



ANNUAL REPORT
2019-2020



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Acknowledgement to Traditional Owners

The Toowoomba Hospital Foundation respectfully acknowledge all Traditional Custodians of these lands and recognise their cultural heritage and their continuing connection to land and their role in the life of the region. We are inspired by this tradition in our work to share and preserve Australia's cultural memory for future generations. We acknowledge and pay our respects to all Elders past, present and future.

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



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on (07) 46166166 and we will arrange an interpreter to effectively communicate the report to you.

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28th August 2020

The Honourable Steven Miles MP
Deputy Premier, Minister for Health and Minister for Ambulance Services
GPO Box 48
BRISBANE QLD 4001

Dear Deputy Premier

I am pleased to submit for presentation to the Parliament the Annual Report 2019-2020 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 2019*, 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 27-28 of this annual report.

Yours sincerely



Raymond F. Taylor
Chairperson
Toowoomba Hospital Foundation

Chairperson's Report

On behalf of the Toowoomba Hospital Foundation Board, I am proud to present a remarkable 12 months of giving back to our health service through what has been an uncharacteristic year for our community and nation.

I would like to start this report by congratulating Darling Downs Hospital and Health Service on the release of plans for the new Toowoomba Hospital. Thank you to the Darling Downs Hospital and Health Service Board and Executive Team for their considered inclusion of the Foundation at each stage of their planning and discussions. The recognition of the important role the Foundation plays in patient experiences and patient-focused care in the hospital is greatly appreciated and we look forward to exploring the opportunities afforded us in the new development.

We are incredibly grateful for the support of our community during the COVID-19 response and recovery.

Without you we would not have achieved the incredible results we did in 2019-2020, which includes the approval of over \$2.5 million in grants for our hospital and health service. As the largest contribution in our history, it has solidified for the board our need and commitment for the Foundation to be here for patients and staff of the health service when they need it most.

If 2020 has taught us one thing, it is the vital importance of our health service, across all areas of care, in keeping our communities safe. Now more than ever, we need to stay true to our purpose of helping to improve local health services and facilities by investing in the newest of equipment, patient programs, research, and staff training.

You can be reassured that the Foundation has been putting measures in place for many years to ensure our resilience and sustainability. It is due to this thoughtful and considered forward-planning, that despite our downturn in revenue for this financial year, we still remain strong in the face of adversity.

We are built on a solid footing of diverse business bases, that now include many commercial activities which sit alongside our fundraising activities. Adding to this diversity, we were pleased to take over the operations of the Toowoomba Hospital café in 2019.

This expansion of our commercial businesses is testament to the hard work of Foundation staff and the need for our organisation to adapt and grow with the changing needs of the health service.

With a change in need comes a change in focus, and as our region's population grows and the demand on our health service grows, we've seen the necessity to make sure our governance is best fit for purpose.

This year our board has taken a more measured approach to our grants approval process, with supporters of the Foundation noticing a slight shift towards for-purpose fundraising for big ticket projects within the health service.

Not only that we have been working closely with Alison Kennedy to update internal policies and procedures to match the growth of the organisation.

Our highly skilled Board, who all volunteer their time, have done a wonderful job in overseeing the governance of the Foundation especially during these unprecedented times. This year we

also welcomed Dr Uma Kumar and Julie Stewart as new Board members. With a wealth of knowledge, experience, philanthropy and connections with our community between them, Uma and Julie bring invaluable acumen to the Foundation Board.

We work in an area that demands a high level of compassion, professionalism and commitment. Doing this day-in and day-out can often be a huge demand, so as always I remain incredibly humbled by our CEO Alison and the staff at the Foundation and thank them most sincerely for the valuable contributions they make.

Thank you, our supporters, for your wonderful generosity in 2019-2020 we are incredibly appreciative for all you've done in helping our health service.

Raymond F. Taylor | Chairperson

Chief Executive Officer's Report

I think I speak for our entire team when I say this financial year has been a rollercoaster of emotions. We've celebrated a number of wonderful highs, tackled some new challenges and experienced the incredible strength and resilience of our community during the COVID-19 response and recovery.

This year with your help, we approved over \$2.5 million in grants for Darling Downs Health – making 2019-2020 a record year of giving for the Toowoomba Hospital Foundation.

It marks our largest contribution towards life-saving equipment, medical resources, facility enhancements and staff development in the Foundation's 29-year history.

This year we built on the success of 2018-2019 and embraced opportunities to grow with purpose to continue to meet the needs of the hospitals we serve.

One of these opportunities was the lease for the Toowoomba Hospital café. When this came up for renewal the Foundation jumped at the chance to take over operations and on 1 July 2019 Wellbean Co was launched.

Since opening our first café we've made several new extensions including a coffee cart, a gift shop, a second location at Baillie Henderson Hospital and a catering service - all within the space of a year. It's all part of our mission to be at the heart of every patient, visitor and staff experience within our health service.

This financial year we sunk our teeth into several big projects focused on creating spaces that are modern, new and engaging for patients and staff to enjoy. In August 2019 we completed a \$165,000 revamp of the outdated and under-utilised staff dining room at the Toowoomba Hospital creating a fun and relaxing space for staff to re-energise away from the hustle and bustle of the busy wards.

We've also kicked off plans for a new \$255,000 purpose-built outdoor rehabilitation space for the Toowoomba Hospital Rehabilitation Unit and our planned refurbishment of the Toowoomba Hospital Paediatric Unit is underway.

It's exciting for our team to be able to do for-purpose fundraising and for our donors to see a different side of what the Foundation and their funds are able to deliver for our community.

Speaking of our team and growth, this year we welcomed two new members into the fold. Dave has come on board as our new Facilities and Projects Officer to assist in the delivery of major projects as well as manage car parking on the Toowoomba campus. Our relationships with our community are important so that's why Dan our Corporate Partnerships Officer will be out and about talking with local businesses and our mates.

Like many within our community the Toowoomba Hospital Foundation was not immune to the rapid and unexpected challenges that have surfaced during the COVID-19 pandemic.

Unfortunately, with the cancellation of many of our signature events, the limitations on hospital visitors and restrictions on cafes, we've seen a downturn in revenue for the first half of 2020 and will see the impacts flow into the new financial year.

Even though none of us could have predicted the current situation, we still can't help but feel for the hospitals we support. The tightening of our belts means we are being more cautious and considerate of how, where and when we spend funds.

In many ways, knowing that we aren't alone, that many of our sponsors, supporters and mates are tackling the same challenges brings a sense of solidarity as we journey to recovery.

Despite all this our community has been an incredible beacon of light and we've been blown away by the many people who reached out, donated and offered support to our health service.

We embraced the silver-lining of reinventing how we do business welcoming the chance to host virtual events, sharpening up internal processes and launching our first ever Tax Appeal.

I'm incredibly proud of the work our team has accomplished during a time filled with great achievements and adversity.

Thank you to all within our community who've donated, volunteered and given their support and we wait on bated breath with what 2020-2021 will gift us.

Alison Kennedy | Chief Executive Officer

Footnote: *\$2,533,978.43 - This is the amount of grants/funding approved by the Foundation Board in the 2019-2020 financial year, the amount expended as at the 30 June 2020 was \$1,223,001 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, Mt Lofty Heights Nursing Home and other hospitals within the Darling Downs Hospital and Health Service (Darling Downs Health) region. The Foundation also promotes healthy lifestyle initiatives within our community.

The Toowoomba Hospital Foundation (THF) is a statutory body incorporated under the *Hospitals Foundations Act 2018*. 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 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 and Health Service (DDHHS) to work with auxiliaries which seek or need our support;
- Stronger alignment with DDHHS – work closely with DDHHS under an Memorandum of Understanding 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 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 appointed by the Queensland Audit office (QAO).

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.

We were fortunate to hold our annual Women of Strength Luncheon with Jessica Rowe, in March, which raised an amazing \$100,617.57 for our Emergency and Rehabilitation Units.

The funding we disperse is mainly provided from the profits of the business base of the Foundation, however the THF fundraising events also contribute equipment and facility enhancement, staff development, scholarships, health and medical research and special grants and awards.

The Board, in consultation with executives from Darling Downs Health, decide applications for grants on a monthly basis. The Board continues to focus on the Foundation's contribution to the health service 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.

This financial year the Foundation approved a record amount of \$2.5 million in funding for the health service. The first part of 2020, due to COVID-19, saw the cancellation of a number of the Foundations signature events and a downturn in revenue through the cafes and carpark with the reduction of visitors to the health service.

The THF has been able to continue funding its health and medical research grants through the generosity of the Pure Land Learning College who once again donated \$120,000. This donation is vital for our local medical researchers to help pave the way for innovation in 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 by ensuring that the café provides healthy options to its customers and that vending machines within the health service are only stocked with healthy options.

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 *Our Future State: 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.

The Toowoomba Hospital Foundation supports the Government's community objectives and contributes 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. This year saw the THF Board approve \$310,595.00 for the refurbishment of the Paediatric Ward at the Toowoomba Hospital to ensure that our smallest patients have an inviting and comfortable stay in hospital;
- 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. This year in particular saw the Foundation working very closely with Darling Downs Health to ensure we provided assistance with the COVID-19 response;
- 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. This year the Foundation continued working with container collection companies, who assist at our events with the recycling of bottles. As the proud operators of Wellbean Co Cafes, the Foundation ensures that all packaging used is recyclable with a low impact on the environment. We also introduced promotional keep cups for reuse by our customers to cut down on landfill.
- 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. With DDHHS we continued our Community Wellness Program for the public and a Wellness Program for staff of the health service and the public – our sessions focused on four areas of wellness; Inner Well-Being, Legal Wellness, Physical Wellness and Social Engagement and Inner Well-Being and Physical Wellness for staff. Again, this year our sunscreen trailer was used 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 the DDHHS executive to ensure that the equipment and services we fund are safe and appropriate. 2019-2020 saw the Foundation approve funding, for equipment & facility enhancement, of just over \$1 million to ensure the health service has the latest and most up to date facilities.

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.

The Foundation works very closely with the Toowoomba Hospital to provide concessional car parking to ease costs on patients, families and visitors to ensure that they can attend all of their appointments within the Hospital. The Toowoomba Hospital Foundation also offers accommodation, in the Clive Berghofer Accommodation Centre, for patients who live further than 50kms away at the Patient Travel Subsidy Scheme rate with no out of pocket gap.

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. The Foundation continues to grow 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 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 Foundation continues to fund education, training, professional development, scholarships and health and medical research grants.

This year the Toowoomba Hospital Foundation funded 74 education, training, professional development grants and 20 scholarships for DDHHS staff.

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 compliance with statutory obligations 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. Full compliance with statutory obligations

Achieving our Objectives: The Toowoomba Hospital Foundation has worked hard this past year to meet our objectives by using our performance indicators outlined in our Strategic Plan. These performance measures underpin our continued efforts to pursue our vision to connect with our community to financially assist our local hospitals across the Darling Downs.

Over the last few years, we've seen a steady increase in funds available for distribution to our hospitals and in the 2019-2020 financial year we approved a record \$2.5 million in grants, a growth of 18.13 percent over the previous year.

This year, the Foundation has again 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 communicate our outcomes, achievements and events quickly and effectively. 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 growth in our Facebook audience numbers for the 2019-2020 period was 20.6 percent, growing from 4,916 followers to 5,929 followers.

With the goal of maximising our community exposure through online and social media, this year is the first time we have used Google analytics to follow audience numbers and visitors to our website. In the 2019-2020 financial year we had 16,108 unique users visit our website, 15,642 of which were new users. In the new financial year, we will be able to compare audience numbers as new data is captured.

Once again, the Foundation has consolidated several strong relationships with businesses, the community and continued to work with service groups that recognise the importance of the Foundation's fundraising goals.

In the first part of this financial year the Foundation undertook an increased number of events, with several new corporate sponsorships which has boosted our already strong partnerships with the local business community. The second half of the financial year has been one of significant change and development for the Toowoomba Hospital Foundation. The local business community and a great number of THF supporters have been severely impacted by COVID-19. During this time the Foundation was very mindful of this and put a hold on requesting support and donations, instead using the opportunity to focus on updating and increasing our database. This led to a significant growth in contacts going from 2,828 to 5,606 an increase of 98.23 percent.

The Foundation is also continually looking at opportunities to diversify our income streams and in July 2019 proudly opened Wellbean Co at Toowoomba Hospital. In conjunction with Wellbean Co we established a coffee cart, at the rear of the Hospital campus and in January 2020 we opened Wellbean Co on the Baillie Henderson Hospital campus. These businesses in conjunction with running the Clive Berghofer Accommodation Centre, located at the Toowoomba Hospital, gives the Foundation a consistent income stream.

The Toowoomba Hospital Foundation has met the financial requirements of the *Financial Accountability Act 2009*. The Foundation has also developed a Financial Management Practice Manual in accordance with the *Financial Performance Management Standard 2019* 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.

The variance between the 2019-20 budget and the 2019-20 actual result can be attributed to the impact of COVID-19 with event restrictions, loss of operational revenue from car parking, Wellbean Co and accommodation.

In response to a potential loss in revenue and to give our community an opportunity to support our health service from their homes, we launched our Pay It Forward Campaign. This provided the Foundation with income at Wellbean Co. which saw a drop in income during the April-May 2020 period, this period saw our staff reduce hours to assist during this difficult time.

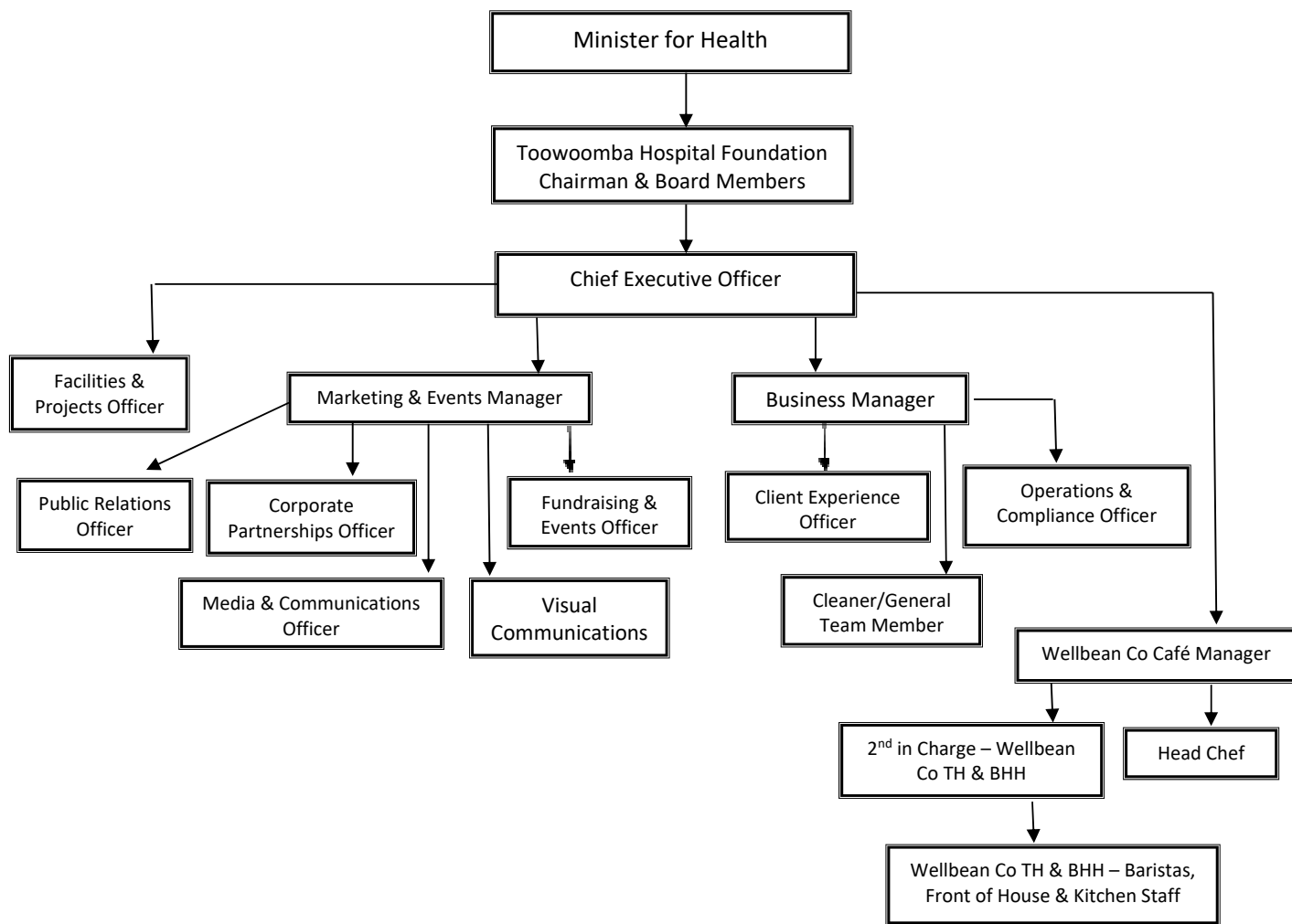
With the cancellation of elective surgery occupancy rates at the Clive Berghofer Accommodation Centre decreased initially however this enabled us to offer the service to maternity patients that were travelling from regional areas. With these cancellations the Foundation saw a 28 percent drop in car parking revenue for the April – May 2020.

Summary of Financial Performance

	2020 \$	2019 \$	Commentary
Operating Income			
Car parking revenue	2,130,252	2,169,751	Car Parking: Car parking revenue was less this financial year due to the reduction in elective services and visitor restrictions to the Hospital due to COVID-19.
Coffee shop and cafeteria income	2,117,918	0	
Other income	756,778	493,483	
Total Operating Income	5,004,948	2,663,234	
Less Car parking expenses	(384,879)	(463,116)	Coffee Shop and Cafeteria: On 1 July 2019 the Foundation commenced operation of Wellbean Co at the Toowoomba Hospital site. From 16 January 2020 Wellbean Co also commenced at the Baillie Henderson Hospital site.
Less Coffee shop and cafeteria expenses	(1,038,678)	(12,395)	
Less Employment expenses	(1,620,518)	(711,999)	
Less Depreciation and impairment expenses	(65,236)	(65,216)	
Less Other operating expenses	(336,426)	(311,550)	
Operating Profit	1,559,211	1,098,958	Employment: The Foundation increased from 9 staff members to 25 at year end with the commencement of operating Wellbean Co.
Functions, special events and other fundraising income	999,467	1,036,361	Fundraising Income: Whilst COVID-19 affected events, the Foundation diversified in its fundraising in the 2020 year.
Bequests and donations	429,528	291,157	
Less Fundraising expenses	(598,848)	(399,816)	
Profit from Fundraising	830,147	927,702	
Total Profit	2,389,358	2,026,660	
Grant distribution	(1,223,001)	(1,135,866)	Impact of COVID-19: The Foundation has been impacted with reductions in revenue due to cancellation of events and less than expected car parking and coffee shop and cafeteria sales. The Foundation accessed the JobKeeper program due to a decline in forecast turnover.
Funding - HREC co-ordinator	(42,933)	(41,886)	
Donations to Toowoomba Hospital	(963,741)	(449,892)	
Net Profit/(Loss)	159,683	399,016	
Grant Distribution Summary			
	2020 \$	2019 \$	Grant Distribution: The Toowoomba Hospital Foundation supported the Darling Downs Hospital and Health Service with a record number of applications this financial year.
Special funding and programs	207,047	413,525	
Education and training	79,363	79,256	
Equipment	832,889	559,164	
Scholarship	54,718	40,995	
Medical research	48,984	42,926	
	1,223,001	1,135,866	

Our Organisational Structure

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



Executive Management

The Chief Executive Officer, 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.

Assisting the Chief Executive Officer is a dedicated team of staff:

Anna-Louise Sauverain - Business Manager
Erin Kehoe-O'Shea - Marketing and Events Manager
Dan Stewart - Corporate Partnerships Officer
Laura Conroy - Media and Communications Officer
Zoe Boyd - Operations and Compliance Officer
Libby Coghlan - Fundraising and Events Officer
Sarah Raftery - Visual Communications Officer
Kisa Levale - Client Experience Officer
David Burrett - Facilities Project Officer
Emma Manteufel - Public Relations Officer
Nicole Dearing - Cleaner/General Team Member.

Wellbean Co is managed by Debbie Matthews, with Kim Talbot managing the Baillie Henderson café and their dedicated teams.

The CEO is responsible for providing a written report as well as a financial report at each of the monthly board meetings.

Our Board

The 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 *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. We support the Queensland Government's gender parity targets and this year saw Dr Uma Kumar and Mrs Julie Stewart join the Toowoomba Hospital Foundation Board.

The Toowoomba Hospital Foundation Board held 11 meetings during the 2019-20 financial year.

Name	Number Eligible to Attend	Number Attended
Raymond Taylor	11	9
Andrew Wielandt	11	10
Mike Horan AM	11	6
Dr Roslyn Reilly	11	10
Horst Brosi	11	9
Lewis Rowling	11	8
Brenda Tait	11	8
Megan O'Hara Sullivan	11	9
Peter Sedl	11	9
Dr Peter Gillies	11	7
Karen Gordon	11	9
Harold Shelton	11	8
Jacqui Armstrong	11	11
Dr Uma Kumar	6	6
Julie Stewart	6	6

Name & type of appointment	Original appointment date and current term	Brief synopsis of Board member
Raymond Taylor Chairperson	June 1991 28/04/2017 to 30/09/2022	Raymond Taylor is a founding member of the Foundation. Currently Ray is the Managing Director of Taylors Removals and Past Chairperson of National Moving Group, Chess Moving Australia. Ray served 17 years as Director of the Qld Road Transport Association including three years as President. He has been a member of Toowoomba Rotary Club since 1980, serving as President in 1992 and 1993. Ray was also Deputy Chair on the Board of Fatima Home for Children and sat on the Local Ambulance Committee. Ray was Chairperson of St Theresa's Parish Council from 2011 to 2017 and continues as Chairperson 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.
Andrew Wielandt Deputy Chair	February 2006 30/09/2018 to 30/09/2020	Andrew Wielandt has served on the Board since 1 February 2006. Andrew is a Director of DP Wealth Advisory, a local wealth management firm. His community engagement includes being Chair of the Toowoomba Empire Theatres Board, past President of the Toowoomba Chamber of Commerce and a member of the Goodwill Committee.

Mike Horan AM	May 2012 Ex-officio	Mike Horan AM has been the Chair of the Darling Downs Hospital and Health Board since its establishment in May 2012 and represents Darling Downs Health on the Foundation Board.
Dr Roslyn Reilly Board Member	November 1996 28/04/2017 to 30/09/2022	Roslyn is a former registered nurse and midwife, retired from the Department of Nursing and Midwifery at University of Southern Queensland (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.
Horst Brosi Board Member	October 1999 28/04/2017 to 30/09/2022	Horst was appointed to the Board in October 1999. Born in Toowoomba, Mr Brosi, was a Partner and Director of his own engineering business, Vettiger, Vidler & Co Pty Ltd. Horst is now retired. He was the Chairperson 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.
Brenda Tait Board Member	October 1999 28/04/2017 to 30/09/2022	Brenda 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 three 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 and remote representative on the National Rural Health Alliance Council for many years.
Megan O'Hara Sullivan Board Member	December 2011 30/09/2018 to 30/09/2020	Megan is in her second term as a Councillor on the Toowoomba Regional Council. She is the Chair of Planning and Development. Her areas of interest lie in diversity, gender equality, sustainable planning, heritage and the environment. Megan is a qualified optometrist and continues to practice part-time. She is married and has five sons.
Jacqui Armstrong Board Member	December 2018 14/12/2018 to 30/09/2020	Jacqui is a successful businesswoman and together with her husband, they own and operate two motor vehicle dealerships. Jacqui has worked in many roles within the business and is currently the Group Financial Controller for the dealerships which employs 80 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.
Peter Sedl Board Member	June 2008 30/09/2018 to 30/09/2020	Peter is a Proprietor and Director of Sedl Agencies, a Toowoomba family business that was started in 1986. He is also a Director of the National Distributors Alliance and a Certified Practising Accountant.
Lewis Rowling Board Member	July 2002 28/04/2017 to 30/09/2022	Mr Rowling has been a lawyer for the past 40 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.

Karen Gordon Board Member	September 2013 30/09/2018 to 30/09/2020	Karen is the Nursing Director, Medical Services at Toowoomba Hospital. She has over 29 years' experience in the Darling Downs Hospital and Health Service in the areas of clinical management and leadership, patient flow, critical care nursing and organ donation.
Dr Peter Gillies Board Member	February 2016 30/09/2018 to 30/09/2020	Dr Peter Gillies was appointed as Heath Service Chief Executive in May 2016 and 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 in both hospital and general practice roles prior to immigrating to New Zealand in 1995.
Dr Uma Kumar Board Member	December 2019 12/12/2019 to 30/09/2022	Dr Uma Kumar served as a Director on the Heartfulness Institute Board of Australia for the last four years. In addition, she is a Director of LUKS Dental. She has been a doctor for 20 years and has practised in Toowoomba since 2007, currently working for People First Health Group. She serves the community by conducting wellbeing sessions at the University of Southern Queensland and through the Toowoomba Regional Council initiative of The Change Project.
Julie Stewart Board Member	December 2019 12/12/2019 to 30/09/2022	Julie is the Director of LJ Hooker Toowoomba and LJ Hooker Commercial, the largest multi-faceted real estate agency in South West Queensland. Her community engagements also include being a founding member of Life Flight and is currently on the Life Flight Regional Advisory Board and leads their major fund-raising committee, The Lifeflight Gala Ball. She is also actively involved in Lifeline activities in the region.

Harold Shelton serves as Secretary of the THF Board on 24/02/2016 - Harold has a Bachelor of Business (Accounting) and has in excess of 25 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.

The Role of the Board

The Toowoomba Hospital Foundation is governed by a voluntary Board drawn from the general, business, medical and university communities.

Membership of the Foundation's Board is provided for in section 30 of the *Hospital Foundations Act 2018*.

The Board 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 and the financial performance and corporate governance of the Foundation is reviewed. A comprehensive financial report is provided each month to the Finance Committee and then the Board prior to meeting, 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, the CEO and the Business Manager meet prior to the monthly board meeting to review the annual budget, compare actual figures to the budget and to ensure financial controls are being undertaken as per the THF Financial Management Practice Manual.

The Board assists staff to determine effective internal controls and oversee contractual matters including the management and operation of the Toowoomba Hospital car park, the Clive Berghofer Accommodation Centre and the Wellbean Co TH and BHH cafes.

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 and Events Manager and the Media and 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 gives 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.

A copy of this Code of Conduct has been provided to THF staff and Board members. 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 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 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 Darling Downs 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.

Human Rights Act 2019

The Toowoomba Hospital Foundation's approach to human rights is underpinned by our vision and values of energy, collaboration and empathy. We pride ourselves on encouraging fundamental human rights across our operations, businesses, activities, and events, by conducting ourselves and our business with due care and respect in accordance with relevant laws and regulations.

We respect the rights, interests, and dignity of the communities we service and will always seek to provide an example of good practice through our own business conduct. This includes:

- Our employment and employee policies covering areas such as discrimination, harassment and workplace health and safety;
- Our consumer, customer, community and supplier responsibilities covering areas such as responsible products and services, and accessibility;
- Where we have concerns that our work will be directly linked to human rights violations by a client, supplier or consumer we are prepared to mitigate the impacts and walk away if our engagements call our integrity and values into question.

As an equal opportunity employer we are committed to ensuring that all people of all ages, genders and cultural backgrounds have equal opportunity for recruitment, promotion, remuneration and responsibilities. We require that all employees undertake Cultural Capabilities training through Darling Downs Health, so employees are appropriately educated on the rights and cultural practices of Indigenous and Torres Strait Islander cultures.

We aim to ensure, alongside Darling Downs Health, that all patients, families and visitors to the Toowoomba Hospital have access to timely, equitable and efficient healthcare they need. To this end we provide:

- Concessional car parking to ease costs on people attending appointments;
- Offer accommodation through the Patient Travel Subsidy Scheme in the Clive Berghofer Accommodation Centre for patients who live further than 50kms away.

All Toowoomba Hospital Foundation policies and procedures are regularly updated to ensure that they are fair and equitable for all staff, visitors and clients.

During the 2019-2020 period the Toowoomba Hospital Foundation received no human rights complaints.

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 and bike rides 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 has 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.

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.

External Scrutiny

The THF is audited annually by QAO.

Information Systems and Record Keeping Compliance

Toowoomba Hospital Foundation has engaged an external company, Evolve Technologies to provide expertise and support in this area. Evolve Technologies ensures that the security of the Foundations information is protected and updated if needed and that all 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.

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, aims and mission. Staff are offered and encouraged further study and education opportunities to individually develop their skills. In December each year THF staff undertake two 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 regular 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. During the COVID-19 pandemic, the Toowoomba Hospital Foundation continued to operate by optimising flexible and remote working arrangements for staff.

To assist with flexible work arrangements, 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 30 June 2020 the THF had 25 Full time equivalent employees and the permanent separation rate was 25 percent.

Early Retirement, Redundancy and Retrenchment

During the period 2019-2020, one employee received a redundancy package at a cost of \$4,730.77.

Data

No expenditure on consultancy, overseas travel and implementation of the Queensland Language Services Policy was incurred during 2019-2020.

Glossary

DDHHS Darling Downs Hospital and Health Service
THF Toowoomba Hospital Foundation

Compliance Checklist

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 3
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1 1 26
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2 1
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 1
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4 2
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5 2
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1 4 - 7
	<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 8
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3 9
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1 10
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2 11 – 12
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3 12 – 14
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4 12 – 14
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1 15
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1 16
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2 17 – 20
	<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 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 22 – 23
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5 23
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.5 22 – 23
Governance – risk management and	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1 24
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2 24

Summary of requirement		Basis for requirement	Annual report reference
accountability	• Internal audit	ARRs – section 14.3	24
	• External scrutiny	ARRs – section 14.4	24
	• Information systems and recordkeeping	ARRs – section 14.5	24
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	25
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	25
Open Data	• Statement advising publication of information	ARRs – section 16	25
	• Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	52
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	53 - 55

Toowoomba Hospital Foundation
ANNUAL FINANCIAL STATEMENTS
30 June 2020

**TOOWOOMBA HOSPITAL FOUNDATION
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2020

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Certification

Management Certificate

**TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2020

OPERATING RESULT	Notes	2020 \$	2019 \$
Income from Continuing Operations			
Bequests and donations	4	429,528	291,157
Functions, special events and other fundraising	5	999,467	1,036,361
Interest revenue		99,409	140,538
Car parking revenue	2	2,130,252	2,169,751
Coffee shop and cafeteria income	3	2,117,918	-
Other revenue	6	657,369	344,161
Total Revenue		6,433,943	3,981,968
Gains on disposal of assets		-	8,784
Total Income from Continuing Operations		6,433,943	3,990,752
Expenses from Continuing Operations			
Employee expenses	7	1,620,518	711,999
Functions, special events and other fundraising		598,848	399,816
Car parking expenses		384,879	463,116
Coffee shop and cafeteria expenses	8	1,038,678	12,395
Depreciation	14(ii)	65,236	65,216
Grants paid	1(h)	1,223,001	1,135,866
Donations to Toowoomba Hospital		963,741	449,892
Funding of HREC co-ordinator		42,933	41,886
Other expenses	9	336,426	311,550
Total Expenses from Continuing Operations		6,274,260	3,591,736
Operating Result from Continuing Operations		159,683	399,016
Operating Result for the Year		159,683	399,016
Total Comprehensive Income		159,683	399,016

The accompanying notes form part of these statements.

**TOOWOOMBA HOSPITAL FOUNDATION
BALANCE SHEET**

AS AT 30 JUNE 2020

	Notes	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	10	1,834,022	5,933,842
Receivables	11	228,960	107,934
Inventory		14,573	-
Other financial assets at amortised cost	12	3,960,000	-
Other current assets	13	247,625	72,960
Total Current Assets		6,285,180	6,114,736
Non-Current Assets			
Property, plant and equipment	14	1,172,164	1,231,494
Total Non-Current Assets		1,172,164	1,231,494
Total Assets		7,457,344	7,346,230
Current Liabilities			
Payables	15	141,292	239,569
Interest-bearing liabilities	16	5,815	8,542
Accrued employee benefits	17	66,709	23,412
Total Current Liabilities		213,816	271,523
Non-Current Liabilities			
Accrued employee benefits	17	17,432	8,294
Total Non-Current Liabilities		17,432	8,294
Total Liabilities		231,248	279,817
Net Assets		7,226,096	7,066,413
Equity			
Accumulated surplus		7,226,096	7,066,413
Total Equity		7,226,096	7,066,413

The accompanying notes form part of these statements.

TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Surplus	Total
	\$	\$
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
	<hr/>	<hr/>
Balance as at 1 July 2019	7,066,413	7,066,413
Operating result from continuing operations	159,683	159,683
	<hr/>	<hr/>
Balance as at 30 June 2020	7,226,096	7,226,096

The accompanying notes form part of these statements.

**TOOWOOMBA HOSPITAL FOUNDATION
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020	2019
		\$	\$
Cash Flows from Operating Activities			
<i>Inflows:</i>			
Receipts from customers		6,026,377	3,790,059
Interest received		124,535	115,046
GST input tax credits from ATO		213,358	96,954
GST collected from customers		257,733	256,755
<i>Outflows:</i>			
Supplies and services		(4,643,107)	(2,645,713)
Employee expenses		(1,597,954)	(721,450)
GST remitted to ATO		(268,374)	(252,527)
GST paid to suppliers		(223,164)	(108,581)
Net Cash Provided by/(used in) Operating Activities		(110,596)	530,543
Cash flows from Investing Activities			
<i>Inflows:</i>			
Sales of property, plant and equipment		-	21,000
<i>Outflows:</i>			
Payments for investments		(3,960,000)	-
Payments for property, plant and equipment		(26,497)	(206,773)
Net Cash Provided by/(used in) Investing Activities		(3,986,497)	(185,773)
Cash Flows from Financing Activities			
<i>Inflows:</i>			
Proceeds from borrowings		(2,727)	1,728
Net Cash Provided by/(used in) Financing Activities		(2,727)	1,728
Net increase/(decrease) in cash held		(4,099,820)	346,498
Cash and cash equivalents at beginning of financial year		5,933,842	5,587,344
Cash and cash equivalents at end of financial year	10	1,834,022	5,933,842

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 2020

1. BASIS OF FINANCIAL STATEMENT PREPARATION

(a) General information about the reporting entity

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) Compliance with prescribed requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

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) 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 2018-19 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.

(f) Events impacting on financial performance

Opening of WellBean Co – Coffee shop and cafeteria income

On 1 July 2019 the foundation commenced operation of WellBean Co at the Toowoomba Hospital site. From 16 January 2020 the foundation also commenced operation of WellBean Co at the Baillie Henderson Hospital site. The opening of these operations has impacted the foundation through additional income, payroll expenses and supplier payments. Concessionary lease arrangements were entered into as disclosed at Note 24.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

Financial Impact of COVID-19

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had on the entity based on known information. At this stage, the impact on the entity has been the reduction in revenue due to cancellation of events, and less than expected car parking and coffee shop and cafeteria sales due to restrictions placed on hospital services and visitors. The foundation accessed the JobKeeper program due to a decline in forecast turnover which reduced the financial impact in the current financial year, as disclosed in Note 6.

The foundation has prepared a forecast for the 2021 financial year which demonstrates that the foundation can continue a level of activity in the event that further restrictions may occur.

(g) 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 15.

(h) 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 to support the operations and staff of Toowoomba Hospital.

(i) 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 14. 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.

(j) New and revised accounting standards

First time mandatory application of Australian Accounting Standards and Interpretations

Three new accounting standards were applied for the first time in 2019-20:

- AASB 15 Revenue from Contracts with Customers
- AASB 1058 Income of Not-for-Profit Entities
- AASB 16 Leases

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a new five-step model for recognising revenue from contracts with customers, which includes car parking, coffee shop and cafeteria income and rental and accommodation income in Note 6. The foundation is now required to identify performance obligations in its contracts with customers and recognise revenue as or when the performance obligations are satisfied. Overall, there was no transitional impact from adopting AASB 15.

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

FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF FINANCIAL STATEMENT PREPARATION (CONTINUED)

First time mandatory application of Australian Accounting Standards and Interpretations continued

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 applies to the foundation's revenue that are not contracts with customers, being all bequests and donations, grants, functions, special events and other fundraising income. Revenue for these grants continues to be recognised upfront on receipt, consistent with prior accounting treatment. Overall, there was no transitional impact from adopting AASB 1058.

AASB 16 Leases

As the foundation has no leases, there was no transitional impact from adopting AASB 16.

Early adoption of Australian Accounting Standards and Interpretations

No Accounting Pronouncements were early adopted in the 2019-20 financial year.

Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2019-20 financial year.

2. CAR PARKING REVENUE

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. COFFEE SHOP AND CAFETERIA REVENUE

Revenue from coffee shop and cafeteria sales is recognised on the completed delivery of the sale to the customer (which occurs at the point of customer payment for goods).

4. 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 2020 year is \$NIL (2019: \$NIL).

5. 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.

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

FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
6. OTHER REVENUE		
Cafeteria lease income	-	135,421
Rental income	46,818	46,728
Accommodation income	124,160	86,020
Vending machine income	20,250	24,353
Government assistance – JobKeeper and cash flow boost	315,999	-
Grant income	131,050	29,650
Other revenue	19,092	21,989
Total	657,369	344,161

Accounting policy

Revenue from other services rendered and sale of goods are recognised as revenue when the performance obligations are satisfied. 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.

7. EMPLOYEE EXPENSES

Employee Benefits

Wages and salaries	1,395,659	616,873
Employer superannuation contributions	164,838	81,365
Annual leave expense	45,879	10,898
Long service leave expense	6,556	347

Employee Related Expenses

WorkCover expenses	7,586	2,516
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Total	1,620,518	711,999
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Number of employees at year end	25	9
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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.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

7. EMPLOYEE EXPENSES (CONTINUED)

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.

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.

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

FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
8. COFFEE SHOP AND CAFETERIA EXPENSES		
Computer expenses	4,127	2,165
Food and beverage expenses	812,499	33
Gas and electricity expenses	18,743	-
Minor equipment purchases	39,746	-
Packaging	24,809	-
Printing	7,406	-
Repairs	5,824	-
Other expenses	125,524	10,197
	<hr/>	<hr/>
Total	1,038,678	12,395
	<hr/>	<hr/>
9. OTHER EXPENSES		
Accommodation expenses	37,488	28,066
Computer expenses	31,842	15,557
Consultancy expenses	-	10,793
Function expenses	18,961	21,981
Insurance	19,140	12,302
Legal expenses	2,173	451
Minor equipment purchases	6,214	2,277
Motor vehicle expenses	9,632	22,016
Office expenses	38,699	27,558
Promotional items	37,471	9,900
Relocation expenses	-	55,684
Other expenses	134,806	104,965
	<hr/>	<hr/>
Total	336,426	311,550
	<hr/>	<hr/>

Disclosure - Auditor remuneration

Total audit fees paid relating to the 2019-20 financial statements are estimated to be \$11,880 (2019: \$10,000). 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 2020

	2020 \$	2019 \$
10. CASH AND CASH EQUIVALENTS		
Cash on hand	12,337	9,038
At call deposits	1,821,685	2,114,804
Fixed term deposits	-	3,810,000
Total	<u>1,834,022</u>	<u>5,933,842</u>

Accounting policy

Cash and cash equivalents include all cash and cheques received at 30 June as well as deposits held at call with financial institutions. Fixed term deposits have maturity dates of up to 3 months (2019: between 3 and 12 months).

11. RECEIVABLES

Trade and other debtors	234,574	111,450
Less: Loss allowance	<u>(5,614)</u>	<u>(3,516)</u>
Total	<u>228,960</u>	<u>107,934</u>

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.

12. OTHER FINANCIAL ASSETS AT AMORTISED COST

Fixed term deposits	3,960,000	-
Total	<u>3,960,000</u>	<u>-</u>

Accounting policy

The foundation classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost comprises fixed term deposits with original maturity dates of between 3 and 12 months. These deposits were classified as cash and cash equivalents in the 2019 year.

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

FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
13. OTHER CURRENT ASSETS		
Prepayments	3,037	2,474
Accrued JobKeeper and Cash Flow Boost	122,000	-
Accrued other revenue	59,759	713
Deposits	18,182	-
Accrued interest	44,647	69,773
Total	247,625	72,960
14. 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	(43,425)	(32,297)
Less: Accumulated impairment losses	(7,716)	(7,716)
Total Buildings	393,992	405,120
<i>Improvements</i>		
At cost	670,055	670,055
Less: Accumulated depreciation	(347,602)	(311,315)
Total Improvements	322,453	358,740
<i>Plant and equipment</i>		
At cost	96,913	99,064
Less: Accumulated depreciation	(46,577)	(36,813)
Total Plant and equipment	50,336	62,251
Total	1,172,164	1,231,494

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

FOR THE YEAR ENDED 30 JUNE 2020

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

(ii) Property plant and equipment reconciliation

	Land	Buildings	Improve- ments	Plant & Equipment	Total
	\$	\$	\$	\$	\$
Carrying amount at 1 July 2019	405,383	405,120	358,740	62,251	1,231,494
Acquisitions	-	-	-	5,906	5,906
Depreciation	-	(11,128)	(36,287)	(17,821)	(65,236)
Carrying amount at 30 June 2020	405,383	393,992	322,453	50,336	1,172,164

(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

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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

(iii) Accounting policy (continued)

Recognition of property, plant and equipment continued

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 property, plant and equipment 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.

Measurement of property, plant and equipment 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 property, plant and equipment

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).

It has been 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.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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

(iii) Accounting policy (continued)

Revaluations of property, plant and equipment continued

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.

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.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

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

(iii) Accounting policy (continued)

Impairment continued

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.

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 2020

	2020 \$	2019 \$
15. PAYABLES		
Trade and other creditors	92,099	174,974
GST liability	-	16,624
PAYG withholding payable	21,851	8,020
Revenue received in advance	-	168
Accrued expenses	27,342	39,783
Total	141,292	239,569

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.

16. INTEREST-BEARING LIABILITIES

Credit card	5,815	8,542
Total	5,815	8,542

17. ACCRUED EMPLOYEE BENEFITS

Current

Annual leave	60,063	14,184
Long service leave	6,646	9,228
Total	66,709	23,412

Non-Current

Long service leave	17,432	8,294
Total	17,432	8,294

Accounting Policy

Refer to Note 7.

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

18. 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.

19. 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 2020

19. FINANCIAL INSTRUMENTS (CONTINUED)

Financial Instruments – Classification and Presentation

	2020	2019
	\$	\$
<i>Financial Assets</i>		
Cash and cash equivalents	1,834,022	5,933,842
Loans and receivables at amortised cost	228,960	107,934
Other financial assets at amortised cost	3,960,000	-
Total	6,022,982	6,041,776
<i>Financial Liabilities</i>		
Interest-bearing liabilities	5,815	8,542
Financial liabilities at amortised cost	141,292	199,618
Total	147,107	208,160

20. 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 2019-20 and 2018-19. 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 2020

20. 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.
 - non-monetary benefits - consisting of provision of a 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 2019 – 30 June 2020

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	157	6	0	20	0	183

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

FOR THE YEAR ENDED 30 JUNE 2020

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

Remuneration expenses (continued)

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	0	17	0	158

Performance payments

No KMP remuneration packages provide for performance or bonus payments.

21. RELATED PARTY TRANSACTIONS

Transactions with people/entities related to KMP

Other than the transactions disclosed in Note 20, there are no transactions with KMP or entities related to KMP in the 2020 or 2019 financial years.

22. 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 project. The grants approved by the Board which remain unpaid at balance date are recorded as Commitments. At balance date of 30 June 2020 the outstanding grants commitment was \$1,508,003 (2019: \$1,418,063).

23. CONTINGENCIES

There were no contingent liabilities of any significance at balance date (2019:\$NIL).

TOOWOOMBA HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

24. CONCESSIONARY LEASE ARRANGEMENTS

The foundation has elected to apply the temporary option available under AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities in relation to any existing concessionary lease arrangements. The foundation has the following existing concessionary lease arrangements, on which it is economically dependent:

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 Café

The foundation has a licence to occupy the Toowoomba Hospital Cafe from the Darling Downs Hospital and Health Service to operate WellBean Co. The current lease is a 3 year term commencing on 1 July 2019 to 30 June 2022, with two 3 year options to renew. The rent payable is \$1.00 (GST-inclusive) per annum (if requested).

Baillie Henderson Hospital Café

The foundation has a licence to occupy the Baillie Henderson Hospital Cafe from the Darling Downs Hospital and Health Service to operate WellBean Co. The current lease is a 3 year term commencing on 16 January 2020 to 31 December 2022, with two 3 year options to renew. The rent payable is \$1.00 (GST-inclusive) per annum (if requested).

25. EVENTS OCCURRING AFTER BALANCE DATE

The foundation's financial statements are expected to be negatively impacted by COVID-19 beyond 30 June 2020, although the actual impacts cannot be reliably estimated at the reporting date

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.39 of the *Financial and Performance Management Standard 2019* 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 2020, and of the financial position of the foundation at the end of that year; and

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* 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 27 day of August 2020

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 entity's financial position as at 30 June 2020, 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 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the balance sheet as at 30 June 2020, 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 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 entity 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 Auditing Standards*.

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

Responsibilities of the entity 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 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards, 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 entity'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 entity 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, 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. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

- 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.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



C G Strickland
as delegate of the Auditor-General

31 August 2020

Queensland Audit Office
Brisbane



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