



Registration No: A 00 482 97P

2020/21 Annual Report

To be presented at the Annual General Meeting
18 November 2021



Report to Members for the year ended 30 June 2021

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The Mount Alexander Sustainability Group

Location: Level 1 / 30 Templeton Street, Castlemaine

Post: PO Box 1043, Castlemaine, 3450

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1. Committee of Management

Members of the committee as at 30 June 2021 were as follows:

Chair	Peter John Brain
Deputy Chair	Mary Deborah Blain
Secretary	Gerard Thomas Egan
Treasurer	Maurice Leslie Molan
Committee member	Michael Leonard Lewin
Committee member	Melissa Bernadette Pollock
Committee member	Deane Belfield
Committee member	William Barry Grant
Committee member	Terence Daryl White

The Committee thanks Ian Jones for his service on the committee until the 2020 AGM, and for his ongoing involvement since then as a guest at committee meetings.

2. Chair's committee report

By Peter Brain

Thanks to the Committee, staff and volunteers

I'd like to thank the committee, staff and volunteers for their work throughout the year.

Each year the demands on the committee members and staff increase as we strive to be more effective in reaching the organisation's environmental objectives. All committee members take an interest in all activities of MASG. By necessity however committee members must undertake a degree of specialisation in their activities. Table 1 outlines the main activity streams, the work stream leaders and the allocation of main activity by committee members for 2020-21. It goes without saying of course all committee members devote some time to all activities.

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Table 1 MASG activity streams and Committee Member interest – 2020-21							
	MASG operations (circular economy)	Warrarrack Initiative	Bioenergy (MAB)	Regenerative agriculture	Housing retrofit project	Administration and Finance	Communications
Mary Blain	L					Y	Y
Deane Belfield		Y	Y	L			Y
Peter Brain		Y	Y	Y			
Gerry Egan	Y	Y	Y			L	
Bill Grant	Y		Y	Y			Y
Melissa Pollock	Y					Y	Y
Mick Lewin			L		Y		Y
Maurice Molan	Y				Y	L	
Terry White		L			L		Y

Note: L denotes stream leader. Y denotes very significant time spent in stream.

Note that, during 2020-21, MASG reached fifteen years of operation.

Staff Report

MASG has continued to employ three part time staff members to ensure the smooth running of the organisation. They each work from our office on level one of the Castlemaine Community House Building when regulations allow. For much of the year they have been required to work remotely, sometimes attending the office individually when necessary.

Until March this year Alison Hanly fulfilled the role of Communications Officer, responsible for our website, social media presence, e-news, press releases and the research and presentation of a full-page monthly recycling article in the Midland Express, which is funded by a generous donation from one of our members. Alison, together with Terry White (a committee member), represented MASG as part of the Council's ZNET planning program.

We wish to thank Alison for her fabulous contribution to MASG in the last few years. Her many skills and professional attitude has been greatly appreciated by the Committee of Management in particular. We wish her all the best for the future.

In April, the position was advertised, and ten applications were received of a very high calibre. A panel of two COM members plus Sarah Myles our Development Officer were responsible for choosing a suitable candidate for the position. Jess Carter was the successful candidate and commenced work at the end of May.

Jess is a local resident with a background in graphic design and publishing. She has a strong record in community involvement ranging from the State Festival to the Chewton Community Pool. In her first two months of employment with MASG she has been heavily involved with the launch of the Bioenergy community consultation phase.

Sarah Myles continued as our Development Officer. Many of her usual duties such as event preparation and Wash Against Waste trailer and party hire have been heavily restricted during the pandemic. However, this allowed some time to organise the move to our new premises which was a considerable task undertaken in September and October. Sarah has also been very involved with the delivery of material for and organisation of activities relating to the Regenerative Agriculture and Bioenergy projects.

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We are grateful for the effort that Sarah has made to ensure that MASG had a seamless transition between the departure of one staff member and the commencement of another at a particularly busy time for MASG projects.

Kieran Blain has been our bookkeeper for three years following a lengthy period of mentorship with our previous accountant. He continues to work in conjunction with our Treasurer and Committee of Management to maintain a high standard of accountability. This year the introduction of Jobkeeper payments required a lot of extra work for all involved.

All members of staff act as MASG's human face and voice by answering the phone, responding to emails, talking to visitors and arranging interviews. We are very appreciative of their positive attitude and commitment throughout a very difficult year.

MASG Operations: The circular economy

MASG bread and butter activities essentially are those arising from the concept of the circular economy. The core concept of the circular economy is straight forward. In the ideal world of the circular economy, materials are kept in use as long as technically feasible by recovery, reuse and extension of the life of products. The recovered metals can be returned to nature to ensure material production productivity, thereby completing the circle, or used to produce products such as bioenergy. Alternatively, materials can be repaired, refurbished, recycled or reused in new products.

The core circular economy undertaken by MASG are:

- the Castlemaine Repair Café where residents can come together to extend the life of a wide variety of household items;
- fashion parade events to encourage the recycling of textile fabrics (sheets, towels, clothes, etc.) into products that can be used;
- the operation of the Waste Against Waste Trader, that supplies events with all the utensils they need that are then collected at the end of the event, washed and then reused;
- specialised waste collection initiatives, plastics, batteries, mobile phones, globes etc. for recycling;
- constant communication efforts to encourage waste reduction in the Shire.

Covid-19 restrictions both within MAS and also in Metropolitan Melbourne severely curtailed circular economy activities this year. In any case staff resources would have been significantly reallocated to support the community engagement effort associated with the Bioenergy project.

ZNET 2030

Because of the threat to our way of life not to mention the planet as a whole, MASG has been broadening its portfolio of activities over the last half dozen years to focus on CO2 emission reductions. As reflected in our branding, ZNET by 2030, this is the current core objective of the organisation and each year we apply our energies to increase the credibility of activities in terms of reaching that objective. Accordingly, I will outline below the current activities that have been designed to do just that.

This outline is based on a comprehensive paper outlining the MASG proposed work program 2022-2024 in our efforts to achieve ZNET by 2030 for the Mount Alexander Shire. The paper provides more technical detail on the rationale for current activities which some members may appreciate. It will be circulated in an 'e-news' in the near future.

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1. The Bioenergy Project

This is primarily a renewable energy project, producing some 270,000GJ of renewable energy. The intent of renewable energy is to reduce greenhouse gas emissions by reducing our reliance on fossil fuel generation. By removing waste from landfill and using it as the source, we can make this renewable energy project doubly efficient, with an anticipated Greenhouse Gas saving of 88,500 tonnes CO₂e. The technology below, and the selective control of the feedstocks, will ensure that no unwanted emissions result and that is genuine “GREEN” energy. The facility will divert approximately 36,000 tonnes of organic waste from landfill annually.

The project’s progress is outlined in the section that follows.

2. The Housing vulnerability communities ZNET project

In previous reports mention was made of a housing retrofit project, the vision of Mick Lewin and Terry White. This project involved investigations into the possibility of establishing a project in MAS that would trial retro fitting houses that through a combination of changes to the built form, the electrification of equipment used in the houses, and the installation of solar panels would achieve a ZNET rated dwelling. That is, a dwelling that would be ZNET rated when the available electricity supply was hundred percent renewable energy.

I am pleased to report that during the recent fiscal year these investigations were successful with a grant obtained from the Lord Mayor’s Charitable Trust to fund such a trial with 10 dwellings.

The project however will be more than just focusing on energy efficiency and usage. It will also explore how obstacles can be overcome by particularly vulnerable households that prevent them from achieving ZNET status. These households include low-income households and renter status households. That is there is a strong social dimension that extends beyond the technical issues of electrification and ZNET ready status. Unless all segments of the community can be shown that the general movement toward ZNET can provide them with benefits, especially in the form of a lower cost of energy, the ability to harness the community’s collective resources will be undermined with progress towards ZNET being much slower compared to what is required.

3. The regenerative agriculture project

Last year’s annual report noted MASG’s involvement in regenerative agriculture activities.

Regenerative agriculture is a group of farm practices which focuses on improvements in farm productivity from topsoil regeneration by a range of actions including composting, changed stock and crop management practices, increasing biodiversity, improving water flows, strengthening the input to productivity from the ecosystem etc. An important by-product of this is carbon sequestration.

Deane Belfield has long been a vocal advocate for regenerative agriculture and indeed practices what it preaches. As noted last year he received funding to work with local farmers in order to accelerate the take-up of regenerative agriculture practices within the local region. As part of this Deane has involved MASG in supporting the project.

I am pleased to say that MASG had received a further \$100,000 grant to further this work. This will fund activities that will assist local farmers to accelerate programs of soil carbon sequestration by the provision of information, finance assistance in terms of capital equipment, testing and other activities associated with fulfilling the requirements to be part of the federal government’s Direct Emission Reduction Authority carbon credit program which is an important funding source. The Project will also monitor the success of the participating farmers in achieving carbon sequestration which, in the medium term, will hopefully encourage other farmers to follow.

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4. The Warrarrack Initiative

Past annual reports have noted MASG involvement in the Steering Group, supported by Mount Alexander Shire Council and Sustainability Victoria, developing the “Mount Alexander Shire (MAS) ZNET Community Transition Plan”. The MASG committee member on the group is Terry White.

From the beginning it was recognised that achieving ZNET would require the cooperation and coordination of the whole community, along with the complementary objectives of increasing community resilience to that part of climate change that now cannot be stopped. In order to create community cohesion in pursuit of these objectives the transition plan outlines those aspects of the community that need to be tapped and enhanced to achieve ZNET

To reflect the need to bind the community for the necessary cooperation and coordination to achieve objectives, the title of the transition plan was changed to the Warrarrack Initiative, using a local indigenous word for a silver wattle which contains a glue-like binding agent.

In terms of the channels MASG will use to influence the local community, the Warrarrack Initiative hopefully will prove the most important.

The MASG Strategic Planning session

In January 2021 your committee held a planning session led by the former Mount Alexander Shire Mayor Bronwen Machin. In terms of objectives, it was decided that by 2025 the organisation should;

- be recognised and trusted by businesses, households and relevant Federal, State and Local governments as being the go-to organisation on how to achieve zero net emissions;
- have young people involved and leading;
- be harnessing the labour and intellectual capacity of our community.

MASG should maintain its current focus on changes that can be made within and by our communities, rather than by large scale political lobbying for national systemic changes.

The organisation will achieve this by;

- Being clear about which activities it will be leading or supporting
- Being strategic in its fund raising, i.e., our planned activities drive our grant applications, not the availability of grants driving our activities.
- Being a catalyst to harness community, business and household support for activities that lead to zero net emissions
- Staying abreast of changes to legislation and technology so that opportunities for our communities can be exploited
- Research on Znet issues
- Broadly communicating what we do, and by strategically using successes to raise our profile
- Collaborating with organisations that have similar objectives
- Engaging with the various communities, using agreed community engagement processes
- Advocating to partners and agencies for change and collaborating with the changes

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The Bioenergy Project

As has been the case for a few years, we have continued work on the establishment of a bioenergy facility in the Shire. This has required a large share of the Committee's time resources.

The legal platform for activity is Mount Alexander Bioenergy Pty. Ltd. (MAB) a wholly owned subsidiary of MASG. Mick Lewin is the chair of the board of directors (which consists of six members of the MASG board) with Deane Belfield as Project Manager. [We also note with regret that Ian Jones resigned as a director in September 2021, due to ill-health. We thank him greatly for his valued contribution.]

The company, since the 2018 Financial Year, has embarked on putting into effect, the business opportunity identified in the Feasibility Study and Business Case. A Term Sheet was negotiated with Don Smallgoods (Don) which agreed the siting (adjacent to their facility), the terms under which feedstock would be supplied to the MAB facility, and also the energy supplied to Don by the facility. The facility will take waste from the region and convert the waste into gas and maybe steam for sale to the Don plant. This required approval from GWF, the Don parent company based in the UK.

A high-level design was completed, and feedstock supply secured via seeking memorandums of understanding. With the confidence of the signed Term Sheet, we have embarked on a period of Community Engagement. A launch to stakeholders, neighbours and the media, was completed in early June 2021, and the process continues through public meetings and the press.

We have commenced the process of seeking regulatory approvals. This is expected to continue into 2022.

The value of the asset in the Balance Sheet has been determined at \$927k being actual costs of almost \$477k expended plus in-kind contributions calculated at over \$450k in all the phases required to reach this point (see table below).

Project Summary	Cost	In Kind	Total
Pre-feasibility	\$15,000	\$46,000	\$61,000
ARENA/NEJF Bid Preparation	\$20,000	\$47,000	\$67,000
Feasibility Study	\$333,584	\$121,489	\$455,073
Total As At 30th June 2018	\$368,584	\$214,489	\$583,073
<i>Project Development YE 30th June 2019</i>	<i>\$22,459</i>	<i>\$85,300</i>	<i>\$107,759</i>
<i>Project Development YE 30th June 20 20</i>	<i>\$15,009</i>	<i>\$56,465</i>	<i>\$71,474</i>
<i>Project Development YE 30th June 2021</i>	<i>\$70,577</i>	<i>\$94,114</i>	<i>\$164,691</i>
Project Total As At 30/06/2021	\$476,629	\$450,368	\$926,997

Cash contributions of \$506k were received from State and Federal government bodies, with the balance coming from Charitable Foundations, the Mount Alexander Shire, Coliban Water, Don KRC and MASG. The in-kind contributions were made by staff of Don KRC, Mount Alexander Shire, Coliban Water and the staff and volunteers of MASG, including during the re-feasibility study. The value of the in-kind contributions has been calculated based on the work performed by highly qualified engineers, administrators and other experts in the bioenergy field.

We anticipate further expenditure of more than \$500k to complete this to Financial Close but in the meantime are negotiating with potential investors.

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Castlemaine Repair Café

The Repair Café is now permanently located at the Castlemaine Community House. This new venue provides two excellent light filled rooms one of which is a workshop with multiple power points perfect for electrical and general repairs. The second room is a sewing and waiting room.

The Café has two volunteers who have undergone a testing and tagging course to ensure that a licensed person is available for electrical repairs. The Café has also been donated a testing machine which is shared with the Daylesford Repair Café.

When Covid regulations permit the Cafe operates on the fourth Sunday of each month. The pandemic has unfortunately reduced all activities this year with a resulting fall in numbers of people attending and a commensurate fall in revenue. Visitors to the Café have been unable to enjoy the usual provision of hot food and drinks which was another loss of income. Despite these obstacles the Café has continued its focus on waste reduction having saved over 1000 kg of waste from landfill since it began.

The Café continues to offer its services when possible and the expectation for the next twelve months is that a gradual full reopening will eventuate.

Sincere thanks to Chris Hooper for her perseverance with this great community initiative in difficult times.

Mount Alexander Ecohousing Group (MAEG)

Mount Alexander Ecohousing Group (MAEG) is a MASG working group. It holds irregular talks and tours on environmentally sustainable and affordable housing. MAEG promotes 'low carbon inclusion' — more sustainable housing and ways of living in our shire, including economising on housing space, achieved by sharing housing as in cohousing models, multiple dwellings on shared land, smaller and tiny houses. All these kinds of initiatives reduce carbon emissions and are affordable.

The past 12 months has had its challenges in meeting as a group, but MAEG has remained connected with email update and Facebook page. It has continued to be visible in the community on working groups and building networks.

Activities during this reporting period have included the following.

- MAEG pro-actively supported the local Housing Access Justice Forums
- MAEG was a key driver of the local campaign to promote establishment of tiny houses by Mount Alexander Shire residents when the relevant Local Law recently came up for review — resulting in more receptive and straightforward process regarding permits. Moreover, a key MAEG member has become a Tiny House Champion for the Australian Tiny House Association.
- The MAEG convenor has been an active member of the Housing Network Working Group, which has contributed to the Ten Year Social and Affordable Housing Strategy for Victoria, and works closely with the Mount Alexander Shire Council to address the growing number of homeless people and those financially stressed through housing costs in the region.
- MAEG is supporting the housing retrofit project (mentioned above)
- MAEG had hoped to bring the UnHOWsed theatre production to Castlemaine and other regional centres, but the pandemic has prevented that. However, a key MAEG member arranged for the Castlemaine Free University to schedule a performance and talk by

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UnHOWsed's driver, Karen Corbett, now a local resident in Mount Alexander Shire, to be held on 6 December 2021.

Conclusion

The organisation is well on the way to achieving its objectives in terms of the organisation being seen as the go-to organisation of how to achieve zero net emissions by harnessing the labour and intellectual capacity of our community, and by collaborating with organisations with similar objectives. The key metric here is that the organisation is currently involved in a leadership role in activities that will contribute to more than 50 percent of the required reduction in emissions for Mount Alexander Shire to achieve ZNET 2030.

All members of the committee have worked extremely hard to achieve this. But if one must be singled out, it would be Mick Lewin who during his time as leader of the organisation developed the strategic vision that has led to the current position of the organisation and recruited to the organisation those people that he judged necessary for the organisation to achieve the current outcomes.

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3. Financial Governance

Managing conflicts of interest

MASG is an incorporated association with a volunteer Committee of Management and three part-time staff (totalling approximately half a full-time person). Committee members are not paid for their time on the Committee but may be paid for other services in specific cases.

The Committee acknowledges the potential for a conflict of interest in such cases and recognises the need to properly manage this. During 2020/21, the policy approach was formalised with the adoption of a policy statement, shown in the box below.

<p>CONFLICT OF INTEREST</p> <p>A committee member must disclose any 'material personal interest' to COM as soon as they are aware of this interest. A material personal interest is something that can have a significant impact on a matter the association is discussing.</p> <p>All members must be advised of the nature and extent of this interest at the next general meeting. The details of the interest must be recorded in the COM meeting minutes.</p> <p>The committee member cannot:</p> <ul style="list-style-type: none">• be present while the matter is discussed at the COM meeting, nor• vote on this matter. <p>The above does not apply if the:</p> <ul style="list-style-type: none">• interest exists only because the person is employed by the association, or• association was established to benefit members in the same membership class, or• person shares this interest with all, or most, of the association's members. <p>Any planned payment to a committee member should be agreed by COM before the commitment is made, and there must be specific consideration of why the work can't be subject to a competitive quote from the marketplace. In the case of work worth less than \$500, competitive quotes may not be necessary if the COM member is an expert in the field.</p> <p>A COM member may be refunded for purchases made on behalf of MASG without reference to a COM meeting or to AGM.</p> <p>The procedure for processing payments must also avoid any potential for conflict of interest (see next section).</p> <p>MAKING PAYMENTS</p> <p>MASG is to write and follow a payments procedure, to ensure that -</p> <ul style="list-style-type: none">• Payments are authorised by two COM members (or one COM member plus another person delegated by COM); and• A person may not be an authoriser for payment to self.

During 2020/21, the following potential conflict of interest issues were identified and managed.

MOUNT ALEXANDER SUSTAINABILITY GROUP INC (MASG)

Management of Regen Ag Program – ECO2Sys (Deane Belfield)

This is a project that was initiated by Deane and then brought into MASG as it aligns with MASG objectives. The project has run for two years already and has one year to run. The project funder (NCCMA) has granted the funds in the expectation that Deane will manage the project.

The Committee has agreed that Deane run this project (and receive payment) without competitive quotes from the market, on the basis that he is an acknowledged expert in the field and the funder has granted funds in the expectation of his involvement.

During 2020/21, MASG paid Deane's company, ECO2Sys, \$9,101 for this. The Committee recognises that this payment does not cover all the effort and time that Deane has committed to this program.

Note: In August 2021, MASG was awarded a further \$100,000 for an extension to this project under a court order. MASG plans to establish a steering committee to guide the expenditure of this money.

Seminar on composting – Bill Grant

The Committee agreed to the use of Bill (and payment to Bill) without competitive quotes from the market, on the basis that the cost will be less than \$500, and he is an acknowledged expert in the field. During 2020/21, MASG paid nothing to Bill for this, but expects to pay approximately \$500 in 2021/22.

Catering charge – Melissa Pollock

Melissa mistakenly invoiced The Regen Ag project for some catering and then donated the money back. It is not intended to repeat this process. During 2020/21, MASG paid Melissa \$158.40 for this.

House Scorecard assessments, as part of Housing Retrofit project – Mick Lewin

The Committee agreed to the use of Mick (and payment to Mick) without competitive quotes from the market, on the basis that the project funder (LMCF) has granted the funds in the expectation that Mick will bring his expertise into the project. Mick is one of a very small number of people accredited for and offering this assessment.

During 2020/21, MASG paid nothing to Mick for this, and it is not yet clear as to how much, if anything, will be paid to Mick in 2021/22.

MOUNT ALEXANDER BIOENERGY PTY LTD (MAB)

MASG is the sole shareholder of MAB.

Payments to Chairperson (Mick Lewin)

In March 2020, Directors resolved to make a payment of \$1200 per month to Mick Lewin as Chair in partial recognition of the large amount of work he is doing. This was subject to two conditions – that project funds be finalised from Don and from SV, and that the shareholder (MASG) agrees.

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MASG, as the sole shareholder of MAB, agreed to this payment in March 2020, and the funding conditions were achieved at the end of the 2020. Payments were made from January 2021.

Directors recognise that this payment does not cover all the effort and time that Mick has committed to this program.

During 2020/21, MAB paid \$7,186 for this.

Contract for preconstruction services with ECO2Sys (Deane Belfield)

In 2018, Directors resolved that Deane was vital to this project due to his expertise and his industry connections. His ongoing involvement depended on his willingness to agree to a contract based on milestones and availability of funds. This was agreed and a Pre-construction Consulting Agreement with Deane's company, Eco2Sys, was executed in 2018 and reported in the Annual Report.

This Pre-construction Consulting Agreement has continued, and payment is based on achievement of milestones leading to Financial Close of the project. Progress on this is subject to funds being raised to support this phase.

During 2020/21, MAB paid \$35,000 for this.

Directors recognised that this payment does not cover all the effort and time that Deane has committed to this program.

Bioenergy structure

MASG is the sole shareholder of a special purpose vehicle (a separate legal entity), Mount Alexander Bioenergy Pty Ltd ("Bioenergy"). The purpose of this company is to develop a project to obtain energy from waste.

There were no changes to directors of Bioenergy during the year, with directors being Michael Lewin (chair), Peter Brain, Ian Jones, Bill Grant, Maurie Molan and Gerry Egan.

All Bioenergy Board members are also MASG Committee of Management members but not vice versa. We believe MASG interests are secured in this arrangement.

The entity structure adopted for Bioenergy can be replicated for other projects that MASG undertakes.

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4. Treasurer's report for MASG

Notes to the Financial Accounts for the Year ended 30 June 2021

MOUNT ALEXANDER SUSTAINABILITY GROUP INC

Registration No: A 00 482 97P

1. Basis of Preparation

This financial report is a special purpose report (prepared for use by members) as the Committee of Management has determined that the entity is not a reporting entity.

The financial accounts have been prepared in accordance with Australian Accounting Standards and have been prepared on an accruals basis.

2. Income Tax

Mount Alexander Sustainability Group Inc is a non-profit entity and has been granted exemption from income tax as a charitable institution under Sec 50-5 of the Income Tax Assessment Act 1997. For the 2021 Financial Year, the organisation remains entitled as an endorsed organisation, as the status of the charity has not changed.

3. Goods & Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST). Receivables and payables are stated inclusive of GST.

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Statement by Members of the Committee

MOUNT ALEXANDER SUSTAINABILITY GROUP INC.´

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The committee has determined that the incorporated body is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to these financial statements.

In the opinion of the committee the Profit & Loss Account and Balance Sheet and notes to the financial statements -

1. Present fairly the financial position of **Mount Alexander Sustainability Group Inc** as at 30 June 2021 and its performance for the year ended on that date; and
2. As at 30 June 2021 there are reasonable grounds to believe that the incorporated body 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;



Peter Brain
Chair



Maurice Leslie Molan
Treasurer

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Treasurer's Report for the year ended 30 June 2021

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Registration No: A 00 482 97P

Financial Performance as at 30 June 2021

The 2021 Financial Statements have been posted on the web site (as part of this annual report) and can be accessed by all members.

An audit of the Financial Statements is being undertaken by Daniela Arceri, Public Accountant, IPA.

Comment on Profit and Loss Account

A summary of total Income and Expenses and Net Position is set out in the table below.

Income & expenses	2021	2020	2019	2018
Income from all activities	\$84,817	\$68,662	\$72,126	\$101,459
Expenses from all activities	-\$78,265	-\$85,513	-\$72,791	-\$49,941
Profit (Loss)	\$6,553	-\$16,851	-\$665	\$51,518

Total Income for 2021 was \$16k greater than the previous year. Federal and state government assistance increased by \$4k to \$44k which was over half of our annual income.

The government assistance enabled us to retain our staff and continue work on improvement of our website, communication with members and liaison with council, radio and the press.

Income from our subsidiary company Mount Alexander Bioenergy Pty Ltd increased by over \$8k. This year we received almost \$22k for administration services provided to the company. Financial Accounts for the company are attached.

Donations were up by \$10k with the increase coming from one very generous donor. The Regenerative Agriculture, Recycling and Auspice Projects, and Repair Cafe made smaller contributions, but CoVid19 prevented any income from the Wash Against Waste Trailer.

Overall costs were down by \$8k mainly because of rent and office costs. Wage costs accounted for \$62k (almost 80% of total expenses). This is similar to last year and has led to improvement in all our endeavours.

A profit of over \$6k was achieved for the year against a loss of \$17k the previous year.

Full details of Income and Expenses are set out in the Profit and Loss Statement contained in the attached Financial Accounts.

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Post: PO Box 1043, Castlemaine, 3450

Website: masg.org.au Email: info@masg.org.au

A Treasurer's Report and a copy of the financial accounts for Bioenergy are also included later in this report.

Comment on Balance Sheet

Full details of the Assets and Liabilities are contained in the attached Financial Accounts. A summary of the position is set out below.

	2021	2020	2019	2018
Assets				
Cash at hand	\$136,046	\$46,609	\$65,423	\$127,343
Less Funds in Trust for Specific Projects	-\$90,124	-\$14,852	-\$6,000	-\$34,502
Untied Cash at Hand	\$45,922	\$31,757	\$59,423	\$92,841
Other Current Assets	\$14,598	\$19,592	\$435	\$1,659
Office Equipment and WAW Trailer	\$40,515	\$46,287	\$51,612	\$19,877
Total Assets	\$101,035	\$97,636	\$111,470	\$114,377
Liabilities				
Creditors/ATO/Provisions	-\$106	\$3,048	\$31	\$2,273
Net Assets	\$101,140	\$94,588	\$111,439	\$112,104

The Operating Profit of almost \$7k for the year increased Net Assets to \$101k, of which \$60k is untied cash and debtors.

The investment in the subsidiary, Mount Alexander Bioenergy Pty Ltd, is represented in the balance sheet at its face value of \$1. The value of the Bioenergy Project in Mount Alexander Bioenergy Pty Ltd has been separately valued by the company directors at \$927k, which represents the actual costs of the project to date, including funds provided by Federal and State Governments, Dons Smallgoods, Coliban Water, McKinnon Foundation, MASG, plus the value of considerable in-kind contributions. The value has been increased by cash and in-kind contributions amounting to \$165k, by the aforementioned parties over the last financial year. However, as a matter of conservative accounting practice, the MASG committee has chosen not to revalue the asset in the MASG financial accounts.



Maurice Molan,
Treasurer
Mount Alexander Sustainability Group Inc
25 October 2021

The Mount Alexander Sustainability Group

Location: Level 1 / 30 Templeton Street, Castlemaine

Post: PO Box 1043, Castlemaine, 3450

Website: masg.org.au

Email: info@masg.org.au

5. Treasurer's report for Mount Alexander Bioenergy

Mount Alexander Bioenergy Pty Ltd
Registration No: A 00 482 97P

Treasurer's Report for the year ended 30 June 2021

Financial Performance as at 30 June 2021

The 2021 Financial Statements have been posted on the web site (as part of this annual report) and can be accessed by all members.

This report is being audited by Sayers and Partners.

Comment on Profit and Loss Account

Full details of Income and Expenses are set out in the Profit and Loss Account contained in the attached Financial Accounts. A summary of total Income and Expenses and Net Position is set out in the table below.

Income & expenses	2021	2020	2019	2018
Income from all activities	\$90,019	\$26,032	\$20,842	\$242,629
Expenses from all activities	\$70,576	\$14,412	\$20,882	-\$247,313
Profit (Loss)	\$19,443	\$11,620	-\$40	-\$4,684

Most of the income this year was from Don Smallgoods and Sustainability Victoria grants to be used to advance the project. Expenses this year were mainly for administrative and professional support provided by MASG and project management by ECO2Sys.

The Mount Alexander Sustainability Group

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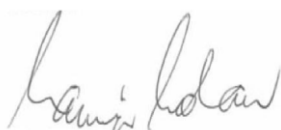
Website: masg.org.au Email: info@masg.org.au

Comment on Balance Sheet

Full details of the Assets and Liabilities are contained in the attached Financial Accounts. A summary of the position is set out below.

Assets	2021	2020	2019	2018	2017
Cash at hand	\$7,626	\$3,159	\$5,081	\$2,735	\$9,733
Intangible Asset Bioenergy Project Development	\$927,000	\$762,300	\$690,800	\$583,000	\$0
Other Current Assets	\$39,068	\$11,000	\$0	\$23,403	\$58,125
Total Assets	\$973,694	\$776,459	\$695,881	\$609,138	\$67,858
Liabilities					
Creditors/ATO/Provisions	\$15,647	\$2,554	\$5,097	\$26,114	\$63,150
Net Assets	\$958,047	\$773,905	\$690,784	\$583,024	\$4,708

The significant change to the Balance Sheet is increasing the value of the Intangible Asset by \$164,700 to \$927,000. This increase represents the value of the preconstruction work done during the year by contract and by in-kind effort from MASG and Don. The In-kind contribution has been calculated based on the time donated and work performed without charge by highly qualified Engineers and other experts.



Maurice Molan,
Treasurer
Mount Alexander Bioenergy Pty Ltd
25 October 2021

The Mount Alexander Sustainability Group

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6. MASG Accounts

Mount Alexander Sustainability Group			
Balance sheet report			
30 Jun 2021			
<i>Generated 18 Sep 2021 14:13:07</i>			
	Actual	Last Year	Variance \$
Asset			
Bank Australia	\$107,035.08	\$34,400.38	\$72,634.70
Bank Australia Regen Ag	\$15,683.54	\$0.00	\$15,683.54
Bendigo Bank Account	\$3,916.45	\$4,138.88	-\$222.43
Bendigo Bank Public Fund	\$9,284.62	\$7,873.93	\$1,410.69
Petty Cash	\$126.29	\$196.80	-\$70.51
Debtors	\$0.00	\$17,000.00	-\$17,000.00
Accrued Revenue	\$0.00	\$2,156.25	-\$2,156.25
MASG Renewables P1	\$1.00	\$1.00	\$0.00
MASG Renew P1 Investment Trust	\$1.00	\$1.00	\$0.00
Bonds	\$0.00	\$433.33	-\$433.33
Accounts receivable	\$14,595.63	\$0.00	\$14,595.63
Office Equipment at Cost	\$5,311.10	\$5,311.10	\$0.00
Office Equipment Accum Dep	-\$5,311.10	-\$5,311.10	\$0.00
New Generation Trailer	\$53,245.17	\$53,245.17	\$0.00
New Gen Trailer Accum Dep	-\$12,730.17	-\$6,958.17	-\$5,772.00
Total Asset	\$191,158.61	\$112,488.57	\$78,670.04
Liability			
Current Liabilities			
Grants MAS Council	\$3,000.00	\$3,000.00	\$0.00
Grants- Boomerang Bags	\$0.00	\$2,145.52	-\$2,145.52
Grants- Climate Flags	\$0.00	\$291.27	-\$291.27
Regenerative Agriculture	\$14,170.82	\$9,415.41	\$4,755.41
Recycling Grant	\$19,953.06	\$0.00	\$19,953.06
Growing the Growers	\$3,000.00	\$0.00	\$3,000.00
House Retrofit Lord Mayor	\$50,000.00	\$0.00	\$50,000.00
Trade Creditors	\$0.00	\$65.90	-\$65.90
GST Collected	\$1,658.79	\$1,520.35	\$138.44
GST Paid	-\$1,756.23	-\$1,403.80	-\$352.43
PAYG withholdings payable	-\$108.00	\$2,866.00	-\$2,974.00
Superannuation payable	\$99.72	\$0.00	\$99.72
Total Current Liabilities	\$90,018.16	\$17,900.65	\$72,117.51
Total Liability	\$90,018.16	\$17,900.65	\$72,117.51
Net Assets	\$101,140.45	\$94,587.92	\$6,552.53
Equity			
Retained Earnings			
Retained Earnings	\$94,587.92	\$111,439.35	-\$16,851.43
Total Retained Earnings	\$94,587.92	\$111,439.35	-\$16,851.43
Current Earnings			
Current year earnings	\$6,552.53	-\$16,851.43	\$23,403.96
Total Current Earnings	\$6,552.53	-\$16,851.43	\$23,403.96
Total Equity	\$101,140.45	\$94,587.92	\$6,552.53

Mount Alexander Sustainability Group			
Profit and loss report			
01 Jul 2020 - 30 Jun 2021			
Accrual mode	<i>Generated 19 Sep 2021 08:46:19</i>		
Income	Actual	Last Year	Variance \$
Public Fund	\$1,329.68	\$724.83	\$604.85
Donations	\$10,362.90	\$1,165.50	\$9,197.40
Regenerative Agriculture	\$1,614.00	\$940.03	\$673.97
Grants MAS Council	\$0.00	\$1,500.00	-\$1,500.00
Job Keeper	\$39,300.00	\$12,000.00	\$27,300.00
Commonwealth Incentive	\$5,000.00	\$15,000.00	-\$10,000.00
Recycling Project	\$1,723.97	\$0.00	\$1,723.97
Auspice	\$591.27	\$0.00	\$591.27
Mt Alexander Bioenergy Pty Ltd	\$21,881.25	\$13,175.00	\$8,706.25
Repair Cafe	\$153.65	\$234.45	-\$80.80
Fundraising	\$0.00	\$3,084.86	-\$3,084.86
Party Hire	\$28.64	\$457.42	-\$428.78
Memberships	\$2,754.62	\$5,900.09	-\$3,145.47
Interest Received	\$77.40	\$186.98	-\$109.58
WAWT - Hire	\$0.00	\$1,772.73	-\$1,772.73
Wages Subsidy	\$0.00	\$12,520.12	-\$12,520.12
Total Income	\$84,817.38	\$68,662.01	\$16,155.37
Expense			
Accounting Legal	\$870.10	\$738.08	\$132.02
Audit Fees	\$500.00	\$463.64	\$36.36
Advertising Promotion	\$235.18	\$0.00	\$235.18
Bank Charges	\$0.00	\$29.53	-\$29.53
Merchant Fees	\$236.63	\$244.52	-\$7.89
Depreciation	\$5,772.00	\$5,325.00	\$447.00
RentElectricityWater	\$3,527.90	\$6,286.62	-\$2,758.72
Web Hosting	\$180.00	\$300.00	-\$120.00
Repair Cafe Expenses	\$118.18	\$118.18	\$0.00
Party Hire Expenses	\$0.00	\$64.27	-\$64.27
Publicity Pamphlets	\$0.00	\$82.00	-\$82.00
Consultants	\$2,100.00	\$0.00	\$2,100.00
Office Supplies	\$314.26	\$1,041.28	-\$727.02
Postage	\$123.64	\$121.82	\$1.82
Management Insurance	\$0.00	\$1,815.17	-\$1,815.17
PL and Product Insurance	\$509.09	\$485.01	\$24.08
Contents Insurance	\$0.00	\$650.80	-\$650.80
Volunteers Accident Insurance	\$654.55	\$466.88	\$187.67
WorkCover Insurance	\$204.25	\$201.76	\$2.49
Oxfam donation - Bendigo Bank	\$0.15	\$2.01	-\$1.86
WAW New Trailer	\$0.00	\$327.80	-\$327.80
WAW Trailer Registration	\$55.00	\$60.50	-\$5.50
Recycling	\$0.00	\$1,437.20	-\$1,437.20
Internet Access and Phone	\$413.03	\$665.27	-\$252.24
Fundraising Expenses	\$0.00	\$1,358.71	-\$1,358.71
Grants paid to Mt.Alexander Bioenergy Pty Ltd	\$0.00	\$1,000.00	-\$1,000.00
Superannuation expense	\$2,904.33	\$4,026.86	-\$1,122.53
Wages & salaries	\$59,546.56	\$58,200.53	\$1,346.03
Total Expense	\$78,264.85	\$85,513.44	-\$7,248.59
Net Profit	\$6,552.53	-\$16,851.43	\$23,403.96

7. Bioenergy Accounts

Mount Alexander Bioenergy Pty Ltd			
Balance Sheet			
30 Jun 2021			
Accrual mode			
Generated 14 Sep 2021			
	This year	Last year	VAR
Asset			
Current Assets			
Bank Australia	\$7,626.11	\$3,159.00	\$4,467.11
Trade Debtors	\$38,500.00	\$11,000.00	\$27,500.00
Total Current Assets	\$46,126.11	\$14,159.00	\$31,967.11
Fixed Assets	\$0.00	\$0.00	\$0.00
Total Fixed Assets	\$0.00	\$0.00	\$0.00
Intangible Assets			
Bioenergy Project Development	\$927,000.00	\$762,300.00	\$164,700.00
Total Intangible Assets	\$927,000.00	\$762,300.00	\$164,700.00
PAYG Tax Installment	\$568.00	\$0.00	\$568.00
Total Asset	\$973,694.11	\$776,459.00	\$197,235.11
Liability			
Current Liabilities			
GST Collected	\$5,500.00	\$1,000.00	\$4,500.00
GST Paid	-\$4,874.99	-\$602.00	-\$4,272.99
Company Tax Instal. Payable	\$426.00		\$426.00
Trade Creditors	\$14,595.63		\$14,595.63
Accrual Mt.Alexander SG Inc		\$2,156.00	-\$2,156.00
Total Current Liabilities	\$15,646.64	\$2,554.00	\$13,092.64
Long Term Liabilities			
Total Long Term Liabilities	\$0.00	\$0.00	\$0.00
Total Liability	\$15,646.64	\$2,554.00	\$13,092.64
Net Assets	\$958,047.47	\$773,905.00	\$184,142.47
Equity			
Current Earnings			
Current Year Surplus/Deficit	\$19,442.89	\$11,620.00	\$7,822.89
Total Current Earnings	\$19,442.89	\$11,620.00	\$7,822.89
Retained Earnings			
Retained Earnings	\$11,603.58	-\$16.00	\$11,619.58
Total Retained Earnings	\$11,603.58	-\$16.00	\$11,619.58
Issued Shares	\$1.00	\$1.00	\$0.00
Valuation Bioenergy Project at start of year	\$762,300.00	\$690,800.00	\$71,500.00
Increased Valuation Bioenergy	\$164,700.00	\$71,500.00	\$93,200.00
Total Equity	\$958,047.47	\$773,905.00	\$184,142.47

Mount Alexander Bioenergy Pty Ltd			
Profit and loss			
01 Jul 2020 - 30 Jun 2021			
Accrual mode			
Generated 18 Sep 2021			
	Actual	Last Year	Var \$
Income			
Don Smallgoods	\$45,000.00	\$10,000.00	\$35,000.00
Donation Gift Income	\$0.01 -		\$0.01
Grant - MASG	-	\$1,000.00	-\$1,000.00
Interest Received	\$19.34	\$32.03	-\$12.69
Sustainability Victoria	\$45,000.00	\$15,000.00	\$30,000.00
Total Income	\$90,019.35	\$26,032.03	\$63,987.32
Less Cost of Sales			
Total Cost of Sales	\$0.00 -		\$0.00
Gross Profit	\$90,019.35	\$26,032.03	\$63,987.32
Less Expense			
ASIC	\$546.00	\$534.00	\$12.00
Admin MASG Inc	\$21,881.25	\$13,175.00	\$8,706.25
Advertising & Marketing	\$93.55 -		\$93.55
Directors Insurance	\$1,639.70	\$702.75	\$936.95
Eco2Sys	\$35,000.00 -		\$35,000.00
Pro Indemnity Insurance	\$2,240.00 -		\$2,240.00
Superannuation	\$623.46 -		\$623.46
Wages & Salaries Expenses	\$6,562.50 -		\$6,562.50
Website Design	\$1,800.00 -		\$1,800.00
Website Hosting	\$190.00 -		\$190.00
Total Expense	\$70,576.46	\$14,411.75	\$56,164.71
Operating Profit	\$19,442.89	\$11,620.28	\$7,822.61
Net Profit	\$19,442.89	\$11,620.28	\$7,822.61