



CENTRAL VICTORIAN
Greenhouse Alliance

LOCAL GOVERNMENTS WORKING FOR A
LOW CARBON, RESILIENT REGION

ANNUAL REPORT 2016-17



MESSAGE FROM OUR CHAIR

It has been an exciting year for CVGA and its member Councils, with much action across the entire region.

I firstly note the departure of our dynamic and entrepreneurial executive officer Sonny Neale, to continue his passion for all things climate change through private practice. Sonny has been a great advocate and leader both for our Alliance and for the State more broadly.

We welcome an equally skilled Executive Officer in Rob Law, who has extensive operational and policy experience in this space. We are well placed as an Alliance now with our secretariat of Rob and Sandra Ryan undertaking project and back of house work. Of special note is Sandra's great work as acting Executive Officer during May and June of this year.

At all corners of the Alliance we are seeing great work underway. Our political environment is one of mixed messages, however the corporate imperative of development and Councils investing in infrastructure which both saves costs and reduces emissions continues.

At Gannawarra and Swan Hill large scale solar PV planning applications are underway, while we as an Alliance are actively working with our urban colleagues in terms of the bulk purchase of renewable energy from the region. To the west the Victorian Government's purchase of power is driving further wind farm development forward.

Behind the big picture are many small and important local activities, particularly those we undertake to skill Council's in the renewables space, work we continue to do with grants to help Councils invest in infrastructure and programs like solar savers, which offers the opportunity to help many low income households get solar PV in a cost effective and affordable manner. I also note our work in adapting, such as the heatwave health program, which again offers significant potential across the state in helping councils to manage the impacts of heatwaves on the vulnerable people in their communities.

Thank you personally to the terrific group of Board members we have at CVGA and I look forward to continuing to work with you over the next year as well.

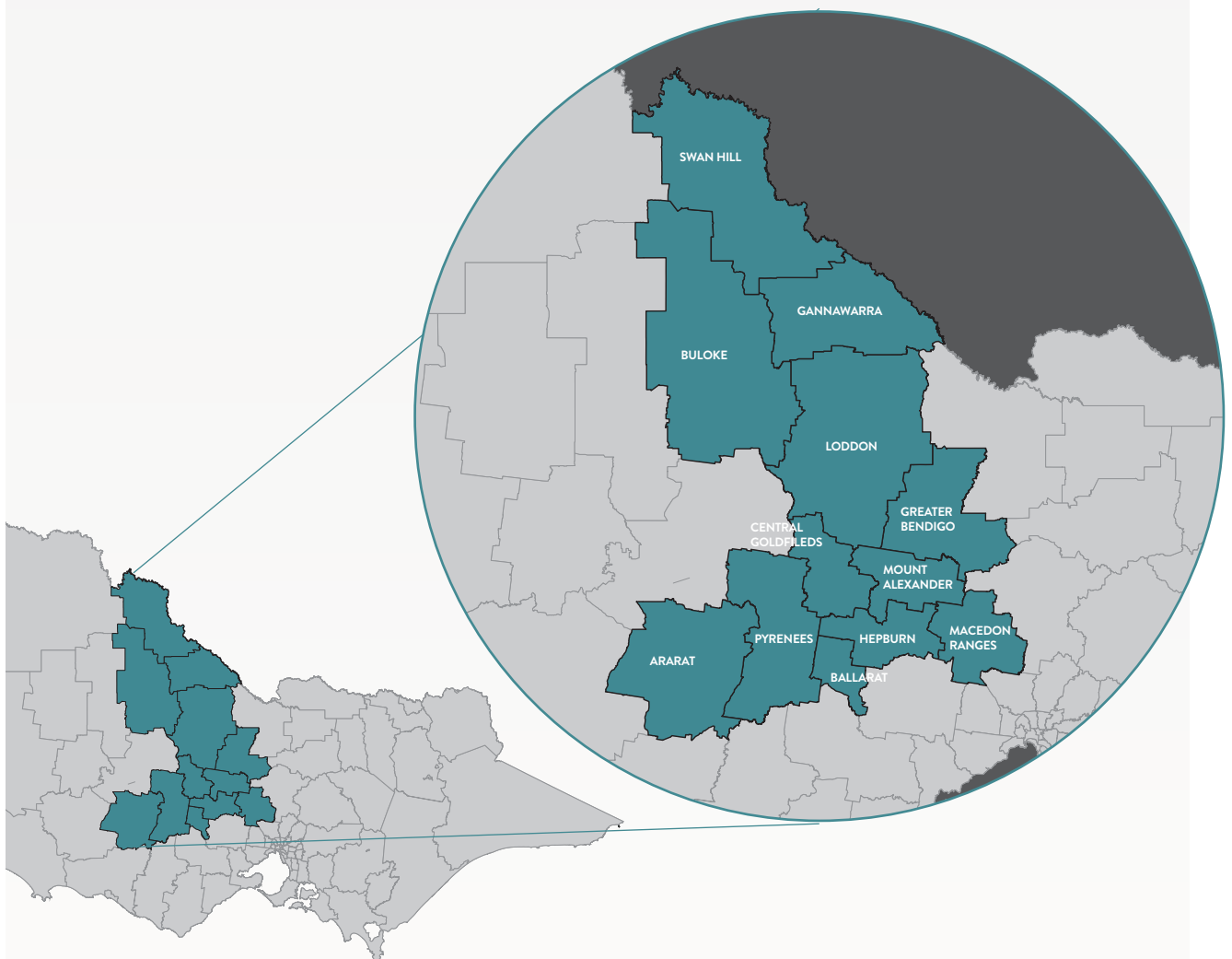
Cr. David Clark

CVGA chair and Mayor of Pyrenees Shire Council



ABOUT CVGA

We represent a partnership of 12 local governments who have chosen to work together to help our region grow and thrive in a rapidly changing climate. We develop and implement innovative regional projects, advocate on climate and energy policy, share information and promote best practice.



BOARD MEMBERS

NAME	COUNCIL
Don Cole	Ararat Rural City
Cr Belinda Coates	City of Ballarat
Cr Jennifer Alden	City of Greater Bendigo
Cr John Shaw	Buloke Shire Council
Cr Geoff Lovett	Central Goldfields Shire Council
Cr Sonia Wright	Gannawarra Shire Council
Aaron van Egmond	Hepburn Shire Council
Cr Cheryl McKinnon	Loddon Shire Council
Cr Natasha Gayfer	Macedon Ranges Shire Council
Jason Taylor	Mt Alexander Shire Council
Cr David Clark	Pyrenees Shire Council
Adam McSwain	Swan Hill Rural City Council

EMPLOYEES

NAME	POSITION
Sonny Neale	Executive Officer
Sandra Ryan	Office/ Project Manager
Sharyn Robinson	Finance Officer
Rob Law	Executive Officer
Amanda Tattam	Communications Officer

FEEDBACK FROM OUR MEMBERS AND STAKEHOLDERS

“

With a focus on being at the centre of local government climate change action, CVGA has been a great collaborator. CVGA is a valuable resource and partner in helping local governments in Central and North West Victoria access and helps shape State government policies, programs and initiatives around climate change and renewable energy.

Geoff Caine,
Manager Sustainability Programs, DELWP

“

City of Ballarat has benefited from CVGA membership as we called on their expertise to assist us to prioritise solar retrofitting projects (solar panels on Council buildings) which would give us best return on investment, emissions reductions and overall ‘bang for buck’. This helped us have evidence based business cases and get best value out of our budget allocated for solar projects.

Cr Belinda Coates,
City of Ballarat

“

It’s been a pleasure working with CVGA over the last 12 months on local government’s flagship low income solar program – Solar Savers. This cross-Alliance initiative demonstrates how council programs can be quickly and effectively scaled up across the State through their Greenhouse Alliance. This project comes at an exciting time for CVGA under the stewardship of Rob Law – after serving in both EAGA and the Northern Alliance, there is no better qualified person to lead CVGA onto bigger and better things.

Scott McKenry,
Executive Officer, Eastern Alliance for Greenhouse Action

“

CVGA gives us a regional perspective on climate and greenhouse action that wouldn’t be possible without their active facilitation and administrative support. Our membership means we can leverage greater outcomes via collaboration with other members, and as an alliance we have a bigger voice to advocate for our region.

Nycole Wood,
Sustainability Planner & Engineer, City of Greater Bendigo

PROJECTS

INITIATIVES		OUTCOMES
PROJECTS	Resilient Community Assets	The Resilient Community Assets project was a collaborative effort between six councils to undertake adaptation measures to reduce the risk and impacts of climate change on street trees and heatwaves. CVGA, through its lead Council Central Goldfields Shire Council, secured \$240,000 funding through the Victorian Adaptation and Sustainability Partnerships grant. This project delivered Heat Health training, videos and templates to its participating member Councils as well as street tree auditing for over 30,000 trees.
	Waste to Energy Micro Power Station Network	The CVGA secured \$75,000 through the Collaborative Council - Sustainability Fund Partnerships - Round 2 funding to analyse the business case to expand the Hepburn Waste-to-energy plant to neighbouring councils.
	Large Scale Renewables	In partnership with the other greenhouse alliances, CVGA conducted a feasibility study into options for councils to co-invest in a utility scale solar farm. The alliances are continuing to progress this option for interested councils in the year ahead.
	Solar Savers	Solar Savers brings together over 23 municipalities and 4 greenhouse alliances in Victoria to install solar PV on low income and vulnerable households. The project is funded through a New Energy Jobs Fund grant and tests two alternative financing models; the use of council rates, and a low interest bank loan. Phase 1 of the roll out has commenced with stage 2 planned for commencement in December 2017.
	Heatwave Help	The collateral delivered through the Heatwave Health component of the Resilient Community Assets project has now been made available as 'open source' material for all Victorian Councils through a CVGA hosted website. http://heathealth.cvga.org.au/about-heatwave-health/
CAPACITY BUILDING / INFORMATION SHARING	Future Energy Planning	CVGA councils participated in an alliance led project aimed at improving collaboration and information sharing between Victorian electricity networks and local government. The CVGA is now establishing an ongoing working group between Powercor and member councils to share information and discuss issues and opportunities with new energy technologies and land use planning.
	Forums/ Conference	Members Forums: <ul style="list-style-type: none"> • Energy Upgrade Agreement Presentation • Energy Procurement Presentation • Electricity Contracts in Local Government Forum Victorian Greenhouse Alliances Conference
	Council Electricity Contracts	The CVGA has worked with the other greenhouse alliances to build the local government sectors capacity to understand alternative energy procurement options in the upcoming renewal of electricity/gas contracts. The alliances produced a discussion paper, held a state-wide forum on energy procurement and are working with MAV and Procurement Australia to strengthen tender evaluation criteria.
ADVOCACY	Submissions/ Consultations	<ul style="list-style-type: none"> • Victorian Parliamentary Inquiry into Electric Vehicles (EVs) • Australian Energy Regulator rule change on Demand Management • Independent Review into the Future Security of the National Electricity Market • Exposure draft of the new Local Government Act

CVGA -2017

FINANCIAL STATEMENT

Financial report starts page 9.

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

INCOME	2017	2016
CVGA Grant Income	-	4,166
Dividend Income	-	9,250
Heatwave Help Project	10,000	-
Interest Earned	3,161	3,125
Large Scale Renew Contribution	1,500	-
Membership Fees	241,000	141,122
Other Income	-	650
Reimbursement of bond	-	1,207
Resilient Community Assets	9,520	60,000
Sale of office furniture	-	610
Solar\$avers Income	285	-
Sustainable Council Buildings	-	1,100
Waste to Energy Project	93,500	-
	358,965	221,231
EXPENDITURE		
Accounting & Audit Fees	11,726	5,386
Bank Charges	175	235
Company Registrations	836	300
Executive Support	600	-
Consultancy Fees - Other	1,300	-
Dues & Subscriptions	57	86
Equipment under \$1000	810	349
Financial Management	6,263	5,741
Gifts	295	-
Insurance General	-	2,209
Legal Advice	-	700
Fuel Travel Parking	1,484	1,235
MV Comprehensive Insurance	344	448
MV Registration & Ins	543	529
MV Repairs and Maintenance	1,148	761
Office Supplies	117	-
Office/Admin Support	353	1,772
Postage & Freight Charges	172	131
Printing & Stationery	1,376	631
Telephone	2,134	733
Travel Expenses-National	123	-
Venue Hire, Catering & Meeting	2,425	830
ATO SRA PAYG Tax Underpaid	823	-
Advertising	778	-
Communication Support	958	514
Conferences & Prof Dev	4,106	347
Knowledge Hub Management	6,818	21,599
IT Support	362	500
Software	1,549	1,284
Computer & IT - Other	50	165
Depreciation	2,800	-
Meeting Expenses	1,449	463
Salaries and Wages	117,628	140,377
Superannuation	10,894	12,917
Workcover Premium	2,338	1,249
Payroll Expenses - Other	1,844	120
Heatwave Help Project Costs	4,364	-
Ironbark Sustaina Project Costs	-	6,000
Project Expenses General	-	177
Waste-to-Energy Consultancy Fee	32,125	-
Electrologix	-	3,545
The Hub Rent & Outgoings	6,029	6,791
	227,196	218,126
Profit/(Loss) for the period	131,769	3,105
Profit/(Loss) from ordinary activities after income tax	131,769	3,105
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	85,192	82,087
Prior Year Adjustments	8,146	-
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	225,107	85,192

The accompanying notes form part of these financial statements

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
BALANCE SHEET
AS AT 30 JUNE 2017

	2017	2016
CURRENT ASSETS		
CVGA - Operations Account	146,938	44,632
EEIG - Account	-	(24)
EO CVGA Credit Card	(487)	(396)
Term Deposit 3mths.	104,157	52,242
Accounts Receivable	114,400	715
Franking Credit on Dividend	-	3,054
Investment-SRA at cost	-	9
TOTAL CURRENT ASSETS	365,008	100,232
NON-CURRENT ASSETS		
Motor Vehicle - At Cost	11,200	-
Less : Motor Vehicle Accumulated Depreciation	(2,800)	-
	8,400	-
TOTAL NON-CURRENT ASSETS	8,400	-
TOTAL ASSETS	373,408	100,232
CURRENT LIABILITIES		
Accounts Payable	30,483	1,709
Funds Held in Trust - DEWLP	47,700	-
Income Received in Advance	44,000	-
PAYG Withholding	8,044	10,106
Payroll Liabilities Super	473	961
Provision for Leave	1,844	-
ATO GST Balance	15,756	2,264
TOTAL CURRENT LIABILITIES	148,300	15,040
NON-CURRENT LIABILITIES		
Provision for Leave	-	-
TOTAL NON-CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	148,300	15,040
NET ASSETS	225,107	85,192
MEMBERS FUNDS		
Accumulated Surplus	85,192	82,087
Prior Year Adjustments	8,146	-
Profit/(Loss) from ordinary activities after income tax	131,769	3,105
TOTAL MEMBERS FUNDS	225,107	85,192

The accompanying notes form part of these financial statements

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Central Victorian Greenhouse Alliance Inc. as an individual entity incorporated in Victoria under the Associations Incorporation Reform Act 2012 (Victoria) and Regulations.

Basis of Preparation

The committee have prepared the financial statements on the basis that the entity is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012 (Victoria) and Regulations.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the committee have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historic costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets are depreciated on a diminishing value and basis over the useful lives of the assets to the association commencing from the time the asset was held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Class of fixed asset	Depreciation rates/useful lives	Depreciation basis
Motor Vehicles	25%	Diminishing Value

The assets residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Leases

Leases of fixed assets where substantially all the risk and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the association are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments. Including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the balance date.

Contributions are made by the association to employee superannuation funds and are charged as expenses when incurred.

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Goods and Services Tax (GST)

Revenue, 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 expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(f) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(h) Going Concern

The financial statements of the association have been prepared on the going concern basis. As the net assets of the association as at 30 June 2017 is in a strong position, we believe there are no going concern issues.

NOTE 2 – RELATED PARTY DISCLOSURES

No members or related entity has entered into a material contract with the association.

No member's fees have been paid as the positions held are on a voluntary basis.

NOTE 3 – SUBSEQUENT EVENTS

There have been no events after the end of the financial year that would materially affect the financial statements.

CENTRAL VICTORIAN GREENHOUSE ALLIANCE INC.
STATEMENT BY MEMBERS OF THE COMMITTEE

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

In the opinion of board, the financial report as set out in the income and expenditure statement, assets and liabilities statement and notes to the financial statements:

1. Presents a true and fair view of the financial position of Central Victorian Greenhouse Alliance Inc. as at 30 June 2017 and of its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Central Victorian Greenhouse Alliance 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 Committee and is signed for and on behalf of the Committee by:

Signed

Signed.....

Name:.....

Name:.....

Position :.....

Position :.....

Dated:

14 November 2017

Justin Gordon
Strategem Financial Group
35-37 Mundy Street
BENDIGO, Vic 3550

Dear Justin,

Re: Central Victorian Greenhouse Alliance Inc. – Audit for the year ended 30 June 2017

This representation letter is provided in connection with your audit of the financial report of the Central Victorian Greenhouse Alliance Inc. for the year ended 30 June 2017 for the purpose of expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with Accounting Standards, Australian Accounting Interpretations and any other relevant statutory requirements.

We acknowledge our responsibility for ensuring that the financial report is in accordance with Accounting Standards, Australian Accounting Interpretations and any other relevant statutory requirements, and confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Report

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 8 November 2017, for the preparation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Reform Act 2012*; in particular the financial report gives a true and fair view in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (ASA 540)
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards. (ASA 550)
- All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed. (ASA 560)
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. A list of the uncorrected misstatements is attached to the representation letter. (ASA 450)

Information Provided

- We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud. (ASA 240)
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial report. (ASA 240)
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others. (ASA 240)
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report. (ASA 250)
- We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed in accordance with Associations Incorporations Reform Act 2012. (ASA 502)
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (ASA 550)
- We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
- We have no plans or intentions that may materially effect the carrying values, or classification, of assets and liabilities.

- We have considered the requirements of AASB 136 "Impairment of Assets" when assessing the carrying value of non-current assets and in ensuring that no non-current assets are stated in excess of their recoverable amount.
- The entity has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.
- The entity has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
- There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

President
Central Victorian Greenhouse Alliance Inc.

Treasurer
Central Victorian Greenhouse Alliance Inc.

THANK YOU TO OUR MEMBERS & THEIR CONTINUING SUPPORT



CONTACT

Rob Law

Executive Officer

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