



**BALLARAT
RENEWABLE
ENERGY
AND ZERO
EMISSIONS**

Financial Statements

For the Year Ended 30 June 2018

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

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For the Year Ended 30 June 2018

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Ballarat Renewable Energy and Zero Emissions Inc.

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue			
Donations		12,909	1,780
Events		645	322
Farmers Market		29,356	28,900
Grants - Community Power Hub		200,000	-
Grants - New Energy Job Fund		23,891	-
Grants - Other		-	12,015
Interest received		2,051	663
Member subscriptions		1,838	1,782
Other income		2,890	20,632
Service Contracts		15,000	15,000
Total Revenue		288,580	81,094
Expenditure			
Administration		7,230	10,448
Community Power Hub		50,912	-
Events		227	-
Farmers Market		23,187	26,813
New Energy Job Fund		24,006	-
Public Fund		18,423	32,249
RSAB		1,023	93
Smart Living Ballarat		12,429	6,315
Total Expenditure		137,437	75,918
Profit before income tax		151,143	5,176
Income tax expense	1(a)	-	-
Profit for the year		151,143	5,176
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the year		151,143	5,176

The accompanying notes form part of these financial statements.

Ballarat Renewable Energy and Zero Emissions Inc.

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Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	222,899	51,139
Trade and other receivables	3	-	530
TOTAL CURRENT ASSETS		<u>222,899</u>	<u>51,669</u>
NON-CURRENT ASSETS			
Other financial assets	4	1,130	1,130
Loans and advances	5	13,250	16,250
Property, plant and equipment	6	-	-
TOTAL NON-CURRENT ASSETS		<u>14,380</u>	<u>17,380</u>
TOTAL ASSETS		<u>237,279</u>	<u>69,049</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	18,746	1,659
TOTAL CURRENT LIABILITIES		<u>18,746</u>	<u>1,659</u>
NET ASSETS		<u>218,533</u>	<u>67,390</u>
EQUITY			
Retained earnings		<u>218,533</u>	<u>67,390</u>
TOTAL EQUITY		<u>218,533</u>	<u>67,390</u>

The accompanying notes form part of these financial statements.

Ballarat Renewable Energy and Zero Emissions Inc.

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Statement of Changes in Equity For the Year Ended 30 June 2018

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	67,390	67,390
Profit attributable to members	151,143	151,143
Balance at 30 June 2018	218,533	218,533

2017

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2016	62,214	62,214
Profit attributable to members	5,176	5,176
Balance at 30 June 2017	67,390	67,390

The accompanying notes form part of these financial statements.

Ballarat Renewable Energy and Zero Emissions Inc.

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Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	315,712	99,199
Payments to suppliers	(149,003)	(87,545)
Interest received	2,051	663
Net cash provided by operating activities	9 <u>168,760</u>	<u>12,317</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Unsecured loans - funds provided	-	(18,500)
Unsecured loans - proceeds from repayments	3,000	2,250
Net cash provided by (used in) investing activities	<u>3,000</u>	<u>(16,250)</u>
Net increase/(decrease) in cash and cash equivalents held	171,760	(3,933)
Cash and cash equivalents at beginning of year	51,139	55,072
Cash and cash equivalents at end of financial year	2 <u><u>222,899</u></u>	<u><u>51,139</u></u>

The accompanying notes form part of these financial statements.

Ballarat Renewable Energy and Zero Emissions Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2018

The financial report covers Ballarat Renewable Energy and Zero Emissions Inc. as an individual entity. Ballarat Renewable Energy and Zero Emissions Inc. is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2018 were undertaken to protect and enhance the natural environment and increase sustainability within the Ballarat region by promoting and developing renewable sources of energy and significantly reducing the region's contribution to greenhouse gas emissions.

The functional and presentation currency of Ballarat Renewable Energy and Zero Emissions Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, 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* and AASB 1054 *Australian Additional Disclosures*.

1 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the entity is entitled to it.

Donations

Donations and bequests are recognised as revenue when received.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Ballarat Renewable Energy and Zero Emissions Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies (continued)

(b) Revenue and other income (continued)

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

Interest revenue

Interest is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Ballarat Renewable Energy and Zero Emissions Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2018

2 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank	222,899	51,139
	<u>222,899</u>	<u>51,139</u>

3 Trade and Other Receivables

Trade receivables	-	530
	<u>-</u>	<u>530</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

4 Other Financial Assets

Shares at Cost - Hepburn Wind	1,000	1,000
Shares at Cost - BREAZE Enterprises Pty Ltd	130	130
	<u>1,130</u>	<u>1,130</u>

5 Loans and Advances

Unsecured loan	13,250	16,250
	<u>13,250</u>	<u>16,250</u>

The unsecured loan relates to the provision of a solar system to Ballarat Regional Industries Inc. and is subject to a loan agreement dated 6 October 2016. The loan is scheduled to be repaid in equal instalments over a period of 74 months and is an interest free loan where all instalments are repaid by their due date. The total cost of the installation was \$50,359.

6 Property, plant and equipment

PLANT AND EQUIPMENT

Plant and equipment		
At cost	1,337	1,337
Accumulated depreciation	(1,337)	(1,337)
	<u>-</u>	<u>-</u>

Ballarat Renewable Energy and Zero Emissions Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2018

7 Trade and Other Payables

	2018	2017
	\$	\$
Current		
Trade payables	10,402	346
GST payable	8,344	1,313
	18,746	1,659

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2018 (30 June 2017:None).

9 Cash Flow Information

Reconciliation of net result to net cash provided by operating activities:

Profit for the year	151,143	5,176
Non-cash flows in profit:		
Changes in assets and liabilities:		
- decrease in trade and other receivables	530	10,725
- increase/(decrease) in trade and other payables	10,056	(3,154)
- increase/(decrease) in GST payable	7,031	(430)
Cashflows from operations	168,760	12,317

Ballarat Renewable Energy and Zero Emissions Inc.

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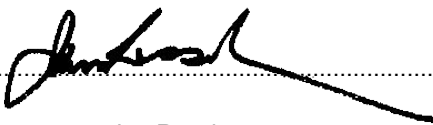
Statement by Members of the Board

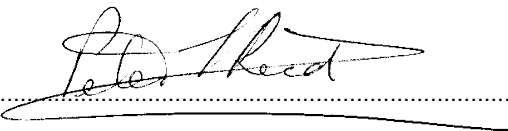
The Board has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board the financial report as set out on pages 1 to 8:

1. Gives a true and fair view of the financial position of Ballarat Renewable Energy and Zero Emissions Inc. as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Ballarat Renewable Energy and Zero Emissions Inc. will be able to pay its debts as and when they fall due.

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

President 
Ian Rossiter

Treasurer 
Peter Reid

Dated 15 October 2018

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844



Independent Audit Report to the members of Ballarat Renewable Energy and Zero Emissions Inc.

Opinion

We have audited the financial report of Ballarat Renewable Energy and Zero Emissions Inc., which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the board.

In our opinion the financial report of Ballarat Renewable Energy and Zero Emissions Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the association's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board of the association is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

Ballarat Renewable Energy and Zero Emissions Inc.

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Independent Audit Report to the members of Ballarat Renewable Energy and Zero Emissions Inc.

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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cooper Audit and Accounting Pty Ltd

Grant L Cooper
Director

Signed at Ballarat
Dated 15 October 2018