



ANNUAL REPORT 2020

Established in June 2004, South East Councils Climate Change Alliance (SECCCA) consists of nine local governments across the south east of Melbourne that collaborate to address climate change.



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SECCCA Vision

Communities of the south east of Melbourne are thriving, live a zero emissions lifestyle, and are resilient to the changing climate.

SECCCA Purpose

Deliver on behalf of members climate change strategies, projects and advocacy that drive a zero emissions economy and build community resilience.

SECCCA Strategic Direction

1. COUNCIL SUPPORT AND CAPACITY BUILDING

SECCCA works with members to increase their capacity to respond to climate change.

2. COLLABORATION AND PARTNERSHIPS

SECCCA enhances members' ability to undertake projects collaboratively that would otherwise be unviable for them individually.

3. ADVOCACY

SECCCA advocates to local, regional, state and national stakeholders for effective responses to climate change through their actions and policies.

4. GOVERNANCE

SECCCA maintains effective governance that provides ethical and sustainable operations.

5. BUSINESS DEVELOPMENT

SECCCA develops business processes that supports the goals of the organisation.

SECCCA provides the following services to its nine local government members:

- A platform for councils to collaborate, sharing effort and knowledge
- A way to achieve economies of scale and value for money
- Greater influence through regional alignment
- Greater potential to unlock investment
- Access to two staff with expertise in climate change and sustainability
- Forums to initiate ideas, share knowledge and build capacity
- A gateway to external organisations

STRUCTURE

SECCCA is governed by a management committee consisting of two council officers from each member council. Reporting to the management committee, an Executive Officer manages the organisation and is supported by a Project Coordinator.

The SECCCA Councillor Advisory Group was formed in late 2019 to enable councillors from each SECCCA member council to provide advice on SECCCA strategic direction, support the implementation of the SECCCA Strategic Plan through advocacy and receive information on SECCCA's activities.

Chair councillor Advisory Group

Late last year SECCCA invited councillors to join a Councillor Advisory Group (CAG), a new initiative to engage councillor representatives and give them a stronger role in advising SECCCA on strategy and direction. Several of the Councillors nominated by their Councils to participate in SECCCA had been discussing a more active role, hitherto just attending the Leaders Breakfast and special briefings.

It is important to note that Councillors who have taken up their Council's nomination expect to be actively involved and to bring their knowledge and skill to the table. I think it is fair to say that this has occurred and that the trial has worked.

Councillors have keenly participated and expanded SECCCA's advocacy reach to the Premier and Minister for Sustainability on statewide emission target. An encouraging response was received from the Minister, but the setting of the emission target has been delayed due to COVID-19.

We have opened direct communication with the ALGA and MAV on their climate change agenda and industrial bodies, Trades Hall Council and the Plumbers Union to consider joint submissions to the National Building Code to include provisions for low emission and climate resilient homes.

I personally endorse the CAG initiative and have been pleased to chair it. SECCCA will welcome a new batch of Councillors soon and the orientation will be important to continue the work of the group.



Cr Michael Whelan

Chair Councillor Advisory Group (2020)

Bass Coast Shire Council Island Ward

President's Report

In a year that no one could have predicted I have been so impressed with SECCCA's resilience and adaptability.

The new year commenced with SECCCA joining the majority of its member Councils in declaring a Climate Emergency. SECCCA compile guidance for those who were navigating how to respond and provided an opportunity for Councils to come together to unpack expectations of how to respond to such a crisis. With the backdrop of a fire ravaged state and country, the understanding of the scale of the emergency we faced as a community seemed heightened.

Then COVID-19 hit and whilst we are still grappling with the impacts today (and will be for decades to come) what I have seen is a greater respect for scientific data and modelling. Politicians being guided by experts and political ideology abandoned for the greater good of our community. I hope that valuable lessons can be learnt once we are able to reflect on our response to this acute crisis, some of which can be applied to the chronic crisis of a changing climate we all still face.

In spite of this unsettling context SECCCA has continued to evolve and deliver. In July, Frankston City Council re-joined SECCCA after a long hiatus. Filling an obvious geographical gap, this brings our membership to nine Councils.

The establishment of a Councillor Advisory Group (CAG) with representatives from each of the member Councils meeting to provide support and advice to SECCCA's advocacy plan far exceeded expectations. I have been impressed by the passion and enthusiasm the elected representatives have brought to the conversations and I look forward to welcoming a new Councillor Advisory Group after Council elections.

The CAG has assisted greatly in SECCCA continuing to position itself as a strong and well recognised authority on climate change. This has been supported by a number of submissions including: Victorian Government interim emissions targets aligned with the Paris Agreement; Department of Health and Human services guidelines on including climate change in Municipal Health and Wellbeing Plans; Climate Emergency Australia development; Building Victoria's Recovery Taskforce, amongst others.

Whilst last year's report, I reflected on the challenges of working in a boutique and agile organisation, this year we have proven the benefits. Whilst our staff are accustomed to working from home, never has this included the challenges of home schooling or physical isolation from work colleagues. Yet in a testament to the resilience and adaptability of our staff they have not missed a beat.

Our Project Coordinator Daniel Pleiter completed the three year New Homes Energy Advisory Service project, helping new home buyers choose and design zero energy homes. Twelve of these households received an as-built verification of their homes, an air tightness test and a report quantifying costs, energy savings and experiences. These results have provided SECCCA real life evidence that an as built verification process would result in zero emission, affordable homes coming part of the suburban landscape today.

Our Executive Officer, Dominique La Fontaine, has continued to lead our organisation with patience and poise. Dominique has developed strong connections with the other greenhouse alliances across the state allowing SECCCA and its members to access to expert knowledge and ensuring a state wide consistent climate change voice. I would like to acknowledge the additional administrative burden that supporting the CAG has posed and thank Dominique for her thoroughness in the administration of SECCCA.

The following pages provide more details about some of the key deliverables I have highlighted. I am very proud of the achievements of SECCCA, which would not have been possible without the passion and commitment of the Council staff and the leadership and drive of our amazing SECCCA staff.



Emily Boucher

Team Leader

Environmental Planning City of Kingston

President

South East Councils Climate Change Alliance

Executive Officer's Report

If there are any positives out of the COVID-19 pandemic, it is to demonstrate the ability to rapidly pivot to new ways of working. And it is pleasing that the last year for SECCCA has been as busy as ever as we continue the delivery of the 2019-2024 Strategic Plan. This Annual Report describes some of the key activities that SECCCA has undertaken on behalf of members to drive a zero emissions economy and build community resilience to a changing climate.

As part of our focus on climate risk management, after almost two years of planning, we have been able to commence the Asset Vulnerability project which will help councils understand in more detail the impact of climate change on key assets and infrastructure. And as councils seek to support their communities to reduce emissions, the commencement of the Regional Community Climate Change Action project is also exciting. Both these projects are being funded directly by members and both are leading edge initiatives that will advance positive climate action.

Our inaugural Councillor Advisory Group (CAG) has also made a tremendous contribution to SECCCA's ability to influence positive climate change action. We are looking forward to welcoming and working with a new cohort of Councillors for the CAG for the 2021 year and beyond.

Our collaboration with the seven other Victorian Greenhouse Alliances remains productive and beneficial to SECCCA members.

I'd like to thank and acknowledge the SECCCA management committee and their outstanding commitment to and close involvement in SECCCA. This includes Emily Boucher (City of Kingston) in her role as President,

Nicci Tsernavaski (Mornington Peninsula Shire Council) as Secretary and Julian Donlen (Bayside City Council) as Treasurer. Also, the Co Vice Presidents and Chairs of the Governance Risk Finance and Projects Subcommittee, Benita Russell (Bass Coast Shire Council) and Renae Walton (City of Port Phillip). Without this support, SECCCA would not be able to achieve the outcomes it does.

The declaration of a climate emergency by most of SECCCA member councils has placed climate change action at the front and centre of the council plan development process. The majority of community now understand the reality of, and tragic consequences from climate change. Our youth have also made their views about the need for leadership and action very clear. For governments that are focusing on economic recovery from COVID-19 pandemic, the challenge will be to ensure that climate change action remains the cornerstone of those economic recovery strategies. SECCCA will be working harder than ever to support its member councils to do this.



Dominique La Fontaine
Executive Officer
 South East Councils Climate Change Alliance



ADVOCACY

With the backing of the Councillor Advisory Group, SECCCA's has accelerated its advocacy activities aiming to encourage positive action to address climate change. An even stronger focus on advocacy was in response to the critical need to ensure post COVID-19 recovery strategies accelerate emissions reduction and climate resilience.

Strong Emissions Reduction Targets for Strong Economic Recovery

One of the CAG's first advocacy initiatives was to support a call for an interim emission reduction target that will position the Victorian economy to be competitive in a zero-carbon global marketplace. The CAG wrote to the Victorian Government, calling for strong interim emissions reduction targets that will send a clear investment signal to the Victorian economy, enabling businesses in our local communities to prepare for and take advantage of early-mover opportunities and soften price shocks well before a zero emissions target in 2050.

The CAG argued that strong interim emissions reduction targets also drive investment and job creation in technologies such as renewable energy, industrial and residential energy efficiency, electrification, public transport and improved land use.

Post COVID-19 Recovery Advocacy - Zero carbon residential development

SECCCA provided a submission to the Building Victoria's Recovery Taskforce, explaining that energy efficiency and renewable energy for residential homes is available, achievable and affordable and should be included as a requirement of all social housing developments.

Underpinned by learning from SECCCA's Energy Saver Study, Residential Energy Efficiency Scorecard and most recently, the New Homes Energy Advisory Service, SECCCA argued that energy efficiency initiatives vastly improve a resident's well-being by making homes easier to heat and cool and more pleasant to live in – and cheaper to run.

Advocacy to the Housing Sector

Having been briefed on the outcomes of the SECCCA New Homes Energy Advisory Service, the SECCCA Councillor Advisory Group (CAG) wrote to Master Builders Association (MBA), the Housing Industry Association and a number of leading building companies to explain the importance of incorporating energy efficiency and renewable energy into new homes and major renovations. The CAG called on these organisation to change the design and approach to volume built residential homes. SECCCA has also held discussions with the Plumbing and Pipe Trades Employees Union and presented to the Master Builders Association Green Building Conference.

Think Stimulus Think Climate

Continuing to advocate for the alignment of COVID-19 economic recovery with climate change action, SECCCA has also worked with Victorian Greenhouse Alliances to produce a plan for implementing local climate solutions that can significantly boost pandemic recovery efforts. The report *'A Climate Positive Stimulus for Victorian Local Governments - Tackling both COVID-19 recovery and climate change challenge'* says that local governments can drive economic recovery through tested climate change solutions and outlines how to align stimulus projects with climate solutions.

Five priority statewide projects that local governments could deliver and facilitate to boost the economy, create jobs and tackle climate change are outlined. The priority projects are

- Switching all major road lights to energy efficient smart technology.
- A comprehensive Electric Vehicle (EV) charging network across Victoria.
- Accelerating investment in street trees, parks and gardens, water sensitive urban design, stormwater capture and reuse.
- Diverting food organics from landfill represents a significant opportunity for councils to support communities to reduce emissions from waste.
- Transforming closed landfills for clean energy generation for local communities.

Australia's Technology Investment and Emissions Reduction

Victorian Greenhouse Alliances developed a submission to the Australian Government Technology Investment Roadmap Discussion Paper.

The submission argues that the Roadmap should set an overarching goal for electrification and efficiency and should rapidly advance wind and solar to help address the closure of coal plants. Growth of large scale wind and solar requires ongoing government action to unlock its potential. And, as Australia has a unique opportunity to become a significant global exporter of renewable energy, a stretch goal of 70% renewable energy should be built into the Roadmap.

2026 Victorian Electricity Distribution Price Review

The Victorian Greenhouse Alliances prepared a submission to the Australian Energy Regulator (AER) regarding the 2021-2026 Victorian Electricity Distribution Price Review (EDPR). The submission presented supporting evidence and rationale for a number of key recommendations in the areas of public lighting, demand management, Distributed Energy Resources (DER), regional supply, vegetation management, climate resilience and stakeholder engagement.

PROJECTS



SECCCA undertakes projects to help achieve SECCCA's vision of a thriving, zero emissions, climate resilient region. This year, SECCCA projects have focussed on supporting Councils to act on climate change by reducing emissions and strengthening climate resilience. Understanding how to best support emission reduction in the community is also a key project. Projects have been funded by members, attracting financial support from DELWP and also partnering with the Insurance Council of Australia.

ESD Policy Template and Guidelines

Last financial year SECCCA completed and launched the ESD Matrix, recently rebranded to BriefEzy. To further support Councils to adopt ESD in new or refurbished council buildings, SECCCA undertook a project to create a guide for member councils in the process of developing or reviewing their buildings / facilities ESD Policy.

The guide provides the essential requirements for an effective ESD policy and details the 'common practice' from a range of Victorian council examples. 13 council ESD policies were reviewed to develop the guide and these were used as the basis to develop a generic template document. A brief literature review has also been undertaken on what is considered 'best practice' from international research. Councils are now welcome to use as much or as little as required to meet the needs of their own policy requirements.

Asset Vulnerability Assessment Project

Throughout this year SECCCA has been developing a new project on the impacts of climate change on council assets. The objective of this project is to understand how SECCCA member Council buildings, roads and drainage will be impacted by climate change, how Council income and expenditure will be impacted, and how Councils can appropriately plan for identified changes. This information can then be used to influence decision making and create prioritised, costed works plans to make the asset more resilient to climate change.

Through understanding the vulnerability of assets, and financial impacts of climate change, Councils will have a deeper understanding of how climate change may impact the delivery of community services. After a comprehensive selection process, SECCCA appointed Spatial Vision, in partnership with Marsden Jacobs, to deliver this seminal project. With funding from DELWP, Science into Action in partnership with Scientell has been appointed to evaluate the project and to create communications collateral to share outcomes with other Victorian Councils and organisations

Transforming Council Fleets to Electric Vehicles

Transport emissions comprise a varying proportion of a Council's emissions profiles. Electric vehicles (EVs) provide an opportunity to reduce or even eliminate the use of fossil fuels in transportation. EVs are becoming increasingly available but remain an emerging market. Councils are in early policy development stages and there is much uncertainty relating to the technology and the suitability for council operations.

With the support of Deakin University, SECCCA has been undertaking surveys of councils fleet operations to consider how to overcome barriers to EV adoption and the benefits of these new vehicles. The project due for completion at the end of the year will give members a better understanding of councils' current situations through a situational analysis and how EVs can become part of the fleet in the future.

Students develop Zero Emissions Strategy for Melbourne's south east

Masters students from Monash University's Sustainability Institute have worked with SECCCA to develop a Zero Emissions Strategy for south east Melbourne.

The students analysed existing carbon emissions inventories for SECCCA's 8 member councils and then identified potential projects and strategies that will reduce carbon emissions in several sectors. Proposed projects focussed on emissions reductions in the residential, transport and industrial sectors.

Regional Community Climate Change Action Planning

In March 2020, seven SECCCA Councils agreed to collaborate with Ironbark Sustainability on an evidence-based Community Action Planning project. This project will deliver a realistic plan for achieving the required annual reductions in emissions within the necessary timeframe to avoid unacceptable levels of climate change.

Early results indicate communities within each participating council area need to reduce emissions by a challenging 5.8% reduction per year until 2037. This ambitious target aligns with the Paris Agreement of limiting global temperature rise to 1.5°C above pre-industrial levels.

By approaching emissions reduction at a regional level SECCCA councils are looking to increase the scale of opportunity, take advantage of synergies across the region, and maximise cost effectiveness. Ahead of results being provided at the end of 2020, participating councils will continue to develop their Climate Emergency response plans and deliver on existing community emissions reduction programs.

FORUMS



SECCCA Forums for member councils (and on occasion members of other Greenhouse Alliances) enable sharing of knowledge, experience and ideas regarding climate change action and advocacy. This year, due to COVID-19, we cancelled two significant forums, the Annual Leaders Breakfast and the Victorian Greenhouse Alliances Conference. We look forward to holding these - in person - in 2021.

Climate Emergency Workshop

This year has seen many local governments declare a climate emergency. Declaring a climate emergency recognises that climate change is causing significant damage to the Australian economy, society and environment, and that urgent action is required to reverse current trends and secure our planet for future generations.

A climate emergency declaration also signals the need for action that is beyond business as usual. SECCCA's Climate Emergency Workshop provided an opportunity for over 30 council officers from council members of SECCCA and other Greenhouse Alliances to discuss how to secure buy-in to climate emergency action across the council organisation.

Climate Related Financial Reporting Forum

Local governments are now well aware of the risks that climate change poses to their business and the community. And with financial reporting entities to consider and report on climate risk, SECCCA held a forum to introduce finance and risk officers to these emerging requirements.

At this forum, experts from Ernst Young (EY) explained the Task Force on Climate Related Financial Disclosures and the April 2019 guidance from the Australian Accounting and Auditing and Assurance Standards Boards on climate related and other emerging risk disclosures. City of Port Phillip CFO Dennis O'Keefe also discussed how climate change is impacting City of Port Phillip assets. The workshop opened with a recording of an address by Mark Carney, Governor Bank of England which described how business will need to re-assess virtually every financial asset and that firms failing to adapt to a low carbon economy will cease to exist.

The Role of Gas in a Climate Emergency

SECCCA hosted a forum to discuss the role of gas in a climate emergency. The forum was facilitated by Stride Renewables and hosted energy industry experts from the Clean Energy Council, Energy Networks Association and Enhar who discussed the myriad of issues involved in this topic. The forum was attended by over 50 local government officers.

Financing Physical Risk Infrastructure

In partnership with the Insurance Council of Australia, SECCCA has been working to explore how to help SECCCA members access the funding needed to ensure infrastructure is able to protect the community from climate change impacts. This forum was attended by over 80 officers from across the SECCCA membership. The session hosted speakers from the ICA, Climate Comms, National Australia Bank, and the Queensland Investment Commission who discussed how climate change is affecting the SECCCA region and council assets, how private sector financiers are considering the opportunity to invest in physical risk mitigation infrastructure and why the insurance industry is concerned about protecting communities from the impact of climate change.

FINANCIAL STATEMENTS



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Treasurer's Report

Despite the many challenges of 2019/20, SECCCA's financial position and outlook improved markedly. With funding opportunities for regional scale projects scarce, the strategic decision to significantly increase membership fees has proven to be wise. This has allowed the organisation to fully support its two key staff members without the ongoing reliance on uncertain project funding.

Welcoming City of Frankston back as a SECCCA member Council has strengthened the organisation and its balance sheet. While still conservatively managing budgets and relying on some in-kind support from members, SECCCA is now in a confident position to attract project partners. This was evident from insurance providers supporting member contributions to projects and securing DELWP funding for Monitoring and Evaluation of the Asset Vulnerability Assessment project.

Income from projects can now be redirected to seed future projects. The Provisional Fund remains intact and growing, reducing the risk from gaps in project funding. Forward budgets project small but positive surpluses befitting our 'not for profit' status.

The strategic planning to secure SECCCA's medium term financial outlook has the organisation in a healthy financial position, and able to face future challenges following the pandemic, including our most important challenge of climate change.

Thank you to our accountants, Louise Sutton and Josephine Anne from Accountable Business Services, who provided excellent guidance and assistance through another year. Thank you also to Joel Hernandez and staff from RDL Accountants for auditing our financial statements.



Julian Donlen
Coordinator Environmental Sustainability
 Sustainability & Transport Bayside City Council
Treasurer
 South East Councils Climate Change Alliance

The Detailed Income and Expenditure Statement for the year ended 30 June 2020, and the Statement of Financial Position 30 June 2020, are included in the Independent Auditor's Report.

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	4	382,525	414,476
Expenses			
Program expenses		(50,044)	(114,315)
Employee benefits expense		(284,965)	(218,253)
Administration expenses		(34,106)	(23,938)
Training and development		(690)	-
Travel		(1,846)	(1,149)
Total expenses		<u>(371,651)</u>	<u>(357,655)</u>
Surplus/(deficit) before income tax expense		10,874	56,821
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of South East Councils Climate Change Alliance Inc.	13	<u>10,874</u>	<u>56,821</u>
Total comprehensive income for the year attributable to the members of South East Councils Climate Change Alliance Inc.		<u>10,874</u>	<u>56,821</u>
Profit attributable to:			
Members of the parent entity		<u>10,874</u>	<u>56,821</u>
Total comprehensive income attributable to:			
Members of the parent entity		10,874	56,821

Statement of Assets and Liabilities

30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	581,578	391,411
Trade and other receivables	6	4,609	11,000
Other assets	7	9,796	5,131
TOTAL CURRENT ASSETS		595,983	407,542
NON-CURRENT ASSETS			
Plant and equipment	8	421	846
TOTAL NON-CURRENT ASSETS		421	846
TOTAL ASSETS		596,404	408,388
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	53,538	42,787
Employee benefits	10	17,143	13,267
Other liabilities	11	368,201	208,124
TOTAL CURRENT LIABILITIES		438,882	264,178
NON-CURRENT LIABILITIES			
Employee benefits	10	8,265	5,827
TOTAL NON-CURRENT LIABILITIES		8,265	5,827
TOTAL LIABILITIES		447,147	270,005
NET ASSETS		149,257	138,383
EQUITY			
Reserves	12	57,295	57,295
Retained earnings	13	91,962	81,088
TOTAL EQUITY		149,257	138,383

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2020

2020

	Retained Earnings	New Project Reserve	Total
	\$	\$	\$
Balance at 1 July 2019	81,088	57,295	138,383
Surplus / (deficit) after income tax expense for the year	10,874	-	10,874
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	91,962	57,295	149,257
Balance at 30 June 2020	91,962	57,295	149,257

2019

	Retained Earnings	New Project Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	24,267	57,295	81,562
Surplus / (deficit) after income tax expense for the year	56,821	-	56,821
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	81,088	57,295	138,383
Balance at 30 June 2019	81,088	57,295	138,383

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers (inclusive of GST)	583,900	564,243
Payments to suppliers and employees (inclusive of GST)	(396,775)	(415,384)
Interest received	3,042	6,627
Net cash provided by/(used in) operating activities	15 <u>190,167</u>	<u>155,486</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(1,271)
Net cash used by investing activities	<u>-</u>	<u>(1,271)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	190,167	154,215
Cash and cash equivalents at beginning of year	<u>391,411</u>	<u>237,196</u>
Cash and cash equivalents at end of financial year	5 <u><u>581,578</u></u>	<u><u>391,411</u></u>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH EAST COUNCILS CLIMATE CHANGE ALLIANCE INC

Report on the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of South East Councils Climate Change Alliance Inc (the association), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the committee.

In our opinion, the financial report presents a true and fair view, in all material respects, of the financial position of South East Councils Climate Change Alliance Inc as at 30 June 2020 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 2 to the financial statements, and the *Associations Incorporation Reform Act 2012 Victoria*.

Basis for Opinion

We have conducted our audit in accordance with the Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the association in accordance with the ethical requirements of the *Australian and Not-for-profits Commission Act 2012* and the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist South East Councils Climate Change Alliance Inc to meet the requirements of *Associations Incorporation Reform Act 2012 Victoria*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Committee Members for the Financial Report

The Committee Members are 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 *Associations Incorporation Reform Act 2012 Victoria* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.



Joel Hernandez, CA
rdl.accountants

30 November 2020
Blackburn, Victoria

MANAGEMENT COMMITTEE 19/20 ELECTED MEMBERS

Bass Coast Shire Council**Benita Russell**Climate Change and Sustainability Adviser **City of Greater Dandenong****Darren Wilson**

Environmental Planner

James Mitchell

Acting Team

Leader Sustainability Planning

Bayside City Council**Julian Donlen**Coordinator Environmental Sustainability
(SECCCA Treasurer) **Carmel Ron**

Sustainability Strategy Officer

City of Frankston**Rachel Weaver**

Environmental Services Coordinator

Clare Warren

Environmental Planning Coordinator

Cardinia Shire Council**Desiree Lovell**


Manager Environment and Heritage

Aruna Dias

Environment Officer

City of Kingston**Emily Boucher**

Team Leader

Environmental Planning (SECCCA President) **Helen Scott**

Principal Environment Officer

City of Casey**Simon King**

Team Leader

Sustainability and Environment

Mark AkesterEcologically Sustainable Development
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Cr Michael Whelan

City of Greater DandenongCr Matthew Kirwan
Cr Youhoun Chea (alternative)**Bayside City Council**

Cr Mayor Clarke Martin

City of Frankston (appointed ex AGM in April 2020)Cr Mayor Sandra Mayer
Cr Steve Toms (alternate)**Cardinia Shire Council**

Cr Michael Schilling

City of Kingston

Cr Rosemary West

City of Casey

N/A

Mornington Peninsula Shire CouncilCr Simon Brooks
Cr Kate Roper (alternate)**City of Port Phillip**

Cr Katherine Copsey

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