The Company has adopted the IFRIC Agenda Decision - Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) from 1 September 2020. The Agenda Decision clarifies how a customer accounts for costs of configuring or customising a supplier's application software in a Software as a Service (SaaS) arrangement. The Agenda Decision requires management to capitalise elements of expenditure that meet the definition of an Intangible Asset as defined by AASB 138 Intangible Assets and recognise any additional amounts as an expense as the entity benefits from the expenditure either by applying AASB 138 or applying another accounting standard.
The Company conducted an analysis on all costs incurred in relation to its Cloud Computing Arrangements. Consequently, amounts incurred in relation to Software As A Service arrangements were expensed as it did not meet the criteria for capitalisation under AASB 138. The cumulative impact on the financial statements as a result of this change in policy for the year ending 31 August 2021 is $307,187 and comparative period ending 31 August 2020 is $0.

COVID-19
In March 2020, the World Health Organization declared the outbreak of novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout Australia. The spread of COVID-19 has caused significant volatility in Australian and international markets. Uncertainty remains regarding the impact of COVID-19 on markets, and the Company is unable to determine if it will continue to create a material impact to its operations.

3. Summary of accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the financial statements unless otherwise stated.

(a) Income

i. **Consumer fundraising**
Income received from voluntary donations from the general public is recognised when received.

ii. **Corporate fundraising**
Corporate fundraising income is recognised when it is received unless an agreement exists, whereby it is recognised in accordance with the terms under the agreement.

iii. **Bequest distributions**
Income bequeathed through a Will is recognised as revenue when received.

Income from legacies comprising bequests of shares or other property is recognised at fair value, being the market value of shares or property at the date the company becomes legally entitled to the shares or property.

iv. **Event fundraising**
Income received from specific fundraising events or cause related marketing activities is recognised in the period the event takes place.

The direct benefit cost to donors represents the cost of items that the participant at the event would reasonably believe would be provided for the price of the ticket. For example, entertainment catering, decorations etc.

v. **Goods in kind**
Donations of goods and services are recognised as income when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably. Goods in kind income is measured at the fair value of the gift received or receivable.

vi. **Merchandise sales**
Income from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Income is recognised when persuasive evidence exists, usually in the form of an executive sales agreement, that the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of income can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of income as the sales are recognised.

(b) Other income

Other income comprises interest income on funds invested, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(c) Property, plant and equipment

i. Recognition & measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated 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 disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income in profit or loss.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Land is not depreciated.

The estimated useful lives for the current comparative periods are as follows:

Buildings	40 years
Fixtures & Fittings	2 – 10 years
IT Hardware	3 – 5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(d) Intangible assets

i. Recognition & measurement

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software, where there is a contractual right to control the licenced technology.

ii. Subsequent costs and amortisation

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line-basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date.

The estimated useful lives for the current comparative periods are as follows:

- Software 2 – 8 years

Amortisation is recognised in the profit and loss. Any subsequent expenditure on maintenance are expensed as incurred.
Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(e) Financial instruments

Recognition, initial measurement and derecognition Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable) For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposit that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included trade receivables that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:
financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Company assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

The Company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(f) Impairment of non-financial assets

Non-financial assets 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.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash generating unit.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the current replacement cost of the asset.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less and bank overdraft.

(i) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within twelve months of the reporting date are recognised as current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave not expected to be settled wholly within twelve months after the end of the period are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the timing of the estimated future cash outflows.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on unconditional right to defer settlement of the liability for at least twelve months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(j) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(k) Loans and other financial liabilities

Loans
Loans are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans are classified as non-current.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Income tax

The Company is exempt from income tax and therefore no provision for tax is made in these financial statements.

(m) Goods and services tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(n) Changes in categorisation of income and expenses

The categorisation of income and expenses in 2021 and 2020 reflects the Make-A-Wish International conventions for reporting.

(o) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to costs are deferred as a contract liability and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to cash subsidies are recognised in the profit or loss as other income.

4. Income

	2021 $	2020 $
Public Support		
Consumer fundraising	7,078,684	6,892,531
Corporate fundraising	3,021,217	1,377,871
Bequest distributions	723,926	1,026,207
Goods and services in kind	144,070	417,582
Merchandise sales	6,175	111,022
	10,974,072	9,825,213
Special events		
Event fundraising	1,465,006	1,795,083
Less cost of direct benefit to donors*	(187,194)	(255,476)
	12,251,883	11,364,820

* The ‘direct benefit to donors’ represents the cost of items that the participant at the event would reasonably believe would be provided for the price of the ticket. For example, entertainment catering, decorations etc.

5. Other income

	2021 $	2020 $
International Wish Service Fee	-	29,415
Fair Value Gain/(Loss) from Financial Assets at FVTPL	140,421	(99,680)
Interest income	150,452	100,076
Government Grant – CF Boost	25,000	75,000
	315,873	104,811

6. Finance income and finance costs recognised in profit or loss

	2021 $	2020 $
Finance income		
Distribution income from investments	149,863	99,582
Interest income on bank deposits	589	3,494
Dividend income	-	-
	150,542	100,076
Finance expense		
Finance costs	-	-
Net finance costs recognised in profit or loss	150,542	100,076

7. Property, plant and equipment, and Intangible Assets

	Fixtures and fittings $	IT hardware $	Intangible Assets $	Total $
Balance at 1 September 2020	2,262	20,641	407,152	430,055
Additions	102,867	30,137	28,114	161,117
Disposals	-	(25,044)	(78,326)	(103,370)
Depreciation for the period	(50,718)	(14,466)	(194,969)	(260,153)
Balance at 31 August 2021	54,410	11,267	161,972	227,649

8. Other financial assets

	2021 $	2020 $
Current investments		
Investments – Amortised cost	34	110
Security deposits – Amortised cost	5,350	500
Financial Assets at FVTPL	4,278,533	2,869,995
	4,283,917	2,870,605

9. Trade and other receivables

	2021 $	2020 $
Trade Receivables	249,946	59,324
Allowance for Doubtful Debts	-	-
	249,946	59,324
Other Receivables	-	-
GST Receivables	80,455	32,857
Make-A-Wish Affiliate Debtors	-	1,641
Accrued Income	4,567	5,485
	334,968	99,307

10. Cash and cash equivalents

	2021 $	2020 $
Opening Balance for the year	3,097,097	1,477,171
Net inflow/(outflow)for the year	919,037	1,619,926
Closing Balance for the year	4,016,134	3,097,097

11. Accumulated funds

	2021 $	2020 $
Opening Balance for the year	5,446,662	5,075,310
Surplus for the year	2,128,820	371,352
Closing Balance for the year	7,575,482	5,446,662

12. Expenses recognised in profit or loss

	Note	2021 $	2020 $
Depreciation	7	260,153	257,285
Short term operating lease payments		131,379	625,705
Goods and services in kind			
• Wish Services		106,570	514,472
• Management and General		31,250	71,750

13. Personnel expenses recognised in net profit and loss

	2021 $	2020 $
Wages and salaries	4,678,204	4,405,475
Jobkeeper Payment Scheme	(858,150)	(876,000)
Other associated personnel expenses	63,555	59,448
Contributions to defined superannuation contribution plans	434,120	401,954
Increase/(decrease) in liability for employee provisions	107,982	154,061
	4,425,711	4,144,939

14. Employee benefits

	2021 $	2020 $
Liability for annual leave and flexible leave	386,070	321,252
Liability for long service leave	222,727	179,563
Total employee benefit liabilities	608,797	500,815
Current	540,517	432,972
Non-current	68,280	67,843
Total employee benefit liabilities	608,797	500,815

15. Trade and other payables

	2021 $	2020 $
Trade payables	512,380	206,148
GST Payable	5,940	-
Other payables and accrued expenses	532,047	464,225
	1,050,367	670,373

16. Other financial liabilities

The company procured a short term facility loan to assist with cash flow. To enable the facility to remain open a drawdown of $500 was necessary. For the credit facilities held with the Commonwealth Bank of Australia, the Commonwealth bank has a First Registered Company Charge by Make-A-Wish Australia over whole of its assets and undertakings, including uncalled capital.

	2021 $	2020 $
Variable rate loan	500	500

17. Wish related commitments

	2021 $	2020 $
Wish related commitments		
Approved but not yet provided for and payable	2,013,689	1,362,072
	2,013,689	1,362,072

As at August 31st 2021, 293 (2020: 215) wishes had been approved by the Board of Directors, but not yet granted.
No liability has been recorded for this cost to be incurred in the 2021 financial period.

18. Related party transactions

Key management personnel compensation

Total key management personnel compensation:

	2021 $	2020 $
	997,392	838,545

Transactions with key management personnel

The compensation disclosed above represents an allocation of the key management personnel's compensation from the Company in relation to their services rendered to the Company. Key Management Personnel includes members of the Executive Management team who have the authority and responsibility for planning, directing and controlling the activities of the Company. The Executive Management team was inclusive of the following personnel during the financial period.

Ian Azzopardi	Appointed 2nd July 2018
Sally Bateman	Appointed 22nd January 2018
Travis Ryan	Appointed 24th August 2018
Sarah Croney	Appointed 26th June 2020
Joel Nicholls	Appointed 12th October 2020
Megan Johnson	Appointed 12th October 2020

Individual directors' and executives' compensation disclosures

There have been no forms of compensation provided or material contracts entered into by the directors of the Company in relation to their services rendered to the Company during the financial period ended August 31st 2021. This is consistent with the 2020 financial year. The directors who held office during the financial year are:

Stephen Sharp*****	John Armstrong*	Steve Billingham**
Sally Bateman	Russell Evans****	Amanda French
Melinda Gertz***	Margaret Little	Sarah Saville
Russell Smith		

* Appointed Chairman 20th August 2021
** Appointed Deputy Chairman 20th August 2021
*** Resigned 19th February 2021
**** Appointed 23rd April 2021
***** Resigned 20th August 2021 but remained on the FC

Loans to key management personnel and their related parties

There have been no loans entered into with key management personnel and their related parties during the 2021 financial period. This is consistent with the 2020 financial year.

Key management personnel and director transactions

A number of directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. There were no transactions entered into of this nature with the Company in the reporting period.

19. Contingent liabilities

The Company has no contingent liabilities as at August 31st 2021 (31 August 2020: nil).

20. Limitation of liability

The liability of the members of the Company is limited. In the event of a winding up, the maximum liability of each of the members would be $20. At 31st August 2021 there were 51 members (31 August 2020: 60).

21. Post-reporting date events

There are no matters or circumstances that have arisen since the end of the period that have significantly affected or may significantly affect either;

- The entity's operations in future financial years;
- The results of those operations in future financial years; or
- The entity's state of affairs in future financial years.

Directors' Declaration

In the opinion of the directors of the Make-A-Wish Foundation of Australia Ltd ('the Company'):

(a) The financial statements and notes, set out on pages 7 to 25, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:

(i) Giving a true and fair view of the Company's financial position as at 31 August 2021 and of their performance, for the financial period ended on that date; and

(ii) Complying with Australian Accounting Standards Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-Profits Commission Regulation 2013;

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

……………………………………….	……………………………………………
John Armstrong	Sarah Saville
Chairperson	Treasurer

Dated at: Victoria this 10th day of December 2021.

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Independent Auditor's Report

To the Members of Make-A-Wish Foundation of Australia Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Make-A-Wish Foundation of Australia Ltd (the "Company"), which comprises the statement of financial position as at 31 August 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the financial report of Make-A-Wish Foundation of Australia Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a Giving a true and fair view of the Company's financial position as at 31 August 2021 and of its financial performance for the year then ended; and

b Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 August 2021, but does not include the financial report and our auditor's 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.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the ACNC Act, 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.

In preparing the financial report, the Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

D G Ng
Partner – Audit & Assurance

Melbourne, 10th December 2021