

ANNUAL REPORT 2014-15

RENEWAL

Environment Victoria is one of Australia's leading environment groups, independent and not-for-profit.

We advocate for big, important and permanent changes to safeguard our environment and the future wellbeing of all Victorians.

Visit environmentvictoria.org.au



Level 2, 60 Leicester Street, Carlton VIC 3053
Telephone (03) 9341 8100, admin@environmentvictoria.org.au

www.environmentvictoria.org.au

Photo on cover copyright Doug Gimesy and generously provided to Environment Victoria. See www.gimesy.com

This report is printed on 100% recycled paper.

Contents

BIG ACHIEVEMENTS THIS YEAR	5
ABOUT US	6
A MESSAGE FROM OUR PRESIDENT AND CEO	7
OUR CAMPAIGNS AND PROGRAMS	8
OUR CHALLENGES	16
OUR GOVERNANCE	17
DIRECTORS' REPORT	18
OUR FINANCIAL PERFORMANCE	21
WALKING THE TALK	36
THANK YOU	38

About this report

Environment Victoria produces an Annual Report describing our activities and performance over the reporting period, including our sustainability performance. In striving for a sustainable planet, we are conscious of the economic, social and environmental impacts of our activities and committed to measuring our performance and minimising our environmental impact.

This report covers our activities for the 2014-15 financial year and discloses those activities of most interest to our key stakeholders, our financial performance and the direct sustainability impacts of our operations.

We have used the Global Reporting Initiative (GRI)'s G4 Sustainability Reporting Framework to assist us and this report contains *Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines*.

We have defined the content of this report to respond to the commitments set out in our 14-15 Annual Plan and our Charter. It outlines our performance against our strategic objectives, which were developed in consultation with our key stakeholders a few years ago.

We welcome feedback regarding the content of this report and our activities generally. All correspondence can be directed to admin@environmentvictoria.org.au or by calling 9341 8100.



BIG ACHIEVEMENTS THIS YEAR



Above: How *The Sunday Age* saw our election campaign.

Our activities at a glance:

- Running the deepest-ever grassroots environment election campaign in this state, putting the environment and climate change back on the agenda in Victoria.
- Supporting 1000 committed volunteers campaigning to Reclaim Victoria's Environment (including 386 in our four target seats) and four new local groups of volunteer activists across Melbourne's suburbs.
- Ensuring the incoming state government publicly committed to leadership on climate change.
- Securing an extra \$10 million for the protection of river banks in the 2015-16 State Budget and the beginning of a process to exclude livestock from riverside areas across the state.
- Saving the Victorian Energy Efficiency Target from being scrapped, and then securing an increase.
- Delaying a new allocation of coal and the development of a coal export industry for Victoria.
- Securing commitments from the incoming ALP state government, including to scrap anti-windfarm laws, remove cattle from the Alpine National Park and develop a renewable energy action plan and an energy efficiency strategy.
- Assisting the successful community campaign to close the Anglesea power station.
- Securing the reopening of the Hazelwood mine fire inquiry, including further examination of the fire's impact upon the health of Latrobe Valley residents and the inadequacy of mine rehabilitation provisions.
- Highlighting the job opportunities in coal mine rehabilitation and securing a commitment from the Andrews Government to review rehabilitation bonds at all mines.
- Assisting almost 5000 Victorian low-income parents to reduce energy use in their homes through our Future Powered Families program.
- Launching our divestment campaigns in partnership with Powershop, Bank Australia, Energy Makeovers and Positive Charge to assist our 72,000 supporters to go zero emissions.

Find out more about these achievements on the following pages.

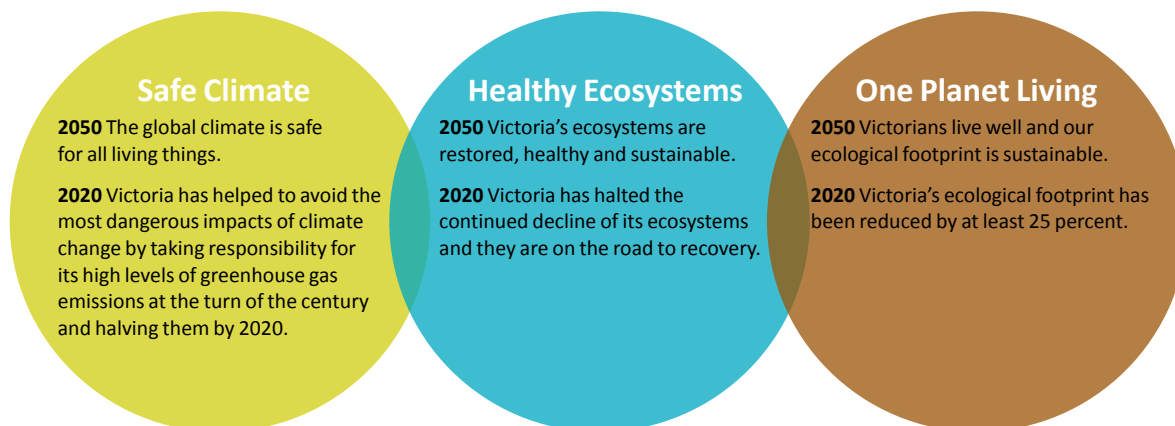


Above: We made getting cows out of rivers and rehabilitating mine sites election issues.



ABOUT US

Our goals



Environment Victoria is one of Australia's leading environment groups, independent and not-for-profit.

We advocate for big, important and permanent changes to safeguard our environment and the future wellbeing of all Victorians.

A healthy environment underpins the lives, health and prosperity of all Victorians and safeguarding our environment is critical to our wellbeing. Right now our environment and climate are in serious trouble and, because of this, so are all Victorians.

We can restore our environment, safeguard our climate and secure a healthy future. Victoria can have a safe climate, healthy rivers and magnificent forests rich with wildlife as well as liveable cities and communities. By making the necessary changes to power our cities and industries with clean energy, eliminate waste and restore natural capital, we will also create hundreds of thousands of new sustainable jobs; modern, smart industries and a more prosperous, resilient future.

We all have a responsibility to act. Our choices today will determine the future for our environment and of all Victorians. Because the challenges we face are both urgent and large, our response must be too. That's why we advocate for big, important and permanent changes and help Victorians to do the same.

Our values

- **Courage** to always speak up for our environment
- **Respect** for people and for nature
- **Inclusivity** and **fairness** in the way that we work and the outcomes we seek
- **Pride** in our environment and our work

Our operating model

Environment Victoria has a three-point approach to achieving our vision and goals.

Shared solutions: We work with others to develop bold solutions that rapidly transition Victoria to a sustainable future.

Empowerment: We inspire people, governments and businesses to take action on environmental solutions through advocacy, education and empowerment.

Accountability: We hold people of influence, governments and businesses to account for their decisions and actions through research and analysis, public commentary, thought leadership and showcasing best practice.



A MESSAGE FROM OUR PRESIDENT AND CEO

For the past three years Environment Victoria has focused on building a more powerful voice for the environment in this state and nationally. And now it feels as though the results are really starting to show.

After a difficult term with the previous state government, which consistently attacked the environment, we now have a state government promising to lead on the environment and climate change. That is in no small part due to the committed efforts of our supporters and volunteers, who have been working hard to elevate the status of the environment as an issue in key areas across the state. We worked with over 1000 volunteers through the state election campaign in 2014-15.

The opportunity now is for us to drive the transformative change we need in Victoria, and then see that change replicated nationally and internationally. It's an exciting place to be.

Our state will be crucial to the outcome of the 2016 federal election. The investment we made this year in deep community organising in pivotal electorates will again pay dividends. We are well on the way to our aim of elevating the environment above politics, where it belongs.

This financial year we've achieved a lot. We stopped coal allocations (again), saved and expanded energy efficiency programs, got livestock out of our rivers and secured commitments to develop a nation-leading climate change and renewable energy agenda. Check out the long list of wins on page 5, and thanks for your support in making this progress possible.

We've also taken the next steps towards building a sustainably funded and independent organisation. We've reduced our reliance on government funding and diversified our fundraising efforts – thank you for your incredibly generous support. We've developed new

campaigns to reduce Victorians' emissions that also support our organisation financially. And we continue to grow our supporter base – we are now 72,000 strong!

Our Board guides our work for the long term. So while we had a big impact this year, we will also be even more effective in the years ahead. All of our Board members are also volunteers who give their time extremely generously. Huge thanks to them for their efforts.

We know the challenges ahead are great, and time is short. But we also know that Environment Victoria is a growing and powerful community that is already succeeding in building a better future. Thank you for your contribution and we look forward to working with you over the months and years ahead.



Mark Wakeham
CEO

Amanda Nuttall
President

1. A SAFE CLIMATE

We advocate for, and help pioneer, the shift to a pollution-free and energy efficient economy.



Above: Our campaign to stop a coal allocation made news with a big win.

Despite major setbacks at the federal level (including the repeal of the carbon price), 2014-15 was a turning point for the environment in Victoria. We prevented new coal allocations, put mine rehabilitation on the agenda in the Latrobe Valley and secured climate and renewable energy commitments from the incoming ALP state government. The coal industry's decline is now looking inevitable.

Coal mines in Victoria

Following the Hazelwood Inquiry, we worked with community group Voices of the Valley to show community support for speeding up mine rehabilitation in the Latrobe Valley.

Our report *Preventing the Preventable* outlined the benefits of accelerated rehabilitation, including the significant job creation potential. This helped make mine rehab a major election issue in the seat of Morwell, securing strong commitments from the ALP to re-open the Hazelwood Inquiry and increase rehabilitation bonds for existing mines.

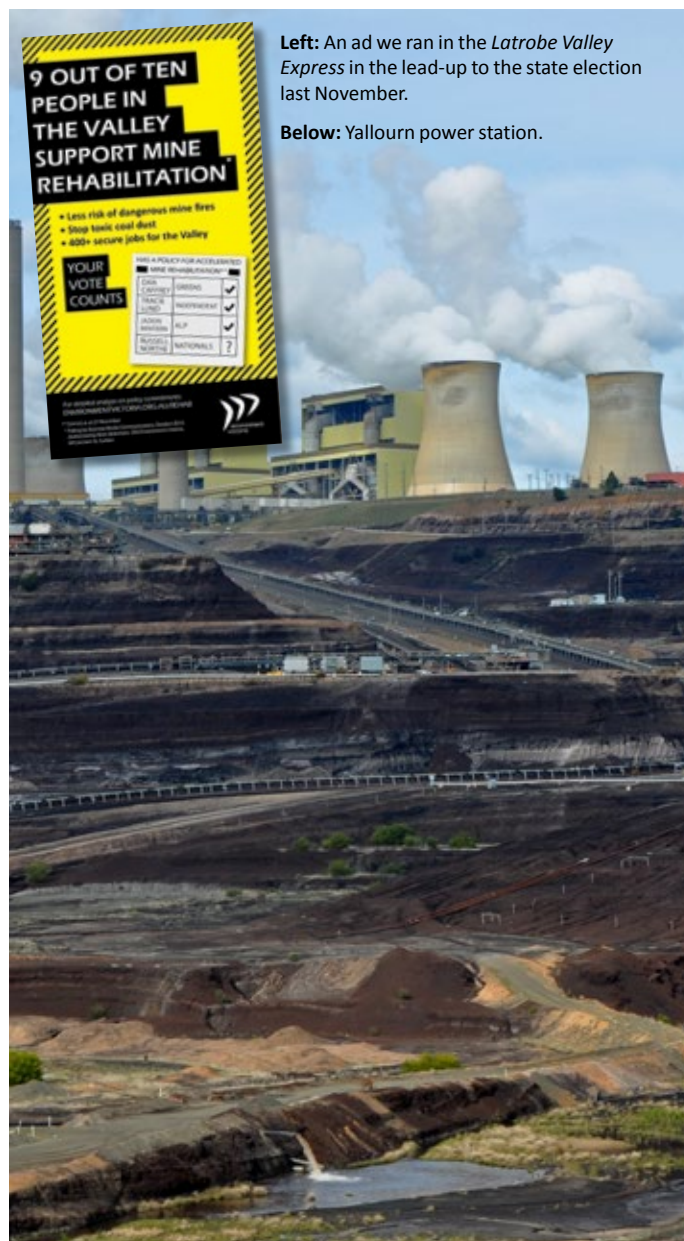
The change of government in November also marked an entire term of government during which we prevented a single new coal allocation from going ahead. Some companies have retained their government grants for new coal projects, though there are few signs of activity and we'll be working to stop these projects for good in 2015-16.

Victoria: a climate leader?

The November 2014 election showed the gulf in climate aspirations between the Coalition and the ALP.

Our election campaign kept climate change, renewable energy and energy efficiency at the forefront of candidates' and voters' minds in key marginal seats, and helped secure a range of policy commitments from the ALP.

A number of processes are underway as a result, such as the review of the Victorian Environment Protection Authority and the development of renewable energy and energy efficiency action plans. We continue to contribute significantly to each of these processes, which are providing an excellent vehicle for Victoria to become the strong leader on climate that the community expects.



Left: An ad we ran in the *Latrobe Valley Express* in the lead-up to the state election last November.

Below: Yallourn power station.

The hidden cost of Hazelwood



Phasing out brown coal power stations

Our campaign to deal with the 50 percent of Victoria's emissions that come from burning brown coal is gaining momentum.

The climate leadership aspirations of the Andrews Government, together with their promised support for renewable energy, means the writing is now on the wall for ageing generators like Hazelwood and Yallourn.

We contributed to the community campaign against the Anglesea power station, including assessing replacement jobs in mine rehabilitation and quantifying the 'social costs' of coal. We also released a report by Harvard researchers calculating the health costs of the air pollution at \$170 million every year. Across Victoria, the air and carbon pollution costs of burning coal exceed \$3.5 billion.

We continue to work with the Latrobe Valley community to ensure the phase-out of power stations is accompanied by a strong transition plan for the region's community and economy.

Fossil fuels and the federal government

Leading up to the Federal Budget in May 2015, we campaigned for an end to unfair subsidies for burning diesel – an activity that contributes to eight percent of Australia's total greenhouse gas pollution.

Putting a cap on how much individual recipients can receive under the Fuel Tax Credit Scheme (also known as the 'diesel rebate') would save the budget billions, leave small business unaffected and create incentives to cut pollution. A ground campaign in the electorate of Assistant Treasurer Josh Frydenberg (now Energy and Resources Minister) got the ball rolling.

Meanwhile, national media coverage of our analysis of the Abbott Government's Direct Action policy exposed just how bad it is – with a 'safeguard mechanism' that still allows pollution to increase by 20 percent!

Both these areas of work will continue in the lead-up to the next federal election.

Above: How *The Age* reported our research on the social costs of coal power stations.

Below: Our electronic billboard at Camberwell Junction in the lead-up to the Federal Budget.



2. HEALTHY ECOSYSTEMS

We advocate for the restoration of our rivers and wetlands and the protection of Victoria's biodiversity.



This year, with the help of a giant inflatable cow, we made restoring river banks to health an election issue for both sides of politics. We secured a commitment from the Andrews Government for a new plan to keep cows out of rivers and an extra \$10 million investment. Saving the Murray is tough going but we are in for the long haul.

Save the Murray

The historic Murray-Darling Basin Plan is intended to restore the mighty Murray River and its northern Victorian tributaries to health. We are working to ensure this national Plan lives up to expectations and the promised water is delivered in full.

This year the Plan has come under increasing attack from all sides with governments and irrigation interests intent on driving down the volume of water to be recovered for the environment.

As a nationally respected group, we are leading the resistance with a combination of lobbying, myth-busting and detailed policy work on what our rivers really need, which is real water, not just more concrete pipes.

Protecting the freshwater environment

The election of the Andrews Government has put the environment back on the agenda. For the first time in seven years, we now have a single Minister for Environment, Water and Climate Change. So far there is no clear indication of how our freshwater environments will be improved, but we are working to fill that gap.

Environmental watering has come under attack from interest groups and we have worked hard to set the record straight and demonstrate the value of water for wetlands and rivers.

In the absence of national leadership, there's a great opportunity for the Andrews Government to renew Victoria's leadership in water reform and to provide our rivers and wetlands with the water they need to thrive and survive.

We are making the case and have secured funding to develop an 'Aquaprint', which will be a community endorsed vision for water reform, sustainable water use and healthy rivers.





Baillon's Crake, Ballarat.
Credit: Flickr CC, Ed Dunens

Cut the Crap

The damage caused by livestock accessing river banks and polluting freshwater ecosystems is the number one manageable impact on river health. Our 'Cut the Crap' campaign aims to get cows and other livestock out of rivers and off river banks.

In the lead-up to the state election we had a lot of fun and publicity with a giant inflatable cow and an intrepid band of volunteers in cow suits spreading our message in

Melbourne, Geelong, Bendigo and Ballarat.

This media work helped secure a commitment from the Andrews Government for an action plan to speed up the rate of improvement in the condition of our river banks. We have been on the advisory committee to develop the plan and have pushed hard for more action on public land on river banks. So far the government has committed an extra \$10 million for 2015-16 but we are still waiting for the Action Plan.

Below: During our 'Cut the Crap' campaign, our volunteers were out and about in cow suits, highlighting that cows don't belong in rivers just as much as they don't belong on bikes or in libraries.



3. ONE PLANET LIVING

We advocate for a society and economy that lives within the means of the one planet we share.



Above: Environment Victoria's Sustainable Living Manager, Michele Burton, on her way to a television interview in the Powershop Tesla electric car.

Our programs and campaigns help communities understand their environmental impacts while reducing their water and energy use, waste and greenhouse pollution. In 2014-15 we maintained our focus on helping communities that are marginalised or most vulnerable to rising energy and water costs, delivering our largest-ever behaviour change program. We also started a series of sustainable partnerships to help people reduce their emissions at home.

One Million Homes Alliance

Environment Victoria, as part of the One Million Homes Alliance, secured commitments from the Andrews Government to save and strengthen the Victorian Energy Efficiency Target (VEET) and deliver a state-wide energy efficiency strategy in 2015.

We ran a strong campaign to save the VEET, including extensive local media coverage and a mini campaign in the marginal seat of Frankston. In 2015 we have participated in the VEET review and helped secure an increase to 6.5 million tonnes of greenhouse pollution reduction by 2020.

With our Alliance partners, we are actively contributing to the development of the government's energy efficiency strategy, making the case for bold action to achieve our vision of all homes meeting a 5-star and 100 litres/person/day standard by 2025.

The Future Economy Group

The Future Economy Group (TFEG), convened by Environment Victoria, continued to build the economic case for environmental protection.

This financial year, TFEG secured a commitment from the incoming ALP government to explore ways of valuing natural capital in the State Budget and is holding a roundtable with the State Treasurer and Environment Minister to progress this in October 2015.

Zero Emissions Homes

Environment Victoria has partnered with values-aligned goods and services providers to help Victorians make greener (and often cheaper) consumption choices.

In 2015 we embarked on forming a series of partnerships with businesses to promote cleaner power, solar panels, home loan divestment and LED lights. We recognise people can help the environment through their everyday consumption choices or when thinking about how they use energy in their homes.

We rolled out our partnership with Powershop and by the end of 2014-15 almost 400 people had switched to this greener, cheaper energy company. The remaining partnerships and a web hub will be launched in 2015-16.

Environment Victoria receives a financial contribution for each person who 'switches', which helps contribute to our energy efficiency and renewable energy campaigning work, and diversifies our income stream.

Home Planet

Home Planet partners with AMES to work with newly arrived migrant and refugee youth across Melbourne.

In 2014-15 the program empowered over 50 Melburnians in the eastern suburbs to make their lives more environmentally friendly and engage others on sustainability. Participants ran multicultural environment expos, tree planting days, sustainable cooking projects and re-purposed old products.

The semester featured a three-day camp in the bush – this was the first time some participants had ever been to the Australian countryside, or seen the ocean.



Participants in our Future Powered Families program.

Future Powered Families

Environment Victoria's largest-ever behaviour change program, Future Powered Families, continued throughout 2014-15. It aimed for 5000 participants, but by the time delivery ends in late 2015 it is likely to have reached 7500 participants.

The project helps low income parents, and especially migrants and refugees, to cut their energy use. It trains members of the community in energy saving, who then visit friends and family to pass on tailored, easy energy saving ideas. The households involved receive the message from a trusted source and in their own language – more than 50 different languages are spoken by participants to date.

The project also involves workshops and extensive data collection. Future Powered Families is a three-year \$1.8 million project funded by the federal government's Low Income Energy Efficiency Program.

Below: Participants in our Future Powered Families program learn energy saving techniques.



4. STEP UP VICTORIA

Our community organising campaign builds power in the places that matter to elevate the environment above politics.



Above: One of our state election billboards and our state election voter 'pledge' pack.

There's one thing more powerful than organised money, and that's organised people. Building on the success of our Reclaim Victoria's Environment campaign, our new Step Up Victoria campaign uses a community organising approach to build deep, enduring grassroots power in the areas politicians listen to the most. It delivers wins on our campaign issues plus wins for the Victorian environment movement more broadly.

Building the numbers

Our Reclaim Victoria's Environment campaign was set up in response to the previous Baillieu Government's unprecedented attacks on our environment. We realised it wasn't enough to run individual campaigns – we also needed a strategy to build support in key areas that determine the outcome of every state and federal election. As with so many things in politics, success hinged on building the numbers.

In 2014-15 we grew our volunteer base in these crucial areas even further. In total, 1000 people volunteered to help out with our state election field campaign, and more than 600 volunteers had thousands of face-to-face conversations with undecided voters about the environment issues that matter to them. More than 400 of these volunteers were organised into local groups, forming the backbone of our election campaign.

These core volunteers have helped us reach a broad cross-section of people. We currently have 13,461 Environment Victoria supporters in the eastern and south eastern suburbs in and around our target communities.

Community and connections

At the heart of our organising work are two ideas – that throughout history social change has been driven by organised communities, and that face-to-face conversations are the most effective way to influence people's opinions.

In 2014-15 we built a community organising infrastructure that trained and equipped volunteers to make thousands of phone calls and knock on thousands of doors. We hired a shopfront in Frankston, one of our target areas, to act as an 'EnviroHub', a place where activists and volunteers came together to plan and strategise. And we collaborated with environment, progressive and union groups – including GetUp!, Victorian Trades Hall Council and Public Transport Not Traffic – to upscale and broaden our reach.

To support this on-ground work, we ran a comprehensive media campaign, including billboards, advertisements in state and local newspapers and local newspaper coverage of our community campaign. Hundreds of volunteers and supporters displayed yard signs

and posters with our campaign message to 'Vote for Your Environment' in their front yards and in local cafes and community centres.

In addition, we connected our community work with local sitting MPs and candidates in our target areas. Our volunteers regularly engaged with the MPs and candidates through personal meetings, local events and social media, and they have built strong and lasting relationships with MPs and their offices.

Election work and results

In 2014-15 we ran the deepest-ever grassroots environment election campaign in this state, which succeeded in getting the environment and climate change back on the agenda in Victoria.

Environment Victoria volunteers knocked on 6311 doors in our target communities and made 1449 phone calls to undecided voters.

The centrepiece of our campaign was asking undecided voters to pledge to 'Vote Environment'. Once we had collected enough signed pledges – more than 2000 in four marginal seats and almost 6000 across the state – we released a scorecard rating the major parties on their environmental performance and promises.

Ultimately, the campaign was about putting the environment back on the agenda – whichever party won office – and we achieved that.



Above: Volunteers prepare to head out for an afternoon of doorknocking in Edithvale, November 2014.

Below: Volunteer Ayumi Dentry holds up a completed 'Vote Environment' pledge card.

Step Up Victoria

The next phase of our community organising work is called Step Up Victoria. It focuses on building and strengthening the community power that we have accumulated in our target areas. The ultimate goal is to elevate the environment above the see-sawing of partisan politics so that we have responsible environment policies regardless of who is in government.

We are delivering a leadership training program, which will train 50 local volunteer leaders to ensure that the local campaign capacity we are building is strategic and self-sustaining. Our leadership program includes skills like campaign strategy, persuasive conversations, team building and facilitation.

We are actively engaging local groups in our target communities including conservation groups, climate action groups, faith groups, unions and others.

We are working on building and strengthening our volunteer groups and networks in the lead up to the Paris climate talks in November, the anniversary of the state election (the first year of delivery for the Andrews Government) and the federal election in 2016.

THANK YOU

None of the Reclaim Victoria's Environment and Step Up Victoria work would have been possible without the generosity of our donors, particularly those who pledged support over three years for this campaign. We thank you deeply for your support.



OUR CHALLENGES

While we're optimistic about the new opportunities at the state level, there have been new challenges from the federal government, which has threatened our tax-deductible charity status and launched a fresh onslaught of attacks on the environment. We continue to focus on securing our financial independence, building a stronger voice for the environment and developing new ways of campaigning and influencing.

Securing our financial independence

We've been on a rapid journey towards financial independence over recent years with the loss of government grants at the state and federal level. We're deeply grateful for the generosity of our supporters who've helped us bridge the gap and made us a stronger organisation.

In 2014-15 we made a significant investment in a face-to-face regular giving program. Through this program we recruited 2400 monthly donors, which enables us to better plan and budget for our activities. Thank you to all those who've joined us as new donors this year.

Building a stronger voice for the environment

For many years the environment movement has relied on good policy ideas and rational argument to try and influence decision-makers. But that's not enough. If we are to build enduring power for the environment, we can't afford to ignore the reality of our political system and its emphasis on voters in marginal seats.

Our community organising strategy aims to grow our supporter base and our influence in the places that matter most politically. We're scaling this up for the 2016 federal election to stop the ideological attacks on our environment and get environmental protection above politics, where it belongs.

We're also developing partnerships with 'unusual suspects' to create lasting change. Examples include our work with The Future Economy Group (see page 12 – One Planet Living), and our new business partnerships to help Victorians reduce their emissions.

Reducing our ecological footprint

Victoria's ecological footprint is three times bigger than the world average, largely due to our highly polluting energy supply. As part of our One Planet Living campaign, we're forming partnerships with sustainable businesses and providing our 72,000 supporters with opportunities to divest their home loan, switch to a cleaner power company, get cheaper solar through a bulk-buy scheme and reduce their environmental footprint in other ways.

OUR GOVERNANCE

Environment Victoria Incorporated (referred to in this document as Environment Victoria) is a not-for-profit incorporated association under the *Associations Incorporation Act 1981* (Victoria) operating in Victoria, Australia. The principal activities of Environment Victoria are to safeguard Victoria's environment through advocacy and education. As at 30 June 2015, we had 71,900 supporters, 6132 donors and individual members, and 39 group members.

The organisation is governed by a Board of Directors in line with the requirements of Environment Victoria's Rules of Incorporated Association. Directors are appointed by Environment Victoria members at the Annual General Meeting, and are members themselves. Directors serve for a minimum two-year term and do not receive remuneration for their role, but may receive out-of-pocket expenses.

Directors govern the organisation and retain ultimate authority over its management, delegating the day-to-day management to the Chief Executive Officer. The CEO's responsibilities are guided by an Annual Plan, performance criteria and monitoring adopted by the Board. The Board conducts an annual performance review of the CEO.

Environment Victoria maintains a public fund, the Environment Victoria Trust, which is a tax-deductible gift recipient registered by the Australian Taxation Office and subject to the regulatory oversight of the Commonwealth Register of Environmental Organisations and the Australian National Charities and Not-for-profits Commission. All donations received are used to support Environment Victoria's charitable objectives.

Role of the Board

The Board's primary role is the good governance of Environment Victoria, including the development and monitoring of long-term directions and goals and the strategies and policies needed to achieve these goals. The Board also appoints and manages the CEO and ensures that the organisation complies with its contractual, statutory and legal obligations; remains financially viable and proactively manages risks. The Board regularly engages with employees via strategy planning sessions, sub-committees, events and meetings. The Board also invites senior staff to regularly present key information

to the Board, and the Directors are always available to provide support and advice or receive feedback.

To meet our governance requirements, Board membership is diverse and includes key competencies such as environmental policy and strategy, finance, legal, fundraising, strategy, audit, risk, communications and engagement. The Board regularly reviews the skills necessary to undertake its activities and undertakes a formal appraisal of its performance annually.

The Board operates sub-committees to investigate various issues and make recommendations to the Board. The Board currently operates four sub-committees, with membership consisting primarily of Directors with support from co-opted experts. The Board does not abrogate its responsibilities to sub-committee members.

Finance, Audit and Risk Committee

This committee assists the Board to fulfill its responsibilities for the financial reporting process, the system of internal controls, the audit process, the organisation's processes for monitoring compliance with laws and regulations and codes of conduct and the organisation's processes for recognising, identifying and dealing with risks.

Fundraising, Marketing and Engagement Committee

This committee provides advice to the Board on strategies to enhance the reputation and capacity of Environment Victoria, and contributes to its long-term financial strength through leading the development of an effective revenue-raising strategy.

Governance Committee

This committee provides support to the Board with regard to processes, policies, systems and frameworks that help maximise the efficiency, effectiveness and quality of Environment Victoria and the Board.

Remuneration and Performance Committee

This committee leads the oversight, management and performance of the CEO.

DIRECTORS' REPORT

OUR DIRECTORS



Amanda Nuttall



Joan Staples



Emma Humann



Robyn Murphy



Paul Bailey



Simone Zmood



Alice Skipper



Dieter Schadt



Kate Colvin



Dr Shol Blustein

Amanda Nuttall | President, Chair of the Remuneration and Performance Committee, Governance Committee member and Trustee

Amanda works as a sustainability advisor specialising in environmental and climate change management and sustainability strategy, reporting and assurance. She holds a Master of Environment, Graduate Certificate in Development Studies and a Bachelor of Business. Amanda joined the Board in September 2008.

Joan Staples | Vice President and Chair of the Governance Committee

Joan is an academic whose publications focus on the democratic role of non-government organisations, their relationship with government, and what constitutes effective public advocacy for social change. Her academic work is informed by her career in policy and advocacy across a range of NGO sectors – environment, indigenous affairs, international development, consumers, and social services. Joan joined the Board in October 2012.

Emma Humann | Secretary, Fundraising and Marketing Committee member and Governance Committee member

Emma brings experience in stakeholder engagement and communications to the Environment Victoria Board. She has worked in the corporate, government and not-for-profit sectors and holds a Bachelor of Arts with Political Science and Environmental Studies majors. Emma joined the board in October 2013. Emma stood down from the Board in August 2015.

Robyn Murphy | Chair of the Finance, Audit and Risk Committee, Treasurer and Trustee

Robyn has a background in business and financial analysis, planning and reporting, strategy development and the valuation of intangible assets based upon economic worth. She has prior experience in corporate advisory, influencing government policy, operations general management and not-for-profit governance. Robyn joined the Board in September 2010.

Paul Bailey | Chair of the Fundraising and Marketing Committee

Paul has worked with some of Australia's largest and most successful charities, helping them to develop effective communication programs and fundraising campaigns. As a specialist fundraising consultant, Paul is responsible for assessing the holistic performance of non-profit fundraising and communications, evaluating opportunities and using data analytics and historic results to make recommendations that generate more money for their cause. Paul joined the Board in October 2014.

Simone Zmood | Chair of the Trust and Finance, Audit and Risk Committee member

Simone has two decades of management consulting experience providing high-level strategic advice to multinationals, ASX200 companies, government-owned corporations, start-ups and not-for-profits across a range of areas encompassing strategy development, market positioning, business planning, operational improvement, portfolio analysis and performance management. Simone joined the Board in September 2010.

Alice Skipper | Finance, Audit and Risk Committee and Remuneration and Performance Committee member and Trustee

Alice is an environmental lawyer and has held various legal roles in private practice and the not-for-profit sector including the Australian Conservation Foundation and the Environment Defenders Office. She is currently the Environment and Sustainability Manager at a national contracting services business and specialises in environmental assessment and risk management. Alice joined the Board in October 2013.

Dieter Schadt | Finance, Audit and Risk Committee member

Dieter has held a range of senior positions in telecommunications and consulting, and has a broad professional background working with research, engineering, finance and economics. He holds a PhD in Physics, a Diplom Ingenieur in Electrical Engineering, a Grad Dip in International Business, a Grad Dip in Quality Management, and is a Graduate of the AICD. Dieter joined the Board in September 2011.

Kate Colvin | Fundraising and Marketing Committee and Remuneration and Performance Committee member

Kate has over 15 years' experience in senior positions in policy, advocacy and communications in the environment, overseas development and social services sectors. She holds a degree in economics. Kate joined the Board in October 2013.

Dr Shol Blustein | Governance Committee member

Shol is a strategy consultant, providing advice to organisations and government departments in the health, mental health, human and community services, education and environmental sectors. Shol has broad experience, having worked as a corporate lawyer and a sustainability consultant. Shol also holds a PhD in climate change and renewable energy law and policy. Shol joined the Board in October 2014.

MEETING ATTENDANCE

The Board must meet at least four times a year but typically meets each month except December. Directors commit to a minimum of twelve hours a month including Board and committee meetings and an annual strategic planning process.

We would like to thanks all of our Board members, and also our Board subcommittee members - Peter Carey, Ernestine Rozario, Carl Young, Isobel Michael and Sue Noy.

Meetings attended	Board
Amanda Nuttall	9/9
Simone Zmood	5/9
Robyn Murphy	7/9
Dieter Schadt	8/9
Joan Staples	7/9
Alice Skipper	8/9
Emma Humann	7/9
Kate Colvin	7/9
Shol Blustein	4/6
Paul Bailey	6/6



ADHERENCE TO REGULATIONS

Environment Victoria's activities are subject to a number of regulations under Commonwealth and state law. These regulations include those associated with the proper governance of the organisation's management, finances, fundraising and safety. We have met these regulations throughout the year.

Signed in accordance with the resolution of the Board of Directors:



Amanda Nuttall
President

OUR FINANCIAL PERFORMANCE

In 2014-15 we took further steps towards Environment Victoria's financial security and independence. We have been working hard over recent years to grow our fundraising programs and reduce our reliance on government grants. This has become even more important as we have lost significant state and federal grants.

We have greatly increased our supporter and donor base, run strong and effective campaigns and invested in fundraising. This year we drew on some of our reserves and the Green Future Fund and invested in recruiting new regular monthly donors. This resulted in 2400 new donors recruited through a face-to-face fundraising program which will strengthen our organisation in coming years.

Our appeals continue to resonate with our incredibly generous supporters. Highlights during the year were the amazing support for the 'Reclaim Victoria' state election campaign, and the launch of its follow-up in March, 'Step Up Victoria', which takes our work through the next four years.

We continue to be highly reliant on a small number of incredibly generous major donors. Without them we would not have been able to run such a deep and successful state election campaign.

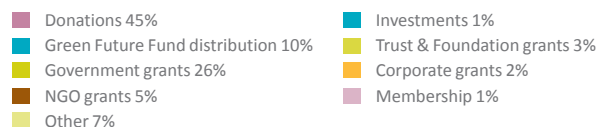
Environment Victoria Inc

Environment Victoria's total income for the year was \$3.2 million and expenses for the year were \$3.1 million. The final balance was a surplus of \$155,742. A large portion of the surplus is the result of a transfer from Environment Victoria Trust to subsidise a new fundraising program which cost less than originally planned. This also accounts in large part for the deficit in Environment Victoria Trust.

Fundraising income grew by 33 percent in 2014-15, with almost \$1.8 million received in donations and philanthropic grants. This growth helps Environment Victoria to secure independent funds for our critically important campaigns.

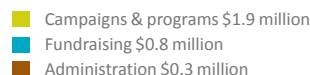
\$1.9 million of our income was spent on our environment campaigning and programs, \$0.8 million was invested

INCOME BREAKDOWN



TOTAL INCOME
\$3,248,914

EXPENDITURE BREAKDOWN



TOTAL EXPENDITURE
\$3,093,172

in raising funds (including activities to increase income in future years) and \$0.3 million spent on essential administration and organisational leadership. According to the Good Giving Guide, our expenditure on fundraising and administration is low compared to most other environment organisations, allowing us to spend our income on achieving environmental outcomes.

Environment Victoria Trust

Donations to the Trust combined with the annual distribution from the Green Future Fund (see page 22), resulted in a total of \$2.18 million being transferred to Environment Victoria in 2014-15 to support our critical activities.

The Trust has equity of \$1.87 million, largely comprising of donations made to the Green Future Fund which, with associated income, will be paid to Environment Victoria to support campaign activities in future years. The equity in the Trust and the Green Future Fund in any specific year is a function of a number of factors including increases or decreases in the market value of investments, investment income, donations to the Green Future Fund and the annual distribution from the Fund to Environment Victoria. In 2014-15 equity was lower than in 2013-14, primarily due to liquidating some Green Future Fund investments to subsidise a new fundraising program.

Thank you

We'd like to thank our wonderful donors for their support over the past year. It is your generosity and dedication that has ensured our organisation continues our effective work to safeguard our environment.

THE GREEN FUTURE FUND

Our environmental challenges won't be solved overnight, so we need to make sure we're here for many years to come. That's exactly what the Green Future Fund does. It provides a long-term investment plan to safeguard Victoria's environment by accepting donations and bequests today and investing them for the future.

Donations to the Green Future Fund are ethically invested and used over 20 years to generate reliable income for Environment Victoria to create a greener future and secure our financial independence. An annual distribution is made to Environment Victoria each year.

Our original goal for the Green Future Fund was to raise \$6.5 million by 2015, generating approximately \$0.5 million annually for our activities. In the past two years we have prioritised investment in a face-to-face regular giving program over immediate growth of the Green Future Fund. However we were extremely grateful to receive two new gifts totalling \$42,676 to the Green Future Fund in 2014-15, including a bequest from the estate of Barbara Beeson and another extremely generous gift to the Fund from Malcolm Shore.

Since its launch in 2010, the Green Future Fund has received \$2.15 million in donations and 27 people have pledged bequests to the Fund through their Will. The

Fund has distributed \$1 million to support Environment Victoria's campaign activities. Despite these significant distributions, as at 30 June 2015 the Green Future Fund held investments to the value of \$1.8 million. The ethical investment returns on the Fund have been consistently high, meaning that the capital base of the fund remains largely intact.

The Green Future Fund is managed by the Trustees of the Environment Victoria Trust and in 2014-15 was invested as two fiduciary investments: ANZ Trustees and Equity Trustees, managed by Equity Trustees. The donations are invested to support cash distribution to Environment Victoria over a 20-year period. Trustees monitor the performance of investment managers using appropriate benchmarks and were satisfied with their performance in 2014-15.

The Trustees and investment managers operate under an ethical investment overlay (which excludes investments in fossil fuel companies, for example), and Trustees monitor ongoing compliance with that ethical overlay.

In 2015-16 we are prioritising the development of our bequest program, which should ensure a future stream of income into the Green Future Fund.

More information about making a bequest, including suggested wording for a Will, can be found at www.environmentvictoria.org.au/forevergreen

We thank our remarkable Green Future Fund patrons

The Dara Foundation
(founding donor)
Mr Malcolm Shore
Dr Phillipa Currie
Melliodora Fund, Australian
Communities Foundation
Eric Bottomley
The Estate of
Barbara Beeson

OUR FINANCIAL FUTURE

In 2009 we started a five-year transition towards financial independence. Our aim was to achieve at least 75 percent of our funding from non-government sources. This was a fairly ambitious goal considering we started with 25 percent of our funds being from independent sources and 75 percent from governments.

In 2014-15 only 25 percent of our funding came from governments. This funding was primarily provided by the federal government to deliver sustainable living and community education programs. \$2.4 million or 75 percent came from independent sources.

As a result of our forward-thinking fundraising strategy and thanks to the amazing generosity of our donors we achieved our goal and our financial independence.

Environment Victoria now has \$0.8 million in members' reserves and \$1.87 million in the Green Future Fund.

A new three-year fundraising strategy was developed, starting from 2014-15, to consolidate our independent funding base. In the first year, the main focus to boost independent funds was to rapidly grow the number of people who donate to Environment Victoria each month via an automated giving process called regular giving. This was initially achieved through running a face-to-face regular giving program which brought in 2400 new

supporters through to April 2015. Smaller numbers of additional regular givers were recruited through telemarketing and online programs.

As we move into the second year of that strategy, results from year one have been reviewed and the focus has shifted to growing both our supporter base and our donor base through online and telemarketing. Partnering with Change.org, online lead generation sites and sourcing our own new supporters through organic petitions, we will grow both our number of regular giving supporters by around 1200 through a new telemarketing and online program, as well as doubling the number of people on our email lists.

These new supporters will also be given opportunities to support our appeals and deepen their relationship with Environment Victoria through taking actions, volunteering and becoming members.

The bequest program will also be renewed this year, and we will continue to offer trusts, foundations and major donors the opportunity to invest in our campaigns to create a better environment for us all in Victoria.

With the unwavering support of our donors, we are confident we will secure our financial future.



The following is a summary of the financial statements for Environment Victoria and the Environment Victoria Trust. The full financial statements are available on Environment Victoria's website.

ENVIRONMENT VICTORIA INC.
A B N 84 495 053 605

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Income			
Revenue - Other	2	3,248,914	2,300,739
Revenue - GVESH0		-	77,000
		3,248,914	2,377,739
Expenditure			
Salaries and wages		1,376,706	1,271,730
Occupancy and Office		271,399	224,329
Events and Travel		89,661	91,310
Research and Consultancies		915,289	466,714
Communications and Marketing		226,314	161,351
Phone, IT, Equipment		67,117	54,284
Finance, Accounting and Legal		33,167	36,374
Other Expenses		113,519	67,571
		3,093,172	2,373,663
Net Income for the year		155,742	4,076

ENVIRONMENT VICTORIA INC.
A B N 84 495 053 605

ASSETS AND LIABILITIES STATEMENT
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	724,690	648,764
Other Financial Assets		452,437	407,330
Trade and Other Receivables	5	44,739	83,614
TOTAL CURRENT ASSETS		1,221,866	1,139,708
NON-CURRENT ASSETS			
Plant and Equipment	6	23,815	9,540
TOTAL NON-CURRENT ASSETS		23,815	9,540
TOTAL ASSETS		1,245,681	1,149,248
CURRENT LIABILITIES			
Trade and Other Payables	7	164,843	66,157
Provision for Employee Entitlements	8	198,081	177,698
Grants Received in Advance		122,912	301,504
TOTAL CURRENT LIABILITIES		485,836	545,359
NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		485,836	545,359
NET ASSETS		759,845	603,889
MEMBERS' EQUITY			
Accumulated Surplus		759,845	603,889
TOTAL MEMBERS' EQUITY		759,845	603,889

ENVIRONMENT VICTORIA INC.
A B N 84 495 053 605

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Retained Profit/(Loss)	Investment Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2013	599,813	36,128	635,941
Investment Revaluation Increment/ Decrement	-	(36,128)	(36,128)
Net Income for the Year	4,076	-	4,076
Balance as at 30 June 2014	603,889	-	603,889
Balance at 1 July 2014	603,889	-	603,889
Investment Revaluation Increment/ Decrement	-	-	-
Prior Period Adjustment	214	-	214
Net Income for the Year	155,742	-	155,742
Balance as at 30 June 2015	759,845	-	759,845

ENVIRONMENT VICTORIA INC.
A B N 84 495 053 605

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Cash Flows from Operating Activities			
Receipts from Customers		3,038,363	2,516,455
Payments to Suppliers and Employees		(2,918,376)	(2,427,278)
Interest Received		20,603	21,736
Net Cash Inflow from Operating Activities	4	140,590	110,913
Cash Flows from Investing Activities			
Proceeds from the disposal of investments		-	138,751
Proceeds from the disposal of fixed assets		-	300
Investment in Term Deposit		(45,107)	(38,189)
Purchase of Plant & Equipment		(19,556)	(3,719)
Net Cash (Outflow)/ Inflow from Investing Activities		(64,663)	97,143
Net Increase (Decrease) in Cash Held		75,926	208,056
Cash and Cash Equivalents at beginning of the year		648,764	440,708
Cash and Cash Equivalents at end of the year		724,690	648,764

ENVIRONMENT VICTORIA INC.
A B N 84 495 053 605

RESPONSIBLE ENTITIES' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2015

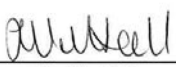
In the opinion of the Responsible Entities of Environment Victoria Inc.:

1. The attached financial statements and notes of Environment Victoria Inc. are in accordance with the Australian Charities and Not for Profits Commission Act 2012, including:

- i Giving a true and fair view of its financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- ii Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not for Profits Commission Regulation 2013; and

2. There are reasonable grounds to believe that Environment Victoria Inc will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Responsible Entities:


Amanda Nuttall
President


Robyn Murphy
Treasurer

Dated this 21 day of Sept 2015



MCG Partners
Chartered Accountants

Our Ref

Your Ref

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD MEMBERS OF ENVIRONMENT VICTORIA INC.

Scope

We have audited the accompanying financial report, being a special purpose financial report of Environment Victoria Inc. (the association) for the year ended 30 June 2015, which comprises the responsible entities' report, assets and liabilities statement as at 30 June 2015, the income and expenditure statement and statement of cash flows for the year then ended 30 June 2015, a summary of significant accounting policies, other explanatory notes, and a declaration by the responsible entities.

Responsible Entities' Responsibility for the Financial Report

The Responsible Entities are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Australian Charities and Not for Profits Commission Act 2012 and are appropriate to meet the needs of the members. The Responsible Entities' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the board, as well as evaluating the overall presentation of the financial report.

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

(Independent Auditor's Report continued over page...)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the financial statements of Environment Victoria Inc are in accordance with:

The Australian Charities and Not for Profits Commission Act 2012, including:

- (i) giving a true and fair view of the association's financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- (ii) complying with Accounting Standards in Australia to the extent described in Note 1 and the Australian Charities and Not for Profits Commission Regulation 2013.

Emphasis of Matter

We draw attention to Note 1(g) to the financial report which describes the revenue recognition policy of Environment Victoria Inc, including the limitations that exist in relation to the recording of fundraising revenue (donations). Revenue from these sources represent a significant proportion of Environment Victoria Inc's revenue. Our opinion is unmodified in respect of this matter.

Other Matters

The financial report of Environment Victoria Inc as at 30 June 2014, was audited by another auditor, Hayes Knight Audit Pty Ltd whose report dated 8th October 2014, expressed an unqualified audit opinion.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Association's financial reporting requirements under the Australian Charities and Not for Profits Commission Act 2012. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

MCG Partners
MCG PARTNERS
 Chartered Accountants

[Signature]
HARISH BUDHIRAJA
 Partner

Camberwell
 Melbourne

Date: 21st September 2015

ENVIRONMENT VICTORIA TRUST
ABN 57 162 134 352

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Income			
Donations		1,576,709	895,063
Green Future Fund Income		223,760	428,737
Interest Received		57	414
		1,800,526	1,324,214
Expenditure			
Fees		46,235	34,966
Green Future Fund Transfers to Environment Victoria - Capital		410,000	40,000
Green Future Fund Transfers to Environment Victoria - Regular		252,324	156,733
Donation Transfers to Environment Victoria		1,516,161	1,255,587
		2,224,720	1,487,286
Net Deficit for the year		(424,194)	(163,072)
Accumulated Surplus at the beginning of the financial year		1,792,475	1,955,547
Accumulated Surplus at the end of the financial year		1,368,281	1,792,475

ENVIRONMENT VICTORIA TRUST
ABN 57 162 134 352

ASSETS AND LIABILITIES STATEMENT
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2	22,181	6,807
Trade and Other Receivables	3	42,110	37,036
Investments	4	1,802,982	2,229,717
TOTAL CURRENT ASSETS		1,867,273	2,273,560
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		1,867,273	2,273,560
LIABILITIES			
TOTAL LIABILITIES		-	-
NET ASSETS		1,867,273	2,273,560
EQUITY			
Settlement Capital		100	100
Revaluation Reserves		498,992	481,085
Accumulated Surplus		1,368,181	1,792,375
TOTAL MEMBERS' EQUITY		1,867,273	2,273,560

ENVIRONMENT VICTORIA TRUST
ABN 57 162 134 352

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Settlement Capital \$	Retained Earnings \$	Reserves \$	Total \$
Balance at 1 July 2013	100	1,955,447	260,439	2,215,986
Net Deficit for the year	-	(163,072)	-	(163,072)
Transfer to Revaluation Reserves	-	-	220,646	220,646
Distribution to share holders	-	-	-	-
Balance as at 30 June 2014	100	1,792,375	481,085	2,273,560
Balance at 1 July 2014	100	1,792,375	481,085	2,273,560
Net Deficit for the year	-	(424,194)	-	(424,194)
Transfer to Revaluation Reserves	-	-	17,907	17,907
Distribution to share holders	-	-	-	-
Balance as at 30 June 2015	100	1,368,181	498,992	1,867,273

ENVIRONMENT VICTORIA TRUST
ABN 57 162 134 352

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Cash Flows from Operating Activities:			
Receipts from Customers		1,721,647	1,321,003
Payments to Suppliers and Employees		(2,224,720)	(1,487,287)
Interest Received		58	415
Net Cash Flows from Operating Activities	5	(503,015)	(165,869)
Cash Flows from Investing Activities:			
Investment in quoted investments		518,389	108,604
Net Cash Flows from Investing Activities		518,389	108,604
Cash Flows from Financing Activities:			
Proceeds from related party loan taken		-	-
Net Cash Flows from Financing Activities		-	-
Net Increase/(Decrease) in Cash held during the year		15,374	(57,265)
Cash and Cash Equivalents at the beginning of the year		6,807	64,071
Cash and Cash Equivalents at the end of the year		22,181	6,807
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2	22,181	6,807

ENVIRONMENT VICTORIA TRUST
ABN 57 162 134 352

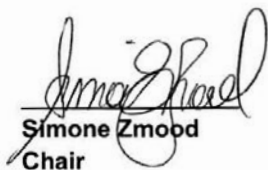
TRUSTEES' DECLARATION

The Trustees declare that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The trustees of the trust declare that:

- 1 The financial statements and notes, as set out on pages 1 to 9, present fairly the Trust's financial position as at 30 June 2015 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 In the Trustee's opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees.


Simone Zmood
Chair


Alice Skipper
Trustee

Dated this 21 day of September 2015



MCG Partners
Chartered Accountants

Our Ref

Your Ref

INDEPENDENT AUDITOR'S REPORT

TO THE BENEFICIARIES OF ENVIRONMENT VICTORIA TRUST

Scope

We have audited the accompanying financial report, being a special purpose financial report of Environment Victoria Trust (the trust), which comprises the trustees' report, income and expenditure statement, assets and liabilities statement as at 30 June 2015, statement of changes in equity and the statement of cash flows for the year then ended 30 June 2015, a summary of significant accounting policies, other explanatory notes and declaration by the trustees of the trust.

Trustees' Responsibility for the Financial Report

The trustees of the trust are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the trust deed. The trustees' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trust's preparation of the financial report that gives a true and fair view 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 trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustees, as well as evaluating the overall presentation of the financial report.

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

(Independent Auditor's Report continued over page...)

INDEPENDENT AUDITOR'S REPORT (CONT...)

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the financial statements of Environment Victoria Trust -

(i) give a true and fair view of the trust's financial position as at 30 June 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and

(ii) comply with Accounting Standards in Australia to the extent described in Note 1

Other Matters

The financial report of Environment Victoria Trust as at 30 June 2014, was audited by another auditor, Hayes Knight Audit Pty Ltd whose report dated 8th October 2014, expressed an unqualified audit opinion.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to beneficiaries for the purpose of fulfilling the reporting requirements under the trust deed. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

MCG Partners
MCG PARTNERS
Chartered Accountants

Harish Budhiraja
HARISH BUDHIRAJA
Partner

Camberwell
Melbourne

Date: *21st September 2015*



WALKING THE TALK

ENVIRONMENTAL REPORT

We strive to meet the same environmental, ethical and labour standards that we demand of others.

Indicator	12/13 consumption	13/14 consumption	14/15 consumption
Energy (see note 2)			
Renewable	16,836 kw/h	17,865 kw/h	23,582 kw/h
Coal-fired	0 kw/h	0 kw/h	0 kw/h
Water (see note 2)			
Mains	65,818 litres	62,394 litres	60,048 litres
Rainwater	35,455 litres	32,558 litres	36,101 litres
Transport (see note 5)			
Flights	46,873 km	23,476 km	17,342 km
Car	2,390 km	5,310 km	3,465 km
Materials and waste (see note 6)			
Landfill	156 kg	133 kg	81 kg
Co-mingled recycled	94 kg	134 kg	114 kg
Composted	182 kg	134 kg	24 kg (only had March-June)
Paper recycled	391 kg	420 kg	467 kg

Methodology and

1. This report covers our operations at our leased office based in the 60L green building at Level 2, 60 Leicester Street, Carlton. This does not include Frankston EnviroHub, which was a short-term lease with no comparative data. We have no other office buildings and no car fleet.
2. Energy and Water use was determined through the use for the building at 60 Leicester Street, Carlton, Australia, and calculating Environment Victoria's share based on our occupancy space (m2).
3. We emit no greenhouse pollution from our energy use as it is generated at our premises through roof-top solar panels or purchased from 100 percent accredited renewable energy sources.
4. We limit the use of mains water by the capture, treatment and use of rainwater, which is of course climate dependent.
5. Transport impacts were measured by recording all flights and car hire kilometres throughout the year.
6. Waste was measured through a waste measurement audit over two two-week periods, extrapolated over the year. We compost our organic waste and separate and recycle waste materials, minimising waste to landfill. We use 100 percent post-consumer recycled paper for all our printing and we recycle paper and newspapers used onsite.

SUPPORTING OUR PEOPLE

As at 30 June 2015 we had 10 Board members, 15 permanent employees and 7 contract employees working in Melbourne and remotely. In total we had 18.1 full-time equivalent staff.

All employees except the CEO and Fundraising Director are covered by a Certified Agreement that provides for competitive salaries and family-friendly work practices, including flexible working hours, ability to work from home and generous carer's leave arrangements. The CEO is also covered by a performance-based, fixed-term contract.

Environment Victoria provides networking and learning opportunities for our staff to develop their knowledge, skills and capacity. In 2014-15 this included attendance at critical conferences and formal training in community organising. All staff members undergo annual planning and performance reviews.

The safety of our staff, volunteers and contractors is a high priority for the Board. During the year we experienced one minor OHS incident, though with no serious consequence fortunately.

We also want to pay our respects to long-term Environment Victoria supporters and members and proud environmentalists Lady April Hamer, Christina McCallum, Ken St Clair, Jane Ablitt and Barbara Beeson who passed away this year. We remember their leadership for the environment.

	Staff	Board
Number	22	10
FTE	18.1	-
Female	68%	70%
Male	32%	30%
Covered by Certified Agreement	91%	-
Turnover of permanent staff	15%	-

Ethical investment report

Our Corporate Partnerships Policy requires us to screen potential corporate partners to assess if their activities and operations are compatible with our vision, values and goals. We do not accept funds from organisations that have a poor environmental, social or ethical record or whose operations impact negatively on our environment or community.

Our Investment Policy requires us to screen all potential organisations we may invest in. We've developed an ethical overlay for our investments that excludes organisations with a poor environmental record or whose operations impact negatively on our environment or community. The Environment Victoria Trustees review the Green Future Fund investments quarterly to ensure that they continue to meet our ethical overlay. In 2014 we strengthened our ethical overlay to ensure that we had no investments in businesses directly involved in fossil fuel extraction or combustion.

THANK YOU

Thank you to our donors

We would like to thank the thousands of Victorians who donated to Environment Victoria in 2014-15 and helped restore and protect Victoria's environment. Your gifts helped to stop coal exports and new coal mines; to get climate change back on the agenda again in Victoria; to deliver wins for riverside protection and river health; to deliver our biggest-ever election campaign, and to build our volunteer and supporter base significantly. Your generosity is incredible. Your commitment is inspiring. And the difference you are making will be enjoyed by many.

Thank you to our partners and philanthropic supporters

Thank you to the partners, trusts, foundations and organisations that financially supported our programs in 2014-15.



AMES is the largest provider of English language and Settlement services to refugees and newly arrived migrants in Victoria. AMES funded and is a key delivery partner for HomePlanet.



The Lord Mayor's Charitable Foundation provides grants to eligible organisations for innovative programs that work to increase life opportunities, promote social inclusion and improve quality of life. The Lord Mayor's Charitable Foundation supported our Zero Emissions Homes and Communities campaign and the implementation of a new database.



The Mullum Trust supports projects which have significant ongoing or catalytic environmental outcomes, with a focus on environment, animal welfare and wildlife and conservation and heritage. The Mullum Trust supported our Reclaim Victoria's Environment campaign.



The Australian Communities Foundation offers individuals, families, groups, corporations and not-for-profit organisations an easy and satisfying way of giving something of real value back to the community that they care about by establishing philanthropic funds under the Foundation. ACF sub-funds which supported our Reclaim Victoria's Environment campaign include the Hamer Family Fund, the Ann Miller fund and the Koshland Innovation Fund.



The Sunrise Project supports and empowers Australian communities to protect our land, water, community health and the global climate from the negative impacts of the fossil fuel industry, and to hasten the inevitable shift to an efficient, renewable energy economy. Sunrise is a partner in our No New Coal campaigns.



The Reichstein Foundation works for social justice and environmental sustainability by investing strategically in inspirational people, projects and organisations. It is a catalyst for more effective philanthropy in Australia. The Foundation supported The Future Economy Group and our participation in the Australian Community Organising Fellowship.

THANK YOU

Thank you to the sustainable businesses that invested in our programs in 2014-15.



Bank Australia (formerly bankmecu) is a customer-owned bank offering banking products and services that support customers to achieve their financial goals while creating stronger communities and a healthier environment. Bank Australia financially supported and is a member of The Future Economy Group. Bank Australia is also a partner in our home loan divestment campaign.



Powershop is Australia's first and only 100 percent carbon neutral electricity retailer. Powershop is backed by Meridian Energy, a 100 percent renewable energy producer with no investments in fossil fuel resources, and was ranked number one for Victoria in Greenpeace's *Green Electricity Guide*. Powershop has partnered with Environment Victoria for our Power Revolution campaign.



Australian Ethical is a financial services company with a difference. It offers high conviction ethical superannuation and managed investments to clients interested in making money and making the world a better place. Australian Ethical supported and is a member of The Future Economy Group.



VicSuper is a \$13 billion strong not-for-profit superannuation fund with over 240,000 members and over 20,000 participating employers. Sustainability is VicSuper's central operating principle. VicSuper supported and is a member of The Future Economy Group.



Pacific Hydro is a global clean energy solutions provider. Operating for over 20 years, they develop, build and operate renewable energy projects and sell electricity and carbon abatement products to customers. Pacific Hydro supported and is a member of The Future Economy Group.

Thank you to the Australian government, which supports the Future Powered Families program through the Department of Industry, Innovation and Science.

THANK YOU

Thank you to our program delivery and One Million Homes Alliance partners:

- 350.org
- Alternative Technology Association
- AMES
- Anglicare
- Arabic Welfare Inc
- AusCopy
- Australian Conservation Foundation
- Australian Ethical Investment
- Australian Mesopotamian Womens Association
- Australian Youth Climate Coalition
- Bank Australia
- Banyule Community Health
- Bluefish
- Bob Burton
- BioRegional
- Brimbank City Council
- Brotherhood of St Laurence
- City Life Church
- City of Melbourne
- City of Yarra
- City West Water
- Climate Action Network Australia
- Climate Institute
- Collingwood Neighbourhood House
- Consumer Action Law Centre
- Consumer Utilities Advocacy Centre Darebin City Council
- Darebin information volunteer resource service
- Department of Human Services
- Diversitat
- Djerriwarrh
- Doctors for the Environment
- EcoMaster
- Energy for the People
- Energy Makeovers
- Environment Justice Australia
- Environmental Farmers Network
- Environmental Film Festival Melbourne
- Friends of the Earth
- GetUp!
- Goodling Web Design and Development
- Goulburn Valley Environment Group
- Greenpeace
- Hepburn Wind
- Hobsons Bay City Council
- Hume City Council
- Independent Outdoor Media
- Inland Rivers network
- Intrepid Travel
- Islamic Council of Victoria
- Kildonan Uniting Care
- Kurnai College
- Latrobe City Council
- Latrobe Sustainability Group
- Lalor Living and Learning Centre
- Lisa Nichols and Jennifer Trehwella (Barristers for Hazelwood mine fire inquiry)
- Maribyrnong City Council
- Meadow Heights Community Centre
- Melbourne Polytechnic
- Moonee Valley City Council
- Moreland Energy Foundation
- Multicultural Hub
- New Hope Foundation
- Northern Alliance for Greenhouse Action
- Nous Group
- Olympic Adult Education
- Oxfam
- Pacific Hydro
- Positive Charge
- Powershop
- PRACE
- Print Bound
- Probus Ladies
- Public Transport Users Association
- Quang Minh Temple
- Quit Coal
- RMIT
- SecurITon
- Sisterworks
- Spectrum Migrant Resource Centre
- Sustainable Living Foundation
- Sustainable Business Australia
- Sunraysia Mallee Ethnic Communities
- Swinburne University
- Tenants Union of Victoria
- The Smith Family
- Third Ecology
- TLC Church
- Uniting Church of Australia
- University of Melbourne
- VICSEG New Futures
- VicSuper
- Victorian Arabic Social Services
- Victorian Climate Action Groups
- Victorian Council of Social Service
- Victorian Local Government Association
- Victorian National Parks Association
- Victorian Trades Hall Council
- Victorian Immigrant and Refugee Women's Coalition
- Voices of the Valley
- The Wilderness Society
- Westernport & Peninsula Protection Council
- Whittlesea community connections
- Wimmera Mallee Sustainability Alliance
- Whole Kids
- Woodend Neighbourhood House
- Yarra Energy Foundation
- Yarra Plenty Regional Libraries

THANK YOU

Thank you to our regular volunteers

We estimate that our regular office volunteers provided around 2900 hours of invaluable service to Environment Victoria in 2014-15. We could not get by without them so we thank them from the bottom of our hearts. Our regular office volunteer team includes Lance Lessels, Les Smith, Ian Hazewinkel, Karly Roolker, Katie Lindsay-Smith, Ian Partridge, Margaret Ryan, Farema Yazdi and many more people.

This year around 1000 volunteers have given tens of thousands of hours to our Reclaim Victoria's Environment Campaign, including many involved in our local groups, our Frankston EnviroHub team and our regular phonebanking team. Thanks especially to Bruce Cutts and the Southies team, Malcolm Scott and EV's South East Environment Network, Simon Grosser, Tony Lunken and our phonebanking team, Neil Barter and the whole crew in the eastern suburbs. You are the backbone of our campaign, and together we are creating a powerful grassroots environment movement here in Victoria. Thank you so much for your energy and inspiration!

Thank you to our staff

Lastly, we wouldn't have achieved anything for our environment without our dedicated staff. They work tirelessly for the environment and they never, ever give up, even when the going gets tough. We thank them for their incredible leadership and work.

Chief Executive Officer: Mark Wakeham.

Campaigns & communications: Alex Merory, Greg Foyster, Nick Roberts, Alex White, Nicholas Aberle, Juliet Le Feuvre, Jane Stabb, Claire Van Herpen, Adele Neale, Anne Martinelli, Cameron Wheatley, Tom Hartney, Tim Emanuelle, Sarah Beebe.

Sustainable Living: Michele Burton, Domenica Settle, Wendy Hopkins, Amy Yang, Robyn Erwin, Nina Crawley, Shannan Courtenay, Monique Edwards, Katerina Gaita, Eva Gaita, Lakshmi Venugopal.

Fundraising: Jonathan Storey, Lena Herrera Piekarski, Amber Sprunt and Tony Cox.

Administration: Nadine Ponomarenko, Jing Lu and Cate Hoyle.

Below: Environment Victoria staff hold up envelopes containing our 2014 election scorecard to be posted to voters in key seats. The envelopes were stamped and hand addressed by volunteers – just one task of many that could never have been completed without such generous support.



G4 CONTENT INDEX

GENERAL STANDARD DISCLOSURES

Disclosures	Page number
STRATEGY AND ANALYSIS	
G4-1	A message from our President and CEO, p.4
ORGANISATIONAL PROFILE	
G4-3	Inside cover
G4-4	Inside cover
G4-5	Inside cover
G4-6	About Us, p.6
G4-7	About Us, p.6
G4-8	About Us, p.6
G4-9	Financial Statements p.24-34 Supporting Our People p.37
G4-10	Supporting Our People p.37
G4-11	Supporting Our People p.37
REPORT PROFILE	
G4-28	About This Report, p.3
G4-29	About This Report, p.3
G4-30	About This Report, p.3
G4-31	About This Report, p.3
G4-32	G4 Content Index, p.42-43
GOVERNANCE	
G4-34	Our Governance, p.17-18

SPECIFIC STANDARD DISCLOSURES

DMA and Indicators

Page number

CATEGORY: ECONOMIC

MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-EC1	Financial Statements p.24-34
G4-EC4	Financial Statements p.24-34

CATEGORY: ENVIRONMENTAL

MATERIAL ASPECT: ENERGY

G4-EN3	Environmental Report p. 36
G4-EN5	Environmental Report p. 36

MATERIAL ASPECT: WATER

G4-EN8	Environmental Report p. 36
G4-EN10	Environmental Report p. 36

MATERIAL ASPECT: EMISSIONS

G4-EN18	Environmental Report p. 36
---------	----------------------------

MATERIAL ASPECT: EFFLUENTS AND WASTE

G4-EN23	Environmental Report p. 36
---------	----------------------------

CATEGORY: SOCIAL

MATERIAL ASPECT: EMPLOYMENT

G4-LA1	Supporting Our People p.37
--------	----------------------------

MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-LA6	Supporting Our People p.37
--------	----------------------------

MATERIAL ASPECT: TRAINING AND EDUCATION

G4-LA11	Supporting Our People p.37
---------	----------------------------

