Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2018

Foodbank Queensland Limited
ABN 89 067 251 209

Financial Statements
30 June 2018

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Foodbank Queensland Limited
ABN 89 067 251 209

Directors’ Report

The Directors present their report on the Company for the financial year ended 30 June 2018.

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
David Muir
Robert (Bob) Newey
Michael Hill
Craig Baker
Natasha Olsson-Seeto (Appointed 19 April 2018)
Ian Mitchell (Appointed 19 April 2018)
Mark Reinke (Appointed 19 April 2018)
Catherine (Katie) Mickel (Resigned 15 February 2018)

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

Company Secretary

Helen Skippen and Leah Coogans (appointed 15 February 2018) jointly held the position of Company Secretary up to 30 June 2018.

Operating Results

The surplus of the Company for the financial year amounted to $156,851 (2017: $212,338).

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
Helen Skippen	- Company Secretary - Partner – Corporate Context Pty Ltd
David Muir	- Board Member - Solicitor – HWL Ebsworth
Robert Newey	- Board Member - Principal - Newey Consulting Pty Ltd
Michael Hill	- Board Member - Accountant - Partner - McGrath Nicol
Craig Baker	- Board Member - General Manager Sales & Marketing – Lindsay Australia
Natasha Olsson-Seeto	- Board Member - Director & Chief Executive Officer - OnTalent Pty Ltd
Ian Mitchell	- Board Member - Director - Queensland Cricket Association
Mark Reinke	- Board Member - Director - Australian Association of National Advertisers
Catherine (Katie) Mickel	- Board Member - Educator & Managing Director – Kel Kel Global Education

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Directors' Report (continued)

Meetings of Directors

	Directors Meeting	
	Number Attended	Number Eligible to Attend
John Debenham (Chairman)	6	7
Helen Skippen	6	7
Greg Phillips	7	7
David Muir	6	7
Catherine (Katie) Mickel	3	5
Robert (Bob) Newey	7	7
Michael Hill	7	7
Craig Baker	5	7
Natasha Olsson-Seeto	2	2
Ian Mitchell	2	2
Mark Reinke	2	2

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

Helen Skippen

Date 27 SEPTEMBER 2018

HLB Mann Judd

AUDITOR’S INDEPENDENCE DECLARATION

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Foodbank Queensland Limited for the year ended 30 June 2018.

A B Narayanan
Partner

Brisbane, Queensland
27 September 2018

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2018

	Note	2018 $	2017 $
Revenue from operating activities	2	3,831,436	3,753,061
Employee benefits expense		(1,359,172)	(1,064,482)
Depreciation and amortisation expense	3(a)	(133,803)	(137,140)
Lease expenses	3(a)	(5,571)	(3,972)
Foodbank Australia - Direct Expenses	3(c)	(891,332)	(1,036,114)
Freight and transport costs		(711,979)	(729,903)
Electricity		(56,787)	(70,244)
Printing and stationery		(21,681)	(12,921)
Professional fees		(21,148)	(19,805)
Motor vehicle expense		(159,811)	(139,158)
Other expenses	3(b)	(313,301)	(326,984)
Surplus before income tax		156,851	212,338
Income tax expense		-	-
Surplus for the year		156,851	212,338
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		-	-
Total comprehensive income for the year		156,851	212,338

The accompanying notes forms part of the financial statement

Foodbank Queensland Limited

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Statement of Financial Position

As at 30 June 2018

	Note	2018 $	2017 $
Current assets			
Cash and cash equivalents	4	4,418,690	4,200,549
Trade and other receivables	5	212,989	94,306
Total current assets		4,631,679	4,294,855
Non-current assets			
Property, plant and equipment	6	617,464	691,005
Total non-current assets		617,464	691,005
Total assets		5,249,143	4,985,860
Current liabilities			
Trade and other payables	7	328,489	233,431
Non-current liabilities			
Trade and other payables	7	25,760	14,386
Total liabilities		354,249	247,817
Net assets		4,894,894	4,738,043
Equity			
Retained surplus		4,894,894	4,738,043
Total equity		4,894,894	4,738,043

The accompanying notes form part of these financial statements.

Foodbank Queensland Limited

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Statement of Changes in Equity

For the year ended 30 June 2018

	Retained Surplus $	Total $
Balance at 1 July 2016	4,525,705	4,525,705
Surplus for the year	212,338	212,338
Other comprehensive income for the year	-	-
Balance at 30 June 2017	4,738,043	4,738,043
Surplus for the year	156,851	156,851
Other comprehensive income for the year	-	-
Balance at 30 June 2018	4,894,894	4,894,894

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the year ended 30 June 2018

	Note	2018 $	2017 $
Cash flows from operating activities			
Receipts from customers (including donations)		2,711,371	2,767,564
Receipts from Queensland State Government		1,003,939	870,646
Payments to suppliers and employees		(3,535,106)	(3,221,220)
Interest received		105,851	106,171
Net cash provided by operating activities	**8**	**286,055**	**523,161**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		15,600	84,545
Payment for property, plant and equipment		(83,514)	(301,102)
Net cash used in investing activities		**(67,914)**	**(216,557)**
Net increase in cash and cash equivalents		218,141	306,604
Cash and cash equivalents at beginning of year		4,200,549	3,893,945
Cash and cash equivalents at end of year	**4**	**4,418,690**	**4,200,549**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the year ended 30 June 2018

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 27 September 2018 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

Note 1: Statement of significant accounting policies (continued)

depreciated over the shorted 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 Profit or Loss and Other 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.

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) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They 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.

(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.

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

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(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 Profit or Loss and Other 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

Note 1: Statement of significant accounting policies (continued)

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.

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

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

- *AASB 9: Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of

Note 1: Statement of significant accounting policies (continued)

financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and

losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

The directors have reviewed the potential impacts of the standard and determine there will be no material impact.

- *AASB 15: Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2019, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15).

  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

  The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
  - identify the contract(s) with a customer;
  - identify the performance obligations in the contract(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contracts; and
  - recognise revenue when (or as) the performance obligations are satisfied.

  This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

  The directors have reviewed the potential impacts of the standard and determine there will be no material impact.

- *AASB 16: Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

  When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

Note 1: Statement of significant accounting policies (continued)

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the directors anticipate that the adoption of AASB 16 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- *AASB 1058: Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019). This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: Contributions.

Although the directors anticipate that the adoption of AASB 1058 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

	Note	2018 $	2017 $
Note 2: Revenue			
Operating activities			
Handling fee		1,869,339	2,028,564
Interest received		105,851	106,171
Operating grants		1,003,939	873,530
Donations		833,950	728,987
Other revenue		18,357	15,809
Total revenue from operating activities		3,831,436	3,753,061

Note 3: Surplus for the year

(a) Surplus for the year has been determined after:

	2018 $	2017 $
Rental expense on operating leases	5,571	3,972
Remuneration of the auditor - audit	6,900	6,500
Depreciation or amortisation	133,803	137,140

(b) Other expenses comprise the following items:

	2018 $	2017 $
Advertising	41,664	27,047
Bank Charges	712	929
Charity Events	36,803	14,614
Cleaning & Garden Maintenance	29,008	25,695
Computer Expenses	19,334	12,154
Consultancy Fees	2,000	-
Credit Card Expense	641	-
Insurance	12,941	12,885
Loss on Sale of non-current Assets	652	63,167
Pest Control	3,868	3,990
Postage	1,769	5,091
Entertainment	685	-
Fines	172	-
Rates & Taxes	16,084	15,803
Repairs & Maintenance	38,742	55,222
Security Costs	300	1,310
Subscriptions	49,022	28,695
Telephone	17,718	15,078
Travel & Accommodation	12,867	7,038
Uniforms	7,075	8,060
Warehouse Consumables	21,244	30,206
	313,301	326,984

Notes to the Financial Statements
For the year ended 30 June 2018

	Note	2018 $	2017 $
Note 3: Surplus for the year (continued)			
(c) Foodbank Australia - Direct Expenses comprise the following items:			
Foodbank Australia Levy		123,918	119,530
Foodbank Australia Collaborative Supply		679,120	854,891
Interstate Transfer Levy		88,294	61,693
		891,332	1,036,114
Note 4: Cash and cash equivalents			
Cash on hand		100	100
Cash at bank		680,145	855,656
Deposits at call		3,738,445	3,344,793
		4,418,690	4,200,549
Note 5: Trade and other receivables			
Trade receivables		46,753	28,481
Other receivables		43,101	49,714
Amount due from FBA		123,135	16,111
		212,989	94,306
Note 6: Property, plant and equipment			
Leasehold improvements			
Leasehold improvements - at cost		63,338	63,338
less: Capital works deduction		(55,896)	(55,221)
Total leasehold improvements		7,442	8,117
Plant and equipment			
Plant and equipment - at cost		781,455	767,452
less: Accumulated depreciation		(564,485)	(532,366)
Total plant and equipment		216,970	235,086
Motor vehicles			
Motor vehicles - at cost		670,485	677,485
less: Accumulated depreciation		(297,518)	(229,683)
Total motor vehicles		372,967	447,802

	Note	2018 $	2017 $
Note 6: Property, plant and equipment (continued)			
Computer equipment			
Computer equipment - at cost		11,456	-
less: Accumulated depreciation		(1,576)	-
Total computer software		9,880	-
Work in progress			
Work in progress		10,205	-
Total work in progress		10,205	-
Total property, plant and equipment		617,464	691,005
Note 7: Payables			
CURRENT			
Trade Creditors		96,980	76,636
Sundry payables and accrued expenses		38,439	45,732
Employee benefits		141,070	111,063
Income received in advance		52,000	-
Total current payables		328,489	233,431
NON-CURRENT			
Employee benefits		25,760	14,386
Total non-current payables		25,760	14,386
Note 8: Cash flow information			
(a) Reconciliation of cash flow from operations to surplus			
Surplus for the year		156,851	212,338
Non-cash flows in surplus			
- Depreciation		133,803	137,262
- Net (gain)/loss on disposal of property, plant and equipment		652	63,167
Changes in assets and liabilities			
- (Increase)/ decrease in receivables		(111,683)	24,687
- Increase/ (decrease) in payables		65,052	75,091
- Increase/ (decrease) in provisions		41,380	10,616
		286,055	523,161

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

Foodbank Queensland Limited
ABN 89 067 251 209

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.

1. The Director's declare that the:

    (a) the financial statements and notes set out on pages 5 to 19 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 financial position as at 30 June 2018 and of their 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 Director's.

John Debenham

Helen Skippen

Date: 27 SEPTEMBER 2018

HLB Mann Judd

Accountants | Business and Financial Advisers

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

Opinion

We have audited the financial report of Foodbank Queensland Limited ("the Company"), which comprises the statement of financial position as at 30 June 2018, 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 Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance and cash flows 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 Company in accordance with the auditor independence 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 for the purpose of fulfilling the financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. 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 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 in accordance with the relevant Australian Accounting Standards in accordance with the *Australian Charities and Not-for Profits Commission Regulations 2013* and the *Australian Charities and Not-for-profits Commission Act 2012* and for 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Company'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 Company'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 Company 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 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

A B Narayanan
Partner

Brisbane, Queensland
27 September 2018