

ANNUAL REPORT



2019



Meals on Wheels
Queensland

*More
than just
a meal*



Meals on Wheels Queensland

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Funded by



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About Us

Meals on Wheels is a compassionate connector of people that delivers care and empathy with every one of our nutritionally balanced meals, making recipients and their families feel safe, supported and a member of the wider community. We nourish bodies and hearts which grows better communities.

We are more than just a meal, we are made up of people who generously donate their time, effort and care into making Meals on Wheels the caring, sharing, nurturing community that we are.

With 133 Member Services across 141 locations in Queensland, driven by 15,000 volunteers, we are providing peace of mind to children of aging parents, supporting people with a disability to live their lives their way, respecting people of all race, religions, nationalities and ethnicities and enabling them to stay at home and stay independent.

We're friendly, kind, encouraging, knowledgeable and honest. We're straight-talking but always polite – although we're not afraid to talk to you about hard truths when needed. We use friendly everyday language and we are not afraid to make the odd joke or two if appropriate. Most of all, you feel like you can talk to us about anything. We are more than just a meal.

Vision

Effectively supporting Member Services to provide More Than Just a Meal

Purpose

To facilitate a quality life for Meals on Wheels' clients

Values

The core values of Queensland Meals on Wheels are:

- Demonstrate Integrity
- Work with Accountability
- Be One Team
- Inspire Trust
- Innovate and Adapt

Chairperson's Report



It gives me great pleasure to present the Queensland Meals on Wheels Ltd (QMOW) 18/19 Annual Report on behalf of the Board of Directors. It was another year of great change in our sector where the impact on our Services, and ultimately our clients, continues to present both challenges and opportunities across a broad range of dynamic issues.

MEALS ON WHEELS QUEENSLAND Ltd. STRATEGIC PLAN 2018-2021

We have just completed the first year of our current Strategic Plan. Our CEO will demonstrate in his report what Meals on Wheels Queensland Ltd's operational arm has achieved against the vision of effectively supporting member services to provide more than just a meal and the purpose to facilitate a quality life for Meals on Wheels' clients. The overarching strategies and overall strategic measures are outlined in the QMOW Ltd Strategic Plan document which was distributed to all Services following the 2018 Annual General Meeting. It should be noted that as this is a three year plan, some projects will be sequential, but it is very pleasing to see that progress is being made in the development and endorsement of the Marketing Strategy, the Volunteer Strategy, the Member Service Engagement Strategy, and the completion and launch of the Recipe Resource Project.

MEALS ON WHEELS AUSTRALIA

The appointment of Kate Thiele as Executive Director of Meals on Wheels Australia (MOWA) has meant that all Meals on Wheels Services throughout Australia will have coordinated representation at the highest levels of Government. Already Kate and Sharyn Broer (MOWA President) have met with Ministers in Canberra to emphasise the impact that Meals on Wheels Services have, not only in the aged care space, but in the general community throughout Australia. This sort of advocacy at the highest level is vital but I continue to urge all Services to keep up their already outstanding relationships with their local representatives at both Federal and State level. This will add tremendous weight to the work that Meals on Wheels does by way of advocacy.

CHSP FUNDING EXTENSION

On federal budget night in April 2019, it was with a sense of great satisfaction, and in many ways relief, to learn that CHSP funding would be extended out to 2022. This decision, in line with the growing emergence of Home Care Package funding and the NDIS, will provide QMOW and Member Services more time to work through how we best operate in a way that is sustainable and effective for those in the community we seek to serve. Performance of Services in delivering CHSP output numbers over the past financial year varies from approximately 25% of Services trending to deliver in excess of 100% of their contracted output numbers to approximately 30% trending to deliver less than 70% of their contracted output numbers. It is these fluctuations in numbers across the State, that make the support and adoption of state-wide strategies so important, to ensure Meals on Wheels is able to grow and thrive into and beyond the next decade. The monthly meetings with the Queensland Grant Managers of the Commonwealth Department of Social Services that myself and the CEO attend continue to be very fruitful, and the information gained is passed on to all Services via Friday Fast Facts or through support staff.

Tony Charlesworth
Chairperson QMOW Ltd

Chief Executive's Report

As we look back on 2018/19 financial year, we are very proud of the dedication and hard work of our Member Services and the QMOW Operations team as they continue to serve the community across this great State of Queensland. We continue to be inspired by the enthusiasm and commitment of all the volunteers and paid workforce, whether they be committee members, chefs, drivers, administration or in the kitchen, Meals on Wheels could not be what it is without you all.

Throughout 2018/19, the Aged Care and Disability Sectors continued to evolve, and so too the approach and support of the QMOW Operations to our Member Services. In Financial Year 2019 we established our new Activity Work Plan with the Commonwealth totalling 25 initiatives through to June 2020, and introduced our new Operational Plan that underpins and ensures we deliver on the ambition of our 2018 – 2021 QMOW Strategic Plan. This year also stands out as the first full year QMOW Operations has taken responsibility for the QMOW Community Facilities, giving us great insight, respect and admiration for the contribution the QCF team make to the community of Caboolture.

Providing advice, education and support to our Member Services, and a key leadership and advocacy role within our sector, QMOW Operations continues to adapt our service model. Understanding the diversity across our membership is an important aspect in achieving this. Across Queensland at the end of financial year 2019, there are 141 Meals on Wheels Services in operation. This consists of 50% cooking kitchens, 35% meals prepared through hospitals and other aged care services, and 15% prepared through external commercial suppliers. To say we are a very broad church is an understatement, but the core values and commitment to community and each other is a shared one. When developing strategies to shape the future of Meals on Wheels in Queensland, understanding the profile of our membership becomes vitally important.

Throughout 2018/19, we have undertaken to establish bold new service offerings in both supporting Member Services to continue to modernise and meet the National Meal Guidelines through our Recipe Resource Project and how we market ourselves to grow new clients through the development of the new Marketing Strategy. Both of these initiatives are designed to provide the vehicles for members to draw



upon without needing to invest themselves in the development of such resources.

The approval of the Marketing Strategy in June 2019 ushers in a new way for Meals on Wheels Services to communicate and engage with the market. This exciting new look and feel is a significant shift away from our traditional approach of communicating 'what we do' to moving towards messaging of 'why we do it', highlighting key points of difference between ourselves and the 40+ pre-packaged meal providers operating in Queensland today.

These two projects have highlighted the significance of engaging with strategic partners, with the expertise and passion to grow and support Meals on Wheels in Queensland. This approach has been emphasised through the approval of our Partnership Strategy in May 2019, which will see QMOW Operations seek out more partners that may contribute added value to the network of Members overall.

As part of our commitment to continuous improvement, QMOW Operations issued a Member Service satisfaction survey in January 2019. We were pleased to receive a total of 82 responses across a total of 74 Member Services. Respondents rated the top 5 QMOW Services as:

- Resources (printed materials)

- Human Resources
- Operational Support
- QMOW Website
- Webinars

We also noted from the survey results areas that we could be doing better for Members, specifically in Forums and Business Support which have been two key areas of focus throughout the second half of 2018/19. With respect to Forums, we undertook a series of smaller, intimate Sector Support sessions across 16 Aged Care Planning Regions. These regions included:

- Brisbane South
- Cabool
- Brisbane North
- Sunshine Coast
- Gold Coast
- South West
- Central West
- Darling Downs
- Fitzroy
- Logan River
- Mackay
- North West
- Northern
- South Coast
- West Moreton
- Wide Bay

These sessions have allowed Services a more focussed setting to ask their questions and interact with QMOW Operations staff in the areas of Home Care Packages, the NDIS and marketing strategies.

We always learn a great deal from these sessions and were very pleased for the feedback we received. They will become a part of our overall approach in interacting with our Membership. That said though, we are also very conscious of the feedback from Members regarding the absence of the larger scale Forums, and with that onboard we were very pleased to launch a new series of this type of Forum, with our first being hosted in Townsville in June 2019. We were impressed that over 30 Members took time on their weekend to attend and engage with us on topics such as the new Aged Care Standards, cultural diversity, the NDIS, HCP, kitchen operations, food costing and pricing, and brokering CHSP outputs.

Equally with respect to Business Support, we appointed our new Business Manager, Mark Love who has quickly immersed himself into the business models of Meals on Wheels. Mark has conducted face to face interactions with over 20 Services between March and the end of June, providing vital business and financial advice, as well as guiding Members through the introduction of new government requirements such as Single Touch Payroll. Brokering of CHSP outputs and funding between Members has also been a focus which has proven to be a successful strategy in managing funding across Members within an Aged Care Planning Region, without losing the funding to CHSP altogether.

Providing the support for food safety will always be an important role for QMOW Operations to play. During the course of 2018/19 we issued two separate alerts regarding food safety issues from other parts of the



country and provided direct support to over ten cooking kitchens, working with their food safety program and operations throughout the year.

Our Member Service Support Team has again provided diligent and considered advice and support to our Members, particularly with the introduction of the new Aged Care Standards and the commencement of the NDIS. In preparing for the new standards, we provided face to face interactions with over 100 Members as well as our Webinar which stepped Members through each of the eight standards. As part of our advocacy role, QMOW Operations has also established a great connection and relationship with the Aged Care Quality and Safety Commission, who we meet with on a quarterly basis. This allows for on-going dialogue regarding the challenges Members face together with the exchange of ideas for opportunities and improvements.

The NDIS has seen the uptake of registration by over 70 Members throughout this financial year. With the move away from state funding to the NDIS for supporting members of the community with a disability, being able to operate in the NDIS marketplace is an important business strategy for all Members to consider. QMOW Operations has provided the front line support for Members in establishing their registration, onboarding new clients, pricing their services and managing all of the administration that comes with this significant policy change. Our advocacy on behalf of Members to the NDIS Commission has also been a significant role we have undertaken, most notably in seeking reconsideration of the audit classification and process, and the workforce screening process.

Importantly, in recognising the need to continue to attract and retain volunteers, we developed, through consultation with the Membership, a Volunteer Strategy which not only heroes the more than 15,000 individuals who so willingly volunteer their time to serve the community through Meals on Wheels, but provides strategies that work to ensure we continue to be at the forefront of the community in choosing where to spend their discretionary time.

As we look ahead to 2019/20, there is much to do as we navigate the changing landscape in which we operate. Our advocacy to government will be focussed on a range of issues including equity of funding across all States and Territories, seeking fairness in supporting Home Care Packages, and continued improvements to practices within the NDIS. As a network of services, it will be vitally important how we continue to collaborate and organise ourselves to present a



consistent message and brand to government, and to the marketplace. Internally, our focus will be towards achieving the right mix of state-wide strategies and best practice tools, innovations and engagements that meet the needs of our Members. Making inroads into a more consistent client and market experience for Meals on Wheels, making the changes needed to alleviate the back of house, regulatory burdens our Members face, honouring the effort to bring Meals on Wheels in Queensland to where it is today, and the effort needed to take us forward into the future, is an exciting and humbling role for QMOW Operations to be a part of.

I would like to thank everyone who has been a part of QMOW Operations over the past twelve months, and would like to recognise and thank the Board of Directors of QMOW Ltd for their guidance and support as we navigate together the future road ahead.

Evan Hill
Chief Executive Officer
QMOW Ltd

Governance Statement

Queensland Meals on Wheels Ltd (QMOW) is regulated in the main by the Australian Charities and Not for Profits Commission as a registered charity under the Australian Charities and Not for Profits Commission Act 2012 (ACNC Act). We are registered as a public company limited by guarantee under the Corporations Act 2001, which means the Corporations Act applies but in a manner modified by the ACNC Act.

QMOW's registration as a company is effective from 14 March 2018 and operates according to a constitution adopted on approval by Members on 3 October 2017. Under the constitution, QMOW's affairs are managed by the Board of Directors. This governance statement outlines how the Board discharges that responsibility.

Achieving our Objectives

The Board's primary role is to ensure QMOW achieves the objectives for which the Company was established which are for the public charitable purposes providing benevolent relief to vulnerable members of the community by supporting the delivery of services to people in need, including the elderly, injured, disabled or others with similar needs. QMOW is reliant on grants provided by the Commonwealth and State governments in providing this service to its Members and their clients.

The Board is comprised of 10 Directors elected by the Members, with the option of 2 additional appointed Directors. To date, no Directors have been appointed under this option and efforts continue to recruit individuals external to Meals on Wheels with skills sets that compliment the overall composition of the Board, and add value to the strategic direction for Meals on Wheels in Queensland.

Each seat on the Board has a term of 3 years, with two Board Members concluding their term in 2019. Four positions are up for election in 2019 with four positions in 2020.

Specific Responsibilities of the Board

The Board fulfils its primary role by:

- Formulating QMOW's Strategic Plan, considering feedback from Member Services with input from the CEO and staff
- Selecting, appointing, guiding and monitoring the performance of the CEO
- Approving operating and capital budgets formulated by the CEO
- Monitoring management's progress in implementing the Strategic Plan
- Monitoring QMOW's financial performance, ensuring adherence to operating and capital budgets
- Putting in place a suite of delegations, policies and procedures
- Ensuring financial viability, solvency and sustainability of QMOW and Member Services
- Ensuring stakeholders receive regular reports, including financial reports
- Ensuring the Company complies with relevant legislation and regulations
- Acting as an advocate for QMOW and Member Services whenever and wherever necessary.

Management's Responsibility

The Board has formally delegated responsibility for QMOW's day to day operations and administration to the CEO, as the leader of our organisation.

The CEO is responsible for achieving the Operational Plan targets set out in the Strategic Plan, and is authorised by the Board to make decisions and initiate activities to achieve those results, within the framework provided by the Board-approved policies and procedures. In 2018-19, an Operational Plan was approved by the Board and is reviewed on a quarterly basis.

The Board is responsible for setting the CEO's remuneration, and the CEO sets remuneration for all other staff, within the budgetary constraints approved by the Board.

Board Oversight

The Board oversees and monitors management's performance by:

- Meeting at least nine times per year
- Presenting the Finance Report at these meetings compiled from information provided by management
- Receiving additional information and input from the CEO when necessary
- Responding to decision requests from the CEO on key strategic issues

In 2018/19 the Board held ten monthly Board meetings and met via teleconference on another occasion for an out of session meeting to discuss strategic issues that required decisions in-between the scheduled monthly Board meetings.

The Board has additionally established a Compliance Committee and a Finance Committee which meet as necessary to oversee these key governance responsibilities.

Reporting to Members

The Board reports to Members at the Annual General Meeting through presentation of the Annual Report to Members, which includes audited financial statements for the year just ended. The Annual Report additionally includes further information about the strategy and operations of the organisation.

In March 2019, we were pleased to hold the General Meeting in South Brisbane attended by representative from twenty-eight Member Services. The General Meeting was also available to Members via ZOOM and was made available on-line following the conclusion of the General Meeting.

Governance Improvements

In 2018-19, the Compliance Committee provided a strategic review of the QMOW Risk Register which was recommended to and accepted by the Board. As a by-product of this review, a generic risk register will be provided to Members for their adoption to adapt to their own risk profile in 2019-20. The QMOW Polices have also undergone extensive review through 2018-19 which will be completed in the first quarter of 2019-20.

Finance Report

Financial Year Ended 30 June 2019

Net Result

QMOW reported a net deficit of \$105,466 for the year ended 30 June 2019. The Board had budgeted for a deficit position for this financial year of \$130,304 as we planned to continue to spend a portion of the \$850,000 donation received in 2016/17. This year's deficit compares to previous years' results as follows:



With the commencement of Caboolture meal operations in April 2018, a separate division for 'QMOW Community Facilities (QCF)' was established, with traditional QMOW functions accounted for in a 'Core Operations' division. The separate results for the two divisions for the year ended 30 June 2019 are:

	Core Operation		Total
	s	QCF	
Revenue	1,209,458	353,008	1,562,466
Cost of goods sold	(9,070)	(103,146)	(112,215)
Employee benefits	(650,638)	(151,708)	(802,347)
Other expenses	(670,035)	(83,335)	(753,370)
Net surplus/(deficit)	(120,285)	14,819	(105,466)

Revenue

As in most previous years, our revenue was derived mainly from grant revenue received from the Commonwealth and Queensland Governments. This was approximately 69% for the year ended 30 June 2019. We continue to be very grateful for the support of the Commonwealth Department of Health and the Queensland Department of Communities, Disability Services and Seniors in providing these significant grants.



Expenses

Our main expense continues to be the salaries and wages paid to our staff. A large increase occurred in 2017/18 with the operational restructure. This structure has largely been continued through 2018/19 with the reduction in expenses due to unpaid leave for the State Manager for over 6 months and some position vacancies.



Other major changes in expenses compared to last year are as follows:

- Professional fees continue to be one of our largest expenses with an increase of approximately \$67,000 over last year's balance. The major component of the increase was the engagement of Evan Hill as our Interim State Manager through to late June, when he became an employee. Additionally, we have engaged specialists to assist us in professionally completing various projects contained in the Strategic Plan 2018-2021.
- The integration of a full year of Caboolture meal operations into the results has had an impact on Occupancy expenses.
- Travel expenses reduced considerably from 2017/18 as our team formally evaluated how we interact with our Members through preparation of a Member Service Engagement Strategy. This Strategy was prioritised for development as engagement with our Member Services is the most important of QMOW's functions. Travel expenses increased near the end of the financial year with the roll-out of the new forums and is budgeted to exceed all previous years' expenses in 2019/20.

It is noted that \$7,493 was donated to Member Services as part of our Financially Disadvantaged Clients' Scheme, compared with \$3,098 last year and continues to be funded through regular donations received by QMOW.

2019/20 Budget

The Board has approved a budget for the year ending 30 June 2020 which projects a deficit for the year of \$121,435, broken down by division as follows:

	Core Operations	QCF	Total
Revenue	1,256,466	368,928	1,625,394
Cost of goods sold/expenses	(1,401,466)	(345,363)	(1,746,829)
Net surplus/(deficit)	(145,000)	23,565	(121,435)

While grant revenue from the State government was originally scheduled to reduce to a minimal amount in 2019/20, QMOW has been successful in obtaining a one-off grant of \$300,000, keeping our revenue at a level in excess of that in 2018/19. The Board has approved another deficit for the Core Operations division as we continue to spend the large donation from 2016/17 and provide the level of support to our Member Services that is considered appropriate. At this rate, QMOW can continue to provide higher levels of support for a few more years as we spend the donation.

Balance Sheet

QMOW's balance sheet continues to be very strong, with our cash position remaining similar to last year:



Summation

The financial position of QMOW is strong, and the Board is confident that this will continue into the future as the CEO and staff continue to implement support programs in line with the Strategic Plan 2018-2021, our Activity Work Plan with the Commonwealth government, and specific requirements of other grants. While we project to spend out of reserves again for a further year, be assured that the Board and CEO are committed to maintaining a strong balance sheet and spending the large donation received in 2016/17 wisely over the next few years for the benefit of all Member Services. The remaining balance of the donation has been set aside in a special reserve in the financial statements.

The formal financial statements are included at the end of this Annual Report which show our financial performance and position in more detail for the year ended 30 June 2019. Attached to the financial statements is the Auditor's Report from BDO to meet our compliance requirements. I would like to thank Anthony Whyte and his team for their work in completing the audit and their high level of professionalism exhibited in working with our staff and Board.

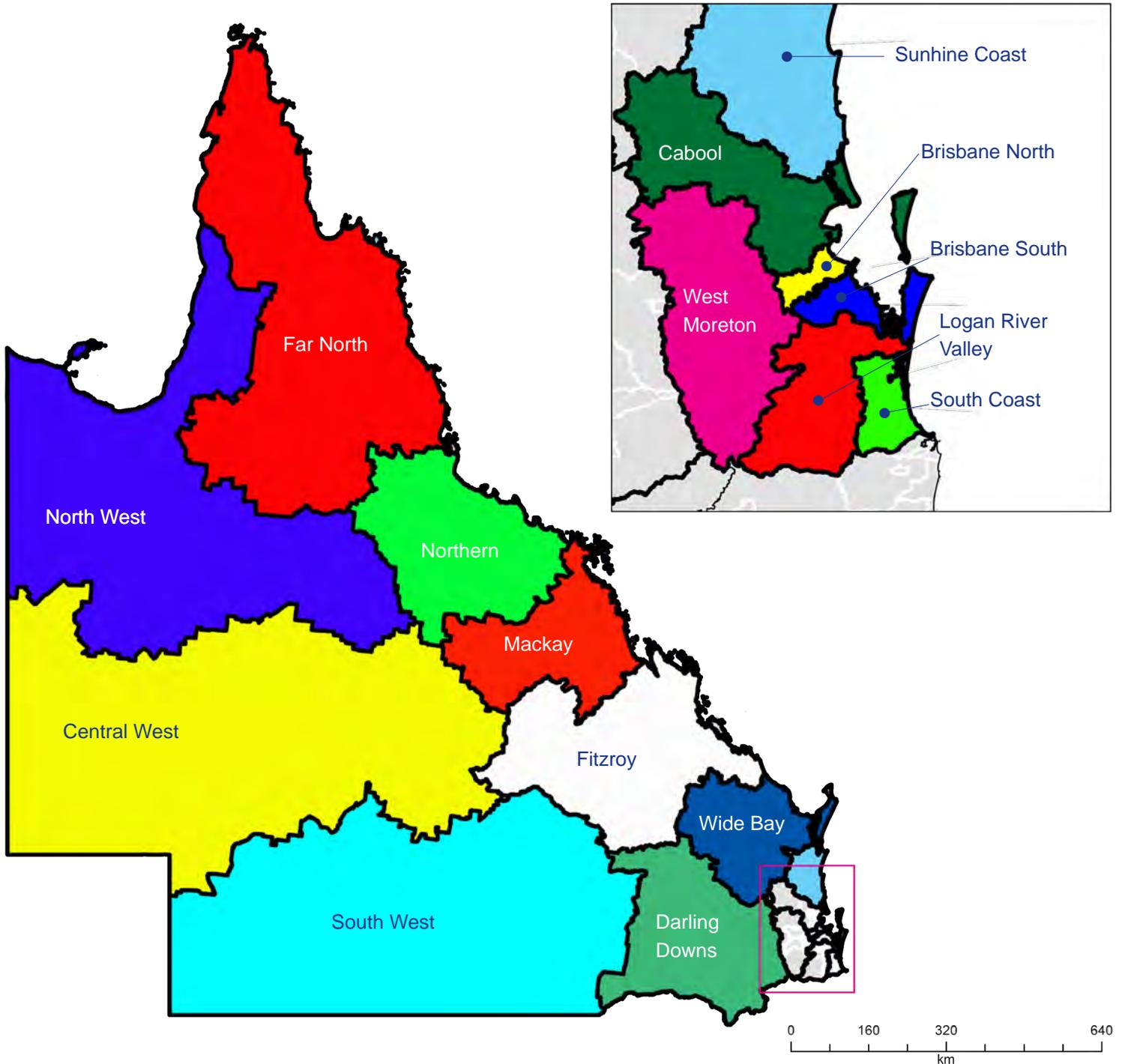
I would also to thank the other Directors, the CEO and the rest of the QMOW team for their help and support in conducting my role. The commitment of all parties to accurate and complete financial reporting is a demonstration in effective teamwork and is essential in assisting the Board to make informed financial decisions on behalf of our Member Services.

Katrina Faulkner
Director
Chair of Finance Committee

Membership

Members of Queensland Meals on Wheels are local service providers who together deliver two million meals across Queensland each year to an average of 10,000 clients per day.

Our Membership base has increased from 34 in 1977, to its current membership of 133, with approximately 75% of our Affiliated Services having been operational in their community for more than 20 years.



North West

Hughenden Meals on Wheels
 Julia Creek Meals on Wheels - McKinlay Shire
 Mount Isa Meals on Wheels Inc

Mackay

Clermont Meals on Wheels Inc
 Mackay Meals on Wheels Ass Inc
 Proserpine Meals on Wheels Services Inc

Brisbane South

Acacia Ridge Meals on Wheels
Bulimba & District Meals on Wheels Inc
Capalaba District Meals on Wheels Inc
Carina Meals on Wheels Inc
Centenary Meals on Wheels Inc
Cleveland District Meals on Wheels Ass Inc
Holland Park & District Meals on Wheels Inc
Inala Meals on Wheels Inc
Minjerriba Meals on Wheels
Mt Gravatt Meals on Wheels Service Inc
Rosedale Springwood Meals on Wheels Inc
Sherwood District Meals on Wheels Inc
Sunnybank Salisbury Meals on Wheels Inc
Victoria Point/Redland Bay Meals on Wheels Ass Inc
Wynnum Manly & District Meals on Wheels Ass Inc
Yeronga Meals on Wheels Inc

Cabool

Bribie Island Meals on Wheels Ass Inc
Burpengary Meals on Wheels
Caboolture Meals on Wheels
Deception Bay Meals on Wheels Inc
Kilcoy Meals on Wheels Inc
Meals on Wheels Pine Rivers & District Inc
Meals on Wheels - Redcliffe Inc

South Coast

Broadbeach Meals on Wheels Inc
Nerang & District Meals on Wheels
Palm Beach Share 'n' Care Centre Inc
Paradise Point & Districts Meals on Wheels Inc
Southport Meals on Wheels Senior Citizens Ass Inc

Fitzroy

Baralaba Community Aged Care Ass
Biloela Meals on Wheels
Boyne Tannum Meals on Wheels Service Inc
Gemfields Community Support Ass Inc
Gladstone Blue Care
Meals on Wheels Mount Morgan Inc
Moura Meals on Wheels - Bluecare
Rockhampton Meals on Wheels Inc
Springsure Meals on Wheels
Taroom Meals on Wheels Ass Inc
Yeppoon Meals on Wheels Inc

Central West

Alpha Meals on Wheels Inc
Aramac Meals on Wheels
Barcaldine Meals on Wheels Inc
Longreach Meals on Wheels Inc
Winton Meals on Wheels Inc

Darling Downs

Chinchilla Meals on Wheels Ass
Clifton Meals on Wheels Inc
Crows Nest Qld Meals on Wheels Inc
Meals on Wheels - Dalby
Gatton Meals on Wheels Inc
Goondiwindi Meals on Wheels Service Inc
Inglewood Meals on Wheels
Jandowae Meals on Wheels Ass Inc
Killarney Meals on Wheels
Miles Meals on Wheels Inc
Millmerran Meals on Wheels
Pittsworth Meals on Wheels Ass Inc
Stanthorpe Meals on Wheels
Tara Meals on Wheels Inc
St Stephens Toowoomba Meals on Wheels Inc
Wandoan District Meals on Wheels Inc

South West

Meals on Wheels Cunnamulla Inc
Dirranbandi Meals on Wheels
Meals on Wheels Mitchell Qld Branch Inc
Roma Meals on Wheels Inc
St George Meals on Wheels Assoc Inc
Surat Meals on Wheels

Sunshine Coast

Blackall Range Care Group Ltd - Meals on Wheels
Meals on Wheels Caloundra Inc
Coolum Beach Meals on Wheels Inc
Glasshouse Country Care
Gympie Meals on Wheels Inc
Maroochydore Meals on Wheels - Suncare
Nambour Meals on Wheels Service Inc
Pomona & District Meals on Wheels
Tewantin - Noosa Meals on Wheels Inc
Tin Can Bay Meals on Wheels Inc

West Moreton

Boonah District Meals on Wheels Inc
Brisbane Valley Care and Concern Meals on Wheels Inc
Ipswich Meals on Wheels Inc
Laidley Meals on Wheels Inc
Lowood & Districts Meals on Wheels
Rosewood Meals on Wheels
Woogaroo & District Meals on Wheels Inc

Far North

Atherton District Meals on Wheels Inc
Aurukun Shire Council - Meals on Wheels
Babinda District Meals on Wheels Inc
Cairns Meals on Wheels Inc
Cardwell Meals on Wheels Inc
Douglas Shire Meals on Wheels (Mossman)
Innisfail Meals on Wheels Inc
Mareeba Meals on Wheels Inc
Marlin Coast Meals on Wheels Inc
Mission Beach Meals on Wheels Inc
Ravenshoe & District Meals on Wheels Inc
Tully Meals on Wheels Inc

Brisbane North

Ashgrove Meals on Wheels Inc
Burnie Brae Chermshire
Chermshire Meals on Wheels Inc
Crosby Park Meals on Wheels Inc
Geebung Meals on Wheels Inc
Kenmore Meals on Wheels Inc
Mitchelton Meals on Wheels Ass Inc
Nudgee Meals on Wheels Inc
Nundah Meals on Wheels - Aurous Fresh
Communitify QLD - Paddington Meals on Wheels
Sandgate & District Meals on Wheels Inc
Stafford & Districts Meals on Wheels Association Inc
Meals on Wheels (Western Suburbs) Inc trading as St Lucia Meals on Wheels

Northern

Saint Andrews Meals on Wheels Lower Burdekin Committee (Ayr)
Bowen Meals on Wheels Inc
Collinsville & Scottville Meals on Wheels Association Inc
Ingham Meals on Wheels Inc
Magnetic Island Meals on Wheels
St Andrews Meals on Wheels - Townsville

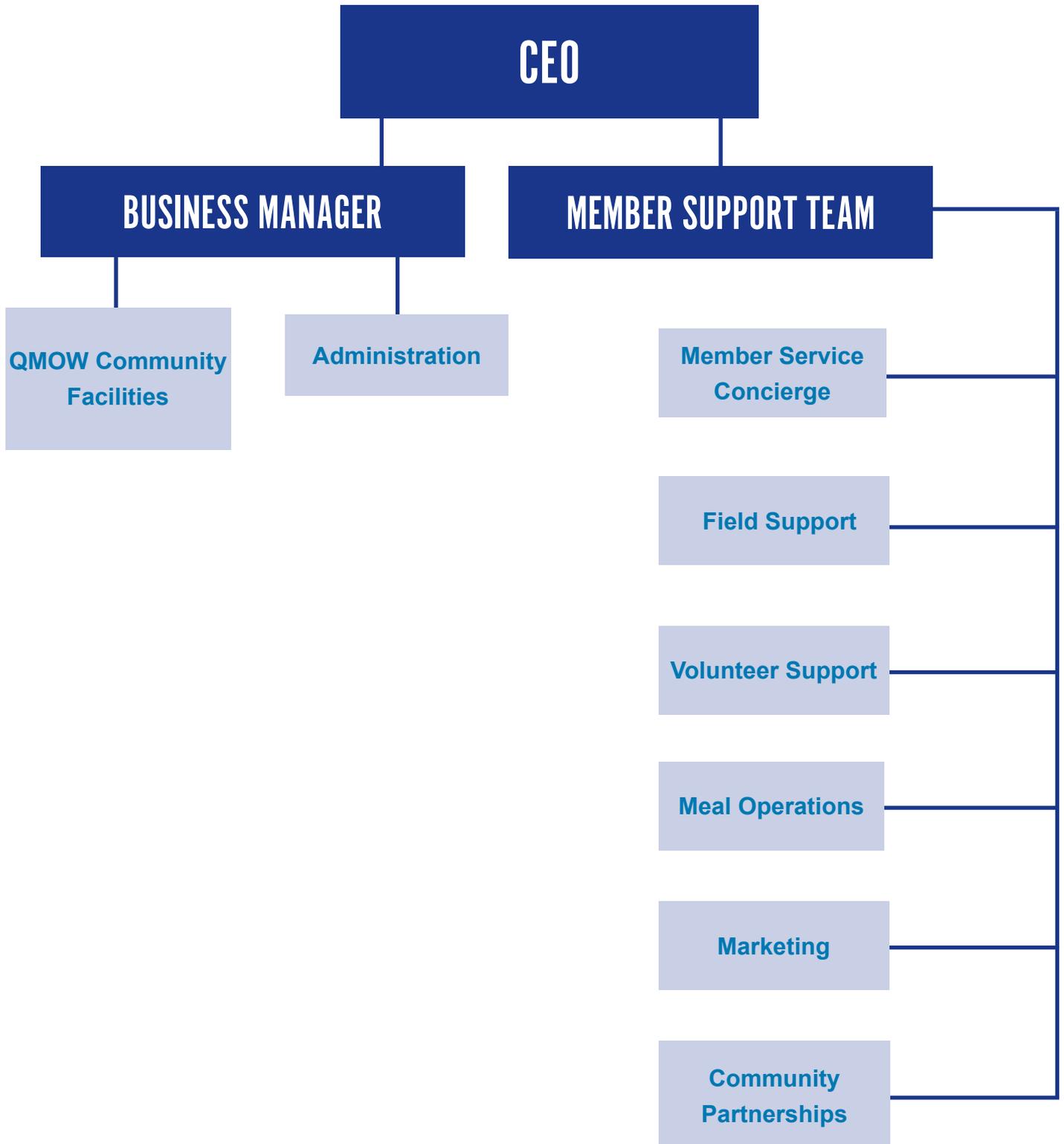
Logan River Valley

Beaudesert & District Community Meals on Wheels Services Ass Inc
Beenleigh & Districts Senior Citizen's Centre Inc Meals on Wheels
Jimboomba Meals on Wheels - Able Australia
Logan Central Meals on Wheels Inc
Logan West Meals on Wheels Inc
Shailer Park Meals on Wheels Inc

Wide Bay

Bundaberg & District Meals on Wheels Inc
Childers Meals on Wheels
Meals on Wheels Fraser Community Inc
Gayndah Meals on Wheels
Gin Gin Meals on Wheels Ass Inc
Murgon Meals on Wheels Inc
SB Care incorporating the communities of Blackbutt & Bernarkin, Kingaroy, Proston, Nanango, Wondai and Yarraman
Wide Bay Hospital incorporating the communities of Eidsvold, Mundubbera and Biggenden

Queensland Meals on Wheels Organisational Chart



Roll of Honour

Established in 2011, the Queensland Meals on Wheels Roll of Honour names those volunteers who have been involved with Meals on Wheels for 30 or more years. Ninety percent of our Member Services have been in operation for more than 30 years, with the Roll of Honour's 417 nominees representing 74 of these Services.

Meals on Wheels Services have relied upon the generous support of those volunteers who selflessly put the needs of others first. The contributions made by these individuals can be measured by the enduring success of Meals on Wheels operations across Queensland. Their continuing dedication to those they serve is to be highly commended.

1969 | 50 Years

Verna McMahon Bundaberg Meals on Wheels

1974 | 45 Years

Shirley Chaplin Gympie Meals on Wheels

1975 | 44 Years

Yvonne Nipperess Gympie Meals on Wheels
Ian Groundwater Gympie Meals on Wheels

1977 | 42 Years

Beth Brown Dalby Meals on Wheels
Betty Conway Dalby Meals on Wheels

1977 | 41 Years

Jocelyn Milne Dalby Meals on Wheels
Retired 2018

1977 | 40 Years

Gloria Cook Dalby Meals on Wheels
Retired 2017

1978 | 41 Years

Deirdre Hargreaves Cleveland Meals on Wheels
Elaine Went Fraser Coast Meals on Wheels

1979 | 40 Years

Lyn Day Gympie Meals on Wheels
Barbara Hack Gympie Meals on Wheels

1980 | 39 Years

June Butler Bundaberg Meals on Wheels
Betty Ross Fraser Coast Meals on Wheels

1980 | 37 Years

Dorothy Domin Gympie Meals on Wheels
Retired 2017

1980 | 39 Years

Halina Lourigan Gympie Meals on Wheels

1984 | 30 Years

Val Thomas Gympie Meals on Wheels
Retired 2014

June O'Sullivan Gympie Meals on Wheels
Retired 2014

1984 | 35 Years

Lesley Notley Gympie Meals on Wheels
Lyn Cammack Gympie Meals on Wheels

1985 | 33 Years

Betty Vaughan Dalby Meals on Wheels
Retired 2018

Gloria Portas Gympie Meals on Wheels
Retired 2018

1985 | 34 Years

Shirley Buckley Dalby Meals on Wheels

1987 | 32 Years

Ruth Moormann Cleveland Meals on Wheels
Gloria Graham Innisfail Meals on Wheels
Sandra Crawley Fraser Coast Meals on Wheels

1988 | 31 Years

Myra Campagnolo Innisfail Meals on Wheels
Karen Termine Innisfail Meals on Wheels

1989 | 30 Years

Verlie Climpson Bundaberg Meals on Wheels
Gloria Larsen Gin Gin Meals on Wheels
Nerelle Brown Cleveland Meals on Wheels
Chris McCarthy Cleveland Meals on Wheels

Mary Lowe

Living Legend Award

The Queensland Meals on Wheels Mary Lowe Living Legend Award recognises the valuable contribution of those volunteers who have paved the way in Meals on Wheels.

Their collective volunteering efforts contribute to the framework of a flourishing and cohesive community and they are the embodiment of the Queensland Meals on Wheels vision and values.

The outstanding leadership qualities of these individuals act as an inspiration for future generations and their legacies are firmly embedded in the foundations of a prospering Meals on Wheels Sector.

Past Recipients

2012

Erla Irving

Charleville Meals on Wheels

2013

June Conolly

Maroochydore Meals on Wheels

2014

Anne Morris

Mount Isa Meals on Wheels

2015

Lola Wernowski

Boonah Meals on Wheels

2016

Sue Tyson

St Stephens Toowoomba Meals on Wheels

2017

Stewart Trevor

Centenary Meals on Wheels

2018

Norrien Hinds

Collinsville /Scottville Meals on Wheels

2019

To be announced

Rhoda Cameron



Rhoda Cameron founded Meals on Wheels in Queensland in 1956, following a visit to Britain where she observed a meal delivery service operating for those in need. Identifying the need to establish a similar service in her local community, Rhoda cooked the first three meals from her own kitchen, before demand increased and a move into the gardeners' cottage on her property was required. From those first three meals, Member Services now supply over 7000 meals each day, across 141 locations in Queensland.

The Rhoda Cameron Award was created to acknowledge those Member Services who display the same initiative and uphold the ideals of Rhoda Cameron. The inaugural Rhoda Cameron Award was presented in 2016 to Ipswich Meals on Wheels in recognition of their longevity of service - from humble beginnings in Rhoda's kitchen to a thriving Service 60 years on and delivering excellence in Delivered Meal Service.

Selection criteria for the 2019 Award focussed on the areas of Innovation and Wellness and Reablement for projects completed within the 2018/19 financial year, highlighting ideas, improvements or innovations within a Service that supported clients, involved the community, partnerships with others, expanding menu options, or embedding wellness and reablement within the organisation.

We congratulate the 2019 Award Recipient for their winning submission and their ongoing commitment to the community and the Meals on Wheels Sector.

THE RECIPE RESOURCE

Alison Taafe
Gemma Payton-Skaines



www.qmow.org

In November 2018, Queensland Meals on Wheels (QMOW) announced the development of a digital Recipe Resource, designed to compliment the National Meal Guidelines. A select tender was issued and an impressive number of responses were received, with varying approaches to the project.

Following a detailed procurement process, the Institute of Culinary Excellence (ICE) were selected as the successful partner. Providing a project partner with exceptional knowledge in the hospitality industry, detailed understanding of complex dietary requirements and author of previous recipe books, were key ingredients to the success of this project.

The project scope undertook in-depth consultation with several cooking kitchens and dialogue with people within the Aged Care Sector, which revealed what we always thought it would; the Recipe Resource was going to be more than just a textbook, it was a cookbook to inspire and raise the standard of meals, both in taste and nutritional content, in the Aged Care Sector. Recipes were developed, photographed and reviewed to ensure that the food presented as great as it tasted. A high level of detail was afforded in the digital presentation to ensure that the Recipe Resource provided a contemporary look and feel, and was easy to use and access.

It became evident through the early stages of this project that one of the major characteristics of Meals on Wheels in Queensland is that not all kitchens are created the same. Different sizes, different equipment and fit-out, different suppliers and different practices,

all provided their own set of challenges. Therefore, the Recipe Resource has been written in a way that kitchens are able to interpret their own approach on how best to utilise the Resource in their local context.

In addressing the meal guidelines, the recipes needed to consider nutritional content, food yields/shrinkage, and weight requirements to name a few. These aspects of the Resource were factored in against the reality that Members are providing these meals on a tight budget. This has resulted in the recipes being designed to offer a starting point and a flexibility that kitchens may modify to their own practices and budgets.

In addition to the recipes, chapters are dedicated to kitchen operations, food storage and food safety, making the Recipe Resource a comprehensive tool for kitchens to use to implement efficient kitchen operations.

With the draft being completed by the end of June, the end result will produce a user friendly, easy to use resource that Services can scale production up or down per recipe as they require. The images are inspiring, providing a spectacular presentation for promotion elsewhere, such as on My Aged Care, and above all, the food tastes great.

Ultimately, this project's greatest outcomes are for the client. We hope when the Resource is released in 2019-20, it will create inspiration and provide the leaders of our kitchens more tools to deliver more than just a meal.



Business Support

During 2018/19, the functions of the Business Support Manager and Finance Officer positions were merged to create a new Business Manager position. The majority of effort and capacity of this new position is weighted towards delivering business strategy and services to Members with a portion of the duties encompassing the financial management of Queensland Meals on Wheels.

The last 12 months continued to see a demand for support with respect to analysing the cost of running Meals on Wheels Services in order to set pricing for meals, separating the raw food costs from preparation, administration and delivery. With Services now having to set different pricing depending on the funding stream e.g. CHSP, NDIS, Home Care Packages, it is essential Services have a strong understanding of what it costs to run their Service.

The Business Manager role has also seen an increasing number of Services adopting accounting software such as Xero, MYOB and Reckon to manage their finances and taking advantage of technology to increase efficiency, simplify processing, manage their budget and manage cashflow. The Business Manager has provided support to Services in setting up these accounting programs and training staff. This approach to adopting technology is applauded, however providing support within QMOW for multiple accounting software packages does prove challenging. Ideally a standardised

or single package would alleviate a range of operational inefficiencies for both Members and QMOW.

The Business Manager's role has also conducted significant regional travel from March to June 2019, with one to one interactions together with participating in Forums to educate Services on financial and business aspect of their operations. The Business Manager also provided leadership to the implementation of Single Touch Payroll which came into effect for all Australian businesses from 1 July. The Business Manager was involved in the education and assistance to Services in setting up and reporting under Single Touch Payroll as well as conducting a webinar.

In addition to providing business support to Services, the Business Manager has also been managing the financial matters of Queensland Meals on Wheels, including the preparation of regular management reports, managing the financial and operations of QCF – Caboolture and providing input in the preparation of the QMOW budgets. The role of Business Manager will continue to provide support into the operations of QMOW to ensure appropriate acquittal of funding and opportunities to improve efficiencies for QMOW staff.

Looking ahead, as Meals on Wheels Services continue to evolve with increased competition and regulatory environment, the Business Manager will continue to work with Member Services to provide critical support to business operations, and seek out opportunities to optimise expenditures and grow the overall revenue base.

CHSP Brokerage

Earlier this year Queensland Meals on Wheels facilitated the successful brokerage of CHSP meal outputs across three Meals on Wheels Member Services. Brokerage Agreements within the CHSP have been around for quite some time but have been an untapped arrangement within Meals on Wheels. Brokerage Agreements work by forming a partnership for meal outputs with another Meals provider within your Aged Care Planning Region (ACPR). It doesn't necessarily have to be a Meals on Wheels provider.

There have always been the conversations and examples of Member Services having to return a percentage of their CHSP funding. Significantly, any funds that are sent back from an underspend after your financial acquittal has been completed may not be returned to the Commonwealth Home Support Programme. It may in fact be returned to consolidated revenue and may be lost to the program altogether.

We were successful in negotiating a brokerage arrangement across three Member Services within Brisbane North. Meals on Wheels Western Suburbs (St Lucia) identified that they were delivering above their CHSP outputs for the financial year. Nudgee Meals on Wheels and Crosby Park Meals on Wheels identified that

due to declining client numbers, they were delivering at an output level where they would likely be asked to return a percentage of funding for 2018/19.

Through good faith discussions between all parties, a partnership was formed. Nudgee Meals on Wheels and Crosby Park Meals on Wheels each signed a separate letter of agreement with Meals on Wheels Western Suburbs (St Lucia) where each party agreed to:

- establish a 'Handshake Agreement' within the Data Exchange (DEX) program where each Service can identify and formalise the agreed number of clients/ outputs they are delivering for on behalf of the other Service
- an invoice is raised by Meals on Wheels Western Suburbs (St Lucia) to exchange funding for outputs at a rate of \$4.83, payable in an agreed period
- the agreement noted should either party seek to vary or cease this arrangement, notification must be received 14 days prior to the required date for the variation or cessation to take effect.

The successful outcome from these three Member Services demonstrated what can be achieved through collaboration and sharing of information. This has ensured valuable funds have been retained within the Sector, and assists in understanding and strategising for shifting demand of meal services impacting Meals on Wheels.

Home Care Packages

The Home Care reforms initiated by the Commonwealth in February 2017 saw a significant increase in the number of Home Care Package providers operating in Australia. Over the last financial year this number has increased to well over 900 registered providers, with the number of consumers receiving Home Care Package (HCP) supports growing to over 93,000 people in Australia, and Queensland consumers accounting for approximately 20% of that figure.

The increasing number of Home Care Packages available to consumers has seen many Meals on Wheels' clients transitioning from receiving supports under the Commonwealth Home Support Programme (CHSP) subsidy to receiving supports that are managed by Home Care Package providers.

The ever-increasing transitions and the growth in the HCP Sector have presented significant challenges to the Meals on Wheels Sector over the past 12 months.

Services are now required to market their business not only to the consumer but to Home Care Package providers who drive the negotiation of Home Care

Agreements with the client. In addition, providers often require Services to sign Service Agreements containing complex and unnecessary terms of agreements that do not apply to the activity of providing meal supports.

In the 2019 financial year, Queensland Meals on Wheels (QMOW) have been working with Services to gain traction within the HCP marketplace. Marketing materials in the form of flyers, handbooks and communication templates have been developed and provided to Services for marketing to the consumer and Home Care Package providers.

QMOW continues to support Member Services to navigate the complexities of Service Agreements and engage with Home Care Package providers to contract overarching Agreements that will apply to all Meals on Wheels Services across Queensland and reduce administrative burdens.

While the HCP marketplace does present its challenges to the Meals on Wheels Sector, the Commonwealth is on target to increase the number of Home Care Packages available to consumers to over 150,000 by 2022. This number represents enormous potential for exponential financial growth for Member Services in alignment with these figures.



Volunteer Strategy



Meals on Wheels volunteers account for over 95 percent of our workforce and are committed to supporting vulnerable people within their communities to stay at home and stay independent.

The Volunteer Strategy provides a framework to build a strong and sustainable volunteering culture within our Sector and conveys our philosophies and visions regarding volunteers while clarifying why our organisations engage with them. Furthermore, it also demonstrates to stakeholders that volunteers are valued for their contribution to our organisational strategic objectives.

This year has seen the development of a Volunteer Strategy for Queensland Meals on Wheels that recognises the proud history and culture of our organisation as a whole and the wonderful volunteers who form our backbone. The Strategy acknowledges the social impact and benefits that volunteers contribute to

our client's lives. With any strategy, it is also important to recognise the challenges of the ever-changing world we live in and emphasise our ability to modernise and be flexible to the needs and requirements of both clients and volunteers alike.

The Meals on Wheels Volunteer Strategy provides five key strategic directions to successfully build capacity within our Member Services around volunteer management, including:

- promotion
- recruitment
- support and retention
- engagement
- recognition

We look forward to delivering this Strategy in partnership with our Member Services, volunteers and the many organisations who engage with, or support, Meals on Wheels and the service we provide.

Marketing Strategy

Queensland Meals on Wheels undertook a range of marketing activities across the 2018-19 financial year. Meals on Wheels Day in 2018 was celebrated with a world record attempt, undertaken by 43 of our cooking kitchens. This raised the profile for Meals on Wheels in Queensland with 276 positive media clips, including widespread TV coverage across the nation on both Channel 10 and Channel 9, and widespread regional coverage achieved in Queensland on Channel 7.

In June 2019 the Board approved the Marketing Strategy which redefines and contemporises the Meals on Wheels brand in Queensland. The strategy has been designed specifically to shift our marketing approach away from *what* we do, to *why* we do it. It repositions 'more than just a meal' to shift the awareness focus from *a meal* to the *more*.

This approach has resulted in the creation of a range of new and exciting marketing collateral available to all Services to access and utilise to promote their services. Importantly, it allows Meals on Wheels in Queensland the opportunity to promote itself across the marketplace in a consistent way.

Looking to 2019/20, the focus will be executing the new look and feel in a more strategic fashion across print, radio and the range of Expos and external opportunities to advance our brand for the benefit of all Members.



National Disability Insurance Scheme



The National Disability Insurance Scheme (NDIS) continued its rollout across Queensland during the 2019 financial year, with the majority of participants transitioning from the State based Queensland Community Care (QCC) funded scheme to the Commonwealth funded program by June 30, 2019.

Historically supporting the under 65-years demographic through QCC funding, Queensland Meals on Wheels Services were introduced to a new system of providing meal supports which presented significant administrative and governance challenges to Services as they navigated the complexities of the NDIS.

Queensland Meals on Wheels (QMOW) worked in partnership with Meals on Wheels Service to acquire the necessary knowledge to operate effectively in this new market and as of June 30, over 70 Member Services had successfully completed the process to become Registered Providers under the NDIS.

Whilst NDIS client uptake has not shown to be significant amongst Services, it has allowed QMOW and Members much needed time and space to develop essential skills and operational procedures that will build capacity and allow the sector to continue to grow in the disability marketplace.

Many Member Services have embraced the NDIS and are successfully marketing in the disability sector, however questions and concerns continue to be raised by Services in respects to re-registration procedures, projected audit costs and administrative burdens.

Recognising the impact these concerns will have on the ability of the Membership to remain viable in the NDIS space, QMOW has invested significant effort in working with Meals on Wheels Australia and other Meals on Wheels peak bodies to highlight these concerns with the NDIS Quality and Safeguards Commission and are hopeful that concessions will be made in the short term.

QMOW remains positive about the NDIS and its capacity to contribute to the long-term financial viability of Member Services. Significantly, QMOW has been successful with a funding grant from the Department of Communities for 2019/20 allowing for further investment in working with both the membership and government bodies to ensure Meals on Wheels Services are well positioned to effectively operate in this exciting new growth sector.



Meals on Wheels
Queensland

Queensland Meals on Wheels Ltd

ACN 624 466 084

Financial Statements

For the year ended 30 June 2019

Queensland Meals on Wheels Ltd

ACN 624 466 084

Directors' Report

The Directors of Queensland Meals on Wheels Ltd (QMOW) present their report together with the financial statements of the entity, being QMOW (the company) for the year ended 30 June 2019 and the Independent Audit Report thereon.

Directors' details

The following persons were Directors of Queensland Meals on Wheels Ltd during or since the end of the financial year.

Anthony Charlesworth

Board Chairperson

Board Member since 2010

Executive Committee Chair

Compliance Committee Chair

- 25 years in Retail Management, and 17 years as a Small Business Owner/Operator.
- 14 years with Mackay Meals on Wheels, with 7 years as President.
- 9 years on the QMOW Board – Vice President for 2.5 years, President for 3 years and Chairperson for 1.5 years.

Lawrence Boyne

Board Deputy Chairperson

Board Member since 2014

Member of Executive Committee

Member of Finance Committee

- Diploma in Mechanical and Production Engineering
- General Manager for many years for a large Multinational Packaging Company.
- President of Woogaroo and District Meals on Wheels for 26 years - involved with Meals on Wheels since 1986.
- 5 years on the QMOW Board – 0.5 years as Vice President and 1.5 years as Deputy Chairperson.

Jennifer Powell

Director and Company Secretary

Board Member since 2010

Member of Executive Committee

Member of Compliance Committee

- Diploma of Teaching (Arts)
- 35 years working in education and training in South Australia and the Northern Territory.
- 11 years with Boyne Tannum Meals on Wheels – 8 years as Secretary. 2 years volunteer with Darwin Meals on Wheels.
- 9 years on the QMOW Board – 6 years as Secretary.

Queensland Meals on Wheels Ltd

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Directors' Report (continued)

Directors' details (continued)

Katrina Faulkner

Director

Board Member since 2014

Member of Executive Committee

Finance Committee Chair

- Bachelor of Economics, Chartered Accountant and Registered Company Auditor.
- 31 years in financial services and business consultancy
- 4 years with Cairns Meals on Wheels – 3 years as Secretary and 1 as Treasurer. 3 years as volunteer with Marlin Coast Meals on Wheels – 1 year as President.
- 5 years on the QMOW Board as Treasurer/Finance Committee Chair.

Roslyn Broom

Director

Board Member since 2016

Member of Compliance Committee

- Diploma of Teaching (Early Childhood) - Experience NSW, SA and VIC.
- 47 years Girl Guides Australia – Management roles at Local, Regional & State level
- 18 years' experience teaching English with International Students
- 20 years Music Examination Supervisor with ANZCA
- 23 years with Meals on Wheels Sunnybank/Salisbury – 3 years as Secretary; 15 years as President
- Member of Red Cross Australia, Sunnybank Branch
- 3 years on the QMOW Board

Penny McClelland

Board Member since 2016

Member of Finance Committee

- 21 years with International IT Company – various roles within the organisation.
- Volunteer Councillor for 2 Not For Profit Advisory Organisations.
- Held an Electorate Officer position with a State Member of Parliament 2009 to 2012.
- Joined Bulimba & Districts Meals on Wheels in 2004. Committee Member for 2 years, Vice-President for 2 years and President 2009 to date.
- 3 years on the QMOW Board

Alexi Paasonen

Board Member since 25 September 2018

Member of Compliance Committee

- 2 years as Business Manager, St Lucia Meals on Wheels, Inc
- Bachelor of Commerce, Majoring Economics and Finance
- 1 year on the QMOW Board

Queensland Meals on Wheels Ltd

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Directors' Report (continued)

Directors' details (continued)

Wendy Smith

Board Member since 25 September 2018

Member of Finance Committee

- Business Manager, Meals on Wheels Pine Rivers and District, Inc.
- 1 year on the QMOW Board

Peter Donghi OAM

Director

Board Member 2014 - 2018

Member of Compliance Committee

- Medal of the Order of Australia
- Engineer (Mechanical)
- Manager 22 years Coal Processing Plants
- 15 years with Bundaberg Meals on Wheels - 6 years as President
- 4 years on the QMOWSAI Board – retired from Board 25 September 2018.

Lloyd Stirling

Director

Board Member 2014 - 2018

Member of Finance Committee

- Bachelor of Commerce, Associate of Accounting, Fellow of Institute of Chartered Accountants, Fellow of Institute of Internal Auditors, and Certified Internal Auditor.
- Experience includes 11 years in auditing, plus 28 years internal auditor with Woolworths Limited.
- 8 years with Chermside Meals on Wheels – 5 years as President and 2 as committee member.
- 4 years on the QMOWSAI Board – retired from Board 14 June 2018.

Vanessa Gregory

Director

Board Member 2015 - 2018

Member of Finance Committee

- Diploma in Dairy Science, Bachelor of Arts, Post Graduate Diploma in Social Planning, Graduate Diploma in Human Resource Management.
- Background in Dairy Product Development, Community Development, and HACCC Resourcing.
- 2 years with Tewantin-Noosa Meals on Wheels
- 3 years on the QMOWSAI Board – retired from Board 25 September 2018.

Jack Pool

Director

Board Member 2013 – 2015; 2017 - 2018

Member of Compliance Committee

- 20 years sales rep in paint industry. 10 years as divisional sales manager Watty Paints.
- 2008 Lord Mayor Citizen of the Year
- 19 years with Stafford Meals on Wheels - 10 years as President.
- 1 year on the QMOWSAI Board in current tenure – retired from Board 25 September 2018.

Queensland Meals on Wheels Ltd

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Directors' Report (continued)

Company Secretary

As above, Jennifer Powell (Director) is the Company Secretary for Queensland Meals on Wheels Ltd. Jennifer has been the Secretary of QMOW for 6 years.

Principal activities

During the year, the principal activities of Queensland Meals on Wheels Ltd were to provide benevolent relief to vulnerable members of the community by supporting the delivery of services to people in need, including the elderly, injured, disabled or others with similar needs. This was performed through providing technical and other support to our Member Services, with the predominant focus on the delivery of nutritious meals with the incorporation of a welfare check on our recipients.

There have been no significant changes in the nature of these activities during the year.

Strategic objectives

The Company's purpose is to facilitate a quality life for Meals on Wheels clients through our vision of effectively supporting Member Services to provide More Than Just a Meal.

More specifically:

- We will secure the future of Meals on Wheels through being united in delivering More Than Just A Meal.
- In doing so we will ensure that we deliver:
 - Measurable Impacts for Clients
 - More Than Just a Meal
 - Cost efficiencies and return on investments

Strategy for achieving objectives

To achieve these objectives, the Company had adopted the following strategies:

- To deliver relevant and efficient services to our Members;
- To secure and broaden our presence in the communities we serve;
- To become an information rich, knowledgeable organisation;
- To be a relevant and attractive business and service partner; and
- To always pursue financial sustainability and resilience.

Queensland Meals on Wheels Ltd

ACN 624 466 084

Directors' Report (continued)

Directors' meetings

The number of meetings of Directors (including meetings of committees) held during the year, and the number of meetings attended by each Director, are as follows:

	Board of Directors		Compliance Committee		Finance Committee	
	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended	Eligible to Attend	Meetings Attended
Tony Charlesworth	11	11	7	7		
Lawrence Boyne	11	10			4	3
Jenny Powell	11	10	7	7		
Katrina Faulkner	11	11			4	4
Peter Donghi - to 25/9/18	2	1				
Vanessa Gregory - to 25/9/18	2	-				
Roslyn Broom	11	11	7	7		
Penny McClelland	11	10			4	4
Jack Pool - to 25/9/18	2	1				
Alexi Paasonen - from 25/9/18	9	9	7	7		
Wendy Smith - from 25/9/18	9	9			4	4

Contribution in winding up

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2019, the total amount that members of the company are liable to contribute if the company wound up is \$2,580 (2018: \$2,820).

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included in page 7 of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the Directors.



Anthony Charlesworth
Chairperson

3 September 2019

Queensland Meals on Wheels Ltd

ACN 624 466 084

Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF QUEENSLAND MEALS ON WHEELS LTD

As lead auditor of Queensland Meals on Wheels Ltd for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to be 'A J Whyte', written over a light blue circular stamp.

A J Whyte
Director

BDO Audit Pty Ltd

Brisbane, 3 September 2019

Queensland Meals on Wheels Ltd

ACN 624 466 084

Income Statement

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Revenue	4	1,562,466	1,513,137
Contribution from Caboolture Meals on Wheels Inc.	12	-	139,902
Cost of sales		(112,215)	(38,895)
Employee benefits expense		(802,347)	(867,703)
Professional fees		(271,487)	(204,084)
Office expenses		(108,025)	(111,289)
Depreciation expense		(70,293)	(58,547)
Marketing expenses		(69,027)	(82,172)
Occupancy expenses		(61,591)	(41,130)
Motor vehicle expenses		(60,805)	(49,363)
Travel expenses		(44,242)	(71,524)
Donations and contributions		(27,659)	(119,335)
Loss on disposal of asset		-	(3,249)
Bad and doubtful debts expense		(11,501)	-
Other expenses		(28,740)	(35,020)
Surplus/(deficit) for the year		(105,466)	(29,272)
Total comprehensive income/(deficit) for the year		(105,466)	(29,272)

This statement should be read in conjunction with the notes to the financial statements

Queensland Meals on Wheels Ltd

ACN 624 466 084

Balance Sheet

As at 30 June 2019

	Notes	2019 \$	2018 \$
Assets			
<i>Current</i>			
Cash and cash equivalents	5	2,692,683	2,653,434
Trade and other receivables	6	44,798	44,046
Inventories, at cost		6,576	3,054
Prepayments		18,393	10,548
Current assets		2,762,450	2,711,082
<i>Non-current</i>			
Property, plant and equipment	7	781,044	848,193
Non-current assets		781,044	848,193
Total assets		3,543,494	3,559,275
Liabilities			
<i>Current</i>			
Trade and other payables	8	117,258	100,556
Deferred government grants	9	133,742	20,080
Provisions	10	44,119	84,798
Current liabilities		295,119	205,434
Total liabilities		295,119	205,434
Net assets		3,248,375	3,353,841
Equity			
Reserves	11	611,826	732,112
Retained surplus		2,636,549	2,621,729
Total equity		3,248,375	3,353,841

This statement should be read in conjunction with the notes to the financial statements

Queensland Meals on Wheels Ltd

ACN 624 466 084

Statement of Changes in Equity

For the year ended 30 June 2019

	Retained surplus \$	Asset revaluation reserve \$	Reserve for special projects \$	Total \$
Balance at 1 July 2017	2,443,310	63,077	876,726	3,383,113
Net surplus	(29,272)	-	-	(29,272)
Transfer from Reserve for special projects to Retained surplus	207,691	-	(207,691)	-
Balance at 30 June 2018	2,621,729	63,077	669,035	3,353,841
Net deficit	(105,466)	-	-	(105,466)
Transfer from Reserve for special projects to Retained surplus	120,286	-	(120,286)	-
Balance at 30 June 2019	2,636,549	63,077	548,749	3,248,375

This statement should be read in conjunction with the notes to the financial statements

Queensland Meals on Wheels Ltd

ACN 624 466 084

Statement of Cash Flows

For the year ended 30 June 2019

	Notes	2019 \$	2018 \$
Operating activities			
Receipts from:			
· Donations and appeals		58,480	176,014
· Government grants		1,380,060	1,195,330
· Interest received		45,218	11,872
· Other sources		397,578	255,937
Payments to suppliers and employees		(1,766,064)	(1,754,214)
Net cash provided by/(used by) operating activities	13(a)	43,273	(115,061)
Investing activities			
Caboolture contribution	12,13(b)	-	90,437
Purchase of property, plant and equipment		(12,625)	(103,945)
Proceeds from disposal of property, plant and equipment		8,601	12,728
Net cash provided by/(used by) investing activities		(4,024)	(780)
Net change in cash and cash equivalents		(39,249)	(115,841)
Cash and cash equivalents, beginning of year		2,653,434	2,769,275
Cash and cash equivalents, end of year	5	2,692,683	2,653,434

This statement should be read in conjunction with the notes to the financial statements

Queensland Meals on Wheels Ltd

ACN 624 466 084

Notes to the Financial Statements

For the year ended 30 June 2019

1. General information and statement of compliance

The financial report includes the financial statements and notes of Queensland Meals on Wheels Ltd (QMOW).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. QMOW is a not-for-profit entity for the purpose of preparing the financial statements.

QMOW was registered as a company limited by guarantee under the *Corporations Act 2001* on 14 March 2018. Previously, QMOW operated as an incorporated association governed by the *Associations Incorporation Act 1981* of Queensland under the name Queensland Meals on Wheels Services Association Incorporated.

The financial statements for the year ended 30 June 2019 were approved and authorised for issue by the Board of Directors on 29 August 2019.

2. Changes in accounting policies

New and revised standards that are effective for these financial statements

One new standard became effective for the first time to annual periods beginning on or after 1 July 2018. Information on the significant standard relevant to QMOW is presented below.

AASB 9 Financial Instruments

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of AASB 139 Financial Instruments: Recognition and Measurement.

When adopting AASB 9, QMOW has applied transitional relief whereby comparative information for the year ended 30 June 2018 has not been restated and continues to be reported under AASB 139. Differences arising from the adoption of AASB 9 in relation to classification, measurement and impairment are immaterial and have not been recognised in opening retained surplus as at 1 July 2018.

QMOW has reviewed the impact of AASB 9 on the classification and measurement of its financial assets and liabilities. The following summarises the impact of AASB 9 which changed the categorisation and valuation of the amounts reported in Note 3.7 Financial instruments:

- There will be no change to either the classification or valuation of cash and cash equivalents.
- Trade and other receivables will be classified and measured at amortised cost, similar to the previous classification of trade and other receivables. However, AASB 9 requires the loss allowance to be measured using a forward-looking expected credit loss approach, replacing AASB 139's incurred loss approach. These are now characterised as 'expected credit losses'. QMOW applied a simplified approach of recognising these lifetime credit losses as these items do not have a significant financing component. No additional impairment provision has been raised for these amounts on transition at 1 July 2018 due to immateriality.
- All financial liabilities continue to be measured at amortised cost with no change to the reported value.

Queensland Meals on Wheels Ltd

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Notes to the Financial Statements

For the year ended 30 June 2019

3. Summary of accounting policies

3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

3.2 Revenue

Revenue comprises revenue from the sale of goods, government grants, fundraising activities and member contributions. Revenue from major products and services is shown in Note 4.

Revenue is measured by reference to the fair value of consideration received or receivable by the company for goods supplied and services provided, excluding sales taxes, rebates, and trade discounts. Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the company's different activities have been met. Details of the activity-specific recognition criteria are described below.

Sale of goods and meals

Revenue from the sale of goods and meals comprises revenue earned from the sale of goods and meals purchased and prepared for resale. Sales revenue is recognised when the control of goods and meals passes to the customer.

Government grants

The company's programs are supported by grants received from the federal and state governments. If conditions are attached to a grant which must be satisfied before the company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied. Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Fundraising

Donations collected, including cash, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.2 Revenue (continued)

Member contributions

Members' levies are recognised as revenue on an accrual basis.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

3.3 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

3.4 Property, plant and equipment

Land and building

Land and building held for administration is stated at revalued amounts. Revalued amounts are fair market values based on appraisals prepared by external professional valuers once every five years or more frequently if market factors indicate a material change in fair value.

Any revaluation surplus arising upon appraisal of land and building is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Related carrying amounts have been depreciated on a straight-line basis at a rate of 2 percent.

Leasehold improvements

Leasehold improvements are depreciated over the estimated useful life of the asset or the lease term, whichever is the shorter. Related carrying amounts have been depreciated on a straight-line basis at a rate of 5 percent.

Building improvements, plant and equipment, and vehicles

Building improvements, plant and equipment (including fittings and furniture), and vehicles are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the company's management.

Building improvements, plant and equipment (including fittings and furniture), and vehicles are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.4 Property, plant and equipment (continued)

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and equipment, and vehicles. The following depreciation rates are applied:

- Building improvements: 10%
- Plant and equipment: 5-30%
- Vehicles: 20%

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the income statement within gain on disposal of assets revenue or loss on disposal of assets expense.

3.5 Leases

Operating leases

Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.6 Impairment testing of property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Any identified impairment loss is charged pro-rata to the assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.7 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortised cost
- Fair Value Through Profit or Loss (FVTPL)
- Equity instruments at fair value through other comprehensive income

Classifications are determined by both:

- The company's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All of the company's financial assets are measured at amortised cost.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within bad and doubtful debts expense.

Loans and receivables

The company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and subsequent measurement of financial liabilities

The company's financial liabilities include borrowings and trade and other payable.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss (FVTPL), that are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.8 Inventories

Inventories comprises goods purchased for resale as part of the company's activities.

Goods for resale

Inventories of goods for resale are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

3.9 Income taxes

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*.

3.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.11 Reserves

Other components of equity include the following:

- **Asset revaluation reserve** – comprises gains and losses from the revaluation of land and buildings (see Note 3.4)
- **Reserve for special projects** – comprises large bequests and donations received by the company which have been segregated from operational funds for completion of special projects.

Retained surplus includes all current and prior period retained surpluses.

3.12 Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries and non-monetary benefits. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The company's liabilities for annual leave and long service leave are included in other long-term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

Queensland Meals on Wheels Ltd

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Notes to the Financial Statements

For the year ended 30 June 2019

3.12 Employee benefits (continued)

The company presents employee benefit obligations as current liabilities in the statement of financial position where the company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

Defined contribution plans

The company pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

3.13 Deferred government grants

The liability for deferred government grants is the unutilised amounts of a grant received in 2015/16. This grant was received on the condition that specified services are delivered or conditions are fulfilled within the grant period. The balance of this liability reflects an unspent amount of the grant which may therefore be payable back to the grantor agency. This can only be spent in a later period with the consent of the grantor agency.

3.14 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 Taxation 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 components of investing and financing activities, which are disclosed as operating cash flows.

3.15 Economic dependence

The company is dependent upon the ongoing receipt of Commonwealth Government grants to ensure the ongoing continuance of its programs. Management are pursuing other funding sources to ensure the ongoing continuance of programs. At the date of this report management has no reason to believe that financial support from the Commonwealth Government will not continue.

3.16 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.16 Significant management judgement in applying accounting policies (continued)

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to circumstances that may change the utility of certain assets.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by changes that may reduce future selling prices.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

3.17 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for adoption in the current financial year and have not been early adopted by QMOW. The company's assessment of the impact of the relevant new standards and interpretations is set out below.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The transition date for both AASB 15 and AASB 1058 is 1 July 2019. Consequently, these standards will first apply to QMOW for the financial statements for the year ending 30 June 2020.

AASB 15 establishes a new revenue recognition model, while AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities. These standards supersede all the income recognition requirements relating to all entities.

Depending upon the specific contractual terms, the new requirements have the potential to result in a change to the timing of revenue for the company, such that some revenue may need to be deferred to a later reporting period to the extent that the company had not met its associated obligations. Further, under the new standards, grants presently recognised as revenue up front may become eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, if the associated performance obligations were enforceable and sufficiently specific.

The company has undertaken a detailed assessment of the impact of the above standard and assessed that QMOW does not currently have any revenue contracts with a material impact for the period after 1 July 2019.

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Notes to the Financial Statements

For the year ended 30 June 2019

3.17 New accounting standards and interpretations (continued)

Additionally, the estimated value of volunteer labour contributed to QMOW has been assessed as being not material and will not be brought to account in the financial statements after 1 July 2019.

AASB 16 Leases

The transition date for AASB 16 is 1 July 2019. Consequently, this standard will first apply to QMOW for the financial statements for the year ending 30 June 2020.

AASB 16 replaces AASB 117 Leases and some lease-related Interpretations. This standard requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases.

A right-of-use asset will initially be recorded at cost, consisting of the initial amount of the associated lease liability. The right-of-use asset will give rise to depreciation expense.

The company plans to adopt the transitional retrospective approach whereby the 2019-20 financial statements will not restate 2018-19 comparatives.

Based on the company's assessment, it is expected that the first-time adoption of AASB 16 for the year ending 30 June 2020 will not have a material impact on the transactions and balances recognised in the financial statements.

3.19 Comparative figures

Comparative figures have been revised where necessary to conform to changes in presentation for the current financial year.

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Notes to the Financial Statements

For the year ended 30 June 2019

4. Revenue

	2019	2018
	\$	\$
Commonwealth government grants	879,177	813,934
Sale of goods and meals	238,166	102,294
Queensland government grants	197,615	274,696
Members' levy	76,344	67,366
Fundraising	58,480	176,014
Interest	48,340	24,973
Gain on disposal of asset	880	-
Other	63,464	53,860
	1,562,466	1,513,137

5. Cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	760	760
Cash at bank	432,201	369,752
Short term deposits	2,259,722	2,282,922
	2,692,683	2,653,434

6. Trade and other receivables

	2019	2018
	\$	\$
Trade receivables, gross	32,013	18,887
Allowance for credit losses	(10,912)	(3,104)
	21,101	15,783
Other receivables	23,697	28,263
	44,798	44,046

All of the company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an expense for bad and doubtful debts of \$11,501 (2018: \$0) has been recorded accordingly within other expenses.

The movement in the allowance for credit losses can be reconciled as follows:

	2019	2018
	\$	\$
Balance 1 July	(3,104)	(3,740)
Amounts written off (uncollectible)	3,693	636
Bad and doubtful debts expense	(11,501)	-
Balance 30 June	(10,912)	(3,104)

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Notes to the Financial Statements

For the year ended 30 June 2019

7. Property, plant and equipment

	2019 \$	2018 \$
Land and building, at valuation	650,000	650,000
Accumulated depreciation	(39,000)	(29,250)
	611,000	620,750
Building improvements, at cost	26,968	25,468
Accumulated depreciation	(3,361)	(672)
	23,607	24,796
Leasehold improvements, at cost	25,805	25,805
Accumulated depreciation	(1,559)	(286)
	24,246	25,519
Plant and equipment, at cost	126,167	119,294
Accumulated depreciation	(67,506)	(46,221)
	58,661	73,073
Motor vehicles, at cost	147,655	168,109
Accumulated depreciation	(84,125)	(64,054)
	63,530	104,055
	781,044	848,193

Movement in the company's property, plant and equipment balances can be reconciled as follows:

	Land & Bldg \$	Bldg Imps \$	L/hold Imps \$	Plant & Equip \$	M/Vehicles \$	Total \$
Gross carrying amount						
Balance 1 July 2018	650,000	25,468	25,805	119,294	168,109	988,676
Additions	-	1,500	-	11,125		12,625
Disposals	-	-	-	(4,252)	(20,454)	(24,706)
Balance 30 June 2019	650,000	26,968	25,805	126,167	147,655	976,595
Accumulated depreciation						
Balance 1 July 2018	(29,250)	(672)	(286)	(46,221)	(64,054)	(140,483)
Depreciation expense	(9,750)	(2,689)	(1,273)	(25,005)	(31,576)	(70,293)
Disposals	-			3,720	11,505	15,225
Balance 30 June 2019	(39,000)	(3,361)	(1,559)	(67,506)	(84,125)	(195,551)
Carrying amount 30 June 2019	611,000	23,607	24,246	58,661	63,530	781,044

The fair value measurement of land and buildings as at 30 June 2015 was performed by an independent valuer, Cameron Dickson of Colliers International. Mr Dickson is a Certified Practising Valuer and conducted the valuation in accordance with the Australian Property Institute (API), the Property Institute of New Zealand (PINZ) and New Zealand valuation and Property Standards (January 2012, 7th Edition). The fair value was determined based on recent transactions for similar assets within the same industry. The valuation was made on 18 August 2015 and is considered a reasonable approximation of the pre-depreciation value of land and buildings as at 30 June 2019.

8. Trade and other payables

	2019 \$	2018 \$
Trade payables	107,255	75,386
Accrued expenses	10,003	25,170
	117,258	100,556

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Notes to the Financial Statements

For the year ended 30 June 2019

9. Deferred government grants

	2019	2018
	\$	\$
State government underspent grant 2015/16	20,080	20,080
Commonwealth government Home Support Program - Caboolture	99,269	-
Other	14,393	-
	133,742	20,080

10. Provisions

	2019	2018
	\$	\$
Employee benefits:		
Annual leave	44,119	74,820
Long service leave	-	9,978
Employee benefits - current	44,119	84,798

11. Reserves

	2019	2018
	\$	\$
Asset revaluation reserve	63,077	63,077
Reserve for special projects	548,749	669,035
	611,826	732,112

	Asset revaluation reserve	Reserve for special projects	Total \$
Balance 1 July 2017	63,077	876,726	939,803
Expenditure on special projects transferred to retained earnings	-	(207,691)	(207,691)
Balance 30 June 2018	63,077	669,035	732,112
Balance 1 July 2018	63,077	669,035	732,112
Expenditure on special projects transferred to retained earnings	-	(120,286)	(120,286)
Balance 30 June 2019	63,077	548,749	611,826

The asset revaluation reserve comprises gains and losses from the revaluation of land and buildings (see Note 7).

The reserve for special projects comprises large bequests and donations received by the company which have been segregated from operational funds for completion of special projects. The major project undertaken in the last year has been to fund the deficit of core operations.

12. Contribution from Caboolture Meals on Wheels Inc.

On 1 April 2018, Caboolture Meals on Wheels Inc. wound up operations. A Deed of Transfer was entered into with the company to transfer all assets and liabilities of the association on that date. Queensland Meals on Wheels Ltd then commenced operations as Caboolture Meals on Wheels. The contribution from Caboolture Meals on Wheels Inc, being the net value of all assets and liabilities at 1 April 2018, was \$139,902.

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Notes to the Financial Statements

For the year ended 30 June 2019

13. Cash flow information

(a) Reconciliation of result for the year to cashflows from operating activities:

	2019 \$	2018 \$
Surplus/(deficit) for year	(105,466)	(29,272)
Cash flows excluded from surplus/(deficit) attributable to operating activities:		
· Depreciation	70,293	58,547
· Bad and doubtful debts	11,501	-
· Gain/Loss on disposal of property, plant and equipment	880	3,249
· Contribution from Caboolture Meals on Wheels Inc. 13(b)	-	(139,902)
Changes in assets and liabilities, net of the effects of the non-cash contribution from Caboolture Meals on Wheels Inc.:		
· (Increase)/decrease in trade and other receivables	(12,253)	13,828
· (Increase)/decrease in inventories	(3,522)	-
· (Increase)/decrease in prepayments	(7,845)	(7,097)
· Increase/(decrease) in trade and other payables	16,702	(23,534)
· Increase/(decrease) in deferred income	113,662	(2,163)
· Increase/(decrease) in provisions	(40,679)	11,283
Cash flow from operations	43,273	(115,061)

(b) Significant non-cash investing item – Contribution from Caboolture Meals on Wheels Inc.

In April 2018, a contribution was received from Caboolture Meals on Wheels Inc. The non-cash impact of this transaction is as follows:

	2019 \$	2018 \$
Contribution from Caboolture Meals on Wheels Inc.	-	139,902
Actual cash transferred	-	(90,437)
Non-cash contribution from Caboolture Meals on Wheels Inc.	-	49,465

14. Related party transactions

The company's related parties include its Directors and other key management personnel as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are settled in cash.

The company's other key management personnel are the State Manager, the Business Support Manager (to September 2018) and the Business Manager (from March 2019). Remuneration paid to key management personnel consisted of salaries and superannuation. The Interim State Manager position (from November 2018 to June 2019) was a contracted position paid through professional fees and is not included below.

	2019 \$	2018 \$
Key management personnel remuneration	144,562	290,565

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Notes to the Financial Statements

For the year ended 30 June 2019

14. Related party transactions (continued)

The Directors are not remunerated for their attendance at meetings but are reimbursed for any associated costs that they may have incurred.

During the previous financial year, the company used the professional services of a Director for training and business planning purposes. This was specifically approved by the Board. The amounts billed were based on discounted rates and amounted to \$0 (2018: \$16,140). There were no outstanding balances at 30 June 2018.

15. Operating leases as lessee

The company leases a printer and premises over various terms. Minimum lease commitments for future years per these agreements are:

	2019	2018
	\$	\$
Not later than one year	17,521	17,521
Between one and five years	23,361	40,882
	40,882	58,403

16. Financial assets and liabilities

The carrying amounts presented in the balance sheet relate to the following categories of assets and liabilities.

		2019	2018
		\$	\$
Financial assets			
Cash and cash equivalents	5	2,692,683	2,653,434
Trade and other receivables	6	44,798	44,046
		2,737,481	2,697,480
Financial liabilities			
Trade and other payables	8	117,258	100,556
		117,258	100,556

17. Post-reporting 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.

18. Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2019, the total amount that members of the company are liable to contribute if the company wound up is \$2,580 (2018: \$2,820).

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Directors' Declaration

In the opinion of the Directors of Queensland Meals on Wheels Ltd:

- a The financial statements and notes of Queensland Meals on Wheels Ltd are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i Giving a true and fair view of its financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
 - ii Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- b There are reasonable grounds to believe that Queensland Meals on Wheels Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Anthony Charlesworth
Chairperson

3 September 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Queensland Meals on Wheels Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Queensland Meals on Wheels Ltd (the company), which comprises the balance sheet as at 30 June 2019, the income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Queensland Meals on Wheels Ltd, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine 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 financial report, directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



A J Whyte
Director

Brisbane, 3 September 2019

