

Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2021

Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2021

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Foodbank Queensland Limited

ABN 89 067 251 209

Directors' Report

The Directors present their report, together with the financial statements, on Foodbank Queensland Limited ("the Company") for the financial year ended 30 June 2021.

Directors

The names of the Directors in office at any time during, or since the end of the year are:

Robert (Bob) Newey – Chairperson

Michael Hill – Deputy Chairperson

David Muir

Natasha Olsson-Seeto

Ian Mitchell

Mark Reinke

Kimberley Swords

Rhyll Gardner

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

Justin Hogg held the position of Company Secretary to 30 June 2021.

Operating Results

The surplus of the Company for the financial year amounted to \$706,156 (2020: surplus \$1,185,873).

Review of Operations

A review of the operations of the Company during the financial year and the results of those operations found that during the year, the Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

The Company has experienced an increase in demand for food quantity as well as demand for new memberships, particularly from members supporting school breakfast programs. The global, national and local impacts of Covid-19 continue in the form of price volatility on purchased products, fuel and freight increases, major variability in supplier support due to lean initiatives and financial constraints. These issues are considered part of the continuing environment irrespective of lockdowns. The Company has focused on a number of projects to improve efficiency and effectiveness across the operations and is responding to the changing external environment from a supply and demand perspective.

Significant Changes in State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Principal Activity

The principal activity of the Company during the financial year was food distribution to charities.

No significant change in the nature of these activities occurred during the year.

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Directors' Report (continued)

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the company in future financial years.

Likely Developments

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

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends Paid or Recommended

No portion of the Company's assets, profits or surpluses are to be paid or transferred as dividends per the Company's constitution.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$50 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$400, based on 8 current ordinary members.

Indemnification of Officer or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

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Directors' Report (continued)

Information on Directors

The information on Directors is as follows:

Robert Newey (Chairperson)	- Board Member - Principal of Newey Consulting Pty Ltd
Michael Hill (Deputy Chairperson)	- Board Member - Accountant of Partner - McGrath Nicol
David Muir	- Board Member - Director of Clem Jones Group
Natasha Olsson-Seeto	- Board Member - Director & Chief Executive Officer - OnTalent Pty Ltd
Ian Mitchell	- Board Member - Company Secretary of Queensland Cricket Association
Mark Reinke	- Board Member
Kimberley Swords	- Board Member - Advisor of McKinsey & Company
Rhyll Gardner	- Board Member - Non-Executive Director

Meeting of directors

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Directors Meetings	
	Number Attended	Number Eligible to Attend
Robert Newey	8	8
Michael Hill	8	8
David Muir	6	8
Natasha Olsson-Seeto	6	8
Ian Mitchell	8	8
Mark Reinke	4	8
Kimberley Swords	6	8
Rhyll Gardner	7	8

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Directors' Report (continued)

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 a 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.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required is set out on page 5.

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



Robert Newey



Michael Hill

Date: 15 September 2021



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012
TO THE DIRECTORS OF FOODBANK QUEENSLAND LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been no contraventions of:

- (a) the auditor independence requirements of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

Brisbane, Queensland
15 September 2021

hlb.com.au

HLB Mann Judd (SE QLD Partnership)

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Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	6,653,244	6,426,316
Employee benefits expense		(2,688,904)	(2,360,607)
Depreciation and amortisation expense	3(a)	(175,882)	(227,905)
Lease expenses	3(a)	(3,265)	(6,850)
Foodbank Australia - Direct expenses	3(c)	(1,194,508)	(1,073,450)
Freight and transport costs		(573,330)	(579,594)
Electricity		(49,370)	(55,459)
Printing and stationery		(30,755)	(37,428)
Professional fees		(6,026)	(18,212)
Motor vehicle expense		(176,588)	(166,388)
Other expenses	3(b)	(1,048,460)	(714,550)
Surplus before income tax		706,156	1,185,873
Income tax expense		-	-
Surplus for the year		706,156	1,185,873
Other comprehensive income		-	-
Total comprehensive income for the year		706,156	1,185,873

The accompanying notes forms part of these financial statements.

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Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,209,160	1,589,104
Financial assets	5	4,206,797	4,150,548
Trade and other receivables	6	107,423	216,353
Other assets	7	47,537	51,432
Total current assets		6,570,917	6,007,437
Non-current assets			
Property, plant and equipment	8	897,285	732,452
Total non-current assets		897,285	732,452
Total assets		7,468,202	6,739,889
LIABILITIES			
Current liabilities			
Trade and other payables	9	207,739	257,057
Provisions	10	146,861	122,505
Other liabilities	11	345,002	305,514
Total current liabilities		699,602	685,076
Non-current liabilities			
Provisions	10	34,204	26,573
Total non-current liabilities		34,204	26,573
Total liabilities		733,806	711,649
Net assets		6,734,396	6,028,240
Equity			
Retained surpluses		6,734,396	6,028,240
Total equity		6,734,396	6,028,240

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the year ended 30 June 2021

	Retained Surpluses \$	Total \$
Balance at 1 July 2019	4,842,367	4,842,367
Surplus for the year	1,185,873	1,185,873
Other comprehensive income for the year	-	-
Balance at 30 June 2020	6,028,240	6,028,240
Surplus for the year	706,156	706,156
Other comprehensive income for the year	-	-
Balance at 30 June 2021	<u>6,734,396</u>	<u>6,734,396</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers (including donations)		5,286,371	4,861,199
Receipts from grants		1,646,415	2,139,315
Payments to suppliers and employees		(5,964,514)	(5,489,588)
Interest received		47,687	90,590
Net cash provided by operating activities	12	1,015,959	1,601,516
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		23,293	-
Payment for property, plant and equipment		(362,947)	(358,071)
Investment in term deposits		(56,249)	(93,761)
Net cash used in investing activities		(395,903)	(451,832)
Net increase in cash and cash equivalents		620,056	1,149,684
Cash and cash equivalents at beginning of year		1,589,104	439,420
Cash and cash equivalents at end of year	4	2,209,160	1,589,104

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Foodbank Queensland Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, are prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised on 15 September 2021 by the directors of the Company.

(a) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

(i) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates.

The Company has experienced an increase in demand for food quantity as well as demand for new memberships, particularly from members supporting school breakfast programs. The global, national and local impacts of Covid-19 continue in the form of price volatility on purchased products, fuel and freight increases, major variability in supplier support due to lean initiatives and financial constraints. These issues are considered part of the continuing environment irrespective of lockdowns. The Company has focused on a number of projects to improve efficiency and effectiveness across the operations and is responding to the changing external environment from a supply and demand perspective.

(ii) Impairment – general

The Company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(a) Critical Accounting Estimates and Judgements (continued)

(iii) Employee benefits provision

As discussed in note 1(g), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(iv) Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

iv) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

(b) New accounting standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2021. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(c) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Property, plant and equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

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

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line or diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shortest of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Classes of Fixed Assets	Depreciation Rate
Leasehold improvements	7.5%
Plant and equipment	2.5 – 67%
Motor vehicles	10 – 40%

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. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Profit or Loss and Other Comprehensive Income.

(e) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs, except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised immediately as expenses in profit or loss.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
 - fair value through profit and loss
- on the basis of the two primary criteria, being:
- the contractual cash flow characteristics of the financial asset; and
 - the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(f) Financial Instruments (continued)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the company no longer controls the asset (ie the Company has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss

Impairment

The Company uses the following approaches to impairment, as applicable under AASB 9: *Financial Instruments*:

- the simplified approach

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* and contain a significant financing component; and

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc).

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks and other short-term highly liquid investments.

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. 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.

(j) In-kind' provision of services to Foodbank Queensland Limited

The Company receives 'in kind' services from a number of individuals and organisations. The Company does not recognise an expense or associated revenue for these 'in kind' services in the financial report.

The major 'in kind' services received include:

1. Freight and food transport services
2. Legal services
3. Volunteers (individuals)
4. Recruitment fees
5. Donation of food items

(k) Revenue

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Statement of significant accounting policies (continued)

(k) Revenue (continued)

Grants

Grant revenue is recognised in profit or loss when the Company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Donations

Donations are recognised at the time the pledge is made.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The Company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

All revenue is stated net of the amount of Goods and Services Tax.

(l) 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. 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. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) 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.

(n) Comparative Figures

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

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Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Note 2: Revenue			
Revenue from contracts with customers			
Handling fee		3,290,465	2,795,524
Operating grants		1,646,415	1,944,832
Total revenue from contracts with customers		4,936,880	4,740,356
Other revenue			
Interest received		47,687	90,590
Donations		1,561,923	1,505,392
Other revenue		106,754	89,978
Total other revenue		1,716,364	1,685,960
Total revenue		6,653,244	6,426,316

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Timing of revenue recognition

Goods transferred at a point in time		3,290,465	2,795,524
Services transferred over time		1,646,415	1,944,832
		4,936,880	4,740,356

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Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Note 3: Surplus for the year			
(a) Surplus for the year has been determined after:			
Rental expense on operating leases		3,265	6,850
Remuneration of the auditor - audit		8,000	8,000
Depreciation or amortisation		175,882	227,905
(b) Other expenses comprise the following items:			
Advertising		70,865	29,912
Bank charges		19,865	2,615
Charity events		41,555	66,696
Cleaning & garden maintenance		56,932	42,776
Computer expenses		86,853	45,443
Consultancy fees		176,291	90,162
Contractors and labour hire		256,477	127,664
Extraordinary expenses		28,000	-
Insurance		24,412	17,285
Loss/(profit) on sale of non-current assets		(1,061)	11,781
Pest control		6,745	4,677
Postage		1,124	8,855
Entertainment		4,739	2,167
Rates & taxes		6,066	6,211
Repairs & maintenance		60,509	60,680
Security costs		4,200	2,332
Staff recruitment		40,154	12,640
Storage costs		-	5,375
Subscriptions		16,465	14,727
Telephone		40,417	38,406
Travel & accommodation		10,710	13,067
Uniforms		8,233	3,275
Warehouse consumables		65,502	98,051
Warehouse equipment hire		23,407	9,753
		1,048,460	714,550
(c) Foodbank Australia - Direct Expenses comprise the following items:			
Foodbank Australia Levy		167,133	168,531
Foodbank Australia Collaborative Supply		946,476	827,949
Interstate Transfer Levy		80,899	76,970
		1,194,508	1,073,450

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Notes to the Financial Statements For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Note 4: Cash and cash equivalents			
Cash on hand		206	1,652
Cash at bank		2,208,954	1,587,452
		<u>2,209,160</u>	<u>1,589,104</u>
Note 5: Financial assets			
Deposits at call		4,206,797	4,150,548
		<u>4,206,797</u>	<u>4,150,548</u>
Note 6: Trade and other receivables			
Trade receivables		73,882	54,394
Other receivables		33,541	161,959
		<u>107,423</u>	<u>216,353</u>
Note 7: Other assets			
Prepayments		47,537	51,432
		<u>47,537</u>	<u>51,432</u>
Note 8: Property, plant and equipment			
Leasehold improvements			
Leasehold improvements - at cost		107,023	103,695
less: Capital works deduction		(62,865)	(57,957)
Total leasehold improvements		<u>44,158</u>	<u>45,738</u>
Plant and equipment			
Plant and equipment - at cost		1,249,854	1,030,349
less: Accumulated depreciation		(744,943)	(706,643)
Total plant and equipment		<u>504,911</u>	<u>323,706</u>
Motor vehicles			
Motor vehicles - at cost		725,707	750,441
less: Accumulated depreciation		(459,157)	(415,048)
Total motor vehicles		<u>266,550</u>	<u>335,393</u>

Foodbank Queensland Limited

ABN 89 067 251 209

Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Note 8: Property, plant and equipment (continued)			
Computer equipment & software			
Computer equipment - at cost		186,237	107,928
less: Accumulated depreciation		(104,571)	(80,313)
Total computer equipment & software		<u>81,666</u>	<u>27,615</u>
Work in progress			
Work in progress		-	-
Total work in progress		<u>-</u>	<u>-</u>
Total property, plant and equipment		<u><u>897,285</u></u>	<u><u>732,452</u></u>
Note 9: Payables			
CURRENT			
Trade Creditors		96,078	154,913
Sundry payables and accrued expenses		111,661	102,144
		<u>207,739</u>	<u>257,057</u>
Note 10: Provisions			
CURRENT			
Employee benefits		146,861	122,505
		<u>146,861</u>	<u>122,505</u>
NON-CURRENT			
Employee benefits		34,204	26,573
		<u>34,204</u>	<u>26,573</u>
Note 11: Other liabilities			
Income received in advance		345,002	305,514
		<u>345,002</u>	<u>305,514</u>

Foodbank Queensland Limited

ABN 89 067 251 209

Notes to the Financial Statements

For the year ended 30 June 2021

Note 12: Cash flow information

(a) Reconciliation of cash flow from operations to surplus for the year

Surplus for the year	706,156	1,185,873
Non-cash flows in surplus		
- Depreciation	175,882	227,905
- Net (gain)/loss on disposal of property, plant and equipment	(1,061)	11,781
Changes in assets and liabilities		
- (Increase) / decrease in receivables	108,930	(58,841)
- (Increase) / decrease in other assets	3,895	(18,234)
- Increase / (decrease) in payables	(49,318)	19,065
- Increase / (decrease) in income received in advance	39,488	240,596
- Increase / (decrease) in provisions	31,987	(6,629)
	<u>1,015,959</u>	<u>1,601,516</u>

Note 13: Contingent Liabilities

In the opinion of the directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020: None)

Note 14: Events after the Reporting Period

The Board of Directors' are not aware of any significant events since the end of the reporting period.

Note 15: Contributions on Winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$50 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$400, based on 8 current ordinary members.

Note 16: Company details

The registered office of the Company is:

Foodbank Queensland Limited
179 Beverley St
Morningside QLD 4170

Directors' Declaration

As stated in Note 1 to the financial statements, the company is not a reporting entity because there are no users dependent on general purpose financial reports. This is a special purpose financial report that has been prepared to meet the *Australian Charities and Not-for-profits Commission Act 2012* requirements.

The Director's declare that the:

- (a) the financial statements and notes, set out on pages 6 to 21, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) complying with Accounting Standards to the extent described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2021 and its performance for the financial year ended on that date; and
- (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.

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



Robert Newey



Michael Hill

Date: 15 September 2021

Independent Auditor's Report to the Members of Foodbank Queensland Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Foodbank Queensland Limited ("the Entity"), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 accompanying financial report of the Entity 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 Entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 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 Entity in accordance with the auditor independence 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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors.

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

Emphasis of Matters

(i) Impact of COVID-19

We draw attention to Note 1(a) to the financial statements, which describes the uncertainties and possible effects on the Entity arising from its management of the on-going issues related to COVID-19. Our opinion is not modified in respect of this matter.

(ii) 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 for the purpose of fulfilling the financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Responsibilities of Management and the Directors for the Financial Report

Management is responsible for the preparation of the special purpose financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 of the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for Profits Commission Regulations 2013* and the *Australian Charities and Not-for-profits Commission Act 2012*. Management's responsibility also includes such internal control as management determines 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 special purpose financial report, management is responsible for assessing the Entity'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 management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Entity'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 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management'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 Entity'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 Entity 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 directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLB Mann Judd

**HLB Mann Judd
Chartered Accountants**

Brisbane, Queensland
15 September 2021

A handwritten signature in black ink that reads 'A B Narayanan'.

**A B Narayanan
Partner**