Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2019

Foodbank Queensland Limited

ABN 89 067 251 209

Financial Statements

30 June 2019

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Directors' Report

The Directors present their report on the Company for the financial year ended 30 June 2019.

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
Craig Baker
Natasha Olsson-Seeto
Ian Mitchell
Mark Reinke
Kimberley Swords – Appointed 14 March 2019
Rhyll Gardner – Appointed 20 June 2019
John Debenham – Resigned 31 October 2018
Greg Phillips – Resigned 31 October 2018
Helen Skippen – Resigned 20 June 2019

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

Company Secretary

Leah Coogans held the position of Company Secretary up to 30 June 2019.

Operating Results

The deficit of the Company for the financial year amounted to $52,527 (2018: surplus $156,851).

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.

New Accounting Standards Implemented

AASB 9: *Financial Instruments* has been applied using the retrospective method, with comparative amounts restated where appropriate.

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.

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 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:

Robert Newey (Chairperson)	- Board Member - Principal - Newey Consulting Pty Ltd
Michael Hill (Deputy Chairperson)	- Board Member - Accountant - Partner - McGrath Nicol
David Muir	- Board Member - Director – Clem Jones Group
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
Kimberley Swords	- Board Member - Advisor – McKinsey & Company
Rhyll Gardner	- Board Member - Non-Executive Director

Directors' Report (continued)

	Directors Meeting	
	Number Attended	Number Eligible to Attend
John Debenham	2	2
Helen Skippen	7	7
Greg Phillips	1	2
David Muir	5	7
Robert Newey (Chairperson)	7	7
Michael Hill	6	7
Craig Baker	5	7
Natasha Olsson-Seeto	7	7
Ian Mitchell	7	7
Mark Reinke	6	7
Kimberley Swords	2	2
Rhyll Gardner	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:

Robert Newey

Michael Hill

Date: 26 September 2019

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 2019.

A B Narayanan
Partner

Brisbane, Queensland
26 September 2019

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Foodbank Queensland Limited
ABN 89 067 251 209

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2019

	Note	2019 $	2018 $
Revenue from operating activities	2	4,329,214	3,831,436
Employee benefits expense		(1,817,131)	(1,359,172)
Depreciation and amortisation expense	3(a)	(141,833)	(133,803)
Lease expenses	3(a)	(5,445)	(5,571)
Foodbank Australia - Direct Expenses	3(c)	(1,174,269)	(891,332)
Freight and transport costs		(667,823)	(711,979)
Electricity		(52,322)	(56,787)
Printing and stationery		(23,269)	(21,681)
Professional fees		(20,353)	(21,148)
Motor vehicle expense		(146,511)	(159,811)
Other expenses	3(b)	(332,785)	(313,301)
(Deficit) / Surplus before income tax		(52,527)	156,851
Income tax expense		-	-
(Deficit) / Surplus for the year		(52,527)	156,851
Other comprehensive income		-	-
Total comprehensive income for the year		(52,527)	156,851

The accompanying notes forms part of the financial statement

Foodbank Queensland Limited
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Statement of Financial Position
As at 30 June 2019

	Note	2019 $	2018 $
Current assets			
Cash and cash equivalents	4	439,420	680,245
Financial assets	5	4,056,787	3,738,445
Trade and other receivables	6	171,104	212,989
Total current assets		4,667,311	4,631,679
Non-current assets			
Property, plant and equipment	7	614,067	617,464
Total non-current assets		614,067	617,464
Total assets		5,281,378	5,249,143
Current liabilities			
Trade and other payables	8	404,246	328,489
Non-current liabilities			
Trade and other payables	8	34,765	25,760
Total liabilities		439,011	354,249
Net assets		4,842,367	4,894,894
Equity			
Retained surplus		4,842,367	4,894,894
Total equity		4,842,367	4,894,894

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 2019

	Retained Surplus $	Total $
Balance at 1 July 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
Deficit for the year	(52,527)	(52,527)
Balance at 30 June 2019	4,842,367	4,842,367

The accompanying notes form part of these financial statements.

Foodbank Queensland Limited
ABN 89 067 251 209

Statement of Cash Flows
For the year ended 30 June 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers (including donations)		3,133,922	2,711,371
Receipts from Queensland State Government		1,365,955	1,003,939
Payments to suppliers and employees		(4,401,290)	(3,535,106)
Interest received		117,366	105,851
Net cash provided by operating activities	**9**	**215,953**	**286,055**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	15,600
Payment for property, plant and equipment		(138,436)	(83,514)
Investment in Term Deposits		(318,342)	(393,652)
Net cash used in investing activities		**(456,778)**	**(461,566)**
Net decrease in cash and cash equivalents		(240,825)	(175,511)
Cash and cash equivalents at beginning of year		680,245	855,756
Cash and cash equivalents at end of year	**4**	**439,420**	**680,245**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the year ended 30 June 2019

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 19 September 2019 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	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.

(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 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.

Note 1: Statement of significant accounting policies (continued)

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 other comprehensive income; or
- 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.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:
- 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; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

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.

Note 1: Statement of significant accounting policies (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
- lease receivables.

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 2019

Note 1: Statement of significant accounting policies (continued)

(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.

(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 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).

Note 1: Statement of significant accounting policies (continued)

(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) Comparative Figures

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

(k) 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.

(l) Adoption of new and revised accounting standards

The company has adopted AASB 9: *Financial Instruments* with a date of initial application of 1 July 2018. As a result, financial assets as held-to-maturity and loans and receivables that were measured at amortised cost continue to be measured at amortised cost under AASB 9 as they are held to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. Financial liabilities measured at amortised cost continue to be measured at amortised costs under AASB 9. No additional provision of expected credit losses or impairment expense was recognised under the adoption of AASB 9.

(m) 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 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).

Note 1: Statement of significant accounting policies (continued)

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.

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.

Notes to the Financial Statements
For the year ended 30 June 2019

Note 1: Statement of significant accounting policies (continued)

- *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.

Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 $	2018 $
Note 2: Revenue			
Operating activities			
Handling fee		2,012,754	1,869,339
Interest received		117,366	105,851
Operating grants		1,241,777	1,003,939
Donations		942,910	833,950
Other revenue		14,407	18,357
Total revenue from operating activities		4,329,214	3,831,436

Note 3: (Deficit) / Surplus for the year

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

		2019 $	2018 $
Rental expense on operating leases		5,445	5,571
Remuneration of the auditor - audit		7,500	6,900
Depreciation or amortisation		141,833	133,803

(b) Other expenses comprise the following items:

		2019 $	2018 $
Advertising		14,646	41,664
Bank Charges		1,934	712
Charity Events		72,749	36,803
Cleaning & Garden Maintenance		29,038	29,008
Computer Expenses		12,887	19,334
Consultancy Fees		6,205	2,000
Credit Card Expense		-	641
Insurance		15,648	12,941
Loss on Sale of non-current Assets		-	652
Pest Control		3,245	3,868
Postage		2,742	1,769
Entertainment		330	685
Fines		-	172
Rates & Taxes		5,475	16,084
Repairs & Maintenance		62,123	38,742
Security Costs		489	300
Subscriptions		45,954	49,022
Telephone		34,519	17,718
Travel & Accommodation		7,164	12,867
Uniforms		8,209	7,075
Warehouse Consumables		9,428	21,244
		332,785	313,301

Foodbank Queensland Limited
ABN 89 067 251 209

Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 $	2018 $
Note 3: (Deficit) / Surplus for the year (continued)			
(c) Foodbank Australia - Direct Expenses comprise the following items:			
Foodbank Australia Levy		119,495	123,918
Foodbank Australia Collaborative Supply		959,074	679,120
Interstate Transfer Levy		95,700	88,294
		1,174,269	891,332
Note 4: Cash and cash equivalents			
Cash on hand		1,867	100
Cash at bank		437,553	680,145
		439,420	680,245
Note 4: Financial assets			
Deposits at call		4,056,787	3,738,445
		4,056,787	3,738,445
Note 6: Trade and other receivables			
Trade receivables		52,760	46,753
Other receivables		118,344	43,101
Amount due from FBA		-	123,135
		171,104	212,989
Note 7: Property, plant and equipment			
Leasehold improvements			
Leasehold improvements - at cost		63,338	63,338
less: Capital works deduction		(56,571)	(55,896)
Total leasehold improvements		6,767	7,442
Plant and equipment			
Plant and equipment - at cost		853,327	781,455
less: Accumulated depreciation		(630,041)	(564,485)
Total plant and equipment		223,286	216,970
Motor vehicles			
Motor vehicles - at cost		670,485	670,485
less: Accumulated depreciation		(364,311)	(297,518)
Total motor vehicles		306,174	372,967

Notes to the Financial Statements
For the year ended 30 June 2019

	Note	2019 $	2018 $
Note 7: Property, plant and equipment (continued)			
Computer equipment & software			
Computer equipment - at cost		78,021	11,456
less: Accumulated depreciation		(10,386)	(1,576)
Total computer equipment & software		67,635	9,880
Work in progress			
Work in progress		10,205	10,205
Total work in progress		10,205	10,205
Total property, plant and equipment		614,067	617,464
Note 8: Payables			
CURRENT			
Trade Creditors		105,499	96,980
Sundry payables and accrued expenses		112,887	38,439
Employee benefits		120,942	141,070
Income received in advance		64,918	52,000
Total current payables		404,246	328,489
NON-CURRENT			
Employee benefits		34,765	25,760
Total non-current payables		34,765	25,760
Note 9: Cash flow information			
(a) Reconciliation of cash flow from operations to (deficit) / surplus			
(Deficit) / Surplus for the year		(52,527)	156,851
Non-cash flows in deficit			
- Depreciation		141,833	133,803
- Net (gain)/loss on disposal of property, plant and equipment		-	652
Changes in assets and liabilities			
- (Increase) / decrease in receivables		41,885	(111,683)
- Increase / (decrease) in payables		95,884	65,683
- Increase / (decrease) in provisions		(11,122)	41,380
		215,953	286,686

Note 10: Contingent Liabilities

In the opinion of the directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018: None)

Note 11: Events after the Reporting Period

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

Note 12: 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

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 20 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 2019 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.

Robert Newey

Michael Hill

Date: 26 September 2019

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

Opinion

We have audited the financial report of Foodbank Queensland Limited ("the Entity"), which comprises the statement of financial position as at 30 June 2019, 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 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 Entity's financial position as at 30 June 2019 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 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* ("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*, 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 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

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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

A B Narayanan
Partner

Brisbane, Queensland
26 September 2019