



Version 1.0, Feb 2008

## Presenting Environmental Issues in Annual Reviews

Reporting annually on the financial performance of your organisation is the norm. In much the same way you can report each year to stakeholders on your environmental performance – in areas such as energy and water use or waste generation.

Environmental reporting will not be for all organisations, as to be transparent, accountable and credible requires the investment of significant time and resources. You will need to assess whether the benefits to your organisation outweigh these costs.

In terms of benefits, environmental reporting can enable you to:

- identify and make cost savings – spotting and remedying e.g. water leaks through regular meter readings
- enhance your reputation – being prepared to expose your environmental performance to external scrutiny
- win contracts, funding or investment – by demonstrating that you meet any requirements set out by organisations commissioning services or providing financial support
- attract staff – by visibly demonstrating your organisation's values and commitment to the environment

In order to report on environmental performance you will need to invest time and money in:

- developing a monitoring and reporting methodology
- collecting and analysing data
- setting targets
- developing the structure and content of your report
- external review of your reporting (equivalent to an auditor independently reviewing your financial accounts)

As with financial reporting, environmental reporting can be challenging. To be credible and of real value it needs to be honest; prepared to acknowledge gaps, slow progress or reductions in performance; and to include stretching but realistic targets.

Examples of environmental reporting by voluntary sector organisations or social enterprises include:

- Ethical Property Company  
[http://www.ethicalproperty.co.uk/resources/annual\\_report2006.pdf](http://www.ethicalproperty.co.uk/resources/annual_report2006.pdf)
- Green Works <http://www.green-works.co.uk/>

There is no specific guidance on environmental reporting available for the voluntary sector. The following guidance aimed at business and the public sector will be helpful in getting you started:

- Defra web resource on environmental reporting  
<http://www.defra.gov.uk/ENVIRONMENT/business/envrp/index.htm>
- Reporting your relationship with the environment: Best practice reporting from the 2005 Building Public Trust Awards <http://www.financial-reporting.gov.uk/Reporting%20your%20relationship%20with%20the%20environment.pdf>

You may also want to consider reporting on the social impact of your work. Social return on investment or SROI is a methodology for putting a monetary value on the positive social impacts of your work.

For more information see:

Measuring real value: A DIY guide to Social Return on Investment, New Economics Foundation, New Economics Foundation  
[http://www.neweconomics.org.uk/gen/z\\_sys\\_PublicationDetail.aspx?pid=241](http://www.neweconomics.org.uk/gen/z_sys_PublicationDetail.aspx?pid=241)