



**BALLARAT
RENEWABLE
ENERGY
AND ZERO
EMISSIONS**

Financial Statements

For the Year Ended 30 June 2021

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

Contents

For the Year Ended 30 June 2021

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Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|------|-----------------|----------------|
| Revenue | | | |
| Affiliated Group Activities | | 13,845 | 8,555 |
| Donations | | 5,129 | 3,893 |
| Grants - Community Power Hub | | - | 45,000 |
| Grants - Grampians Renewable Energy | | 334,722 | 45,000 |
| Grants - New Energy Jobs Fund | | 75,000 | - |
| Grants - Other | | - | 21,364 |
| Interest received | | 296 | 953 |
| Member subscriptions | | 1,591 | 2,139 |
| Other income | | 3,149 | 3,722 |
| Projects | | - | 21,545 |
| Service Contracts | | 10,702 | 10,375 |
| Total Revenue | | 444,434 | 162,546 |
| Expenditure | | | |
| Administration | | 15,390 | 9,068 |
| Affiliated Group Activities | | 13,920 | 11,163 |
| Community Power Hub | | - | 108,472 |
| Events | | - | 150 |
| Grampians Renewable Energy | | 343,703 | - |
| Projects | | 10,104 | 3,158 |
| New Energy Jobs Fund | | 74,339 | - |
| Public Fund | | - | 15 |
| Smart Living Ballarat | | 10,702 | 6,104 |
| Social Renewables | | - | 200 |
| Total Expenditure | | 468,158 | 138,330 |
| Profit/(loss) before income tax | | (23,724) | 24,216 |
| Income tax expense | 2(a) | - | - |
| Profit/(loss) for the year | | (23,724) | 24,216 |
| Other comprehensive income, net of income tax | | - | - |
| Total comprehensive income for the year | | (23,724) | 24,216 |

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 2021

| | Note | 2021 \$ | 2020 \$ |
|-------------------------------|------|----------------|----------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 221,486 | 128,841 |
| Trade and other receivables | 4 | 22,724 | 11,100 |
| TOTAL CURRENT ASSETS | | <u>244,210</u> | <u>139,941</u> |
| NON-CURRENT ASSETS | | | |
| Other financial assets | 5 | 1,230 | 1,230 |
| Loans and advances | 6 | 4,250 | 7,250 |
| Property, plant and equipment | 7 | - | - |
| TOTAL NON-CURRENT ASSETS | | <u>5,480</u> | <u>8,480</u> |
| TOTAL ASSETS | | <u>249,690</u> | <u>148,421</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 8 | 9,824 | 109 |
| Other financial liabilities | 9 | 115,278 | - |
| TOTAL CURRENT LIABILITIES | | <u>125,102</u> | <u>109</u> |
| NET ASSETS | | <u>124,588</u> | <u>148,312</u> |
| EQUITY | | | |
| Retained earnings | | <u>124,588</u> | <u>148,312</u> |
| TOTAL EQUITY | | <u>124,588</u> | <u>148,312</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 2021

2021

| | Retained Earnings | Total |
|--------------------------------|----------------------|----------------|
| | \$ | \$ |
| Balance at 1 July 2020 | 148,312 | 148,312 |
| Loss attributable to members | (23,724) | (23,724) |
| Balance at 30 June 2021 | 124,588 | 124,588 |

2020

| | Retained Earnings | Total |
|--------------------------------|----------------------|----------------|
| | \$ | \$ |
| Balance at 1 July 2019 | 124,096 | 124,096 |
| Profit attributable to members | 24,216 | 24,216 |
| Balance at 30 June 2020 | 148,312 | 148,312 |

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 2021

| | 2021 | 2020 |
|---|-------------------------|-----------------------|
| Note | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Receipts from customers | 609,950 | 164,472 |
| Payments to suppliers | (520,601) | (151,585) |
| Interest received | 296 | 953 |
| Net cash provided by (used in) operating activities | 11 <u>89,645</u> | <u>13,840</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Unsecured loans - proceeds from repayments | <u>3,000</u> | 3,000 |
| Net cash provided by investing activities | <u>3,000</u> | <u>3,000</u> |
| Net increase/(decrease) in cash and cash equivalents held | 92,645 | 16,840 |
| Cash and cash equivalents at beginning of year | <u>128,841</u> | 112,001 |
| Cash and cash equivalents at end of financial year | 3 <u><u>221,486</u></u> | <u><u>128,841</u></u> |

The accompanying notes form part of these financial statements.

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

Notes to the Financial Statements For the Year Ended 30 June 2021

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 2021 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.

1 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*.

2 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.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

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.

**Notes to the Financial Statements
For the Year Ended 30 June 2021**

2 Summary of Significant Accounting Policies (continued)

(b) Revenue and other income (continued)

Subscriptions

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

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 2021

3 Cash and Cash Equivalents

| | 2021 | 2020 |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash at bank | 221,486 | 128,841 |
| | <u>221,486</u> | <u>128,841</u> |

4 Trade and Other Receivables

CURRENT

| | | |
|-------------------|---------------|---------------|
| Trade receivables | 4,231 | 11,100 |
| GST receivable | 7,791 | - |
| Accrued income | 10,702 | - |
| | <u>22,724</u> | <u>11,100</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.

5 Other Financial Assets

NON-CURRENT

| | | |
|---|--------------|--------------|
| Shares at Cost - Hepburn Wind | 1,000 | 1,000 |
| Shares at Cost - BREAZE Enterprises Pty Ltd | 130 | 130 |
| Shares at Cost - Cooperative Power | 100 | 100 |
| | <u>1,230</u> | <u>1,230</u> |

6 Loans and Advances

NON-CURRENT

| | | |
|----------------|--------------|--------------|
| Unsecured loan | 4,250 | 7,250 |
| | <u>4,250</u> | <u>7,250</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.

7 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 2021

8 Trade and Other Payables

| | 2021 | 2020 |
|--------------------------------------|--------------|------------|
| | \$ | \$ |
| CURRENT | | |
| Trade payables | 5,324 | - |
| GST payable | - | 109 |
| Sundry payables and accrued expenses | 4,500 | - |
| | <u>9,824</u> | <u>109</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.

9 Other Financial Liabilities

| CURRENT | | |
|-------------------|----------------|----------|
| Government grants | 115,278 | - |
| | <u>115,278</u> | <u>-</u> |

Government grants received in relation to Grampians Renewable Energy projects have been deferred from recognition as income to the extent of related expenditure incurred in July 2021 and August 2021.

10 Contingencies

In the opinion of those charged with governance, the association did not have any contingencies at 30 June 2021 (30 June 2020:None).

11 Cash Flow Information

| | | |
|--|---------------|---------------|
| Reconciliation of net result to net cash provided by operating activities: | | |
| Profit/(loss) for the year | (23,724) | 24,216 |
| Non-cash flows in profit: | | |
| Changes in assets and liabilities: | | |
| - (increase) in trade and other receivables | (3,833) | (11,100) |
| - increase in income in advance | 115,278 | - |
| - increase/(decrease) in trade and other payables | 9,824 | (2,657) |
| - increase/(decrease) in GST payable | (7,900) | 3,381 |
| Cashflows from operations | <u>89,645</u> | <u>13,840</u> |

Ballarat Renewable Energy and Zero Emissions Inc.

ABN 35 704 902 844

Statement by Members of the Board

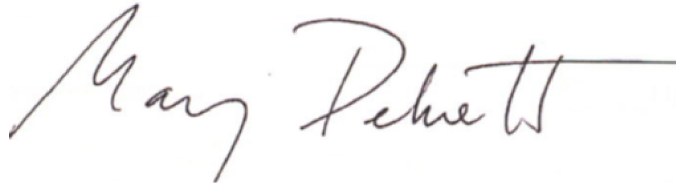
The Board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

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 2021 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.

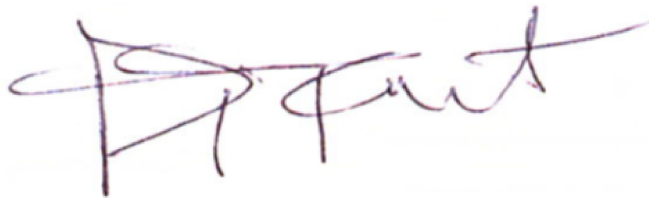
This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

President



Mary Debrett

Treasurer



Paul Tant

Dated 12 November 2021

Ballarat Renewable Energy and Zero Emissions Inc.



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 2021, 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 2021 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. My 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 (including Independence Standards)* (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. My 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 have 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 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 has no realistic alternative but to do so.

Ballarat Renewable Energy and Zero Emissions Inc.



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

Auditor's Responsibilities for the Audit of the Financial Report

My 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. My 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 Cooper
Director

Ballarat Victoria
Dated 12 November 2021