

Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2016

Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2016

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Foodbank Queensland Limited

ABN 89 067 251 209

Directors' Report

Your Directors present their report on the Company for the financial year ended 30 June 2016.

Directors

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

John Debenham - Chairman

Greg Phillips

Helen Skippen

Ian Brusasco - AO (Resigned on 15 October 2015)

David Muir

Catherine (Katie) Mickel

Daniel Mackay

Robert (Bob) Newey

Michael Hill (Appointed on 14 April 2016)

Peter Stewart (Appointed on 14 April 2016)

Craig Baker (Appointed on 9 June 2016)

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

Company Secretary

Catherine Mickel held the position of Company Secretary up to 9 June 2016. Helen Skippen was appointed to this position after Ms Mickel's resignation and she held the position of Company Secretary at the end of the financial year.

Operating Results

The surplus of the Company for the financial year amounted to \$ 181,202 (2015: \$144,027).

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.

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.

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.

Directors' Report (continued)

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 dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Information on Directors

The information on Directors is as follows:

John Debenham	- Chairman - Head of Business Banking - Suncorp
Greg Phillips	- Deputy Chairman - Chairman of the Australian Stem Cell Foundation - Director E HR Pty Ltd
Helen Skippen	- Company Secretary - Partner – Corporate Context Pty Ltd
David Muir	- Board Member - Solicitor – HWL Ebsworth
Catherine (Katie) Mickel	- Board Member - Educator & Managing Director – Kel Kel Global Education
Daniel Mackay	- Board Member - Managing Director – Mackays Marketing
Robert Newey	- Board Member - Principal - Newey Consulting Pty Ltd
Michael Hill	- Board Member - Accountant - Partner - McGrath Nicol
Peter Stewart	- Board Member - Lawyer - Partner - McCullough Robertson
Craig Baker	- Board Member - General Manager Sales & Marketing – Lindsay Australia

Directors' Report (continued)

Meetings of Directors

	Directors Meeting	
	Number Attended	Number Eligible to Attend
John Debenham (Chairman)	6	7
Helen Skippen	7	7
Greg Phillips	4	7
Ian Brusasco AO	2	2
David Muir	6	7
Catherine (Katie) Mickel	5	7
Daniel Mackay	5	7
Robert (Bob) Newey	6	7
Michael Hill	2	2
Peter Stewart	2	2
Craig Baker	1	1

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

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.

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 4.

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



John Debenham




Michael Hill

Date: 23 September 2016

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Foodbank Queensland Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



A B Narayanan
Partner

Brisbane, Queensland
23 September 2016

HLB Mann Judd (SE Qld Partnership) ABN 68 920 406 716

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Liability limited by a scheme approved under Professional Standards Legislation.

Foodbank Queensland Limited

ABN 89 067 251 209

Statement of Comprehensive Income

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue from operating activities	2	3,319,252	3,116,156
Employee benefits expense		(990,548)	(873,943)
Depreciation and amortisation expense	3(a)	(126,050)	(127,352)
Lease expenses	3(a)	(3,036)	(2,470)
Foodbank Australia - Direct Expenses	3(c)	(786,533)	(819,005)
Freight and transport costs		(787,645)	(678,329)
Electricity		(69,912)	(52,624)
Printing and stationery		(11,367)	(9,124)
Professional fees		(19,677)	(14,123)
Motor vehicle expense		(129,032)	(140,982)
Other expenses	3(b)	(214,250)	(254,177)
Surplus before income tax		<u>181,202</u>	<u>144,027</u>
Income tax expense		-	-
Surplus for the year		<u>181,202</u>	<u>144,027</u>
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>181,202</u></u>	<u><u>144,027</u></u>

The accompanying notes forms part of the financial statement

Foodbank Queensland Limited

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Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	4	3,893,945	3,727,126
Trade and other receivables	5	118,993	136,562
Total current assets		<u>4,012,938</u>	<u>3,863,688</u>
Non-current assets			
Property, plant and equipment	6	674,877	630,870
Total non-current assets		<u>674,877</u>	<u>630,870</u>
Total assets		<u>4,687,815</u>	<u>4,494,558</u>
Current liabilities			
Trade and other payables	7	154,973	146,139
Non-current liabilities			
Trade and other payables	7	7,137	3,916
Total liabilities		<u>162,110</u>	<u>150,055</u>
Net assets		<u>4,525,705</u>	<u>4,344,503</u>
Equity			
Retained surplus		4,525,705	4,344,503
Total equity		<u>4,525,705</u>	<u>4,344,503</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the year ended 30 June 2016

	Retained Surplus \$	Total \$
Balance at 1 July 2014	4,200,476	4,200,476
Surplus for the year	144,027	144,027
Other comprehensive income for the year	-	-
Balance at 30 June 2015	4,344,503	4,344,503
Surplus for the year	181,202	181,202
Other comprehensive income for the year	-	-
Balance at 30 June 2016	<u>4,525,705</u>	<u>4,525,705</u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers (including donations)		2,328,160	2,170,604
Receipts from Queensland State Government		870,646	826,834
Payments to suppliers and employees		(2,980,978)	(2,793,230)
Interest received		108,107	131,770
Net cash provided by operating activities	8	325,935	335,978
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		64,517	13,083
Payment for property, plant and equipment		(223,633)	(42,046)
Net cash used in investing activities		(159,116)	(28,963)
Net increase in cash and cash equivalents		166,819	307,015
Cash and cash equivalents at beginning of year		3,727,126	3,420,111
Cash and cash equivalents at end of year	4	3,893,945	3,727,126

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the year ended 30 June 2016

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 section 60.40 of the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation). 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 has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* 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 23 September 2016 by the directors of the company.

(a) 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.

(b) 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.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

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

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Statement of significant accounting policies (continued)

depreciated over the shorter 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	13 – 30%
Motor Vehicles	13 – 25%

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 Comprehensive Income.

(c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to entities in the economic entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity 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 are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Statement of significant accounting policies (continued)

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(i) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

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Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Statement of significant accounting policies (continued)

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(e) 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.

(f) Cash and cash equivalents

Cash on hand equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less

(g) 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.

(h) Revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back 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.

Donations and bequests are recognised as revenue when received.

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Notes to the Financial Statements

For the year ended 30 June 2016

Note 1: Statement of significant accounting policies (continued)

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(i) 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.

(j) 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) Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

(k) New accounting standards and interpretations

In the year ended 30 June 2016, the Company has reviewed all of the new and revised Standards and Interpretation issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Company that there is no impact, material and otherwise, of the new revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to the Company accounting policies.

Foodbank Queensland Limited

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Notes to the Financial Statements

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Note 2: Revenue			
Operating activities			
Handling fee		1,680,370	1,568,417
Interest received		108,107	131,770
Operating grants		870,646	826,834
Donations		627,795	571,268
Other revenue		32,334	17,867
Total revenue from operating activities		<u>3,319,252</u>	<u>3,116,156</u>
Note 3: Surplus for the year			
(a) Surplus for the year has been determined after:			
Rental expense on operating leases		3,036	2,470
Remuneration of the auditor - audit		5,565	4,723
Depreciation or amortisation		126,050	127,352
(b) Other expenses comprise the following items:			
Advertising		25,050	24,303
Audit Insurance		-	809
Bad Debts Expense		5,370	-
Bank Charges		619	718
Cleaning & Garden Maintenance		24,169	20,706
Computer Expenses		1,556	6,718
Donations to Foodbank Foundation		31,932	35,799
Fines		61	113
Insurance		12,113	11,106
Loss on Sale of non-current Assets		-	22,276
Merchandise - Cartons		-	7,200
Other Expenses		-	711
Pest Control		3,297	1,800
Postage		5,289	4,562
Rates & Taxes		15,277	14,757
Repairs & Maintenance		38,463	32,535
Security Costs		1,188	300
Subscriptions		2,793	2,715
Telephone		13,933	11,556
Travel & Accommodation		5,434	1,955
Uniforms		6,719	12,868
Warehouse Consumables		20,987	40,670
		<u>214,250</u>	<u>254,177</u>
(c) Foodbank Australia - Direct Expenses comprise the following items:			
Foodbank Australia Levy		117,908	123,339
Foodbank Australia Collaborative Supply		605,830	624,631
Interstate Transfer Levy		62,795	71,035
		<u>786,533</u>	<u>819,005</u>

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Notes to the Financial Statements

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Note 4: Cash and cash equivalents			
Cash on hand		100	100
Cash at bank		740,796	665,247
Deposits at call		3,153,039	3,061,316
Undeposited Funds		10	463
		<u>3,893,945</u>	<u>3,727,126</u>
Note 5: Trade and other receivables			
Trade receivables		49,217	25,146
Other receivables		20,746	34,224
Amount due from FBA		49,030	77,192
		<u>118,993</u>	<u>136,562</u>
Note 6: Property, plant and equipment			
Leasehold improvements			
Leasehold improvements - at cost		63,338	56,430
less: Capital works deduction		(54,546)	(52,187)
Total leasehold improvements		<u>8,792</u>	<u>4,243</u>
Plant and equipment			
Plant and equipment - at cost		696,843	637,005
less: Accumulated depreciation		(486,084)	(442,648)
Total plant and equipment		<u>210,759</u>	<u>194,357</u>
Motor vehicles			
Motor vehicles - at cost		705,487	671,117
less: Accumulated depreciation		(250,161)	(238,847)
Total motor vehicles		<u>455,326</u>	<u>432,270</u>
Total property, plant and equipment		<u>674,877</u>	<u>630,870</u>

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Notes to the Financial Statements

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Note 7: Payables			
CURRENT			
Trade Creditors		38,855	39,317
Sundry payables and accrued expenses		8,422	10,860
Employee benefits		<u>107,696</u>	<u>95,962</u>
Total current payables		<u><u>154,973</u></u>	<u><u>146,139</u></u>
NON-CURRENT			
Employee benefits		<u>7,137</u>	<u>3,916</u>
Total non-current payables		<u><u>7,137</u></u>	<u><u>3,916</u></u>
Note 8: Cash flow information			
(a) Reconciliation of cash flow from operations to surplus			
Surplus for the year		181,202	144,027
Non-cash flows in surplus			
- Depreciation		126,050	127,352
- Net (gain)/loss on disposal of property, plant and equipment		(10,941)	22,276
Changes in assets and liabilities			
- Decrease in receivables		17,569	75,207
- Increase in payables		(2,900)	(37,132)
- Decrease in provisions		<u>14,955</u>	<u>4,247</u>
		<u><u>325,935</u></u>	<u><u>335,977</u></u>

Note 9: Company details

The registered office of the Company is:

Foodbank Queensland Limited
179 Beverley St
Morningside QLD 4170

The principal place of business is:

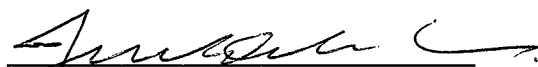
Foodbank Queensland Limited
179 Beverley St
Morningside QLD 4170

Directors' Declaration – *per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013*

The Directors of the Company declare that in the Directors' 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*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



John Debenham



Michael Hill

Date: 23 September 2016

FOODBANK QUEENSLAND LIMITED

ABN 89 067 251 209

INDEPENDENT AUDITOR'S REPORT

To the members of Foodbank Queensland Limited:

We have audited the accompanying financial report, being a special purpose financial report, of Foodbank Queensland Limited ("the company") which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Act.

Opinion

In our opinion, the financial report of Foodbank Queensland Limited 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 registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; 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 of Accounting

Without modifying our opinion, 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 directors' financial reporting responsibilities under the *ACNC Act*. As a result, the financial report may not be suitable for another purpose.



HLB Mann Judd
Chartered Accountants

Brisbane, Queensland
23 September 2016



A B Narayanan
Partner