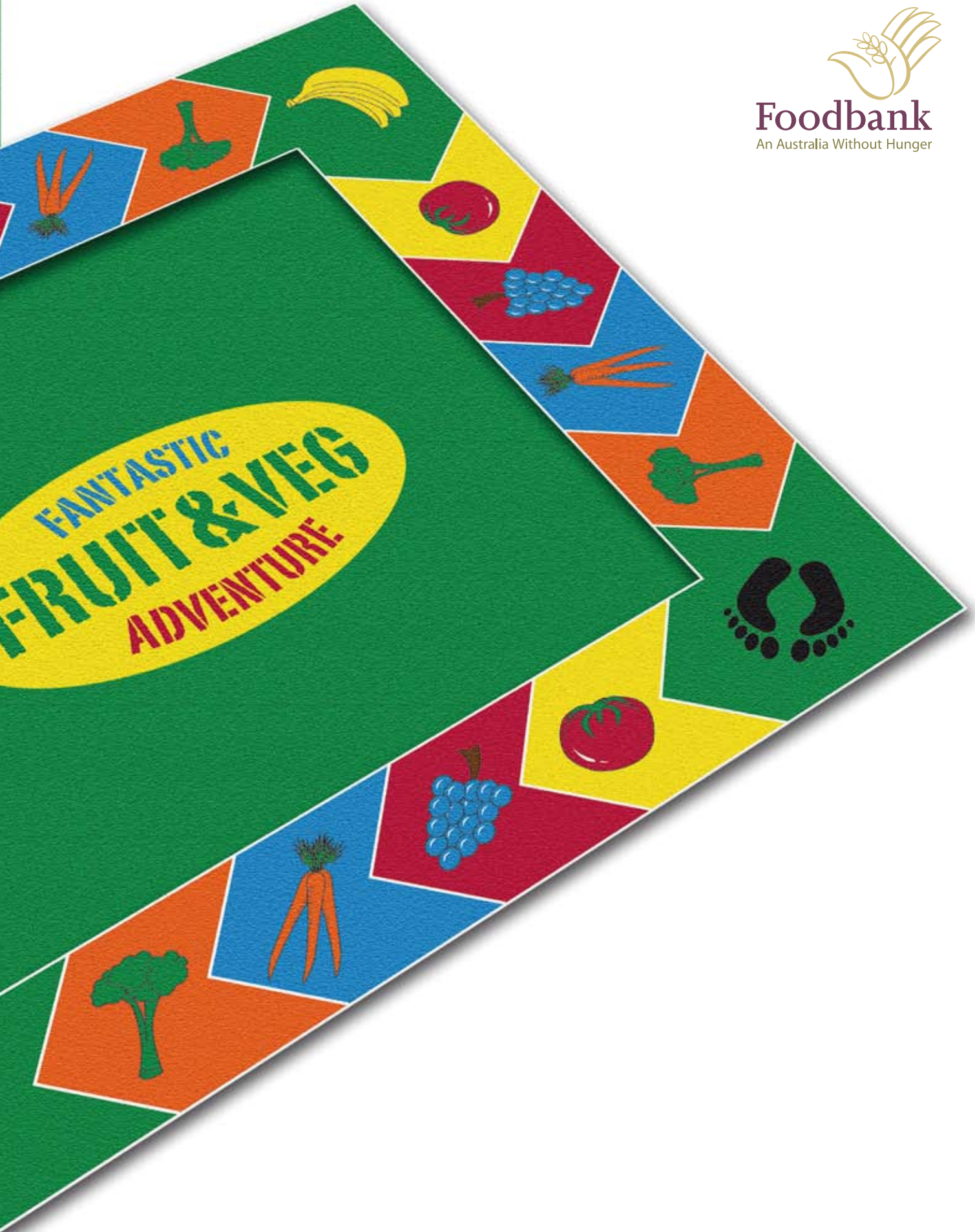




Foodbank
An Australia Without Hunger



FoodbankWA Annual Report **2008**



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"In 1995, the Nutrition Program in the WA Department of Health welcomed the establishment of the Foodbank. The Department of Health recognised that those with the worst health in the community were also those most likely to be benefitting from agencies that accessed the Foodbank.

"It was an opportunity to provide appropriate health promotion and nutrition education programs and a healthy partnership soon began. The programs developed collaboratively supported both children and families, as well as singles in the community."

**Cathy Campbell, former Director Health Promotion, Manager System Reviews,
WA Department of Health**

Foodbank's Mission – An Australia Without Hunger

PATRON: His Excellency Dr Ken Michael AC, Governor of Western Australia

board of directors



Denis Ryan OAM
Chairman
Company Director



Hon Ernie Bridge OAM CitWA JP
President – Unity of First People of Australia
Former Member of WA Parliament



Doug Pascoe
Past District Governor Rotary 9450
Board member of the Insurance
Commission of WA



Fiona Harris
Professional Company Director
National Board Member AICD
Chairman Barrington Consulting Group



Ian Fairnie
Director of Campus and Community Life
Curtin University of Technology



Bill Richardson
Former State Vice President –
Society of St Vincent De Paul



Les Calcraft
Former publisher –
Australia's Mining Monthly Magazine



Cathy Campbell
Manager System Reviews
WA Department of Health



Gemey Visscher
Partner – Freehills Solicitors

Foodbank Today

Foodbank collects over 1.8 million kilos annually of packaged, fresh and frozen food, which it re-distributes around Western Australia through 650 community and welfare agencies and schools.

It provides 36,500 breakfasts a week to 250 schools in the Foodbank School Breakfast Program in metropolitan, regional and remote areas, including remote Indigenous communities.

In participating schools, Foodbank delivers nutrition education, practical budgeting and cooking sessions through the Foodbank Food Sense Program.

The **Fantastic Fruit & Veg** board game, developed by Foodbank staff members, was introduced into SBP schools during the year and has proved a great success.

Committees for 2008

Sponsorship: Denis Ryan (Chair), Bill Richardson, Ian Fairnie, Les Calcraft, Doug Paling, Rodney Udall, Fiona Harris and Christine Silbert.

Operations: Cathy Campbell (Chair), Hamish Dobie, John Rennie, Steve Martin, Des Cain, Ron Vander Wal, Janet Curran, and Vicki Scott.

Finance: Doug Pascoe (Chair), Barry Tibbits, John Dodman, Bill Richardson, Sai Thia and Doug Paling.



chairman's report

oodbank
Australia Without Hunger



Pensioners continue to struggle to survive, farmers have been affected by drought and the dramatic downturn in the global economy is seeing savings eroded and possible job losses. These conditions are likely to remain with us over the next two years.

These circumstances are placing increased demand on the community welfare organisations and in turn challenging Foodbank to respond. The need to provide increasing support is placing increased pressure on our resources and infrastructure.

The existing warehouse facility in Welshpool is rapidly reaching the end of its operational life and our facilities in Albany and Geraldton need urgent upgrading. New facilities are also required in Bunbury and Kalgoorlie.

Considerable work has been undertaken in assessing the need both operationally and financially. The Board is looking at the bigger issue of creating long term infrastructure to guarantee the future of Foodbank in Western Australia.

The aim is to create a Perth warehouse facility that has an operational life of 12 – 15 years and the capacity to be easily and cost effectively expanded to provide a working life of 25 years. The Regional facilities are proposed to be purpose - built and designed for a 20 – 25 year working life.

The importance of our Regional Centres continues to grow. Through them we access the State food bowls and support regional communities.

The Board understands the magnitude of the task we are now undertaking. We also understand if we do not take on, and succeed in implementing this strategy, then the long term

It is my pleasure to present the 14th Annual Report on behalf of the Board, staff and volunteers of Foodbank WA.

Last year I spoke of the booming economy and the positive impact on our community and warned of the possibility of rapid change. We are now seeing that occur.

For many in our community, we have seen a dramatic decline in their economic circumstances. We know that at least 25% of families in Western Australia live below the Henderson Poverty Line, which is measured as an income of \$710 per week for a family of four.

chairman's report

future of Foodbank is at risk and places at risk the ability to adequately support the community welfare organisations into the future.

The social and economic impact of Foodbank is significant and for the first time we are able to more accurately gauge this contribution, thanks to a study undertaken voluntarily by The John Curtin Institute of Public Policy. It measured the value of Foodbank in Western Australia in 2006/07 at over \$22 million.

Social outcomes include the environmental saving of food being, dumped, volunteer participation, efficiency in food distribution and behavioural improvements in schools and the community achieved through food security.

The School Breakfast Program is committed to expanding from the existing 250 schools to 400 schools across metropolitan, regional and remote areas. This is just one aspect of how Foodbank works to achieve positive outcomes.

The continuing challenge is the supply of food, particularly shelf stable food items such as baked beans, tinned fish, pasta, tinned fruit, cereal and UHT milk. We are also seeking to increase the supply of fresh produce.

Foodbank has established itself as the primary food provider to the community welfare sector and people in need in our state. It is the only organisation currently with the capacity, reach and ability to grow and meet future demand across the welfare sector.

We are aware of the needs of our clients, the community welfare organisations, and we are always seeking solutions for the gaps in the food supply.

Foodbank has the programs and structures in place to ensure its sustainability with appropriate support from Government, business and the welfare sectors.

We look to our partners to assist as we grow and develop to meet the need. It is with a sense of great pride that we look at the strong relationships we have developed.

One of those key relationships is with Lotterywest. They continue to strongly assist us in our work. Their contribution grows each year and Lotterywest is committed to assisting us into the future.

Foodbank recognises and thanks the food industry for their ongoing contribution. We reaffirm our commitment to protect brand integrity, recognise support and meet food industry standards of operation.

Thank you to CEO Doug Paling and his staff and volunteers for their continued dedication to Foodbank. Without their contributions, we simply would not exist.

Our Regional staff and volunteers amaze us. They help to make the Foodbank family what it is today. Thank you for your continued support.

Thank you to the members of the Board and the Finance, Operations and Sponsorship Committees. The demands and responsibilities have increased over the last 12 months and your efforts have enabled us to emerge stronger than ever.

Thanks to everyone who has contributed, supported or encouraged Foodbank in 2007/08.

Denis Ryan OAM
Chairman





In the 14 years since Foodbank was established as a bridge of support between the food industry and community agencies tending to those in need, the organisation has evolved to provide not only food items for daily sustenance, but it is responding to the needs of the community.

Foodbank's interventions restore hope and provide better health and welfare outcomes whilst fostering a more conducive environment for education. They are starting to make a difference through better nutrition for the disadvantaged, the most vulnerable in our community.

The School Breakfast Program, which commenced with 17 schools in 2001 and is now operating in 250 schools across Western Australia, including regional and remote areas such as the Pilbara, Kimberley and Western Desert zones.

This has opened the door to providing nutrition and physical education programs, basic cooking skills and this year the development of the School Community Garden Project.

The Foodbank is now listed by the Health Department of WA on the panel of preferred Suppliers of Health Services.

Food Distribution

1,830,000 kilos of food were withdrawn and distributed by community agencies to those in need right across WA during the financial year ending 2008.

Since start up in 1994 Foodbank WA has rescued over 17 million kilograms of food, environmentally this has saved 170,000 cubic metres of what would have been landfill. The food industry also derives benefits in saving the transport and dumping costs.

The Foodbank was established and equipped to handle donations of any size or quantity. This was amply demonstrated when one of our regional centres received our largest donation ever, 180,000 kilograms of frozen vegetables.

This year we have succeeded in increasing the amount of fresh fruit and vegetables being delivered into remote zones. We would sincerely thank the transport industry for their long term support and in particular, NATS, Nexus, Chep and GE Returnable Systems (Loscam). They make this possible.

Regional Foodbanks

The regional network of Foodbanks has created a unique communication and logistical conduit, which has resulted in hundreds of thousands of kilos of fresh produce being moved from region to region across the State. Each of the Foodbanks cover their entire region.

ceo report

Our Managers give selflessly to ensure the outreach to the needy and we thank them and their teams of volunteers for their wonderful efforts.

School Breakfast Program

Foodbank is now providing 36,500 breakfasts every week with Nutritional Education and Physical Activity Programs in place.

Principals, school nurses and chaplains, who had identified that illness and learning difficulties being experienced by some of their children were related to lack of food, are now reporting some encouraging improvements in the 2007 Foodbank School Breakfast Program Survey of participating schools, see page 13.

Anecdotal evidence shows that 25% of break and enter crimes are committed to steal food or money for food; these crimes have decreased where Foodbank has set up its programs.

Leza Duplock, Manager of the School Breakfast Program and Nutritional Physical Activity education, with her team continue to increase the scope and reach of their programs. These are empowering thousands of children and an increasing number of adults.

Corporate sponsorship, essential in provisioning nutritionally vital foods in sustainable quantities, is a constant requirement as the number of schools grows.

The Australian Children's Trust and Woodside Energy have been significant supporters of the SBP for a number of years and continue to be so, along with recent sponsor The Telethon Trust. This powerful coalition has made a difference to thousands of children's lives.

The State Government is a major supporter through the Health Department of WA, enabling Foodbank to secure project officers to run it.

The Office of Aboriginal Health has come on board to offer critical support in reaching the remote communities. We thank their Director Mr Ken Wyatt and Mr Arthur Cook.

Staff and Volunteers

Any organisation is only as good as it's people, and our staff and volunteers constantly step up to new levels and new challenges to meet the growing needs of 650 community / welfare organisations and 250 schools. They ensure that Foodbank continues to deliver decisive outcomes for the community.

Our crew of people with disabilities, permanent paid part timers who commit their very best efforts, are highly valuable. We also provide training opportunities for young people with special needs.

The small core of paid staff is supported by over 100 volunteers and we are extremely grateful to each and every one of them. Some have been with us from the start, serving Foodbank WA for well over 10 years.

We particularly acknowledge Elaine Howard, Geoff Banks, Ron Fleay, Geoff Williams, Samantha Foote, Ivy Shimmin, Shirley Walker, Terry McBrydie, Esther Friend and Bernadette Footman.

We would also like to thank Operations Manager Hamish Dobie and Executive Assistant and Administration Manager Denise Shade for their exceptional ability to cope with literally anything that arises.

Our Chairman Mr Denis Ryan OAM and the Board of Directors continue to provide the direction and leadership to ensure that Foodbank not only follows its path of corporate discipline with a compassionate heart, but will be sustainable into the future.



statement of financial position

as at 30 June 2008

	Notes	2008 \$	2007 \$
GENERAL FUNDS		1,735,245	1,885,714
		1,735,245	1,885,714
Represented by:			
Current Assets			
Debtors		74,574	46,583
Prepayments		3,808	2,826
Cash Float	2	2,650	2,900
Cash at Bank	2	703,383	409,970
GST Paid		1,663	5,988
Prepaid Borrowing Costs		0	205
TOTAL CURRENT ASSETS		786,078	468,472
Current Liabilities			
Sundry Creditors and Accrued Expenses		96,822	31,853
Provision for Annual & Sick Leave		56,080	43,234
Hire Purchase Liability		5,988	15,166
Income Received In Advance		594,814	200,000
TOTAL CURRENT LIABILITIES		753,704	290,253
Net Current Assets		32,374	178,219
Non-Current Assets			
Property, Plant and Equipment	3	1,748,875	1,738,513
TOTAL NON-CURRENT ASSETS		1,748,875	1,738,513
Non-Current Liabilities			
Hire Purchase Liability		17,709	0
Provision For Long Service Leave		28,295	31,018
TOTAL NON-CURRENT LIABILITIES		46,004	31,018
NET ASSETS		1,735,245	1,885,714

The accompanying notes form part of this Balance Sheet

statement of financial performance

for the year ended 30 June 2008

	Notes	2008 \$	2007 \$
INCOME			
Interest Received		15,889	14,903
Sponsorship & Donations		683,322	600,321
Fundraising - Specific Purpose		-	-
Service Fees		920,135	806,149
Profit / Loss on Sale of Assets		(5,583)	0
Grants - Special Purpose		88,542	115,782
Wage Subsidies		30,639	43,616
Sundry Income		9,012	0
TOTAL INCOME		1,741,956	1,580,771
EXPENDITURE			
Accounting/Audit Fees		10,657	19,271
Bad Debts		226	3,946
Depreciation and amortisation		106,517	115,015
Discounts		-	1,834
Donations		-	249
Electricity and communications		86,822	76,914
Finance and Hire Purchase Charges		1,198	1,383
Freight, cartage, packing		142,720	183,596
Insurance		34,582	48,099
Legal Fees		-	895
Levies - FBA		52,020	55,883
Motor Vehicle Expenses		74,371	60,402
Other		34,569	9,814
Printing, Postage and Office Maintenance		16,342	45,971
Promotional activity		8,026	8,822
Public Relations		18,399	17,971
Purchases		179,747	108,711
Rent		92,757	96,718
Repairs & Maintenance		13,388	11,836
Rubbish Disposal		12,770	9,150
Security/Monitoring		6,237	4,851
Specific Projects		210,567	63,035
Staff Training & Welfare		4,757	6,296
Superannuation		58,343	53,014
Travel and Accommodation		7,863	3,204
Wages & Entitlements		719,546	573,223
TOTAL EXPENDITURE		1,892,424	1,580,103
Operating Surplus/(Deficiency)		(150,468)	668
General Funds at the Beginning		1,885,714	1,885,046
GENERAL FUNDS AT END OF PERIOD		1,735,246	1,885,714

The accompanying notes form part of this Balance Sheet

statement of cash flow

for the year ended 30 June 2008

	Notes	2008 \$	2007 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Other Income Received		55,540	58,519
Service Fees		892,144	909,005
Donations and Sponsorship		683,322	364,597
Grants		88,542	115,782
Income Rec'd In Advance		382,314	200,000
Sale Of Fixed Assets		11,000	0
Total Cash Inflows		2,112,862	1,647,903
Payments to Suppliers and Employees		1,670,195	1,430,357
Net Cash Inflow from Operating Activities		442,667	217,546
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES			
Purchases of Property, Plant and Equipment		132,462	157,624
Increase / (Decrease) to Cash Floats		(250)	100
Repayments for Hire Purchase Agreements		17,297	7,352
Total Cash Outflow		149,509	165,076
Net Increase/(Decrease) in Cash Held	4	293,158	52,470
Opening Cash 1 July 2007	1	412,870	360,400
Closing Cash 30 June 2008	1	706,028	412,870
		293,158	52,470

The accompanying notes form an integral part of this balance sheet

notes to the financial statements

for the year ended 30 June 2008

1. Statement of significant accounting policies

(a) Historical cost convention

The financial statements have been prepared under the historical cost convention and do not reflect changes in either general money values or current values of non-current assets.

(b) Depreciation

All fixed assets except leasehold improvements & land are depreciated on the diminishing value basis (or prime cost where indicated) over their estimated useful lives as follows:

Buildings (Prime Cost)	2.50%
Plant & Equipment	20.00%
Motor Vehicles	22.50%

(c) Income Tax

Foodbank of Western Australia Incorporated is a non-profit association and is not liable for income tax.

(d) Provision for employee entitlements

Provision has been made in the financial statements for benefits accruing to employees in relation to such matters as annual leave, long service leave and workers compensation. All on-costs, including payroll tax, workers' compensation premiums and fringe benefits tax are included in the determination of provisions.

2. Notes to the statement of cash flows

(a) Reconciliation of cash

Cash Float	2,650	2,900
Cash at bank - Cheque Acct	32,002	9,071
Cash at bank - Donations Acct	37	12,524
Cash at Bank - Fund Raising	5,000	219,506
Cash at Bank - Fund Raising	3,681	3,296
Cash Management Account	356,994	-
Cash on Term Deposit	305,664	165,573
	706,028	412,870

3. Property, plant and equipment

Property, plant and equipment are at cost and comprise the following

Buildings, at cost	1,351,309	1,341,309
Less: Accumulated Amortisation	45,439	37,177

1,305,870 **1,304,132**

Plant, equipment & fixtures, at cost	584,786	484,647
Less: Accumulated Depreciation	365,465	309,710

219,321 **174,937**

Motor vehicles, at cost	552,023	552,035
Less: accumulated depreciation	336,720	301,303

215,303 **250,732**

Leasehold Improvements, at cost	12,388	12,388
Less: Accumulated Amortisation	4,007	3,676
	8,381	8,712

Total property, plant and equipment **1,748,875** **1,738,513**

notes to the financial statements

for the year ended 30 June 2008

	Notes	2008 \$	2007 \$
4. Reconciliation of net cash inflow from operating activities to operating profit/(loss)			
Increase/(Decrease) in cash holdings		293,158	52,470
(Loss) / Profit on Sale of Assets		(5,583)	-
(Increase)/Decrease in depreciation and amortisation		(106,517)	(115,015)
Change to operating assets and liabilities			
Increase/(decrease) in debtors		27,991	(114,373)
(Increase)/decrease in creditors and accrued expenses		(43,495)	3,292
(Increase)/decrease in employee provisions		(29,188)	(15,021)
Increase/(decrease) in plant & equipment		112,462	157,624
Increase/(decrease) in other assets		9,234	(10,002)
(Increase)/decrease in other liabilities		(397,873)	35,724
(Increase)/decrease in loans		-	-
(Increase)/decrease in hire purchase liabilities		(10,657)	5,969
Operating surplus/(deficiency)		(150,468)	668

Directors' Statement

In the opinion of the Directors of Foodbank of Western Australia Incorporated:

The statement of income and expenditure is drawn up so as to give a true and fair view of the result of the operations of Foodbank of Western Australia Incorporated for the year ended 30th June 2008.

The balance sheet is drawn up so as to give a true and fair view of the state of affairs of Foodbank of Western Australia Incorporated as at 30th June 2008.

The statement of cash flow is drawn up so as to give a true and fair view of the cash flows of Foodbank of Western Australia Incorporated for the year ended 30th June 2008.

As at the date of this statement, there are reasonable grounds to believe that Foodbank of Western Australia Incorporated will be able to pay its debts as and when they fall due.



Director
10th October 2008



PRINCIPAL
Pina Caffarelli CA

c a f f a r e l l i

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FOODBANK OF WESTERN AUSTRALIA

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Foodbank of Western Australia (the association) which comprises the balance sheet as at 30 June 2008, profit and loss statement, a summary of significant accounting policies and other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporations Act WA 1987 and are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act WA. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In my opinion, the financial report of Foodbank of Western Australia presents fairly, in all material respects the financial position of Foodbank of Western Australia as of 30 June 2008 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Name of Firm:

Caffarelli & Associates
Chartered Accountants

Name of Principal:


Pina Caffarelli

Address:

Level 2, 19 Pier Street, Perth WA 6000

Dated this 15th day of September 2008

CAFFARELLI & ASSOCIATES

2nd Floor 19 Pier Street Perth Western Australia 6000 GPO Box M925 Perth WA 6843

Telephone: (08) 9421 1911 Facsimile: (08) 9421 1919 Email: info@caffarelli.com.au ABN: 13 263 285 269



Regional Foodbank Centres

Foodbank Albany

Managers, Ross & Jean Jones

Foodbank Southwest

Manager, Rob Prestage

Foodbank Geraldton

Manager, Pat Hodges

Foodbank Peel

Manager, Ken Whitehouse

All warehouses have full facilities including cool rooms and freezers. Food is collected and moved between centres by volunteer drivers and staff.

Foodbank has a fleet of eight (8) dry goods, chiller and freezer trucks and uses outside transport, as required.

Regional Recognition & Awards

Foodbank SW – City of Bunbury Willcox Brown Trophy for Service to the community

Foodbank Albany – Certificates of Recognition for Work for the Dole, Great Southern Football Academy and for Manager Ross Jones from Peter Watson MLA

Foodbank Geraldton – Ministry of Justice Award for Repay WA Program (2008)

“Many of our students are academically at risk because they have no access to food on a daily basis. Our expectation is that every child will learn and has the right to learn provided they have access to food and nutrition.”

Carol Geurts, Principal - St Joseph's School, Kununurra

Effects of School Breakfast Program	Indicated Improvement	Substantial improvement
Health of students	78.3%	13.3%
Class attendance	81.7%	19.2%
Punctuality to class	77.5%	21.7%
Engagement with class activities	90%	27.2%
Academic outcomes	75%	12.5%
Social skills	86.7%	32.1%
Behaviour of students	90.3%	25.4%
Student concentration levels	93.4%	29.2%
Level of parent participation in school activities	82.5%	30.8%

Foodbank Australia

It is a constant challenge to secure a sustained supply of nutritionally valuable food such as:

- Rice
- Canned tuna
- UHT milk
- Canned meals
- Canned fruit
- Cereals

Foodbank Australia continues to build and strengthen collaborations for the future. Under its canopy it has provided equitable supplies of food to each State Foodbank.

We thank Foodbank Victoria and Foodbank New South Wales for transferring food donations over the past few years.

" ... continuing a breakfast program and venturing into the lunch program will provide an essential element ... that will positively contribute to the health and education of our students."

David Faulkner, Principal - Halls Creek District High School





Foodbank
An Australia Without Hunger

www.foodbankwa.org.au

FOODBANK CENTRAL

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