



**BALLARAT
RENEWABLE
ENERGY
AND ZERO
EMISSIONS**

Financial Statements

For the Year Ended 30 June 2019

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

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For the Year Ended 30 June 2019

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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 2019

	Note	2019 \$	2018 \$
Revenue			
Affiliated Group Activities		10,942	-
Donations		4,927	12,909
Events		493	645
Farmers Market		88	29,356
Grants - Community Power Hub		55,000	200,000
Grants - New Energy Job Fund		-	23,891
Grants - Other		2,000	-
Interest received		2,646	2,051
Member subscriptions		1,567	1,838
Other income		3,771	2,890
Service Contracts		10,000	15,000
Total Revenue		91,434	288,580
Expenditure			
Administration		7,981	7,230
Affiliated Group Activities		9,294	-
Community Power Hub		140,233	50,912
Events		263	227
Farmers Market		2,003	23,187
New Energy Job Fund		-	24,006
Public Fund		2,727	18,423
RSAB		453	1,023
Smart Living Ballarat		11,499	12,429
Social Renewables		11,418	-
Total Expenditure		185,871	137,437
Profit/(loss) before income tax		(94,437)	151,143
Income tax expense	1(a)	-	-
Profit/(loss) for the year		(94,437)	151,143
Other comprehensive income, net of income tax		-	-
Total comprehensive income for the year		(94,437)	151,143

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 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	112,001	222,899
Trade and other receivables	3	3,272	-
TOTAL CURRENT ASSETS		115,273	222,899
NON-CURRENT ASSETS			
Other financial assets	4	1,230	1,130
Loans and advances	5	10,250	13,250
Property, plant and equipment	6	-	-
TOTAL NON-CURRENT ASSETS		11,480	14,380
TOTAL ASSETS		126,753	237,279
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	2,657	18,746
TOTAL CURRENT LIABILITIES		2,657	18,746
NET ASSETS		124,096	218,533
EQUITY			
Retained earnings		124,096	218,533
TOTAL EQUITY		124,096	218,533

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 2019

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	218,533	218,533
Loss attributable to members	(94,437)	(94,437)
Balance at 30 June 2019	124,096	124,096

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

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 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	97,667	315,712
Payments to suppliers	(214,111)	(149,003)
Interest received	2,646	2,051
Net cash provided by (used in) operating activities	9 (113,798)	168,760
CASH FLOWS FROM INVESTING ACTIVITIES:		
Unsecured loans - proceeds from repayments	3,000	3,000
Purchase of investments	(100)	-
Net cash provided by investing activities	2,900	3,000
Net increase/(decrease) in cash and cash equivalents held	(110,898)	171,760
Cash and cash equivalents at beginning of year	222,899	51,139
Cash and cash equivalents at end of financial year	2 112,001	222,899

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 2019

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 2019 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.

Notes to the Financial Statements

For the Year Ended 30 June 2019

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 2019

2 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank	112,001	222,899
	<u>112,001</u>	<u>222,899</u>

3 Trade and Other Receivables

GST receivable	3,272	-
	<u>3,272</u>	<u>-</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
Shares at Cost - Cooperative Power	100	-
	<u>1,230</u>	<u>1,130</u>

5 Loans and Advances

Unsecured loan	10,250	13,250
	<u>10,250</u>	<u>13,250</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 2019

7 Trade and Other Payables

	2019 \$	2018 \$
Current		
Trade payables	2,657	10,402
GST payable	-	8,344
	<u>2,657</u>	<u>18,746</u>

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 2019 (30 June 2018:None).

9 Cash Flow Information

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

Profit/(loss) for the year	(94,437)	151,143
Non-cash flows in profit:		
Changes in assets and liabilities:		
- decrease in trade and other receivables	-	530
- increase/(decrease) in trade and other payables	(7,745)	10,056
- increase/(decrease) in GST payable	(11,616)	7,031
Cashflows from operations	<u>(113,798)</u>	<u>168,760</u>

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

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.

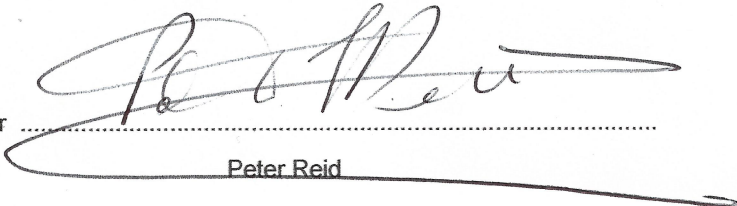
In the opinion of the Board the financial report as set out on pages 1 to 8:

1. Gives a true and fair view of the financial position of Ballarat Renewable Energy and Zero Emissions Inc. as at 30 June 2019 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

Paul Duggan

Treasurer

Peter Reid

Dated 19 August 2019



Independent Assurance Practitioner's Review Report to the members of Ballarat Renewable Energy and Zero Emissions Inc.

We have reviewed the accompanying financial report, being a special purpose financial report of Ballarat Renewable Energy and Zero Emissions Inc., which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the board.

Board's Responsibility 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 *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the needs of the members. The Boards' responsibility also includes such internal control that the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2400, *Reviews of Financial Reports Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*. ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ASRE 2400 is a limited assurance engagement. A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Ballarat Renewable Energy and Zero Emissions Inc. does not satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; and
- b) 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 of Accounting

Without modifying our conclusion, 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 Boards' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

COOPER AUDIT AND ACCOUNTING PTY LTD

Grant Cooper
Director

Signed at Ballarat
Dated 19 August 2019