



Annual Report

2016–2017



BUSH HERITAGE
AUSTRALIA



*Cover: A Red-tailed
Black-cockatoo. Photo
by Roger Powell*

*Cameron Creek flows
through Yourka Reserve,
Qld. Photo by Wayne
Lawler/EcoPix*



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ACKNOWLEDGEMENT OF COUNTRY

Bush Heritage Australia is proud to acknowledge the Traditional Owners of the places in which we live and work. We recognise and respect the enduring relationship they have with their lands and waters, and we pay our respects to Elders, past and present.

“We are strongly placed to achieve success in the objectives set out in Our Plan for 2017-2022”



Message from our Chief Executive

Our world is changing. A changing climate is pushing the limits of our native plants and animals. Introduced species such as cats and foxes are threatening the survival of many Australian mammals, birds and reptiles. And a growing population is requiring that more land be used more intensely for food production.

As this change occurs, Bush Heritage Australia is adapting to it. We are forecasting how climatic changes will affect the landscapes we work in, and acting pre-emptively. Our landscape-scale feral cat and fox control is seeing native animals return to regions in which they were all but extinct. And we are collaborating with farmers to protect native species living in agricultural landscapes.

This report brings to a close Bush Heritage's 2012-2017 Strategic Plan.

In the past five years, we have not only delivered on the outcomes we set out to achieve under that plan, we have also demonstrated that Bush Heritage is an organisation capable of responding to change swiftly and adeptly. This is exemplified in our purchase of Pullen Pullen Reserve in central Queensland. When a population of Night Parrots was discovered there in 2013 (after having evaded human eyes for over 100 years) Bush Heritage was positioned to respond with the resources and networks necessary to protect that land forever.

Since 2012, with your support, we have more than doubled the area of land that we manage or help protect to over 6 million hectares through land purchases and, significantly, by increasing our partnership work with Traditional Owners.

Our annual revenue is now stable at \$20 million, putting us in a strong position to achieve success in the objectives set out in Our Plan for 2017-2022. We will continue to deliver on our promise of returning the bush to good health.

Our work is ultimately about delivering conservation impact, and the highlights featured in this report are just a few examples of the real change our work is effecting around Australia.

Thank you for making these considerable achievements possible.

Gerard O'Neill
Chief Executive

“If we are to save species and see our natural places protected forever, we must come together as a community.”



*Friendly Beaches Reserve, Tas.
Photo by Annette Ruzicka*

Message from our President

In order to effect significant change, our approach to conservation as a society must be inclusive. If we are to save species and see our natural places protected forever, we must come together as a community. At Bush Heritage, we are building that community every year, and this year has been no exception.

Hundreds of people donate their time and skills to help us carry out our work. Since 2012, the number of people who have volunteered with Bush Heritage each year has increased from 132 to 466. Our financial supporter base has doubled to over 32,000 in the same period. These numbers are striking reminders of the commitment that so many people have to our shared vision for the Australian bush.

Amongst those who donate their time to our work are Bush Heritage's Board of Directors and committee members. In 2016-2017 we farewelled Leanne Liddle, Keith Tuffley and Hugh Possingham. We also welcomed Alexander Gosling, June Oscar and Sarah Bekessy to our Board of Directors, and Angus Holden, Jay Bonnington, Sandra Davey and Sarah Legge to our committees. I would like to express my deepest gratitude to our directors and committee members for their time and commitment.

As we move into Our Plan for 2017-2022, we have redefined the vision we stand for – *'Healthy Country, protected forever'* – and our purpose – *'To return the bush to good health'*. We will achieve this vision and purpose through our continued focus on best-practice

science, and through the support of our partners, volunteers, donors, and the wider conservation community.

On a personal note, this will be my last report as president of Bush Heritage Australia. It has been a privilege to serve this exceptional organisation and I am confident the next five-year plan leaves it well-placed to grow and achieve tremendous success in the coming years under the direction of a new president.

Thank you for your ongoing commitment to our work, our purpose and our vision.

Louise Sylvan
President



Our vision: Healthy Country, protected forever

Our vision for Australia is one of healthy and resilient Country, where native plants and animals, people and culture are valued and protected for the benefit of nature itself, and for current and future generations. On Wunambal Gaambera country, in the spectacular northern Kimberley region of Western Australia, this vision is becoming a reality.

The partnership between Bush Heritage and the Wunambal Gaambera Aboriginal Corporation began in 2008 when we contributed our expertise in conservation planning to the drafting of the Wunambal Gaambera Healthy Country Plan for Uunguu, meaning 'our living home'. The plan, which was developed with Traditional Owners, was launched in 2011 and was widely recognised as setting the bar for best practice conservation and cultural management planning of native title lands and waters.

Following the launch, a 10-year agreement was struck confirming that Bush Heritage would provide support for the implementation of the plan. That support currently includes funding a Healthy Country Manager

who helps oversee management activities on country, as well as providing funding for 'right-way fire', and feral animal and weed control programs. In this way, we are contributing to the protection of one of the most biologically intact ecosystems in the world.

Recently, a mid-term review of the Wunambal Gaambera Healthy Country Plan was published in the journal *Environmental Management and Restoration*. The results of that review confirm the remarkable progress that has been made so far. Of the 10 Healthy Country Targets identified (right-way fire, kangaroos and other animals, rainforest, waterholes, bush plants, rock art, fish and other seafoods, turtles and dugongs, cultural places on islands,

and Wanjina Wunggurr Law), most targets were found to be increasing in health. Right-way fire in particular has been broadly implemented, resulting in a significant reduction in damaging wildfires across Wunambal Gaambera country. But it is the Wunambal Gaambera people's commitment to their plan, and their vision for their people and country, that is having the biggest impact on its success.

Photo: About 800,000 hectares of Wunambal Gaambera country have been dedicated as Indigenous Protected Area. This land is managed to IUCN standards and is currently in the process of being extended to encompass sea country, too.



Our purpose: To return the bush to good health

We work with others to manage and enhance millions of hectares of ecologically important land across Australia. We re-build nature's resilience as a provider of habitats, fresh water, healthy soil, plant pollination, nutrients and carbon storage to sustain life into the future. On Boolcoomatta Reserve, in South Australia, the effectiveness of this approach is evident.

When Bush Heritage took over management of Boolcoomatta in 2006, the South Australian government had identified the bioregion in which it sits as the highest priority for protection in the state. Despite having been run as a sheep station for over 150 years, this 64,000 hectare property retained well-conserved areas of saltbush plains, ephemeral wetlands and streams. It is also home to six threatened vegetation communities and at least 23 threatened plant and animal species.

In the years since, Bush Heritage's management of Boolcoomatta has focused on restoring the landscape's natural ability to support these native plants and animals. We have removed dams and levees to re-establish the

natural flow of water through the landscape. We have removed sheep and undertaken soil works to improve soil quality and halt erosion. We have connected with the local community to implement regional control programs for invasive weeds, feral goats, cats, foxes and rabbits. And we have developed a relationship with the Adnyamathanha people, who cared for this country for over 40,000 years, seeking their advice on reserve management activities, and providing open access to the land.

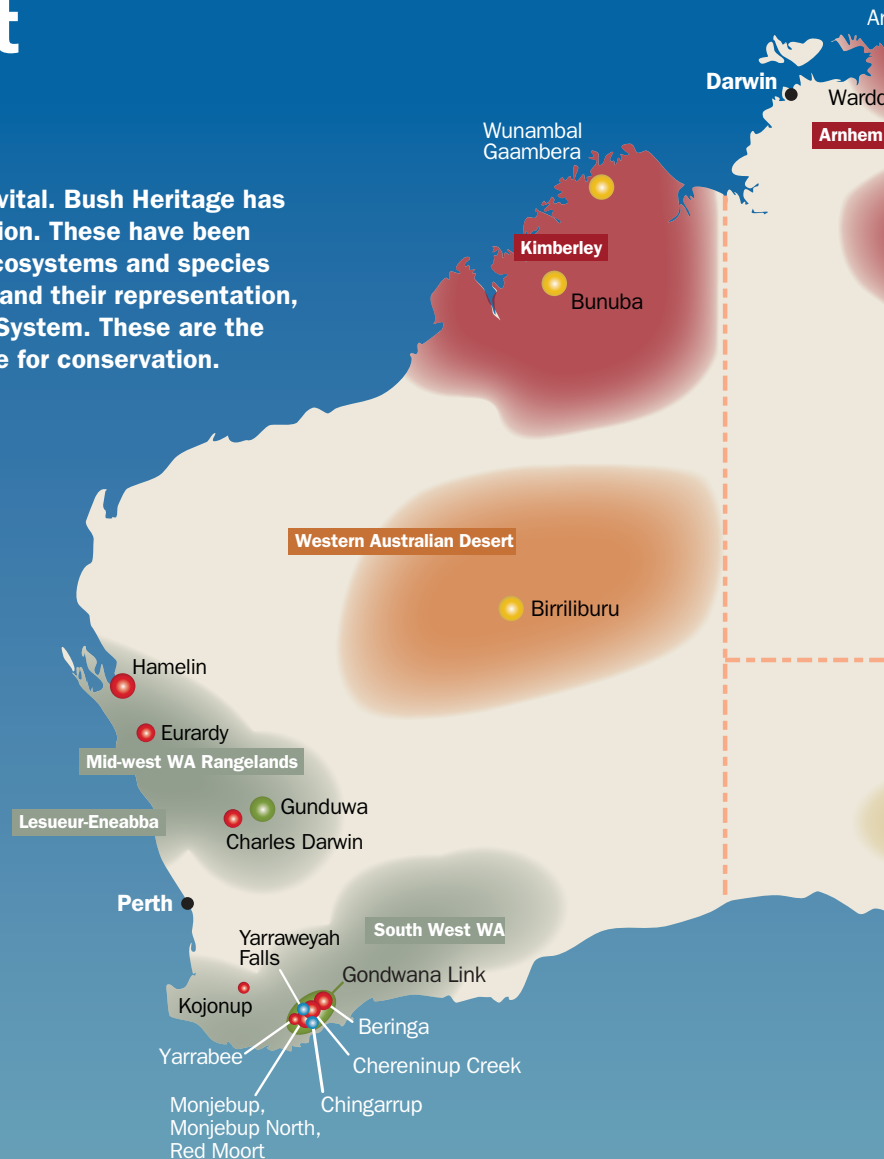
Now, Boolcoomatta is returning to good health. This year, both male and female Yellow-footed Rock-wallabies have been seen on the reserve – the first time there have been regular sightings of this threatened species on Boolcoomatta in over 90 years.

Their resurgence, after becoming almost locally extinct as recently as 1981, is the result of a collaborative regional conservation effort involving pastoralists, governments, and conservation organisations including Bush Heritage. We're also finding more evidence of Plains-wanderers (one of Australia's most endangered birds) on the reserve, and seeing striking natural regeneration of the mulga woodlands, which will benefit even more bird species. All this, after just 11 years of being managed for conservation, shows what is possible with the right approach.

*A Yellow-footed Rock-wallaby.
Photo by Jiri Lochman/Lochman
Transparencies*

We work where we are needed most

In a country as vast as Australia, prioritising is vital. Bush Heritage has identified 19 priority landscapes across the nation. These have been carefully chosen for the nationally significant ecosystems and species they encompass, our capacity to protect them, and their representation, or lack thereof, in Australia's National Reserve System. These are the landscapes that we work to protect and manage for conservation. This is our conservation strategy.



Percentage of Australian species recorded on our reserves and partnership properties so far



52%

of land mammal
species



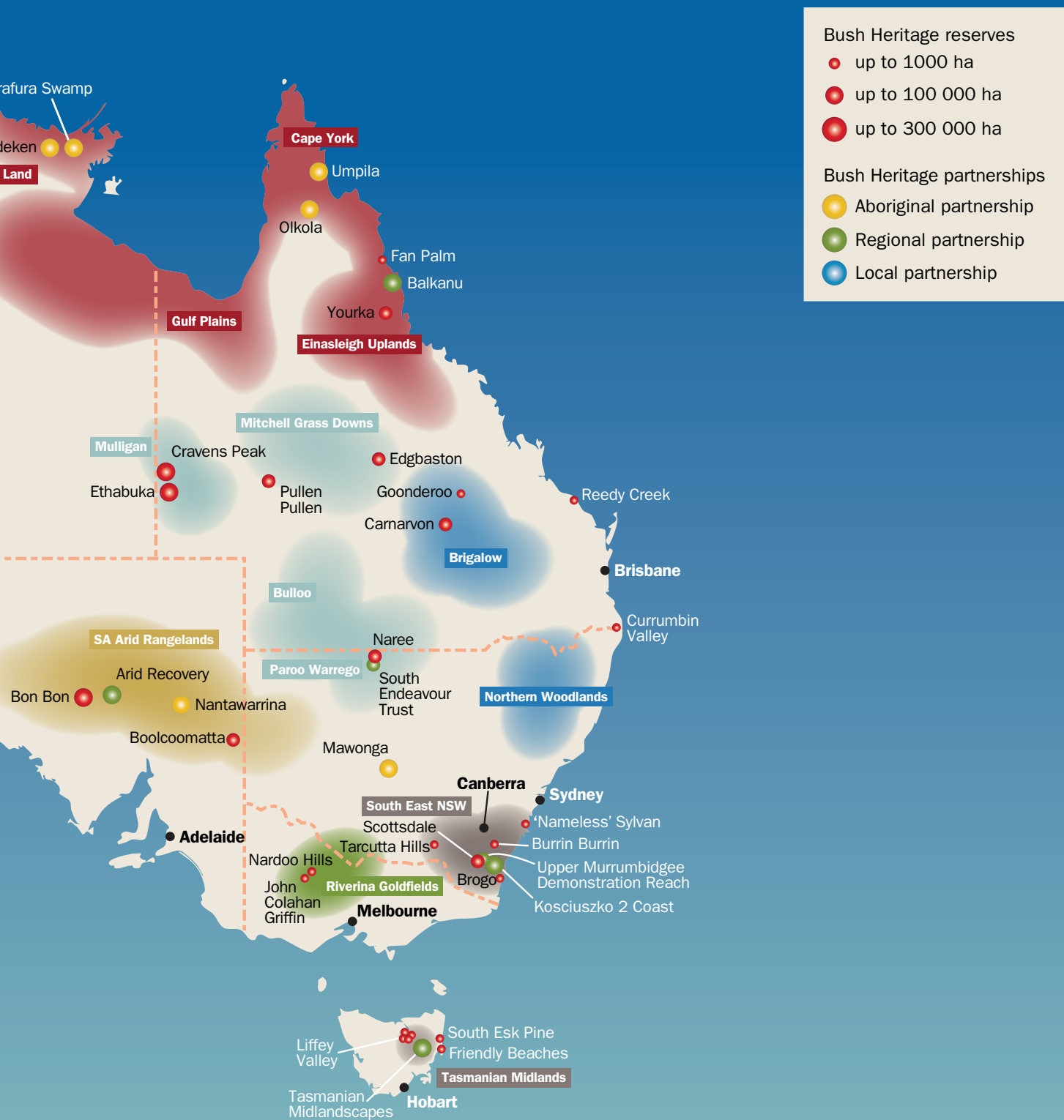
59%

of bird
species



28%

of reptile
species



32%
of amphibian
species



10%
of freshwater
fish species



24%
of plant
species



Who we are

We are national leaders in landscape-scale conservation. We are independent and evidence-based. Our purpose is to return the bush to good health.

Why we're successful

We work where we are needed most: in areas of high conservation value with low levels of protection. We have two proven approaches to what we do:

- We carefully select, purchase and manage landscapes of outstanding conservation value.
- We work in partnership with others, including Traditional Owners, pastoralists, conservationists, businesses, and non-government and government organisations.

Working with partners means we are able to have an even greater impact: creating healthier, more resilient ecosystems for the benefit of people and our native species.

Values

Conservation

Conservation impact is essential. Our decisions are informed by the best available science and evidence.

Culture

We respectfully engage with Traditional Owners of the land, and recognise Aboriginal culture, connection to Country and traditional knowledge. Working together and applying two-way knowledge leads to greater understanding and better conservation outcomes.

Collaboration

Collaboration, pragmatism and innovation are essential. We listen to and respect each other, finding creative solutions together.

Community

The broad Bush Heritage community underpins our success. By engaging with and within communities around Australia, we achieve so much more than we could working alone.

Safety

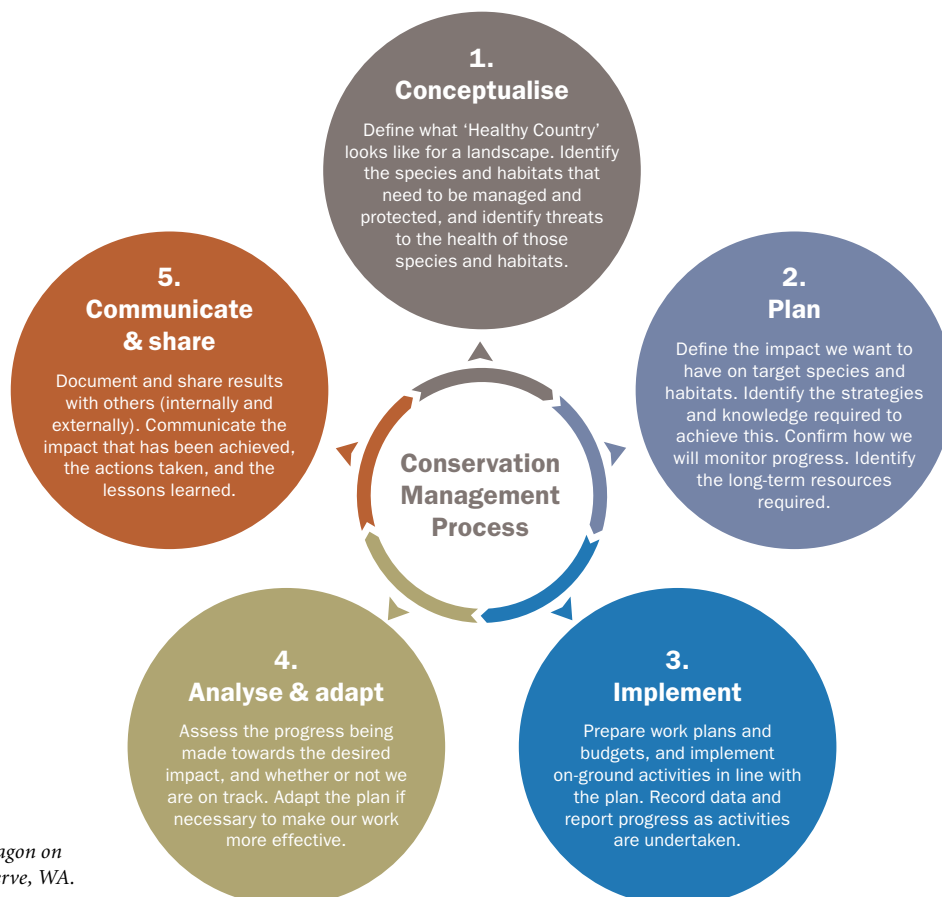
Safeguarding the health and wellbeing of our people, and those who work with us, is a critical part of our planning and culture.

A spider's web on Friendly Beaches Reserve, Tas. Photo by Annette Ruzicka



Delivering our conservation strategy

We actively manage our conservation projects using the 'Bush Heritage Conservation Management Process'. This purpose-built system is underpinned by the international 'Open Standards for the Practice of Conservation'. It provides us with an adaptive management framework, and ensures our management decisions are evidence based, so our work has the greatest possible impact.



*A Western Netted Dragon on
Hamelin Station Reserve, WA.
Photo by Ben Parkhurst*

Achieving real change

We have adopted an international standard for measuring, monitoring and reporting the real impact our work is having on the health of Australian landscapes, plants and animals.

We recognise that achieving real change takes time and money. In order to track and report on our conservation impact, we use a range of strategic indicators. This not only allows us to monitor our progress, it also provides for greater transparency of our work.

The strategic indicators that we use have been adapted from the Global Impact Investment Network's internationally accepted standards, known as 'Impact Reporting and Investment Standards'. These standards were developed to help investees establish or upgrade their impact measurement programs, and to provide investors with standard metrics for comparing potential investments and assessing their subsequent performance.

Providing secure habitat

The area of land that we protect and help manage is one of the easiest indicators of our conservation impact to measure.

Bush Heritage now protects 1.22 million hectares through our reserves, and supports the protection of a further 4.98 million hectares through partnerships. Combined, we help protect and manage 6.2 million hectares of land for conservation.

*Revegetation on Scottsdale Reserve, NSW.
Photo by Annette Ruzicka*

**1.22 million
hectares**

of land permanently
protected through our
reserves



**4.98 million
hectares**

of land managed
through partnerships



**6.2 million
hectares**

of land in total
under conservation
management

Once we have committed to a new reserve or partnership, the land is surveyed to provide a baseline biodiversity inventory. This is important as it helps us understand the biodiversity under our care, and provides a baseline against which we can compare our progress over time. Currently, 75 percent of our reserves and partnership properties have an adequate baseline inventory.

Because of these surveys, we know we are providing secure habitat for at least 235 state and nationally listed threatened species on our reserves or partnership properties.

WE ARE PROVIDING HABITAT FOR AT LEAST 235 THREATENED SPECIES:



106 plants



79 birds



28 mammals



15 reptiles



4 freshwater fish



2 amphibians



1 invertebrate

Protection where it is needed most

Working at a landscape scale, we have made a significant contribution to Australia's progress towards meeting its biodiversity conservation and reserve targets. Australia's National Reserve System Strategy states that priority for new reserve additions should be given to IBRA* bioregions and sub-regions that have less than 10 percent of their remaining area protected. Additionally, the internationally recognised Aichi Biodiversity Targets state that, by 2020, at least 17 percent of land and inland water should be conserved for biodiversity.

* The Interim Biogeographic Regionalisation for Australia, or IBRA, classifies Australia into 89 distinct bioregions and 419 sub-regions, providing a national and regional planning framework for reserve acquisitions.

47% of our reserves are in IBRA sub-regions that are poorly protected in the National Reserve System.

60% of our reserves are in IBRA sub-regions that are poorly protected, as defined by the Aichi Biodiversity Targets.

LEVERAGING OUR IMPACT

Bush Heritage's strategic approach to conservation involves creating larger areas of contiguously protected lands. We measure our performance against this indicator through the length of shared protected area borders, and the combined area of our properties and adjacent protected lands. This combined area of land is nearly 7 percent of Australia's total landmass.

889 kilometres

of shared protected area borders

53.2 million hectares

of contiguously protected land

Reducing threats to native species and habitats

Much of Bush Heritage's work is focused on reducing threats such as weeds, feral animals, inappropriate fire regimes and soil erosion. Targeting these threats improves the health of the species and habitats we aim to protect. When we invest in a reserve or partnership, we assess and rate the baseline severity of threats present. Our staff members then monitor changes to their severity over time, and we adjust our management strategies accordingly. Reducing the impact of threats takes time and energy.

Many threats require ongoing management. For example, rabbit populations can easily re-establish if left unchecked. Whenever we acquire a new property or enter into a new partnership, we increase the number of threats we manage overall. It may take several years and significant resources to reduce the severity of a threat, or to prevent it from increasing in severity. Threats may increase in severity due to a number of factors, including lack of management resources, weather, or other influences outside of our control.

WHEN THE BASELINE RATING OF EACH THREAT IS COMPARED TO ITS CURRENT 2017 RATING:



19% of threats have reduced in severity



72% of threats are stable, **64%** of which are now considered to be contained at an acceptable level



9% of threats have increased in severity

Improving the health of our conservation targets

Whenever we commit to a reserve or partnership, we identify the important native species and habitats we want to protect. These become our conservation targets, and the focus of our management efforts. The ultimate measure of our conservation impact is our progress towards achieving the long-term health and resilience of our conservation targets.

As part of the baseline inventories we take, the health of each conservation target is assessed and given a rating. It will often take years, if not decades, to record significant improvements to the health of conservation targets. Our land managers and ecologists work together to monitor those changes over time, and we adjust our conservation management actions accordingly.

Across our reserves and partnerships, we're managing important habitats and species (conservation targets) that need our protection and require ongoing management to improve or maintain their health.

WHEN THE BASELINE RATING OF EACH CONSERVATION TARGET'S HEALTH IS COMPARED TO ITS CURRENT 2017 RATING:



22% of conservation targets have improved in health



75% of conservation targets are stable, **40%** of which are considered to be at an acceptable level of health



3% of conservation targets have declined in health

Key achievements

Implementing the final year of our 2012-2017 Strategic Plan

From a bold new plan to save the Red-finned Blue-eye fish, to the growth of our volunteer program and an additional priority landscape, our achievements over the past year have been as varied as they are exciting.

The following pages highlight a selection of these achievements from around the country. Each achievement is arranged under the relevant goal from our 2012-2017 Strategic Plan.

This annual report marks the end of that strategic plan, and we are pleased to report that we have met all six goals outlined within it. This includes exceeding our goal to protect and manage 6 million hectares of

land for conservation, growing our supporter base to over 30,000 people, and maintaining annual revenue at or near \$20 million.



6.2

million hectares of land managed for conservation



44

reserves and partnerships



235

threatened species recorded on reserve and partnership lands



5812

species recorded on reserve and partnership lands



81

science and research projects underway



32,092

financial supporters



36,660

volunteer hours contributed



\$19.9

million revenue raised

pp. 14-15

GOAL 1

A new priority landscape in the Western Australian Desert

Facilitating a joint management agreement for the Bunuba people

Implementing the Kara-Kara Wedderburn Landscape Plan in north-central Victoria

Doubling protection of the Tasmanian Midlands Biodiversity Hotspot

pp. 20-21

GOAL 4

Diversifying and growing our volunteer program

Blues for the Bush returns to Charles Darwin Reserve

Celebrating 25 years of practical conservation across the country

Hosting the sixth annual Women in Conservation Breakfast

pp. 16-17

GOAL 2

Protecting the Cocklerina-Coolabah Swamp from feral animals and stray stock

Engaging with Traditional Owners in northern Tasmania

Celebrating 10 years of restoration in the Fitz-Stirling region of Gondwana Link

Discovering the species under our care on Hamelin Station Reserve

p. 22

GOAL 5

Connecting with supporters through new technologies

The Bush Legacy Circle recognition program wins a national award

pp. 18-19

GOAL 3

Making progress against the Bush Heritage 10-year Science and Research Plan

Uncovering 80 new Malleefowl mounds on Charles Darwin Reserve

Saving the Red-finned Blue-eye fish with a three-pronged approach

Supporting Olkola land managers in Cape York to bring Alwal home

p. 23

GOAL 6

Our internship program supports feral cat and Plains-wanderer research

A Bush Heritage scholarship recipient sheds light on the Night Parrot





GOAL 1

Double the area secured for conservation by direct acquisition and partnership from 3 to 6 million hectares.

We now protect and help manage 6.2 million hectares. We use two complementary strategies to secure and protect Australian landscapes: purchasing land of outstanding conservation value, and partnering with other landholders to achieve conservation outcomes in collaboration.

A NEW PRIORITY LANDSCAPE

Location: Western Australian Desert

Traditional Owners of the Western Australian Desert have a continuing connection to their country that reaches back tens of thousands of years. Almost all of this striking landscape is exclusive possession native title land, encompassing a number of Indigenous Protected Areas (IPAs). From sand dunes to mountain ranges, salt lakes and clay pans, these areas protect threatened species such as Black-flanked Rock-wallabies, Great Desert Skinks and Bilbies.

Bush Heritage has recently designated this region as one of our 'priority landscapes'. This means we will support the protection of the country (plants, animals and culture) through partnerships with Traditional Owners. Already, we are assisting the Martu people of the Birriliburu IPA with land management activities, funds for equipment, and wages for the Birriliburu Ranger Program.

FACILITATING ACCESS TO TRADITIONAL LANDS

Location: Bunuba country, Western Australia

In late 2016, the Bunuba people of the central-west Kimberley finalised an agreement with the West Australian Department of Parks and Wildlife (DPaW), which returned part of their recognised country to their stewardship. The joint-management agreement, between DPaW and the Bunuba Dawangarri Aboriginal Corporation, has been a key objective of the Bunuba people for many years, and something we helped facilitate through the Bunuba-Bush Heritage partnership.

The Bunuba people's native title rights and interests were recognised in 2012 as encompassing 1.5 million hectares, but DPaW has, until now, managed a significant portion of that country. The new joint-management agreement opens the door to significant conservation, cultural and economic opportunities for Bunuba people.

Priority landscape size:

54 million hectares



1. Bush Heritage ecologist Vanessa Westcott and Birriliburu ranger Rita Cutter.

2. Bunuba country in Western Australia. Photo courtesy of the Bunuba Rangers

3. Bush Heritage reserve manager Jeroen van Veen.

4. The Tasmanian Midlands.

Profile. The Nicolson family on their Midlands property.

Photos by Annette Ruzicka

LANDSCAPE SCALE CONSERVATION IN VICTORIA

Location: North-central Victoria

In 2016, Bush Heritage and Trust for Nature began implementing the Kara Kara-Wedderburn Landscape Plan. This four-year plan sets out strategies for how we – together with Dja Dja Wurrung Traditional Owners, other key partners, and neighbours – can work towards the restoration and protection of this fragmented region, which includes Bush Heritage's 1200 hectare Nardoo Hills Reserves.

The Kara Kara-Wedderburn Landscape is a haven for declining woodland birds. It also contains some of the most reliable habitat in Australia for the critically endangered Swift Parrot, and has retained a significant amount of high value native vegetation compared to the rest of the state. Bush Heritage and Trust for Nature's efforts will focus on increasing the protection of that native vegetation through reserves, covenants, and managing the key threats to the native species that call this region home.

DOUBLING PROTECTION OF A BIODIVERSITY HOTSPOT

Location: Tasmanian Midlands

We have 10 stewardship agreements in place with landholders in the Tasmanian Midlands. Together, these agreements are protecting about 2600 hectares of privately owned land. This collaborative project, between Bush Heritage, the Tasmanian Land Conservancy and local landowners, is seeing the remnant native grasslands and woodlands of the Midlands protected and restored.

The Tasmanian Midlands is home to over 180 threatened Australian plants and animals, many of which are found nowhere else in the world. But pastoral activities and land clearing are threatening the future of those species. We are hoping to double the area protected under stewardship agreements in the Midlands by the end of this year.

180 threatened plants & animals

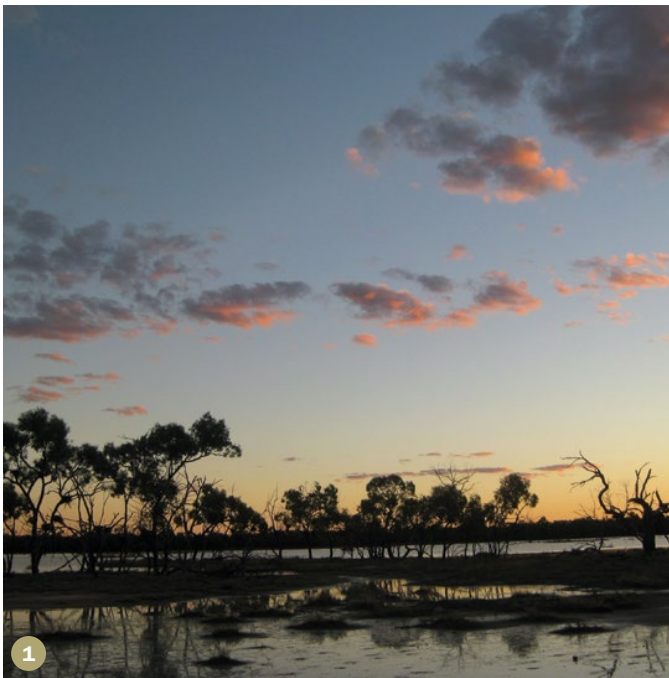
2600 hectares protected

10 stewardship agreements

PROFILE CARING FOR THE BUSH

Set in a valley at the base of Ben Lomond National Park, Sam Nicolson's sprawling property in the Tasmanian Midlands features critically endangered native grasslands, forests and woodlands. A sixth generation farmer on the land, the property's natural values aren't lost on Sam. "My parents dedicated their last 30 years to sensitive land management and conservation on this property... I've learnt from them, and now I'm really just continuing what they started," he says.

Sam and his wife Mel are amongst 10 landowners in the Midlands who've committed to restoring and protecting their land through the Tasmanian Midlands conservation project. Working with Bush Heritage and the Tasmanian Land Conservancy, they have identified target areas and species on their land, and are managing them for conservation. In exchange, they're receiving ongoing 'stewardship' payments.



GOAL 2

*Maintain and improve
conservation management
outcomes*

Currently, we protect and manage habitat for 5812 native species, including at least 235 threatened species. We use the best available science, traditional knowledge, and threat management to improve the health of Australia's native plants and animals, and their habitats.

PROTECTING WETLANDS AND WOODLANDS IN NORTHERN NSW

Location: Naree Station Reserve, New South Wales

At the heart of Naree Station Reserve is a network of ephemeral wetlands and associated woodlands called the Cocklerina-Coolabah Swamp. This area supports many wetland species in years with flooding rains.

In 2016, Bush Heritage completed the Cocklerina-Coolabah wetland enclosure, a 24 kilometre stretch of fencing enclosing 3200 hectares. Its construction has spanned four years, and was done in consultation with the Budjiti Traditional Owners to ensure cultural values were maintained. Many people have contributed to building the fence, including Naree's neighbours, volunteers, local contractors and staff. The enclosure protects the fragile habitats within it from the hard hooves of feral goats, pigs and stray stock, all of which were previously drawn to the swamp for water.

24 kilometres of fencing

3200 hectares protected

ENGAGING WITH TRADITIONAL OWNERS

Location: Liffey Valley, Tasmania

We acknowledge that our reserves have been managed by Aboriginal people for thousands of years and can contain cultural values that we may not understand. Whether those values are tangible or intangible, such as rock shelters or stories connected with place, it's important we work in collaboration with traditional custodians to identify them so we can protect and maintain them together. On Bush Heritage's Liffey reserves, in north-central Tasmania an Aboriginal values assessment has recently been completed in partnership with the Tasmanian Aboriginal Centre. This project was a chance for members of the Tasmanian Aboriginal community to explore and reconnect with this special landscape. The stories and knowledge that they shared will now inform the reserves' management plans into the future.

"You learn... why they moved through the country the way they did, and by walking the country themselves they understand the hardships the old people went through."

Elder Leigh Maynard (deceased)



1. The Cocklerina-Coolabah Swamp.
Photo by Sue Akers

2. The Great Western Tiers above the Liffey reserves, Tas. Photo by Wayne Lawler/EcoPix

3. Reconnecting sections of Gondwana Link in WA. Photo by Greenskills, Denmark WA

4. WA Museum's Curator of Invertebrates Nikolai Tatarinic and PhD student Paige Maroni on Hamelin Reserve. Photo by Annette Ruzicka

Profile. Tasmanian Aboriginal Centre Project Officer Andry Sculthorpe.

TEN YEARS OF RESTORATION IN GONDWANA LINK

Location: Monjebup North, Western Australia

In 2016, we celebrated 10 years of working together with neighbours, partners and Traditional Owners to reconnect part of the Southwest Australian Biodiversity Hotspot. This region is one of only 35 such hotspots for plant and animal life on Earth, where exceptional concentrations of endemic species are threatened by habitat loss. Bush Heritage focuses on restoring and reconnecting 70 kilometres of fragmented bushland in the Fitz-Stirling region of the Gondwana Link landscape. To mark this milestone, over 120 people came together in September on Monjebup North, a Bush Heritage reserve where a 400 hectare revegetation project has seen a previously cleared area of land restored. The celebration featured a Welcome to Country by Noongar Elder Eugene Eades, as well as engaging presentations on the restoration process.

“When we removed the fences the land was able to breathe again... Healing the land heals the people.”

Noongar Elder Eugene Eades

ESTABLISHING A BASELINE

Location: Hamelin Station Reserve, Western Australia

In 2016, we started conducting baseline monitoring surveys on the 202,000 hectare Hamelin Station Reserve. These surveys will give us a baseline inventory of the species under our care, so our management of the land can account for their needs and vulnerabilities. The surveys began with a week-long bio-blitz lead by Bush Heritage ecologists, and involving scientists, volunteers, and experts from the WA Museum. As the monitoring continues, we will focus on collecting information about the threatened species found on Hamelin. Leading scientific research also continues at Hamelin Pool, including ground water monitoring and biodiversity surveys.

NATIVE SPECIES OBSERVED ON HAMELIN SO FAR:

 **156 birds**

 **5 mammals**

 **37 reptiles**

PROFILE

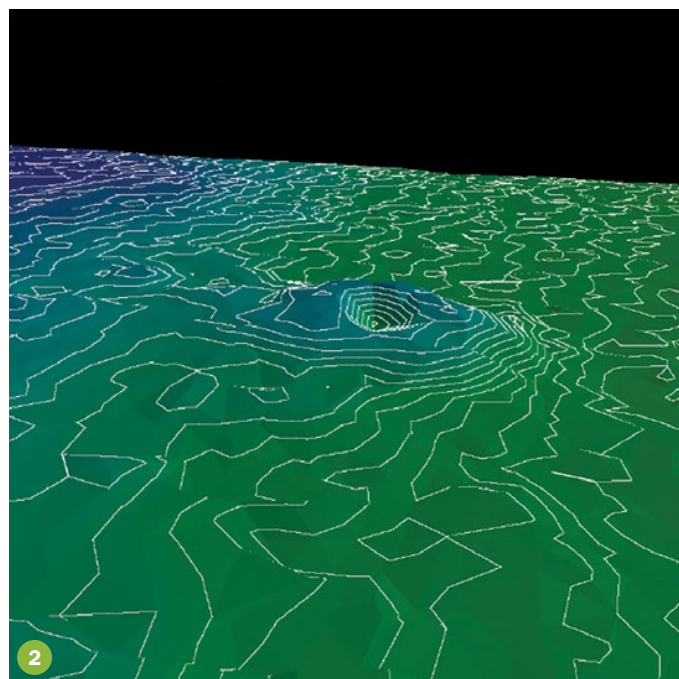
A CONNECTION TO PLACE

“Respecting Aboriginal people’s rights and connection to country is an important platform from which land managers can begin to understand holistic management of the land,” says Andry Sculthorpe. A project officer at the Tasmanian Aboriginal Centre, Andry’s work with Bush Heritage is helping to ensure that management of our Tasmanian reserves is culturally sensitive, and provides opportunities for the Tasmanian Aboriginal community to return to country.

“It’s important for the Aboriginal community to be able to care for and protect their land, to experience country, and to rebuild their cultural connections,” says Andry. “I believe we should be looking to Aboriginal knowledge systems to guide our land use into the future. The challenge, however, is to do this in a world that seems to be moving increasingly further away from that paradigm.”



1



2



3

GOAL 3

Demonstrate leadership and innovation in nature conservation.

We trial and demonstrate innovative techniques in conservation management and inspire and support others to implement the most effective strategies. In 2016-2017 we contributed to 81 active research projects and used innovative techniques to help threatened species such as the Red-finned Blue-eye fish and Malleefowl.

PROGRESS AGAINST OUR 10-YEAR SCIENCE & RESEARCH PLAN

Below is a summary of our progress against the research themes and enabling actions outlined in our Science and Research Plan 2015-2025:

Key achievements 2016-2017

- Partnered in four new **projects**
- Supported five **science scholarships**
- Employed two **science interns** and two **science fellows**
- Worked on **reintroduction trials** for five significant species
- Saw 21 **peer-reviewed papers** published reporting on research on our reserves
- Presented at six **symposia**
- Contributed to 54 **research projects** with partners from 24 universities or other organisations

Number of research projects addressing our flagship research themes

Landscape connectivity:	3
Source habitat and refugia:	10
Introduced species and over-abundant native species:	9
Fire ecology:	3
Threatened species management and recovery:	14
Restoration ecology:	4

LASER SCANNERS AND MALLEEFOWL MOUNDS

Location: Charles Darwin Reserve, Western Australia

From drones that gather information about vegetation coverage, to tablets that allow for more efficient data collection, innovations in technology are helping Bush Heritage to improve conservation outcomes. On Charles Darwin Reserve, a 3D laser scanning technology called LiDAR is being used to survey preferred Malleefowl (a threatened ground-dwelling bird) habitat for new nesting mounds.

The laser scanner is attached to a light plane, and creates images of the land that can be analysed to identify these distinctive donut-shaped mounds. Once the mounds are confirmed, they are monitored annually for activity, and the information that comes from that monitoring helps inform our understanding of Malleefowl population trends. The use of LiDAR technology, funded through the Gunduwa Regional Conservation Association, has so far helped Bush Heritage uncover 80 new Malleefowl mounds on Charles Darwin.



1. Bush Heritage reserve manager Phil Palmer on Scottsdale Reserve, NSW. Photo by Annette Ruzicka

2. A 3D image of a Malleefowl mound generated through LiDAR. Courtesy of Anditi

3. Bush Heritage ecologist Rob Wager by a replica spring. Photo by Annette Ruzicka

4. Olkola land managers crouch in front of a termite mound. Photo by Annette Ruzicka

Profile. Green Fire Science Lab leader James Watson.

PROGRESS FOR ONE OF THE WORLD'S MOST ENDANGERED FISH

Location: Edgbaston Reserve, Queensland

The Red-finned Blue-eye is a living relic from a time when parts of inland Australia were covered by an inland sea. As the climate dried, Red-finned Blue-eyes found refuge in artesian springs. Today they are only found on Bush Heritage's Edgbaston Reserve, with the natural population isolated to just one spring. Despite this, the biggest threat to Red-finned Blue-eyes is the invasive Eastern Gambusia fish.

Bush Heritage has embarked on an ambitious three-way program to save Red-finned Blue-eyes: new populations are being established in springs surrounded by exclusion fencing to keep Gambusia out; a novel breeding program is looking to maintain long-term captive populations; and, finally, a world-first attempt is underway to create three artificial springs that mimic the fish's natural habitat. If the program is successful, it could see Red-finned Blue-eye numbers double.

BRINGING ALWAL HOME

Location: Olkola country, Cape York

The endangered Golden-shouldered Parrot, known as *Alwal* in Olkola language, is the focus of Bush Heritage's partnership work with the Olkola people in far north Queensland. Once found across most of the cape, *Alwal* is now restricted to just two populations, the largest of which occurs on Olkola country. Saving *Alwal* is a high-priority for the Olkola people.

Over the past 12 months, Bush Heritage's support has helped Olkola land managers to:

- Monitor *Alwal* nests and breeding success rates
- Carry out controlled burning to reduce the spread of woody plants, which reduces the availability of grass seeds – the parrot's main food source – and increases predation by other birds
- Put out supplementary feeder stations to help fledgling parrots get through seed shortages.

PROFILE

PUTTING THE GREEN FIRE INTO CONSERVATION SCIENCE

"I don't care about the ivory tower, I care about impact," says James Watson, leader of the Green Fire Science Lab at the University of Queensland. "A lot of conservation science focuses on writing publications without actually helping practitioners, so I wanted to start a lab group that helped solve real-world problems."

"All Green Fire research students are linked to at least one conservation practitioner or program, and Bush Heritage is our strongest partner in Australia," he says. Currently, students from James' lab are involved in two major projects with Bush Heritage: research into the Night Parrot on Pullen Pullen Reserve, and understanding threats to the Golden-shouldered Parrot, on Olkola country in Cape York. The results from both research projects will directly influence how organisations, including Bush Heritage and the Olkola Aboriginal Corporation, manage these species into the future.



GOAL 4

Increase to 30,000 the number of people who engage with and support our work.

We now have over 32,000 financial supporters. We are also engaging with thousands of people through our social media channels, website, media activities, and reserve visitation opportunities. By building a conservation community, we are strengthening both the impact and the sustainability of our work.

DIVERSIFYING OUR VOLUNTEER PROGRAM

Location: Across the country

From undertaking reserve management tasks, to assisting with community engagement, volunteers are involved in almost all aspects of Bush Heritage's work. In 2016-2017 volunteers collectively contributed \$1.29 million worth of their time. As our volunteer program continues to grow, we are developing more diverse and regular volunteering opportunities: the 'team leader model' is giving experienced volunteers the chance to guide others in reserve management activities; we've grown our capacity to facilitate home-based volunteering through improvements to our IT systems; and the Volunteer Advisory Committee, made up of six representative volunteers, is guiding the development of new volunteer policies.

36,660 hours contributed

\$1.29 million – the economic value of volunteer contributions 2016-2017*

BLUES FOR THE BUSH RETURNS

Location: Charles Darwin Reserve, Western Australia

After a brief hiatus in 2015, Blues for the Bush returned in September 2016 bigger and better than ever. The family-friendly open day and concert, held on Bush Heritage's Charles Darwin Reserve, provides a chance for the public to access and engage with Charles Darwin Reserve, and Bush Heritage's conservation work.

This year, over 1400 people attended the event, many of whom had never visited our reserve before. The ecology team ran 14 ecology tours, providing a chance for the local community to learn about the environment, and the Gunduwa Regional Conservation Association hosted a forum on how to best care for the land involving farmers, scientists and government representatives. There were also children's activities, workshops, art, talks, circus acts, and, of course, the music.

* based on the national standard hourly rate of \$35.21



1. A Bush Heritage volunteer on Scottsdale Reserve, NSW. Photo by Annette Ruzicka

2. Two girls enjoy Blues for the Bush 2016. Photo by Wild Vista

3. Carrying out a Bio Blitz on Hamelin Station Reserve, WA. Photo by Annette Ruzicka

4. Dr Anne Poelina. Photo by Dan Peled/AAP

Profile. Tom Sjolund on Edgbaston Reserve, Qld. Photo by Annette Ruzicka

CELEBRATING 25 YEARS OF PRACTICAL CONSERVATION

Location: Across the country

In October 2016, historian Sarah Martin released her book 'Restoring Nature Step by Step' to mark the 25th anniversary of Bush Heritage Australia's founding. The result of more than two years of research and travels across Australia, the book tells the story of the ecologists, researchers, land managers, partners, donors and volunteers who helped us grow from the ground up: from a humble start in the Liffey Valley of Tasmania, to being a national science-based conservation organisation. More broadly, Bush Heritage's 25th year was a time for staff and supporters to celebrate their successes, to reflect on lessons learned, and to look forward to what's to come.

WOMEN IN CONSERVATION

Location: Melbourne, Victoria

In March 2017, Bush Heritage and Trust for Nature hosted the sixth annual Women in Conservation Breakfast, an event designed to celebrate, recognise and connect women who work in the conservation sector. This year's event attracted the largest turnout yet, with a total of 470 attendees. Dr Anne Poelina, a Nyikina woman from the western Kimberley region of Western Australia, delivered this year's keynote speech, encouraging women in conservation to work together for social, economic and environmental benefits. Bush Heritage and Trust for Nature will continue to build upon the Women in Conservation Breakfast's growing reputation as a key networking event in the calendar year.

PROFILE

A SURVEILLANCE EXPERT
VOLUNTEERS HIS EXPERTISE

It wasn't immediately apparent that a career spanning video surveillance and motion detection would have such relevance in the conservation sector. But in his three years of volunteering, Tom Sjolund has made invaluable contributions to Bush Heritage's work.

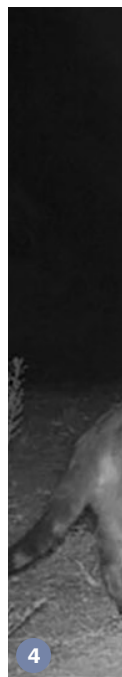
In the last year alone, Tom has donated over 570 hours of his time, doing everything from developing a solar-powered, underwater, motion-detector camera to monitor the critically endangered Red-finned Blue-eye fish on Edgbaston Reserve; to month-long caretaking stints on Goonderoo Reserve; and weed control. "I love Bush Heritage and what they do. Volunteering gives me a chance to get out into the bush, away from the city and the noise," says Tom.

Our media reach:

73,209 Facebook followers

224,963 website visitors

27.5 million people reached through media stories



GOAL 5

Build the financial sustainability and operational capacity of Bush Heritage

Our revenue for 2016-2017 was \$19.9 million. We use all of our supporters' contributions in a strategic and considered manner, working under a business model that is professional, sustainable, and supports further expansion.

CONNECTING WITH SUPPORTERS

This year, we completed a redevelopment of our website that is helping us to inspire a new generation of supporters, and allowing us to better showcase our work. The website now sits on a modern and efficient software platform, and will allow us to avoid the costs associated with supporting an older platform. It is also a better online experience for our website visitors. The website links directly to our new 'Connect' supporter relationship system, which itself is improving the quality of our interactions with supporters, volunteers, and the people and organisations we collaborate with. Connect is giving our staff across the country better access to information, enabling us to work more efficiently.

AN AWARD-WINNING BEQUEST PROGRAM

Supporters who leave a gift in their Will to Bush Heritage have a profound impact on our ability to protect country forever. In 2016, we welcomed bequest supporters and their relatives into the Bush Legacy Circle recognition program. This program is an opportunity for us to formally acknowledge our bequest supporters, and to demonstrate our gratitude through Bush Legacy Circle activities and events. It has also been a chance for Bush Heritage to touch base with supporters who may have advised us of their bequests some time ago. The Bush Legacy Circle garnered national attention in early 2017 when it won a Fundraising Institute of Australia award for being an outstanding example of how an organisation can engage and recognise its supporters.

PROFILE LEAVING A LEGACY

"Back in the 70s, I watched Bob Brown talk about his recent trip down the Franklin River. He and a friend had navigated its full length in rubber rafts – the first time it had ever been done using that method," recounts Pam Knight. "I've been a great fan of Bob Brown ever since, so when he founded Bush Heritage, I leapt on board." Today, Pam and her husband, Robert, are two of our longest standing supporters. In addition to their donations, Pam and Robert have established a legacy that will ensure their support continues to protect properties into the future. "I think it's vital we do as much as we possibly can, as soon as we possibly can," says Pam.



1. Looking out at Scottsdale Reserve, NSW. Photo by Anna Carlile

2. A bequest trip to Scottsdale Reserve, NSW. Photo by Rebecca Passlow

Profile. Pam and Robert Knight at their Noorat property in Victoria.

4. A feral cat on Boolcoomatta Reserve, SA. Photo provided by Emily Mathews

5. A Night Parrot on Pullen Pullen Reserve, Qld. Photo by Steve Murphy

Profile. PhD scholarship recipient Nick Leseberg.

GOAL 6

Ensure an organisational culture of collaboration and commitment

We have invested in supporting and recruiting a diversely skilled workforce. Our organisational culture, and our approach to partnerships, is collaborative, pragmatic and creative. This extends to the people we support and work with through our internship program and scholarships.

EDUCATING THE NEXT GENERATION

Bush Heritage's internship program allows us to invest in the next generation of conservationists and practitioners. Internships allow early-career individuals to gain practical skills in their areas of expertise, and increase Bush Heritage's profile as an employer-of-choice for young professionals. Emily Mathews, an honours student from Federation University, is one of the interns that Bush Heritage has supported in the past year. Emily is undertaking several projects on Boolcoomatta Reserve in South Australia, including looking at the preferred habitat, distribution and abundance of feral cats on the reserve, and undertaking fauna surveys with a focus on the Plains-wanderer, a ground-dwelling bird under imminent threat of extinction.

SCHOLARSHIP PROGRAM SUPPORTS NIGHT PARROT RECOVERY

Bush Heritage scholarship recipient Nick Leseberg's research is shedding light on one of the world's most mysterious birds, the Night Parrot, which was recently rediscovered after evading detection for over 100 years. Nick, a University of Queensland PhD student, is working alongside Bush Heritage ecologist Dr Alex Kutt and Night Parrot expert Dr Steve Murphy to find out as much as possible about the endangered species' biology and habitat, on Bush Heritage's Pullen Pullen Reserve. Already, Nick is piecing together a picture of the conditions in which the parrot is most likely to breed, which will inform management decisions about it now and into the future.

PROFILE FOLLOWING A LIFE-LONG LOVE OF BIRDS

"My interest in birds goes back to watching my grandma feed lorikeets in her backyard. I would stand at the window watching and ask my dad for their names," says Nick Leseberg. His childhood fascination with birds never faded, eventually leading him to study them, and, later, to do his PhD on Night Parrots. Less than two years into that PhD, Nick is already making significant headway: recording the parrots' calls, collecting population data, and tracking their movements. "My research wouldn't be possible without the help Bush Heritage has provided: from a vehicle, to funding and access to the reserve, they've been unbelievable".

What's next?

Our Plan 2017-2022

This annual report brings to a close our strategic plan for 2012-2017. Looking toward the future, Bush Heritage staff and directors have developed a new five-year plan for our work. We have also redefined our vision, purpose and values statements.



To the right, arranged under four themes, are the objectives and strategies that will guide our efforts and investments from 2017 to 2022. Indicators of success have been identified for each objective and these will enable us to systematically monitor and report our progress to you in the coming years.

Landscape-scale conservation management

Our objectives, by 2022:

- The health of the species and habitats we protect (our conservation targets) will be maintained or improved.
- The threats to the species and habitats we protect will be managed, reduced or eliminated.
- Our conservation impact will have grown through targeting investment to national conservation priorities.

To achieve this we will:

- Apply the Bush Heritage Conservation Management Process to all of our conservation projects, and target new investment to national conservation priorities

- Maintain strong partnerships with Traditional Owners on Aboriginal held lands and Bush Heritage reserves
- Extend landscape-scale conservation outcomes, in partnership with other landholders
- Safeguard the long-term protection of the species and habitats we protect
- Communicate our conservation impact regularly and widely.

*Cravens Peak Reserve, Qld.
Photo by Annette Ruzicka*



Science and knowledge

Our objective, by 2022:

- Our credibility and collaborative approach have built capacity in science, research and knowledge and facilitated better-informed land management activities.

To achieve this we will:

- Use our reputation and profile to influence conservation outcomes
- Use Western science and traditional knowledge to inform, monitor and adapt our conservation work and to advance solutions to key conservation problems
- Increase our scientific knowledge and land management capacity through collaborative research projects and innovation.



Engage and inspire

Our objective, by 2022:

- Our reputation and actions are generating significantly more support for conservation.

To achieve this we will:

- Engage with people, inspire their support and elevate our profile
- Provide diverse opportunities for people to practically connect with nature and conservation.



Resilience and capability

Our objectives, by 2022:

- Our annual income will exceed \$30 million and will be both sustainable and poised for further growth.
- Our people are supported by our strong culture, systems and resources.

To achieve this we will:

- Build a balanced and resilient income model
- Develop new and innovative income-producing opportunities
- Encourage a culturally-competent, diverse, collaborative and skilled workforce
- Support continuous improvement in staff safety behaviours and a positive safety culture
- Implement technology applications that support our people to work together, work from anywhere, and be well-informed
- Ensure our operations are well-governed, well-planned and well-protected.

Message from our Treasurer and Chief Financial Officer



*A Lined-Earless Dragon.
Photo by Kate Taylor*



It is critical that our conservation work is truly sustainable and has lasting impact. This means that while our focus will always be on our core purpose, we are also committed to ensuring the organisation's absolute stability and resilience into the future. In 2016-2017 we celebrated our 25th anniversary and every year we see progressively greater conservation outcomes through the longevity of our work. The professionalism of our financial and governance systems ensures that the conservation investments made by our supporters are properly managed for the long term.

One imperative is to support the continued expansion of our impact. Increasing the hectares we directly manage or the partnerships we enter into requires funding. We are pleased to say that over the past two financial years we have maintained annual revenue at, or near, our 2017 target of \$20 million. This powerful show of support for our work means that we can apply more and more resources to returning the bush to good health. Our new five-year plan is underpinned by annual financial milestones that will help us grow our impact even further by 2022.

Just as important as growing our impact is ensuring that our organisation is very well governed, capable and transparent. In 2016-2017, in addition to our vast conservation investment across Australia, we also invested in our key head office systems, including our interactive website and a new supporter relationship system,

which we've called Connect. Now, with over 32,000 individual financial supporters and over 460 volunteers, it is vital that we stay connected using modern and efficient systems.

On the following pages, our formal Directors' Report and audited Financial Statements disclose a financial operating surplus of \$1.7 million for each of the past two years. These are planned surpluses and allow us to part-fund capital expenditure, including new reserve acquisitions, as well as to ensure critical investment in the upkeep of our existing conservation assets. We are also paying down, over five years, the bank loan that was required to move quickly to purchase Pullen Pullen Reserve, home to the endangered Night Parrot. Our strong Statement of Financial Position now discloses total assets of nearly \$50 million, which include our many land holdings and the well-established Bush Heritage Capital Fund.

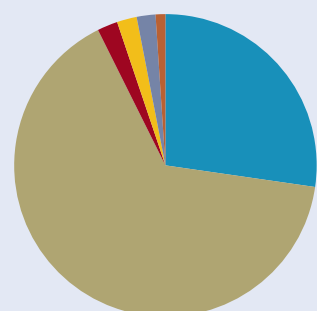
We thank all Bush Heritage supporters for your ongoing support and the trust you have placed in us to protect Australian landscapes and their diverse inhabitants.

Nick Burton
Taylor AM
Treasurer and
Chair of the
Finance, Audit and
Risk Committee

Rob Pratt
Chief Financial
Officer and
Executive Manager
Corporate Services

In accordance with the requirements of the Workplace Gender Equality Act 2012, on 31 May 2017, Bush Heritage Australia lodged its annual public report with the Workplace Gender Equality Agency. To access a copy of the report, please go to <https://www.wgea.gov.au/report/public-reports>

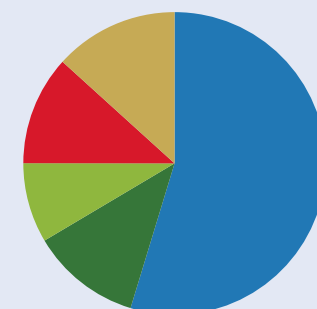
Income sources 2016-2017



- Bequests 27%
- Other donations and gifts 65%
- Grants 2%
- Interest / Investment income (inc. Midlands Conservation Fund) 2%
- Conservation enterprises income 2%
- Other income 1%

Refer Concise Consolidated Financial Report - Notes 2a & 2b (page 39)

Expenditure breakdown 2016-2017



- Conservation management activities 55%
- Conservation events, education and supporter relations 12%
- Fundraising activities 9%
- Investment in new supporter fundraising 12%
- Organisational support 13%

Refer Concise Consolidated Financial Report - Notes 3a-3e (page 39)

Directors' Report

Bush Heritage is a not-for-profit public company limited by guarantee incorporated under the Corporations Act 2001 and a registered charity with the Australian Charities and Not-for-Profit Commission (ACNC) under the Australian Charities and Not for Profits Commission Act 2012 (ACNC Act).



*Naree Station Reserve, NSW
Photo by Peter Morris*

Bush Heritage's board is responsible for the governance of the company and for ensuring that business activities are directed towards achieving the company's purpose and vision. Your directors present their report for the 12 months ended 31 March 2017.

SHORT AND LONG-TERM STRATEGY AND OBJECTIVES

Bush Heritage's vision is for *healthy Country, protected forever* and its purpose is *to return the bush to good health*.

The 2016-17 financial year was the final year of the 2012-17 Strategic Plan, which guided investment and reporting during those five years. The board has approved a new strategic plan (Our Plan 2017-22) that will guide the company's activities during the next five years. Arranged under four themes, our objectives are that by 2022:

PRINCIPAL ACTIVITIES

Bush Heritage's principal activities, consistent with its constitution, are to:

- Protect and enhance the natural environment for the long term by acquiring and preserving land or water that is of high conservation value or environmental significance
- Obtain funds or other property through donations, bequests, public appeals, special events and sponsorships
- Work with, provide assistance to, or engage others to protect and enhance the natural environment
- Advise and educate others about how to protect and enhance the natural environment
- Buy or sell, for the benefit of the company, any trading credits, sequestration rights or other similar property or interests in land, air, water or carbon
- Pursue strategic, operational, business and other appropriate relationships with the public and private sector to achieve the objects of the company.

PERFORMANCE MEASURES

Bush Heritage recognises the importance of key performance measures in monitoring organisational performance and this is reflected in our annual reporting.

Our peak organisational performance measure is our conservation impact. To measure and report this, we have adopted the Global Impact Investing Network's 'Impact Reporting and Investment Standards'.

Bush Heritage has also adopted the Open Standards for the Practice of Conservation as our core business process. Our adapted version, the Bush Heritage Conservation Management Process, is used to guide our conservation strategy, planning, implementation, monitoring and reporting. Bush Heritage uses 'conservation scorecards' as a key tool for monitoring and reporting on the conservation outcomes we have achieved on our reserves or partnership properties.

Goals or targets are set within our five-year strategic plan and are reported upon periodically to the board, and externally within our annual report. These goals or targets relate to both our core conservation work and our supporting business activities, including marketing, fundraising, and financial and human resource management. Key examples of our periodic internal reporting include:

- Quarterly KPI and progress reporting against the five-year strategic goals and annual business priorities
- Monthly financial reporting
- Quarterly marketing KPI reporting
- A biennial organisational effectiveness report
- Annual staff diversity reporting.

1. Landscape-scale conservation

- The health of the species and habitats we protect (our conservation targets) will be maintained or improved.
- The threats to the species and habitats we protect will be managed, reduced or eliminated.
- Our conservation impact will have grown through targeting investment to national conservation priorities.

2. Science and knowledge

- Our credibility and collaborative approach have built capacity in science, research and knowledge and better informed land management activities.

3. Engage and inspire

- Our reputation and actions are generating significantly more support for conservation.

4. Resilience and capability

- Our annual income will exceed \$30 million and be both sustainable and poised for further growth.
- Our people are supported by our strong culture, systems and resources.

Board of Directors

The board sets the strategic direction of the company and oversees its systems of accountability and control. The following people have served as directors on the board during the year and to the date of this report:



Louise Sylvan
President
BA MPA.
Joined the board in 2009

Louise is: Adjunct Professor, Prevention Research Collaboration, Sydney Medical School; Chair of Energy Consumers Australia; Non-executive Director of Social Enterprise Finance Australia; and serves on the Advisory Board of Impact Investing Australia and the Economic Development Committee of the NSW Land Council. She was previously the CEO of the Australian National Preventive Health Agency, a Commissioner of the Productivity Commission and Deputy Chair of the Australian Competition and Consumer Commission.



Chris Grubb –
Vice President
B.A, B.Comm.
Joined the board in 2011

Chris is a non-executive director of several Asian investment management companies, Chairman of Boardroom Australia and a Trustee of the Australian Museum Foundation. He was a director of investment bank Jardine Fleming and served as Chairman of ASX listed companies and as a director of other public and not-for-profit organisations. He is a keen birdwatcher and naturalist.



Nick Burton Taylor AM
Treasurer
BEC (Syd), F Fin, FCA, FAICD
Joined the board in 2013

Nick has a longstanding commitment to rural communities and extensive experience in the Australian agricultural sector. He owns Hillgrove Pastoral Pty Ltd and Kenny's Creek Angus. Nick is currently the Chancellor of Southern Cross University, Chair of the Country Education Foundation of Australia and of Delta Agribusiness and has served on the boards of several listed companies with a rural focus.



Prof Sarah Bekessy
PhD, BSc Hons.
Joined the board in 2017

Sarah teaches Sustainability and Urban Planning at RMIT University, with a particular interest in the intersection between science and policy in environmental management. She is involved in an interdisciplinary range of research and consulting projects, including an ARC Future Fellowship titled 'Socio-ecological models for environmental decision making'. Sarah leads the Interdisciplinary Conservation Science research group. Her interests include threatened species management and the role of science in environmental policy.



Phillip Cornwell
BA LLB (Hons).
Joined the board in 2015

Phillip is a Senior Finance Counsel at the commercial law firm Allens. Previously a partner there, Phillip headed its Project Finance practice, and chaired its Pro Bono and Footprint Committees. Phillip is also a director of Suicide Prevention Australia and chairs its governance committee, and he is a director and the chair of the Australian Pro Bono Centre.



Dr Alexander Gosling AM
FTSE FIEAust Deng
MA(Hons). Joined the board in 2016

Alexander was the founding director of Invetech and worked in the field of product development and technology commercialisation. He received an Order of Australia for services to industry, technology and the community, and has an honorary Doctorate of Engineering. Alexander sits on a number of boards and is an active supporter of Zoos Victoria's 'Fighting Extinction' program.



Prof Michelle Leishman
BSc (Hons), PhD.
Joined the board
in 2015

Michelle is a plant ecologist with many years research experience focused on invasive plants, vegetation responses to climate change, restoration ecology and plant conservation. She leads a research group in the department of Biological Sciences at Macquarie University and is head of Department. Michelle is a member of the Scientific and Conservation Committee of the Royal Botanic Gardens and Domain Trust, Sydney, and of the Australian Flora Foundation Council.



Leanne Liddle
LLB, BA Sc. Joined the
board in 2009, concluded
February 2017

Leanne is a passionate scientist and lawyer who is the Principal Policy Law Officer with the Northern Territory Government's Department of the Attorney-General and Justice. She has worked in many senior government and non-government positions and speaks publicly about restoration and protection of plant and animal species in the Anangu Pitjantjatjara Yankunytjatjara Lands (APY) in South Australia. She is a strong advocate for applying traditional Aboriginal use of fire in unmodified landscapes and ensuring the integrity of Indigenous scientific practices.



Dr Rebecca Nelson
J.S.D., J.S.M., B.E.
(Env.Eng.)/LL.B.
Joined the board in 2014

Rebecca is a lawyer with a strong interest in water management, regulation and policy. She is a Senior Lecturer at the Melbourne Law School at the University of Melbourne, and a Fellow (Non-Resident) of the Woods Institute for the Environment at Stanford University. Rebecca combines this work with independent consulting. In 2014, she was named the Australian Young Environmental Lawyer of the Year for her significant contributions to environmental law.



June Oscar AO
BBus, HonDUniv
ECowan. Joined the
board in 2016

June is the Aboriginal and Torres Strait Islander Social Justice Commissioner with the Australian Human Rights Commission. She is a proud Bunuba woman from Fitzroy Crossing and a champion for Indigenous Australian languages, social justice, women's issues and Foetal Alcohol Spectrum Disorder. June was awarded an Order of Australia for distinguished service to the Indigenous community of Western Australia and the Global Reconciliation Foundation's 2016 Desmond Tutu Reconciliation Fellowship award.



Prof Hugh Possingham
PhD, FAA. Joined the
board in 2015, concluded
October 2016

Hugh is a Professor of Mathematics and a Professor of Ecology at The University of Queensland and Chair in Conservation Decisions at Imperial College, London. His research interests are in conservation research, decision science for environmental problem solving, ecological modelling and ecology. Hugh joined The Nature Conservancy as Chief Scientist in November 2016.



Keith Tuffley
BEc, LLB, LLM Joined
the board in 2006,
concluded August 2016

Keith is the Managing Partner and CEO of The B Team, a group of global business leaders who are driving a better way of doing business for the wellbeing of people and the planet. He is also the Founder and Chairman of NEUW Ventures SA, an impact investing company focused on the creation and financing of new businesses which reduce the human ecological footprint and accelerate the world's transition to a sustainable economic system.

Company Secretary

**Gerard O'Neill – February 2013
– present**

Gerard is Company Secretary and Chief Executive. With support from legal advisors, the Company Secretary advises the board on the appropriate procedures for the conduct of meetings and the affairs of the Company, as required by the Constitution and by charity and company law.

BOARD MEETINGS

Five board meetings were held during 2016-17. Details of the directors' meeting attendance are outlined in the table below. Where the director was not in office for the whole of the financial year, the number of meetings held during the part-year period of office is shown in the first column. The Bush Heritage Constitution (Section 50) permits decisions to be taken by the board in written resolution form. In 2016-17, the board made one decision using this alternative method.

	Board meetings held while in office	Board meetings attended
President: Louise Sylvan	5	5
Vice President: Chris Grubb	5	5
Treasurer: Nick Burton Taylor	5	4
Sarah Bekessy	2	2
Phillip Cornwell	5	5
Alexander Gosling	4	4
Michelle Leishman	5	5
Leanne Liddle	3	2
June Oscar	3	1
Rebecca Nelson	5	5
Hugh Possingham	2	1
Keith Tuffley	2	1

RESPONSIBILITIES OF MANAGEMENT

The board has formally delegated responsibility for Bush Heritage's day-to-day management of operations to the Chief Executive. The Chief Executive and the Senior Management team provide leadership to the organisation and are responsible for achieving the results set out in the five-year strategic plan, and the annual business plan and budget. They are authorised by the board to put in place policies and procedures, take decisions and actions and initiate activities to achieve those results in line with the delegations of authority.

Our Senior Management team includes additional managers who are not included within key management

personnel as defined in the notes to the Full Consolidated Financial Report. As at the date of this report, the Senior Management team comprised Gerard O'Neill (Chief Executive) and Executive Managers with the following areas of responsibility:

- Dr Rebecca Spindler, Science & Conservation
- Robert Pratt, Corporate Services & Chief Financial Officer
- John Burns, Marketing & Fundraising
- Dr Jody Gunn, South East region conservation operations and National Health, Safety and Environment Program
- Robert Murphy, North region conservation operations and National Fire Management and Community Engagement programs
- Luke Bayley, West region conservation operations and National Aboriginal Engagement Program.

BOARD OVERSIGHT AND BOARD COMMITTEE STRUCTURE

The board meets at least quarterly to oversee and monitor the organisation's performance. During these meetings it receives detailed reports from management and provides direction on key matters. Further to this, committees of the board have been established to review, provide advice and make recommendations to the board and management on particular aspects of Bush Heritage's operations and administration. Each committee operates under a charter approved by the board that sets out the committee's purpose, membership and responsibilities. Several committees currently support the board, with membership consisting of directors and non-directors who are external specialists in their field.

All director and committee roles are non-executive positions and no remuneration is payable. However, out-of-pocket expenses such as travel may be paid to enable fulfilment of duties.

As at 31 March 2017, the committees' structures and duties are as follows:

Aboriginal Engagement Committee

Acting Chair: Phillip Cornwell

Members: Nick Burton Taylor, June Oscar, Peter Peckam*, Louise Sylvan, Avelina Terrago*

Provides strategic guidance on Aboriginal engagement strategy and policy and monitors the development and performance of on-country programs.

Capital Fund Committee

Chair: David Rickards*

Members: Chris Grubb, Louise Sylvan

Provides strategic guidance on the Bush Heritage Capital Fund's management and investment objectives and performance, including appointment and review of the Investment Manager.

Finance, Audit and Risk Committee

Chair: Nick Burton Taylor

Members: Jay Bonnington*, Alexander Gosling, Rebecca Nelson, Bill Starr*, Louise Sylvan

Provides strategic review and oversight on overall financial management, annual and longer-term budgets and financial results, investment strategies and business modelling and management of financial assets. Monitors auditing, risk management policy and procedures, and legislative and regulatory responsibilities.

Gift Fund Committee

Chair: Nick Burton Taylor

Members: Gerard O'Neill, Chris Schultz*

Monitors compliance with the rules of the Bush Heritage Australia Gift Fund and those of the Register of Environmental Organisations to ensure deductible gift recipient status is retained.

Governance Committee

Chair: Louise Sylvan

Members: Phillip Cornwell, Chris Grubb

Provides strategic advice on matters relating to the effectiveness of the board, its committees, the role of the Chief Executive and Company Secretary and oversees the membership register.

Marketing & Fundraising Committee

Chair: Chris Grubb

Members: Sandra Davey*, Alexander Gosling, Louise Sylvan

Provides strategic advice and monitors the performance of Bush Heritage's marketing and fundraising strategies including engagement, and fundraising growth and development.

Operations and Safety Committee

Chair: Nick Burton Taylor

Members: Alexander Gosling, Angus Holden*, Michelle Leishman, Leanne Liddle*, Ewan Waller*

Provides strategic advice on and monitors Bush Heritage's Health, Safety and Environment strategy and management, reviews health and safety incidents arising from Bush Heritage operations, impacts from natural disaster events, preparation for planned burning and management of Bush Heritage assets.

Science & Conservation Committee

Chair: Michelle Leishman

Members: Sarah Bekessy, Phillip Cornwell, Sarah Legge*, Rebecca Nelson

Provides strategic advice on science and conservation strategies and policies, including acquisition proposals, reserve and partnership planning, scientific research, and conservation outcomes and impact.

RISK MANAGEMENT

Bush Heritage manages its organisational risks in line with current Australian Standards AS/NZS ISP 31000:2009. Each risk is assigned a 'risk owner' who is responsible for identifying and implementing appropriate treatment strategies to mitigate the risk, realise related opportunities and report on that risk to the relevant committee(s) and board.

The Finance, Audit and Risk Committee oversees the execution of the Risk Management Policy across the organisation. The board is responsible for ensuring that risks and opportunities are identified in a timely manner and considered against the organisation's objectives, operations and appetite for risk.

HEALTH, SAFETY & ENVIRONMENT

Bush Heritage operates in a variety of working environments, including some of the most remote parts of Australia, and the safety of all people who come into contact with our operations is paramount. Bush Heritage's Health, Safety and Environment Management System is reviewed by a staff-based Health and Safety Committee representing each team, location and level within Bush Heritage, thereby ensuring a system that can be consistently applied and fulfils all relevant Work, Health and Safety legislation. Our board's Operations and Safety Committee provides strategic advice on, and monitors, Bush Heritage's health, safety and environment strategy and management, and reviews any incidents arising from Bush Heritage operations. The board also reviews and addresses health, safety and environment matters at each board meeting.

MEMBERS' GUARANTEE

As at 31 March 2017 the number of members was 71. In accordance with the company's constitution, each member is liable to contribute a maximum of \$10 in the event that the company is wound up. Therefore based on this number the total amount that members of the company would be liable to contribute if the company is wound up is \$710.

AUDITOR'S INDEPENDENCE

The Auditor's Declaration of Independence appears on page 42 and forms part of the Directors' Report for the year ended 31 March 2017.

ROUNDING

The company is of a kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order, amounts in the Financial Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the Corporations Act 2001:



Louise Sylvan
President
8 June 2017

* A non-director member of the committee during the reporting period

Financial Report

Concise consolidated financial report
for the year ended 31 March 2017



*The Murrumbidgee River, NSW.
Photo by Annette Ruzicka*

This Concise Consolidated Financial Report should be read in conjunction with the Directors' Report and the Annual Report, which provide details of the achievements and activities of Bush Heritage Australia (Bush Heritage) and its controlled entity (Midlands Conservation Fund) during the financial year ended 31 March 2017.

The Concise Consolidated Financial Report is an extract from the Full Consolidated Financial Report for the year ended 31 March 2017. The financial statements and specific disclosures included in the Concise Consolidated Financial Report have been derived from the Full Consolidated Financial Report in accordance with the Accounting Standards.

The Concise Consolidated Financial Report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Bush Heritage and its controlled entity as the Full Consolidated Financial Report. Further financial information can be obtained from the Full Consolidated Financial Report which is available, free of charge, and on request to Bush Heritage. Further details of Bush Heritage's conservation activities can be found in the Annual Report.

Discussion and Analysis – Consolidated Statement of Comprehensive Income

Trends in Revenue and Net Surplus
Bush Heritage's mission and activities continued to be very well supported during the financial year with an increase in financial contributions received from our supporters in 2017. Total revenue from supporter

Consolidated Statement of Comprehensive Income for the year ended 31 March 2017

	Notes	2017 \$'000	2016 \$'000
Revenue			
Supporter contributions and grants	2(a)	18,826	17,437
Interest and investment income	2(b)	421	2,126
Conservation enterprises income		399	385
Other income		207	357
Total Revenue		19,853	20,305
Expenses			
Conservation management activities	3(a)	9,911	9,488
Conservation communities, events & education	3(b)	2,133	2,027
Fundraising activities	3(c)	1,548	1,862
Investment in new supporters	3(d)	2,120	2,988
Organisational support	3(e)	2,406	2,150
Total Expenses		18,118	18,515
Surplus Before Tax		1,735	1,790
Income tax		-	-
Net Surplus		1,735	1,790
Other Comprehensive Income			
Realisation of net fair value gains previously brought to account		(53)	(1,547)
Net fair value gains/(loss) brought to account during the financial year		487	(603)
Income tax on items of other comprehensive income		-	-
Other comprehensive income for the period, net of tax		434	(2,150)
Total comprehensive income for the period		2,169	(360)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

contributions and grants rose from \$17.4 million in 2015-16 to \$18.8 million in 2016-17, with increased revenues recorded in all donation categories. Investment income in 2015-16 was significantly higher than in 2016-17 due to the restructure of the investment portfolio in 2015-16 and the consequent very high realised gains that were recorded in that year.

Increased revenues have been applied during the year to expanding our practical conservation activities as well as to associated conservation events and education and to ensuring the ongoing viability of our operations. A net surplus of \$1.7 million was

recorded in 2016-17 compared to a net surplus of \$1.8 million in 2015-16.

Effects of Significant Economic or Other Events

There were no significant economic or other events that impacted the financial results for the 2016-17 financial year.

Dividends

Bush Heritage is a company limited by guarantee and does not have issued share capital. As such, Bush Heritage does not pay dividends. All surpluses are reinvested in the company to be used for conservation purposes in future financial years.

Consolidated Statement of Financial Position as at 31 March 2017

	Notes	2017 \$'000	2016 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		1,127	1,395
Trade and other receivables		366	330
Assets held for sale		2,307	748
Total Current Assets		3,800	2,473
Non-Current Assets			
Investments	4	9,968	9,283
Property, plant and equipment		33,336	34,049
Intangibles - computer software		1,082	44
Total Non-Current Assets		44,386	43,376
TOTAL ASSETS		48,186	45,849
LIABILITIES			
Current Liabilities			
Trade and other payables		840	781
Provisions		1,114	905
Interest-bearing liabilities	5	455	475
Total Current Liabilities		2,409	2,161
Non-Current Liabilities			
Provisions		206	228
Interest-bearing liabilities	5	1,755	1,813
Total Non-Current Liabilities		1,961	2,041
TOTAL LIABILITIES		4,370	4,202
NET ASSETS		43,816	41,647
EQUITY			
Equity funds and reserves	6	43,816	41,647
TOTAL EQUITY		43,816	41,647

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Discussion and Analysis – Consolidated Statement of Financial Position

Changes in the Composition of Assets and Liabilities

The Consolidated Statement of Financial Position shows that Bush Heritage retains a strong capital base with \$43.8 million in net assets, representing the accumulated supporter contributions and other net earnings that Bush Heritage has received since its inception and which have been applied to the acquisition of land and other capital assets for conservation purposes.

The significant changes in the overall composition of assets and liabilities from 2015–16 to 2016–17 arose from increases in the following items:

- \$1.6 million increase in Assets Held for Sale due to the receipt of listed shares from bequests. Most of these shares were sold in April 2017 and the balance will be sold in the near future;
- \$0.5 million increase in investments due to favourable movements in investment markets;
- \$1.0 million increase in intangible assets due to the acquisition of the Connect relationship management system to ensure our capacity to properly manage donor growth in coming years; and
- \$2.2m increase in equity due to the operating surplus and favourable market movements in investments.

Debt and Equity

During the prior year (2015-16), Bush Heritage had drawn down two loans with principal values totalling \$1.6 million for the purpose of acquiring Pullen Pullen Reserve, Qld and Nardoo 5 (Nardoo Hills Reserve), Vic. In 2016-17, principal repayments of \$0.2 million were made towards these loans. In addition to these loans, Bush Heritage has a number of equipment finance leases and an insurance premium funding facility.

Total equity of \$43.8 million within the consolidated entity reflects the carrying value of all Bush Heritage-owned properties as well as the value of Bush Heritage investments, working capital and the Midlands Conservation Fund.

Consolidated Statement of Changes in Equity for the year ended 31 March 2017

		Accumulated Surplus	Equity Reserves	Total
	Notes	2017 \$'000	2017 \$'000	2017 \$'000
At 1 April 2016		-	41,647	41,647
Surplus for the period		1,735	-	1,735
Other comprehensive income		-	434	434
Total comprehensive income for the period		1,735	434	2,169
Net transfer (from)/to Bush Heritage General Reserve		(2,790)	2,790	-
Net transfer to/(from) Bush Heritage Restricted Funds Reserve		1,147	(1,147)	-
Net transfer (from)/to Midlands Conservation Fund Reserve		(92)	92	-
At 31 March 2017	6	-	43,816	43,816

		2016 \$'000	2016 \$'000	2016 \$'000
At 1 April 2015		-	42,007	42,007
Surplus for the period		1,790	-	1,790
Other comprehensive income		-	(2,150)	(2,150)
Total comprehensive income for the period		1,790	(2,150)	(360)
Net transfer (from)/to Bush Heritage General Reserve		(1,290)	1,290	-
Net transfer (from)/to Bush Heritage Restricted Funds Reserve		(472)	472	-
Net transfer (from)/to Midlands Conservation Fund Reserve		(28)	28	-
At 31 March 2016	6	-	41,647	41,647

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Discussion and Analysis – Consolidated Statement of Changes in Equity

Changes in the Composition of the Components of Equity

The consolidated equity of Bush Heritage and its subsidiary, the Midlands Conservation Fund, is maintained within four defined equity reserves, being the Bush Heritage General Reserve, the Bush Heritage Restricted Funds Reserve, the Net Unrealised Gains/(Losses) Reserve and the Midlands Conservation Fund Reserve. These individual equity reserves are detailed and further described in Note 6.

The Consolidated Statement of Changes in Equity illustrates that the reported surplus or deficit for each financial year is firstly recognised within Accumulated Surpluses and then allocated out of Accumulated Surpluses and into the relevant equity reserves according to the amounts applicable to each reserve. Other comprehensive income, being entirely comprised of the net fair value gains or losses on financial assets recorded for the financial year, is directly allocated to the Net Unrealised Gains/(Losses) Reserve.

Discussion and Analysis – Consolidated Statement of Cash Flows

Changes in Cash Flows from Operating Activities

The increase in operating cash inflows, compared to the prior year, reflects a reduction in expenditure for 2016-17. Expenditure was managed more tightly in 2016-17 due largely to the deferral of some Bequests receipts and the receipt of non-cash gifts in the form of shares, particularly in late March 2017.

Changes in Cash Flows from Investing Activities

The major investment activity in 2016-17 was the acquisition and implementation of the Connect relationship management system to ensure the ongoing high quality of our donor and stakeholder communications and to increase our growth capacity over coming years. Proceeds from the sale of investments comprised mainly the maturity of term deposits in Midlands Conservation Fund, the proceeds of which were reinvested in other securities.

Changes in Cash Flows from Financing Activities

During 2016-17, Bush Heritage made principal repayments of \$0.2 million on two loans drawn down in 2015-16 with principal values totalling \$1.6 million. The loans were drawn down in the previous year for the purposes of acquiring Pullen Pullen Reserve, Qld and Nardoo 5 (Nardoo Hills Reserve), Vic. Also Bush Heritage continued to make repayments of equipment finance leases and insurance premium funding as required.

Notes to the Concise Consolidated Financial Statements for the year ended 31 March 2017

Note 1. Corporate Information and Basis of Preparation

Bush Heritage is a not-for-profit, public company limited by guarantee. Members are nominated and determined in accordance with the company's Constitution. If the company

Consolidated Statement of Cash Flows for the year ended 31 March 2017

	2017 \$'000	2016 \$'000
Operating Activities		
Receipts from supporter contributions and other sources	17,119	17,552
Payments to suppliers and employees	(16,378)	(17,578)
Interest paid	(75)	(12)
Interest and dividends received	139	51
Net cash from operating activities	885	13
Investing Activities		
Purchase of land	-	(2,619)
Purchase of investments	(1,210)	(700)
Purchase of buildings, plant and equipment	(540)	(587)
Purchase of software	(631)	(374)
Proceeds from the sale of land	-	98
Proceeds from the sale of investments	1,855	3,036
Proceeds from the sale of buildings, plant and equipment	11	16
Net cash to investing activities	(515)	(1,130)
Financing Activities		
Payment of finance lease liabilities	(326)	(259)
Repayment of borrowings	(312)	-
Proceeds from borrowings	-	1,600
Net cash from/(to) financing activities	(638)	1,341
Net increase/(decrease) in cash and cash equivalents	(268)	224
Cash and cash equivalents at beginning of period	1,395	1,171
Cash and cash equivalents at end of period	1,127	1,395

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

is wound up then each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the company. As at 31 March 2017 the number of members was 71. Bush Heritage is listed on the Commonwealth Government's Register of Environmental Organisations, certifying it as a Deductible Gift Recipient, which authorises Bush Heritage to issue tax-deductible receipts for donations over \$2.

This Concise Consolidated Financial Report has been prepared in accordance with the presentation and disclosure requirements of AASB 1039 Concise Financial Reports for distribution to the members. The Concise Consolidated Financial Report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless

otherwise stated, using the option available to Bush Heritage under ASIC Class Order 98/100. Bush Heritage is an entity to which the Class Order applies.

Note 1(a). Significant Accounting Policies

The financial statements and specific disclosures required by AASB 1039 are an extract of, and have been derived from, Bush Heritage's Full Consolidated Financial Report for the year ended 31 March 2017. Other information included in the Concise Consolidated Financial Report is consistent with Bush Heritage's Full Consolidated Financial Report.

A full description of the accounting policies adopted by Bush Heritage is provided in the Full Consolidated Financial Report.

The current financial period is the year ended 31 March 2017. Comparative amounts for the year ended 31 March 2016 have been re-stated where necessary to be consistent with the accounting policies adopted in the current financial period.

The consolidated financial statements in this Concise Consolidated Financial Report comprise the financial statements of Bush Heritage and its subsidiary, the Midlands Conservation Fund Ltd (MCF).

- MCF is a separate public company limited by guarantee, jointly managed by Bush Heritage and the Tasmanian Land Conservancy. MCF has its own Board of Directors and constitutional objectives.
- Under the MCF Constitution, Bush Heritage has the capacity to control MCF and therefore is required by Accounting Standards to consolidate MCF into this Concise Consolidated Financial Report.
- Under the Accounting Standards, control is said to exist because Bush Heritage has the right to direct the activities of MCF and through that right has the ability to affect the returns it derives from MCF. The returns to Bush Heritage are non-financial returns that arise because MCF's conservation objectives contribute directly to Bush Heritage's conservation objectives. Under the MCF Constitution, MCF cannot pay financial dividends to Bush Heritage or to any other member.

Note 2. Revenue

Note 2(a).

Supporter Contributions and Grants

	2017 \$'000	2016 \$'000
Donations and gifts	12,976	13,537
Grants	433	167
Bequests	5,417	3,733
Total Supporter Contributions and Grants	18,826	17,437

Note 2(b).

Interest and Investment Income

	2017 \$'000	2016 \$'000
Dividends	272	365
Interest	69	228
Realised gains	80	1,533
Total Interest and Investment Income	421	2,126

Note 3. Expenses

Note 3(a).

Conservation Management

Conservation management expenses include the following key items:-

- On-reserve costs, including for practical conservation purposes such as fire management, feral animal control, weed control, revegetation, species recovery and protection, expenses related to ecological survey, monitoring and evaluation, cultural values assessment and protection, staff costs, managing conflicting land use proposals and external rights, associated ownership costs such as rates and taxes, expenses associated with operating each reserve's infrastructure, preparing management plans for reserves, organising volunteer support, organising field trips to reserves, building and managing relations with other land owners.
- Development of conservation science, policy and strategy including staff costs, expenses relating to assessment of potential new reserves and partnerships, and expenses relating to development and maintenance of landscape-scale plans and partnerships.
- Supporting land management partnerships including staff costs, expenses associated with preparing management plans, and expenses associated with conservation actions such as fire management, feral animal control, weed control, revegetation, species recovery and protection; and expenses related to ecological survey, monitoring and evaluation and cultural values assessment and protection.

Note 3(b).

Conservation Communities, Events and Education

Covers expenses associated with building conservation communities, including via online and newsletter communications, media engagement and the management of the website, bequest supporter and other events, management of the supporter database, customer service and other conservation-related communications.

Note 3(c).

Fundraising Activities

Covers expenses incurred in establishing the case for and then asking existing supporters for donations and gifts to support Bush Heritage's conservation activities. Includes fundraising staff and other associated costs.

Note 3(d).

Investment in New Supporters

Covers the cost of recruiting new financial supporters to ensure the ongoing viability of Bush Heritage's conservation activities.

Note 3(e).

Organisational Support

Covers activities that ensure the Company is viable and well-operated. This includes in the areas of governance and compliance, finance, information technology, employee development, worker safety and day to day administration of Bush Heritage. All Bush Heritage Board directors provide their time on a pro bono basis, however some costs are incurred in travel and communications expenses to facilitate meetings of the Board.

Note 3(f). Capital Expenditure not included in the Consolidated Statement of Comprehensive Income

In addition to the operating expenses recognised in the Consolidated Statement of Comprehensive Income, Bush Heritage directs donated funds toward items of capital expenditure, the most significant being the purchase of freehold and leasehold properties for the

establishment of Bush Heritage's conservation reserves. Plant and equipment is also purchased by Bush Heritage for use in its conservation operations, which represents further capital expenditure not included in the Consolidated Statement of Comprehensive Income.

Note 4. Investments

	2017 \$'000	2016 \$'000
(a) Investments held by company Bush Heritage Australia		
– Bush Heritage Capital Fund	6,247	5,787
– Other investments	47	50
	6,294	5,837
Midlands Conservation Fund	3,674	3,446
Closing balance	9,968	9,283
(b) Investments held by class		
Fixed interest	1,890	1,792
Property trusts	144	202
Shares Australian	3,692	2,895
Shares international	1,858	1,366
Term deposits	1,521	2,302
Other	863	726
Closing balance	9,968	9,283
(c) Reconciliation of movement in investments		
Opening balance	9,283	11,768
Additions	648	1,805
Disposals	(397)	(2,140)
Realisation of net fair value gains previously brought to account	(53)	(1,547)
Net fair value gains/(loss) brought to account during the financial year	487	(603)
Closing balance	9,968	9,283

Bush Heritage actively raises funds in addition to the purchase price and operating costs of our conservation reserves in order to create an endowment for the long-term financial security and independence of the properties we manage. This fundamental strategy has led to the creation of the significant investment portfolio currently held.

The Bush Heritage Capital Fund was established by Board Resolution on 27 February 2015, with the opening balance being drawn from Bush Heritage's existing investment portfolio. The Capital Fund has been established with the aim of further enhancing the long-term financial security of our properties. Investments of the Capital Fund are professionally managed by an external manager, overseen by the Capital Fund Investment Committee of the Bush Heritage Board and subject to the Capital Fund Charter.

Investments held in the Midlands Conservation Fund are directly overseen by the Midlands Conservation Fund Board of Directors and as at 31 March 2017 are held in term deposits placed with Australian banks or in Australian managed investment funds.

Note 5. Interest Bearing Liabilities

	2017 \$'000	2016 \$'000
Finance Leases		
Repayable within one year	391	312
Repayable after one year but not more than five years	365	436
Total minimum lease payments	756	748
Less amounts representing finance charges	(51)	(60)
Present value of minimum lease payments	705	688
Loans		
Repayable within one year	89	184
Repayable after one year but not more than five years	1,416	1,416
Total loan payments	1,505	1,600
Total Interest Bearing Liabilities	2,210	2,288
Included in the financial statements as:		
Current	455	475
Non-current	1,755	1,813
	2,210	2,288

Bush Heritage has 16 finance leased vehicles with a carrying value of \$697,132 (2016: \$646,661). Interest on each lease is fixed. These lease contracts expire within one to four years. At the end of the term, ownership is retained by Bush Heritage if all obligations under the contract have been met.

During the financial year, the status of two loans Bush Heritage had drawn down in 2015-16 has changed as follows:

(i) In January 2017, \$84,000 was repaid of the initial \$1,500,000 loan with National Australia Bank obtained for the purposes of acquiring the Pullen Pullen, Queensland property. The balance is due in December 2020. Interest is charged on the loan at variable rates.

(ii) The \$100,000 loan with Trust for Nature for costs associated with acquiring the Nardoo 5, Victoria property was fully repaid in February 2017 as contracted.

Note 6. Equity Reserves

	2017 \$'000	2016 \$'000
Bush Heritage General Reserve (i)		
Opening balance	35,734	34,444
Net surplus attributable to Bush Heritage	1,643	1,762
Net transfer from/(to) Bush Heritage Restricted Fund	1,147	(472)
Closing balance	38,524	35,734
Bush Heritage Restricted Funds Reserve (ii)		
Opening balance	2,339	1,867
Additional restricted funds received	2,531	3,991
Restricted funds expended or acquitted	(3,678)	(3,519)
Closing balance	1,192	2,339
Midlands Conservation Fund Reserve (iii)		
Opening balance	3,644	3,616
Net surplus attributable to Midlands Conservation Fund Reserve	92	28
Closing balance	3,736	3,644
Net Unrealised Gains/ (Losses) Reserve (iv)		
Opening balance	(70)	2,080
Realisation of net fair value gains previously brought to account	(53)	(1,547)
Net fair value gains/(loss) brought to account during the financial year	487	(603)
Closing balance	364	(70)
Total Equity Reserves	43,816	41,647

(i) The Bush Heritage General Reserve represents the accumulated supporter contributions and other net earnings

that Bush Heritage has received since inception and which have been applied to the acquisition of land and other capital assets for conservation purposes.

(ii) The Bush Heritage Restricted Funds Reserve represents funds received by Bush Heritage that have been tied by the company to specific future conservation-related purposes and which are yet to be applied to those purposes as at the date of these financial statements.

(iii) The Midlands Conservation Fund (MCF) Reserve is held separately within MCF Ltd as a capital fund, the earnings from which are to provide for annual stewardship payments to landholders for long-term protection and management of the Tasmanian Midlands.

(iv) The Net Unrealised Gains/(Losses) Reserve records net movements in the investment portfolio arising from ongoing revaluations of the portfolio assets to market values.

Note 7. Subsequent Events

No circumstance has arisen since the end of the financial year which is not otherwise dealt with in this Concise Consolidated Financial Report or in the Full Consolidated Financial Report that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial periods.

Note 8. State and Territory Government Fundraising Legislation Requirements

As a national organisation, Bush Heritage conducts fundraising operations in all States and Territories. Several State and Territory Governments have specific licensing and reporting requirements aimed at informing and protecting the interests of donors.

Bush Heritage holds the following licences:

Australian Capital Territory	Charitable Collections Act 2003, Charitable Collections Licence No. L19000280
New South Wales	Charitable Fundraising Act 1991, Charitable Fundraising Authority 17412
Queensland	Collections Act 1966, Certificate of Sanction No. CP 4954
Tasmania	Collections for Charities Act 2001, Approval 10/02/09 F1A-320
Victoria	Fundraising Act 1998, Registration Number 9971.15
South Australia	Collections for Charitable Purposes Act 1939, Licence not required
Western Australia	Charitable Collections Act 1946, Licence No: 21446

There are no applicable fundraising licencing requirements in the Northern Territory.

The complete declaration required under the Charitable Fundraising Act 1991 (NSW) is available in the Full Consolidated Financial Report.

Directors' declaration

In accordance with a resolution of the directors of Bush Heritage Australia we state that:

In the opinion of the directors:

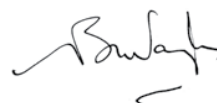
(a) the financial statements and notes of the Company have been prepared in accordance with AASB 1039 Concise Financial Reports; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Louise Sylvan
President



Nick Burton Taylor AM
Treasurer

Melbourne, 8 June 2017



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Auditor's Independence Declaration to the Directors of Bush Heritage Australia

In relation to our audit of the Concise Financial Report of Bush Heritage Australia for the financial year ended 31 March 2017, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Kester Brown
Partner
8 June 2017

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Independent Auditor's Report to the Members of Bush Heritage Australia Report on the Concise Financial Report

Opinion

The Concise Financial Report, which comprises the consolidated statement of financial position as at 31 March 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited Financial Report of Bush Heritage Australia and its subsidiary for the year ended 31 March 2017. The Concise Financial Report also includes discussion and analysis and the directors' declaration.

In our opinion, the accompanying Concise Financial Report including the discussion and analysis and the directors' declaration complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Concise Financial Report

The Concise Financial Report does not contain all the disclosures required by Australian Accounting Standards. Reading the Concise Financial Report and the auditor's report thereon, therefore, is not a substitute for reading the audited Financial Report and the auditor's report thereon.

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited Financial Report in our report dated 8 June 2017.

Responsibility of the Directors for the Concise Financial Report

The directors of the Company are responsible for the preparation of the Concise Financial Report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*, and for such internal controls as the directors determine are necessary to enable the preparation of the Concise Financial Report.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the Concise Financial Report complies, in all material respects, with AASB 1039 *Concise Financial Reports* based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Ernst & Young

Kester Brown
Partner
Melbourne
8 June 2017

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Thank you

We would like to extend our heartfelt thanks to all those who have supported our work over the past year, from our donors and bequest supporters, to the people and organisations that provide us with support in kind. Our work brings together a broad community of people striving to do their part to protect Australia's natural landscapes, plants and animals. It is this community – of individuals, families, communities and organisations – that allows our work to continue.

*Hamelin Pool coastline, WA.
Photo by Ben Parkhurst*

Donor spotlight: The environmental philanthropists



"We've been studying biology for most of our lives and the more we learn, the more we realise how little we know," says Dr Colin Brown, speaking of himself and his wife, Dr Pam Brown. "There are lots of things humans know nothing about. That's why we like large-scale conservation – because you're protecting entire ecological systems, and that has a much greater effect than protecting single species or small areas," he says.

Colin and Pam, both distinguished medical professionals, began supporting Bush Heritage about 14 years ago when they started The Diversicon Environmental Foundation.

"That was the beginning of our learning journey," says Colin. "Once we began that journey of being involved, we started to travel and meet more people. Then you get a better idea of what the issues are, how important they are, and just how much still needs to be done," he says. "Now, we have a holistic approach to conservation."

Bush Heritage's Gondwana Link reserves, in the Fitz-Stirling region of Western Australia, are among the many places that Colin and Pam's philanthropic travels have taken them to. "We've been there many times and walked all through those reserves... it's a magical place," says Colin.

The collaborative Gondwana Link project is focused on restoring ecological connectivity to 1000 kilometres of country in Australia's south-west Biodiversity Hotspot. Bush Heritage owns or co-manages over 8500 hectares of that land. "One of the things we like about the project is how holistic it is. It's revegetation on a large scale," says Pam. "I think it's one of the most important conservation projects in Australia, and we've supported it very strongly to keep it going," says Colin.



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Pro bono

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Opposite: A Grass Tree on Friendly Beaches Reserve, Tas. Photo by Annette Ruzicka

Above: Budgerigars on Edgbaston Reserve, Qld. Photo by Wayne Lawler/EcoPix



“For the ever-growing band of benefactors, and the volunteers and staff of Bush Heritage Australia, happiness flows from our combined effort to ensure that Australia’s unique landscapes, wildlife and ecosystems prosper into the future.”

Bob Brown, Bush Heritage founder and patron

*Bob Brown, Oura Oura Reserve,
Liffey, Tasmania.
Photo by Annette Ruzicka*



Our work needs to continue. Your gift will ensure it can.

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