



ANNUAL REPORT 2018/19



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Public Availability

An online version of this report is available on our website
www.toowoombahospitalfoundation.org.au/annual-reports.

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Interpreter Service



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28th August 2019

The Hon Steven Miles MP
Minister for Health
Minister for Ambulance Services
GPO Box 48
BRISBANE QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2018-2019 and financial statements for the Toowoomba Hospital Foundation.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the Annual Report Requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found at pages 22-23 of this annual report.

Yours sincerely



Raymond F. Taylor
Chairman
TOOWOOMBA HOSPITAL FOUNDATION

Chairman's Report

I am delighted to be reporting on another successful year of achievements, fundraising and giving for the Toowoomba Hospital Foundation, thanks to the outstanding and tireless contributions of staff and my fellow Board Directors.

In December last year, the Foundation Board together with staff put pen to paper to develop our 2019-2022 Strategic Plan and in January 2019 we adopted three key focus areas: sustained financial growth; expanded regional scope; and stronger alignment with Darling Downs Health.

I'm pleased to say that over the last six months we have made considerable progress on delivering on these priorities, with the takeover of the Clive Berghofer Toowoomba Hospital Accommodation one of many new opportunities we've grasped.

The introduction of the Clive Berghofer Toowoomba Hospital Accommodation into the Foundation's business bases is an incredible achievement and one that I have been striving for since I joined the Board over 30 years ago.

It was a real honor to officially cut the ribbon not only on the Accommodation Centre but also on our new Foundation office, earlier this year.

Our new location at the front of the Hospital campus means we are now more visible to visitors and patients to the hospital. Not to mention it has also given us the chance to be more accessible and closer to the many patients, families and staff which we support each day.

With these new opportunities the Foundation can continue to do its best, to serve our patients and staff of the Darling Downs Health Service and give back to the community which has given so much to us. On top of these successes, the Foundation approved an expenditure totaling \$2,145,032.98 in applications for equipment, programs, research and scholarships for Darling Downs Health. These funds represent a record year for the Foundation and the largest amount we've approved to date.

These accomplishments are important milestones in the Foundation's history as it highlights quite significantly, the direction in which the Foundation is headed. The more we find opportunities to grow, the more we find alternative ways to support the operational costs of the Foundation, the more we can commit to the health service and to caring for our community.

I thank my fellow Foundation Board Directors for their ongoing commitment and dedication to making a difference in the lives of patients and staff who access the Darling Downs Health Service. This year we were pleased to welcome Jacqui Armstrong to the Foundation Board. Jacqui's stellar career in business and finance as well as her passion and experience in sponsorship, fundraising and charitable giving, brings a fresh new approach and insight to our governance and grant-making.

To our CEO Alison Kennedy and her team, the incredible achievements of the past year would not have been possible without your vision, guidance and unwavering devotion to carrying out the wishes of the Board, the health service and the community. The Foundation Board and I are incredibly appreciative of all that you do in helping to change and save lives. It is with pride and humility that I continue to lead the Toowoomba Hospital Foundation as Chairman and I look forward to another incredible year serving our community.

Raymond F. Taylor | CHAIRMAN

Chief Executive Officer's Report

This year has been an amazing year for the Toowoomba Hospital Foundation. Thanks to the generous support of our community and mates, we've been able to deliver our largest contribution yet towards lifesaving equipment and resources, staff development and research for our hospitals.

In 2018/19 we approved over \$2.1 million in grants for Darling Downs Health — our biggest year ever! This wouldn't have been possible without the generosity of our community.

We said that 2018/19 was going to be the year of growth for the Foundation, and boy, did we grow! Our most exciting highlight of the year was moving into our new office, situating us on the Hospital campus and opening greater opportunities for us to better serve our community.

Our new office has allowed us to spread our wings, grow as a team and grow our volunteer opportunities as well as launch brand new community initiatives like our Community Wellness Calendar, which wouldn't have been possible in our old house.

With the move also came a new business chapter for the Foundation as we welcomed the Clive Berghofer Toowoomba Hospital Accommodation into our daily operations. We are grateful for Clive's \$100,000 donation which has helped us turn our Chairman Ray Taylor's 20-year dream into a reality.

On top of our Accommodation centre and new office, we are also adding another new enterprise to the list. In the new financial year, we will be the new owners of the Toowoomba Hospital café and I am extremely proud of my team for all their work in managing this project not long after we took over the Accommodation.

From little things, big things grow – and this can't be truer for the Foundation. As we grow so does our capacity to be able to deliver on bigger and better opportunities.

All this stems from being recognised as the charity of choice in Toowoomba, and in 2019/20 we won't just be stopping at the Garden City.

As part of our 2019-2022 Strategic Plan we are renewing our focus on the regions and our level of service to our smaller hospitals in the Darling Downs. I've had the pleasure of visiting with several hospital auxiliaries and I look forward to our team working with them to support our rural patients and staff.

We make bigger and better impacts together, so as part of our strategic plan we're also working towards ensuring our vision and goals for the future align strongly with the direction of Darling Downs Health.

For us it's about meeting the needs of tomorrow as well as those of today and making sure we have a robust Foundation that continues to provide for our community well into the future.

This year we had amazing support from some incredible partners to help us fund much-needed equipment. I'd like to give a special thank you to Suncorp Brighter Futures, who last year raised an astonishing \$50,407.46 towards the purchase of a new Ultrasound machine for the Breast Screen Toowoomba Service.

I'd also like to thank Harvey Norman Toowoomba who have supported the Foundation for over 20 years now and have given tens of thousands of dollars towards helping sick kids in hospital over the years.

Congratulations to our mates Fitzzy's Toowoomba who this year celebrate 10 years of Colour of Change. Since establishing this wonderful event the team and their generous supporters has helped to raise over \$380,000 for Breast Screen Queensland Toowoomba. This is such an incredible achievement and I look forward to celebrating another 10 years of working with Fitzzy's Toowoomba.

We really couldn't do what we do without the support of our mates and we're very lucky to have friends like Suncorp, Fitzzy's and Harvey Norman.

On behalf of the Toowoomba Hospital Foundation, and all the patients and staff of our hospitals, thank you to everyone who has contributed to another wonderful year.

Alison Kennedy | CHIEF EXECUTIVE OFFICER

Footnote: *\$2,145,032.98 - This is the amount of grants/funding approved by the Foundation Board in the 2018-19 financial year, the amount expended as at the 30th June 2019 was \$1,135,866, leaving an outstanding grant commitment.

The Role and Main Functions of the Toowoomba Hospital Foundation

The Toowoomba Hospital Foundation is a non-profit, charitable organisation that provides fundraising support to the Toowoomba Hospital, Baillie Henderson Hospital and Mt Lofty Heights Nursing Home and promotes healthy lifestyle initiatives in our community.

The Toowoomba Hospital Foundation (THF) is a statutory body incorporated under the *Hospitals Foundations Act 1982*. Originally formed as the Toowoomba Health Services Foundation in June 1991, a name change under the provisions of the Act saw the emergence of the Darling Downs Health Services Foundation in April 1992 and then a further name change to Toowoomba Hospital Foundation in October 1996.

We are committed to achieving excellence in what we do as one of the most recognised and supported charities in the Toowoomba and Darling Downs region, where trust and respect is valued and to inform, consult and engage with our community and key stakeholders in a transparent, ethical and responsive way. We value our donors, our sponsors and our reputation.

Our vision:

Connecting with our community to assist our local hospitals.

Our 4-year priorities:

- Sustained financial growth – Diversify and grow our revenue streams from commercial operations, bequests and philanthropy;
- Expand regional scope – Transition our operations and our brand to a whole of health region model aligned with Darling Downs Hospital Health Service (DDHHS) to work with auxiliaries which seek or need our support;
- Stronger alignment with DDHHS – Work closely with DDHHS under an MOU to ensure planned alignment of our activities with its strategic priorities.

Our values:

- **Energy** - We are active, enthusiastic and accountable. We make things happen and take pride in our contribution to the community.
- **Collaboration** - We connect with our community, our sponsors, donors and partners to respond to the needs of our hospitals.
- **Empathy** - We are compassionate, and we inspire compassion in others through the stories of the people in our community and the accomplishments of our hospitals.

The Toowoomba Hospital Foundation office is situated at the entrance of the Toowoomba Hospital Campus at 154 Pechey Street, Toowoomba.

Our Operating Environment

As a statutory body the Toowoomba Hospital Foundation (THF) is subject to the provisions of the *Financial Accountability Act 2009* and subordinate legislation. The THF is audited annually by external auditors, this year our auditors were KPMG, who were QAO appointed.

The THF is endorsed by the Australian Tax Office as a Deductible Gift Recipient and an Income Tax Exempt Charity under the *Income Tax Assessment Act 1997*. It is also endorsed for GST concessions under a *New Tax System (Goods and Services Tax) Act 1999* and it is exempted under the *Fringe Benefits Tax Assessment Act 1986*.

The THF has engaged its stakeholders and the local community about the importance of supporting local hospitals and health services of the region through a number of specific fundraising events. Once again, this year Triple MMM supported Children's Services at the Hospital with its annual Give Me 5 For Kids promotion raising funds to purchase vital equipment.

2018/2019 saw the Toowoomba Hospital Foundation host two Women of Strength Luncheons. The first held in July 2018 saw the Foundation host Dr Fiona Wood, renowned burns surgeon who worked to care for badly burned victims of the Bali bombings and pioneered the 'spray on skin' cell technology. The second event was hosted in June 2019 with London Bombing survivor Gill Hicks who shared her inspirational story of her survival with 560 guests.

The funding we disperse is mainly provided from the profits of the business base of the Foundation, however the THF fundraising events also contribute significantly for equipment and facility enhancement, staff development, scholarships, health and medical research and special grants and awards provided to the Toowoomba Hospital, Baillie Henderson Hospital and Mt Lofty Heights Nursing Home.

An application process for grants of equipment and facility enhancement, staff development, scholarships and medical research along with consultation with Darling Downs Health Executives set the guidelines for Board Directors to use to make judgements at monthly Board Meetings. THF Board Directors continue to focus on the Foundation's contribution to the DDHHS as a key driver in its decision making process, keeping in mind that we have a duty to ensure that all money donated to and raised by the Foundation is managed and spent on initiatives that achieve the maximum public benefit.

Since inception the THF has contributed over \$13 million into our hospitals and health service with this year seeing a record \$2.1 million being approved. This would not be possible without our generous sponsors, donors, volunteers and the local community who support us and attend our events.

Once again, this year, the THF has been the proud beneficiary of the Pure Land Learning College who generously donated \$120,000 to fund health and medical research grants. This donation is vital for our local medical researchers to help pave the way for innovation that serves to create a more efficient and productive health service.

The Wellness Program within the Health Service still remains a high priority to the Foundation and we continue to work with the DDHHS to promote healthy living to both staff and patients of the DDHHS by ensuring that the Coffee Shop, a business base of the THF, provides healthy options to its customers and that vending machines within the Health Service are only stocked with healthy options.

There has been no machinery of government changes in Queensland to affect the Foundation's operating environment.

Support for the Queensland Government's Community Objectives

The Queensland Government's plan is to advance Queensland – both now and into the future.

The priorities under the *Advancing Queensland's Priorities* initiative are to:

- Create jobs in a strong economy;
- Give all our children a great start;
- Keep Queenslanders healthy;
- Keep communities safe;
- Protect the Great Barrier Reef: and
- Be a responsive government.

These objectives emphasise Queensland Government's core values in committing to taking care of all Queenslanders – particularly those who are the most vulnerable and disadvantaged, or those doing it especially tough – regardless of where they live. The government will regularly report its achievements against the *Our Future State: Advancing Queensland's Priorities*. A performance dashboard will be published online at www.ourfuture.qld.gov.au.

The Toowoomba Hospital Foundation supports the Government's community objectives and contributes as much as possible by:

- Undertaking fundraising activities that are reflective of our local economy and appropriate for our diverse community enabling us to provide funding now and into the future for the public health facilities we serve;
- Working with children's charities in addition to our own campaigns to raise much needed funds for the support and purchase of vital equipment for all of Children's Services within our Health Service;
- Working with our public health facilities to promote and raise awareness in our local community of the importance of adopting healthy behaviours and lifestyles to reduce the risk factors for chronic disease;
- Building our capability to deliver services and funding now and into the future;
- Raising awareness and adopting the Darling Downs Health Recycling Program to reduce waste by recycling products, reducing the amount of water we use, conserving energy, using recycled products and materials to assist in protecting our environment. The Foundation also partners with container collection companies, who assist at our events with the recycling of bottles;
- Helping our local community understand the work of our public health service to help create a caring local community; and
- Maintaining accountability and financial sustainability.

Support for Queensland Health's Strategic Objectives

Queensland Health's purpose is to provide leadership and direction, and to work collaboratively to enable the health system to deliver quality services that are safe and responsive for Queenslanders.

The Toowoomba Hospital Foundation supports Queensland Health's Values of Putting customers first, putting ideas into action, Unleashing potential, Being courageous, Empowering people and the following strategic objectives:

Promote and protect the health of Queenslanders where they live, work and play: The THF provides funding for programmes and services across the DDHHS that directly help to assist our patients to live a healthier life and we also work with the DDHHS to develop wellness programs to support the staff of the health service. The THF also implemented a sunscreen trailer for use by community groups and schools to encourage sun safe initiatives at events held throughout the Darling Downs;

Drive the safest and highest quality services possible: The THF takes advice from members of the DDHHS executive to ensure that the equipment and services we fund are safe and appropriate;

Improve access to health services for disadvantaged Queenslanders: The THF funds equipment and services for all of our patients, no matter their background, socio-economic status, etc.

Pursue partnerships with consumers, communities, health and other organisations to help achieve our goals: The THF engages with a wide cross section of our community from businesses, volunteers and service clubs to ensure we have a wide community reach;

Empower consumers and health professionals through the availability and use of data and digital innovations: The THF is governed by a board of medical and business professionals who ensure the Foundation's activities are of the highest standard. We support and adhere to the DDHHS values of Compassion, Integrity, Dignity, Innovation and Courage.

The Foundation has also placed a focus on growing our digital media through the production of monthly videos and information distribution through our platforms to provide useful information to our supporters, clients of the hospital and staff within the DDHHS.

Set the agenda through integrated policy, planning, funding and implementation efforts; The THF works with the DDHHS executive to ensure that our funding streams are used to support the strategic policy direction of the health service and that the Foundation adheres to the guidelines, policies and procedures set by the DDHHS.

Lead a workforce which is excellent and has a vibrant culture and workplace environment; The THF funds education, training, professional development, scholarships and health and medical research grants for DDHHS staff to ensure they have access to the latest information/technology available.

Our Objectives and Performance Indicators

The Toowoomba Hospital Foundation supports the community by raising funds to provide improvements for local health facilities and services. We assist patients and their families by providing the hospital with equipment and resources and we support hospital staff through providing funding for training, education and research projects.

The table below sets out the Foundation's objectives, performance indicators and strategies, as outlined in our 2019-2022 strategic plan, which can be found at:

<http://www.toowoombahospitalfoundation.org.au>.

Objectives	Performance Indicators	Strategies
To create and maintain engaging relationships	Growth in audience numbers	Operate effective, sustained partnerships with our hospitals to ensure we attend to their priorities. Provide a broad range of community engagement events every year to increase awareness about the Foundation. Inform, recognise and support our donors. Maximise community exposure through online and social media.
Grow our income streams sustainably in support of our hospitals	Growth in funds available for distribution to our hospitals	Diversify our revenue streams Secure new corporate donors Develop and operate a successful bequest program Work with current and new business partners to grow partnership income Grow philanthropic partnering
To operate an efficient, dynamic and sustainable charity	Full OHSA compliance Operate to budget Benchmarked % administration costs to distributed funds	Provide staff with access to appropriate professional development. Regularly review all processes, policies and procedures. Apply digital technologies to improve the efficiency and effectiveness of our operations. Ensure OHSA compliance

Achieving our Objectives: The Toowoomba Hospital Foundation has worked hard this past year to meet our objectives utilising our performance indicators to measure that the strategies that we continue to implement to pursue our vision '*to connect with our community to assist our local hospitals*' through the donation of \$2.1 million towards healthcare services in this region.

This year, the Foundation has continued to focus on increasing our social media presence which allows us to communicate and recognise our generous donors, sponsors, supporters and the public – we have received a tremendous response to our story telling and have found that this platform allows us to quickly and effectively communicate our outcomes, achievements and events. This has increased the transparency in which we operate and has allowed the community to have a greater understanding of the work we do.

The Foundation has once again consolidated a number of strong relationships with businesses, the community and continued to work with service groups that recognise the importance of the Foundation's fundraising goals. The Foundation undertook an increased number of events this year, with a number of new corporate sponsorships which has consolidated our already strong partnerships with the local business community. The increase in profits from events has enabled us to distribute a record number of funds to the health service.

The Foundation is continuing with the development and nurturing of our Gifts in Wills and Bequest Program. This year saw the rollout of our Community Wellness Program that focused on 4 areas of wellness; Inner Well-Being, Legal Wellness, Physical Wellness and Social Engagement. This program allows us to give back to community members by hosting them in the THF office.

The Foundation is also continually looking at opportunities to diversify our income streams and increase our business bases. This year the Foundation commenced the running of the Clive Berghofer Accommodation Centre, located at the Toowoomba Hospital, this gives the Foundation an income stream but also provides a vital service to patients utilising the Toowoomba Hospital who live further than 50 kms away.

The Toowoomba Hospital Foundation has met the minimum financial responsibilities as per the *Financial Accountability Act 2009*. The Foundation has also developed a Financial Management Practice Manual in accordance with Queensland Health's *Financial Performance Management Standard 2009* to ensure the necessary financial systems and processes are undertaken to enable the Foundation to fulfil its role as an independent statutory body. By following these controls, the Foundation operates efficiently, effectively and economically.

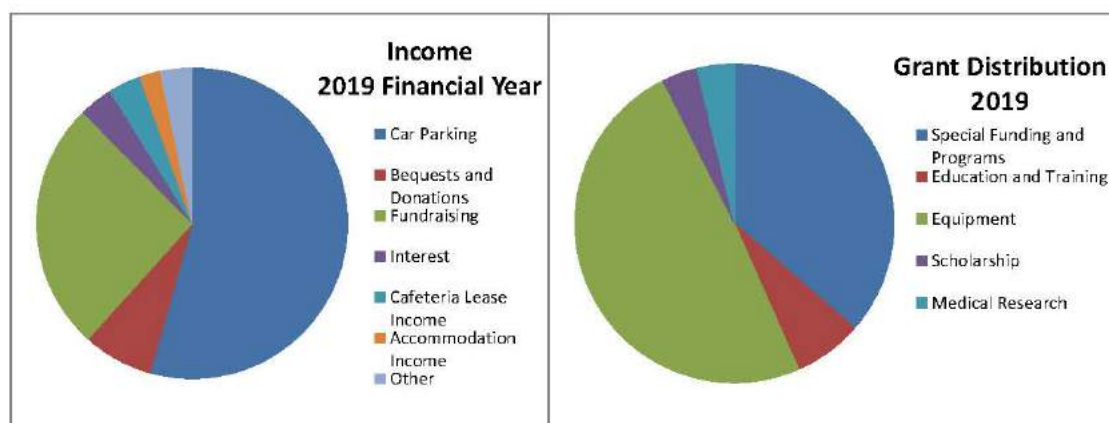
A budget for the day to day operations and events of the Foundation is compiled for each financial year, this is reviewed by the THF Finance Committee and then tabled and approved by Board of Directors at the June monthly board meeting. Monthly financial reports are compiled and then scrutinised by the Board's Finance Committee in the first instance and then tabled at monthly board meetings. This ensures that operation of the Foundation is monitored, and budgets are strictly adhered to, any variances are raised, and approvals sought.

The THF is constantly reviewing policies, processes and procedures to meet compliance with statutory, financial, social and corporate governance requirements. The day to day operations of the Foundation are contained in an Operations Plan/Manual which ensures that all Staff and Board Directors have access to this information. This Plan/Manual is reviewed yearly by the CEO and is updated and amended as required at this time.

A Policy Manual outlining the various policies for staff to ensure the efficient and effective manner in which we operate meet with the expectations of the organisation is available to all Staff and Board Directors. This Policy Manual is reviewed annually by the CEO and is updated and amended as required at this time.

Summary of Financial Performance

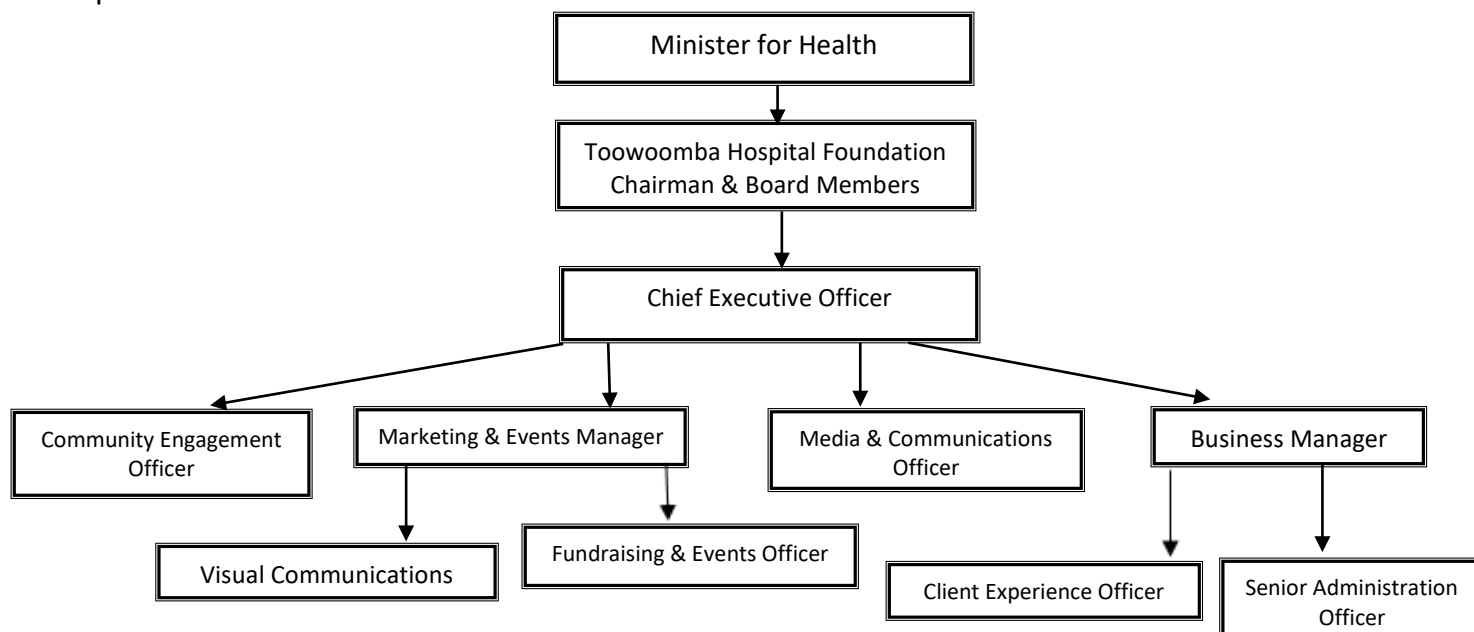
	2019 \$	2018 \$	Commentary
Operating Income			
Car Park Revenue	2,169,751	2,017,248	Car Parking: With an increase in the demand on the use of our health service there has been an increase in the number of patients and visitors accessing the carpark.
Less Car Park Expenses	(463,116)	(458,227)	
Net Profit from Car Park	1,706,635	1,559,021	
Other Income	493,483	366,550	
Total Operating Income	2,200,118	1,925,571	
Less Employment expenses	(711,999)	(544,035)	Employment: One additional full time staff member was employed in the 2019 year and two staff members increased from part time to full time, improving the Foundation's ability to deliver services.
Less Depreciation and impairment expenses	(65,216)	(56,424)	
Less Other Operating Expenses	(323,945)	(190,527)	
Operating Profit	1,098,958	1,134,585	
Functions, Special Events and Other Fundraising Income	1,036,361	852,863	Fundraising Income: There has been an increase in fundraising income, as the Foundation continues to be made the charity of choice in the Toowoomba region.
Bequests and Donations	291,157	249,778	
Less Fundraising Expenses	(399,816)	(386,761)	
Profit from Fundraising	927,702	715,880	
Total Profit	2,026,660	1,850,465	
Grant Distribution	(1,135,866)	(934,540)	Grant Distribution: The Toowoomba Hospital Foundation has supported the Darling Downs Hospital and Health Service with a record number of applications for funding and grants being disbursed.
Funding - HREC Co-ordinator	(41,886)	(41,029)	
Donations	(449,892)	(360,538)	
Net Profit/(Loss)	399,016	514,358	



Our Organisational Structure

Organisational Structure

The structure of the Toowoomba Hospital Foundation (as at the end of the financial year) is depicted here:



Toowoomba Hospital Foundation Staff

Alison Kennedy	Chief Executive Officer
Anna-Louise Sauverain	Business Manager
Stacey Edwards	Community Engagement Officer
Erin Kehoe-O'Shea	Marketing & Events Manager
Laura Conroy	Media & Communications Officer
Zoe Boyd	Senior Administration Officer
Libby Coghlan	Fundraising & Events Officer
Sarah Raftery	Visual Communications
Kisa Levale	Client Experience Officer

Executive Management

The Chief Executive Officer (CEO), Alison Kennedy is responsible for the day to day operation and management of the Foundation and the implementation of strategies as outlined in the strategic plan and agreed to by the Board of Directors. The CEO is assisted by a dedicated team of staff including a Business Manager, Relationships Manager, Marketing & Events Manager, Media & Communications Officer, Senior Administration Officer, Fundraising & Events Officer and Visual Communications Officer. The CEO is responsible for providing a written report as well as a financial report at each of the monthly board meetings.

Our Board of Directors

The Chairperson, Deputy Chairperson and board members of the Toowoomba Hospital Foundation Board have been approved by His Excellency the Governor, acting by and with the advice of the Executive Council and under the provisions of the repealed *Hospitals Foundations Act 1982* and continued under the provisions of the *Hospital Foundations Act 2018*.

The Toowoomba Hospital Foundation is a strong advocate for driving positive change within our community, this includes ensuring fair and equal gender representation on our Board. To this end, we support the Queensland Women's Strategy 2016-21 of achieving gender parity for Queensland Government bodies by the year 2020 and are currently recruiting another Board Director. Our current gender composition is 38.5%.

The Toowoomba Hospital Foundation held 11 board meetings during the 2018-19 financial year.

Name	Type of Appointment	Date of Appointment – Term Expiration	Brief Synopsis of Board Member	Eligible to Attend	Attended
Raymond Taylor	Chairman	28/04/2017 to 30/09/2022	Raymond Taylor is a founding member of the Toowoomba Hospital Foundation which was established in 1989. Firstly, appointed to the Board on 29 th June 1991 as Deputy Chairman and then later as Chairman in 1999. Currently Ray is the Managing Director of Taylors Removals and Chairman of Directors of National Moving Group, Chess Moving Australia. Ray served 17 years as Director of the Qld Road Transport Association including 3 years as President. He has been a Member of Toowoomba Rotary Club since 1980, serving as President in 1992 & 1993. Ray was also Deputy Chair on the Board of Fatima Home for Children and sat on the Local Ambulance Committee. Ray was Chairman of St Theresa's Parish Council from 2011 to 2017 and continues as Chairman of St Theresa's Parish Finance Committee from 2011. Ray has been a Member of the Range Probus Club since 2013 and is President for the 2018-2019 year.	11	10
Andrew Wielandt	Deputy Chairman	30/09/2018 to 30/09/2020	Andrew Wielandt is Deputy Chair of the Toowoomba Hospital Foundation and Chair of the Toowoomba Hospital Foundation Health & Medical Research Committee. He has served on the Board since 1 st February 2006. Andrew is the Managing Director of Dornbusch Partners, a local wealth management firm. His community engagement includes being Chairman of the Toowoomba Empire Theatre Board and Past President of the Toowoomba Chamber of Commerce.	11	10

Mike Horan	Board Member	Chair, Darling Downs Hospital & Health Service Board	Mike Horan has been the Chair of the Darling Downs Hospital & Health Service Board since its establishment in May 2012.	11	8
Dr Roslyn Reilly	Board Member	28/04/2017 to 30/09/2022	Roslyn is a former Registered Nurse and Midwife, retired from the Department of Nursing and Midwifery at USQ. Among positions previously held include Senior Nurse Educator, (Toowoomba Hospital) Head of Department, Clinical Coordinator and Director of Post Graduate Studies and Acting Chair of Academic Board (USQ) Dr Reilly was a member of the Garden Settlement Committee for several years. She was a founding member of the Sister Elizabeth Kenny Memorial Foundation and has been a Director of the Toowoomba Hospital Foundation since November 1996. She continues to undertake some casual employment at USQ.	11	10
Horst Brosi	Board Member	28/04/2017 to 30/09/2022	Horst was appointed to the Board of the Foundation in October 1999. Born in Toowoomba, Mr Brosi, was a Partner & Director of his own engineering business, Vettiger, Vidler & Co Pty Ltd. Horst now retired. He was the Chairman of Downs Group Training, a board he served on for 15 years. Horst is a past President of the Old Toowoomba Club, the Toowoomba Golf Club and a founding member on the Police Citizens Youth Club Board.	11	7
Lew Rowling	Board Member	28/04/2017 to 30/09/2022	Mr Rowling has been a lawyer for the past 39 years and he is the Senior Partner of Wonderley & Hall, a firm he has been with since 1976. Lew brings a wealth of legal knowledge and advice to the Toowoomba Hospital Foundation Board. Lew was appointed to the Toowoomba Hospital Foundation Board in July 2002.	11	9
Brenda Tait	Board Member	28/04/2017 to 30/09/2022	Brenda has served as a Board Director of the Toowoomba Hospital Foundation since October 1999 and is a Fellow of the Australian Institute of Company Directors. Brenda has been involved in the health sector since 1998 and is currently Chief Operating Officer at Western Queensland Primary Health Network and previously 12 years as the CEO of RHealth Limited and 3 as General Manager, Wide Bay Medicare Local. She has extensive experience in policy, planning and developing strategies aimed at ensuring equity and greater access to health services for people living in rural and remote regions, and was a rural	11	7

			and remote representative on the National Rural Health Alliance Council for many years.		
Megan O'Hara Sullivan	Board Member	30/09/2018 to 30/09/2020	Megan is a Councillor on the Toowoomba Regional Council. She is portfolio leader of the Finance and Business Strategy Portfolio. Her areas of interest lie in diversity, gender equality, the Customer Service Experience and stakeholder engagement. Megan is a qualified optometrist and continues to practice part-time. She is married and has five sons.	11	9
Peter Sedl	Board Member	30/09/2018 to 30/09/2020	A Certified Practising Accountant, Peter is currently a Proprietor/Director of Sedl Agencies, a Toowoomba family business that was started in 1986. He is also a Director of the National Distributors Alliance (NDA).	11	9
Dr Peter Gillies	Board Member	30/09/2018 to 30/09/2020	Dr Peter Gillies was appointed as Heath Service Chief Executive in May 2016. Dr Gillies has been with the DDHHS since 2009 when he moved to Toowoomba to take up the role of Director Medical Services. Dr Gillies was appointed as Executive Director of Medical Services in February 2011 and subsequently General Manager Toowoomba Hospital in July 2013. In these roles he provided expert direction in improving patient care and meeting or exceeding clinical targets including timely surgery, outpatient waiting lists, and emergency department access. Dr Gillies is a Fellow of the Royal Australasian College of Medical Administrators and has a Master of Business Administration from Otago University. He is also a Graduate of the Australian Institute of Company Directors. He has a background in general management, previously working as the general manager of a health software company and as the regional manager for a not-for-profit private hospital group in Auckland, New Zealand. He has been a doctor for over 25 years and has worked in South Africa and the United Kingdom (UK) in both hospital and general practice roles prior to immigrating to New Zealand in 1995.	11	8
Karen Gordon	Board Member	30/09/2018 to 30/09/2020	Karen is the Nursing Director -Medical Services at Toowoomba Hospital. She has over 27 years' experience in the Darling Downs Hospital & Health Service in the areas of clinical management and leadership, patient flow, critical care nursing and organ	11	11

			donation.		
Harold Shelton	Board Member Secretary	24/02/2016 onwards	Harold has a Bachelor of Business (Accounting) and has in excess of 20 years' experience in commercial accounting fields both in the public and private sector and is a Fellow of CPA Australia. He is currently the Financial Controller for the Darling Downs Hospital and Health Service, a role that encompasses financial & management accounting including preparation of statutory accounts, budgetary and performance reporting.	11	8
Jacqui Armstrong	Board Member	14/12/2018 to 30/09/2020	Jacqui is a successful businesswoman and together with her husband, they own and operate three motor vehicle dealerships. Jacqui has worked in many roles within the business and is currently the Group Financial Controller for the 3 dealerships which employ 132 local staff. Jacqui is passionate about the Toowoomba community and has been involved in many different fundraising events for a number of charities including Base Services for Homeless Toowoomba, National Breast Cancer Association as well as supporting the local hospitals. Jacqui's addition to the Toowoomba Hospital Foundation Board of Directors will help the Board address gender composition issues.	11	11

The Role of the Board

The Toowoomba Hospital Foundation is governed by a voluntary Board of Directors, appointed by the Governor in Council and drawn from the general, business, medical and university communities.

Membership of the Foundation's Board is established by Part 3 S 30 of the *Hospital Foundations Act 2018*.

The Board of the Foundation has a primary responsibility to establish strategic direction, pursue established objectives and monitor business performance. The Board recognises the importance of applying best practice corporate governance principles in fulfilling this responsibility and has committed to the highest level of integrity in the conduct of its operations.

The Board recognises its overriding responsibility to act honestly, fairly, diligently and in accordance with the *Hospital Foundations Act 2018*, the *Financial Administration and Audit Act 1977* and the *Public Sector Ethics Act 1994* in serving the interests of the community, as well as the Foundation's employees, volunteers and supporters.

The Board and management have been entrusted with the responsibility of ensuring that monies provided by donors, sponsors and the general public are effectively and efficiently managed.

The role of the Board includes and is not limited to:

- Maintaining high levels of accountability to our stakeholders and external regulators

- Monitoring the performance of the Chief Executive Officer
- Raising awareness of the Foundation throughout the Toowoomba and Darling Downs community
- Reviewing and approving strategic plans, business plans, the annual budget and financial plans
- Assessing and approving applications for funding for equipment, education, research and support to the hospitals and health services
- Ensuring compliance with statutory, financial, social and corporate governance requirements
- Monitoring risk and ensuring there is effective risk management controls and reporting procedures
- Ensuring the Toowoomba Hospital Foundation acts legally, ethically, responsibly, and transparently.

Board Members attend monthly meetings where applications for funding are tabled and considered by the Directors and the financial performance and corporate governance of the Foundation is reviewed. A comprehensive financial report is provided each month prior to meeting, for Directors to review the Foundation's day to day business. A budget is prepared for acceptance at the commencement of each financial year. The Finance Committee, consisting of two Board Members, the CEO and the Business Manager meet prior to the monthly board meeting to review the annual budget, compare the actuals to the budget and to ensure financial controls are being undertaken as per the THF Financial Management Practice Manual.

Directors assist staff in determining effective internal controls and oversee all contractual matters including the management and operation of the Toowoomba Hospital car park, accommodation and the coffee shop.

A sub-committee of representatives from the community, health service, university and Foundation, oversee the selection process and distribution of funds for research initiatives for the year. Research funding is generously donated every year by the Pure Land Learning College, Toowoomba.

Together with the CEO, Marketing & Events Manager and the Media & Communications Officer, the Board develops and oversees fundraising projects with an emphasis on raising the awareness of the needs of the hospital and health services, at the same time ensuring the financial viability of the event.

The Board Directors give of their time and expertise freely and without remuneration.

Ethics and Conduct

In line with the requirement under the *Public Sector Ethics Act 1994 (PSEA)* for public sector agencies to have an approved code of conduct, the Toowoomba Hospital Foundation has adopted the Queensland Government Code of Conduct for the Queensland Public Service as the code of conduct for staff and Board Members and this has been duly approved by the Minister for Health and Ambulance Services.

A copy of this Code of Conduct has been provided to THF staff and Board Directors. At induction of new employees, they are provided a copy of the Code as well as the link to the website. Training and further information is offered to all employees as required. All employees are expected to uphold the code by committing to and demonstrating the intent and spirit of the

ethics principles and values. A Volunteer Policy and Procedures document and Volunteer Agreement which reflects the public sector ethics principles has been developed and implemented and is given to all THF volunteers once they have been approved to work for the Foundation.

The Code is based on the new public sector ethics principles as outlined in the PSEA: integrity and impartiality, promoting the public good, commitment to the system of government, and accountability and transparency.

Additionally, as Hospital Foundations are captured in the definition of public sector entities, the Toowoomba Hospital Foundation works towards the Queensland Public Service Values. The following five values guide our behaviour and the way we do business:

Customers first: The THF prides itself on taking the time to ensure that we know our community, sponsors, donors, partners, supporters and volunteers as this is integral to the success of our organisation.

Ideas into action: At the THF we are active, enthusiastic and accountable. We make things happen, we take responsibility for our actions and activities and we take pride in our contribution to the community.

Unleash potential: The THF expects greatness, we take the lead and set clear expectations and seek, provide and act on feedback. Our team constantly seeks new initiatives and ideas to raise money for the Hospital and Health Services, keeping in mind the financial viability of the same.

Be courageous: The THF acts with transparency and is responsible for our actions, successes and mistakes. Our annual audit to date has been unqualified and an annual report is tabled in parliament each year.

Empower people: The THF aspires to be the leader in our field of fundraising for our hospitals and health services. We continue to utilise everyone's strengths and provide opportunities for all of our team members to individually develop their skills. This in turn has established the THF Team as a strong trustworthy group and this is reflected in the community by the number of new businesses approaching the Foundation to become in our fundraising activities.

Risk Management

The Toowoomba Hospital Foundation is mindful that risk is inherent in all activities, functions and the day to day operation of the organisation. A risk management policy has been developed and implemented for the organisation. Risk management assessments and the subsequent plans are individually developed for events such as our large community events, fun runs, bike rides etc to ensure that public safety and the safety of our staff and volunteers, is protected and of paramount importance.

Among other things, the Foundation ensures that it maintains adequate insurance cover, reviews and maintains a policy manual for its employees, reviews health and safety measures, and an operation manual outlining its day to day functions and operations.

The THF has a robust financial management system and continues to work to the objective of maintaining and improving its good governance standards. The THF has an unblemished history in regard to the annual audit process, having never received a qualified audit.

Internal Audit and Audit Committee

The Toowoomba Hospital Foundation Board have not deemed it necessary to establish a formal audit committee due to the relatively small size of the Foundation and the unblemished history of never having received a qualified audit since inception.

The Foundation's Board and Management have the responsibility of ensuring that monies provided by donors, sponsors and the general public are effectively and efficiently managed utilising the well-developed financial systems and existing governance structure. A small number of Board Members have formed a Finance Committee to provide more in-depth analysis of the Foundation's financial activities.

Board Directors assist staff in determining effective internal controls and oversee all contractual matters including the management and operation of the Toowoomba Hospital car park, coffee shop and accommodation.

Applications for funding for Equipment and Facilities Enhancement, Staff Professional Development, and Scholarships are considered by the Directors at each monthly Board meeting.

A sub-committee of representatives from the community, health service, university and Foundation oversee the selection process and distribution of funds for health and medical research grants for the year.

External Scrutiny

The THF is audited annually by the QAO and has an unblemished history in regard to the annual audit process, having never received a qualified audit. No other external bodies have reported any significant findings.

Information Systems and Record Keeping Compliance

Since moving to its new premises, the Toowoomba Hospital Foundation has moved from the Qld Health server to its own. An external company has been engaged to provide expertise and support in this area and ensures that the Foundations information is backed up regularly.

The Toowoomba Hospital Foundation is committed to improving recordkeeping practices to comply with the provisions of the Records Governance Policy.

A Recordkeeping Policy has been developed and is updated regularly to ensure that records are created that document business decisions & activities and that these records are available and appropriately managed by our good record keeping systems. Regular updates are received by the Chief Executive Officer from the Office of Health Statutory Agencies to ensure that the THF meet legislative and reporting obligations.

The Foundation communicates roles and responsibilities for record keeping and management across the organisation through staff position descriptions and training.

The THF works towards continuing to improve recordkeeping systems, practices, policies and procedures to support access, movement, updating, storage, disposal of agency records and information management.

Strategic workforce planning and performance

The Toowoomba Hospital Foundation is an equal opportunity employer where people of all ages, genders and cultural backgrounds have equal opportunity for recruitment, promotion, remuneration and responsibilities.

The THF has a very committed team who focus on achieving the Foundation's strategic objectives and aims and mission. All THF staff are offered and encouraged further study and education opportunities to individually develop their skills. In December each year the THF staff undertake 2 strategic planning days where they review the performance of the past year and plan for the year ahead.

The Foundation's CEO offers an open-door policy with staff and meets with each employee on a fortnightly basis to discuss workload, staff development and any issues that have arisen.

As staff vacancies arise at the Foundation, they are advertised online with Seek and this provides a basis to attract talented applicants as it is vital to recruit the best possible employees ensuring the ongoing success and growth of the THF.

The THF offers flexibility in work hours for staff to ensure a work-life-blend and currently has 9 full time employees. To assist with flexible work arrangements for the staff, the Foundation reviews all reasonable requests from employees regarding flexible work requirements. This often involves changes to start and finish times, returning from parental leave in a part-time capacity and taking time off in lieu of additional hours worked outside of normal working hours. The Foundation's leave policies are available for all staff to access and are reviewed by the CEO and Board regularly.

As at the 30th June the THF had 9 FTE and the permanent separation rate was 11 per cent.

Early retirement, redundancy and retrenchment

No redundancy/early retirement/retrenchment packages were paid during the period.

Open Data

No expenditure on consultancy, overseas travel and implementation of the Queensland Language Services Policy was incurred during 2018-2019.

Glossary

ARRs	Annual report requirements for Queensland Government agencies
DDHHS	Darling Downs Hospital and Health Service
DDH	Darling Downs Health
FAA	Financial Accountability Act 2009
FMPS	Financial Practice Management Standard 2009
GRDS	general retention and disposal schedule
GM5FK	Give Me 5 For Kids
QAO	Queensland Audit Office
TH	Toowoomba Hospital
THCA	Toowoomba Hospital Children's Appeal
THF	Toowoomba Hospital Foundation

Compliance Checklist (template)

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	2
Accessibility	<ul style="list-style-type: none"> Table of contents 	ARRs – section 9.1	1
	<ul style="list-style-type: none"> Glossary 		21
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	1
	<ul style="list-style-type: none"> Interpreter service statement 	Queensland Government Language Services Policy ARRs – section 9.3	1
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	1
	<ul style="list-style-type: none"> Information Licensing 	QGEA – Information Licensing ARRs – section 9.5	1
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	3 – 5
	<ul style="list-style-type: none"> Machinery of Government changes 	ARRs – section 10.2, 31 and 32	N/A
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	6
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	7
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1	8
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	9
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	10 – 11
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	N/A
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	12
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	13
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	13 – 17
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	Public Sector Ethics Act 1994 ARRs – section 13.4	18 – 19
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5	18 – 19
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	19
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	19
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	19
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	20
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	20
Governance –	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs – section 15.1	20 - 21

Summary of requirement		Basis for requirement	Annual report reference
human resources	<ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment 	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	21
Open Data	<ul style="list-style-type: none"> • Statement advising publication of information 	ARRs – section 16	21
	<ul style="list-style-type: none"> • Consultancies 	ARRs – section 33.1	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Overseas travel 	ARRs – section 33.2	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Queensland Language Services Policy 	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	45
	<ul style="list-style-type: none"> • Independent Auditor's Report 	FAA – section 62 FPMS – section 50 ARRs – section 17.2	45 - 47

Toowoomba Hospital Foundation
ANNUAL FINANCIAL STATEMENTS
30 June 2019

TOOWOOMBA HOSPITAL FOUNDATION FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

OPERATING RESULT	Notes	2019 \$	2018 \$
Income from Continuing Operations			
Bequests and donations	3	291,157	249,778
Functions, special events and other fundraising	4	1,036,361	852,863
Interest revenue		140,538	116,298
Car parking revenue	2	2,169,751	2,017,248
Other revenue	5	344,161	250,252
Total Revenue		3,981,968	3,486,439
Gains on disposal of assets		8,784	-
Total Income from Continuing Operations		3,990,752	3,486,439
Expenses from Continuing Operations			
Employee expenses	6	711,999	544,035
Functions, special events and other fundraising		399,816	386,761
Car parking expenses		463,116	458,227
Depreciation	11(ii)	65,216	56,424
Grants paid	1(g)	1,135,866	934,540
Donations		449,892	360,538
Funding of HREC co-ordinator		41,886	41,029
Other expenses	7	323,945	190,527
Total Expenses from Continuing Operations		3,591,736	2,972,081
Operating Result from Continuing Operations		399,016	514,358
Operating Result for the Year		399,016	514,358
Total Comprehensive Income		399,016	514,358

The accompanying notes form part of these statements.

**TOOWOOMBA HOSPITAL FOUNDATION
BALANCE SHEET**

AS AT 30 JUNE 2019

	Notes	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	8	5,933,842	5,587,344
Receivables	9	107,934	41,736
Other current assets	10	72,960	74,043
Total Current Assets		6,114,736	5,703,123
Non-Current Assets			
Property, plant and equipment	11	1,231,494	1,119,042
Total Non-Current Assets		1,231,494	1,119,042
Total Assets		7,346,230	6,822,165
Current Liabilities			
Payables	12	239,569	105,003
Interest-bearing liabilities	13	8,542	6,814
Accrued employee benefits	14	23,412	31,385
Total Current Liabilities		271,523	143,202
Non-Current Liabilities			
Accrued employee benefits	14	8,294	11,566
Total Non-Current Liabilities		8,294	11,566
Total Liabilities		279,817	154,768
Net Assets		7,066,413	6,667,397
Equity			
Accumulated surplus		7,066,413	6,667,397
Total Equity		7,066,413	6,667,397

The accompanying notes form part of these statements.

TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated Surplus	Total
	\$	\$
Balance as at 1 July 2017	6,153,039	6,153,039
Operating result from continuing operations	514,358	514,358
	<hr/>	<hr/>
Balance as at 30 June 2018	6,667,397	6,667,397
	<hr/>	<hr/>
Balance as at 1 July 2018	6,667,397	6,667,397
Operating result from continuing operations	399,016	399,016
	<hr/>	<hr/>
Balance as at 30 June 2019	7,066,413	7,066,413

The accompanying notes form part of these statements.

TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 \$	2018 \$
Cash Flows from Operating Activities			
<i>Inflows:</i>			
Receipts from customers		3,790,059	3,431,118
Interest received		115,046	128,108
GST input tax credits from ATO		96,954	92,389
GST collected from customers		256,755	207,342
<i>Outflows:</i>			
Supplies and services		(2,645,713)	(2,440,430)
Employee expenses		(721,450)	(540,504)
GST remitted to ATO		(252,527)	(232,221)
GST paid to suppliers		(108,581)	(60,916)
Net Cash Provided by/(used in) Operating Activities		530,543	584,886
Cash flows from Investing Activities			
<i>Inflows:</i>			
Sales of property, plant and equipment		21,000	-
<i>Outflows:</i>			
Payments for property, plant and equipment		(206,773)	(29,198)
Net Cash Provided by/(used in) Investing Activities		(185,773)	(29,198)
Cash Flows from Financing Activities			
<i>Inflows:</i>			
Proceeds from borrowings		1,728	489
Net Cash Provided by/(used in) Financing Activities		1,728	489
Net increase/(decrease) in cash held		346,498	556,177
Cash and cash equivalents at beginning of financial year		5,587,344	5,031,167
Cash and cash equivalents at end of financial year	8	5,933,842	5,587,344

The accompanying notes form part of these statements.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. BASIS OF FINANCIAL STATEMENT PREPARATION

(a) General Information

These financial statements cover the Toowoomba Hospital Foundation (the foundation). The foundation is a statutory body established under the *Hospitals Foundations Act 1982*. The foundation does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity for the foundation as an individual entity.

(b) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chief Executive Officer and Chairman at the date of signing the Management Certificate.

(c) Statement of Compliance and Basis of Preparation

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*.

The foundation is a not-for-profit entity and these general purpose financial statements are prepared in compliance with the requirements of Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations applicable to not-for-profit entities.

The financial statements are prepared on an accrual basis (with the exception of the statement of cash flows which is prepared on a cash basis).

(d) Underlying Measurement Basis

The historical cost convention is used as the measurement basis except for land and buildings which are measured at fair value.

(e) Other Presentation Matters

Currency and Rounding - Amounts included in the financial statements are in Australian dollars. Amounts are rounded to the nearest dollar.

Comparatives - Comparative information reflects the audited 2017-18 financial statements.

Current / Non-Current Classification - Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Foundation does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

(f) Taxation

The foundation is exempted from income tax under the Income Tax Assessment Act 1936 and is exempted from other forms of Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Receivables and payables in the Balance Sheet are shown inclusive of GST. GST credits receivable from, and GST payable to, the ATO at reporting date are separately recognised in payables within Note 12.

(g) Grants Paid

Grants paid includes applications for funding approved by the Board to provide equipment and resources, education, training and professional development, health and medical research and scholarships.

(h) Key Accounting Estimates and Judgments

The most significant estimates and assumptions made in the preparation of the financial statements related to the fair value and depreciation of Property, Plant and Equipment. Details are set out in Note 11. The valuation of property, plant and equipment necessarily involves estimation uncertainty with the potential to materially impact on the carrying amount of such assets in the next reporting period.

(i) New and Revised Accounting Standards

First time mandatory application of Australian Accounting Standards and Interpretations
AASB 9 Financial Instruments was applied for the first time in 2018-19. This standard introduces new categories for the classification of financial assets and new impairment rules that focuses on expected credit losses rather than incurred losses. The new standard does not impact on the classification of the foundation's financial assets (cash and receivables), which will continue to be measured at amortised cost. Due to the value of receivables at 30 June 2018, any impact on adoption of AASB 9's new impairment model would not be considered material to the accounts of the foundation.

Comparative figures for 2017-18 have not been restated for AASB 9.

Early Adoption of Accounting Standards and Interpretations

No Accounting Pronouncements were early adopted in the 2018-19 financial year.

Voluntary Changes in Accounting Policy

No voluntary changes in accounting policies occurred during the 2018-19 financial year.

TOOWOOMBA HOSPITAL FOUNDATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

2. CAR PARKING REVENUE

Accounting Policy

Revenue from car parking is recognised on the completed delivery of the car parking service to the customer (which occurs at the point of customer payment upon exiting the car park).

3. BEQUESTS AND DONATIONS

Donations and gifts that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return) are recognised as revenue in the year in which the foundation obtains control over them at the time of receipt.

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense. The value of such services in the 2019 year is \$NIL (2018: \$NIL).

4. FUNCTIONS, SPECIAL EVENTS AND OTHER FUNDRAISING

Revenue from functions, special events and other fundraising activities are recognised as income when received and when the special event has been held. The amount and timing of receipts is dependent on a number of fundraising activities including direct mail donations, personal and corporate donations and special events.

	2019 \$	2018 \$
5. OTHER REVENUE		
Cafeteria lease income	135,421	133,224
Rental income	46,728	46,841
Accommodation income	86,020	-
Vending machine income	24,353	23,738
Sponsorship	-	18,182
Grant income	29,650	-
Other revenue	21,989	28,267
Total	344,161	250,252

Accounting Policy

Revenue from other services rendered and sale of goods are recognised as other revenue when the revenue has been earned. Interest revenue is recognised on an accruals basis at the interest rate applicable to the financial assets. 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.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
6. EMPLOYEE EXPENSES		
Employee Benefits		
Wages and salaries	628,118	480,693
Employer superannuation contributions	81,365	60,454
Employee Related Expenses		
WorkCover expenses	2,516	2,888
Total	711,999	544,035
 Number of employees at year end	 9	 6

The number of employees as at 30 June, including both full-time employees and part-time employees, is measured on a full-time equivalent basis.

Accounting Policy

Short-term employee benefits - wages, salaries, annual leave and sick leave

Wages and salaries due but unpaid at reporting date and annual leave liabilities are recognised in the Balance Sheet at the current salary rates. As the foundation expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Other long-term employee benefits - long service leave

Long service leave liabilities are classified and measured as other long term employee benefits as the foundation does not expect to wholly settle all such liabilities within the 12 months following reporting date.

Other long-term employee benefits are presented as current liabilities where the foundation does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period.

Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future wage/salary levels, expected employee departures and periods of ineligible service. These are discounted using market yields on Australian Government bond rates at the end of the reporting period that coincide with the expected timing of estimated future payments.

All directly associated on-costs (e.g. employer superannuation contributions, payroll tax and workers' compensation insurance) are also recognised as liabilities, where these on-costs are material.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

6. EMPLOYEE EXPENSES (CONTINUED)

Superannuation

Superannuation benefits are provided through defined contribution (accumulation) plans in accordance with employees' conditions of employment and employee instructions.

Defined Contribution Plans – Employer contributions are based on rates specified under conditions of employment. The foundation's contributions are expensed when they become payable at each fortnightly pay period.

	2019 \$	2018 \$
7. OTHER EXPENSES		
Accommodation expenses	28,066	-
Cafeteria expenses	12,395	83
Computer expenses	15,557	16,129
Consultancy expenses	10,793	3,000
Function expenses	21,981	19,756
Insurance	12,302	9,008
Legal expenses	451	16,458
Minor equipment purchases	2,277	4,402
Motor vehicle expenses	22,016	11,059
Office expenses	27,558	17,237
Promotional items	9,900	10,271
Relocation expenses	55,684	-
Other expenses	104,965	83,124
Total	323,945	190,527

Disclosure - Auditor Remuneration

Total audit fees paid relating to the 2018-19 financial statements are estimated to be \$10,000 (2018: \$4,850). There are no non-audit related services included in this amount.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
8. CASH AND CASH EQUIVALENTS		
Cash on hand	9,038	6,838
At call deposits	2,114,804	1,775,506
Fixed term deposits	3,810,000	3,805,000
Total	5,933,842	5,587,344

Accounting Policy

Cash and cash equivalents include all cash and cheques receipted at 30 June as well as deposits held at call with financial institutions. Fixed term deposits have maturity dates between 3 and 12 months.

9. RECEIVABLES

Trade and other debtors	111,450	41,736
Less: Loss allowance	(3,516)	-
Total	107,934	41,736

Accounting Policy

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement terms are within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for expected credit losses. The loss allowance is estimated based on the probability and timing of potential defaults, and takes into account forecasts of future economic conditions as well as past events. All known bad debts were written-off as at 30 June.

10. OTHER CURRENT ASSETS

Prepayments	2,474	8,851
Accrued other revenue	713	20,911
Accrued interest	69,773	44,281
Total	72,960	74,043

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
11. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE		
<i>(i) Property Plant and Equipment</i>		
<i>Land</i>		
At Fair Value	405,383	405,383
Total Land	405,383	405,383
<i>Buildings</i>		
At Fair Value	445,133	445,133
Less: Accumulated Depreciation	(32,297)	(21,169)
Less: Accumulated Impairment Losses	(7,716)	(7,716)
Total Buildings	405,120	416,248
<i>Improvements</i>		
At Cost	670,055	525,455
Less: Accumulated Depreciation	(311,315)	(274,795)
Total Improvements	358,740	250,660
<i>Plant and Equipment</i>		
At Cost	99,064	91,437
Less: Accumulated Depreciation	(36,813)	(44,686)
Total Plant and Equipment	62,251	46,751
Total Property, Plant and Equipment	1,231,494	1,119,042

(ii) Property Plant and Equipment Reconciliation

	Land \$	Buildings \$	Improve- ments \$	Plant & Equipment \$	Total \$
Carrying amount at 1 July 2018	405,383	416,248	250,660	46,751	1,119,042
Acquisitions	-	-	144,600	43,374	187,974
Disposals	-	-	-	(10,306)	(10,306)
Depreciation	-	(11,128)	(36,520)	(17,568)	(65,216)
Carrying amount at 30 June 2019	405,383	405,120	358,740	62,251	1,231,494

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

**11. PROPERTY, PLANT AND EQUIPMENT
AND DEPRECIATION EXPENSE (CONTINUED)**

(iii) Accounting Policy

Asset Acquisition

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland public sector entity (usually via an involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland government agency, are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

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 expense.

Recognition of Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Buildings	\$10,000
Plant and Equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc.) is expensed.

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.

Measurement of Non-Current Physical Assets using Cost

Plant and equipment is measured at cost in accordance with the Non-Current Asset Policies. The carrying amounts for plant and equipment at cost approximate their fair value.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

**11. PROPERTY, PLANT AND EQUIPMENT
AND DEPRECIATION EXPENSE (CONTINUED)**

(iii) Accounting Policy (continued)

Measurement of Non-Current Physical Assets using Fair Value

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment*, AASB 13 *Fair Value Measurement* and Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and accumulated impairment losses where applicable.

Revaluations of Non-Current Physical Assets

Land and buildings measured at fair value are revalued every five years either by appraisals undertaken by an independent professional valuer or internal expert, or by the use of appropriate and relevant indices. For financial reporting purposes, the revaluation process is managed by the foundation's Board, who determines the specific revaluation practices and procedures.

If a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. Materiality concepts are considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

Management has determined that significant and volatile changes have not occurred in relation to land and buildings of the foundation from the previous valuation date, being 30 June 2017.

The fair values reported by the foundation are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, for assets revalued using a cost valuation approach (e.g. depreciated replacement cost) - accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'. For assets revalued using a market or income-based valuation approach - accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

The cost of land and buildings acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

**11. PROPERTY, PLANT AND EQUIPMENT
AND DEPRECIATION EXPENSE (CONTINUED)**

(iii) Accounting Policy (continued)

Impairment

All non-current physical assets (including intangible assets) are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed.

Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, the foundation determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use subject to the following:

- As a not-for-profit entity, certain property, plant and equipment of the foundation is held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. Consequently, AASB 136 does not apply to such assets unless they are measured at cost.
- For other non-specialised property, plant and equipment measured at fair value, where indicators of impairment exist, the only difference between the asset's fair value and its fair value less costs of disposal is the incremental costs attributable to the disposal of the asset. Consequently, the fair value of the asset determined under AASB 13 will materially approximate its recoverable amount where the disposal costs attributable to the asset are negligible. After the revaluation requirements of AASB 13 are first applied to these assets, applicable disposal costs are assessed and, in the circumstances where such costs are not negligible, adjustments to the recoverable amount are made in accordance with AASB 136.

For all other remaining assets (including intangible assets) measured at cost, recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

Value in use is equal to the present value of the future cash flows expected to be derived from the asset, including the estimated net disposal proceeds.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

**11. PROPERTY, PLANT AND EQUIPMENT
AND DEPRECIATION EXPENSE (CONTINUED)**

(iii) Accounting Policy (continued)

Depreciation

Land is not depreciated as it has an unlimited useful life.

Buildings and plant and equipment are depreciated on a straight-line basis so as to allocate the revalued amount or net cost of each asset (respectively), less its estimated residual value, progressively over its estimated useful life to the foundation.

The estimation of the useful lives of assets is based on historical experience with similar assets as well as considerations such as manufacturers' warranties and asset turnover practices. Reassessments of useful lives are undertaken annually by the foundation. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the foundation.

(iv) Depreciation Disclosures

For each class of depreciable asset the following depreciation rates are used:

Class	Rate %
Buildings	2.5
Leasehold improvements	5.3 – 13
Improvements	2.5
Plant and equipment	10 - 20

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
12. PAYABLES		
Trade and other creditors	174,974	24,411
GST liability	16,624	44,943
PAYG withholding payable	8,020	6,226
Revenue received in advance	168	1,983
Accrued expenses	39,783	27,440
Total	239,569	105,003

Accounting Policy

Accounts payable represent trade creditors that are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

13. INTEREST-BEARING LIABILITIES

Credit card	8,542	6,814
Total	8,542	6,814

14. ACCRUED EMPLOYEE BENEFITS

Current

Annual leave	14,184	25,082
Long service leave	9,228	6,303
Total	23,412	31,385

Non-Current

Long service leave	8,294	11,566
Total	8,294	11,566

Accounting Policy

Refer to Note 6.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

15. INFORMATION ON FAIR VALUE MEASUREMENT

What is Fair Value?

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Financial Assets and Liabilities

The carrying amounts of trade receivables and payables approximate their fair value. The foundation holds no financial assets classified at fair value through profit and loss.

Non-Financial Assets

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the foundation include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the foundation include subjective adjustments made to observable data to take account of the characteristics of the foundation's assets/liabilities, internal record of recent construction costs (and/or estimates of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Disclosure – Assets Measured at Fair Value

Specific appraisals of the foundation's land and buildings were most recently performed as at 28 June 2017 by the foundation Board using fair value principles. The Board obtained evidence in relation to the market value of the properties held to support this judgement.

16. FINANCIAL INSTRUMENTS

Financial Instruments – Accounting Policy on Recognition

Financial assets and financial liabilities are recognised in the Balance Sheet when the foundation becomes party to the contractual provisions of the financial instrument.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

16. FINANCIAL INSTRUMENTS (CONTINUED)

Financial Instruments – Classification and Presentation

	2019	2018
	\$	\$
<i>Financial Assets</i>		
Cash and cash equivalents	5,933,842	5,587,344
Loans and receivables at amortised cost	107,934	41,736
Total	6,041,776	5,629,080
<i>Financial Liabilities</i>		
Interest-bearing liabilities	8,542	6,814
Financial liabilities at amortised cost	199,618	75,580
Total	208,160	82,394

17. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Details of Key Management Personnel

The following details for non-Ministerial key management personnel include those foundation positions that had authority and responsibility for planning, directing and controlling the activities of the foundation during 2018-19 and 2017-18. Further information about these positions can be found in the body of the foundation's Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Board of Directors	The strategic leadership, guidance and effective oversight of the management of the foundation, including its operational and financial performance.
Chief Executive Officer	Responsible for the strategic leadership and direction of the foundation.

KMP Remuneration Policies

No Board Members received or were entitled to receive any fees or other benefits during the year.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

17. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

KMP Remuneration Policies (continued)

Remuneration and other terms of employment for the foundation's other key management personnel are specified in employment contracts. The contracts provide for the provision of performance-related cash payments and other benefits including motor vehicles. Remuneration expenses for these key management personnel comprises the following components:

- Short term employee expenses which include:
 - salaries and allowances earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified position.
 - performance payments recognised as an expense during the year.
 - non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee expenses - mainly annual leave and long service leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified position;
- Post-employment expenses - mainly superannuation contributions; and
- Termination benefits - include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

The following disclosures focus on the expenses incurred by the foundation during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration Expenses

1 July 2018 – 30 June 2019

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	131	10	-	17	-	158

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

17. KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (CONTINUED)

Remuneration Expenses (continued)

1 July 2017 – 30 June 2018

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	105	7	-	14	-	126

Performance Payments

No KMP remuneration packages provide for performance or bonus payments.

18. RELATED PARTY TRANSACTIONS

Transactions with people/entities related to KMP

A Director of the foundation has an interest in a law firm that provided services to the foundation in the 2018-19 year. The services were provided on commercial terms and totalled \$4,190.

Other than the transactions disclosed in Note 17 and that disclosed above, there are no transactions with KMP or entities related to KMP in the 2019 or 2018 financial years.

19. COMMITMENTS FOR EXPENDITURE

Grants Approved

The Toowoomba Hospital Foundation commit to expenditure for projects at Board meetings. The projects are recognised as a liability on receipt of an approved invoice for the research carried out. The grants approved by the Board which remain unpaid at balance date are recorded as Commitments. At balance date of 30 June 2019 the outstanding grants commitment was \$1,418,063 (2018: \$772,623).

Car Park Lease

The Car Park located at the Toowoomba Hospital is leased from the Darling Downs Hospital and Health Service. The current lease is a 15 year term commencing on 1 January 2016 to 31 December 2030. The rent payable is \$1.00 (GST-inclusive) per annum.

Office, Administration and Family Support Accommodation

The foundation has a licence to occupy an office building and family support accommodation facilities from the Darling Downs Hospital and Health Service. The current lease is a 5 year term commencing on 2 October 2018 to 1 October 2023, with a 5 year option to renew. The rent payable is \$1.00 (GST-inclusive) per annum (if requested).

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

20. CONTINGENCIES

There were no contingent liabilities of any significance at balance date (2018:\$NIL).

21. EVENTS OCCURRING AFTER BALANCE DATE

From 1 July 2019 the foundation commenced operation of WellBean Co, the café at the Toowoomba Hospital. Previously the foundation received lease income from the café operators.

With the exception of the above, there were no events occurring after balance date which require disclosure in the financial report.

TOOWOOMBA HOSPITAL FOUNDATION

MANAGEMENT CERTIFICATE OF TOOWOOMBA HOSPITAL FOUNDATION


These general purpose financial statements have been prepared pursuant to s.62(1)(a) of the *Financial Accountability Act 2009* (the Act), s.43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Toowoomba Hospital foundation for the financial year ended 30 June 2019, and of the financial position of the foundation at the end of that year; and

We acknowledge responsibility under s.8 and s.15 of the *Financial and Performance Management Standard 2009* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



ALISON KENNEDY
Chief Executive Officer



RAYMOND TAYLOR
Chairman

Dated this 20 day of August 2019

INDEPENDENT AUDITOR'S REPORT

To the Board of Toowoomba Hospital Foundation

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Toowoomba Hospital Foundation.

In my opinion, the financial report:

- a) gives a true and fair view of the foundation's financial position as at 30 June 2019, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards - Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the foundation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

The financial report for the Toowoomba Hospital Foundation for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that financial report on 13 August 2018.

Responsibilities of the Board for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the foundation or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My 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 my 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards – Reduced Disclosure Requirements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the foundation.
- Conclude on the appropriateness of the foundation's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



Carolyn Dougherty
as delegate of the Auditor-General

22 August 2019

Queensland Audit Office
Brisbane



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