SecondBite
ABN 66 116 251 613
Financial Report
For the Year Ended 30 June 2017
Financial Statements

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</table>
DIRECTORS REPORT

The Directors submit their Directors’ Report for the year ended 30 June 2017.

Principal Activities during Year

SecondBite exists to provide food for Australians in need.

We do this, primarily, by providing food rescue services to the retail sector supported by our national partner Coles. In the last financial year SecondBite recovered and redistributed 11,000 tonnes of food through our network of 1300 community partners. This is the equivalent of 22million meals for Australians “doing it tough”.

In the last financial year we provided services to Coles, Woolworths and Aldi servicing 961 stores and distribution centres across Australia, however a growing, and potentially significant, source of food for SecondBite over the coming years will be direct donations from primary producers.

We have an ambitious but realistic strategy to rescue and redistribute 30 million kgs of food per annum by 2019. We have an equally ambitious target of achieving this volume at a productivity rate of 8 meals (4kgs) of food rescued for every dollar donated to the charity.

DIRECTORS

The names of the Directors of the Company in office during the financial year and as at the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Carson, Ian Menzies (AM)


Qualifications:

- Harvard Business School, “Owner President Manager” course
- Bachelor of Economics, Monash University
- Post Graduate Diploma of Accounting, Latrobe University
- Fellow - Institute of Company Directors (FAICD)
- Fellow - Chartered Accountants Australia and New Zealand

Experience:

- Chair, PPB Advisory
- Co-Founder of SecondBite
- Chair, Australian Reinsurance Pool Corporation

Ian is an innovator who is routinely sought out by boards and governments requiring discreet advice on complex negotiations and problem solving.

Ian is well known for bringing people together and finding pragmatic solutions to difficult commercial problems, such as the settlement for Australian thalidomide victims. Ian led the PPB Advisory team that assisted the settlement negotiations. Ian developed a score card to assess Governance and Management of organisations which is regarded as industry leading.
In addition to his roles as Chair of PPB Advisory and Chair of APRC, Ian is active in the community as a Trustee for the Melbourne Cricket Ground, and Board Member of the Boykett Tall Ship Sailing Fund. Ian was awarded the Schwab Foundation Global Social Entrepreneur Award in 2015 at Davos and the Southern Region (Australia) Social Entrepreneur award as part of the EY Entrepreneur of the Year 2015 program, and in the same year Ian was also awarded the La Trobe University’s Distinguished Alumni Award. In 2017, Ian was made a Member of the Order of Australia in recognition for their work in both the business and charity sectors.

**Special responsibility:**
- Chairman

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**Beattie, Georgia**

**Position:** Director (appointed 21 March 2016)

**Qualifications:**
- Bachelor of Business, Entrepreneurship

**Experience:**

Georgia Beattie is the CEO of Start Up Victoria, the largest entrepreneurship group in Victoria. As CEO, Georgia has been charged with the responsibility “to make Victoria the number one tech destination in the Asia Pacific”. Georgia is a successful, global entrepreneur & a pioneer of the single-serve wine industry. Georgia founded Single Serve Packaging in 2010 after attending a festival and asking for a glass of wine only to be told it was too hard to serve at large functions. Single Serve specialises in pre-filling wine in a shatterproof PET plastic wine glass for places where glass is dangerous or just inconvenient. With a passion for business & innovation, entrepreneurship has been a major focus in her studies domestically (RMIT) & with the #1 University of Entrepreneurship Internationally, Babson. While at University Georgia was awarded an Honouree Member of the Golden Key International Honour Society 2008 for receiving marks within the top 2% as well as having her work published in Marketing Core Concepts & Applications, 2nd Edition (John Wiley 2007).

**Current Non Executive roles:**
- CEO, Startup Victoria
- Board Member, RMIT University

**Special Responsibility:**
- Help SecondBite build new social enterprise activities

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**Bedford, Rebecca**

**Position:** Director (appointed 21 March 2016)

**Qualifications:**
- Bachelor of Laws (Hons) - Melbourne University
- Bachelor of Arts - Melbourne University
Experience:

Rebecca is a Partner with law firm MinterEllison, in the Dispute Resolution Group. She specialises in distribution and supply chain issues in all industries including, automotive, energy, fast moving consumer goods, fitness and telecommunications. She also regularly advises on regulatory compliance (including competition and franchising) intellectual property, comparative advertising and general dispute resolution. She regularly speaks at legal events, including the International Bar Association's annual conference, on legal issues arising from international distribution arrangements.

Carson, Simone Lea (AM)

Position: Director (appointed 4 September 2006)

Qualifications:

- Bachelor of Education, Latrobe University
- PICU Certificate, Royal Children's Hospital, Melbourne
- Graduate Member - Australian Institute of Company Directors

Experience:

Simone is co-founder of SecondBite. She was a Registered Nurse with a keen focus on children's health. Simone worked in the Paediatric Intensive Care Unit at the Royal Children's Hospital and coordinated research projects for the Infectious Diseases Department. She also gained a certificate in Paediatric Intensive Care and subsequently co-ordinated Research Projects. Simone completed a Bachelor of Education at La Trobe University and the Graduate Company Directors Course at the Australian Institute of Company Directors.

She has a special interest in volunteers who are the “golden thread” enabling the significant growth and expansion of SecondBite’s work in the community and relationships within the Food Security Sector, Research and SecondBite Ambassadors. Simone is a member of the SecondBite Food Security Advisory Committee, Volunteer Committee and a Trustee of the SecondBite Future Trust. She is a board member of the St Vincent’s Institute Foundation.

Special responsibility:

- Volunteer Committee
- Supporting and assisting in the development of the Ambassador program

Colin, Benedicte

Position: Director (appointed 24 October 2016)

Qualifications:

- Baccalaureate with distinction in Mathematics and Science
- MBA from ESSEC in Paris
- postgraduate degree in Business and Tax Law from University of Strasbourg
- admitted to practice law at the Paris bar
Experience:

Benedicte is an experienced senior executive, company director and corporate counsel. She is particularly experienced in creating and leading multi-national joint ventures and public-private partnerships for large infrastructure operations. Benedicte is recognised for her ability to deliver improved safety, higher customer satisfaction and sustained financial performance within complex contracts for essential infrastructure services.

As Chief Executive of Keolis Downer, Benedicte led the largest private operator of multi-modal public transport in Australia. Under her leadership Yarra Trams, the largest tram network in the world, delivered superior customer satisfaction and the lowest fare evasion on record; GoldLink, the Gold Coast’s first light rail line successfully commenced operations and surpassed all patronage estimates; and KD acquired a significant bus operator doubling the size of KD’s business in Australia. Currently KD transports over 210 million people every year and has 4,000 employees operating public transport in five states. Additionally, Benedicte has overseen PPP and franchise contract bids for light rail in Canberra and commuter rail in Wellington and franchise extensions in Melbourne and the Gold Coast.

As Refinancing Project Manager, Acting CEO and General Counsel/Corporate Secretary at Aquasure, the international joint venture responsible for the finance, design, construction and operation of Australia’s largest desalination plant, Benedicte led a $3.7Bn refinancing which lowered the cost of debt, diversified funding and strengthened the capital structure of the business. She is deeply experienced in negotiating complex long term contracts with multiple private, government and international parties.

In Paris, Benedicte was the co-founder and partner of the law firm, De Gaulle Fleurance & Associates where she handled large merger and acquisition transactions.

Benedicte is an Australian citizen based in Sydney. She is fluent in English and French.

Costello, Elliot

Position: Director (appointed 23 November 2015 - resigned 28 February 2017)

Qualifications:

- Masters in Development Studies
- Commerce/Arts, Accounting & International Relations
- Political Science

Experience:

Elliot Costello is a social entrepreneur who, in 2008, co-founded YGAP. To date, YGAP has significantly and measurably impacted the lives of over 180,000 people living in poverty. The organisation aims to back 1,000 early-stage ventures to improve the lives of one million lives by 2018. YGAP raises funds through an entrepreneurial approach, owning and running profitable social ventures and fundraising campaigns to fund their work in the field. Elliot has been invited to speak at the United Nations (UN) in New York and at several UN and leading social enterprise conferences across the Middle East and Asia. He is a leading voice on youth issues, social entrepreneurship and innovative fundraising in Australia.

Current Non Executive roles:

- Co-founder, CEO, YGAP

Special Responsibility:

- helping SecondBite build new social enterprise activities
Glinde mann, Robert Sydney, O.A.M.

Position: Director (appointed 1 October 2007)

Qualifications:
- Member - Australian Institute of Company Directors  (MAICD)

Experience:

Bob Glinde mann had over 41 years with Shell, with extensive experience in logistics, supply chain management and all aspects of marketing and sales in industrial, agricultural, mining and manufacturing markets. Roles over that time covered Australia and New Zealand as well as Global and Regional Leadership with his final appointment being Managing Director - Commercial Oceania. After retirement from Shell in 2001, Bob was the Principal of PRO NED Vic Pty Ltd until 2006. Currently he is Deputy Chairman and Non-Executive Director of Navy Health Limited.

Bob has been a Rotarian for 43 years with the Rotary Clubs of Darwin, Brisbane Metropolitan, Adelaide, French’s Forest, Sydney and Melbourne. He is a past President of Darwin and Melbourne.

His current community interests include being Chairman of the Rotary Club of Melbourne East Timor Committee, and Director of CARE Australia, Director of East Timor Roofing and Training UNIP.LDA (An East Timor Company),

Special responsibility:
- Volunteers
- Finance and Risk Committee

Gobbo, Flavia Maria

Position: Director (appointed 24 October 2011)

Qualifications:
- BA (Melbourne University)
- LLB (Melbourne University)
- Graduate Member - Australian Institute of Company Directors (GAICD)

Experience:

Flavia has extensive experience as a senior corporate lawyer, including at Telstra Corporation Limited for the Innovation, Product and Marketing Group. She has over 12 years’ experience in the Telstra Legal Services team, including acting as Assistant Company Secretary, and Company Secretary for the Telstra Foundation. Prior to this Flavia was a Senior Associate at King Wood & Mallesons.

Flavia has a wide range of both legal and management experience, particularly in the areas of Product Management, Corporate Governance, Treasury, Trade Practices, Dispute Resolution and Insurance Law. Flavia was Chair of QComp which was the independent statutory authority that regulated the workers compensation scheme in Queensland.

Currently, Flavia is Chair of WorkCover Queensland and Chair of the Emergency Services Telecommunications Authority, as well as the Deputy Chair of Rowing Australia and is a Director of Employers Mutual Ltd.
Current Non Executive roles:

- Chair - WorkCover Qld
- Chair - ESTA
- Deputy Chair - Rowing Australia
- Director - EML

Special responsibility:

Deputy Chair and Chair - Queensland Advisory Committee

Lee, Sheridan Dominique

Position: Director (appointed 26 August 2013)

Qualifications:

- Bachelor of Economics (University of Sydney)

Experience:

Sheridan is Managing Director and Principal of Shed Enterprises Pty Ltd, a specialised financial services public relations and third-party marketing consultancy and has over 23 years’ experience in PR and marketing within financial services in Australia. She has owned her own Financial Services business since 1996.

Her career started with a Journalism Cadetship with the Macarthur Advertiser Newspaper and went on to cover working in the print media as a reporter for Encore magazine, Editor for Super Review; then moving to Fairfax Magazines as deputy editor of Personal Investor and contributor to BRW.

Sheridan then moved into marketing, working with global financial services groups including Swiss Bank Corp (now UBS) and Alliance Capital. Her role entailed business development, client servicing, branding and product development for the Australian institutional marketplace. Initially devoted to marketing global investment management firms in Australia, Sheridan has worked for a number of leading financial services houses in various capacities including business development and media strategy for groups like Adveq Management AG, Neuberger Berman LLC, Bridgewater Associates, Old Mutual plc, CDC Ixis Asset Management, Standard Life Group, Augustus Asset Managers, Axa Rosenberg Investment Management Ltd., Acadian Asset Management and Challenger International.

Current Non Executive roles:

- Editorial Board Member - Conexus Financial

Special responsibility:

- NSW Advisory Committee

Monotti, Andrew James

Position: Director (appointed 12 December 2011)

Qualifications:

- Bachelor of Commerce and Laws(Hons), Melbourne University
- Masters of Laws, Melbourne University
Experience:

Andrew specialises in competition law (including third party access), utility regulation, joint ventures, contracts and intellectual property. In competition law he concentrates on transactions, Australian Competition and Consumer (ACCC) approvals of mergers and acquisitions and advice and compliance programs, including National Competition Policy reforms. He has been involved in significant Australian and international and global mergers and acquisitions and competition law issues across various essential industries. Andrew also specialises in franchising and other forms of distribution and dealer arrangements. Andrew has co-lectured in competition law at Monash University for a number of years.

Andrew is currently Partner, King & Wood Mallesons and Adjunct Senior Associate, Faulty of Law, Monash University

Current Non Executive roles:

- Adjunct Senior Associate, Faculty of Law, Monash University

Special responsibility:

- Corporate Governance and Legal
  - Finance and Risk Committee

Schachna, Sam

Position: Director (appointed 25 July 2016)

Qualifications:

- Harvard Business School, completed Harvard Presidents' Program
- Bachelor of Commerce (Accounting) and Bachelor of Business Systems, Monash University

Experience:

Sam has over 15 years of experience across the FMCG, Financial and IT Advisory Services industries. Sam's professional career commenced at KPMG, where for over six years he led projects and provided strategic, regulatory and financial advice to leading blue-chip clients. In 2008, Sam joined Menora Foods, a national leader in fast moving consumer goods. Menora is a marketer and distributor of some of Australia’s most trusted brands and also developed and owns market leading brands Wattle Valley and Peckish. As Managing Director, Sam led a nation-wide team of over 150 staff with responsibility across domestic and international operations. Under Sam’s leadership, Menora developed an innovative business model and invested in their people, brands and infrastructure that took the business to unprecedented levels of growth. In 2015, Menora was acquired by Monde Nissin, one of the leading branded food manufacturers in the ASEAN region.

Wickham, Craig

Position: Director (appointed 21 March 2016)

Experience:

Craig is a Senior Operations and Supply Chain executive with more than 15 years’ experience in Supply Chain leadership roles, having held senior Supply Chain roles across Australia’s two largest supermarket chains Woolworths and Coles, and now leading Boral Australia Supply Chain Transformation.
Craig has experience in leading complex business units spending in excess of $1B per annum and being responsible for the safety and wellbeing of large teams of 9000+ team members, other responsibilities have included daily operational efficiency, creation and delivery of future operating models as well as strategic planning and infrastructure programs.

Special responsibility:
- Food Program logistics
- Strategy and Planning

**Williamson, David Alistair**

Position: Chair (appointed Director 24 October 2011. Appointed Chair 28 August 2017)

Qualifications:
- LLB (Melbourne University)

Experience:

David is Deputy Chairman of Flagstaff Partners, a leading independent corporate advisory firm. He was previously Head of Group Legal and Chief Compliance Officer of BHP Billiton, and, for around 25 years, a partner of Ashurst (formerly Blake Dawson) where he occupied various leadership positions.

Current Non Executive roles:
- Salvation Army Corporate & Philanthropic Committee (Victoria)
- Trustee, The Scobie and Claire Mackinnon Trust

**Gorman, Bradley**

Position: Director (Appointed 24 July 2017)

Qualifications:
- BAcc (University of Technology, Sydney)
- CA (Institute of Chartered Accountants of Australia)

Experience:

Brad is General Manager Fresh Produce at Coles Supermarkets, responsible for a team of 75 people and a business of over $4 billion. With thirteen years’ experience in buying and retail across Meat, Bakery, Delicatessens and Fresh Produce, Brad has developed an intimate understanding of fresh sourcing and supply chains, and has built a passion for working with Australian farmers to feed Australians nutritious, affordable, quality produce. Previously Brad was with PwC for a decade, specialising in corporate finance and strategy consulting across a variety of sectors, including finance, retail, media and construction.
DIRECTORS' MEETINGS

Meetings held - Previous 12 months

<table>
<thead>
<tr>
<th>Name</th>
<th>Board meetings attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carson, Ian Menzies (Chair until 28 August 2017)</td>
<td>7/7</td>
</tr>
<tr>
<td>Beattie, Georgia</td>
<td>6/7</td>
</tr>
<tr>
<td>Bedford, Rebecca</td>
<td>4/7</td>
</tr>
<tr>
<td>Carson, Simone Lea</td>
<td>7/7</td>
</tr>
<tr>
<td>Colin, Benedicte</td>
<td>4/5</td>
</tr>
<tr>
<td>Costello, Elliot*</td>
<td>2/5</td>
</tr>
<tr>
<td>Glindemann, Robert Sydney</td>
<td>6/7</td>
</tr>
<tr>
<td>Gorman, Bradley Michael*</td>
<td>0/0</td>
</tr>
<tr>
<td>Gobbo, Flavia</td>
<td>4/7</td>
</tr>
<tr>
<td>Lee, Sheridan Dominique</td>
<td>5/7</td>
</tr>
<tr>
<td>Monotti, Andrew</td>
<td>5/7</td>
</tr>
<tr>
<td>Schachna, Sam</td>
<td>6/7</td>
</tr>
<tr>
<td>Wickham, Craig</td>
<td>5/7</td>
</tr>
<tr>
<td>Williamson, David (Chair effective 28 August, 2017)</td>
<td>6/7</td>
</tr>
</tbody>
</table>

* For Directors who were appointed or who resigned from Board during the year, the figure indicates the number of meetings attended compared to the number they were eligible to attend.

Limit of Liability

The Company is a Company limited by guarantee and not having a share capital. If the Company is wound up, the Constitution states that current members, and any persons whom were members within the last 12 months immediately prior, are required to contribute an amount determined by the Company, but not exceeding $10, to meet the outstanding obligations of the Company. There is only one class of members of the Company. At 30 June 2017 the number of members was 12 (2016: 13).

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 60-40 of the Australian Charities and not-for-profits Commission Act 2012 is set out on page 10.

Signed in accordance with a resolution of the directors.

[Signature]

Director

Dated this 27th day of November 2017
Auditor's Independence Declaration
To the Directors of SecondBite

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of SecondBite for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirement of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A R J Nathanielsz
Partner - Audit & Assurance

Melbourne, 27 November 2017

Grant Thornton Audit Pty Ltd ACN 130 013 604
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 566 389
Second Bite
ABN 66 116 251 613
Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$6,070,846</td>
<td>$4,843,397</td>
</tr>
<tr>
<td>Employee benefit expense</td>
<td>$(3,712,609)</td>
<td>$(3,501,971)</td>
</tr>
<tr>
<td>Depreciation expenses</td>
<td>$(222,385)</td>
<td>$(213,429)</td>
</tr>
<tr>
<td>Occupancy costs</td>
<td>$(507,740)</td>
<td>$(346,503)</td>
</tr>
<tr>
<td>Marketing costs</td>
<td>$(8,948)</td>
<td>$(22,105)</td>
</tr>
<tr>
<td>Professional fees</td>
<td>$(112,236)</td>
<td>$(120,055)</td>
</tr>
<tr>
<td>Telephone expenses</td>
<td>$(34,135)</td>
<td>$(39,670)</td>
</tr>
<tr>
<td>Vehicle costs</td>
<td>$(374,998)</td>
<td>$(327,982)</td>
</tr>
<tr>
<td>Travel expenses</td>
<td>$(59,355)</td>
<td>$(35,147)</td>
</tr>
<tr>
<td>Recruitment expenses</td>
<td>$(14,447)</td>
<td>$(67,079)</td>
</tr>
</tbody>
</table>

Other expenses | $(538,090) | $(328,355) |

Profit/(Loss) before income tax expense | $485,903 | $(158,899) |
Income tax expense | - | - |

Profit/(Loss) for the year | $485,903 | $(158,899) |
Other comprehensive income | - | - |
Total comprehensive income for the year | $485,903 | $(158,899) |

The accompanying notes form part of the financial statements.
SecondBite  
ABN 66 116 251 613  
Statement of Financial Position  
As At 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**ASSETS**

**Current assets**
Cash and cash equivalents  
2,643,065  
Trade and other receivables  
74,843  
**Total current assets**  
2,717,908  

**Non-current assets**
Property, Plant and Equipment  
3  
903,499  
Intangible assets  
840  
**Total non-current assets**  
904,339  
**TOTAL ASSETS**  
3,622,247

**LIABILITIES**

**Current liabilities**
Trade and other payables  
4  
1,574,599  
Employee benefits  
5  
161,607  
**Total current liabilities**  
1,736,206

**Non-current liabilities**
Employee benefits  
5  
91,482  
**Total non-current liabilities**  
91,482

**TOTAL LIABILITIES**  
1,827,688

**NET ASSETS**  
1,794,559

**EQUITY**
Retained earnings  
1,794,559  
**TOTAL EQUITY**  
1,794,559

The accompanying notes form part of the financial statements.
## Statement of Changes in Equity
For the Year Ended 30 June 2017

<table>
<thead>
<tr>
<th></th>
<th>Retained Earnings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>2017</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2016</td>
<td>1,308,656</td>
<td>1,308,656</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>485,903</td>
<td>485,903</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>485,903</td>
<td>485,903</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2017</strong></td>
<td>1,794,559</td>
<td>1,794,559</td>
</tr>
<tr>
<td><strong>2016</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2015</td>
<td>1,467,555</td>
<td>1,467,555</td>
</tr>
<tr>
<td>Loss for the year</td>
<td>(158,899)</td>
<td>(158,899)</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>(158,899)</td>
<td>(158,899)</td>
</tr>
<tr>
<td><strong>Balance at 30 June 2016</strong></td>
<td>1,308,656</td>
<td>1,308,656</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements
SecondBite
ABN 66 116 251 613
Statement of Cash Flows
For the Year Ended 30 June 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>CASH FLOWS FROM OPERATING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from donors</td>
<td>6,099,845</td>
<td>4,942,378</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(5,178,059)</td>
<td>(5,217,581)</td>
</tr>
<tr>
<td>Interest received</td>
<td>10,487</td>
<td>17,133</td>
</tr>
<tr>
<td>Net cash inflow/(outflows) from operating activities</td>
<td>7</td>
<td>932,273</td>
</tr>
<tr>
<td>CASH FLOWS FROM INVESTING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of plant and equipment</td>
<td>(333,086)</td>
<td>(234,517)</td>
</tr>
<tr>
<td>Disposal of plant and equipment</td>
<td>5,000</td>
<td>9,089</td>
</tr>
<tr>
<td>Acquisition of intangibles</td>
<td>-</td>
<td>(120)</td>
</tr>
<tr>
<td>Net cash outflow from investing activities</td>
<td></td>
<td>(328,086)</td>
</tr>
<tr>
<td>CASH FLOWS FROM FINANCING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash outflow from financing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents held</td>
<td>604,187</td>
<td>(483,618)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of financial year</td>
<td>2,038,878</td>
<td>2,522,496</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of financial year</td>
<td>2,643,065</td>
<td>2,038,878</td>
</tr>
</tbody>
</table>

The accompanying notes form part of the financial statements
Statement of Significant Accounting Policies

General Information
This special purpose financial report covers SecondBite as an individual not for profit entity. The directors have determined that company is not a reporting entity. SecondBite is a company limited by guarantee, incorporated and domiciled in Australia. The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation
The financial report has been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012, and the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations). The presentation and disclosure requirements of the following Australian Accounting Standards have been complied with:

AASB 101 Presentation of Financial Statements
AASB 107 Statement of Cash Flows
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110 Events after the Reporting Period
AASB 1048 Interpretation of Standards
AASB 1054 Australian Additional Disclosures

Reporting Basis and Conventions
The financial report has been prepared on an accruals basis and is based on historical costs.

(a) Income Tax
The Australian Taxation Office has recognised SecondBite as a Public Benevolent Institution and has granted SecondBite endorsement for Charity Tax Concessions in respect of Income Tax Exemption, Fringe Benefit Tax Exemption and GST Concessions insofar as it is applicable to the relevant taxes.

(b) Property, Plant and Equipment
Plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes all directly attributable expenditure incurred including costs to get the asset ready for its use as intended by management, and an estimate of any expenditure expected to be incurred at the end of the asset’s useful life, including restoration, rehabilitation and decommissioning costs.

The carrying amount of plant and equipment is reviewed annually by directors for indications of impairment. If any such indications exist, an impairment test is carried out, and any impairment losses on the assets recognised.

Depreciation
The depreciable amount of all fixed assets is depreciated on both a diminishing value and straight line basis over their useful lives (commencing from the time the asset is ready for use). Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciable amount is the carrying value of the asset less estimated residual amounts. The residual amount is based on what a similar asset of the expected condition of the asset at the end of its useful life could be sold for.
Statement of Significant Accounting Policies (continued)

(b) Property, Plant and Equipment (continued)

Depreciation (continued)

The depreciation rates used for each class of depreciable assets are:

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicles</td>
<td>25%</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>20%</td>
</tr>
<tr>
<td>Furniture, fittings and computers</td>
<td>15 - 25%</td>
</tr>
</tbody>
</table>

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(c) Impairment

Impairment of property, plant & equipment & intangibles

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount.

As the future economic benefits of the Company’s property, plant and equipment is not primarily dependent on the their ability to generate net cash inflows, and the Company would replace the remaining future economic benefit of the asset if deprived of those assets, the recoverable amount is based on value in use, being the depreciated replacement cost of the asset. All impairment losses are recognised in the profit or loss. A reversal of an impairment loss is recognised immediately in the profit or loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. Impairment testing is performed annually for intangible assets with indefinite useful lives.

Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired, based on estimated future cash flows.

(d) Employee Benefits

Provision is made for the company’s liability for employee benefits arising from services rendered by employees at the end of each reporting period. The provision for long service leave includes the entity’s legal obligations and the expected future payments where no legal entitlement has arisen.

Contributions are made to an employee superannuation fund and are charged as expenses when incurred. There is no legal obligation to provide benefits to employees on retirement.

(e) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.
(f) Revenue Recognition

Donations

Donations are recognised as revenue when controlled by SecondBite in accordance with the principles set out in AASB 1004 “Contributions”. Donations received for a general purpose are therefore recognised when they are received. Donations received for a specific purpose are recognised as revenue to the extent that the conditions attaching to the donation have been met.

Donations for a specific purpose where the conditions have not been met by SecondBite as at balance date are carried forward and disclosed as deferred revenue, acknowledging that the donors have the ability to cancel their donations at any time.

Pro-bono goods and services

The company receives pro-bono goods and services to assist in its administration and recognises these at the fair value of the contribution received with a corresponding expense. Food distributed and volunteer time received is not recognised in these financial statements as they are provided for the benefit of the various community food programs.

Interest Income

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends

Dividends are recognised as revenue when the entity’s right to receive payment is established.

Other Revenue

Other revenue is measured at the fair value of the consideration received or receivable, when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the entity.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheets are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Functional and Presentational Currency

The functional currency of the company is identified as the currency of the primary economic environment in which the company operates, and is used in the recognition of transactions and balances.

The financial statements are presented in Australian dollars which is also the company’s functional and presentation currency.
## SecondBite
### Notes to the Financial Statements
#### For the Year Ended 30 June 2017

<table>
<thead>
<tr>
<th>2 Revenue</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Donations</td>
<td>6,030,703</td>
<td>4,798,159</td>
</tr>
<tr>
<td>Pro bono services</td>
<td>26,245</td>
<td>25,000</td>
</tr>
<tr>
<td>Interest received</td>
<td>10,487</td>
<td>17,133</td>
</tr>
<tr>
<td>Other revenue</td>
<td>3,411</td>
<td>3,105</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td><strong>6,070,846</strong></td>
<td><strong>4,843,397</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3 Plant and Equipment</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>388,307</td>
<td>367,416</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(216,493)</td>
<td>(178,011)</td>
</tr>
<tr>
<td><strong>Total at cost</strong></td>
<td><strong>171,814</strong></td>
<td><strong>189,405</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office, Furniture and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At cost</td>
<td>67,163</td>
<td>61,029</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(49,403)</td>
<td>(43,678)</td>
</tr>
<tr>
<td><strong>Total at cost</strong></td>
<td><strong>17,760</strong></td>
<td><strong>17,351</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Motor Vehicles</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>1,517,223</td>
<td>1,222,070</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(803,298)</td>
<td>(634,439)</td>
</tr>
<tr>
<td><strong>Total at cost</strong></td>
<td><strong>713,925</strong></td>
<td><strong>587,631</strong></td>
</tr>
</tbody>
</table>

| **Total plant and equipment** | **903,499** | **794,387** |

<table>
<thead>
<tr>
<th>4 Trade and other payables</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,345,279</td>
<td>1,241,656</td>
</tr>
<tr>
<td>Other payables</td>
<td>229,320</td>
<td>84,541</td>
</tr>
<tr>
<td><strong>Total current</strong></td>
<td><strong>1,574,599</strong></td>
<td><strong>1,326,197</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5 Employee benefits</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long service leave</td>
<td></td>
<td>6,565</td>
</tr>
<tr>
<td>Annual leave</td>
<td>161,607</td>
<td>139,310</td>
</tr>
<tr>
<td><strong>Total current</strong></td>
<td>161,607</td>
<td>145,875</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-Current</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long service leave</td>
<td>91,482</td>
<td>64,083</td>
</tr>
<tr>
<td><strong>Total non-current</strong></td>
<td><strong>91,482</strong></td>
<td><strong>64,083</strong></td>
</tr>
</tbody>
</table>

18
6 Company Details
The registered office and principal place of business of the company is:

SecondBite
93 Northern Rd
Heidelberg West VIC 3081

7 Cash Flow Information
Reconciliation of cash flow from operations with (Loss)/profit after income tax

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit/(Loss) for the year</td>
<td>485,903</td>
<td>(158,899)</td>
</tr>
<tr>
<td>Non-cash flows in profit/(loss)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on disposal of fixed assets</td>
<td>(3,411)</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>222,385</td>
<td>213,429</td>
</tr>
<tr>
<td><strong>Movements in assets and liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/Decrease in trade receivables</td>
<td>(64,137)</td>
<td>145,589</td>
</tr>
<tr>
<td>Decrease/(Increase) in trade payables</td>
<td>248,402</td>
<td>(465,091)</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>43,131</td>
<td>6,902</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>932,273</td>
<td>(258,070)</td>
</tr>
</tbody>
</table>

8 Members’ Guarantee
The Company was incorporated on 15 September 2005 as a Company limited by guarantee and not having a share capital. If the Company is wound up, the Constitution states that current Members (of which there are 13), (2016:12) and any persons whom were Members within the last 12 months immediately prior, are required to contribute an amount determined by the Company, but not exceeding $10, to meet the outstanding obligations of the Company, if required.

9 Related Party Transactions
One distribution to the value of $61,000 (2016: $60,000) was received from SecondBite Future Trust during the current period.

10 Auditor’s Remuneration
During the year the following fees were paid or payable for services provided by the auditor, Grant Thornton Audit Pty Ltd, and its related practices and non-related audit firm.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit and review services</td>
<td>8,300</td>
<td>8,300</td>
</tr>
</tbody>
</table>

11 Contingent liabilities
There are no contingent liabilities at the end of the year.
SecondBite
ABN 66 116 251 613
Directors' Declaration
For the Year Ended 30 June 2017

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
   (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Australian Charities and Not-for-profits Commission Act 2012; and
   (b) give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

[Signature]
Director

Dated this 27th day of November 2017