



Motivation Australia Development Organisation Incorporated
ABN 55 935 512 893

Financial Statements

For the year ended 30 June 2021

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Board Dr Lloyd Walker, David Constantine MBE, Mona Girgis, Deb Hartley, Evelyn O'Loughlin, Tania Sargent, Kylie Shae OAM
Ambassadors Nastasia Campanella, Kelly Vincent

The Motivation Australia Development Organisation inc. is an Incorporated Association in South Australia (A39386);
and a member of ACFID and ACFID Code of Conduct Signatory. ABN: 55 935 512 893

Motivation Australia Development
Organisation Inc
ABN: 55 935 512 893



Table of contents	Page #
Board of Governors' Report	1
Statement of Income and Expenditure	2
Statement of Financial Position	3
Table of Cash Movements	4
Notes to the Financial Statements	5
Report by Members of the Board of Governors	13
Statement by Members of the Board of Governors	14
Responsible persons' declaration	15
Auditor's Report	16

Board of Governors' Report



The members of your Board of Governors submit the financial report of Motivation Australia Development Organisation Incorporated for the financial year ended 30 June 2021.

Members of the Board of Governors

The names of each person who has been a member of the Board of Governors during the year and to the date of this report are:

	<i>Date appointed</i>	<i>Date of cessation</i>
Dr L Walker (Chair)	16/10/2007 (Chair 09/10/2014)	-
K Shae, OAM (Secretary)	16/10/2007	26/01/2021
D Constantine	16/10/2007	19/11/2020
D Hartley	03/09/2009	19/11/2020
E O'Loughlin	20/12/2017	-
M Girgis	20/12/2017	01/09/2020
T Sargent	23/08/2018	19/11/2020
L Garrett	19/11/2020	-
D Palipana, OAM	19/11/2020	-
J Alver	28/01/2021	-
L Coventry (ex-officio, non-voting)	28/01/2021	-
D L Holden	24/05/2021	-

Principal Activities

The Organisation's principal activities for the year were:

- The support of established health, rehabilitation and mobility device services in Cambodia, Fiji, Papua New Guinea, Solomon Islands, Tonga, Vanuatu and Vietnam; including training and mentoring of personnel.
- Contributing to the World Health Organisation's work through GATE (Global Collaboration on Assistive Technology) to develop on-line training resources for assistive products provision in less resourced settings
- Raising awareness and advocating for increased access to quality rehabilitation and assistive technology services in the Pacific Region as a core component of Universal Health Coverage

Significant Changes

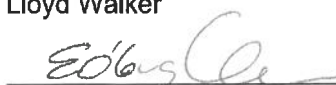
COVID-19 has continued to impact on Motivation Australia's delivery of our international development programmes, with personnel moving to remote delivery of training, mentoring, service development and support of our partners in country.

Operating Result

The net income over expenditure amounted to a deficit of \$78,487 (2020 surplus \$8,572).

This declaration is made in accordance with a resolution of the Board of Governors.

Chairperson: 
Lloyd Walker

Chairperson-elect: 
Evelyn O'Loughlin

Dated this 18th day of November 2021

	Note	2021 (\$)	2020 (\$)
INCOME			
International Aid & Development			
Donations and gifts			
Monetary	2e	237,175	62,783
Non-monetary	2e	98,960	249,192
Bequests and Legacies		-	-
Grants			
Department of Foreign Affairs and Trade (DFAT)		374,535	380,981
Other Australian Grants		73,492	23,553
Overseas Grants		262,351	563,885
Commercial Activities income	4	42,192	108,722
Investment income	5	4,041	4,145
Government COVID-19 Assistance	6	197,750	159,500
Other income	7	2,663	2,663
TOTAL INTERNATIONAL AID & DEVELOPMENT INCOME		1,293,159	1,555,424
Domestic Aid & Development			
Donations and gifts		-	-
Bequests and Legacies		-	-
Grants		-	-
Investment income		-	-
Other income		-	-
TOTAL DOMESTIC AID & DEVELOPMENT INCOME		-	-
TOTAL INCOME		1,293,159	1,555,424
COST OF SALES		24,815	72,502
GROSS INCOME		1,268,344	1,482,922

EXPENDITURE

International Aid & Development			
International Programs Expenditure			
Funds to international programs	8	780,777	912,692
Program support costs		14,803	88,511
Community education		23,845	9,581
Fundraising costs			
Public		38,044	49,452
Government, multilateral and private		62,150	2,625
Accountability and Administration	9	319,366	152,289
Commercial Activities		8,886	10,008
Non-Monetary Expenditure	2e	98,960	249,192
TOTAL INTERNATIONAL AID & DEVELOPMENT PROGRAMS EXPENDITURE		1,346,831	1,474,350
Domestic Aid & Development			
Domestic Programs Expenditure		-	-
Commercial Activities		-	-
Other expenditure		-	-
Non-Monetary Expenditure		-	-
TOTAL EXPENDITURE		1,346,831	1,474,350
EXCESS / (SHORTFALL) OF INCOME OVER EXPENDITURE		(78,487)	8,572

During the financial year, Motivation Australia had no transactions in the International Political or Religious Adherence Promotion programs category.

The accompanying notes form part of these financial statements.

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	Notes	2021 (\$)	2020 (\$)
ASSETS			
Current Assets			
Cash and cash equivalents	10	574,353	338,031
Trade and other receivables		5,362	159,126
Inventories	11	77,039	124,711
Total Current Assets		656,754	621,868
Non-Current Assets			
Total Non-Current Assets			
TOTAL ASSETS		656,754	621,868
Current Liabilities			
Trade and other payables	12	114,354	148,139
Current tax liabilities	13	13,141	5,861
Other financial liabilities	14	2,413	87
Provisions	15	42,600	35,769
Total Current Liabilities		172,508	189,856
Non Current Liabilities			
Provisions	15	167,859	37,138
Total Non Current Liabilities		167,859	37,138
TOTAL LIABILITIES		340,367	226,994
NET ASSETS		316,387	394,874
EQUITY			
Opening retained earnings		394,874	386,302
Excess of income over expenditure for the year		(78,487)	8,572
TOTAL EQUITY		316,387	394,874

The accompanying notes form part of these financial statements.

DESIGNATED PURPOSE:	Cash available at beginning of financial year	Cash raised during financial year	Cash disbursed during financial year	Cash available at end of financial year
INTERNATIONAL PROGRAMMES				
Tonga RaM	41,497	0	41,497	0
ACCESS Cambodia	29,527	26,132	55,659	0
Fiji PO Services	182	34,328	28,968	5,542
Pacific Leaders	102,737	252,677	340,360	15,054
Pacific Wayfinders	12,208	245,725	236,183	21,750
Assistive Technology Support	19,737	0	5,256	14,481
Tonga - Student Scholarships II	36,141	0	24,544	11,597
Training in Assistive Products	3,425	0	3,425	0
PG Inclusive Communities	1,282	29,165	26,565	3,882
WHO Data Collection	0	42,862	22,441	20,421
WHO NCD Project	0	0	28,062	(28,062)
WHO Rehab Project	0	0	1,696	(1,696)
GymBad ASP	0	0	90	(90)
Vietnam IC-VVAF 1	0	4,658	1,726	2,932
TAP Technical Support	0	27,729	30,492	(2,763)
ACCESS Cambodia II	0	37,720	19,569	18,151
TOTAL INTERNATIONAL PROGRAMMES	246,736	700,996	866,533	81,201
AUSTRALIAN PROGRAMMES				
TOTAL AUSTRALIAN PROGRAMMES	0	0	0	0
TOTAL FUNDS FOR DESIGNATED PURPOSE	246,736	700,996	866,533	81,201
NON DESIGNATED PURPOSE:				
Australian sales: sports wheelchairs, wheelchairs, cushions	202,762	43,022	29,247	216,537
Other	238,188	603,728	275,670	566,246
Public Fundraising	83,246	347,173	209,040	221,379
Government Fundraising	(94,223)	2	62,150	(156,371)
International Community Education	(54,803)	0	23,845	(78,648)
Domestic Community Education	3,979			3,979
International Programme Support	(287,854)	22,687	14,803	(279,970)
TOTAL FUNDS FOR NON DESIGNATED PURPOSES	91,295	1,016,612	614,755	493,152
TOTAL	338,031	1,717,608	1,481,288	574,353

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1 Corporate Information

The financial statements of Motivation Australia Development Organisation ("MADO" or "Association") for the year ended 30 June 2021 were authorised for issue in accordance with a resolution of the members of the Board of Governors ("Board") on 16 November 2021.

Motivation Australia Development Organisation is an association incorporated in South Australia under the Associations Incorporation Act (SA) 1985. The Association is a tax exempt body and is registered for GST.

2 Summary of accounting policies

(a) Financial Reporting Framework

Motivation Australia Development Organisation is not a reporting entity because in the opinion of the Board, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly this 'Special Purpose Financial Report' has been prepared to satisfy the Board's reporting requirements under the Associations Incorporation Act (SA) 1985, Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013.

(b) Statement of compliance

These special purpose financial statements have been prepared in accordance with:

AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors

AASB 124 Related Party Disclosures

(c) Basis of preparation

These special purpose financial statements have been prepared in accordance with the requirements of the South Australian Associations Incorporation Act 1985, Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013.

The financial statements have been prepared on an accruals basis.

Currency and rounding of amounts

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

Amounts in the Financial Report have been rounded to the nearest dollar.

(d) Significant accounting judgements, estimates and assumptions

There are no significant accounting judgements, estimates, or assumptions in the enclosed financial statements.

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to MADO and the revenue can be reliably measured.

Revenues are recognised net of the amounts of goods and services tax (GST).

Grant income

Grants received in advance from government, trusts and foundations are recognised on receipt of the funding irrespective of whether the related costs which they were intended to compensate will occur in future periods. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

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2 Summary of accounting policies cont.

(e) Revenue recognition cont.

Investment income

Investment income comprises interest income. Interest income is recognised as interest accrues.

Sale of goods

Revenue from the sale of goods is recognised when the risks and rewards are passed on to the buyer.

Revenue from Fundraising

Donations and gifts

Monetary:

Monetary donations collected are recognised as revenue when cash is received.

	2021	2020
	\$	\$
	<u>237,175</u>	<u>62,783</u>

Non-Monetary - Volunteer Input:

Non-Monetary Volunteer Input derives from volunteer services. The hourly rates used to calculate the non monetary benefit are those recommended by the DFAT Enterprise Agreement 2019-2022.

	2021	2020
	\$	\$
TOTAL Non-Monetary Volunteer Input attributable to international programmes	17,470	25,203
TOTAL Non-Monetary Volunteer Input attributable to domestic programmes	-	-
TOTAL Non-Monetary Volunteer Input not attributable to international programmes	36,233	2,776
TOTAL Non-Monetary Volunteer Input:	<u>53,703</u>	<u>27,979</u>

Non-Monetary - Gifts:

Non-Monetary Gifts attributable to international programmes

	2021	2020
	\$	\$
Solomon Islands - Diabetic foot supplies, wound dressings and medical supplies	-	1,187
Fiji - prosthesis & orthotic equipment	-	8,050
Solomon Islands - prosthetic and orthotic equipment	-	7,041
Tonga - prosthetic & orthotic equipment	-	26,883
ICT software and solutions	36,206	36,495
PNG - Urinary Management Products	-	-
Regional - prosthesis & orthotic equipment	-	-
Tonga - prosthetic & orthotic equipment	-	-
TOTAL Non-Monetary Gifts attributable to international programmes	<u>36,206</u>	<u>79,656</u>

TOTAL Non-Monetary Gifts attributable to domestic programmes

	<u>-</u>	<u>-</u>
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Non-Monetary Gifts not attributable to international programmes

Materials for Motivation Australia's new office	-	-
ICT software and solutions	9,051	9,211
Training discount	-	7,635
Fundraising - prizes donated	-	-
Prosthesis and orthotic equipment for future donation to international programmes	-	124,711
TOTAL Non-Monetary Gifts not attributable to international programmes	<u>9,051</u>	<u>141,557</u>

TOTAL Non-Monetary Gifts

	<u>45,257</u>	<u>221,213</u>
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TOTAL Non-Monetary donations / expenditure

	<u>98,960</u>	<u>249,192</u>
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2 Summary of accounting policies cont.

(f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to this category.

(g) Cash and cash equivalents

Cash in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less.

(h) Trade and other receivables

Trade and other receivables represent income committed to Motivation Australia before the end of the financial year that is outstanding. These amounts are usually settled in 30 days. The carrying amount of the receivables is deemed to reflect fair value.

(i) Inventories

Inventories are held on the Statement of Financial Position at cost.

(j) Property, Plant and Equipment

There is no property, plant and equipment held by the entity.

(k) Assets held for Sale

There are no Assets held for Sale on the Statement of Financial Position.

(l) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to Motivation Australia before the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(m) Employee benefits

Employee benefits comprise wages and salaries, annual, personal and long service leave and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date that are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled and amounts expected to be settled after 12 months from the end of the reporting period are discounted. Liabilities for non-accumulating personal leave are recognised when the leave is taken and are measured at the rates paid or payable. Long service leave provisions have been measured at present value of the estimated future cash outflows to be made for those benefits.

Superannuation contributions to certain defined contribution superannuation plans. Contributions are recognised in the statement of profit or loss when they are due.

Motivation Australia has no obligation to pay further contributions to these plans if the plans do not hold sufficient assets to pay all employee benefits relating to employee service in current and prior periods.

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2 Summary of accounting policies cont.

(n) Taxation

Income tax

The Association is a charitable institution for the purpose of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The Association holds deductible gift recipient (DGR) status and overseas aid deductible gift recipient status (OADGR).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

(o) Foreign currency translation

Transactions in foreign currencies are initially recorded by applying the exchange rates ruling at the date of the transactions.

(p) Comparatives

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

3 Related Party

	2021	2020
	\$	\$
During the year the Association entered into employment contracts with the following related parties:		
K Shae Secretary / Executive Advisor		
R Mines Acting CEO / Director of Business Development		
	119,409	226,550
During the year the Association entered into a rental agreement with a company associated with the following employee		
R Mines		
	12,725	12,451
During the year the Association engaged the following employee to undertake cleaning services		
K Shortt		
	2,828	2,730
Total related party	134,962	241,732

4 Commercial Activities income

	2021	2020
	\$	\$
Australian product sales		
Motivation Direct Sports Wheelchairs	31,185	77,015
Urinary Management Products	-	-
Cushions and spare parts	-	5,469
Freight Received	11,007	26,238
	42,192	108,722

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	2021	2020
5 Investment income		
	\$	\$
Interest - <i>International Aid & Development Income</i>	4,041	4,145
Interest - <i>Domestic Aid & Development Income</i>	-	-
Total investment income	4,041	4,145
6 Government Covid-19 Assistance		
	\$	\$
Australian Government JobKeeper Payment scheme	160,250	87,000
Australian Government Boosting cash flow for employers	37,500	62,500
South Australian Government Emergency Cash Grant for Small Business	-	10,000
	197,750	159,500
7 Other income		
Other	\$	\$
Cost recovery	2,663	2,663
Merchandise	-	-
Training fees	-	-
Walking Aid Training Package	-	-
	2,663	2,663
<i>Domestic Aid & Development Income</i>	-	-
Total Domestic Aid & Development - Other income	-	-
8 Funds to international programs		
	\$	\$
Pacific Leaders	319,868	215,808
Pacific Wayfinders	240,596	58,199
ACCESS Cambodia	35,178	28,675
Assistive Technology Support	872	14,647
Fiji PO Services	24,332	1,364
PG Inclusive Communities	22,116	6,963
Solomon Islands Diabetic Foot Management	-	47,259
Tonga Rehabilitation and mobility project	24,991	428,462
Tonga - Student Scholarship II	21,793	8,344
Regional Procurement	-	420
Training in Assistive Products	26,271	102,551
Training in Assistive Products II	6,080	-
WHO Data Collection	18,496	-
WHO NCD Project	26,583	-
WHO Rehab Project	1,696	-
ACCESS Cambodia II	10,089	-
GymBad ASP	90	-
Vietnam IC-VVAF	1,726	-
Total funds to international programs	780,777	912,692

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9 Accountability and Administration

Accountability and Administration expenditure has been apportioned according to the following percentages:

	100%	100%
International Aid and Development Programs Expenditure (Incl Monetary & Non Monetary)	100%	100%
Domestic Programs Expenditure (Incl Monetary & Non Monetary)	0%	0%
	2021	2020
	\$	\$
International Aid and Development Programs expenditure (Incl Monetary & Non Monetary)		
Accounting & Audit Fees	4,910	5,090
Printing, postage & stationery, freight	399	474
Phone / internet	1,481	1,833
Insurance	5,572	4,698
Registration/Membership	11,816	8,750
Rent	12,725	12,451
Utilities	1,954	2,471
Property (office) maintenance	2,985	2,970
Workcover Premium	14,710	18,341
Bank fees	- 155	677
Information Comm Technology	2,162	-
Office equipment	54	209
Salaries and related costs	247,382	94,233
Staff development	2,895	
Travel		92
Catering	190	
Consultants	10,286	
	<u>319,367</u>	<u>152,289</u>
Domestic Programs Expenditure (Incl Monetary & Non Monetary)	<u>-</u>	<u>-</u>
Total Accountability and Administration	<u><u>319,366</u></u>	<u><u>152,289</u></u>

10 Current assets - cash and cash equivalents	2021 \$	2020 \$
Cash on hand	462	538
Cash at bank	573,891	337,493
Total Current assets	<u>574,353</u>	<u>338,031</u>
11 Inventory	2021 \$	2020 \$
Gifts in kind for future donatation to international programmes	77,039	124,711
	<u>77,039</u>	<u>124,711</u>
<p>The gifts in kind represent the donation of prosthetic and orthotic items for future delivery to international programmes and are not available for sale.</p>		
12 Current liabilities - trade and other payables	2021 \$	2020 \$
Trade payables	19,253	6,536
Other payables	18,063	16,892
Income received in advance (gifts in kind)	77,038	124,711
Total Current liabilities - trade and other payables	<u>114,354</u>	<u>148,139</u>
13 Current liabilities - tax liabilities	2021 \$	2020 \$
BAS payable	772	(3,926)
PAYG Withholding payable	12,369	9,787
GST adjustment	-	-
Total Current liabilities - tax liabilities	<u>13,141</u>	<u>5,861</u>
14 Other financial liabilities	2021 \$	2020 \$
Credit Card	2,413	87
Total Other financial liabilities	<u>2,413</u>	<u>87</u>
15 Provisions	2021 \$	2020 \$
Current		
Provision for Annual Leave	42,600	35,769
Total Provisions - Current	<u>42,600</u>	<u>35,769</u>
Non-current		
Provision for Long Service Leave	64,478	37,138
Provision for superannuation settlements	103,381	-
Total Provisions - Non-current	<u>167,859</u>	<u>37,138</u>

The Association engaged a number of people who undertook services for, or on behalf of, the Association between 2010 and 2014. During this time, the engagements were treated as consultancy contracts. Legal advice was sought by the Association during the financial year relating to this treatment. Following legal advice, the Association resolved to enter into formal agreements with the people concerned to make payments towards superannuation settlements pertaining to their engagement between 2010 and 2014. Accordingly, for the purpose of disclosing it in the financial statements, the formal agreements have been recognised as a provision.

17 Contracted commitments for the forthcoming year

	2021 \$	2020 \$
Expenditure commitments contracted for:		
Restricted purpose - International program budgeted expenses	768,323	901,382
Unrestricted purpose - core operational budgeted expenses	550,458	496,642
	<u>1,318,781</u>	<u>1,398,024</u>

Motivation Australia is currently delivering significant international programs for Department of Foreign Affairs and Trade and various other programs which would continue in the year 2021 and beyond. The Association has budgeted the above costs to be incurred in 2021-22 out of the restricted and unrestricted funds available as at 30 June 2021 together with the anticipated grant income during the year 2022. As per the accounting policy on grant revenue such grant receipts are accounted as revenue in the year of receipt and is available for expenditure in the year in which such expenses are incurred.

18 Association Details

The principal place of business is:

Motivation Australia Development Organisation Inc.
191 Port Road
Aldinga
South Australia 5173

The registered office of the Association is:

Motivation Australia Development Organisation Inc.
191 Port Road
Aldinga
South Australia 5173



REPORT BY MEMBERS OF THE
BOARD OF GOVERNORS

per section 35(5) South Australian Associations Incorporation Act 1985

The Board of Governors has determined the remuneration received by the following officers who are also employees.

“Officer” includes a person who is a committee member, or the secretary, treasurer or public officer, or a person who acts in such positions, or a person who participates in management. This applies whatever title the person holds and even if the person is not validly appointed or authorised to act in the position. If the committee is accustomed to act in accordance with the directions or instructions of any person, that person is deemed to be an officer of the association.

The Board of Governors of Motivation Australia declare that:

(a) remuneration received by officers who are also employees of the association during the year ended 30 June 2021 include:

CEO	Louise Coventry
Secretary / CEO	Kylie Shae
Acting CEO	Raymond Mines
Public Officer	Katherine Shortt

This declaration is made in accordance with a resolution of the Board of Governors.

Chairperson:



Lloyd Walker

Chairperson-elect:



Evelyn O'Loughlin

Dated this 18th day of November 2021

Motivation Australia Development
Organisation Inc
ABN: 55 935 512 893



STATEMENT BY MEMBERS OF THE BOARD OF GOVERNORS

per section 35(2)(c) South Australian Associations Incorporation Act 1985

The Board of Governors has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Board of Governors of Motivation Australia declare that:

- I. The financial statements and notes, are in accordance with the South Australian Associations Incorporation Act 1985, Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013 and: comply with relevant Australian Accounting Standards as applicable; and presents fairly the financial position as at 30 June 2021 and the performance for the year ended on that date of the Association;
- II. In the Board of Governors' opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.
- III. The Summary Financial Reports have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. Further information on the Code is available at www.acfid.asn.au.

This declaration is made in accordance with a resolution of the Board of Governors.

Chairperson:



Lloyd Walker

Chairperson-elect:



Evelyn O'Loughlin

Dated this 18th day of November 2021



Motivation Australia Development
Organisation Inc
ABN: 55 935 512 893



Responsible Persons' Declaration

per section 60.15 of the Australian Charities and Not-for-profits Commission
Regulation 2013

The responsible persons declare that in the responsible persons' opinion:

- a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

This declaration is made in accordance with a resolution of the Board of Governors and signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Chairperson:

A handwritten signature in black ink, appearing to read "Lloyd Walker", written over a horizontal line.

Lloyd Walker

Chairperson-elect:

A handwritten signature in black ink, appearing to read "Evelyn O'Loughlin", written over a horizontal line.

Evelyn O'Loughlin

Dated this 18th day of November 2021

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
MOTIVATION AUSTRALIA DEVELOPMENT ORGANISATION INC

OPINION

We have audited the financial report of Motivation Australia Development Organisation Inc which comprises the statement of financial position as at 30 June 2021, the statement of income and expenditure for the year then ended, notes comprising a summary of accounting policies and other explanatory information and the statement by members of the Board of Governors. These Financial Reports have been prepared in accordance with the requirements set out in the ACFID Code of Conduct. For further information on the Code please refer to the ACFID Code of Conduct Implementation Guidance available at www.acfid.asn.au.

In our opinion, the accompanying financial report represents fairly, in all material respects, the financial position of Motivation Australia Development Organisation Inc as at 30 June 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the Associations Incorporations Act 1985 (as amended).

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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of Associations Incorporations Act 1985 (as amended). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporations Act 1985 (as amended) and for such internal control as the board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board 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 board either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

The board is responsible for overseeing the association's financial reporting process. The board of the association is responsible for the preparation of the financial report on the basis prescribed by ACFID.

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 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 judgement 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 board.
- Conclude on the appropriateness of the board'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 a 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 board 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.


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S P GRAETZ
Adelaide


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MESSENGER ZERNER PTY LTD
Chartered Accountants

Dated 23 day of November 2021