

Annual Report 2015/16



Forest & Wood
Products Australia



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Cover images:

Main image: FWPA image taken at CSIRO

L - R: Matt Gibson Architecture Design -Kooyong Residence

FWPA image of plantation seedling

Arkhefield -River Quay

FWPA image of plantation seedling

HY William Chan, Palette of Urban Green

Designinc -Aust. Red Cross Blood Serv Melbourne Proc. Centre



I am pleased to present the 2015-16 annual report for Forest and Wood Products Australia Limited (FWPA) in my first year as Chairman. In accordance with best practice corporate governance, the position of the Chairman is determined by the directors every year following the AGM. Prior to becoming a director, I had a long engagement with the company (and its predecessor) via the FWPA industry advisory groups, as well as being a senior executive of levy-paying companies. I continue to maintain strong linkages with the sector through a number of non-executive roles.

It is timely to acknowledge the considerable contribution of my predecessor, Ron Adams, who was the inaugural Chairman of FWPA when it was formed in September 2007. Over the next eight years, Ron helped guide the development of the organisation from its previous incarnation as a Commonwealth Statutory Authority with a singular focus on research and development to a more broadly focussed industry services company owned by its members.

This task should not be underestimated. Managing the transition from a public agency to a member-owned and member-driven organisation required a strong focus on corporate governance, a responsiveness to Government and industry stakeholders and a clear understanding of the company's unique operating environment. Ron effectively brought to the role his deep knowledge of the Australian forest and wood products sector. Having being a director under Ron's chairmanship, I can testify to his commitment to full Board engagement and accountability to all stakeholders. This is a commitment I intend to maintain.

The past 12 months have been a time of significant success and transition for FWPA.

It should now be widely known that the company was successful in convincing the Australian Building Codes Board to adopt a deemed-to-satisfy solution for both lightweight and massive timber construction for three building classes up to 25 metres in height. This change took effect from 1 May 2016 and is already stimulating the

increased design of timber into commercial construction projects.

Other key successes during the year included the opening up of Commonwealth matching payments for voluntary contributions; renewal of the Planet Ark partnership; the continued growth in community and building specifier acceptance of the sustainability credentials of wood products; the launch of new TV advertising; industry support for the WoodSolutions technical fieldforce; and the completion of key research projects like e-Cambium, Solid Wood Innovation and a benefit-cost analysis of the company's marketing program.

In terms of transition, following an extensive stakeholder consultation process, the company has restructured its rolling 5-year strategic plan to provide a stronger linkage between program structure and desired outcomes. The company's activities will now be undertaken in relation to the following five programs:

- Promoting the advantages of wood products
- Aligning products to market needs
- Assisting value chain optimisation
- Increasing resource availability and reducing risk
- Impacting decision making and industry capability.

The new structure is reflected in the 2016-17 Annual Operating Plan.

This annual report is based on the 2015-16 Annual Operating Plan (and previous 5-year strategic plan) and provides the 'pivot' to the new structure.

Another key element in the transition of the company's operating approach is in the area of research and development. Over the past three years, the company has had four public calls for research proposals and has seen a significant decline in the quality and quantity of proposals. This is a reflection of the substantial decline in research capacity that is aligned to industry needs within public institutions. As a result, the company will now take a more strategic approach to identifying and addressing industry priorities through targeted research investment.

Timber design life and durability is a key industry priority. Following detailed industry consultation and market research, the company has identified the need to invest in a better approach to design life prediction and associated technical resources. Sadly, Australia was once a world leader in this field but research capacity is now extremely limited. FWPA, in conjunction with a suitable university, will seek to rebuild technical capacity for the long-term benefit of the industry and the application of its products.

The above examples of both success and transition are a testament to the company's commitment to

innovation and continuous improvement. Across the full scope of the company's activities, there is a continual focus on how things can be done better and this is reflected in the workings of the Board and staff.

I would like to take this opportunity to thank my fellow directors and the company staff for their diligence and dedication. It is truly a pleasure to be part of an organisation that is focussed on creating a better future for all participants in the forest and wood products sector.

John Simon
Chairman



Innovation, collaboration and stakeholder value are the key watchwords for Forest and Wood Products Australia Limited (FWPA). They represent the core values that are hardwired into the organisation, and underpin our behaviours and help prioritise our work plans.

Of course, words are easy to say (and write) and it is only behaviours and actions that count. This can be best represented by using our successful change to the National Construction Code as a case in point.

Innovation is a word that is often bandied around and often conflated with academic research and development (R&D). While R&D is an important source of ideas, it is certainly not the only one.

There is a widely quoted maxim, variously attributed, that says: “Research is turning money into knowledge; innovation is turning knowledge into money.”

At its very core, innovation is driven by dissatisfaction with the status quo. Or, to express this in reverse, you are unlikely to innovate if you are satisfied with the current situation.

The drive for FWPA to seek changes with the National Construction Code was the inequity of how timber was regulated compared to other materials. This is not a criticism of the Australian Building Codes Board (ABCB) or State government regulators. The status quo was a legacy of the development of building regulations with an overt focus on the combustibility of materials rather than building systems.

The innovation in FWPA’s approach was to package up all prior physical and desktop studies, identify the knowledge gaps and target the proposal-for-change (PFC) that was most likely to succeed. There was no ambit claim. We remained focussed on our target and addressed any real or perceived impediments to its adoption with a strong evidence base.

Collaboration was critical to our development process. The project team, ably led by Boris Iskra with technical support by Paul England, consulted widely with the ABCB, state regulators, fire authorities and building professionals. This was undertaken through group workshops and one-on-

one discussions. Each issue raised was subsequently addressed in our PFC. We were supported in our efforts by many building specifier groups, including the Property Council, Housing Industry Association and Master Builders of Australia.

Importantly, the PFC was built on collaboration within FWPA as it required involvement of all expertise within the company such as R&D management, marketing and economics.

Securing the change to the NCC was not an academic exercise. It was a concerted effort to build new markets for wood products and to ensure that Australian construction was aligned with world’s best practice. The list of stakeholders that benefit from this change includes not only Australian and imported timber suppliers, but also timber fabricators, builders and developers. Importantly, Australian society as a whole will benefit from the increased carbon storage associated with timber buildings and from safer mid-rise buildings due to the use of sprinklers. Hopefully, there will also be a flow-on benefit of improved housing affordability due to the speed of construction with timber buildings.

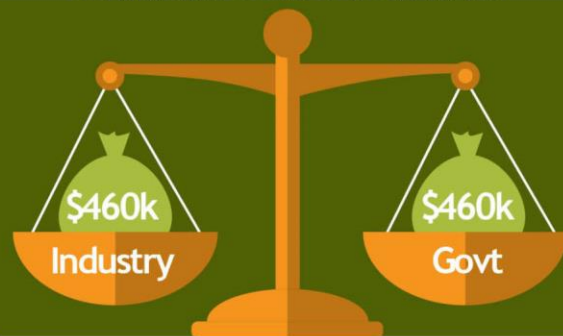
FWPA is not resting on its laurels. The repositioning of the organisation is again an example of innovation, collaboration and stakeholder value at work. It would have been easy for us to keep with the existing programs but it was clear that this structure was a barrier to stakeholder communications. Functional programs are easy to internally manage but these are only inputs and we know that stakeholders are interested in outcomes not activity.

I wish to thank my fellow directors and my highly dedicated and professional staff for their ongoing support and commitment. FWPA is highly reliant on a number of key suppliers, R&D providers, marketing and communications consultants, as well as advisory group members. Finally, I would like to acknowledge FWPA’s members and the Australia Government for their ongoing support.

Ric Sinclair
Managing Director



For the first time, industry collaborators making voluntary cash contributions to qualifying RD&E projects were able access matching payments from the Commonwealth Government.



A key focus of the WoodSolutions activities during the year has been promoting the **Changes to the National Construction Code** to allow Deemed to Satisfy solutions for lightweight and massive timber buildings up to 25 metres in height.



Stakeholder perceptions analysis

Consultation showed positive consensus and opportunities for increased engagement and communication



Funding received from Government for

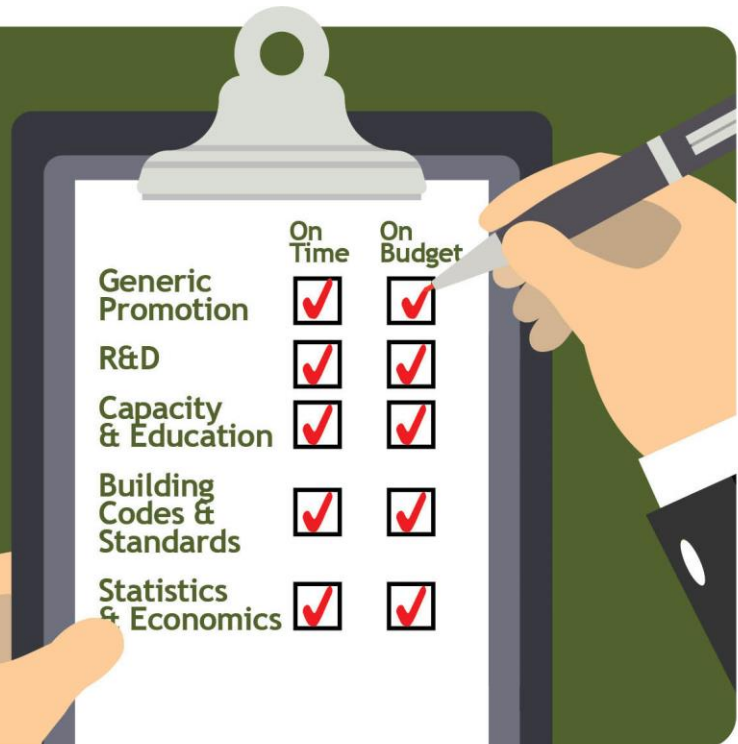
Rural R&D for Profit program

to support new R&D projects. FWPA provided additional funding for 2 projects.





Years' objectives delivered on time, on budget



Repositioned organisation through 5 year plan

A new focus on outputs will better communicate FWPA activities and achievements

Promoting the advantages of wood products

Aligning products to market needs

Assisting value chain optimisation

Increasing resource availability & reducing risk

Impacting decision making and industry capability

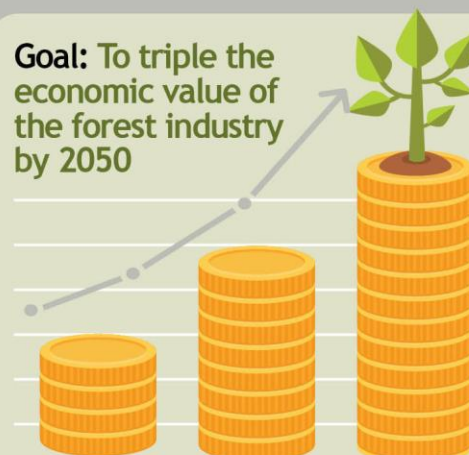
Transforming Australia's forest products industry

Recommendations from the
Forest Industry Advisory Council

Vision: The forest industry will lead the transition to a bioeconomy of which Australians can be proud



Goal: To triple the economic value of the forest industry by 2050





During the 2015-16 financial year, Forest and Wood Products Australia Limited (FWPA) operated in accordance with the 2015-2020 Strategic Plan and 2015-16 Annual Operating Plan (AOP) with the following framework.

VISION

That forest and wood products are the preferred, sustainable material that meets the market needs.

MISSION

To work with stakeholders to identify and deliver collaborative programs that improve the competitiveness, and market and community acceptance, of forest and wood products.

PROGRAMS

The company delivered its mission through five programs:

1. Promote the benefits and usage of forests and wood products, in accord with changing community attitudes, environmental awareness, and market trends (**Generic Promotion**)
2. Invest in and coordinate research and development, technology transfer and adoption to improve the industry's competitiveness, enhance investment, increase usage, and ensure the sustainability of forests, wood products and services (**Research, Development and Extension**)
3. Grow the industry's capacity and capability through focused education activities that support the industry and its products (**Capacity and Education**)
4. Coordinate the industry's management of consensus-based standards and building codes to maintain or improve market preference of the

industry's products (**Building Codes and Standards**)

5. Coordinate the collection and analysis of key industry statistics and other economic analyses to support commercial decision-making and policy development within the sector (**Statistics and Economics**).

FWPA is one of 15 Australian rural research and development corporations (RDCs) and is the nominated industry-owned services company under the *Forestry Research and Development and Marketing Act 2007*. FWPA has access to the levies and matching payments from the Australian Government, and associated obligations, is specified through a Statutory Funding Agreement (SFA).

The SFA requires the company to continually review its operating environment, and in consultation with key stakeholders, regularly consider the appropriateness of its programs and communications activities. This strategic review process is shown in the following diagram:



This review process creates a rolling 5-year planning horizon that keeps the organisation firmly focused on the future while providing for adjustments in the operating environment.

Over the past 12 months, there have been some significant changes in the company's operating environment:

- Introduction of Government matching payments for voluntary contributions.
- The change to the National Construction Code to allow for a deemed-to-satisfy solution for lightweight and massive timber construction for mid-rise buildings.
- Industry funding for a WoodSolutions technical field force for a 3-year pilot in Victoria and a minor extension to Queensland.
- Forest grower commitment to fund a 2-year program to review research and extension structures and priorities.
- A review of internal and external perceptions of the company's purpose and value proposition to industry.

In February 2016, FWPA's directors and senior staff undertook a review of the strategic plan with a focus on improving stakeholder engagement and 'ownership' of the plan. It was recognised that the strategic framework was structured around functional areas such as research and development (R&D), generic marketing and standards development. This structure reflected the

evolution of the company from a statutory R&D organisation to an industry services company where new services have been added over time in response to industry feedback - each new service became a new program.

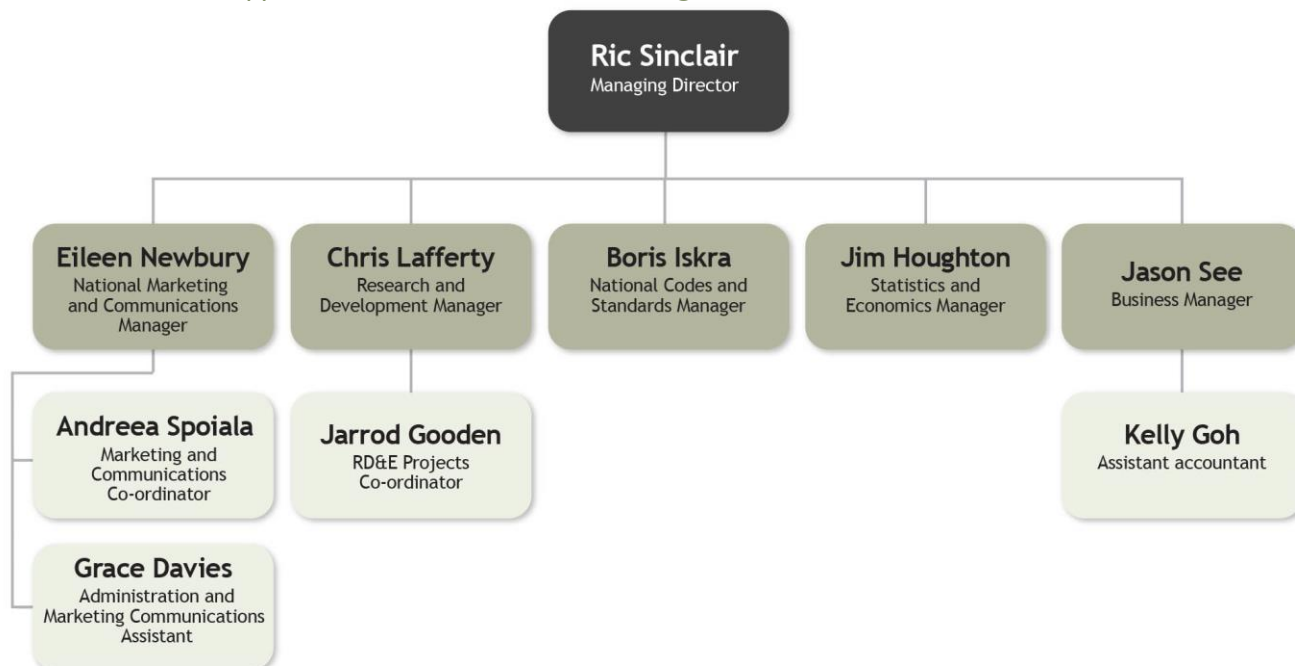
Following considerable stakeholder consultation, the company has revised its strategic framework to create a stronger linkage between desired outcomes and the following five thematic-based strategic priorities:

- Promoting the advantages of wood products
- Aligning products to market needs
- Assisting value chain optimisation
- Increasing resource availability and reducing risk
- Impacting decision making and industry capability

Reflecting a completely new approach to defining the Company's activities, a revised 5-year Strategic Plan (2016-21) was approved by the FWPA Board in June 2016 and published on the company website. Implementation and progress with the revised strategic framework will be documented in future annual reports.

This annual report should be read in conjunction with the previous 5-year Strategic Plan (2015-20) and the 2015-16 AOP.

Forest and Wood Products Australia Staff





In addition to targeted research, Advisory Group input and information from other sources that are related to individual programs, FWPA's strategic development is informed by broad-scale reports, some commissioned by the company. During the past year, these sources included:

EY Research Report: Megatrends and the Australian Forest and Wood Products Sector

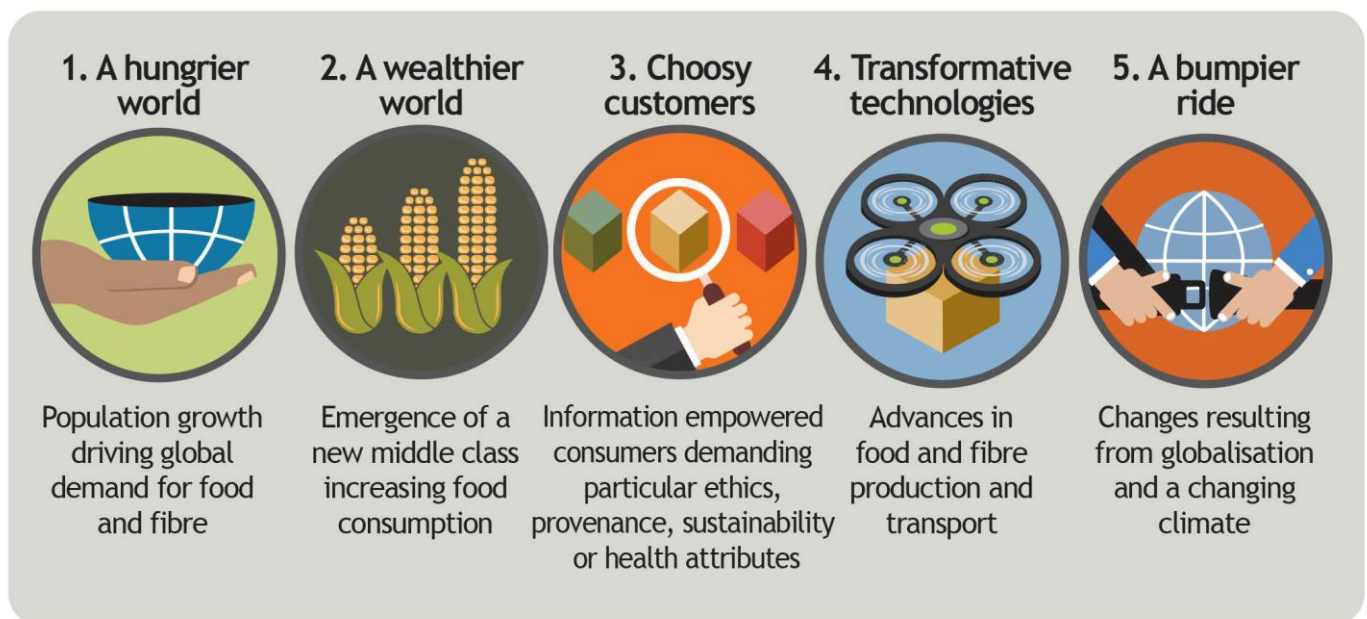
Launched at FRAME Australia in May 2016 by Senator the Hon Anne Ruston, an analysis by the global consultancy EY reported that the Australian forest and wood products sector has significant opportunities, as well as challenges, in response to five megatrends identified by CSIRO and RIRDC.

The five megatrends are:

Despite the differences, there is agreement among stakeholders with the FWPA value proposition: Strategic and aligned to industry. The results of the survey suggest there is room for improvement in stakeholder communications and engagement.

Independent CIE Report Values FWPA Marketing Activities

The value to industry of FWPA's promotions program has been highlighted by a recent independent report. Conducted by the Centre for International Economics, the report indicates that FWPA's investment of \$32 million in generic marketing activities during the period 2007-08 to 2014-15 generated a potential return of \$213 million, with an estimated benefit cost ratio of 6.6.



Stakeholder Perceptions Survey

In late 2015, a 5-minute online survey was conducted among senior executives of FWPA members, FWPA advisory group members, board members, staff members and CEOs and managing directors of other RDCs.

The results indicated that advisory group members see FWPA as a strategic, professional organisation aligned to the industry. Staff and board members feel there is room for improvement on industry engagement and the senior executives of other RDCs are less engaged with FWPA activities overall and, perhaps as a consequence, are less positive about the company's performance.

The CIE noted that it is important to remember that promotional objectives of FWPA are a cumulative task, not well suited to a single year of investment and measurement of return. This is because FWPA's generic marketing activities are aimed at building the social licence of the industry and addressing information gaps on the environmental, structural and durability characteristics of wood before then attempting to change purchasing decisions at both the consumer and specifier level.

Transforming Australia's forest products industry -recommendations from the Forest Industry Advisory Council

Published in May 2016, the report set the vision of the forest industry leading the transition to a bioeconomy of which Australians can be proud and the goal of tripling the economic value of the forestry industry by 2050. To do this, a series of objectives, strategies and recommendations were defined and expanded in the body of the report.

FWPA was an observer in the production of the report, the full version of which can be viewed at <http://ausfpa.com.au/wp-content/uploads/2016/06/Transforming-Australias-forest-products-industry-Recommendations-from-the-Forest-Industry-Advisory-Council-May-2016.pdf>

Objectives	We will have the right trees in the right place at the right scale	We will produce bioproducts using all parts of the tree to a cellular level	We will distinguish ourselves by being environmentally friendly, socially responsible and valued by the community
Strategies	Preserve the existing productive forest estate	Discover new and enhanced ways to use wood fibre	Promote the industry as being environmentally friendly and socially responsible
	Optimise forest management by focusing on strategic regions	Develop technologies to commercial scale	Broaden community support for the industry
	Expand the productive forest estate in strategic regions		



* percentages are for total expenditure excluding Voluntary Matching.

Building on the activities established in previous years, this program continues to successfully promote the benefits and use of forest and wood products. The advantages of this program flow through to the company's stakeholders and the community as benefits including:

- increasing the market's awareness of forest and wood products and satisfaction with their use
- growing the use of forest products and services
- increasing the sequestration of carbon dioxide through the carbon stored in wood products and avoiding emissions from more energy-intensive alternative materials
- improving the attractiveness of the sector as an investment opportunity.

The promotion program, particularly in the specifier-targeted WoodSolutions, incorporates relevant results from FWPA-funded R&D projects and technology transfer activities, in addition to the building codes and standards program.

The communication strategies used in this program are informed by ongoing consumer and specifier tracking research, including studies conducted during the year. The 2016 consumer research showed an increase in the number of respondents who prefer wood, with almost two thirds of people likely to choose wood over other materials, where appropriate.



Changing attitudes with Wood. Naturally Better.™

Designed to deliver attitudinal change, this activity includes; advertising, trade show presence, sponsorships and the important alliance with Planet Ark.

Established in 2011, the strategic alliance with Planet Ark resulted in its Make It Wood campaign (makeitwood.org). During the year a wide range of activities promoted the environmental and health benefits of sustainably sourced wood products.



In June 2016, an innovative new advertising program, combining selected traditional free to air TV programs, pay TV, catch-up TV programs, online streaming video and digital banners was launched. The campaign's primary brand was Planet Ark's Make it Wood, sub-branded with Wood. Naturally Better.™

The 15 second videos addressed six topics:

- indoor use of wood and wood products
- outdoor use of wood and wood products
- furniture made from wood and wood products
- packaging made from wood
- treated wooden residential framing
- bioenergy.

These videos were also made available to FWPA's members and associate members and can be viewed at www.makeitwood.org

Planet Ark has been working with a local governments and representative bodies to encourage the use of wood and wood products through Wood Encouragement Policies.

Changing behaviour with WoodSolutions

WoodSolutions is aimed at specifiers - people who influence the selection of materials in the construction, packaging and furniture industries, the largest collective market for wood products.

A key focus of the WoodSolutions activities during the year has been promoting the changes to the National Construction Code to allow Deemed to Satisfy solutions for lightweight and massive timber buildings up to 25 metres high (further details of the change are under Program 4 - Building Codes and Standards). The results have been promoted by WoodSolutions through channels including:

- **Website content and print advertising and advertorials**
- Ongoing Australia-wide presentations to professional bodies and associations. The total audience to 30 June 2016 was about 1.500.
- Developing a series of video lectures designed for students and specifiers
- **Three new technical design guides (in production)**

According to independent web traffic services, the WoodSolutions website is the most visited wood promotion website in the English-speaking world. Part of its success is the breadth of technical information such as downloadable technical design guides, software and other resources, presentations and videos, case studies, expert questions and answers and a database of suppliers - many of whom are FWPA members.

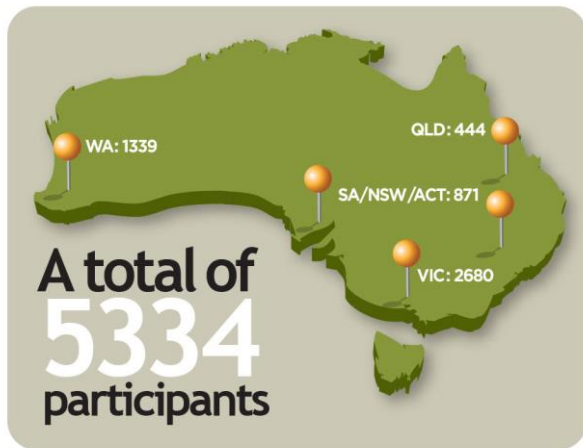
Following an intensive scoping and useability tests, the redevelopment of the website was initiated. This rebuild will maintain all the positive features while taking advantage of new web developments, and the new site will be launched within the next financial year.

During the 2015-16 financial year, the key website statistics were:



WoodSolutions Tutorials

Designed to be delivered at workplaces, professional meetings or viewed online, WoodSolutions Tutorials and Seminars are part of the program's extensive technical and training resources. During 2015-16, a total of 5,334 design and building professionals attended WoodSolutions seminars.



WoodSolutions Education

Launched in March 2013, the WoodSolutions education micro-site provides a range of materials targeted at lecturers and teachers. Redevelopment of the education microsite is part of the redevelopment of the main WoodSolutions site.

WoodSolutions CAMPUS

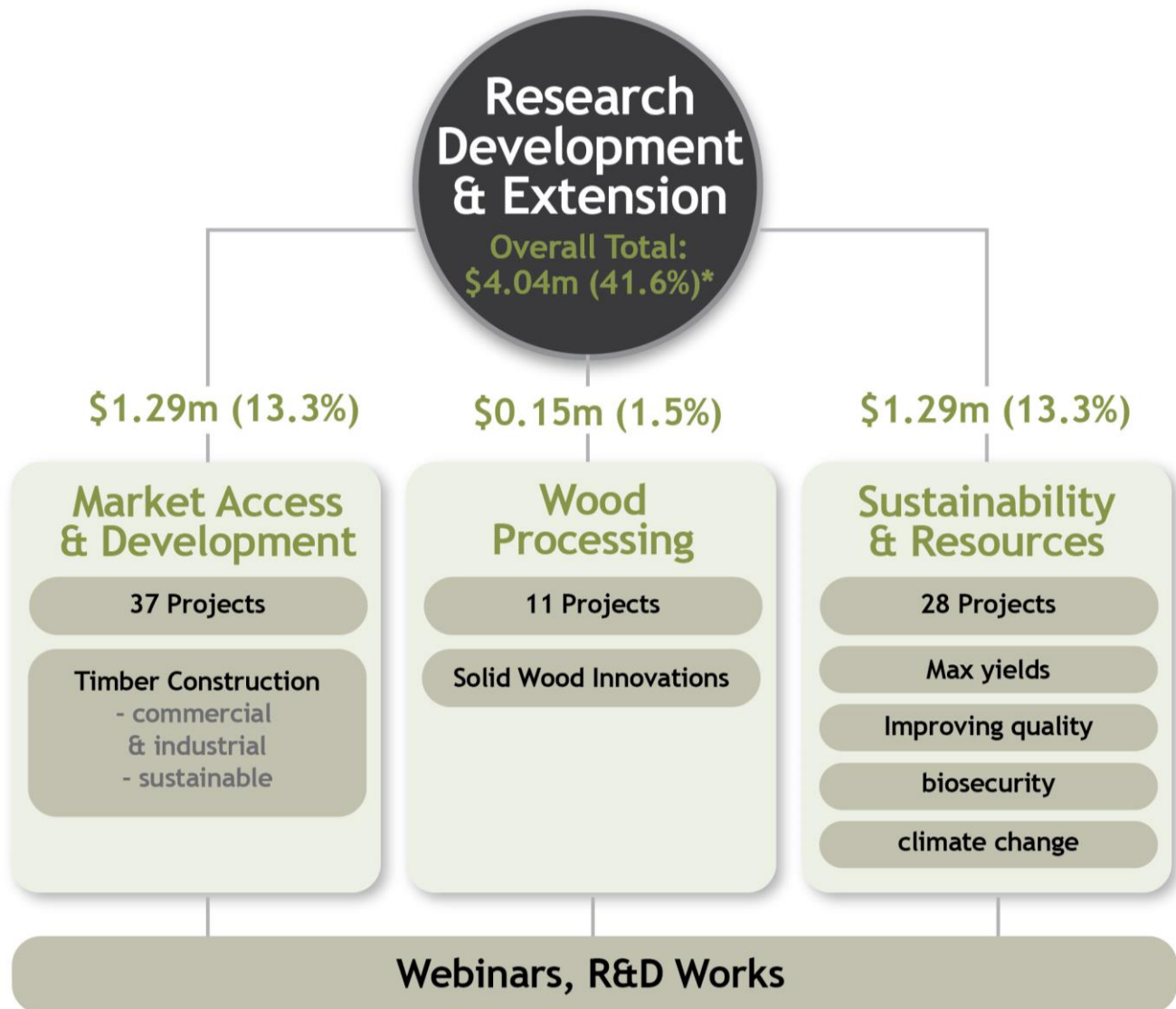
A collaborative program with the University of Tasmania's Centre for Sustainable Architecture with Wood. Following consultation with industry employers the first units are aimed at internal staff training. It is envisaged that, if successful, the scope of the program will be widened to include specifiers.

WoodSolutions Field Force

Overseas experience has shown the value of having a technical field force to advise architects, engineers and others involved in the design and construction process about the use of wood and wood products. During the year, FWPA gained a financial commitment from industry to fund a pilot program of the WoodSolutions technical field force in Victoria with an extension in Queensland. Both are to commence in 2016-17.

Working industry partners

The highly fragmented nature of the wood and wood products industry creates barriers to an integrated approach for communication and inhibits generic promotion or branding in the markets. The free Partner program addresses this by encouraging industry members to become licensed program members and access promotional materials to support the Wood. Naturally Better.™ brand and messages.



* percentages are for total expenditure excluding Voluntary Matching.

Improving our industry by increasing knowledge

The company's R&D investments are structured to deliver clear benefits to stakeholders (members, levy payers and the Commonwealth) through:

- improving new and existing products matched to market needs
- increasing industry profitability and efficient using inputs throughout the industry's value chain
- improving industry investment confidence by reducing risk
- enhancing the economic, social and environmental sustainability credentials of the industry.

New government matching funds for voluntary contributions

For the first time, industry collaborators making voluntary cash contributions to qualifying RD&E projects were able access matching payments from the Commonwealth Government.



Research projects supported under this program had proposed outcomes that were aligned to industry and Government R&D priorities. Following a call for proposals in March 2016 the following five projects were contracted:

- Baseline acoustic testing of CLT wall and floor systems (TDA)
- Koala Survey -UAV (Kingfisher Data Services)
- Utilisation of plantation harvest waste material for pharmaceutical applications (Quality Matters Safety Matters Pty Ltd)
- Industry wide application of advanced breeding tools and systems - Tree Breeding Australia (STBA)
- Establishing a comprehensive and accessible permanent growth plot dataset - a pilot study using Radiata pine plantations in the Green Triangle Region

Complementing other company activities

FWPA-funded R&D projects and technology transfer activities provide resources and content into the company's other programs such as the marketing and promotion program, particularly in the specifier-targeted WoodSolutions and the building codes and standards program.

Increasing efficiency by reducing local and international duplication

FWPA is a member and the major funder of the National Forum of the Research, Development and Extension (RD&E) Strategy, which was developed under the auspices of the National Primary Industries RD&E Framework. The Forum has developed national RD&E priorities for the sector and mechanisms for improved coordination.

FWPA has also been proactive in exploring international linkages with organisations in New Zealand, Canada, USA, Europe, South Africa and South America to reduce unnecessary duplication in R&D investments.

Technology transfer and communications

FWPA continued to successfully implement technology transfer and education activities. These include the R&DWorks newsletter published monthly and sent to a list of 1,428 subscribers and end-of-project webinars (14 webinars hosted during the year), the ForWood corporate newsletter and adding content to the FWPA website.

R&D project portfolio

During 2015-16, 26 contracted research projects were completed and delivered to stakeholders and

FWPA levy payers. An open call for project proposals in October 2016 resulted in 27 submissions from a wide range of individuals and organisations. A total of 17 projects were approved for funding under this round.

Market Access and Development

Current FWPA funding priorities in the Market Access and Development (MAD) sub-program are grouped around three priority areas identified by the MAD advisory group:

- timber construction in commercial and industrial buildings
- the use of wood in residential construction
- wood products in sustainable buildings.

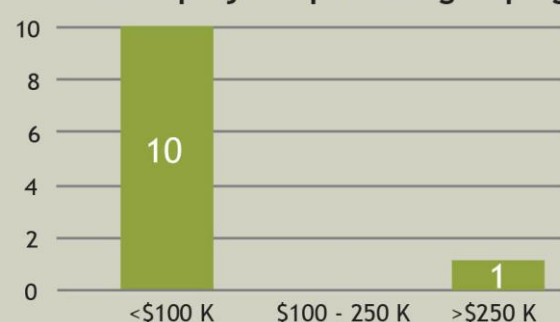
Number of projects per cost grouping



Wood Processing

Ongoing projects within the Wood Products program focus on the overall performance and yield of timber products and these are primarily delivered through FWPA's ongoing investment in the joint Australia-New Zealand Solid Wood Innovations research consortia. The Solid Wood Innovations consortium formally ceased operations on 30 June 2016. In response to levy payer feedback at its industry strategic planning workshops in February 2016, a new emphasis is being placed on timber durability and design life prediction. Planning has commenced for the establishment of a Centre of Excellence in timber durability and design life to be co-located with an Australian University. It is expected that the Centre will commence operations early in 2017.

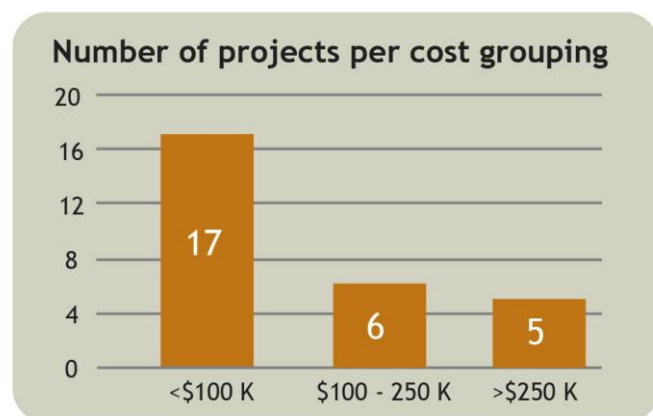
Number of projects per cost grouping



Sustainability and Resources

Project investments within the Sustainability and Resources sub-program are aligned to the following active FWPA investment priorities:

- maximising product yields and values from current resources
- improving wood quality and yield, and tools for forest management
- forest biosecurity and preparedness
- mitigation of and adaptation to climate change and the management of the carbon cycle in plantations and native forests.



Other projects

FWPA can consider project funding proposals not implicitly linked to the endorsed R&D priorities on a case-by-case basis. To secure FWPA support, these projects must demonstrate direct relevance to industry needs and deliver sufficient public good benefit to be approved by exception.

Highlights of completed projects were reported in the 2015-16 issues of R&D Works and ForWood, available from www.fwpa.com.au. Details of completed projects and ongoing investments are listed from page 51.

Commonwealth R&D for Profit Program

During the year, funding was received from the Australian Government Rural R&D for Profit program to support a new project, 'Lifting farmgate profitability through high value modular agroforestry'. The project is being led by CSIRO Land and Water with additional cash contributions from FWPA, Greening Australia, Forico and Dairy Australia.

A second project, led by the Cotton RDC, 'Accelerating precision agriculture to decision agriculture' was also approved for funding under this funding round. FWPA committed \$50,000 to the project. Cotton RDC will be the lead agency for contracting.

ARC Training Centres

Funded for five years, the ARC Industrial Transformation Training Centre for Forest Values at the University of Tasmania provides industry with the opportunity to develop and retain new research resources. The ARC Training Centre will also support three new postdoctoral fellows and 12 PhD students over the five-year period.

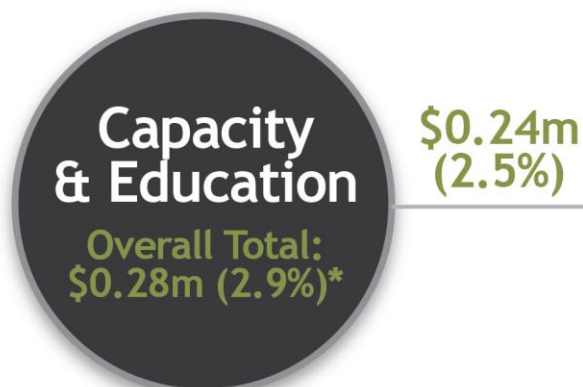
In addition to funding from FWPA, contributions were received from Forestry Tasmania, Forico, SFM and Neville Smith Forest Products, Greening Australia, Island Workshops and the University of Tasmania.

FWPA has also invested in the ARC Industry Transformation Training Centre for Advanced Manufacturing of Prefabricated Housing. The Centre is managed by the University of Melbourne and includes researchers from the University of Sydney, Monash University and Curtin University of technology along with support from 11 other industry partners.

Collaborative investment activities with research and development corporations

FWPA is an active participant on the Council of Rural Research and Development Corporations (CRRDC) program and seeks to leverage its levy and Government matching funds wherever possible by co-investing in programs of mutual benefit to other RDCs. During 2015-16, FWPA maintained its investment in the cross-sectoral climate change research strategy for primary industries program and evaluate investment opportunities in other cross-sectoral R&D programs where relevant.

During the year, FWPA also committed funding support to the data for decision project funded under the Rural R&D for Profit Program.



ForestLearning website

Education engagement campaign

PIEFA Conference

* percentages are for total expenditure excluding Voluntary Matching.

Informing the attitudes of new generations of students

Capacity and Education is FWPA's smallest program, accounting for 3% of the total budget. In previous years, the program included R&D extension activities that are now incorporated into Program 2. Currently, the program is solely focussed on developing and promoting curricula materials for school teachers (ForestLearning).

The ForestLearning Program

The ForestLearning program focuses on providing relevant resources for teachers, enabling them to successfully integrate forestry and sustainable wood product information into their classroom teaching, while complying with national curriculum guidelines.

Now entering its sixth year, the ForestLearning website - www.forestlearning.edu.au - provides forest-related lesson plans, facts, videos and online games for primary and secondary teachers via a one-stop-shop website.

The updated ForestLearning.edu.au website has gained positive feedback from participants and teachers alike. Nearly 5,000 downloads of teaching materials have exposed information about forests and forestry to an estimated audience approaching 50,000 students. Also proving popular are the ForestLearning Teacher Packs consisting of timber rulers, 3D trees, posters and post cards. Around 100 teachers a month are requesting a pack further extending the reach of the program.

Forest Industry Education Champions

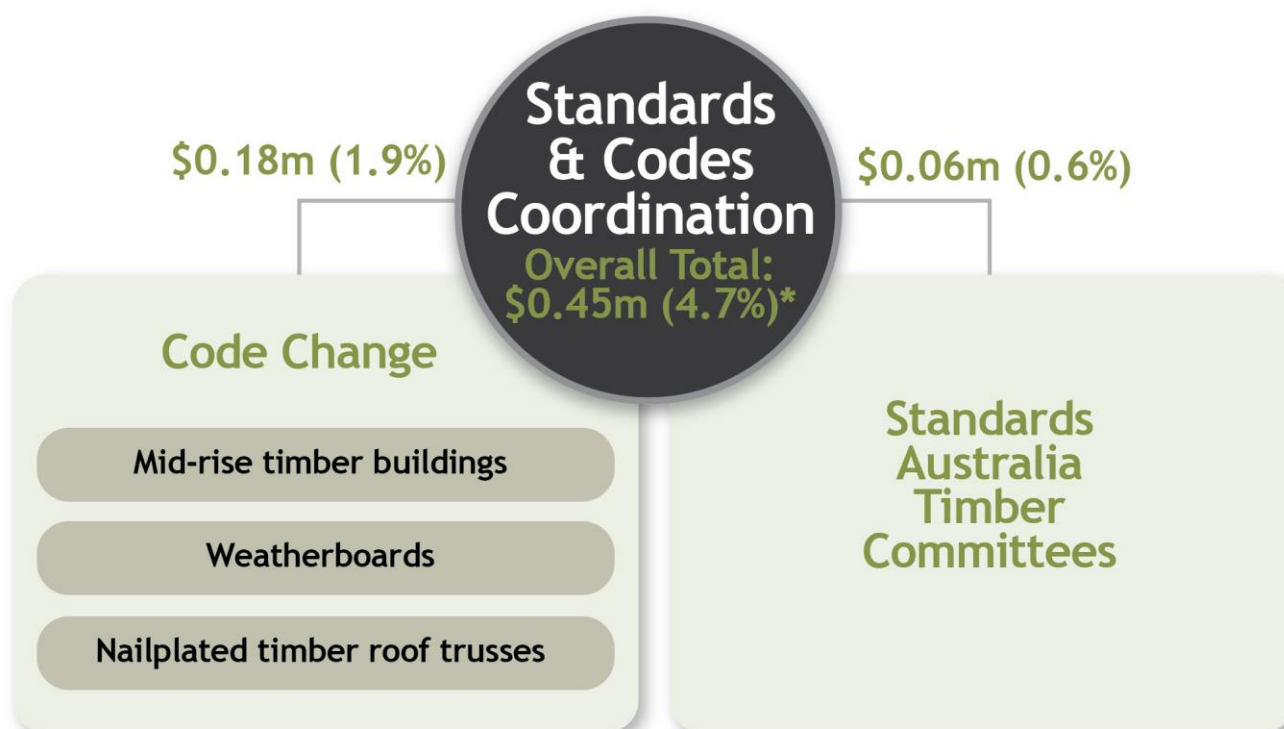
A new education engagement campaign, aimed at the forestry industry, was launched in November 2015. The campaign communications included postcard inserts in industry magazines, as well as banner ads and information on industry news sites.

The Forest Industry Education Champion campaign is built around the concept of industry people targeting teachers to form relationships, so that they become the forest and wood products 'knowledge expert' for their school and sharing information about the ForestLearning education site.



Primary Industries Education Foundation of Australia (PIEFA) Conference - Rick Zinn address

Leading US Forestry Educator Rick Zenn, from the World Forestry Centre in Oregon, spoke at the Primary Industries Education Foundation of Australia (PIEFA) Conference about the importance of including nature, trees and forests and wood products in classroom activities. Rick also led a teacher excursion to the National Arboretum and demonstrated to teachers the importance of understanding how sustainable timber production and forests go hand in hand.



* percentages are for total expenditure excluding Voluntary Matching.

Improving market access by addressing regulatory requirements

This program is designed to take a strategic and coordinated leadership role developing and managing building codes and standards to maintain or improve market access. The benefits include:

- reducing barriers to the use of wood products
- improving efficiency by developing and adopting industry-wide standards
- better fit-for-purpose products, safety, operating performance and sustainability
- increasing the understanding and adoption of standards and codes
- reducing cost of standards development.

Complementing other company activities

Activities with the standards and codes program are informed by the FWPA-funded R&D projects and technology transfer activities program and complemented by the promotions program, in particular WoodSolutions.

Proposals for change accepted and implemented

Three individual Proposals for Change (PFC) were submitted to the Australian Building Code Board (ABCB) in February 2015. The National Construction Code 2016 (Volumes One and Two) incorporating the proposed changes, was adopted

by all Australian States and Territories effective from 1 May 2016. The submitted proposals were:

Mid-rise Timber Buildings (NCC Vol. One)

This PFC proposed that timber-framed and massive timber buildings Class 2 (Apartments), Class 3 (e.g. Hotels), and Class 5 (Offices) up to an effective height of 25m (about 8 storeys) with sprinkler systems be recognised as a Deemed to Satisfy (DTS) solution.

Referencing of AS1720.4-2006 (NCC Vol. One)

This PFC requested that the NCC Vol. One list of Referenced Documents be updated to reference the AS 1720.4-2006 Timber structure - Fire resistance for structural adequacy of timber members edition of the Standard

Weatherboards (NCC Vol. 2)

This PFC requested that the NCC Vol. Two recognise the practice of installing profiled timber external cladding vertically and diagonally, in addition to horizontally, as a Deemed to Satisfy (DTS) solution.

Standards Australia Timber Committees

The three Standards Australia timber committees met as required to address a range of matters. As a nominating body, FWPA has a position on each committee.

Standards that were finalised and published during the year included:

TM-010 Timber Structures and Framing

- Finalisation and publishing of an amendment to AS 1720.1 Timber structures - Design methods
- Finalisation and publishing of a new standard AS 1720.3 Timber structures - Design methods
- Finalisation and publishing of a new standard AS 1720.5 Timber structures - Nailplated timber roof trusses
- Adoption of an international standard AS/NZS ISO 10984.1 Timber structures - Dowel-type fasteners - Determination of yield moment
- Adoption of an international standard AS/NZS ISO 10984.2 Timber structures - Dowel-type fasteners - Determination of embedding strength

TM-011 Engineered Timber Products

- Finalisation and publishing of an amendment to AS/NZS 2269.0 Plywood - Structural - Specifications
- Finalisation and publishing of AS/NZS 2754.1 Adhesives for timber and timber products - Adhesives for manufacture of plywood and laminated veneer lumber (LVL)

- Finalisation and publishing of a revision to AS 6669 Plywood - Formwork

TM-012 Timber Grading and Preservation

- Revision of the suite of standards in AS/NZS 1604 Specification for preservative treatment (Parts 1-5)
- Revision of the suite of standards in AS/NZS 1605 Methods for sampling and analysing timber preservatives and preservative-treated timber (Parts 1-4)

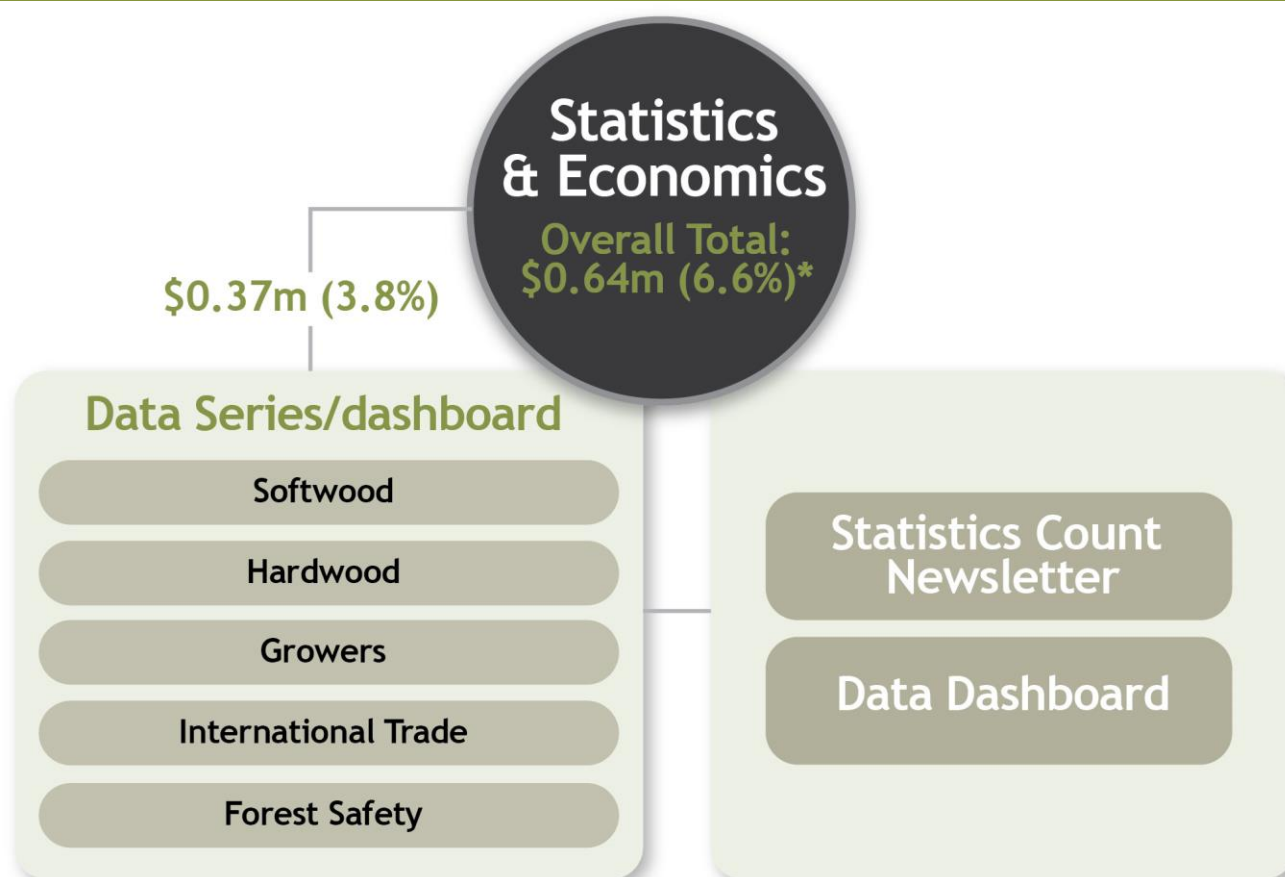
Building Related Standards

BD-006 Committee

- Amendment to AS/NZS1170.2:2011 Structural design actions -Wind actions
- Publishing of AS 1170.4 Structural Design Actions, Part 4: Earthquake Actions in Australia
- Amendment to AS 4055-2012 Wind loads for housing

FP-018 Committee

- Publishing of AS 5637 Determination of fire hazard properties
- Publishing of AS 5113 Fire propagation testing and classification of external walls of buildings



* percentages are for total expenditure excluding Voluntary Matching.

Impacting decision making by providing more timely and detailed information

Established in 2013, this program is continuing to develop the range of information offered to stakeholders by helping to facilitate broad participation in industry aggregation of key statistics and liaising with Commonwealth Government agencies and other local and international bodies. The program delivers benefits including:

- increasing confidence in statistics and economic data
- providing timely and relevant statistically-based information to assist business planning and decision-making
- improving the recognition of the value of statistical and economic data sets for industry applications
- reducing direct and indirect business costs by decreasing uncertainty associated with previous mechanisms for data collection and analysis.

Key data sets

Softwood timber series

This monthly data series allows industry to view an aggregate of softwood sales figures by category and period. Participants of the survey can log on to the portal to upload their information and view detailed data for softwood sales volumes by product category over time against their own data. The launch of a weighted average price data series which will complement the sales volume data series is also progressing. In addition, four major sawmilling companies are participating in a performance benchmarking initiative.

Hardwood timber series

During the year, the hardwood data series was launched and is now operating with ten foundation contributors, covering 43% of monthly hardwood timber sales, providing data to the confidential online portal.

Growers timber series

Following the Senior Growers Meeting in February 2015, the participation model was restructured to include three levels of data contribution:

- Tier 1 - volume
- Tier 2 - volume and weighted average price (replacing the ABARES GVP survey)
- Tier 3 - performance benchmarking.

This structure enables companies to participate at the level they are comfortable providing data. All major growers have now committed to contributing data.

Twenty companies have now provided historic quarterly data into the system. Final quality control checks are being undertaken and the data series will be launched in 2016/17.

Following the conclusion of the Protocol Agreements and agreement on the use of historic data, the system will be built and launched.

International trade data series

During the year, the international trade data series was launched. This provides an interactive chart that allows users to graph imports and exports of wood and wood products (in categories defined by ABARES/ABS) by volume or dollar value. The data series includes detailed product information for 60 - 8 digit AHECC export codes and 90 - 10 digit HTISC Import Codes.

New forest safety benchmarking portal

This new portal is now receiving historic data from 20 participant companies, which will provide information for Australian forest safety data.

This system will enable participating companies to compare their monthly safety performance with the Australian national average and top quartile performance.

Data Dissemination Projects

United States' industry data

Work has begun to establish access agreements for leading US industry indicator data. This will become available through the FWPA data dashboard in 2015/17. This will provide users with further understanding of the regional context in which the Australian industry operates. Discussion with US industry bodies are proceeding, with a view to broadening the data to include softwood lumber and wood panel production.

Data Dashboard

During 2015-16 the site received 235 user visits and 3,532 page views.

Statistics Count eNewsletter

Launched in September 2014, Statistics Count is designed to provide FWPA members with a quick summary of dashboard updates, information on market activity and commentary on matters of industry importance. The monthly newsletter is emailed to a database of 496 recipients.

Sector Studies

Socio-Economic Study

To ensure current information on the impact of the forest and wood products sector in regional communities continues to be available for industry and government stakeholders a socio economic study of six regions is being undertaken.



Directors' Report

Directors present this report on Forest and Wood Products Australia Limited ('the Company') for the financial year ended 30 June 2016.

Directors

During the reporting period, eight non-executive directors served on the Board including the Managing Director. Seven directors (including the Managing Director) were Directors of the Company for the full financial year.

Election of Directors

According to the Company Constitution, FWPA's Board shall comprise between five and nine directors (including the Managing Director) at least two of whom are non-member directors. After the first annual general meeting, directors, with the exception of the Managing Director who is an employee of the Company, are appointed on a rotational basis by the Company's voting members at the annual general meeting. The appointments are for terms of three years with a maximum of three consecutive terms.

Board of Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr John Simon	
Mr Craig Taylor	
Ms Christine Briggs	
Mr John McNamara	
Mr Brian Farmer	
Mr Jim Henneberry	
Mr Stephen Dadd	from 12 November 2015
Mr Ron Adams	until 12 November 2015
Mr Ric Sinclair	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Information on directors

CHAIRMAN (NON-MEMBER)

Mr John Simon



Mr Simon was appointed as the Chairman of FWPA in November 2015. He recently retired as CEO of the national timber wholesaler, Simmonds Lumber Group. After completing his masters in timber engineering, Mr. Simon worked in timber research at the Council for Scientific and Industrial Research (CSIR) in South Africa. He has been the Managing Director of Sterlands, the largest timber frame and truss producer in Australia; CEO of national timber distributor Pine Solutions; Managing Director of merchant and retailer Hudson Building Supplies; and Chairman of the Timber Development Association for 10 years. He is a member of the Housing Industry Association's Manufacturers and Suppliers Council and is a Fellow of the Australian Institute of Company Directors.

Board responsibilities:

Chair of Nominations and HR Committee and Chair of the Market Access and Development Advisory Group.

NON-EXECUTIVE DIRECTOR (NON-MEMBER)

Mr Craig Taylor



Mr Taylor is a Director and Principal of The Fifth Estate, a Sydney-based consulting firm that assists client strategy and business development. A tertiary qualified forester, he was Vice President and Associate Principal for Jaakko Pöyry Consulting, running the Asia Pacific groups solid wood consulting group between 1997 and 2003. Mr Taylor has held professional and executive roles with the State Forests of New South Wales, Boral Timber and Wesfi, and has wide experience in natural forest and plantation management, harvesting and log yard operations, production, planning, sales and marketing and general management in the forest products industry. He has published and presented internationally in the areas of hardwood plantations for high-value wood products, woodchip supply, demand and markets, plantations and water, regional industry development, forest products markets, restructuring of the Australian wood panels industry, plantation investment and industry development strategies. He holds Executive Director and Non-Executive Director roles for a number unlisted companies in Australia and New Zealand and is a member of the Australian Institute of Company Directors.

Board Responsibilities:

Member of the Audit and Finance Committee and Chair of Wood Processing Advisory Group.

NON-EXECUTIVE DIRECTOR

Ms Christine Briggs



Ms Briggs has had a rewarding career over 25 years in the timber industry, focussed largely on supplying the Australian building industry. She has held senior sales and marketing roles with major Australian timber manufacturing businesses such as CSR, Weyerhaeuser, Gunns and is currently at Timberlink Australia. She also spent some time in the US, working with Weyerhaeuser Building Materials during 2003. Ms Briggs' general management experience has covered sales, marketing and warehouse distribution. She has also had experience in timber supply chain management and national business management of major retail chain customers such as Bunnings. In her current role, GM Marketing and Business Development with Timberlink Australia, she is responsible for the market positioning of Timberlink and the development and adoption of the strategic direction for the business. Ms Briggs holds a Bachelor of Business degree with a Marketing Major from University of Technology, Sydney.

Board Responsibilities:

Member of the Audit and Finance Committee.

NON-EXECUTIVE DIRECTOR

Mr John McNamara



Mr McNamara is CEO of Parkside Group Milling and has more than 30 years' experience in the forest and forest products industry. Parkside is a company that specialises in native forest management and harvesting, sawmilling, value adding processing and distribution. Previously, Mr McNamara was the Managing Director of Hyne Timber for 18 years and he has held Senior Management roles in a number of companies throughout Australia.

Board responsibilities:

Chair of the Audit and Finance Committee and Member of Nominations and HR Committee.

NON-EXECUTIVE DIRECTOR

Mr Brian Farmer



Mr Farmer is a graduate forester from the Australian National University and has broad experience in forest operations, marketing and management. He has worked in New South Wales, Tasmania, South Australia and, more recently, in Queensland. Mr Farmer's experience covers native forest management as well as plantation forestry, and he has further supplemented his technical forestry skills with other aspects including policy, people and broader financial responsibilities. Mr Farmer is CEO of HQPlantations Pty Ltd, and also has roles with Timber Queensland and the Gottstein Trust. He is a strong advocate for forestry based on sound science, finance and stewardship, and argues that forestry should be delivered to the best possible standards using the best possible knowledge.

Board Responsibilities:

Member of Nominations and HR Committee and Chair of Sustainability Resources Advisory Group.

NON-EXECUTIVE DIRECTOR

Mr Jim Henneberry



Mr Henneberry has led complex, global businesses through director and executive roles. He brings strengths in strategic leadership, culture change, stakeholder engagement, operations and research to the board of FWPA. Mr Henneberry has served as MD and CEO of Australian Paper and director of PPM and the Australian Forest Products Association (AFPA) and is currently chair of Timberland's Pacific and Circa and a Trustee at Monash Australian Pulp and Paper Institute (APPI). He has held various management positions with CHH, International Paper and other international companies. Mr Henneberry co-chaired the Australian Government Pulp and Paper Industry Strategy Review and is well-placed to extend inclusive consultations with industry partners. He has also led business-focused research in fibre and pulp and paper and has credentials to be able to integrate this with forest and other wood product industries through the FWPA Board. He holds a Bachelor of Science (Pulp and Paper Engineering) from Syracuse University, New York, an MBA (International Marketing) from the University of Houston, completed advanced business leadership at GE's US Leadership Institute and is a graduate of the Australian Institute of Company Directors.

Board Responsibilities:

Member of the Audit and Finance Committee and Member of Nominations and HR Committee.

NON-EXECUTIVE DIRECTOR (from November 2015)

Mr Stephen Dadd



Mr Dadd is the Executive General Manager of Boral's Timber Division with responsibility for Boral's wood supply management, timber milling and product distribution businesses in Hardwood, Softwood and Residues. He is also on the Board of Highland Pine Products. Mr Dadd has worked in Boral's Timber business for 12 years and prior to that worked for the Boston Consulting Group and CSR's Sugar Division. He has a degree in Chemical Engineering and an MBA from the London Business School.

Board responsibilities:

MANAGING DIRECTOR

Mr Ric Sinclair



Before joining FWPA, Mr Sinclair spent seven years in the grocery and food industry where he worked in operations, corporate finance and strategy roles. Mr Sinclair has held operations, marketing and strategy roles at Origin Energy, KH Foods, Chiquita Brands and Amcor/PaperlinX. He holds a Bachelor of Science (Forestry) and a Master of Business Administration. Mr Sinclair was appointed to the role of Managing Director on 2 June 2008.

Board Responsibilities:

Invited guest to the Audit and Finance Committee.

CHAIRMAN AND NON-EXECUTIVE DIRECTOR (until November 2015)

Mr Ron Adams

Managing Director of Wespine Industries Pty Ltd, Mr Adams is also President of Forest Industries Federation of WA and a Trustee of J.W. Gottstein Memorial Trust. He was formerly a Director of the National Association of Forest Industries (NAFI) and a member of the WA Minister for Forestry's Timber Plantation Advisory Group and The Australian Plantation Products and Paper Industry Council (A3P). He holds an associateship in Mechanical Engineering, is a graduate of the Harvard Business School International Advanced Management Programme and a Foundation Fellow of the Australian Institute of Company Directors.

Board responsibilities:

Chair of the Nominations and HR Committee.

Board committees

Board committees ensure appropriate management and review of company operations, and make certain that investments are adequately evaluated and deliver outcomes to Company Members and other stakeholders. The Board committees are: Audit and Finance Committee and Nominations and Human Resources Committee. All committee members listed below were members of the committee for the entire year, unless otherwise specified.

Audit and Finance Committee (A&FC)

Members:

Mr John McNamara (Chair)

Mr Craig Taylor

Ms Christine Briggs

Mr Jim Henneberry

Invited guests:

Mr Ric Sinclair

Mr Jason See

The key tasks of the Audit and Finance Committee are to:

- Ensure prudent management of the Company's finances; ensure the Board makes informed decisions regarding the Company's overall expenditures; ensure activities approved by the Board are consistent with Australian law relating to prudent financial management; and provide a general overview of the Company's financial management
- Liaise with FWPA's auditors; review the adequacy of internal controls and of compliance with relevant laws, regulations, policies and procedures; report to the Board on the adequacy of audit procedures; and promote accurate, high-quality and timely disclosure of financial and other information to the Board and key stakeholders.

Nominations and Human Resources Committee (N&HRC)

Members:

Mr Ron Adams (Chair)(until November 2015)

Mr John Simon (Chair)(from November 2015)

Mr Jim Henneberry

Mr John McNamara

Mr Brian Farmer

Ms Lesley Austin (Secretary)

The secretary is an independent and external consultant.

The key tasks of the Nominations and Human Resources Committee are to:

- establish procedures and systems to assess Board performance, identify skill gaps and work with the Director Selection Committee to ensure an ongoing focus on Board composition to meet legal obligations, stakeholder requirements and best practice corporate governance
- ensure that the Company's remuneration and human resources policies and systems support the Board's desired organisational culture and capacity
- approve procedures and systems for the Company relating to staff and director remuneration, human resources and OH&S that are in accordance with agreed Board policies and directions
- approve annual adjustments for the remuneration of the managing director and the managing director's direct reports
- approve annual performance targets and assessment of performance against the targets.

Board meetings

During the reporting period the Board held five meetings. Details of attendance by individual Board members are provided below:

DIRECTOR	BOARD		AUDIT AND FINANCE COMMITTEE		NOMINATIONS AND HUMAN RESOURCES COMMITTEE	
	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend
Mr Ron Adams	2	2			1	1
Mr John Simon	5	5			1	1
Mr John McNamara	5	5	2	2	1	1
Mr Craig Taylor	5	5	2	2		
Mr Jim Henneberry	5	5	2	2	0	1
Ms Christine Briggs	5	5				
Mr Brian Farmer	3	5			0	1
Mr Stephen Dadd	2	3				
Mr Ric Sinclair	5	5	1	2		

Principal activities

The principal activities of the FWPA during the financial year comprised:

- providing research and development to support the Australian forest and wood products industry
- providing domestic marketing and promotion services to the Australian forest and wood products industry.

Significant changes in state of affairs

There have been no significant changes in the nature of these operations during the period.

Objectives

- Invests in outcome-oriented research and development (R&D) and encourages the adoption of R&D findings
- Manages the generic promotion of the forest and wood products sector
- Plays a role in developing the capacity and skills of people in the industry, including the adoption of technologies
- Coordinates the sector's approach to timber standards and building codes
- Coordinates the collection and analysis of reporting of industry statistics and economic measures on behalf of its members and levy payers.

Strategies

- Promote the benefits and usage of forests and wood products, in accord with changing community attitudes, environmental awareness, and market trends (**Generic Promotion**)
- Invest in and coordinate research and development to improve the industry's competitiveness, inform its climate change response, enhance investment, increase usage, and ensure the sustainability of forests, wood products and services (**Research Development and Extension**)
- Grow the industry's capacity and capability through effective technical transfer and focused education activities that support the industry and its products (**Capacity and Education**)

- Coordinate the industry's management of consensus-based standards and building codes to maintain or improve market acceptance of the industry's products (**Standards Coordination**)
- Coordinate the collection and analysis of key industry statistics and other economic analyses to support commercial decision-making and policy development within the sector (**Statistics and Economics Coordination**).

Results of operations

The operating result for the financial year to 30 June 2016 was an operating surplus of \$55,617 (2015: \$146,259 surplus).

Significant events after the reporting date

No matters or circumstances have arisen since the end of the financial year which in the opinion of the Directors have significantly affected or are likely to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Code of conduct

The FWPA Code of Conduct requires the Board and all staff to promote high standards of ethics and integrity. The language, attitudes and actions of directors, senior management and staff must reflect the principles of integrity and ethics, as well as the company's values and culture. The Code of Conduct recognises that FWPA's employees are vital to the fulfilment of the Company's purpose and, consequently, the highest level of staff satisfaction, health and safety must be maintained. It also encourages directors and staff to commit to the philosophy of continuous improvement at the corporate and individual levels.

Conflict of interest and register of interests

A director must disclose an interest wherever he or she considers there is a potential perceived conflict of interest and a Declaration of Directors' Interests is a standing agenda item for all Board meetings. This policy is consistent with Section 21 of the *Corporations Act 2001*.

Members' Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards any outstanding obligations of the Company. At 30 June 2016 the number of members was 176.

Risk management, fraud control and business recovery

The company has risk management, business recovery and fraud control plans in place. It also maintained a human resource policy and procedures, work health safety and a Corruption and Fraud Control policy, a Whistleblower policy and a policy and procedure manual.

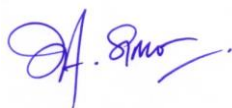
Environmental regulation and performance

The Company is not subject to any particular or significant environmental regulation.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 8 of the financial report.

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



John Simon
Director
26 August 2016



Alaric Sinclair
Director
26 August 2016



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Forest and Wood Products Australia Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A blue ink signature, appearing to be 'RSM', written in a stylized, cursive script.

RSM AUSTRALIA PARTNERS

A blue ink signature, appearing to be 'R B Miano', written in a stylized, cursive script.

R B MIANO
Partner

Melbourne, Victoria
Dated: 26 August 2016

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Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	3(a)	9,886,927	8,712,902
Other income	3(c)	835,397	288,842
Generic promotion	4(a)	(4,290,710)	(3,354,540)
Research development and extension	4(b)	(4,042,966)	(3,534,871)
Capacity and education	4(c)	(284,509)	(503,004)
Standards coordination	4(d)	(446,633)	(712,191)
Statistics and economics	4(e)	(642,707)	(750,879)
Voluntary contribution projects	4(f)	(959,182)	-
Net surplus before income tax expense		55,617	146,259
Income tax expense	1(r)	-	-
Surplus after income tax expense for the year attributable to the members of Forest and Wood Products Australia Limited		55,617	146,259
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Forest and Wood Products Australia Limited		55,617	146,259

Statement of Financial Position
As at 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
Current assets			
Cash & cash equivalents	5	1,432,620	3,007,144
Trade and other receivables	6	2,350,426	1,073,949
Financial assets	7	3,649,060	2,102,499
Total current assets		7,432,106	6,183,592
Non-current assets			
Furniture and equipment	8	166,314	187,074
Total non-current assets		166,314	187,074
TOTAL ASSETS		7,598,420	6,370,666
LIABILITIES			
Current liabilities			
Trade and other payables	9	867,227	383,167
Short-term provisions	10	306,654	286,695
Other current liabilities	11	709,086	24,286
Total current liabilities		1,882,967	694,148
Non-current liabilities			
Other long-term provisions	10	26,448	18,844
Other non-current liabilities	11	121,428	145,714
Total non-current liabilities		147,876	164,558
TOTAL LIABILITIES		2,030,843	858,706
NET ASSETS		5,567,577	5,511,960
EQUITY			
Retained surplus		5,567,577	5,511,960
TOTAL EQUITY		5,567,577	5,511,960

Statement of Changes in Equity
For the year ended 30 June 2016

	Retained surplus \$	Total \$
Balance at 1 July 2014	5,365,701	5,365,701
Net surplus for the year after income tax	146,259	146,259
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	146,259	146,259
Balance at 30 June 2015	5,511,960	5,511,960
Balance at 1 July 2015	5,511,960	5,511,960
Net surplus for the year after income tax	55,617	55,617
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	55,617	55,617
Balance at 30 June 2016	5,567,577	5,567,577

Statement of Cash Flows
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities:			
Receipts from members and government		9,171,840	9,027,665
Lease incentive received		170,000	-
Payments to suppliers and employees		(9,464,412)	(8,884,529)
Interest received		160,344	171,927
Net cash provided by operating activities	12	<u>37,772</u>	<u>315,063</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(12,297)	(190,785)
Disposal / (acquisition) of financial assets		(1,612,297)	900,000
Net cash provided by (used in) investing activities		<u>(1,612,805)</u>	<u>709,215</u>
Net increase / (decrease) in cash and cash equivalents		(1,574,525)	1,024,279
Cash and cash equivalents at the beginning of the financial year		<u>3,007,145</u>	<u>1,982,866</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>1,432,620</u></u>	<u><u>3,007,145</u></u>

Summary of significant accounting policies

a) General information

The financial statements cover Forest and Wood Products Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Forest and Wood Products Australia Limited's functional and presentation currency.

Forest and Wood Products Australia Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 August 2016. The directors have the power to amend and reissue the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

b) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has applied AASB 1053 from 1 July 2013. This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards -Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

The company has applied AASB 2010-2 from 1 July 2013. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project -Reduced Disclosure Requirements, AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and AASB 2012-11 Amendments to Australian Accounting Standards -Reduced Disclosure Requirements and Other Amendments

The company has applied AASB 2011-2, AASB 2012-7 and 2012-11 amendments from 1 July 2013, to the extent that they related to other standards already adopted by the company. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations to significantly reduce the company's disclosure requirements.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13

The company has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)

The company has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring re-measurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

AASB 2012-2 Amendments to Australian Accounting Standards -Disclosures -Offsetting Financial Assets and Financial Liabilities

The company has applied AASB 2012-2 from 1 July 2013. The amendments enhance AASB 7 'Financial Instruments: Disclosures' and requires disclosure of information about rights of set-off and related arrangements, such as collateral agreements. The amendments apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement. The Company has considered the impact of AASB 2012-2 in the preparation of the financial statements and that there has been no change to the disclosure in these financial statements resulting from AASB 2012-2.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle

The company has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the

financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities. The Company has considered the impact of AASB 2012-5 in the preparation of the financial statements and that there has been no change to the disclosure in these financial statements resulting from AASB 2012-5.

c) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

d) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised as interest accrues using the specific interest rate applicable.

Members' levies are recognised on advice of entitlement from the Department of Agriculture and Water Resources and from State Growers' estimates of their levies payable.

Government contributions for matched payments are recognised at fair value where there is reasonable assurance that the contribution will be received and all conditions will be met.

All revenue is stated net of the amount of goods and services tax (GST).

e) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

g) Held-to-maturity investments

Term deposit holdings are classified as held-to-maturity investments as the company has the positive intent and ability to hold those securities to maturity - generally being 3-12 months from commencement. Held-to-maturity investments are recognised in the Statement of Financial Position upon purchase of the investment. Measurement is based on contractually agreed amounts with financial institutions wherein the investments are held. Held-to-maturity investments are recognised as Cash and Cash Equivalents where the maturity from balance date occurs in 3 months or less, otherwise they are recognised as short-term Financial Assets where the maturity from balance date is greater than 3 months, but at 12 months or less. Interest earned on held-to-maturity investments is recognised as revenue upon receipt and as accrued.

h) Furniture and equipment

Each class of furniture and equipment is carried at historical cost, less, where applicable, accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributed to the acquisition of the items.

Purchases of furniture and equipment are recognised initially at historical cost, except for purchases costing less than \$1,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

The depreciation rates used for each class of depreciable assets are:

Office furniture and equipment	13% -27%
Leasehold improvements	20%

i) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

j) Trade and other receivables

Receivables are recognised at amortised cost, less any provision for impairment.

k) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

l) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m) Employee provisions

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

Superannuation

Employees of the Company are members of the AustralianSuper, Equisuper, BT Financial Group, VicSuper, Care Super and Jim Houghton's Superannuation Fund. Contributions are made to the Company employee superannuation funds and are charged as expenses when incurred.

n) Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

o) Deferred revenue

When revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, it is considered a reciprocal transaction and the revenue is recognised as a liability until the service has been delivered to the contributor.

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Commonwealth Funding which has been received but not expended has been recorded as deferred revenue in accordance with the Agreement with the Commonwealth Government until such time as the funds are expended for the conduct of the activities in accordance with the agreement.

p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Commitments and contingencies are disclosed with GST recoverable from, or payable to, the tax authority.

q) Lease

Leases are classified as finance or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a finance lease. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred. The Company does not have any finance leases.

r) Income taxes

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

s) *Rounding of amounts*

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investment Commission, relating to rounding-off. Amounts in this report have been rounded-off in accordance with that Class Order to the nearest dollar.

t) *Economic dependence*

Forest and Wood Products Australia Limited (FWPA) is dependent on the Department of Agriculture and Water Resources for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support FWPA Limited.

1. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets

The company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision

There is provision for make good to the office, as required by the office lease.

		2016	2015
		\$	\$
3	Revenue		
(a)	Revenue		
	Commonwealth matching	4(h) 3,801,871	3,314,970
	Voluntary matching	479,591	-
	Industry contributions	3(b) 5,605,464	5,397,932
	Total revenue	9,886,926	8,712,902
(b)	Industry contributions		
	Processors	3,089,881	2,994,200
	Importers	1,033,102	1,072,198
	Growers	1,041,209	909,807
	State growers	428,001	412,789
	Penalties	13,271	8,938
	Total industry contributions	5,605,464	5,397,932
(c)	Other revenue		
	Bank interest received	164,655	211,972
	Industry project contributions	15,000	17,950
	Voluntary project contributions	479,591	-
	Others	176,151	58,920
	Total other revenue	835,397	288,842
4	Program expenses		
(a)	Generic Promotion (GP)		
	Consumer activities	1,254,115	1,447,507
	Specifier activities	107,570	140,291
	Specifier information & education activities (M)	2,030,890	987,957
	Program Partner activities	1,581	2,746
	Program support management	360,101	478,627
	Program support management (M)	536,453	297,412
		4,290,710	3,354,540
(b)	Research Development and Extension (RD&E)		
	Market access development	1,292,378	807,413
	Solid wood processing	150,245	505,000
	Sustainability & resources	1,293,750	1,201,575
	Stakeholder consultation & development	220,882	140,511
	Program support management	1,085,711	880,372
		4,042,966	3,534,871
(c)	Capacity and Education (C&E)		
	Technology transfer activities	-	222,686
	Education activities	239,057	191,975
	Program support management	45,452	88,343
		284,509	503,004
(d)	Standards Coordination (SC)		
	Standards coordination activities	58,650	76,150
	Standards coordination information & education activities (M)	179,655	339,682
	Program support management	51,339	54,247
	Program support management (M)	156,988	242,112
		446,632	712,191
(e)	Statistic and Economics (S&E)		
	Program activities	370,787	454,726
	Program support management	271,920	296,153
		642,707	750,879

	2016 \$	2015 \$
(f) Voluntary Contributions Project		
Program activities	959,182	-
Program support management	-	-
	<u>959,182</u>	<u>-</u>
(g) Employee benefits expenses*		
Wages and salaries	1,234,910	1,201,066
Annual leave	2,905	25,031
Increase to long service leave provision	32,300	40,944
Superannuation contributions	101,875	97,560
	<u>1,371,990</u>	<u>1,364,601</u>
* Employee benefits expenses were allocated into various program support management from 4(a) to 4(e) above as per cost allocation policy.		
(h) Matchable Expenses		
Specifier information & education activities	2,493,241	1,277,524
RD&E expenses	4,042,966	3,517,114
C&E expenses	284,509	503,034
Standards Coordination information & education activities	314,143	581,794
S&E expenses	642,707	750,473
Levies costs	(173,824)	-
	<u>7,603,742</u>	<u>6,629,939</u>
Commonwealth Matching (total matchable divide by 2)	3,801,871	3,314,970
5 Cash and cash equivalents		
Cash on hand	200	200
Cash at bank	32,420	306,944
Short-term bank deposits	1,400,000	2,700,000
	<u>1,432,620</u>	<u>3,007,144</u>
6 Trade and other receivables		
CURRENT		
Commonwealth matching	1,063,364	628,720
Levies receivable	193,637	203,355
Interest receivable	13,374	217
Prepayments	43,586	16,084
Field force	60,500	-
Voluntary contribution	3,135	-
Voluntary matching	527,550	-
Government grant	445,280	-
Lease incentive receivable	-	170,000
GST receivable/ (payable)	-	55,573
	<u>2,350,426</u>	<u>1,073,949</u>
7 Other financial assets		
Held to maturity investment: long term bank deposits	3,629,500	2,029,500
Interest receivable	19,560	72,999
	<u>3,649,060</u>	<u>2,102,499</u>

	2016 \$	2015 \$
8 Furniture and equipment		
FURNITURE AND EQUIPMENT		
Office equipment		
At cost	169,671	159,918
Less accumulated depreciation	(79,110)	(59,603)
Total office equipment	90,561	100,315
Improvements		
At cost	90,423	87,880
Less accumulated depreciation/impairment	(14,670)	(1,121)
Total improvements	75,753	86,759
	166,314	187,074

(a) Movements in Carrying Amounts

	Office Equipment	Improvements	Total
	\$	\$	\$
Balance at 30 June 2014	11,623	-	11,623
Additions	102,905	87,880	190,785
Depreciation expense	(14,213)	(1,121)	(15,334)
Balance at 30 June 2015	100,315	86,759	187,074
Balance at 30 June 2015	100,315	86,759	187,074
Additions	10,749	2,543	13,292
Disposals	(487)	-	(487)
Depreciation expense	(20,016)	(13,549)	(33,565)
Balance at 30 June 2016	90,561	75,753	166,314

	2016 \$	2015 \$
9 Trade and other payables		
CURRENT		
Trade payables	795,780	335,012
	795,780	335,012
Other payables & accruals		
Audit fee	12,100	11,550
GST payable	19,395	-
PAYG tax & FBT (BAS)	39,952	36,605
	71,447	48,155
	867,227	383,167

10 Provisions				
	Annual Leave	Long Service Leave	Make good of premises	Total
	\$	\$	\$	\$
Balance at 30 June 2015	87,831	207,708	10,000	305,539
Additional provisions	23,587	22,299	-	45,886
Amounts used	(18,323)	-	-	(18,323)
Balance at 30 June 2016	93,095	230,007	10,000	333,102

	2016 \$	2015 \$
Analysis of total provisions		
Current		
Employee benefits -annual leave	93,095	87,831
Employee benefits -long service leave	210,703	197,436
Make good of premises	2,856	1,428
	<u>306,654</u>	<u>286,695</u>
Non-current		
Employee benefits -long service leave	19,304	10,272
Make good of premises	7,144	8,572
	<u>26,448</u>	<u>18,844</u>
	<u>333,102</u>	<u>305,539</u>

11 Other liabilities

Current		
Lease incentive liability	24,286	24,286
Deferred revenue	684,800	-
	<u>709,086</u>	<u>24,286</u>
Non-current		
Lease incentive liability	121,428	145,714
	<u>121,428</u>	<u>145,714</u>
Total other liabilities	<u>830,514</u>	<u>170,000</u>

12 Cash Flow information

Reconciliation of Cash Flow from operations with profit after income tax		
Net income for the year	55,617	146,259
Non-cash flows in profit		
Depreciation, amortisation and impairments	33,565	15,334
Write off of assets	(509)	-
Changes in assets and liabilities, net of the effects of transfers of operations		
(Increase)/decrease in trade and term receivables	(1,276,477)	66,228
(Increase)/decrease in interest receivables	53,439	(40,379)
Increase in trade payables and accruals	484,060	(100,346)
Increase in provisions	27,563	57,967
Increase in other liabilities	660,514	170,000
Cash flow from operations	<u>37,772</u>	<u>315,063</u>

13 Key management personnel compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of Forest and Wood Products Australia Limited, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	2016 \$	2015 \$
Aggregate compensation	522,884	500,986

14 Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 13.

Transactions with related parties

Various project expenditures were made to the following director related entities. The directors involved took no part in any relevant decisions of the Board. The directors related to the various entities are listed next to them.

	2016 \$	2015 \$
Project expenditure		
Australian Forest Products Associations (R. Adams)	610	79,200
J.W. Gottstein Memorial Trust (R. Adams, R. Sinclair, J. Simon, B. Farmer)	2,000	1,500
Timber Development Association (J. Simon*)	66,790	563,802
Australian Timber Importers Federation (J. Simon)	-	1,650
ForestWorks ISC (J. Henneberry)	-	1,985
Timber Queensland (B. Farmer)	29,039	36,637
The Fifth Estate Consultancy (Craig Taylor)	-	38,803
Timberlands Pacific (J. Henneberry)	214	-

* Notes: Mr John Simon director term with Timber Development Association ended 11 November 2015.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

15 Contingent assets or liabilities

There were no contingent assets or liabilities as at 30 June 2016. (FY 2015: \$0)

16 Amounts guaranteed

The Company has issued a guarantee in the amount of \$29,500 in favour of Parkside Properties Pty Ltd with respect to an agreement for leased premises at Level 11, 10-16 Queen Street, Melbourne. The guarantee is held in term deposit with Commonwealth Bank of Australia.

17 Operating Lease Commitments (non-cancellable)¹

	2016 \$	2015 \$
BY MATURITY		
Operating lease commitments		
Within one year	115,504	111,329
One to five years	621,971	622,488
More than five years	-	114,987
	<u>737,475</u>	<u>848,804</u>

NB: Commitments are GST-inclusive where relevant.

¹ Operating leases included are effectively non-cancellable and comprise leases for office accommodation.

Leasing arrangement: Lease payments are subject to annual increase in accordance with upwards movements in the Consumer Price Index.

Operating lease commitments included leases under non-cancellable operating lease expiring within 1-5 years.

18 Project commitments

	2016 \$	2015 \$
BY MATURITY		
Commitments		
One year or less	2,522,083	1,251,966
From one to five years	2,541,508	866,130
Total commitments by maturity	<u>5,063,592</u>	<u>2,118,096</u>

NB: Commitments are GST-inclusive where relevant.

19 Russell Grimwade Trust

The administration and funds of the Russell Grimwade Trust have been transferred to the Institute of Foresters of Australia last year. The Department of Agriculture and Water Resources has been notified.

20 Events after the reporting period

No matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect, the company's operations, the results of those operations, or the company's state of affairs in future financial years.

21 Company details

The registered office of the Company is:

Forest and Wood Products Australia Limited
Level 11, 10-16 Queen Street
Melbourne Victoria 3000

Directors' Declaration

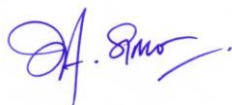
In accordance with a resolution of the directors of Forest and Wood Products Australia Limited, the directors declare that:

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards -Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Director.....
John Simon



Director.....
Alaric Sinclair

Dated this 26th day of August 2016



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
FOREST AND WOOD PRODUCTS AUSTRALIA LIMITED**

We have audited the accompanying financial report of Forest and Wood Products Australia Limited, which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Forest and Wood Products Australia Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion the financial report of Forest and Wood Products Australia Limited is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirement and the *Corporations Regulations 2001*;

A handwritten signature in blue ink, appearing to read "RSM", is positioned above the text "RSM AUSTRALIA PARTNERS".

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read "R B Miano", is positioned above the text "R B MIANO Partner".

R B MIANO
Partner

Melbourne, Victoria
Dated: 1 September 2016



PROGRAM 2: RESEARCH, DEVELOPMENT & EXTENSION (RD&E)

Project Description	FWPA Investment \$	Total Project Costs \$	Status	Project No.
Investment Priority 2. Timber construction in residential buildings				
Creating a Pathway to Build Timber Frame Houses in a Traditionally Double-Brick Housing Market	103,400	418,400	→	PNA371-1516
Timber Insight Pty Ltd				
Identification of target project for timber use	11,820	11,820	→	PRA392-1516
Navire Advisory Pty Ltd				
Improving Thermal Efficiency in Lightweight Construction	98,500	432,450	✓	PNA289-1213
University of Tasmania				
Structural framing decisions in the detached housing and lower-rise attached dwelling market	45,000	45,000	→	PRA396-1516
Australian Construction Insight (ACI)				
Weatherproofing verification of timber cladding profiles based by the verification method given in 2015 BCA Part F1	40,000	68,150	→	PNA382-1516
Timber Development Association (NSW) Ltd				
Investment Priority 3. Timber construction in commercial and industrial buildings				
7 Storey Timber Framed Apartment building (case study)	20,000	20,000	→	PRA395-1516
Timber Development Association (NSW) Ltd				
A Road Map for the Design of Large Commercial and Multi Residential Timber Buildings	75,000	105,000	✓	PRA320-1314
Timber Development Association (NSW) Ltd				
ARC Centre for Advanced Manufacturing of Prefabricated Housing	30,000	4,030,000	→	PRA373-1516
University of Melbourne				
ARC Industrial Transformation Training Centre for Forest Value	50,000	3,600,000	→	PRA372-1516
University of Tasmania				
Australian Wood Product Manufacturers - Environmental Life Cycle Inventory Update	119,000	289,515	→	PNA384-1516
Thinkstep Pty Ltd				
Char calculation methodology to provide structural, insulation and integrity fire resistance rating for solid timber and engineered wood wall, floor and roof elements	75,100	99,100	→	PRA319-1314
Timber Development Association (NSW) Ltd				
FWPA R&D Investment Plan for: Fire Performance in residential medium to high density dwellings	11,392	11,392	✓	PRA367-1516
EFT Consulting				

→ Ongoing reports

✓ Completed reports

Green Star compliant Environmental Product Declarations (EPDs) for Timber Products	131,072	161,072	➡	PRA321-1314
Timber Development Association (NSW) Ltd				
Guide to wood construction systems	45,000	137,000	➡	PNA323-1314
University of Tasmania				
Improving profitability in multi residential and commercial construction timber supply chains using a Building Information Modelling decision framework	2,500	117,500	➡	PNA383-1516
University of South Australia				
Increasing the timber office fit-out market by designing for measurable life cycle benefits	121,300	287,300	➡	PNA322-1314
University of Technology Sydney				
Investigate implications of NCC2016 changes to DTS for 25m timber buildings on supply of sawn timber	11,000	11,000	➡	PRA391-1516
TimberED Services Pty Ltd				
Long-span timber floor and framing systems for commercial buildings	182,000	579,905	➡	PNA341-1415
University of Technology Sydney				
Measuring installation productivity on panelised and long span timber construction	53,000	109,500	➡	PNA329-1314
University of Technology Sydney				
Panelised and off-site building systems	62,000	201,000	➡	PNA324-1314
University of Tasmania				
Review of new and emerging international wood modification technologies	30,000	30,000	✓	PRA350-1415
SCION				
Strength verification of MDF products and fitness for purpose in structural applications	51,970	294,900	➡	PNA364-1516
University of the Sunshine Coast				
Study the influence of perpendicular to grain compression and creep in 4 to 8 Storey Lightweight Timber Framed Buildings	50,000	50,000	➡	PNA394-1516
Timber Development Association (NSW) Ltd				
Trialling the value of RFID tracking systems in prefabricated Timber Construction	16,604	117,521	➡	PNA381-1516
University of Technology Sydney				
Understanding psychological barriers to widespread acceptance of mass timber construction in Australia	70,000	124,017	✓	PNA309-1213
Monash University				
Understanding timber design life and durability	85,350	85,350	✓	PRA353-1415
Pollinate (Cutthru Pty Ltd)				
Updating of fire safety supporting documentation for BCA	37,080	37,080	➡	PRA277-1112
Exova Warringtonfire				

➡ Ongoing reports ✓ Completed reports

Investment Priority 4. Wood products in sustainable buildings				
Best practice for timber end-of-life options in whole of life building	11,000	20,000	➡	PRA253-1112
Timber Development Association (NSW) Ltd				
Development of an FWPA Research and Development Investment Plan for hardwood products: performance, yield and market opportunities	28,245	28,245	✓	PRB356-1415
University of Tasmania				
High-tech modular building components with high contents of Australian hardwoods	120,000	980,000	➡	PNA380-1516
CSIRO				
Industrial heat credits from sawmill and other agricultural by-products	12,960	12,960	✓	PRA399-1516
Energetics Pty Ltd				
Investigate the possibility of using wood powder as feedstock for 3D printing	20,000	176,000	➡	PNA360-1516
University of Southern Queensland				
Life Cycle Assessment of a 5 Storey Residential Building in Parkville	26,400	26,400	✓	PRA344-1415
RMIT				
Microtimber - Development of a 3D-printed, gradient timber panel composed of forestry waste - and by-products	40,000	355,159	➡	PNA359-1516
University of Sydney				
Thought leadership for Forest Industry Council	68,600	68,600	✓	PRA355-1415
Ernst & Young				
Timber Flooring Systems market research	30,000	30,000	✓	PRA369-1516
Pollinate (Cutthru Pty Ltd)				
Understanding thermal mass and ventilation in lightweight structures (Ben Slee)	105,000	210,000	➡	PGD296-1213
The University of Sydney				
Investment Priority 5. Solid wood, engineered wood and pulp and paper products: Performance and yield				
Developing high-mass laminated flooring products from fibre-managed plantation hardwood	7,000	158,000	➡	PNB387-1516
University of Tasmania				
Establishing the comparative durability of African Mahogany (Khaya Senegalensis) in weather exposed above ground applications.	9,275	9,275	✓	PRB287-1112
African Mahogany (Australia) Pty Ltd				
FWPA R&D Investment Plan for: Solid wood, engineered wood and pulp and paper products: Performance & yield: Update	18,000	18,000	✓	PRB334-1314
Sylva Systems Pty Ltd				
Implementation of NIR-based QC of H2F Working Solutions	20,000	20,000	➡	PRB398-1516
Meder Consulting				

➡ Ongoing reports

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The Aus/NZ Solid Wood Initiative: Better performing structural products manufactured with higher efficiency and using less energy and water	2,058,927	9,318,927	✓	PNB131-0809
WQI Ltd				
The potential to recover veneer based product from low grade native forest logs	24,000	227,000	➡	PNB386-1516
University of Tasmania				
Investment Priority 6. Maximising product yields and values from current resources				
Control and manage the moisture content of logs and biomass to maximise benefits along the wood supply chain	50,000	489,000	➡	PNC400-1516
University of the Sunshine Coast				
Design of structural glulam based on lamination data	25,000	215,192	➡	PNB385-1516
The University of Melbourne -School of Ecosystem & Forest Sciences				
Increasing the value of under-utilised forest resources through the development of advanced engineered wood products	0	791,545	➡	PNB407-1516
Department of Agriculture, Fisheries and Forestry QLD (DAFF)				
Reducing costs in the wood supply chain through controlling the moisture content of logs and chips	23,000	147,206	➡	PNC336-1314
University of the Sunshine Coast				
The potential for durable 'box-heart' posts from intensively managed hardwood plantations in southern Victoria	15,000	15,000	➡	PRB357-1415
Heartwood Plantations				
Investment Priority 7. Improving wood quality and yield, and tools for forest management				
Deployment and integration of cost-effective, high spatial resolution, remotely sensed data for the Australian forestry industry	300,000	1,738,957	➡	PNC326-1314
NSW Department of Primary Industries				
Development of a Scanner Protocol	18,644	22,060	✓	PRC351-1415
University of the Sunshine Coast				
Development of an Australian Safety Data Sheet (SDS) for Wood Chips	4,900	4,900	✓	PRC409-1516
University of the Sunshine Coast				
Evaluating and modelling radiata pine wood quality in the Murray Valley region	200,000	598,016	➡	PNC325-1314
CSIRO Sustainable Ecosystems				
Forest industry cooperative pesticide research, chemical registration, industry and community education and chemical use and application regulation advice consortium	487,123	987,123	➡	PNC176-0910
Australian Plantation Products & Paper Industry Co				
Improving productivity of the sub-tropical private native forest resource	20,000	553,906	➡	PNC379-1516
Department of Agriculture, Fisheries and Forestry QLD (DAFF)				
Improving returns from Southern Pine plantations through innovative resource characterisation	340,000	2,122,502	➡	PNC361-1415
University of the Sunshine Coast				



➡ Ongoing reports

✓ Completed reports

Investigation of Tip Death in Radiata pine nurseries - trials	28,000	75,654	✓	PRC330-1314
Hancock Victorian Plantation				
Leveraging Australia's forest data assets	12,500	12,500	➡	PRC410-1516
CSIRO Sustainable Ecosystems				
Operational deployment of LiDAR derived information into softwood resource systems	120,000	947,335	✓	PNC305-1213
NSW Department of Primary Industries				
Optimising remotely acquired, dense point cloud data for plantation inventory	90,000	837,732	➡	PNC377-1516
SCION				
Pine drought mortality: predicting risk and providing adaptation strategies	30,000	175,546	✓	PNC358-1415
CSIRO Sustainable Ecosystems				
Pine Tip mortality scoping study	29,000	55,587	➡	PNC333-1314
CSIRO Ecosystem Sciences				
ProFert-Pine -A fertiliser tool for softwood plantations in southern Australia	35,000	129,000	➡	PNC342-1415
TreeMod				
WeedChem - a forest industry herbicide prescription selection system	5,000	27,000	➡	PRC376-1516
ForestrySA				
Investment Priority 8. Genetic improvement, delivery for increased wood yield & quality and for managing risks				
Active genetic conservation and utilisation of native radiata pine germplasm (Stage II)	45,000	90,000	➡	PNC370-1516
Southern Tree Breeding Association				
Discovery and application of DNA markers for resistance to Teratosphaeria in <i>E. globulus</i>	75,000	327,031	➡	PNC363-1415
Gondwana Genomics Pty Ltd				
Eucalypt MAS: Implementation of marker-assisted selection in Australia's major plantation eucalypts	130,000	1,830,800	➡	PNC378-1516
Gondwana Genomics Pty Ltd				
Incorporating genomic data in TREEPLAN evaluations to increase genetic gain	200,000	967,076	➡	PNC408-1516
Southern Tree Breeding Association				
Supporting regional productivity through regional permanent sample plots	7,500	7,500	➡	PRC375-1516
ForestrySA				
Investment Priority 9. Water use efficiency, access to resources and balanced policy outcomes				
Remote sensing of land-use-specific actual evapotranspiration of entire catchments containing plantations	255,000	755,000	➡	PNC286-1112
CSIRO Water for a Healthy Country Flagship				
Review of Australian Dryland Forest opportunities	10,000	10,000	➡	PRC390-1516
CSIRO				

➡ Ongoing reports

✓ Completed reports

Investment Priority 10. Forest bio-security and preparedness				
Evaluating the costs and benefits of managing new and existing biosecurity threats to Australia's plantation industry	20,000	106,524	→	PNC362-1415
University of the Sunshine Coast				
Investment Priority 11. Mitigation of and adaptation to climate change and the management of the carbon cycle in plantations and native forests				
A profitable future for Australian agriculture: Bio-refineries for higher-value animal feeds, chemicals and fuels	50,000	50,000	→	PNC365-1516
Sugar Research Australia				
Carbon stocks and flows in native forests and harvested wood products in South-East Australia	300,000	1,652,000	✓	PNC285-1112
NSW Department of Primary Industries				
Forests for the future: making the most of a high CO ₂ world	150,000	150,000	→	PNC310-1213
CSIRO Ecosystem Sciences				
Participation in a collaborative network for Climate Change Research Strategy for Primary Industries (CCRISPI)	45,000	45,000	→	PRC226-1011
Climate Change Research Strategy for Primary Industries (CCRISPI)				
Production Forest Methodologies for the Emissions Reduction Fund	105,000	496,050	→	PNC354-1415
NSW Department of Primary Industries				
Investment Priority 12. Other				
Benefit-cost analysis for FWPA's generic marketing investments	75,000	75,000	✓	PRE368-1516
Centre for International Economics				
Cost-benefit analysis of three selected projects December 2016	33,750	33,750	✓	PRA374-1516
Centre for International Economics				
Development and operational requirements for the establishment of the Wood Added Value Enterprise (WAVE)	39,622	39,622	✓	PRE349-1415
Darvat Pty Ltd as Parratt Family Trust				
Development of a methodology for a national database for the forestry and timber processing sector	12,000	12,000	✓	PRE335-1314
Sylva Systems Pty Ltd				
Joint funded project-AgVet Collaborative Forum	9,000	15,000	→	PNC404-1516
Rural Industries R & D Corporation				
Membership to RMIT IG Network (RMIT)	18,182	18,182	→	PRE303-1213
RMIT				
Natural materials and manufactured products in schools - literature review	10,000	10,000	✓	PRA397-1415
 Ongoing reports  Completed reports				

Australian Council for Educational Research				
Primary Industries' Social Licence to Operate: A proposal to evaluate the potential benefits from research, and options for research delivery.	10,354	10,354	➡	PRE405-1516
Gordon Duff Consulting				
Wood works field force study	10,707	10,707	✓	PRE366-1516
Wood N Frog Communications Ltd				
Data and innovation services	20,990	20,990	➡	PNA403-1516
Vixier Pty Ltd				

➡ Ongoing reports

✓ Completed repots



Full Members

A G Brown Sawmill Pty Ltd	Forest Strategy Pty Ltd
Agriwealth Contracting Pty Ltd	Forestry Corporation
Albany Plantation Export Company Pty Ltd	Forestry Tasmania
Allied Timber Products Pty Ltd	ForestrySA
Alpine MDF Industries Pty Ltd	Forico Pty Ltd
ANZFIF Sub 1 (Australia New Zealand Forest Investment Fund)	Garry Davey Timber Cutting
ANZFOF Sub1 (Australia New Zealand Forest Operating Fund)	George Fethers & Co Trading Pty Ltd
Associated Kiln Driers Pty Ltd trading as A.K.D. Softwoods	Gippsland Logging & Earthmoving
Auspine Pty Ltd*	Green Triangle Forest Operating Sub Trust
Austral Plywoods Pty Ltd	Green Triangle Forest Products
Australian Bluegum Plantations Pty Ltd	GTP Alexandra Pty Ltd (Gunns Timber Products)*
Australian Solar Timbers	GTP Heyfield Pty Ltd (Gunns Timber Products)*
Australian Sustainable Hardwoods Pty Ltd	Gunnedah Timbers Pty Ltd
Australian United Timbers Pty Ltd	Gunnersens Pty Ltd
Australian Wood Panels Pty Ltd	Gunns Forest Products Pty Ltd*
Auswest Timbers Pty Ltd	Gunns Ltd*
Baradine Sawmilling Co Pty Ltd	Hallmark Oaks Pty Ltd
Bayswood Timber Wholesalers Pty Ltd	Hancock Victorian Plantations Pty Ltd (HVP)
Big River Group Pty Ltd	Hexan Holdings Pty Ltd trading as Whiteland Milling
Birnam Forests Pty Ltd	Highland Pine Products Pty Ltd
Bluebat	HQPlantations Pty Ltd
Blueleaf Corporation Pty Ltd trading as Whittakers Timber Products	Hume Forests Limited
Boral Timber Division	Hurford Sawmilling Pty Ltd
Borg Panels	Hurford Wholesale Pty Ltd
Briggs Veneers Pty Ltd	Hyne Timber
Britton Bros Pty Ltd	Injune Cypress
Bunbury Fibre Exports Pty Ltd	Intech Operations Pty Ltd trading as Mucherts Sawmill (QLD)
Bunbury Fibre Plantations Pty Ltd	Ironwood Taree Pty Ltd
Bunbury Treefarm Project	ITI (NSW) Pty Ltd
Carter Holt Harvey Woodproducts (Southern Region) Pty Ltd	ITI (Queensland) Pty Ltd
Carter Holt Harvey Woodproducts (Central and Northern Regions) Pty Ltd	ITI (SA) Pty Ltd
Carter Holt Harvey Woodproducts Australia	ITI (Victoria) Pty Ltd
D&R Hendersen Pty Ltd	J Notaras & Sons Pty Ltd
D.S. Fuller & L.R. Fuller trading as Dale & Lindsay Fuller Partnership	J Wright & Sons Pty Ltd
D.M. and L.A. Pratt	Jarrah Select Pty Ltd
Dale & Meyers Operations Pty Ltd trading as DTM Timber	Jarrahwood Australia Pty Ltd
David Neville Calvert	Jeff and Lilian Ang
Department of Environment & Resource Management (DERM)	Jelfor Treated Timbers Pty Ltd
Dindas Australia Pty Ltd	Jetstar Enterprises Pty Ltd trading as Permapole
DMK Forest Products Pty Ltd	John Cook & Sons Pty Ltd
Elders Forestry Limited	Koppers Wood Products Pty Ltd
Endeavour Foundation trading as Nangarin Timbers	KSI Sawmills Pty Ltd
Environmental Forest Farms Management Ltd	Le Messurier Timber & Building Products
FEA Group of Companies (under external administration and/or controller appointed)	LM Hayter & Sons Pty Ltd
Fenning Investments Pty Ltd	Lormier Timber Pty Ltd trading as Davids Timber
FGI Australia Pty Ltd Forest Products Commission (WA)	Machin's Sawmill Pty Ltd
	Mathews Timber Pty Ltd
	McCormack Demby Timber Pty Ltd
	McDonnell Industries Pty Ltd
	McKay Timber
	Meyer Timber Pty Ltd
	Midway Limited
	Millmerran Timbers Pty Ltd
	Moran Logging Company Pty Ltd
	MRG Connections Pty Ltd

N K Collins Industries Pty Ltd*
 Nannup Timber Processing (NTP)
 New Forests Asset Management Pty Ltd trading as
 The Trust Company (Australia) Ltd
 Norske Skog Paper Mills (Australia) Ltd
 NSFP Smartfibre Pty Ltd
 Onefortyone Plantations Pty Ltd
 Oregon Sales Pty Ltd (Trading as Timbeck Cedar
 Products)
 Parkside Building Supplies Pty. Ltd.
 Penrose Pine Products Pty Ltd
 Pentarch Forest Products Pty Ltd
 PF Olsen TISA Pty Ltd as Trustee for Timberland
 Australasian Fund II
 Planet Timbers (WA) Pty Ltd
 Porta Mouldings Pty Ltd
 Private Forestry Service Queensland
 Radial Timber Australia
 Ravenshoe Timbers Pty Ltd
 Ridgewood Timber Pty Ltd
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 Schiffke Sawmill Pty Ltd
 SFM Environmental Solutions
 Simmonds Lumber Pty Ltd
 South East Fibre Exports Pty Ltd
 South East Pine Sales
 Stora Enso Timber Australia Pty Ltd
 Swan Le Messurier Pty Ltd
 Ta Ann Tasmania Pty Ltd
 Tarmac Sawmilling Pty Ltd
 TASCO trading as Dongwha Timbers Pty Ltd
 Tasman KB Pty Ltd
 Territory and Municipal Services Directorate ACT
 The Laminex Group
 Tilling Timber Pty Ltd
 Timber Corporation Pty Ltd trading as Harper
 Timber
 Timberlands Pacific Pty Ltd
 Timberlink Australia
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 VIDA Wood Australia Pty Ltd
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 WA Chip & Pulp Co Pty Ltd
 Wade Sawmill Pty Ltd
 Waverly Consulting Pty Ltd trading as Treated Pine
 Distributors
 Weathertex Pty Ltd
 Wesbeam Pty Ltd
 Wespine Industries Pty Ltd
 Whiteheads Timber Sales Pty Ltd
 Wilton Logging Pty Ltd
 Wood panels International Pty Ltd
 Wright Forest Products Pty Ltd
 * Under external administration

Associate Members

A E Girle & Sons
 American Hardwood Export Council
 Australian Forest Products Association (AFPA)
 BIS Shrapnel
 Everist Timber Pty Ltd
 Kennedys Classic Aged Timbers Pty Ltd
 Lonza Wood Protection trading as Arch Wood
 Protection (Aust) Pty Ltd
 Poyry Management Consulting (Australia) Pty Ltd
 Pryda
 Regional Development Australia Limestone Coast
 Inc.
 Rodpak
 Rothoblaas SRL
 The Timber Preservers Association of Australia
 Timber Development Association (NSW)
 Timber Insight Pty Ltd
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 Timber Queensland Ltd
 Victorian Association of Forest Industries
 Wood Products Victoria Ltd

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