

# **The One Box Group Limited**

**(Limited by guarantee)**

**ABN 88 624 792 052**

## **Annual financial report**

For the period ended 30 June 2019

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# Directors' report

For the period ended 30 June 2019

The directors present their report, together with the financial statements, on The One Box Group Limited (Limited by guarantee) ('Company') for the period ended 30 June 2019.

## Directors of the company

The names of the Company's directors in office during the financial period and until the date of this report are as follows:

<b>Mr Martin Leigh Halphen</b> LLB  Director Appointed: 14 May 2018 Resident: Melbourne, Australia  Experience:  Martin is the founder and CEO of The Fruit Box Group; Australia's leading, premium quality, workplace fruit and milk delivery company. Before he turned the small 300 customer business into today's 30,000 weekly orders, Martin started his career as a Commercial Lawyer before making the switch to Operations.	<b>Mr Richard Braham Moshinsky</b> LLB  Director Appointed: 14 May 2018 Resident: Melbourne, Australia  Experience:  Richard is a partner at SBA Law and has specialised in private M&A transactions for over 20 years. Prior to joining SBA Law, Richard spent over 20 years at DLA Piper including 14 years as a partner in the corporate team and 5 years as a member of the firm's Australian board.	<b>Mr Jonathan Brett Isaacs</b> B.Com, CA  Director Appointed: 14 May 2018 Resident: Melbourne, Australia  Experience:  Jonathan is the Chief Financial Officer for Clemenger Group Ltd. He joined the Group back in 2000 and was appointed as the finance director of Clemenger BBDO (Melbourne) in 2001. He was appointed to the board of directors of Clemenger Group Ltd in 2010.
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## Company Secretary

Mr Brendan Shaw (B.Bus(Acc), CA) was appointed as the company secretary on the 4 December 2018. Brendan is the Chief Operating Officer at The Fruit Box Group. Brendan started his career at Ernst & Young and has held numerous senior management positions for over 12 years in various corporates including being the CEO for Aussie Farmers Direct.

## Directors' Meetings

The following table shows meetings during the period and the number attended by each director:

Director	Held	Attended
Martin Leigh Halphen	3	3
Richard Braham Moshinsky	3	3
Jonathan Brett Isaacs	3	3

## Objectives

In a lucky country like Australia it's unfortunate that so many families can't afford to put fresh food on the table or even provide their kids with nutritious food. The objective of the company is to provide Australian families in need with a free weekly box full of fresh fruit, vegetables, milk and bread through the assistance of local community agencies.

# Directors' report (Continued)

For the period ended 30 June 2019

## Strategy for achieving objectives

The company would like to thank The Fruit Box Group for their generosity and for continuing to be the primary sponsor. The company would also like to thank all its corporate sponsors for their continuing support which enable the company to continue to achieve its objectives.

Through social media and other marketing avenues, the company continues to reach out to individuals and corporates for their support in generating donations that will directly lead to more boxes being delivered to families in need.

## Principal activities

During the financial period the principal continuing activities of the company were identifying families in need of fresh food with the help of local community agencies and schools and delivering free weekly boxes full of fresh fruit, vegetables, milk and bread to these families.

## Performance measures

The company measures its performance on both donations received and number of boxes delivered to families in need. Donations received are crucial as they directly affect the number of boxes delivered. The company continues to create awareness through its presence in social media and other marketing avenues which will then lead to more awareness and subsequently donations in the future.

## Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$100 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$400, based on 4 current ordinary members.

## Auditor independence

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Martin Halphen  
Director

Melbourne, 13 December 2019

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of The One Box Group Limited for the period ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) auditor independence requirements of the Australian professional accounting bodies in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to be 'RSM'.**RSM AUSTRALIA PARTNERS**A handwritten signature in blue ink, appearing to be 'J S CROALL'.

**J S CROALL**  
Partner

Dated: 13 December 2019  
Melbourne, Victoria

**The One Box Group Limited (Limited by guarantee)**  
**Statement of profit or loss and other comprehensive income**  
**For the 14-month period to 30 June 2019**

		<b>30 June 2019</b>
	<b>Note</b>	<b>(\$)</b>
<b>Revenue</b>	3	550,337
<b>Expenses</b>		
Cost of produce		199,791
Advertising and promotion expense		59,094
Personnel expense	4	105,079
Depreciation expense	4	2,772
Management fee expense		125,507
Other expenses		9,588
<b>Total expenses</b>		<b>501,831</b>
Surplus before income tax expense		48,506
Income tax expense		-
<b>Surplus after income tax expense for the period attributable to the members</b>	7	<b>48,506</b>
Other comprehensive income for the period, net of tax		-
<b>Total comprehensive income for the period attributable to the members</b>		<b>48,506</b>

*The above Statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**The One Box Group Limited (Limited by guarantee)**  
**Statement of financial position**  
**As at 30 June 2019**

		30 June 2019
	Note	(\$)
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	5	36,522
<b>Total current assets</b>		<b>36,522</b>
<b>Non-current assets</b>		
Furniture & fittings	6	11,984
<b>Total non-current assets</b>		<b>11,984</b>
<b>Total assets</b>		<b>48,506</b>
<b>Net assets</b>		<b>48,506</b>
<b>Equity</b>		
Retained surpluses	7	48,506
<b>Total equity</b>		<b>48,506</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

**The One Box Group Limited (Limited by guarantee)**  
**Statement of changes in equity**  
**For the period ended 30 June 2019**

	<b>Note</b>	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at the date of incorporation		-	-
Surplus after income tax expense for the period	7	48,506	48,506
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		48,506	48,506
<b>Balance at 30 June 2019</b>		<b>48,506</b>	<b>48,506</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*



**The One Box Group Limited (Limited by guarantee)**  
**Statement of cash flows**  
**For the period ended 30 June 2019**

		30 June 2019
	Note	(\$)
<b>Cash flows from operating activities</b>		
Donations received		36,647
Bank fees		(125)
Net cash from operating activities	12	36,522
<b>Net increase in cash and cash equivalents</b>		
		<b>36,522</b>
Cash and cash equivalents at the date of incorporation		-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>5</b>	<b>36,522</b>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

# Notes to the financial statements

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## 01 Corporate information

The financial report of The One Box Group Limited (Limited by guarantee) for the period ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 13 December 2019. The Company is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia.

The Company was incorporated on 14 May 2018. The financial statements for the current period cover the period from the date of incorporation till 30 June 2019. The current period is the first period of operations thus; no comparative information is provided in these financial statements.

The registered office and principal place of business of the Company is 56-62 Bakehouse Road, Kensington VIC 3031.

## 02 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

### a) Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation, being the Fundraising Act 1998, and associated regulations and the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of the company. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of the company.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

#### **Historical cost convention**

The financial statements have been prepared under the historical cost convention.

#### **Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

### b) Revenue recognition

The company recognises revenue as follows:

#### **Donations**

Donations are recognised at the time the pledge is made.

#### **Other revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

### c) Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

## 02. Summary of significant accounting policies (continued)

### d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### f) Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

### g) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on diminishing value basis over the useful life of property, plant and equipment (excluding freehold land). The depreciation method and useful life of assets is reviewed regularly to ensure they are still appropriate.

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

Class of Fixed Asset	Useful life
Furniture and fittings	3-5 years

### h) Impairment of non-financial assets

Non-financial assets 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### j) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## **02. Summary of significant accounting policies (continued)**

### **k) New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2019. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

The company has reviewed and applied all applicable new accounting standards and amendments applicable for the first time in their annual reporting period and determined that there was no material impact on its financial statements in the current reporting year.

### **Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimate and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### **Estimation of useful lives of assets**

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

### 03 Revenue

	30 June 2019 (\$)
Donations	550,337
<b>Revenue</b>	<b>550,337</b>

### 04 Expenses

	30 June 2019 (\$)
<b>Personnel expense</b>	
Salaries and wages	91,680
Superannuation	7,824
Other personnel related expenses	5,575
<b>Total personnel expense</b>	<b>105,079</b>
Depreciation - Furniture & fittings	2,772
<b>Total depreciation</b>	<b>2,772</b>

### 05 Cash and cash equivalents

	30 June 2019 (\$)
Cash at bank	36,522
<b>Total cash &amp; cash equivalents</b>	<b>36,522</b>

## 06 Property, plant and equipment

	30 June 2019 (\$)
Furniture & fittings - at cost	14,756
Less: Less: Accumulated depreciation - Furniture & fittings	(2,772)
<b>Total property, plant and equipment</b>	<b>11,984</b>

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial period is set out below:

	Furniture & fittings \$
Balance at the date of incorporation	-
Additions	14,756
Depreciation expense	(2,772)
<b>Total - Furniture and fittings</b>	<b>11,984</b>

## 07 Retained surplus

	30 June 2019 (\$)
Retained surpluses at the date of incorporation	-
Surplus after income tax expense for the period	48,506
<b>Retained surpluses at the end of the financial period</b>	<b>48,506</b>

## 08 Remuneration of auditors

During the financial year, RSM Australia Pty Ltd provided its services on a pro bono basis.

## 09 Contingent liabilities

The company had no contingent liabilities as at 30 June 2019.

## 10 Commitments

The company had no commitments for expenditure as at 30 June 2019.



## 11 Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

## 12 Cash flow information

Reconciliation of surplus after income tax to net cash from operating activities:

	30 June 2019 (\$)
Surplus after income tax expense for the period	48,506
Adjustments for:	
Depreciation and amortisation	2,772
Furniture & fittings transferred	(14,756)
<b>Net cash from operating activities</b>	<b>36,522</b>

## Directors' declaration

In the opinion of the directors:

- The company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 2 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation, being the Fundraising Act 1998, and associated regulations and the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of The One Box Group Limited (Limited by guarantee);
- The attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 2 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, consisting of several overlapping, slanted strokes.

Martin Halphen  
Director

13 December 2019

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## INDEPENDENT AUDITOR'S REPORT To the Members of The One Box Group Limited

### Opinion

We have audited the financial report of The One Box Group Limited, which comprises the statement of financial position for the period ending 30 June 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the trustee's declaration.

In our opinion, the accompanying financial report of The One Box Group Limited is in accordance with *Division 60 of the Australian Charities and Not-for-profits Commissions Act 2012*, including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2019 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 2, and *Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of The One Box Group Limited in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The One Box Group Limited to meet the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

**Other Information (Continued.)**

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

The management of the registered entity is responsible for the preparation, and fair presentation of the financial report that gives a true and fair view in accordance with the *Australian Accounting Standards* and the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing The One Box Groups Limited's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate The One Box Groups Limited or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The One Box Groups Limited financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**RSM AUSTRALIA PARTNERS****J S CROALL**

Partner

Dated: 16 December 2018  
Melbourne, Victoria