



Indigenous Futures Foundation

Business Plan – *'Love ya'*

January 2023

We acknowledge Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to elders past, present and future.

Our aim is to build a future where all Australians – Indigenous and non-Indigenous – are united by our shared past, present, future and humanity.

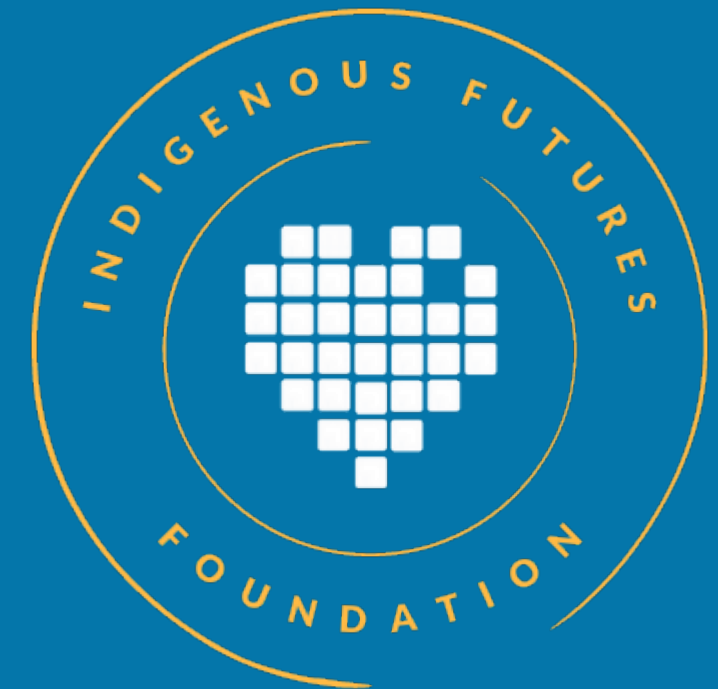


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A misty forest scene with tall, thin trees and a grassy foreground. The trees are mostly light-colored, possibly birches, with some darker trunks on the right. The ground is covered in green grass and small plants. The overall atmosphere is soft and ethereal due to the mist.

Background

Background

The Indigenous Futures Foundation is a not-for-profit Indigenous charity located in Southeast Queensland, founded on the belief that food and education have the power to facilitate social inclusion, education, economic participation and well-being for diverse and often marginalised people and communities.

The Indigenous Futures Foundation was started in 2017 by Suleyma and Levi-Joel Tamou with support from their families and community, in response to the lack of access to healthy food in remote Indigenous communities. There is a significant lack of access to healthy food in remote areas with 67 per cent of Indigenous people going without food at some point in 2020. To address this issue, the Indigenous Futures Foundation partnered with FareShare Brisbane, the largest charity kitchen in the Southern Hemisphere, to deliver **delicious, healthy, frozen FareShare meals to remote and regional Indigenous communities** throughout QLD and NSW.

Over the last five years, the Indigenous Futures Foundation has distributed food to **15-20 organisations a week** including organisations such as the Kalwun Indigenous Medical Clinics, Minjungbal Aboriginal Cultural Centre and Fred's Place. Last year alone, **over 100,000 meals were distributed** to those in need. This is done with the help of local councils, community organisations and Indigenous medical centres, as well as volunteers.

Barriers and challenges to the Indigenous Futures Foundations operations

In recent times, the Indigenous Futures Foundation has been impacted by factors outside its control:

- **Rising inflation pressures** and the **rising costs of food** nationally is placing pressure on every part of the Indigenous Futures Foundation and FareShare supply chain. FareShare suppliers (other food providers) are feeling financial implications of rising costs and are unable to provide as much food or as high-quality food to FareShare. Rising costs of food mean that they too are unable to source as much or as high-quality food for their programs. Rising costs mean that the food crisis could only be increasing, placing greater need on services like those that the Indigenous Futures Foundations offer.
- **Covid-19** and **flood events** have meant that access to and engagement with communities in need has been affected. The Indigenous Futures Foundation has not been able to visit as many communities or hold as many corporate cookouts or cultural learning sessions as would have been desirable.

The Indigenous Futures Foundation current revenue streams

Historically, the Indigenous Futures Foundation has relied on small and sporadic government grants and private donations in order to operate. The Indigenous Futures Foundations is seeking to move away from reliance on a short term funding model and find new sources of consistent revenue that they have some control over, that will allow them to have a long-term business model. They recently have expanded their income streams to include ad hoc revenue from:

- Delivery of nationally certified training (in a third-party arrangement), capacity building and employment programs to Indigenous Australians;
- Cultural training program; and
- Corporate cook outs.



The Indigenous Futures Foundation - Journey to Date



2017

The Indigenous Futures Foundation was started by **Levi-Joel and Suleyma Tamou** in the **back of their car** with food rescued from Coles supermarkets.

The word spread and **other people started to help**. This led to an increase in the amount of food delivered. The team began to pool together money to **hire a refrigerated truck** each week.

Operations were then moved into a **commercial kitchen** owned by Gold Coast City Council. This provided two **cold rooms, a walk in freezer and dry goods storage**. At this time the operations relied on donations.

2020

A **shipping container converted to a big freezer** was donated and placed at council premises, At capacity, **10,000 meals** were able to be stored. This coincided with the start of COVID-19.

A **\$50,000 grant** was received to purchase a **refrigerated truck and delivery van**. The van and truck allowed for a total **3,100 meals** to make their way to communities each trip.

A partnership was formed between the Indigenous Futures Foundation and **Fareshare**, the Southern Hemisphere's largest charity kitchen. The Indigenous Futures Foundation moved their **operations into Fareshare's kitchen**.

The Indigenous Futures Foundations started to explore potential revenue streams. They started doing **corporate team building, cultural sessions** and **training** with the help of Fareshare and other partners.

Introduction of Love ya



Now

Love ya Corporate Catering App

The development of the Love ya corporate catering application will create the independent and sustainable source of revenue that Indigenous Futures requires to deliver on its ambition to significantly impact the food crisis that impacts Indigenous communities across Australia.

What is Love ya?

Love Ya. is an Uber Eats-style platform, linking traditional caterers, cafes and restaurants with organisations that require high quality, corporate catering services and have Indigenous procurement targets (e.g. Supply Nation members). It is a new purpose-built web-based application that leverages changes and trends in corporate Australia to provide an all-in-one solution for catering and social impact requirements.

Why Love ya?

The Love ya unique value proposition is simple. It simplifies creates efficiencies and enhanced outcomes in three growing areas for an organisations through an all-in-one solution. It :

- corporate catering needs
- Indigenous procurement targets
- ESG targets

Love ya integrates the rapidly growing requirements of environmental, social and governance (ESG) reporting with their burgeoning utilisation of corporate catering services as employees return to the workplace.

The automated and streamlined approach of Love ya creates efficiencies for user organisations through the simplification of reporting requirements. Love ya also highlights Indigenous caterers through the ordering function and will create a pathway for organisations to easily increase their spend on Indigenous organisations and reach their Indigenous procurement targets.

How does it work?

Love ya will initially launch in Brisbane before expanding to major cities nationally and deliver its service through a web-based phone application and online platform. Through Love ya corporate clients are able to choose the type of food they want, how much they need and when they need it delivered for meetings, events and staff lunches.

Users will access the application through the phone or web-based device and have access to hundreds of caterers across their city. After selecting the caterer and quantity of food required users will progress through a secure online payment system and given an estimated time of arrival along with the ability to track the food delivery through live GPS interface.

Indigenous caterers will be identified throughout the ordering phase of the platform through a filtering capability, icons and other identifying criteria to increase their utilisation by clients.

For every meal purchased, Love ya will donate and distribute a free, healthy meal to Indigenous families facing food insecurities through partnership with Fareshare and Hello Fresh.

After each purchase users will be sent an invoice via an automated email that have include:

- An invoice for the transaction
- The number of meals donated to Indigenous families facing food securities from that purchase
- The amount allocated to the user’s organisational procurement target based off the commission Love ya received as the intermediary for that purchase
- The new total amount of the user’s organisational procurement target that had been achieved through Love ya in the financial year to date.



An aerial photograph of a desert landscape. The ground is a mix of reddish-brown soil and numerous small, rounded green shrubs. A dirt road or path runs vertically through the center of the image. The text 'Executive Summary' is overlaid in white on the left side of the image.

Executive Summary

Market Analysis

A review of the corporate catering sector shows that Love ya has a significant opportunity to enter the market.

The Market

Corporate catering in Australia is a \$4.2 billion market. A survey of corporate caterers by Australia’s largest corporate catering platform revealed that caterers on its platform reported a 63% revenue decrease at the peak of Covid-19 in April 2020. The industry has responded strongly and now has a forecasted annual growth of 12.2% for 2022.

Demand for corporate catering is forecast to return to growth over the next five years, supporting revenue growth. Positive business confidence and rising government consumption expenditure are projected to be key drivers of this trend.

There are significant financial and other barriers to entry to the food sector have traditionally been difficult for Indigenous organisations. Capital requirements, quality assurance and the highly congested nature of the market have been significant factors to Indigenous organisations not participating in the food sector as much as other industries. The accommodation and food industry accounts for just 3% of all Indigenous businesses.

Indigenous organisations that have navigated entry into the sector have had success. Supply Nation estimates that the Indigenous business share of the food sector is approximately 1%, equating to \$42 million. Evidence suggests that number is expected to grow significantly over the next few years. The food and hospitality industry saw the total number of contracts and contractual value awarded to Indigenous businesses grow over the previous 12 months as outlined in the table below.

Food and Hospitality Industry Growth for Indigenous Businesses		
	Contracts Awarded	Contractual Value
FY 19-20	175	\$2,539,207
FY 20-21	4,073	\$15,291,839
Percentage Increase	+2,227%	+502%



Annual Growth Rate

The Corporate Catering industry in Australia has a forecasted growth rate of 12.2%

Establishment Considerations

The Indigenous Futures Foundation has identified and acknowledged several operating considerations for the establishment of Love ya.

Business structure

A new operating entity will be established for the Love ya business operations, as well as an Advisory board to help Love ya directors with establishment and growth.

Governance, policies and procedures

Key policies and procedures will be developed to ensure Love ya is operating effectively and efficiently.

Infrastructure and Technology

Love ya management are working closely with app developers to develop an appropriate app design to enable Love ya's future success.

Love ya will utilise established customer relationship management software to onboard suppliers and customers.



Resourcing

Love ya has identified key staff to be employed over a five-year timeframe for operational success.

Service Delivery Model

Love ya has developed a staged approach to expanding its operations nationally, as well as considered the cost of using external drivers to partner with caterers.

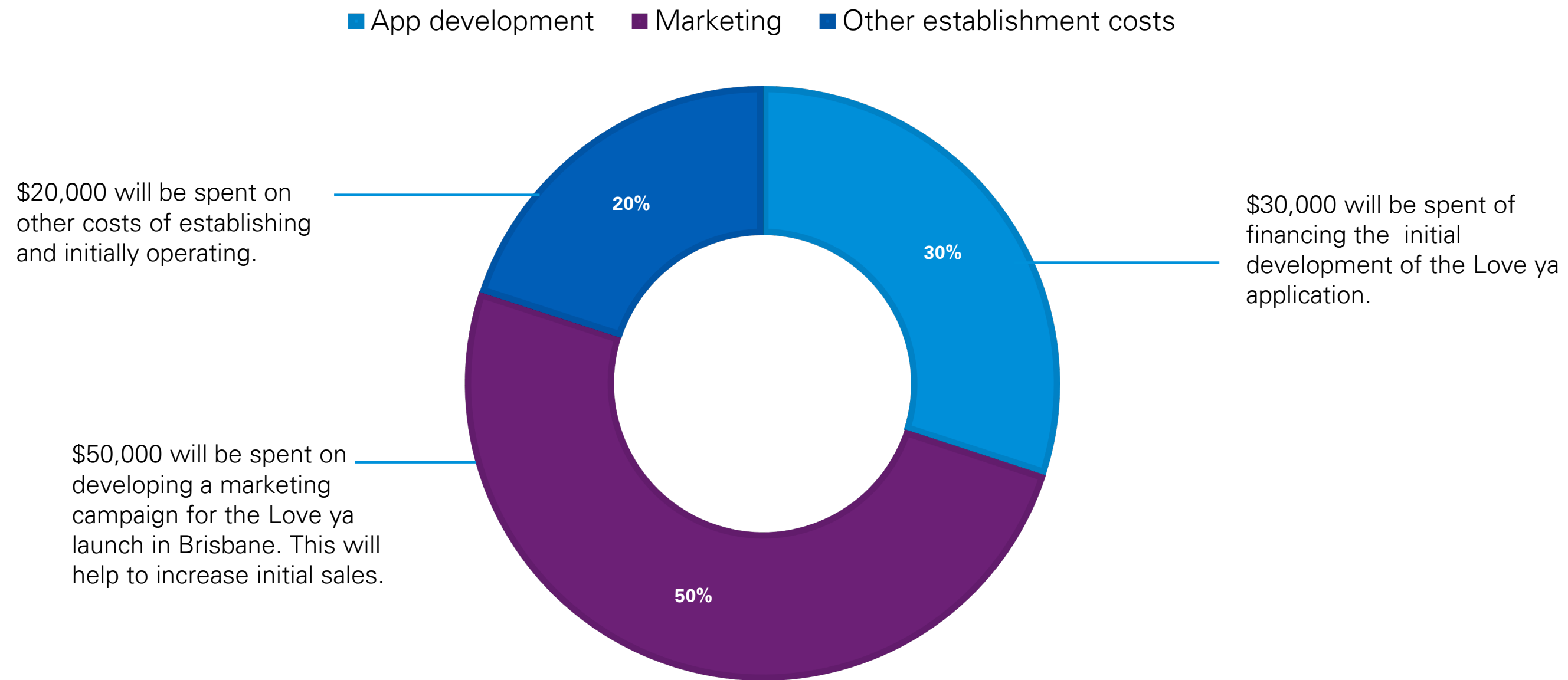
Five-year operating plan

Love ya has developed a five-year implementation plan for Love ya to become operational at a national scale.

External Investment Impact

Love ya could apply for an \$100,000 business loan to fund its establishment. This funding will support a range of areas in the business to facilitate the start-up and help alleviate short-term cash flow pressures.

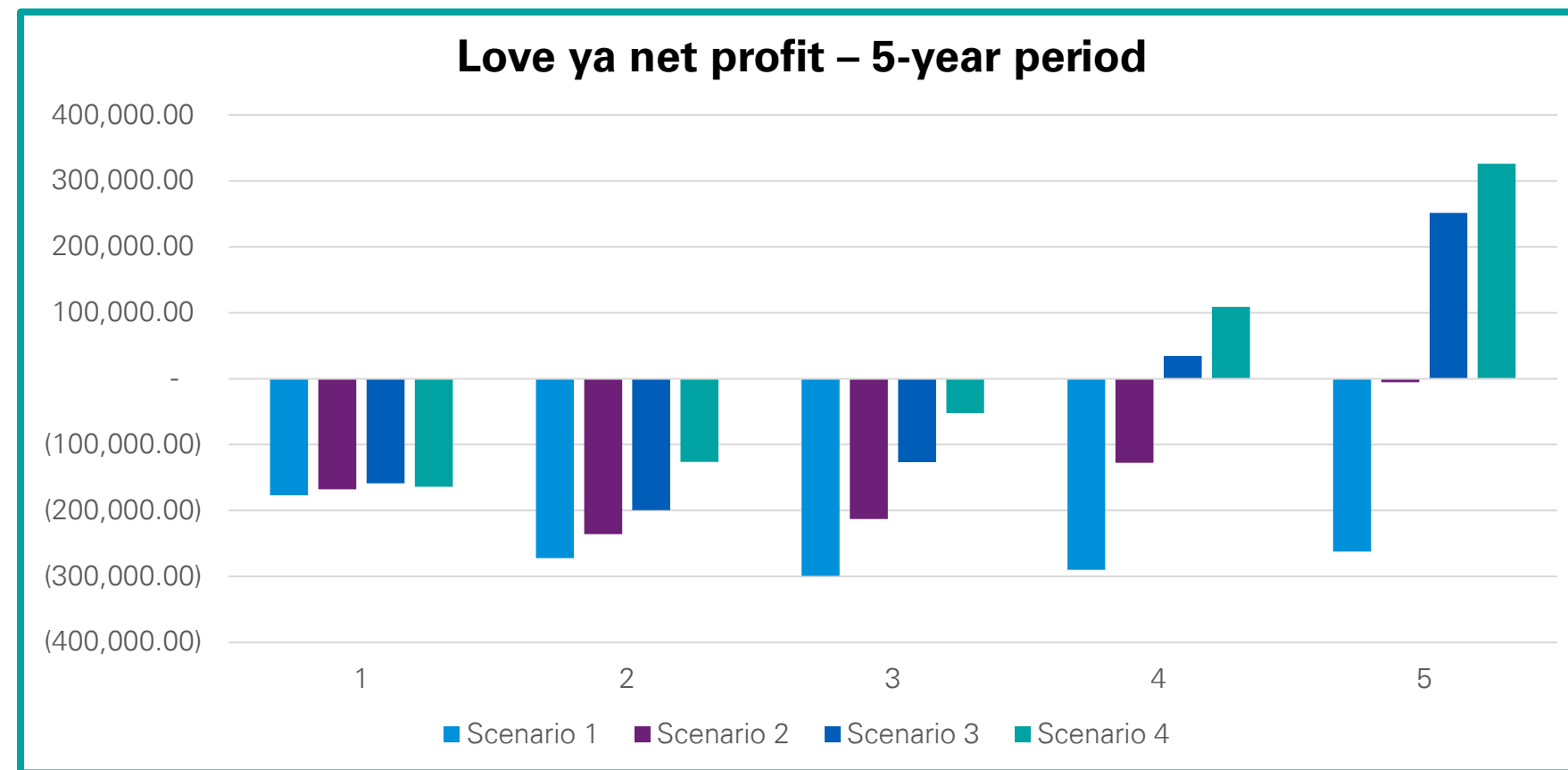
IBA FUNDING EXPENDITURE



For the purposes of the analysis in this report and the underlying financial model, the Indigenous Business Australia 'Start-up Finance Package' has been utilised. This finance package includes up to 30% of the investment as a grant and the remaining part (approx. 70%) as a maximum 7 year loan. The grant component of the package must be used for capital expenditure items such as plant & equipment, fit-out costs and commercial assets.

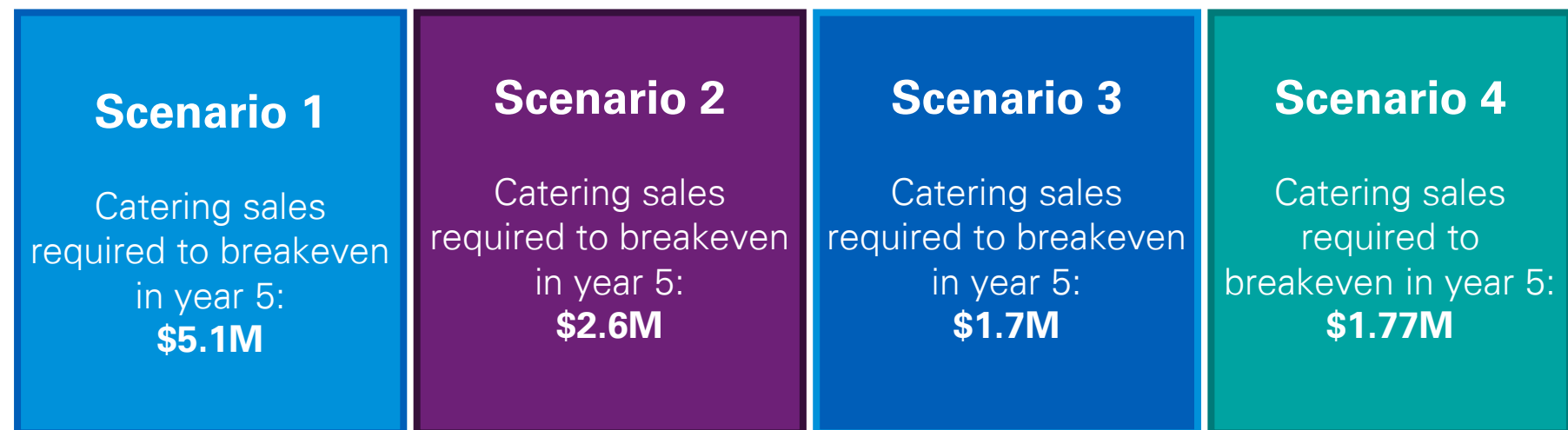
Summary of Financial Projections

Through the evaluation of the business model and operations, forecasts were generated for 4 potential scenarios, each provided with additional analysis.



Underlying assumptions in all scenarios

The financial performance in all scenarios is based on hypothetical estimates. Given there is no trading history, the establishing and operating expenses have been informed by discussions with Love ya management, industry benchmarks and fee quotes.



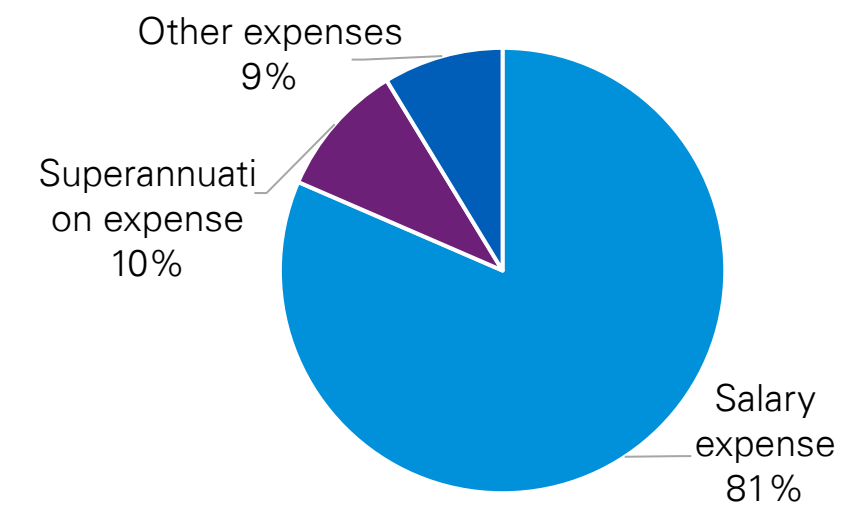
Scenario 1: this scenario considered business operations on a 10% service fee model with no external investment.

Scenario 2: this scenario considered business operations on a 20% service fee model with no external investment.

Scenario 3: this scenario considered business operations on a 30% service fee model with no external investment.

Scenario 4: this scenario considered business operations on a 30% service fee model with an \$100K IBA loan/grant.

Operating costs - Year 5 - Scenarios 1, 2 and 3



6

Full-time staff employed by Year Five

Market Analysis



Market Trends

There are number of key trends that align and create a strong opportunity for Love ya to enter the corporate catering market. These include the return to work post Covid-19, the rise in utilisation of Indigenous procurement and the growth in prominence of environmental, social and governance (ESG) requirements of organisations within Australia.

ESG Requirements



Broad-based ESG reporting remains voluntary in Australia currently, although certain entities have mandatory reporting obligations under various ESG-related acts. ASIC, APRA, and the ASX now either recommend or require organisations consider several sustainability-related risks for reporting.

Changes in the reporting and operational requirements of the biggest organisations in Australia will continue to place further ESG requirements on those that follow in their supply chain across the economy.

For every meal purchased, Love ya will donate and distribute a free, healthy meal to Indigenous families facing food insecurity. This provides a unique solution to the ESG needs of organisations with the information easily available through a user account for reporting purposes.

1

Indigenous Procurement



Since the inception of the Indigenous Procurement Policy in 2015, the Commonwealth Government has awarded over \$5.3 billion in contracts to 2,603 Indigenous businesses, averaging \$850 million per year over the last six years, compared to just \$6.2 million in the year prior to the IPP (2014-15).

Growth has also occurred in the number of Supply Nation members who actively seek Indigenous procurement opportunities. Supply Nation has grown from 32 members in 2009 to 658 members in 2022.

The growth and success of these two initiatives has significantly enhanced the capability and capacity of the Indigenous business sector. Organisations continue to seek opportunities to utilise Indigenous suppliers which denotes greater access to the corporate catering market for Love ya

2

Return to Work



Data shows that Australians are beginning to return to work after the initial impact of Covid-19 caused wide-ranging ramifications to their working habits.

A study by the University of Sydney shows that the average number of days worked from home for Australians decreased from 2.61 in March 2022 to 2.13 in September, a decrease of 18%.

Further evidence shows that 1 in 5 Australians changed their changed their jobs in the 12 months to February 2022.

As Australians continue to return to work and become settled in their new roles the corporate catering market in Australia will continue to see growth and create further opportunities for Love ya to enter and be successful in the market.

3

Target Customers

Love ya have a refined list of target customers based on criteria that shows a greater propensity for supporting Indigenous organisations through procurement.

Target Customers

The target customers in the initial phases of operation for Love ya will be Supply Nation member organisations.

There are currently 658 Supply Nation member organisations across Australia including coverage in each major city. Organisations that join Supply Nation have seen their procurement from Indigenous businesses rise. Supply Nation member organisations increased their like-for-like procurement from Indigenous organisations from \$343 million in 2017 to \$861 million in 2019, an increase of 58%.

In further analysing the 658 Supply Nation member organisations we can prioritise targets based on their proximity to a capital city, their revenue and whether they have a Reconciliation Action Plan.

A target organisation's proximity to a capital city would denote that their would be a greater number of restaurants available to partner with as providers.

The greater the revenue generated for a potential target organisation would generally denote more staff, more opportunities for staff activities where catering support can be provided and an enhanced financial capability to outsource catering.

An example of primary target organisations can be shown on the table opposite. These are organisations that meet the specific criteria outlined above and would be the initial target customers for Love ya.

	Love ya Target Clients	Supply Nation Member	Reconciliation Action Plan	Distance from CBD (KMs)	
1	Brisbane City Council	Brisbane, QLD	✓	✓	0
2	Corporate Travel Management Group Pty Ltd	Brisbane, QLD	✓	✓	0
3	CPL – Choice, Passion, Life	Brisbane, QLD	✓	✓	0
4	Credit Union Australia Ltd	Brisbane, QLD	✓	✓	0
5	Cross River Rail Delivery Authority	Brisbane, QLD	✓	✓	0
6	Flight Centre Travel Group Ltd	Brisbane, QLD	✓	✓	0
7	HEALTHY LAND AND WATER LTD	Brisbane, QLD	✓	✓	0
8	Arrow Energy	Brisbane, QLD	✓	✓	0
9	Boeing Defence Australia	Brisbane, QLD	✓	✓	0
10	QIC Limited	Brisbane, QLD	✓	✓	0
11	Sedgman Pty Limited	Brisbane, QLD	✓	✓	0
12	Aurizon Operations Limited	Brisbane, QLD	✓	✓	2.6
13	Bechtel Australia Proprietary Limited	Brisbane, QLD	✓	✓	2.6
14	Georgiou Group	Brisbane, QLD	✓	✓	2.6
15	Tourism and Events Queensland	Brisbane, QLD	✓	✓	2.6
16	Thiess	Brisbane, QLD	✓	✓	3.2
17	Virgin Australia Holdings	Brisbane, QLD	✓	✓	3.2
18	Mercy Community Services	Brisbane, QLD	✓	✓	7.8
19	Carers Queensland	Brisbane, QLD	✓	✓	8.5
20	Schramm Group	Brisbane, QLD	✓	✓	15.5
21	Goodstart Early Learning	Brisbane, QLD	✓	✓	15.8
22	Brisbane Airport Corporation	Brisbane, QLD	✓	✓	17.3
23	TAFE QLD	Brisbane, QLD	✓	✓	17.5
24	Ausco Modular	Brisbane, QLD	✓	✓	27.6
25	Busy at Work	Southport, QLD	✓	✓	73
26	Aspire4Life	Coolangatta, QLD	✓	✓	102.7

Market Analysis - Competitors

The corporate catering market in Australia contains both established corporate caterers and online food delivery services who have entered the market as an additional revenue stream that aligns with their current operations. A high concentration of potential clients is accounted for by only a few competitors in the market.



Uber Eats

Uber Eats is the leading online food ordering and delivery platform in Australia with a 55.7% market share. Uber has a program targeting corporate users but it does not focus specifically on corporate catering. Rather, corporate solutions for food and travel are varied and can be utilised by organisations to suit their individual needs. As the prominent online food ordering platform Uber Eats inherits corporate catering requests through existing user behaviour carried over from personal online food ordering. Uber’s focus on ESG initiatives is undertaken at a global level. Globally, Uber is targeting driver well-being, diversity and inclusion in the workplace, environmental sustainability and climate change with the goal of becoming the cleanest platform on Earth and is best-in-class corporate governance through the appointments to and accountability of the Uber Board. There is little information of how those global focus areas are implemented through Australian operations.

Primary Industry	Online Food Ordering and Delivery
Market Share	55.7%
Supply Nation Member	No
ESG Initiatives	Global focus
Corporate Catering Platform	Uber for Business
Delivery Locations	Nationally



Eat First

Eat First is an online food ordering and delivery platform that focuses on corporate catering with suppliers across Australia. Like personal online food ordering platforms, Eat First includes estimated delivery times, supplier ratings, minimum spends and cost of delivery. Eat First is part of the UK-based B2B Food Group. During Covid-19 in 2020 B2B Food Group focused its attention on the Australian market through Eat First. Eat First supports organisations through catering, pantry supplies, events and staff meal plans. Eat First has established a strong social presence through its operations and seeks to have a positive environmental impact and improve the local community while maintaining the highest standard of business practices. Eat First also has procedures in place to support food charity OzHarvest, R U OK Day and allows for the identification of Indigenous caterers through the functionality within their online marketplace .

Primary Industry	Corporate Catering
Market Share	N/A
Supply Nation Member	No
ESG Initiatives	Australian focus
Corporate Catering Platform	Eat First
Delivery Locations	Nationally



Menulog

Founded in 2006, Menulog pioneered the online food delivery industry in Australia and now connects millions of active customers with more than 35,000 local restaurants nationwide. Menulog is part of the global Just Eat Takeaway.com network. Menulog supports corporate catering as a secondary service to its personal food ordering and delivery service. Enquiries are to be made through a corporate catering specific email address and the onboarding process is not automated. Menulog offers choice for local restaurants, with two services to choose from. The first is ‘self-delivery’, where restaurants can provide their own drivers, leveraging Menulog’s world-class ordering technology and national network. The second is the Menulog Delivery Service, where Menulog also provides delivery logistics via its network of couriers.

Primary Industry	Online Food Ordering and Delivery
Market Share	22.7%
Supply Nation Member	No
ESG Initiatives	Minimal focus
Corporate Catering Platform	Menulog for Business
Delivery Locations	Nationally

Operating Considerations

An aerial photograph of a white SUV driving on a dirt road through a scrubby landscape at sunset. The sun is low on the horizon, creating a bright lens flare effect. The terrain is covered in low-lying green and brown bushes. The sky is a clear, pale blue.

Business Structure & Governance

Love ya will establish a business structure and an advisory board to enable the business to grow in line with its five-year plan.

New operating entity

A new entity will be incorporated to operate Love ya. The new entity will be a subsidiary of the Indigenous Futures Foundation.

It is anticipated that the new entity will be a not-for-profit, GST, Income Tax and FBT exempt and will be Supply Nation Certified.

The structure and incorporation of Love ya will be formalised through consideration of key legal, financial and operational requirements.

Love ya Advisory Board

An Advisory Board will be set up in the first 12 months of operations to assist directors Levi-Joel and Suleyma Tamou, with the initial establishment and growth of Love ya.

The role of the Advisory Board will be to provide current knowledge, critical thinking and analysis to increase the confidence of the directors.

By having an Advisory Board, Love ya will be able to seek advice to:

- Uncover new business opportunities;
- Keep up-to-date with markets and trends;
- Increase sales and productivity'
- Make profitable connections and partnerships; and
- Enhance the reputation of the business.

It is anticipated that Advisory Board will comprise of representatives from the following industries:

- Legal;
- Financial;
- Marketing;
- Corporate catering;
- Food delivery; and
- Indigenous Futures.

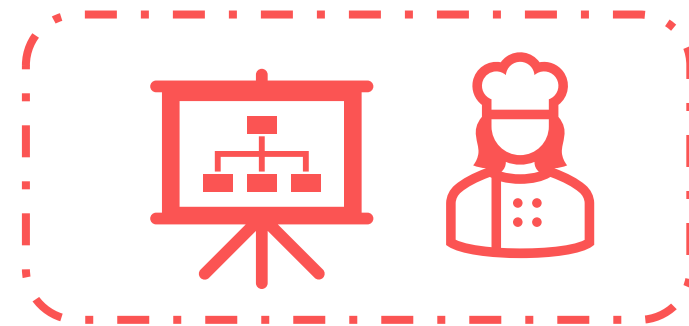
Given it is intended that not-for-profit, the members of the Advisory Board will fulfil their duties on a pro bono basis.

Love ya will leverage their existing connections and business partners to fulfill these roles.



Policies and Procedures

Love ya has established a series of key policies and procedures that reinforce and clarify the standard roles and responsibilities of all parties in the implementation of practices that are unique to the Love ya operating model. Three of these include a supplier/restaurant onboarding policy, a meal donations procedure and a data and privacy policy**.



Supplier/restaurant onboarding procedure

As a food service and delivery platform Love ya is dependant on partner restaurants/suppliers as food and beverage providers to clients. Therefore a thorough process for onboarding restaurants/suppliers to the Love ya platform must be developed in order to protect and parties involved and clarify roles. Fundamental to the onboarding procedure will be the formalising of the partnership through a contractual arrangement. The procedure for onboarding will also outline Love ya's commission, administering drivers/delivery service, health and safety responsibilities, customer service responsibilities, requirements of Love ya, requirements of restaurant/supplier and how refunds will be managed and distributed.



Meal donations procedure

Love ya's offering to match meals purchased through their platform with a free, healthy meal for Indigenous families facing food insecurity is one of the key differentiators as a platform and an important part of the value proposition. Accountability for this process and delivery of these meals is fundamental to the success of Love ya. Love ya will develop and implement a business-as-usual procedure with its partner organisations, FareShare and Hello Fresh, that is robust and capable of withstanding the anticipated growth of the platform. A monthly statement of meals accrued over that time period will be created, generating a request for meals. An audit of meals accrued and distributed will undertaken annually.



Data and privacy policy

Data collection and utilisation will inherently form an important element of Love ya operations as an online food and service delivery platform. In Australia the laws addressing data and privacy are still developing and the requirements for organisations that have a total revenue under or over a \$3 million threshold differ. Love ya will create a proactive data and privacy policy focusing on an approach of privacy by design. This approach is process for embedding good privacy practices into the design of technologies and business practices from the outset. As part of the policy Love ya will also establish a routine for completing a Privacy Impact Assessment (PIA) regularly. The PIA will identify how Love ya might have an impact on the privacy of its clients and suppliers as the organisations grows and set out recommendations for managing, minimising or eliminating those impacts.

****Other standard organisational policies and procedures will be developed and implemented by Love ya but are not specifically addressed within this Business Plan.**

Infrastructure and Technology

The infrastructure required to support the execution of processes, management information/data and deliver outcomes.

App Development

Crucial to Love ya’s commercial success is the development of a user friendly efficient operating application. Love ya is currently receiving quotes from a number of App developers for the design and operation of the ‘Love ya’ application.

The cost of the app development is generally dependent on the inclusions and usability of the app itself. The amount of capital Love ya is able to raise at establishment will determine the app developer chosen.

As Love ya scales up, the application may require further refinement and development. This can be explored in the future once Love ya has higher capital.

The preferred option for the initial app offering is highlighted below.

Developer	Level of Inclusions	Establishment price	Ongoing monthly management cost	Hosting fee
Apptunix	Broad inclusions	\$30,000	\$800 per month	Not included
OneIT Software Hosting	Limited inclusions	\$72,000	\$850 per month	\$89 per month
Praxxys	Limited – Broad dependent on price point	\$54,772-\$84,493	\$800 for 15 hours	\$13,124 annually (includes other optionals)
Amazon hosting (ASW Amplify)	N/A	NA	NA	\$30-\$45 per month (12 month free trial)

Customer Relationship Manager software

One of the key operating considerations for Love ya is how they will manage customers and suppliers. The Business Development Manager and Customer Service Representative will be responsible for onboarding customers and suppliers and need appropriate infrastructure in place to perform their roles effectively.

Customer relationship management (**CRM**) software allows businesses to manage customers and prospect relationships with data. Staff are able to store, track and analyse customer and prospect information in one central location, including contact and account information. With data in one central location, organisations have a complete picture of customers and prospects that can be shared and analysed by the business in real time.

Salesforce sales cloud – Essentials allows 10 users access to the CRM software. This subscription-based software (**\$35 per month – billed annually**), will allow Love ya with a guided setup, in-app tutorials and support to set up their customer database quickly and simply. This CRM software will suite Love ya during its establishment phase.

Salesforce sales cloud – Essentials provides users with:

- **Lead management** including lead assignment and routing, duplicate blocking, Web-to-Lead capture, mass emails, campaign management and email templates.
- **Email integration** with Gmail or Outlook
- **Manage customer and supplier details** efficiently



Resourcing

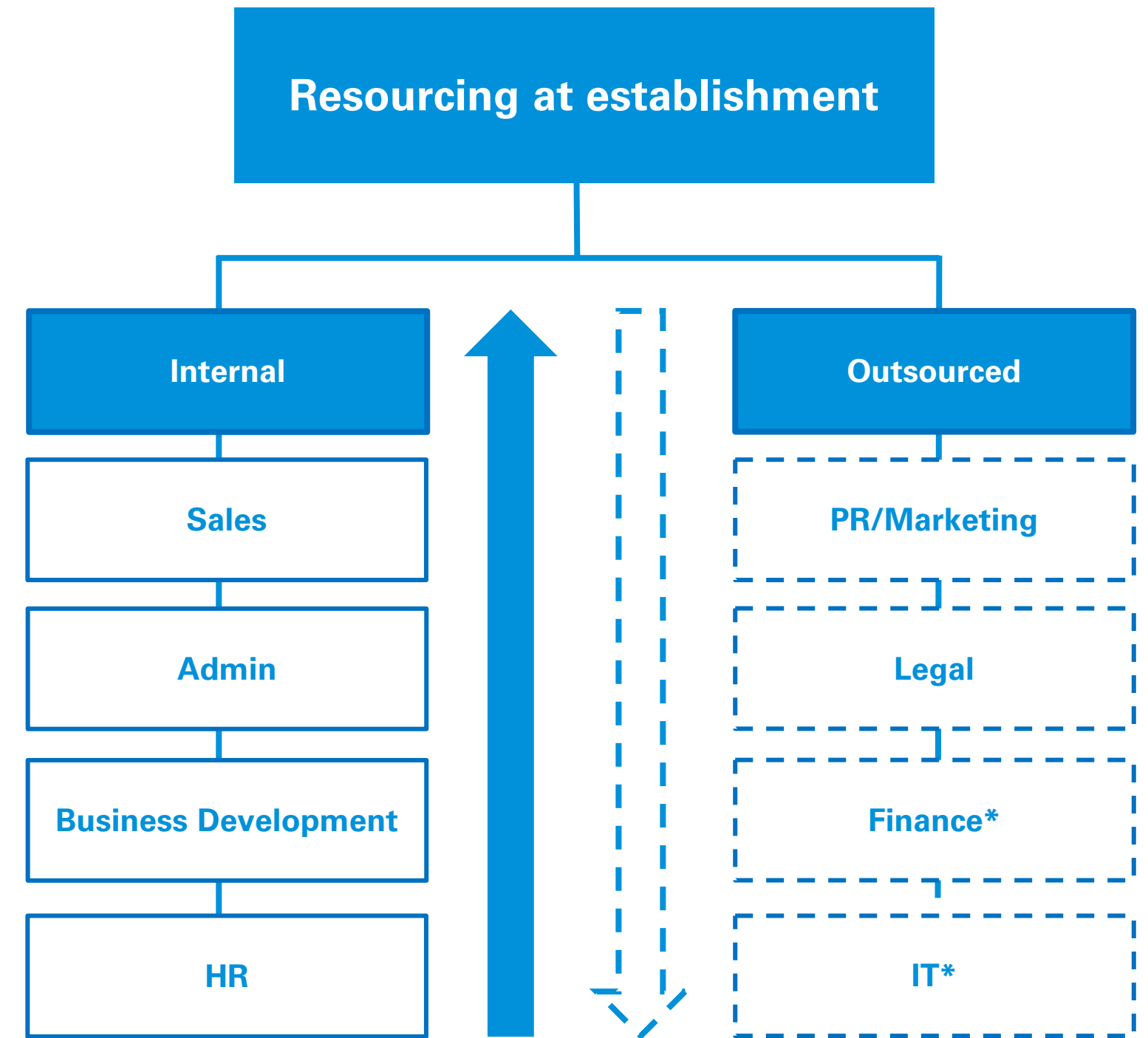
Resourcing considerations include the structure, reporting and accountability leadership, capabilities, skills, culture and performance expectations now and into the future.

The Indigenous Futures Foundation operates on volunteer support and therefore there are no staff available to operate Love ya. Therefore, all roles and staff employed by Love ya, will be new hires.

The below staff have been identified as **necessary** for Love ya to meet its operational goals over the next five years.

As Love ya scales up, the outsourced roles will transition to internal roles.

Role	Description	Timeline
Business Development Manager	Responsible for generating new leads, onboarding suppliers and customers and forecasting sales revenue.	July 2023 March 2025
Customer Service Representative	Responsible for providing service information and resolving service problems as well as the general day to day administration of Love ya	July 2023
Operations Manager	Responsible for overseeing operational activities, staff and improvement in management systems and processes.	Jul 2024
IT Manager	Responsible for the ongoing improvement and maintenance of the Love ya application, as well as the general IT infrastructure of Love ya,	May 2026
Bookkeeper/Administrative Support Officer	Responsible for Love ya's financial data and compliance by maintaining accurate books on accounts payable and receivable, payroll, and daily financial entries and reconciliations	September 2027



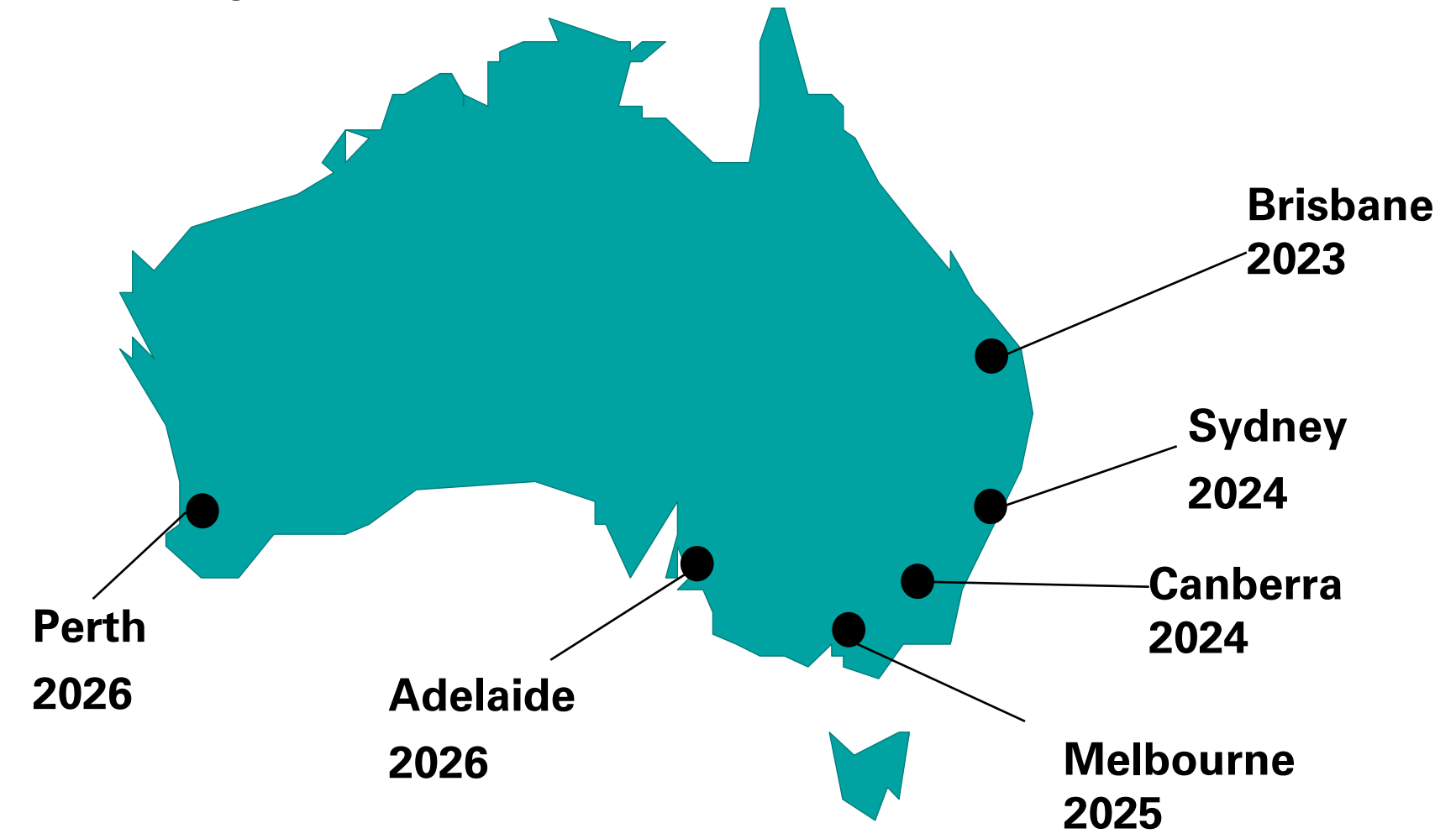
* Staff will be hired internally as business scales up

Service Delivery Model

The Service Delivery Model refers to the locations and how services are delivered and should be delivered into the future.

Love ya will operate as a website/application where corporates can purchase catering and have the food delivered. Two key aspects of Love ya’s service delivery model is the operating locations and the delivery of food.

Operating Locations



Love ya will start small and scale up over a five year period. After analysis of local markets and the existing network of the Indigenous Futures Foundation and Love ya, it was determined that Brisbane would be an optimal initial location for Love ya.

Sydney and Canberra will be the second and third markets entered into, followed by Melbourne, Adelaide and Perth.

Love ya could then explore entering regional hubs depending on the demand at the time for their service.

Delivery Drivers

	Year 1	Year 2	Year 3	Year 4	Year 5
Brisbane	\$38,491.20	\$38,491.20	\$38,491.20	\$38,491.20	\$38,491.20
Sydney		\$38,491.20	\$38,491.20	\$38,491.20	\$38,491.20
Canberra		\$38,491.20	\$38,491.20	\$38,491.20	\$38,491.20
Melbourne			\$38,491.20	\$38,491.20	\$38,491.20
Adelaide				\$38,491.20	\$38,491.20
Perth				\$38,491.20	\$38,491.20
Total	\$38,491.20	\$115,473.60	\$153,964.80	\$230,947.20	\$230,947.20

The use of delivery drivers organised by Love ya was considered, however ultimately it was determined that in the first five years of operations the cost was too high. Market research indicated that many caterers that are targeted towards corporates often provide their own delivery of orders to ensure food quality and on-time food delivery. Through the Love ya app, caterers will be able to determine their own fair delivery price dependent on each order. Love ya will not take any service fee from the delivery fee component of the food ordering.

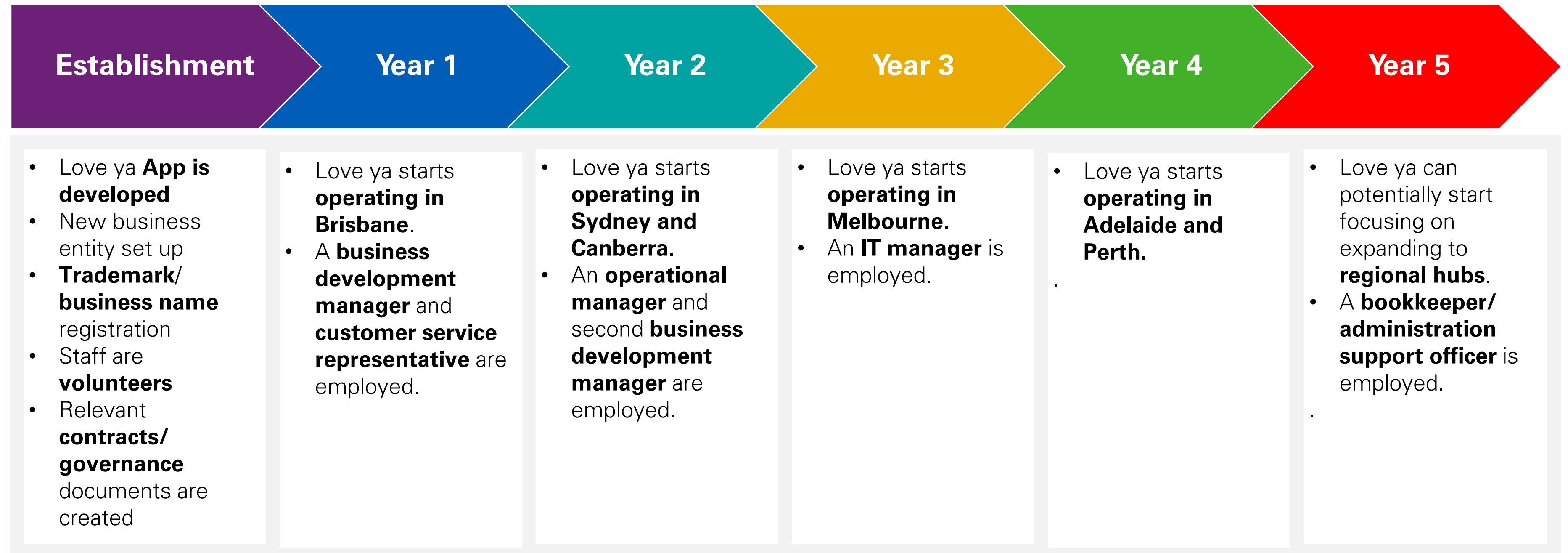
For completeness, the cost of delivery drivers was calculated above based on an external delivery driver through GoPeople. The above calculations were based on one delivery driver being available for six hours a day for each location. This option may be worth reconsidering when Love ya is more established, however is not optimal for the establishment and growth phases of the business.

Implementation Plan

An aerial photograph of a tropical coastline. The image shows a wide, light-colored sandy beach curving along the edge of clear, turquoise water. To the right of the beach is a dense, lush green forest that extends inland. The overall scene is bright and scenic, typical of a tropical island.

5-year Implementation Plan

Love Ya will scale up over a five-year period with a staggering approach to operating locations and staff employed.



Financial Analysis



Financial Modelling Assumptions

A 5-year forecast has been developed to estimate the financial performance of Love ya according to a series of assumptions that have been informed by discussions with Love ya management, industry benchmarks and fee quotes.

Modelling Framework

The financial forecast estimates in this report have been developed from anticipated operating expenses and establishing costs.

The forecast has been developed by applying assumptions to accounts and modelled to grow in-line with total sales and wages.

We have assumed that there are no office/occupancy costs for the first 5 years.

We have estimated that the average corporate catering order is \$500 per unit, with noticeable increases for NAIDOC week and Reconciliation Week.

We have used the following expenses to model the financial forecasts:

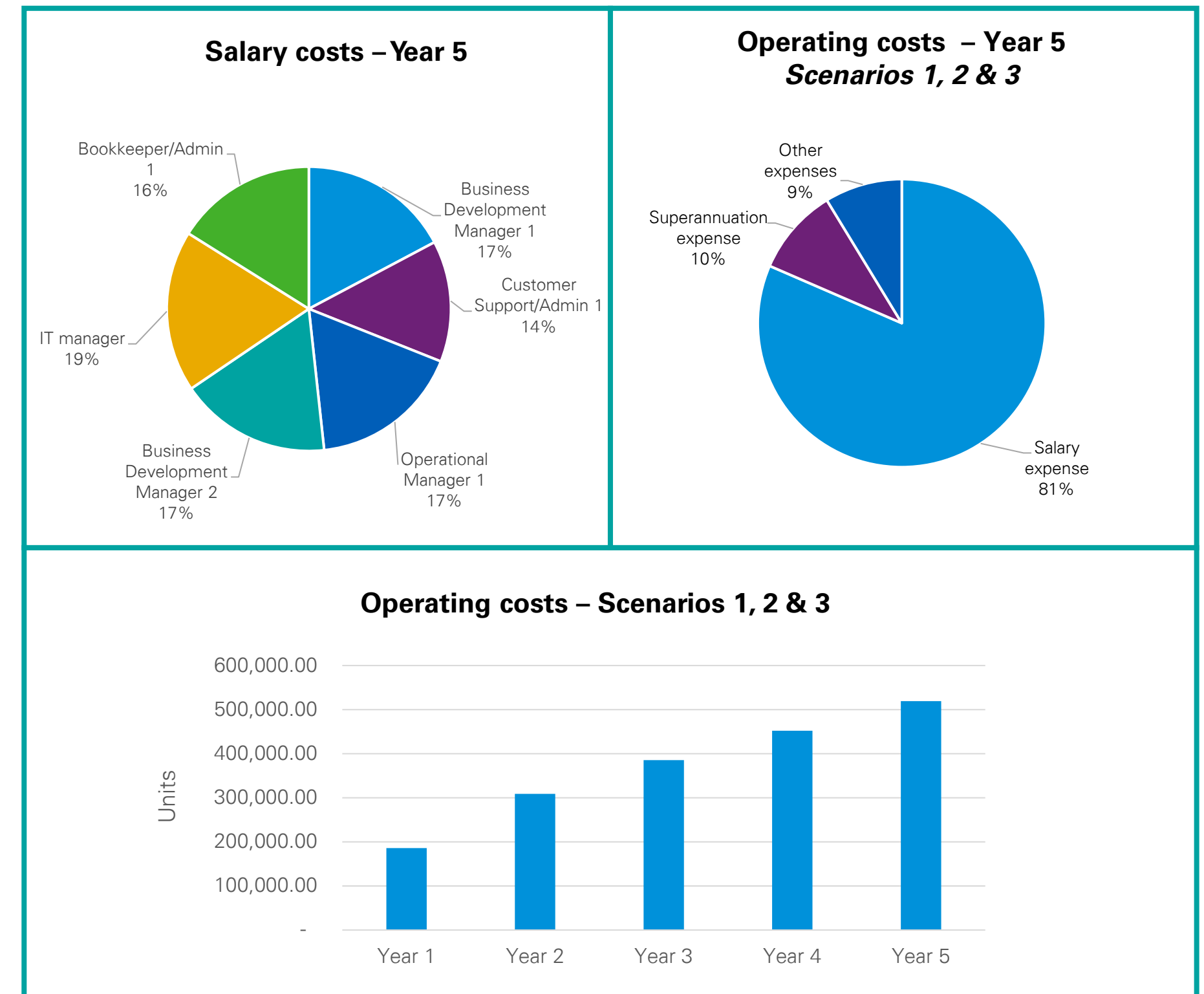
1. Salary and wages:

- Business Development Manager - \$75,000 per annum
- Customer Support/Admin - \$60,000 per annum
- Operational Manager – 75,000 per annum
- Business Development Manager - \$75,000 per annum
- IT manager - \$80,000 per annum
- Bookkeeper/Admin - \$70,000 per annum

2. Superannuation – including accounting for changes to the superannuation rate

3. Other operational costs:

- **Marketing costs** – incremental adjustment from \$12,000-\$30,000 from years 1-5.
- **SalesForce Software** – incremental adjustment from \$140-\$3,000 from years 1-5.
- **Computer expenses** - \$500-\$3,500 per annum to account for new computer purchases.
- **App maintenance** - \$800 per month up until the IT manager is employed.
- **Hosting cost** - incremental adjustment from \$60-\$540 from years 1-5.
- **Invoicing/payroll software**- incremental adjustment from \$60-\$540 from years 1-5.
- **Telephone** - incremental adjustment from \$3,600-\$8,200 from years 1-5.



Scenario comparison

The following four scenarios demonstrate the impact of a differing percentage of service fee and external investment on the cash flow of the business.

Scenario 1

Love ya operates on a 10% commission, no external funding.

Catering sales required to breakeven in year 5: \$5.1M

Number of catering orders annually required to breakeven (in year 5): 10,388

Cash balance required to sustain operations in year 5: \$1.3M

Scenario 2

Love ya operates on a 20% commission, no external funding.

Catering sales required to breakeven in year 5: \$2.6M

Number of catering orders annually required to breakeven (in year 5): 5,194

Cash balance required to sustain operations in year 5: \$754K

Scenario 3

Love ya operates on a 30% commission, no external funding.

Catering sales required to breakeven in year 5: \$1.7M

Number of catering orders annually required to breakeven (in year 5): 3,464

Cash balance required to sustain operations in year 5: \$203K

Scenario 4

Love ya operates on a 30% commission, with \$100,000 IBA loan/grant at establishment and concentrates heavily on marketing at establishment..

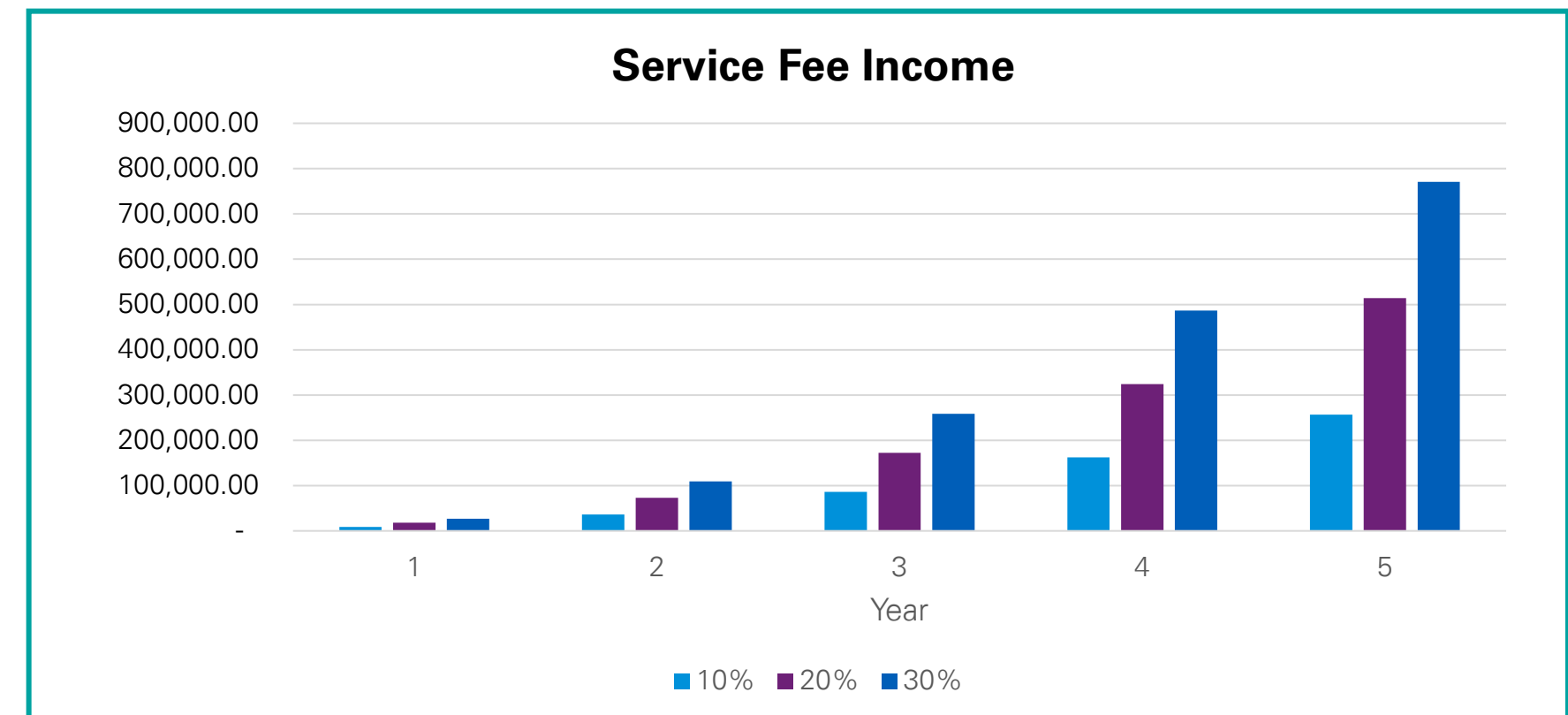
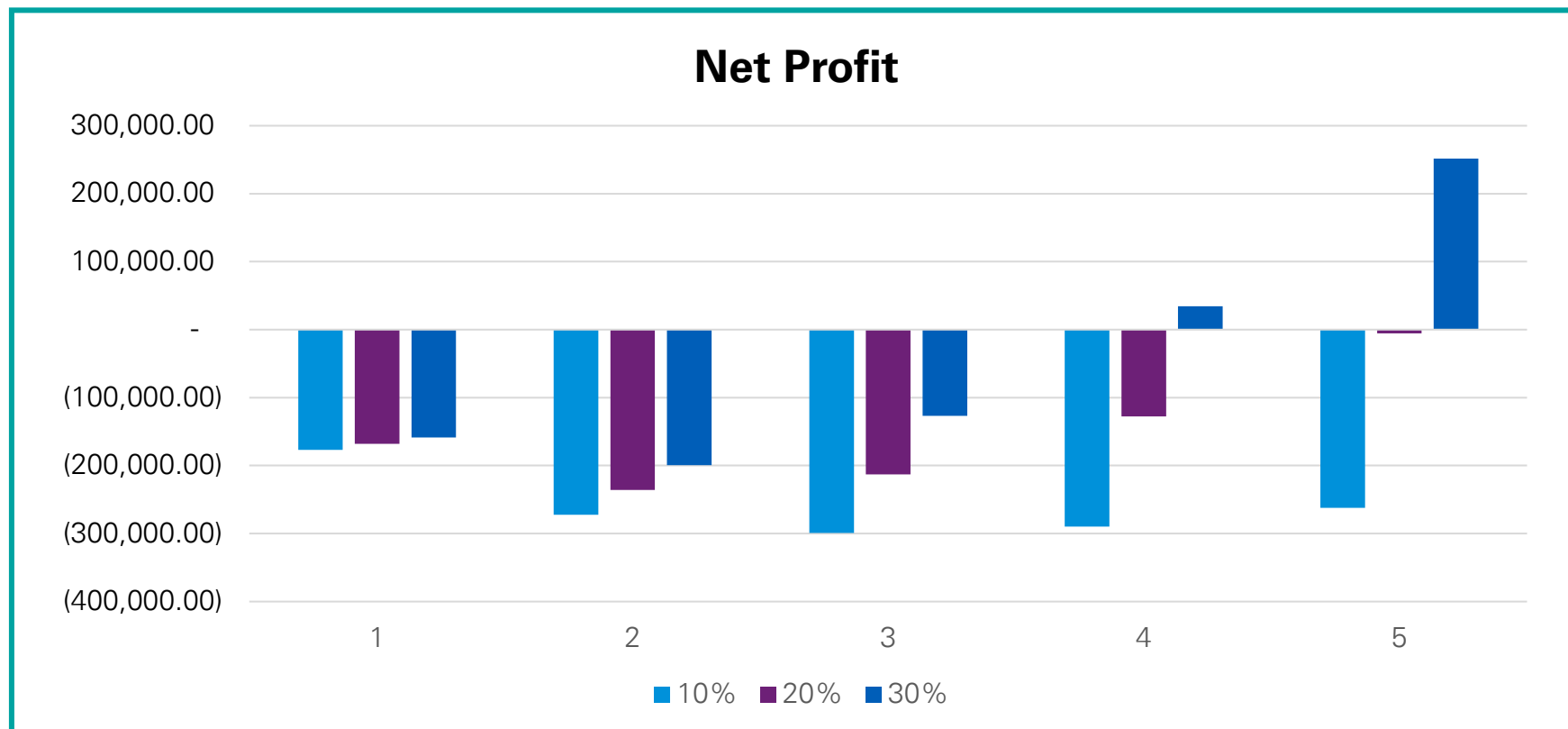
Catering sales required to breakeven in year 5: \$1.77M

Number of catering orders annually required to breakeven (in year 5): 3,542

Cash balance required to sustain operations in year 5: -\$28,921 (Business is cash positive)

Scenarios 1, 2 & 3 - No external funding

These scenarios consider the impact on cash flow where the business sales and business operating expenses remain constant and the serviced fee taken by Love ya is tested at 10%, 20% and 30%.



The 'Net Profit' chart summarises the outcome of net profit depending on the percentage of service fee Love ya charges over a five year period. The 30% service fee is the most viable option that will allow Love ya to achieve a profit in the shortest amount of time.

The 20% service option also appears viable in the medium-long term, however this option does not attract the same amount of profit that can be expected with a 30% service fee.

The 10% service fee on analysis of the net profit does not appear to be sustainable based on operational cost forecasts. For this option to be considered, sales must exceed forecasts substantially.

The 'Service Fee Income' chart demonstrates the difference between service fee charged upon year-on-year sales growth. In the first two years the difference in service fee percentage is minor, however the gap increases over time.

By year five, the difference in service fee income is approximately \$500K more at 30% than it is at 10%. If service fee income continues on an upwards trend, long term there will be a substantial difference between the service fee charged.

Scenario 4 - IBA loan

This scenario focuses on the impact of the IBA loan on the operations of Love ya and Love ya operating on a 30% service fee.

By obtaining the \$100k grant/loan from IBA, Love ya will be able to invest in a comprehensive marketing campaign at the establishment of Love ya.

If Love ya were to invest \$50,000 in the marketing campaign, this should lead to increased sales at the initial offering of Love ya in Brisbane and over time will lead to increased cash flow compared with the scenarios where external investment is not received.

The IBA loan should also be used to cover the costs of the app development which means that the directors funds initially set aside for this can be used in other aspects of the business.

For the purposes of this model, the IBA loan had the following characteristics:

- \$30,000 grant
- \$70,000 loan, calculated at a 5% interest rate over 7 years.
- The first two years were calculated as interest only and the remaining three years of the five year model used a principal and interest calculation.
- The inclusion of the interest only payment increased operating costs by \$3,500 each year for the first two years and by \$12,000 per year for years three, four and five.

As demonstrated in the two charts, the IBA grant/loan will be beneficial to the operations of Love ya and allow them to become profitable quicker.

While the loan component will need to be repaid with interest, the benefit of the loan on net profit outweighs the additional cost of the loan repayment. The grant component of \$30,000 is advantageous to Love ya as this will effectively cover the cost of the initial app development.

Scenario 4 is the most favourable option for Love ya but is dependent on Love ya receiving the IBA loan and charging a 30% service fee.

