

Annual Report  
**2022/23**

# Contents

<b>Acknowledgement of Country</b>	<b>4</b>
A message from the Chair	5
A message from the CEO	6
Vision and Mission	7
Strategic framework	8
Strategic review process	9
Our new strategic plan	10
Program 1 - Promoting the advantages of wood products	12
Program 2 - Aligning products to market needs	17
Program 3 - Assisting value chain optimisation	22
Program 4 - Increasing resource availability and reducing risk	26
Program 5 - Impacting decision making and industry capability	32
Voluntary matching projects – research & development	36
Levy-funded projects – research & development	39
National and rural research priorities	41
Voluntary matching projects – extension	42
List of members and associate members	44
<b>Financials</b>	<b>48</b>

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# Acknowledgement of Country

In the spirit of reconciliation, Forest & Wood Products Australia (FWPA) acknowledges the Traditional Custodians of Country throughout Australia, and we acknowledge their connection to the land and their custodianship of forests. We pay our respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

# A message from the Chair



Craig Taylor, Chair

It has been an enormously productive year for FWPA. Following two years of extensive collaboration and input of members and stakeholders from across the supply chain, the 2023-28 Strategic Plan was finalised.

The 2023-28 Strategic Plan was approved and published in May and will guide our priorities and activities as we progress through the next five years. This plan sets an exciting new direction for FWPA, outlining four priority outcomes focused on consumers, supply chain, growers and processors, industry capability and decision making, underpinned by a foundational platform to ensure high performance service delivery with tangible quantifiable outcomes.

The result is a plan that offers a compelling vision for the future of the company. I thank everyone who gave their time and shared their insights as part of this process.

Strategy is an ongoing process, and we will continue to seek and incorporate feedback from our stakeholders, assess the operating environment and, where necessary, adjust our strategy and priorities in response to the needs of the industry we serve.

Other significant changes this year resulted from the 2023 Extraordinary General Meeting (EGM) held on Monday 1 May, which provided members with an opportunity to contribute to the update and modernisation of our constitution.

The unanimously accepted changes streamline the director selection process, reduce costs and make member involvement in the process more efficient. New directors will have four-year terms, with a maximum of two terms. The election of new directors will be held every second year and by 2026 all FWPA directors will have been appointed under these new terms. I thank members for their suggestions regarding these changes and for supporting the vote at the EGM.

Other amendments approved at the EGM that brought the constitution in line with best practice included formally allowing the use of virtual and hybrid general meetings and governance matters related to FWPA's status as a registered charity operating under the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*.

It has been encouraging to witness our CEO Andrew Leighton lead the organisation towards its new era with a clear vision, informed by his commitment to building and maintaining strong relationships with industry stakeholders.

During the past 12 months, Andrew has demonstrated that under his leadership we will continue to see success for both the organisation and the sector. I thank Andrew and his highly professional and committed team for their work during the year.

Our 2022 Annual General Meeting was held virtually and was attended by members and industry representatives from across the supply chain. Professor Tony Arnel was unanimously re-elected to the Board of Directors for a third term. Tony is Industry Professor for the Built Environment at Deakin University, and Life Fellow of both the Australian Institute of Architects and the Green Building Council of Australia. His continued presence on the board will offer more valuable insights into the current state of the design and build industry, and I thank him for his ongoing commitment.

We have continued our high level of support for research projects Australia-wide, as demonstrated by the \$11.2 million funding committed to 10 new grower-focused projects that were recommended by the FWPA-led Grower Research Advisory Committee (GRAC). These projects were selected following an open call to researchers, in line with the committee's priority areas identified as having the potential to help double the value of Australia's commercial forests by 2040.

The GRAC is made up of growers from across Australia, and this collaborative approach to identifying the most relevant research projects for funding demonstrates the type of industry collaboration that FWPA is committed to enhancing.

The increased levies for research and biosecurity, originally proposed by the Australian Forest Products Association (AFPA) in 2021, are now being deployed through the GRAC's rigorous process of setting investment plans, seeking targeted research proposals, scientific review and cost/benefit analysis. FWPA's management team is working with our processing members to develop a structure that optimises collaboration with that sector of the industry.

We continue to experience strong collaborative relationships with, and support from, our industry partners including AFPA, the Australian Timber Importers Federation and the Engineered Wood Products Association of Australasia. The Australian Government also continues to be a strong supporter, funder and stakeholder. In particular, I thank the Department of Agriculture, Fisheries and Forestry for its ongoing support and guidance.

As demonstrated during the development of the Strategic Plan, we are strongest when we work together, and we are keen to continue to strengthen a culture of open dialogue between FWPA and its members. Only through collaboration and communication will we gain a thorough understanding of the industry's most pressing needs, concerns and long term challenges and goals, and it is this understanding that informs our activities. With this priority in mind, we continue to encourage feedback from members and other industry stakeholders. If you have any thoughts relating to the work of FWPA, please raise them with us.

Finally, thank you to my fellow directors for their ongoing counsel, wisdom, oversight and commitment to ensuring FWPA delivers best practice governance.

# A message from the CEO



Andrew Leighton, Chief Executive Officer

We occupy a position of great responsibility. The role our industry plays in Australia's economy, local communities and society – particularly where people are increasingly concerned about environmental and sustainability issues – has never been so prominent.

That responsibility is reflected and embraced by our team – a team that has evolved significantly during the past 12 months and continues to demonstrate expertise, dedication and innovation, ensuring our activities are delivered to the highest standard. We are passionate about the industry and that passion shines through in the amazing work of our people every single day.

FWPA is accountable to its members, the Australian Government and other stakeholders. They rely on us to identify and support research that will have optimal benefit for the sector. They depend on us to create marketing and educational programs to boost community understanding and acceptance of forestry and the wonderful, renewable material that is wood.

Investments during this year include projects such as investigating of the quantification and fate of carbon associated with forest growth in managed vs unmanaged native forests and a pilot study being managed by the Australian Forest Contractors Association to determine the optimum processes to deliver the recently developed ForestFit training package to harvest and haul operators.

FWPA's work must deliver meaningful and measurable results that further the mission of growing the market, increasing productivity, and ensuring positive environmental and social outcomes. My goal has been, and continues to be, fostering improved two-way member communication, leading to an FWPA that is attuned to its members' views, and remains agile and responsive in meeting the real-world, ever-evolving requirements of our industry.

It has been a pleasure to visit and get to know more members, research partners, suppliers and other industry associations around Australia. These visits have helped:

- build genuine, deep connections with stakeholders
- provide an in-depth understanding of their activities and needs
- offer an understanding of how FWPA is viewed and how we can best serve the industry.

Insights gained during these visits also played a central role in the development of FWPA's new 5-year Strategic Plan –

one of my earliest priorities when starting as CEO. Common themes arose, including the desire for greater transparency and accountability, and a long-term focus on driving increased growth. Opportunities were also highlighted around the inherent sustainability advantages of timber in an increasingly environmentally conscious world.

Our new Strategic Plan, which you will read more about in this report, is structured on growth, and with success transparently tracked through specific, measurable key performance indicators (KPIs).

I extend my thanks to all industry partners and stakeholders for their support during the development of this plan. Their feedback and input enabled the creation of a new suite of programs that are relevant, achievable, and appropriately focused.

As FWPA evolved this year, so did our team. On Tuesday 1 August (after the period covered in this Annual Report) an internal restructure saw new faces join and seasoned staff step into new roles. This restructure will allow greater collaboration across the organisation, and a more customer-centric approach. It is a renewed and exciting time for FWPA and the industry.

In 2022, we unveiled the latest iteration of consumer marketing initiative [The Ultimate Renewable™](#). Extensive market research found that an impressive two-thirds of people surveyed said they are more likely to use wood following exposure to this campaign. The team quickly got to work on developing the 2023 campaign. While the 2022 campaign focused primarily on wood as a building material, the new campaign goes a step further by promoting the transgenerational benefits of wood.

FWPA's WoodSolutions program, trusted by the design and build sector for its provision of world-leading timber information, continued its success with 154,000 visits to the website and 1,780 design and build professionals participating in its educational webinars.

Our ForestLearning initiative – which educates schoolchildren as the consumers and decision makers of tomorrow about the sustainable nature of forestry and wood – continued to release innovative learning tools for Australian teachers. These resources utilise everything from virtual reality to drone technology, and garnered recognition and praise by winning five prizes at the Australian Geography Teacher's Association (AGTA) biannual awards. An outstanding achievement.

FWPA continues to support diverse research projects across the entire supply chain, many of which are featured in this report. Investment in these initiatives is enabled through a combination of Australian Government funding, member levies and voluntary matching funding from grower members. This revenue received a significant boost in 2022 thanks to the unanimous vote for a levy increase from forest growers. We are seeing the rewards of this investment, with industry adopting research outcomes to benefit their organisations and ultimately our market.

I offer my sincere thanks to the Board of Directors for their counsel and continued faith in me to lead the vital work of our organisation, my FWPA colleagues for their commitment to going above and beyond in supporting the sector, as well as our members, research partners, and the Australian Government for their ongoing support.

I look forward to continuing our work together as we implement our 2023-28 Strategic Plan, and further build on past successes to create a strong future for Australian forestry.

## Vision

The Australian forest and wood products industry will grow in value as a result of increased demand for its innovative, sustainable and competitive products and services.

## Mission

FWPA collaborates with government and industry to deliver transformative RD&E initiatives and market development programs to drive growth in the Australian forest and wood products industry.

## Strategic Plan 2023-28

# Strategic framework

The 2022-23 financial year was the fourth year operating under the 2020-25 Strategic Plan and for most of the year, FWPA worked towards meeting the obligations set out in that plan. FWPA transitioned to the new [2023-28 Strategic Plan](#) in May, and reallocated programs accordingly. You can read more about the new plan later in this Annual Report, while keeping in mind that all outcomes and financial statements in this Annual Report relate to the previous 2020-25 plan.

The 2020-25 plan outlined our desired outcomes. FWPA works with members and levy payers, the Australian Government and other key stakeholders to secure the co-operation and collaboration needed to deliver the outcomes and ensure optimal benefits for the whole industry, including increased:

- demand
- community acceptance
- productivity
- sustainability credentials
- capacity.

It is built on the following five strategic priorities:

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

The role of FWPA and the scope of work will continue to evolve in response to changing industry dynamics. However, focus remains on identifying opportunities for cross-collaboration and innovation that will benefit the largest possible proportion of our stakeholders.

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*.

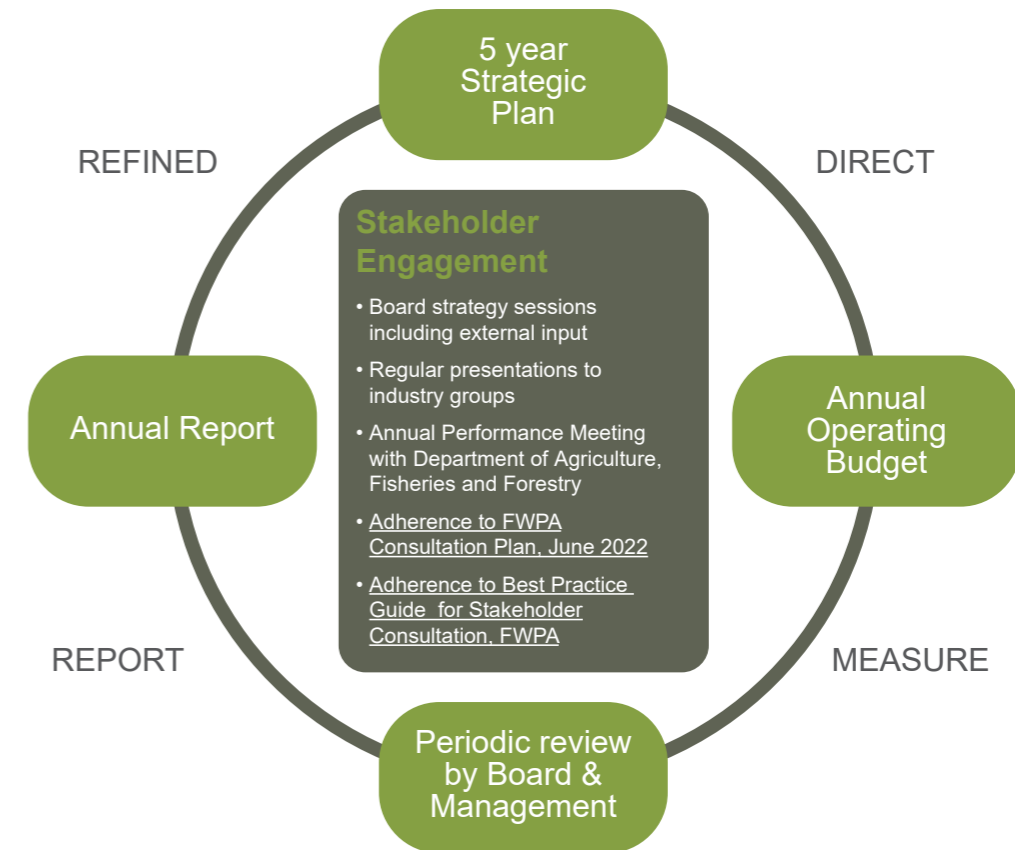
The Australian Government levies qualifying industry participants and provides matching funding in accordance with our Statutory Funding Contract (SFC). The SFC requires FWPA to continually review its operating environment.

In consultation with key stakeholders, the organisation must regularly consider the appropriateness of its programs and activities.

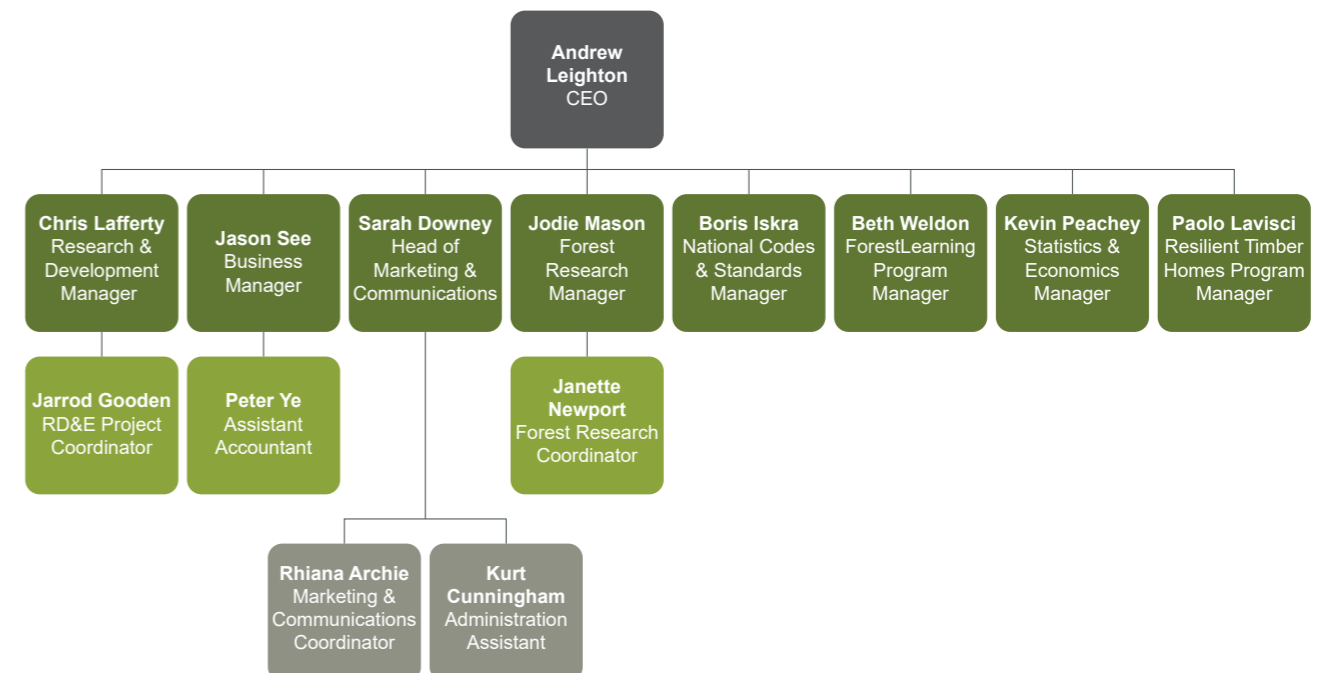
This review process creates a rolling five-year planning cycle that ensures the organisation remains focused on the future, while making necessary adjustments within the operating environment.

This Annual Report should be read in conjunction with [the 2020-25 Strategic Plan](#).

# Strategic review process



The FWPA team as at 30 June 2023:



# Our new strategic plan

A 5-year Strategic Plan that focuses on growth, transparency, collaboration and long-term industry success

Factors including rising inflation, higher interest rates, an increased focus on environmental issues, significant labour shortages and general supply chain difficulties are likely to have continued implications for the sector that are not yet completely clear.

Under the government funding agreement, development of the FWPA 2023-28 Strategic Plan required an independent review of FWPA's current performance, as well as a situational analysis of the forest and wood products industry, and the issues it faces in the context of the changing nature of the rural innovation landscape and, importantly, the input of members and stakeholders from across the supply chain and beyond.

Broad member and stakeholder consultation was a key input for the development of the new 5-year Strategic Plan – a plan designed to offer a compelling vision for the future of the industry.

A 'clean sheet' review of the plan was initiated by FWPA's Board of Directors in 2021 with input from a dedicated industry reference group, FWPA Board members, employees, industry members, and key stakeholders including the Australia Forest Products Association (AFPA), Engineered Wood Products Association of Australasia (EWPA), Australian Timber Importers Federation (ATIF) and Department of Agriculture, Fisheries and Forestry (DAFF).

**“The goal is a long-term vision for industry growth, and this can only be achieved through ongoing industry collaboration.”**

– Andrew Leighton, FWPA CEO

The plan outlines four priority outcomes and one foundational platform that we will work towards throughout the forthcoming five-year period. Each outcome comprises a number of objectives with KPIs or targets related to these deliverables.

## Outcome 1

aims to improve consumer perceptions of forest and wood products through the development and promotion of their economic, environmental and social advantages.

## Outcome 2

aims to increase the demand for, and value of, wood products in the built environment and industrial markets.

## Outcome 3

aims to improve the resource base, reduce risk and increase productivity and utilisation along the value chain to the benefit of growers and processors.

## Outcome 4

aims to improve industry capability through efforts to attract and retain people to the industry and by enhancing workforce capability and decision making.

The foundational platform covers the expectations FWPA has of itself and underlines everything the organisation does. The goal is to provide leadership as the industry services organisation, by:

- delivering consistently elevated levels of stakeholder satisfaction
- openly collaborating with other research and development organisations
- holding the organisation accountable to delivering on objectives.

It is important to note that the new Strategic Plan was finalised at the end of this financial year, therefore all outcomes and financial reports included in this Annual Report relate to the previous 2020-25 plan.



We are committed to helping the forest and wood products industry to be collaborative, innovative, sustainable and competitive against other industries and products.

# Program 1

## Promoting the advantages of wood products

In response to changing community attitudes, this program promotes the benefits and use of forest and wood products. Notably, in 2022-23 FWPA launched its new consumer campaign along with other key initiatives that supported this program including:

- Tools for members
- The Ultimate Renewable™
- ForestLearning makes an impact
- Award winning resources
- New learning opportunities with George the Farmer

### Tools for members

The **FWPA Misleading Claims Kit** was updated to better help members identify and act against misleading environmental marketing claims (or 'greenwashing') that might reduce the appeal of timber products. It also helps stakeholders remain compliant when developing their own environmental claims about the benefits of timber. **To date there have been 457 downloads of the kit.**

With an ongoing rise in the popularity of podcasts, the **WoodChat podcast series** remains an important tool in creating awareness of FWPA globally. The series continued to increase and extend its audience during 2022-23 with almost 2,000 additional listens. New episode topics included:

- PhD scholarships supporting vital grower research
- a spotlight on the Centre for Timber Durability and Design Life
- modelling the future to help minimise the impacts of bushfire events
- creating a culture of smart manufacturing for wood products.

A **Carbon Primer and Glossary** was released to support FWPA and its members to engage confidently when advocating for forestry and wood products to the community and government, by highlighting the many sustainability-related benefits, and dispelling myths and misconceptions.

The breadth and depth of the industry has been showcased through a new **Member Profile** section in the regular **ForWood newsletter**, allowing readers to learn more about members' work, people, and projects, as well as their challenges, solutions, approaches, and inspirations.

**ForWood** is distributed four times each year, while FWPA's research-focused newsletter **R&DWorks** goes out three times per year.

**Two fact sheets** developed by FWPA to help mitigate potential incursions of new, high-priority invasive pest species have been made available online. These guides, co-funded by FWPA and produced by R&D company Cesar Australia, provide instructions on how to identify, report and document the **black twig borer** and **Japanese pine sawyer beetle** – two species not yet detected in Australia but considered highly likely to arrive.



### The Ultimate Renewable™

"I am excited to add my voice to this great cause by partnering with The Ultimate Renewable™ to promote the benefits and sustainable nature of this wonderful, versatile material."

– Adam Dovile, Brand Ambassador

FWPA unveiled the latest consumer marketing campaign for The Ultimate Renewable™ brand in June 2022. New brand ambassador Adam Dovile – a familiar face to many, thanks to appearances on Seven's Better Homes and Gardens – was front and centre of the two-month campaign. The goal was to reinforce public awareness of wood's sustainable characteristics and to generate consumer and industry engagement with the brand.

- National TV ads across 8 networks plus magazine and podcast ads
- Out of home billboards and signage in metro and regional locations
- 48,437 The Ultimate Renewable™ website page views during the campaign = increase of 1,911%
- Reach of 1.9 million on Facebook and 251,358 on Instagram – platforms traditionally popular among younger people.

A post-campaign customer survey of 1,000 people aged 18+ revealed significant cut through:

- 1 in 5 saw and recalled at least one of the television commercials
- recall was highest (34%) among traditionally difficult-to-reach 18 to 34-year-olds
- three-quarters said the campaign made them understand that trees are replanted for future harvesting
- two-thirds said they are more likely to use wood because of exposure to the campaign
- because of the campaign, 87% now believe wood is continually replanted and renewable.

These results demonstrate the success of the campaign in achieving its goal of raising public awareness of the forest and wood products industry, as well as increasing community engagement with the brand.

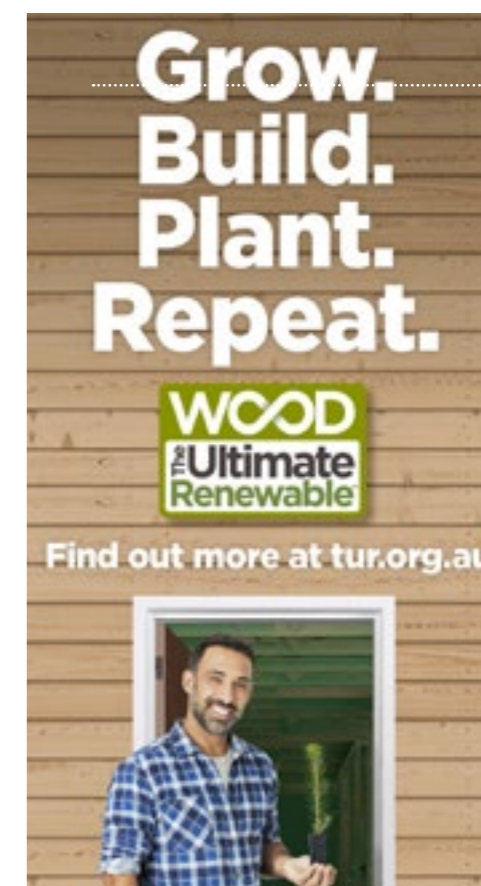
Members and stakeholders from across the industry have been valuable champions and continue to enthusiastically use The Ultimate Renewable™ logo, banner ads and videos in their own collateral.

"With companies and brands across every sector keen to demonstrate an authentic commitment to the environment, The Ultimate Renewable™ equips the forest and wood products industry with a brand that showcases wood's sustainability and its many other benefits."

– Andrew Leighton FWPA CEO

"The aim of The Ultimate Renewable™ is to reshape public understanding of the sector and highlight the industry's crucial role in environmental sustainability."

– Sarah Downey, Head of Marketing and Communications



## ForestLearning makes an impact

“I was unable to do any practical excursions back during COVID. I found the ForestLearning website very useful. Especially the interactive ForestVR videos and virtual tours. This was helpful in getting the students to think about the timber we use in the classroom, as well as the impact on the environment. I will continue to use ForestLearning as a teaching tool.” – Teacher testimonial

## Award-winning resources

From drones to virtual reality, **ForestLearning** was recognised for the quality, innovation and usefulness of its unique suite of curriculum-aligned resources for primary and secondary school teachers and students at the Australian Geography Teachers Association (AGTA) biannual awards.

During this event, the Drones in Forestry teaching units for primary and secondary classrooms, produced in partnership with She Maps, won the award for best Digital/Online Resources. The units showcase how drones help forestry workers to effectively manage forest environments. These innovative and technology-rich resources were **downloaded more than 520 times during the first month of being published online.**

The best Reference Resource was won by the world-first ForestVR™ – Learn Through Immersion toolkit. These 360-degree video and photo tours give students unique insights into Australia’s productive forests, milling and agroforestry sites, and provide snapshots of various careers within the industry. The Year 10 Environmental Change and Management resource, produced in partnership with the Geography Teachers Association of Victoria (GTAV), was highly commended by judges for its clever embedding of ForestVR™ environment tools, as well as other high-tech interactive spatial resources into the classroom.



AGTA judges praised the high quality of the ForestVR™ education products and pointed to the “explicit value to the classroom with their technology-rich product design”, which presents a “highly accessible and engaging resource for students”.

This year, **10 new ForestVR videos** were launched with themes ranging from Careers in Forestry and Wood to Agroforestry, funded by the Australian Government.

## New learning opportunities with George the Farmer

Three new ‘In the Classroom’ educational videos were released to help teachers and students gain a better understanding of the benefits of forestry and where our wood and paper comes from, in partnership with much-loved ABC-TV children’s character, **George the Farmer**. The videos work in conjunction with hands-on activities provided in the George the Farmer Educator’s Toolkit.

The ‘Forest Science Explorers Forest Protectors’ – a new Virtual Classroom with George the Farmer was also released. This interactive video experience allows students to join George and an expert environmental forester in the eucalypt plantation forests of Mount Gambier, South Australia, for an excursion deep into the heart of the forest ... without having to leave the classroom.

The George the Farmer Virtual Classroom reached more than 3,500 students live, with more tuning into the recorded online versions.

The infographic features six green circular icons, each representing a different metric. Below each icon is a title and a list of statistics. The metrics are: ForestLearning website (2,100 registered users, more than 100,000 website visits, more than 2,700 individual resources downloaded), Teachers' packs (490 teachers reached, more than 18,000 students reached), YouTube videos (5,503 videos viewed = 225 hours of content), Social media (2,611 Facebook followers with a reach of 37,000, 745 LinkedIn Followers with a reach of 19,500), On the road (attended 7 teacher and industry conferences, travelled to 12 regions Australia-wide to support school events and activities), and ForestVR (ForestVR app downloaded to 1,200 devices, ForestVR headset loan kits travelled to 12 regions Australia-wide to support school events and activities).



# Program 2

## Aligning products to market needs

This program aims to ensure industry products and services are fit for purpose, appropriately aligned to market needs and better communicated to key influencers. Resources developed in support of this program during 2022-23 with the objective of developing timber knowledge in the design and build sector, and encouraging effective use of timber in construction, included:

- WoodSolutions Education Programs
- WoodSolutions Campus - educating the design and build industry
- WoodSolutions MAP Legacy Program
- International Research Group (IRG) on Wood Protection annual meeting
- WoodSolutions Study Tour
- Codes and Standards
- NCC changes submitted
- Building resilient timber homes
- Centre for Timber Durability and Design Life



76 participants, from all over Australia



40 key wood products industry representatives



36 university lecturers

### WoodSolutions Education Programs

WoodSolutions continued to provide vital information and education to the design and build sector. A **two-day workshop** at Melbourne's Deakin University brought together **76 participants from across Australia**, including industry representatives and academics, to discuss and ensure students are well-informed about timber. The successful connection of industry and educators resulted in the formal establishment of Australian Timber Construction Education Network (ATCEN), a collaborative network fostering interest and knowledge in timber products among tertiary educators and encouraging more timber content into student teaching curriculum and research programs at universities throughout Australia. Recently, the inaugural meeting was held, electing a dynamic ATCEN Steering Committee (SC) comprising 12 members. Additionally, a web-based registry database has been created for ATCEN members to encourage collaboration and information sharing.

Participants gained knowledge straight from academics on the effectiveness of remote learning programs, shaping the enhancement of WoodSolutions resources for digital learning.

“It was an extremely positive two days. The university lecturers were all keen to be part of the discussion and expressed a desire for WoodSolutions to develop more resources that they can then apply in their own lectures.”

– Boris Iskra, FWPA National Codes and Standards Manager

## WoodSolutions Campus – educating the design and build industry

- 274 enrolments
- 98 certificates issued

Plans are underway to create micro certifications from the existing WoodSolutions Campus resources in collaboration with The University of Tasmania (UTAS), Deakin University and the University of the Sunshine Coast.

UTAS won a federal grant in June 2023 to develop a micro certification in Timber Design for Residential Construction, based on WoodSolutions content and resources. This is now in the development phase, with plans for it to be released during the first semester of 2024.

## WoodSolutions MAP Legacy Program

In collaboration with the Property Council of Australia and the Office of the NSW Building Commissioner, WoodSolutions released **two new continuing professional development (CPD) courses on timber mid-rise structures**, drawing from the wisdom gained by the WoodSolutions mid-rise advisory program (MAP). These courses are open to anyone with an interest in mid-rise timber projects. They provide unique insights into planning and building mass timber projects, and a practical understanding of the benefits and specifications of timber structures.

## WoodSolutions Study Tour

Norway and Sweden are widely regarded as beacons of excellence when it comes to timber manufacturing. **A WoodSolutions study tour** to these countries, led by WoodSolutions Technical adviser Andrew Dunn and FWPA's Statistics and Economics Manager Kevin Peachey with 15 architects, engineers, developers and building professionals, provided valuable knowledge for the Australian building industry. The tour was an immersive experience and offered the group unique opportunities to explore a diverse array of ground-breaking local timber projects and meet the brilliant minds behind them. The knowledge gained by participants can now be transferred into Australian timber projects.

The tour helped increase acceptance of timber in Australian construction amongst attendees by showcasing best practice international innovation in this space. Attendees were introduced to timber as a suitable material for future domestic projects, reconfirming and growing confidence amongst Australian developers, architects, designers and engineers.

The tour successfully introduced participants to timber as a suitable material for future projects. It helped to reconfirm and grow confidence amongst developers, architects, designers and engineers already involved in timber construction in Australia.



Norway and Sweden Study Tour

## Building resilient timber homes

FWPA's Resilient Timber Homes Program is a two-part initiative designed to support design and construction professionals in addressing the need for homes built to withstand the increasing frequency and severity of natural disasters in Australia.

This initiative includes the development of a comprehensive Resilient Timber Homes Design Guide to promote the resilience of timber and provide expert advice relating its use in building more robust homes. The guide is scheduled for completion and release later in 2023.

The Resilient Timber Homes Design Competition invited entrants to create designs that demonstrate the ability of wood to withstand adverse weather events and natural disasters. With **a total prize pot of \$100,000 on offer**, the competition was designed to showcase the ability of the design community to work innovatively with timber in mind.

**“The Resilient Timber Homes Program will help create more resilient properties for Australian families that are able to withstand the sorts of natural disasters we know are likely to become more prevalent as our climate continues to change.”**

– Kevin Peachey, Resilient Timber Homes Program Chair

Entrants were invited to submit designs by Friday 23 June. Several impressive entries were received, and a jury made up of leading design and build experts from across Australia will decide on the two winners.

## WoodSolutions adds more ONLINE RESOURCES

WoodSolutions: A trusted, world-leading online source of timber information



### TimberTalks

A go-to podcast for all things related to timber design, specification and construction

- 25 new episodes
- 15,201 listens



### The New WoodSolutions Project Portal

making it easier to develop, design and build in timber

- 96 projects on the database to date



### Timber Design Guides including new additions

- Include front cover for design guide 53. Moisture Management of Mass Timber Construction
- Include front cover for design guide 54. Moisture Management of Timber Frame Construction



### InFocus series of short, informative videos expanded with:



- Education
- Hardwood Cross Laminated Timber (CLT): An Australian first
- Where does house framing come from?
- Optimising wood
- Is timber durable?
- 194,000 views combined

## Codes and standards

FWPA aims to increase the use of wood-based products through efficient and effective development and maintenance of standards, codes and handbooks. National Codes and Standards Manager, Boris Iskra, coordinates the development and review of Australian timber standards, and associated building standards and codes.

FWPA is represented on the following Standards Australia Timber Committees:

- TM-010 Timber Structures and Framing
- TM-011 Engineered Timber Products
- TM-012 Timber Grading and Preservation.

These committees met throughout the year to review and develop new proposals and publish Australian standards. The following standards were published during this period:

- AS/NZS 4357.0:2022 Structural laminated veneer lumber, Part 0: Specifications
- AS 5604:2022 Timber – Natural durability ratings

FWPA also participates in the following built-environment committees, to provide input and comment on standards that directly influence the use of timber products:

- BD-006 General Design Requirements and Loading on Structures
- BD-043 Formwork
- BD-074 Termites
- BD-099 Wind Loads for Housing
- BD-111 Prefabricated Building
- FP-018 Fire Safety
- FP-020 Construction in Bushfire Prone Areas
- SB-000 Sustainability in buildings and civil engineering work.

## NCC changes submitted

FWPA submitted a proposal to the National Construction Code (NCC) 2022 related to the accepted sizes of ledger plates – also known as ‘wall plates’ – commonly used to attach decking to buildings or structures. The minimum size of ledger plates has been reduced to a standard/common timber size, meaning ledger plates used in future will better accommodate common timber element sizes and fixings.



Professor Tripti Singh, Director,  
Centre for Timber Durability and Design Life

### Centre for Timber Durability and Design Life

The centre launched in 2016 with the goal of returning Australia to the forefront of international best practice and underpinning consumer confidence in timber product performance. Since then, the work of the centre has ranged from the development of new, longer-lasting wood products through to the reduction of wood waste, and new opportunities in the circular economy.

Boosting Australian research capacity: In 2023 the Centre for Timber Durability and Design Life is home to 20 associated researchers and students. Recent centre highlights include collaborative work with the University of Queensland designed to develop insights around smouldering and timber durability in bushfire-prone areas, and a centre-supported project with the Department of Agriculture, Forestry and Fisheries involving field trials aimed at improving the service-life prediction models of timber materials used for outdoor applications.

Interviews began in March 2023 to find a new director to replace Professor Jeff Morrell who has been director since the inception of the centre. Professor Tripti Singh was appointed to the role. With more than 20 years' experience managing collaborative, multi-million-dollar research programs, Prof. Singh is one of New Zealand's leading names in wood protection research and has been on the centre's international advisory committee since 2017.

### International Research Group (IRG) on Wood Protection annual meeting

The centre's achievement in attracting the International Research Group on Wood Protection annual meeting to the nation's shores for the first time in 20 years demonstrates how far Australia has come in re-establishing its position as a leader in international research.

The event, held in Queensland, gathered more than 190 delegates from 28 countries to discuss the latest in wood durability and biosecurity research. Attendees spanned the entire forest and wood products supply chain, as well as academia, and more than 100 papers were presented on various aspects of wood protection. Information on a number of important Centre initiatives can be found elsewhere in this report.



# Program 3

## Assisting value chain optimisation

This program aims to increase value and volume recovery from existing resources to ensure that all wood fibre is utilised to its highest and best use. Several initiatives that supported this program in 2022-23 included:

- \$11 m+ for grower research projects
- Creating the world's largest pine study
- Ground-breaking research to manage future bushfire risk
- Finding new uses for treated timber
- Improving value recovery from *Pinus radiata* logs
- Supply chain optimisation for *Pinus radiata* logs
- Combining traditional inventory practices with modern laser sensors

### \$11 m+ for grower research projects

\$11.2 million worth in funding was awarded to 10 new research projects following recommendations made by the FWPA-led Grower Research Advisory Committee (GRAC), based on their potential to advance the priority topics identified in the committee's forestry research investment plans. The research projects cover everything from mitigating the risks posed by pests and diseases to improving geospatial accuracy, drought-proofing plantations, genomics and more.

### Creating the world's largest pine study

A one-of-a-kind large-scale pine treatability study is investigating how to support production of the highest-quality, most-durable pine through long-term effective protection against pests and the elements. The study is a partnership between the FWPA-supported Centre for Timber Durability and Design Life, the University of South Australia (UniSA) and the University of the Sunshine Coast.

- More than 5,000 samples of different pine species collected from across Australia by UniSA researchers
- Samples tested by Centre researchers for treatment characteristics
- Around 25% of samples processed and measured to-date
- Promising results in terms of responsiveness to diverse treatments.

The centre's role during this study focuses on informing industry of the best practice treatment options for pine species. More broadly the centre focuses on best practice use of forest and wood product in terms of species application and location. The benefits of the UniSA work on this project include... the ability for predictions about 'production line' optimisation to process bending, tension, compression, and shear tests from structural timber, with associated moisture and density data.

This project showcases the power of collaboration between Australian researchers and the potential to come together and expand research outcomes to meet a broader set of goals.

This type of collaboration helps extend research funding and increases efficiencies in forest and wood products research. Learnings from this collaborative experience place us in a strong position to pursue similar opportunities for the benefit of us all.

### Ground-breaking research to manage future bushfire risk

In response to the 2019-20 bushfire season, the results of an FWPA-supported research report were published by The University of Melbourne's FLARE Wildfire Research Group. The results outlined how the Australian forestry industry, particularly plantation owners, can best respond to the increasing threat of bushfires. This work represents a substantial step forward in identifying future fire risk to plantations and providing evidence-based mitigation solutions.

The results of this project provide:

- nuanced region-specific models for predicting plantation fuel structure and fire behaviour
- fire profiles for plantations and nearby communities under changing climates, using innovative fire-modelling tools
- current data to inform forest management over several plantation cycles across Australia.



Stacked Cross Laminated Timber

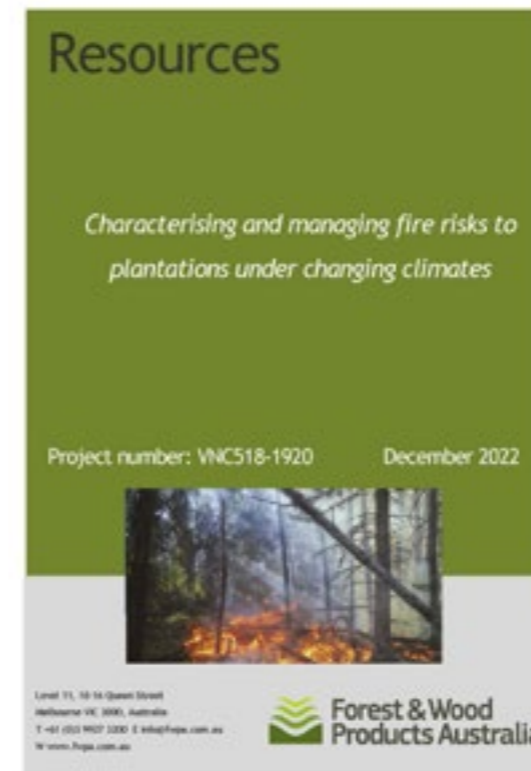
### Finding new uses for treated timber

Preservative treatments of timber for durability and longevity can limit opportunities for the use of waste material resulting from processing and manufacture, or further use beyond its initial application.

The Timber Circularity Project, which commenced in January and will run until the end of 2026, is a collaboration between the FWPA-supported Centre for Timber Durability and Design Life and the University of the Sunshine Coast (UniSC), with support from a consortium of timber producers and users, as well as chemical suppliers.

While wood has myriad positive circular economy attributes, they can be more complex with the introduction of preservative treatments, glues and resins. Finding opportunities for preservative-treated timber (PTT) and Engineered Wood Products (EWPs), either when classed as waste or at end-of-life, would keep timber in use for longer while leaving freshly harvested wood available for higher value applications.

Through surveys, site visits, direct discussions and literature reviews the team is working to characterise Australia's waste and end-of-life PTT and EWPs to understand its condition, collection, sorting and transportation logistics, and identify effective repurposing opportunities in-line with all regulations and policies. Based on its findings, the team will create a geospatial map including locations of waste streams, recycling companies and facilities, and other opportunities around the country.





A screen grab illustrating the automated classification of stands within a *Pinus radiata* plantation (Christine Stone)

### Supply chain optimisation for *Pinus radiata* logs

Researchers at the University of the Sunshine Coast set out to discover the potential for greater value recovery associated with the ability to identify high-value logs in real time at harvest.

Initial trials used low-cost familiar sensors to support measurements of quality and reliability based on additional knowledge of internal (alongside external) *Pinus radiata* log characteristics.

This was followed by field trials of more sophisticated sensors that are being progressed to operational harvesting trials. The trials showed promising results in measuring features to predict value and creating a stronger technical platform for system automation to reduce costs and deliver better consistency in quality.

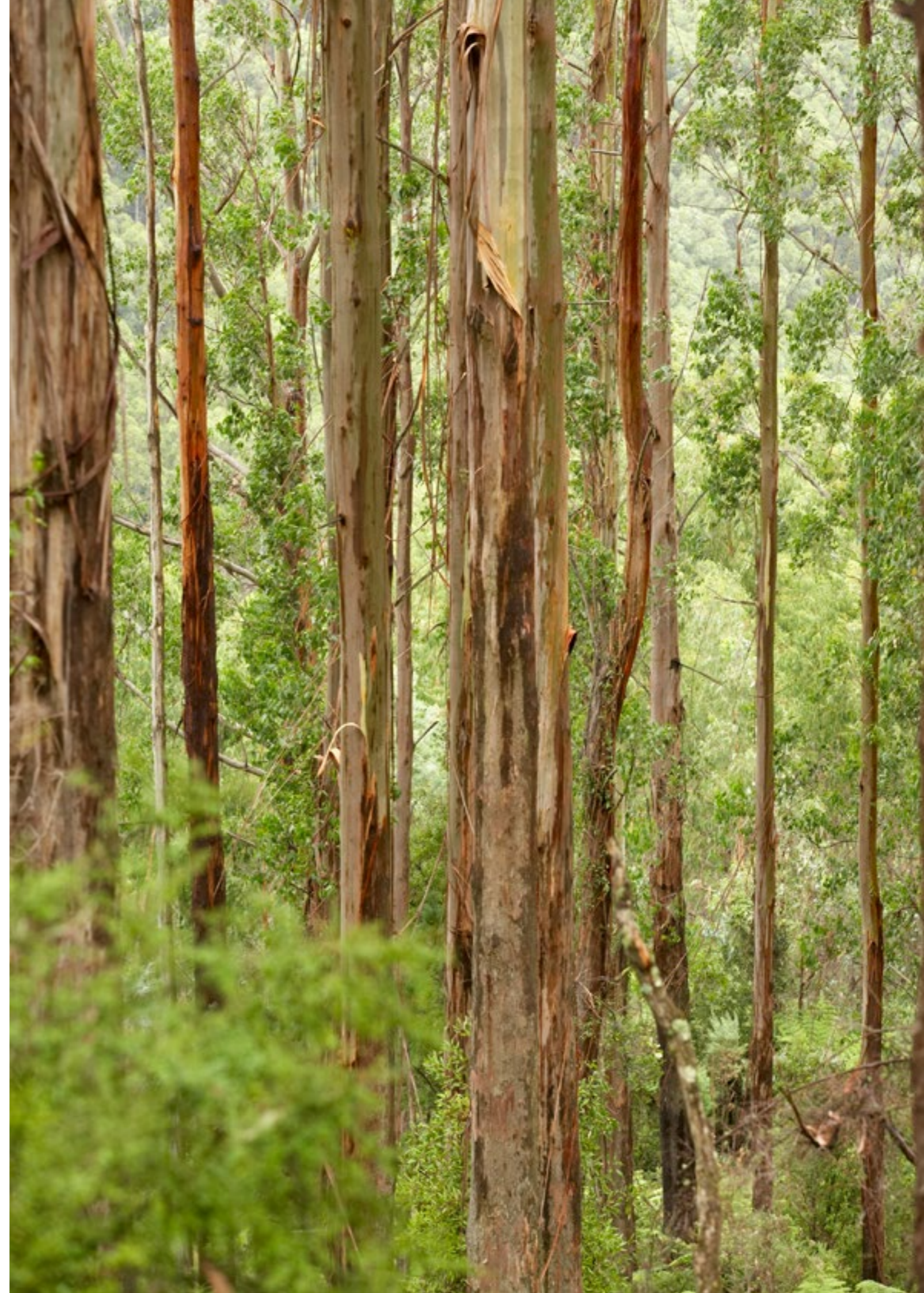
Coupled with track and trace technologies, this method has great potential to ensure the right products are used for the right purposes, with minimal repeat measurements required.

### Combining traditional inventory practices with modern laser sensors

Traditional forest inventory data collection methods are labour-intensive, time-consuming and prone to error. However, these manual field measurements are still necessary to calibrate and validate models using remote sensing data. Researchers at the University of the Sunshine Coast set out to investigate and provide preliminary results on the accuracy of combining terrestrial inventory practices with modern laser sensors – namely light detection and ranging (LiDAR) technology.

During the study, which focused on *Eucalyptus nitens* stands, data was obtained using an iPad and the 3D-modelling Polycam app. The iPad estimates were compared with manual individual tree measurements for accuracy, and the results were promising. Use of the iPad and app. could present a more affordable alternative to terrestrial and handheld laser scanners.

To fully realise the potential of this technology, the researchers have suggested the iPad's LiDAR scanner specs must continue to improve.



# Program 4

## Increasing resource availability and reducing risk

This program aims to increase the availability of wood fibre to support an expanding market and associated manufacturing capacity. Work within this program in 2022-23 included:

- Grower levy increase continues to bear fruit
- Global growth for Plant Biosecurity Research Initiative
- Profert for Pine updates
- Remote sensing data – a window into the future of forestry
- Boosting exotic pest surveillance capacity in high-risk areas
- Optimising mahogany plantations in northern Australia
- Harnessing laser tech to characterise structures
- Saying ‘bonjour’ to visiting French foresters

### Grower levy increase continues to bear fruit

Last year’s forest grower levy increase for research and biosecurity, with matched funds from the Australian Government, has enabled additional research funding for vital projects identified through extensive industry consultation throughout 2022-23.

### Forest grower levy increase supporting research with additional funding:

- \$1.7m in 2022-23
- \$3m in 2023-24
- \$4.2m in 2024-25

FWPA played a key role in supporting the Australian Forest Products Association (AFPA) to lead the process surrounding the levy increase, including widespread stakeholder consultation prior to an industry-wide vote.

This increase in research funding was made possible due to overwhelming approval from Australian forest growers. Thank you to everyone who added their voice to this important discussion. The result demonstrates the faith industry has in AFPA and FWPA, and your votes are now making a real and tangible difference in increasing resource availability and reducing risk.”

- Jodie Mason, FWPA Forest Research Manager

### Global growth for Plant Biosecurity Research Initiative

The Plant Biosecurity Research Initiative (PBRI), with which FWPA has long been involved, aims to minimise damage caused by biosecurity threats to Australia’s plant industries. The initiative is a partnership between all seven plant research and development corporations (RDCs) including FWPA, as well as the Council of RDCs, Agrifutures, Plant Health Australia and the Department of Agriculture, Fisheries and Forestry.

The PBRI joined with European and Aotearoa New Zealand counterparts Euphresco and B3NZ for the First International Plant Health Conference, which was held in London and **attended by about 100 people**. Workshops, side-sessions and case study presentations explored options for the global coordination of plant health research, on topics including food security, climate change and sustainable pest management.

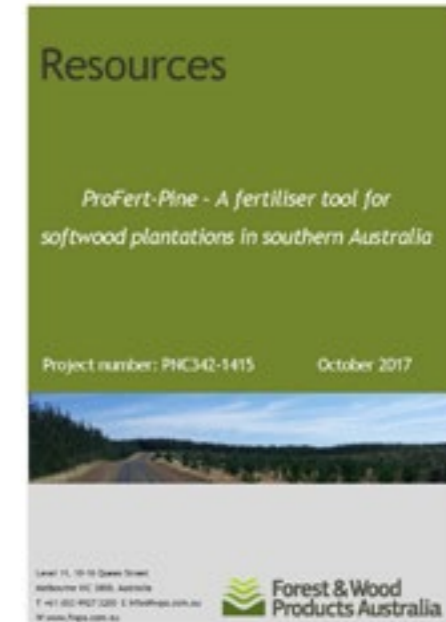
This was followed by the 4th International Congress on Biological Invasions (ICBI2023), which took place in Christchurch, New Zealand, and had a similarly sharp focus on innovation, collaboration, and partnership. Strong and innovative examples of Australian-conducted biosecurity research were presented to the global contingent in attendance.

“Collaborating on plant health research with global partners means we are not duplicating investment or efforts and are able to share valuable experience and expertise on how to detect and manage destructive plant pests and pathogens.”

– Dr Jo Luck, PBRI Program Director

### Other areas of focus suggested by attendees:

research extension and outreach  
capability building through the support of student networks  
global laboratory exchanges  
webinars  
conferences  
knowledge exchange via targeted workshop  
profile raising of plant health research through coordinated communications strategies



ProFert-Pine - A fertiliser tool for softwood plantations in southern Australia, 2017

### ProFert for Pine updates

In 2017, FWPA-supported research led to the development of the ProFert for Pine tool, which is used by softwood growers across Victoria, Tasmania and South Australia to predict responses to fertiliser under various conditions, enabling increased production and profitability. Now, thanks to additional research, the applicability of the ProFert tool has been expanded.

The results of new experiments have allowed for the tool to be re-developed and re-calibrated for use in southern Western Australian softwood plantations. Hardwood plantation managers were keen for access to similar guidelines. The results from the first three years of research trials in hardwoods have been incorporated into ProFert to provide estimates of the profitability expected with fertiliser application in the hardwood stands of southern Australia.

In the spirit of encouraging industry-wide collaboration, the updated version of ProFert is being tested by growers, and will be refined and improved over time based on user feedback.

## Remote sensing data – a window into the future of forestry

The CSIRO-led research team behind the FWPA-supported 'Next Generation Resource Assessment and Forecasting for Australian Plantation Forestry' investigated approaches that could help industry effectively utilise data acquired by satellites, drones and ground-based sensors to support decision making for improved planning and forest growth.

The researchers presented potential pathways for Australian forestry companies to maximise the benefits associated with these emerging technologies. The result is a modern plantation resource assessment and forecasting system that combines data acquired through remote sensing with process-based models.

### Q: What is a process-based model?

**A:** Process-based models focus on environmental factors that drive plantation growth in the field including sunlight, water availability and soil nutrients.

### Q: What is remote sensing?

**A:** Remote sensing uses a variety of sensors to provide data that helps foresters determine productivity drivers such as leaf area, tree population, stand height and forest health. By inputting sensed data into process-based models, foresters can update tree inventories, project growth, and simulate decades-long cycles that will inform future planning.

Many companies do not have the expertise in-house to drive this sort of initiative themselves. The team has outlined a potential collaborative model that would involve a core team of experts in technology and modern systems working together to support industry stakeholders by sharing insights. This is another example of how the industry is stronger when we work together!

## Boosting exotic pest surveillance capacity in high-risk areas

A collaborative effort between government, the forestry industry and the community designed to enable early detection of exotic forest pests and improve the likelihood of their eradication has completed its first year of surveillance.

Researchers report the activities are progressing well and will play a valuable role in speedily managing and mitigating incursions, thus reducing economic and environmental risk.

The National Forest Pest Surveillance Program – soon to be renamed Forest Watch Australia – is overseen by a steering group made up of industry stakeholders and government representatives. Launched on 1 July 2022, it was enabled by last year's forest grower levy increase for research, development and extension (RD&E), and biosecurity. It is being overseen by Plant Health Australia.

Objectives of the National Forest Pest Surveillance Program, developed in consultation with growers and government:

- improve forest pest surveillance coordination, capacity and capability across stakeholders
- optimise surveillance efforts using a risk-based approach
- maximise resource efficiency through stakeholder partnerships.

Traps have been installed in all capital cities, and in and around airports and shipping ports. Experts monitoring these traps are on the lookout for unfamiliar insects, while also observing surrounding trees for signs of potential incursion.

The program is funded for an initial five years, with the potential to continue beyond that pending the results of a review during the fourth year.



African mahogany

## Optimising mahogany plantations in northern Australia

The findings of a **\$1 million, five-year study** investigating approaches to maximising productivity and profitability of African mahogany plantations in the Douglas-Daly region of northern Australia have been released.

The research report provides guidance on the impact of climate and silvicultural management practices – including fertilisation, thinning and pruning – on plantation productivity.

The project was funded in partnership between African Mahogany Australia and Northern Tropical Timbers, with matching funding provided by the Australian Government, through FWPA. The research was undertaken by a team including representatives from McGrath Forestry Services, African Mahogany Australia, the Northern Territory (NT) Department of Industry, Tourism and Trade, and the Queensland Department of Agriculture, Fisheries and Forestry.

The team observed a range of sites and sought to identify relationships between tree growth, thinning, and the nutrient status of soil and foliage.

“The ultimate goal of the project was to identify the optimum thinning and fertilisation regimes for productivity across existing African mahogany sites, with the intention to collect knowledge that would be transferable to a wide range of sites across northern Australia.”

– Jodie Mason, FWPA Forest Research Manager

### Key findings outlined in the report include:

- A strong relationship between water availability and productivity. Water constraints in the NT's seasonally dry, monsoonal climate was found to be the main barrier to productivity.
- Growth was found to improve where nitrogen and phosphorus were added to soil. Low fertility sites enjoyed double the usual growth rates, while additional growth of between 30 and 50% was observed at other sites.
- Response to fertiliser appeared to last for at least four growing seasons, with the impacts increasing over the first four years. A key recommendation therefore is the application of fertiliser at 4-5 year intervals.
- Water availability was also found to have a strong influence on the response to fertiliser, with fertiliser response found to be limited in drier years.
- Plantation density was found to influence productivity. Researchers recommend **plantations be maintained at or below 400 stems per hectare (sph)**.

## Harnessing laser tech to characterise structures

While plantation forestry has embraced mobile laser scanner (MLS) and airborne laser scanning (ALS) technologies, less attention has been given to their use in native forests. The results of an FWPA-supported collaborative research project have demonstrated the potential of this type of data to link tree and plot-level measurements in native forests.

Testing has revealed a more accurate, repeatable, safe and accessible means of gaining a complete picture of native forest structure and condition to inform better decision making by native forest managers.

## Saying 'bonjour' to visiting French foresters

In considering what we can learn from the state-of-play in the forestry industries of other nations, FWPA is keen to continue to build and strengthen international linkages. This year, FWPA met with visiting French foresters hoping to learn about Australian practices and gain insights. The nine-day trip was organised by Groupama Forêts Assurances (MISSO), which focuses on insuring forests, timber and industrial production against natural disasters.

Following the unprecedented French forest fires of 2022, the visitors wanted to learn from Australia about fire management, policy, emergency response, fire prevention and how a warming climate will impact the approach to forest management. A reciprocal forestry tour is now in the works, with several Australian professionals having expressed an interest in visiting France to discover what additional lessons can be learned for the benefit of forestry back on home soil.



Presentation by FWPA during the French foresters' visit

9

9-Day trip

32

French delegates

30

presentations & workshops with Australian forestry professionals, including FWPA

“It was so encouraging to see such a high level of engagement between the visiting French foresters, and the Australian contingent. It became clear this was not simply a case of our French guests learning from Australia – it facilitated a two-way sharing of knowledge and created valuable contacts and connections between ourselves and our international industry colleagues.”

– Janette Newport, FWPA Forest Research Coordinator





# Program 5

## Impacting decision making and industry capability

This program works to ensure the industry has the skills and systems necessary to support improved decision-making by all players across the value chain. Highlights within this program in 2022-23 included:

- Winner of the 2023 Science and Innovation Awards
- Data aggregation program
- StatisticsCount: Peek behind the curtain
- New FWPA and ABARES joint work plan
- Promoting gender diversity in the forestry sector
- Supporting Indigenous commercial forestry opportunities in northern Australia

### Winner of the 2023 Science and Innovation Awards

As an example of nurturing future industry talent and capability, FWPA congratulated Dr Ashley Jones of the Australian National University winner of the forest and wood products industry category in the 2023 Science and Innovation Awards for Young People in Agriculture, Fisheries and Forestry.

FWPA's representative judge, Statistics and Economics Manager Kevin Peachey proudly presented Dr Jones with the award for his work in identifying the dynamic plant ribonucleic acid (RNA) modifications needed to combat myrtle rust. The awards aim to help advance the careers of young researchers, scientists, producers, and innovators through national recognition of their research projects.



Minister Murray Watt (Commonwealth Government Minister for Agriculture, Fisheries and Forestry), Dr Ashley Jones and Kevin Peachey at the 2023 Science and Innovation Awards for Young People in Agriculture, Fisheries and Forestry.

### Data aggregation program

- Collating industry-wide data for stronger insights, confidence, and better decision making
- FWPA works with 50+ member companies, who contribute data for 15 datasets
- Datasets are interpreted and shared monthly via an online data portal, available to the industry

### StatisticsCount: Peek behind the curtain

The FWPA StatisticsCount program plays a crucial role in promoting the competitiveness of the forestry industry by presenting analysis and data that reflects various aspects of the supply chain. This year, it increased its scope with the launch of a new video series.

The videos are available on YouTube and are designed to inform viewers about various aspects of the program, and the vital role it plays in collating, analysing, and sharing valuable statistics in support of future planning.

### Supporting Indigenous commercial forestry opportunities in northern Australia

FWPA-supported research led by the University of the Sunshine Coast and various industry partners in the Northern Territory's East Arnhem Land will help to underpin a commercially viable Indigenous forestry industry in northern Australia.

Information generated throughout this research will support better utilisation of forest resource and establish clear processes that will secure future timber supply.

The project will directly support Gumatj forestry operations and manufacturing by building organisational capacity, consolidating existing markets, and developing new markets and customers.



## New FWPA and ABARES joint work plan

A new work plan is set to provide industry with fast and easy access to existing data with improved reliability, as well as new, relevant, up-to-date data designed to fill knowledge gaps.

Commencing in 2022, the two-year project is a collaboration between FWPA and the Australian Bureau of Agricultural and Resource Economics (ABARES). The team behind the initiative is working to provide resource-based information in stakeholder priority areas, and domestic production and trade data, alongside robust analysis.

This access will help inform industry decision-making and support policy development by the Department of Agriculture, Fisheries and Forestry through the provision of unbiased, evidence-based forest and wood products statistics and analysis.

Two projects included as part of this initiative are:

### Biannual Australian Forest and Wood Products Statistics and monthly trade data

Published by ABARES, this publication for industry and government includes information on the value and volume of logs harvested, changes in Australia's commercial plantation estate, forest sector employment, the performance of the wood product manufacturing sector, and data on new housing commencements and the trade of wood products.

### Plantation survey updates

Australia's annual plantation statistics report informs changes in the wood production resource base. This key publication provides information on softwood and hardwood plantation areas, as well as a baseline of national, state and regional statistics that can be used to inform forest policy and industry investment.

## Promoting gender diversity in the forestry sector

For the third year, companies in the forest and timber processing sectors completed a voluntary Gender and Diversity Survey, as part of an ongoing industry-wide commitment to increasing the participation of women across the workforce.

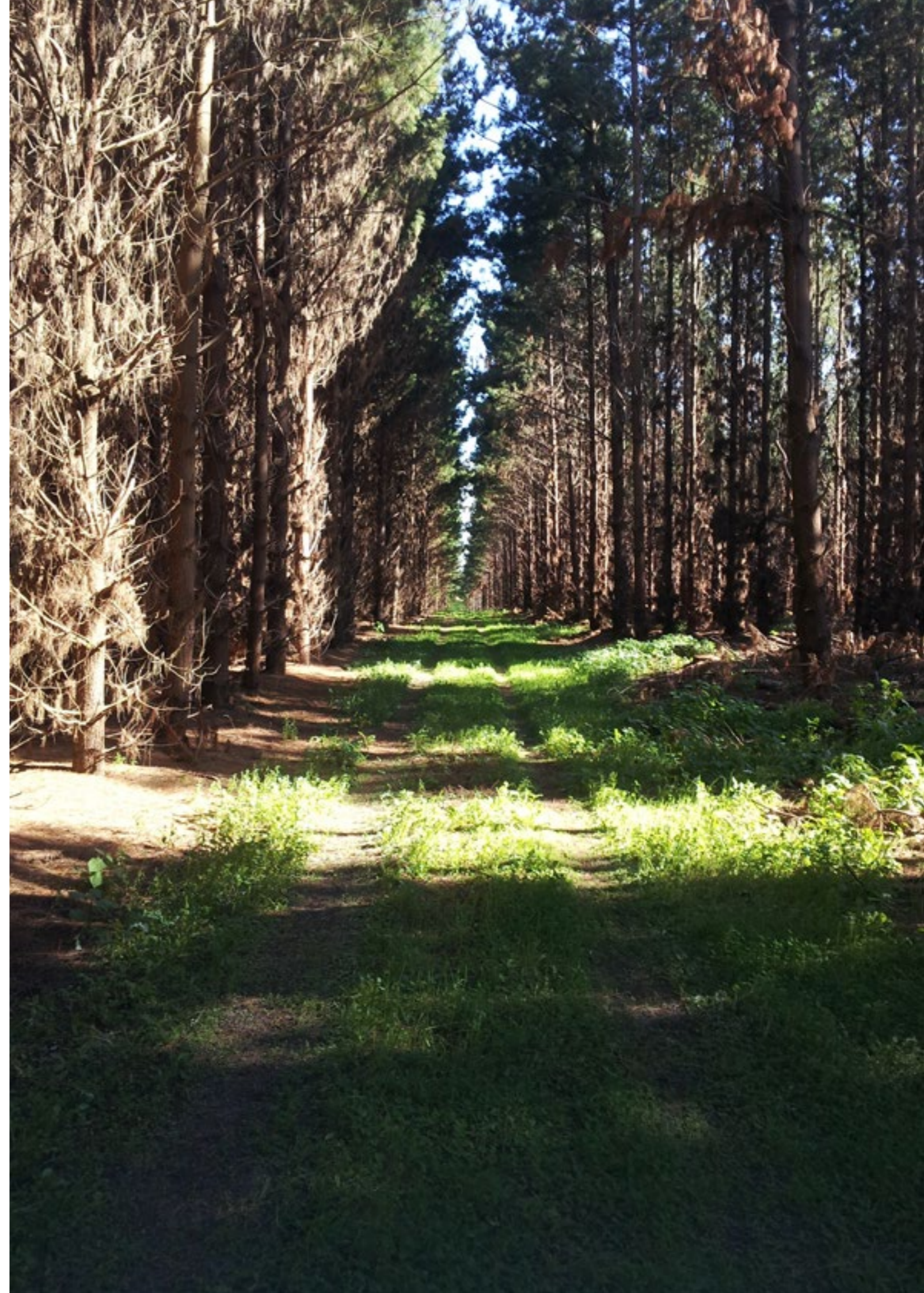
### 2022 survey:

- Completed by 21 companies
- A 20% increase in the number of female employees across the sector since 2020
- Almost 25% of executive level roles now filled by female employees ... representing a 5% increase since 2020

The survey is part of the Australian Forest Industries Diversity and Inclusion Charter, which sets out eight commitments focused on improving industry diversity and inclusion. The survey data is collected and analysed annually in a collaboration between the Australian Forest Products Association (AFPA) and FWPA.

**“With each year’s results, the industry is empowered with more data to draw on for analysis. That analysis aids planning for the improvement of diversity goals and policy development.”**

– Kevin Peachey, FWPA Statistics and Economics Manager



# Voluntary Matching Projects

## - Research & Development

### 1.1

Project description	Commonwealth and industry co-investment (\$)	(\$) Total project costs	Status	Project No.
<b>Industry Edge Pty Ltd</b> FCNSW Log Price Review Mechanism	17,730	17,730	Active	VSE126-1920
<b>BIS Oxford Economics Pty Ltd</b> Sawn Timber in Australia 2019 – 2035 Study	105,946	105,946	Completed	VSE124-1920
<b>Forest Industries Federation (WA)</b> Identification of Cost Effective and Practical Methods to Achieve 6-Star Timber Framed Residential Housing Solutions	16,304	16,304	Completed	VNA501-1920
<b>CRC Developing Northern Australia</b> Maximising northern tropical forestry - linking communities and cutting-edge technologies	600,000	600,000	Active	VNB537-2021
<b>Timber Development Association (NSW) Ltd</b> Fire Resistance of Modern Dovetail Timber Connector	173,250	173,250	Active	VNA481-1819
<b>Forest Quality Pty Ltd</b> Validated softwood stiffness predictions using IML-Resistograph and eCambium: online automated processing	388,000	388,000	Completed	VNB459-1718
<b>University of Tasmania</b> An Investigation to Detect and Map Internal and External Defects in the Commercial Eucalypt Timber Species Using Non-destructive Techniques	36,000	132,155	Active	VNC511-1920
<b>McGrath Forestry Services Pty Ltd</b> A tool to predict fertiliser response and profitability in softwood plantations across Australia. Component 1: South West WA	240,000	568,750	Active	VNC476-1819
<b>University of Melbourne (Forestry)</b> Characterising and managing fire risks to plantations under changing climates	904,000	1,466,194	Completed	VNC518-1920
<b>Forest Practices Authority</b> Demonstrating Stewardship of the Environment and Ecologically Sustainable Forestry: Monitoring the Effectiveness of the Tasmanian Forest Practices Code for Biodiversity	153,780	153,780	Active	VNC457-1718
<b>University of South Australia</b> Development of fit for purpose silviculture linking plantation management and productivity to wood properties	110,000	150,000	Active	VNC530-2021
<b>WA Plantation Resources Pty. Ltd.</b> Enhancing the knowledge base for hardwood plantation management	600,000	1,802,413	Active	VNC590-2223
<b>University of the Sunshine Coast</b> Forest Pest Management Research Consortium	242,334	485,334	Active	VNC576-2122
<b>University of South Australia</b> Geospatial positioning and fusion: is real-time sub-metre, accuracy operationally feasible in forestry environments?	468,468	1,370,868	Active	VNC589-2223
<b>University of the Sunshine Coast</b> Indigenous Commercial Forestry Opportunities: East Arnhem, northern Australia	584,557	584,557	Active	VNC506-1920
<b>University of the Sunshine Coast</b> Innovation in value realisation through the supply chain and supply chain technology	525,000	525,000	Active	VNC513-1920

# Voluntary Matching Projects

## - Research & Development

### 1.2

Project description	Commonwealth and industry co-investment (\$)	(\$) Total project costs	Status	Project No.
<b>Western Sydney University</b> Microbiome Management: Leveraging advances in microbiome research to deliver cost-effective tools to boost resilience and productivity of pines throughout their production lifecycle	220,000	1,187,347	Active	VNC578-2122
<b>Plant Health Australia</b> Mobile applications to support stakeholder surveillance of exotic forest and environment pests	56,000	56,000	Active	VNC514-1920
<b>CSIRO Sustainable Ecosystems</b> Next Generation Resource Assessment and Forecasting for Australian Plantation Forestry	150,002	304,785	Completed	VNC519-1920
<b>University of Tasmania – School of Technology, Environments and Design</b> Operational immersive visualisation and measurement of dense point cloud data in forest inventory	270,000	470,184	Completed	VNC520-1920
<b>McGrath Forestry Services Pty Ltd</b> Silvicultural systems to optimise value from northern Australian Mahogany Plantations	1,030,000	1,590,000	Completed	VNC402-1617
<b>University of South Australia</b> Development of a portfolio of alternative weed control strategies for use in plantations	110,000	160,000	Active	VNC529-2021
<b>Southern Tree Breeding Association</b> Incorporating genetics into forest valuation models – IRR-PLAN	777,770	996,708	Active	VNC480-1819
<b>Tree Breeding Australia Ltd</b> Increased and sustained productivity gains in national tree improvement programs for softwood and hardwood plantations	1,585,737	3,376,355	Active	VNC479-2122
<b>Tree Breeding Australia Ltd</b> Increased and sustained productivity gains in national tree improvement programs for softwood and hardwood plantations	1,585,737	3,376,355	Active	VNC579-2122
<b>Southern Tree Breeding Association</b> Industry wide application of advanced breeding tools and systems – Tree Breeding Australia	1,938,085	3,419,068	Completed	VNC406-1516
<b>McGrath Forestry Services Pty Ltd</b> Optimising plantation productivity through improved fertiliser regimes	100,000	435,000	Completed	VNC422-1617
<b>Tree Breeding Australia Ltd</b> Quality assurance in the pedigree of radiata pine	150,000	150,000	Active	VNC561-2021
<b>University of the Sunshine Coast</b> Sirex biocontrol: cryptic nematode field strain prompts urgent review of program	120,000	290,000	Completed	VNC517-1920
<b>Tree Breeding Australia Ltd</b> Tools, systems and enabling genetic technologies for pines and eucalypts	962,844	1,947,595	Active	VNC515-1920
<b>Tree Breeding Australia Ltd</b> Using genomics to double the rate of genetic gain in Australian forest	897,708	1,447,679	Active	VNC580-2122

# Voluntary Matching Projects

## - Research & Development

### 1.3

Project description	Commonwealth and industry co-investment (\$)	(\$) Total project costs	Status	Project No.
<b>David Dore</b> Re-measurement of lower-rainfall farm forestry species in Victoria to improve genetic quality and establishment	11,000	11,000	Completed	VNC494-1920
<b>HVP Plantations</b> Giant Pine Scale Chemical Control	263,000	263,000	Active	VNC450-1718
<b>La Trobe University</b> Giant Pine Scale Postgraduate Research Scholarship Agreement	137,500	137,500	Active	VNC472-1819
<b>WA Plantation Resources Pty. Ltd.</b> The Industry Plantation Management Group – Applied Research and Extension	975,000	975,000	Completed	VNC458-1718
<b>NSW Department of Primary Industries</b> Carbon dynamics from native forestry in Australia	60,000	60,000	Active	VRE574-2122
<b>Australian Forest Contractors Association</b> Forest Fit Research Pilot	197,033	197,033	Active	VNE593-2223
<b>Australian Forest Products Association</b> Log Haulage Registered Code of Practice (LHRCoP)	200,000	200,000	Completed	VNA434-1617
<b>CRC for Developing Northern Australia Ltd</b> Silvopastoral trials of commercial pine systems in North Queensland	142,703	762,939	Active	VNC555-2122
<b>Plant Health Australia</b> Developing exotic pest surveillance capacity in high-risk areas across Australia	255,000	255,000	Active	VNC512-1920
<b>Timber Development Association (NSW) Ltd</b> Development of a Discussion Regulatory Document about the Installation of Timber Cladding	64,000	64,000	Active	VNA185-2223
<b>Forest Growers Research Program</b> Enhancing biological control of invasive Eucalyptus weevils in Australia's eucalypt plantations	150,500	279,732	Active	VNC587-2223
<b>University of Tasmania - School of Technology, Environments and Design</b> Forest Growers Research Program	613,500	613,500	Active	VNC584-2122
<b>McGrath Forestry Services Pty Ltd</b> Optimising productivity of hardwood plantations: yield gap analysis for Eucalyptus globulus plantations in southern Australia	400,000	1,019,973	Completed	VNC516-1920
<b>Indicium Dynamics Pty Ltd</b> Triple-M IoT – Exploring the use of the Internet of Things in Monitoring and Managing Moisture in production forestry and landscape fire management	130,000	220,000	Active	VNC560-2021

# Levy Funded Projects

## - Research & Development

### 1.1

Project description	Commonwealth and industry co-investment (\$)	(\$) Total project costs	Status	Project No.
<b>Sylva Systems Pty Ltd</b> Growers Benefit Cost Analysis 2022	19,200	19,200	Active	PRC596-2223
<b>University of Queensland</b> ARC Research Hub to Advance Timber for Australia's Future Built Environment	132,000	2,664,844	Active	PNB613-2223
<b>University of South Australia</b> Improving profitability in multi-residential and commercial construction timber supply chains using a Building Information Modelling decision framework	22,500	137,500	Active	PNA383-1516
<b>Timber Development Association (NSW) Ltd</b> Measuring Moisture and Axial Displacement in Australia's First 6 Storey Timber Framed Building	87,000	87,000	Active	PRA449-1718
<b>Meder Consulting</b> Review and Survey of Global Dust Exposure Levels in Wood Processing	13,750	13,750	Completed	PRA503-1920
<b>University of South Australia</b> Establishing the relationship between random and biased testing for structural verification of Australian sawn softwood	72,000	132,400	Active	PNA498-2021
<b>University of Sydney</b> Microtimber – Development of a 3D-printed, gradient timber panel composed of forestry waste- and by-products	90,000	405,159	Active	PNA359-1516
<b>thinkstep Pty Ltd</b> Update WoodSolutions EPDs	78,215	78,215	Active	PRA598-2223
<b>TimberED Services Pty Ltd</b> Developing a technical basis for a biased testing structural property verification method for Australian sawn softwood	42,600	77,900	Active	PRA497-1920
<b>Forestry Tasmania</b> Processing pruned <i>Eucalyptus nitens</i> plantation logs to produce high-value sawn and veneer products	168,915	168,915	Active	PNB417-1617
<b>University of the Sunshine Coast</b> National Centre for Timber Durability and Design Life	3,750,000	3,750,000	Completed	PNB425-1617
<b>University of the Sunshine Coast</b> National Centre for Timber Durability and Design Life 2	672,127	1,422,127	Active	PNB606-2223
<b>Australian Forest Contractors Association</b> National Load Restraint Trial and Testing	9,530	64,530	Completed	PRB467-1819
<b>University of the Sunshine Coast</b> RD&E Program in Advanced Log and Woodchip Export Supply Chain Management for Australia	775,000	775,000	Completed	PNC426-1617
<b>University of the Sunshine Coast</b> Advance Queensland Industry Research Fellowship	30,000	30,000	Completed	PRC486-1819
<b>University of the Sunshine Coast</b> Advanced real-time measurements at harvest to increase value recovery	250,000	2,130,612	Completed	PNC465-1718
<b>University of the Sunshine Coast</b> AGVET Commonwealth Agreement (ID 4-B14CTJ9)	72,500	72,500	Active	PNC487-1819

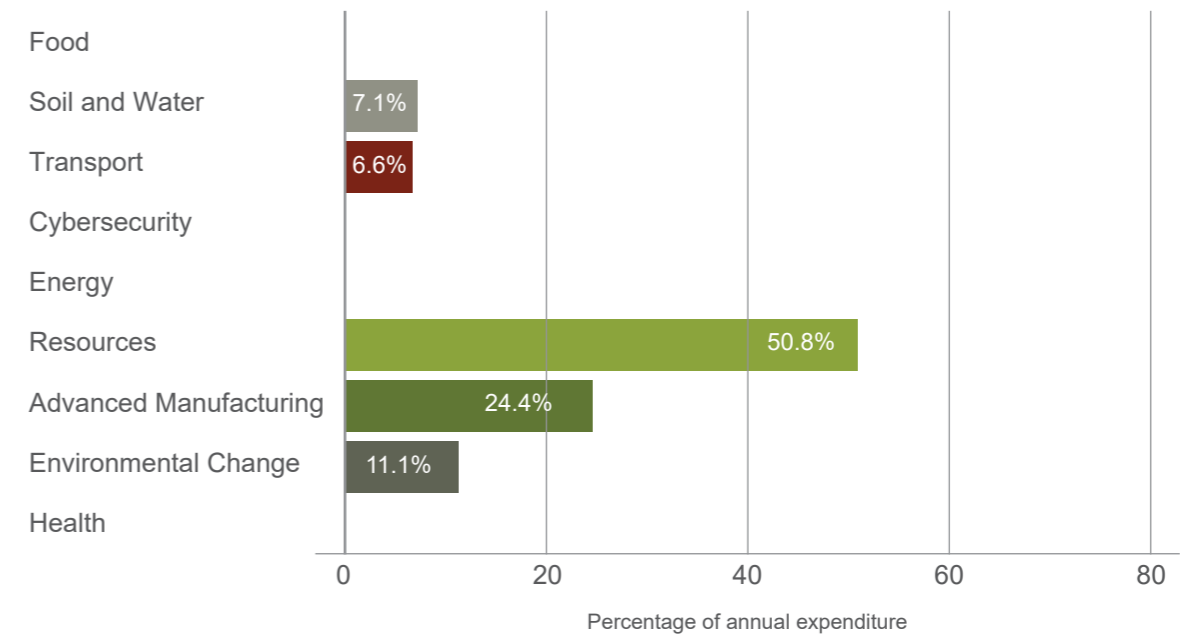
# Levy Funded Projects

## - Research & Development 1.2

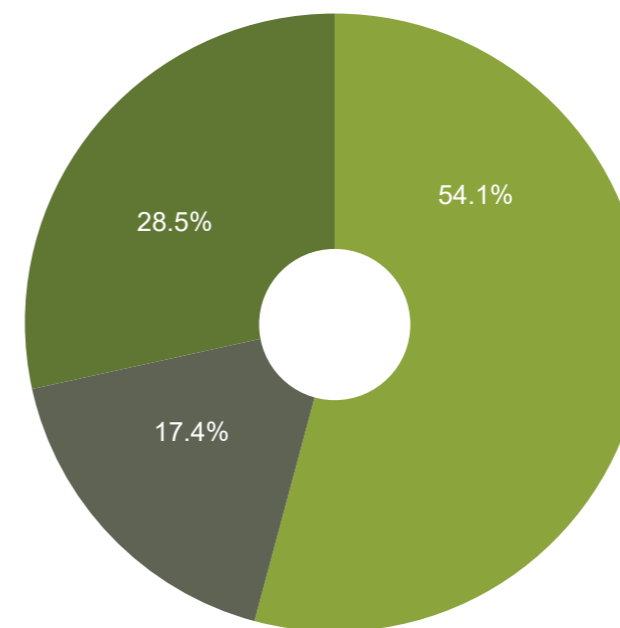
Project description	Commonwealth and industry co-investment (\$)	Total project costs (\$)	Status	Project No.
<b>Sylva Systems Pty Ltd</b> Benefits for costs financial analysis for February 2022 proposal submissions	23,940	23,941	Completed	PRC573-2122
<b>Grains R &amp; D Corporation</b> Boosting Diagnostic Capacity for Plant Production Industries	90,000	14,826,135	Completed	PNC499-1920
<b>NSW Department of Primary Industries</b> Characterising native forest structure from co-incident terrestrial and airborne LiDAR	86,402	306,089	Completed	PNC546-2021
<b>Ahmu Consulting Pty Ltd</b> Development of the Climate Change Investment Plan 2023	0	0	Active	PRC621-2324
Development of the Fire Investment Plan 2023	10,000	10,000	Active	PRC622-2324

# National and rural research priorities

## Expenditure against national research priorities



## Rural research priorities



- Advanced technology to enhance innovation of products, processes and practices across the food and fibre supply chains through technologies such as robotics, digitisation, big data, genetics and precision agriculture.
- Bioresecurity to improve understanding and evidence of pest and disease pathways to help direct bioresecurity resources to their best uses, minimising bioresecurity threats and improving market access for primary producers.
- Soil, water and managing natural resources to manage soil health, improve water use efficiency and certainty of supply, sustainably develop new production areas and improve resilience to climate events and impacts.

# Voluntary Matching Projects

## - Extension 1.1

Project description Program 2 - WoodSolutions	Commonwealth and industry co-investment (\$)	Total project costs (\$)	Status at 30th June 2023
<b>Adam Jones Podcasting</b> Timber Talks Podcast - to educate, inspire and inform	38,052	38,052	Active
<b>Australian Institute of Architects</b> Refule Continuing Professional Development to educate and inform 12 month contract	15,000	15,000	Active
<b>Australia Institute of Building Surveyors</b> Sponsorship to educate and inform building surveyors 12 month contract	25,000	25,000	Active
<b>Australian Institute of Landscape Designers</b> Sponsorship to educate and inform landscape architects 12 month contract	22,000	22,000	Active
<b>Architecture &amp; Design</b> Sponsorship of Sustainability awards and conference to educate and inform architects & designers 12 month contract	25,000	25,000	Active
<b>Carpentry Australia</b> Sponsorship to educate and inform carpenters 12 month contract	8,800	8,800	Active
<b>CLT Concepts</b> Development of Technical Design Guide #50 to educate the design and build sector	48,198	48,198	Complete
<b>Design Matters</b> Sponsorship to educate and inform building designers 12 month contract	50,000	50,000	Active
<b>Engineering Training Institute of Australia</b> Sponsorship of educational workshops for engineers 12 month contract	8,800	8,800	Active
<b>Tye Farrow</b> Sponsorship for research and writing on neurological, psychological, and emotional benefits of biophilic environments and buildings to help inform and inspire the design and build industry	7,600	7,600	Active
<b>Fire Australia</b> Sponsorship of national conference to educate and inform design & build sector	5,500	5,500	Complete
<b>Timber Offsite Construction</b> Sponsorship of conference to educate and inform design and build professionals, industry and supply chain	7,500	7,500	Active
<b>Green Building Council of Australia</b> Sponsorship to educate and inform design & build professionals 12 month contract	22,000	22,000	Active
<b>Housing Industry Association</b> Sponsorship of Greensmart Awards to educate and inform building industry President's Lunch to inform and educate CEOs of tier 1 construction firms	20,800	20,800	Active
<b>HLS Productions</b> Production of InFocus video series to inform and educate the design and build sector of forest and wood products industry	33,000	33,000	Active

# Voluntary Matching Projects

## - Extension 1.2

Project description Program 2 - WoodSolutions	Commonwealth and industry co-investment (\$)	Total project costs (\$)	Status at 30th June 2023
<b>Laurence Ritchie Photography</b> Subscription to media library to inform and educate the design and build sector 12 month contract	3,600	3,600	Active
<b>Legacy Engineering SA</b> Development and presentation of technical education and information	2,400	2,400	Complete
<b>Northwest Media</b> Design and Development of WoodSolutions Project Portal website to inform design and build industry	35,000	35,000	Complete
<b>Property Council of Australia</b> Sponsorship to educate and inform property and development sector 12-month contract	35,200	35,200	Active
<b>Technocrat</b> WoodSolutions SpeciesSolutions APP and website management	113,000	113,000	Active
<b>The Urban Developer</b> Development of educational webinar for the property sector	5,500	5,500	Complete
<b>Timber Development Association NSW &amp; ACT</b> Sponsorship Australian Timber Design Awards and technical education for the design and build sector 12-month contract	101,300	101,300	Active
<b>Timber Consulting</b> Expert Advice service WoodSolutions website	3,300	3,300	Active
<b>Timber Queensland</b> Sponsorship and technical education for the design and build sector 12-month contract	6,970	6,970	Active
<b>TimberEd WA</b> Development and presentation of technical education and information, development of microcertification	17,043	17,043	Active
<b>TPC Solutions VIC</b> Sponsorship and technical education for the design and build sector 12-month contract		111,700	111,700
<b>Weiss Insights</b> Research and development of WoodSolutions strategy	29,920	29,920	Active
<b>TOTAL</b>	<b>802,183</b>	<b>802,183</b>	

# FWPA Members

As at 30 June 2023

## Full Member Companies

A G Brown Sawmill Pty Ltd  
ACT Environment, Planning and Sustainable Development Directorate – Departmental  
Adam's Sawmill Pty Ltd  
Agriwealth Contracting Pty Ltd  
AKD NSW Pty Ltd  
AKD Queensland Pty Ltd  
AKD Victoria Pty Ltd  
Albany Plantation Export Company Pty Ltd  
Allied Timber Products Pty Ltd  
Alpine Mdf Industries Pty Ltd  
ANZFIF Sub 1 (Australia New Zealand Forest Investment Fund)  
ANZFOF Sub1 (Australia New Zealand Forest Operating Fund)  
Associated Kiln Driers Pty Ltd trading as A.K.D. Softwoods  
Austral Plywoods Pty Ltd  
Australian Bluegum Plantations Pty Ltd  
Australian Solar Timbers  
Australian Sustainable Hardwoods Pty Ltd  
Australian United Timbers Pty Ltd  
Australian Wood Panels Pty Ltd  
Auswest Timbers Pty Ltd  
AW Moran Sawmilling Pty Ltd  
Baradine Sawmilling Co Pty Ltd  
Bayswood Timber Wholesalers Pty Ltd  
BBS Flooring Products Pty Ltd  
Big River Group Pty Ltd  
Birnam Forests Pty Ltd Bluebat  
Boral Timber Division Borg Panels  
Briggs Veneers Pty Ltd  
Britton Bros Pty Ltd  
Bunbury Fibre Exports Pty Ltd  
Bunbury Fibre Plantations Pty Ltd  
Bunbury Treefarm Project  
Byjuke Partnership  
Carter Holt Harvey Woodproducts (Southern Region) Pty Ltd  
Carter Holt Harvey Woodproducts

Central and Northern Regions Pty Ltd  
Carter Holt Harvey Woodproducts Australia  
Clockworkbovine  
Cotswold Investments Pty Ltd  
D&R Hendersen Pty Ltd  
D.M and L.A Pratt  
D.S Fuller & L.R Fuller trading as Dale & Lindsay Fuller Partnership  
Dale & Meyers Operations Pty Ltd trading as DTM Timber  
Darren Bott  
David Neville Calvert Dindas Australia Pty Ltd  
DMK Forest Products Pty Ltd  
Endeavour Foundation trading as Nangarin Timbers  
Enrights Sawmill Ents Forestry Pty Ltd  
Environmental Forest Farms Management Ltd  
Fenning Investments Pty Ltd  
Forest Products Commission (WA)  
Forest Strategy Pty Ltd  
Forestry Corporation  
ForestrySA  
Forico Pty Ltd  
FourSquare Timbers Pty Ltd  
Frostpine  
G.L. & V.N. Barber Pty Ltd  
Garry Davey Timber Cutting  
George Fethers & Co. Trading Pty Ltd  
Gippsland Logging & Earthmoving Pty Ltd  
Green Triangle Forest Operating Sub Trust  
Green Triangle Forest Products  
Greensill Bros Pty Ltd  
Gunnedah Timbers Pty Ltd  
Gunnersens Pty Ltd  
GW & NI Saunders Sawmill Pty Ltd  
Hallmark Oaks Pty Ltd  
Hancock Victorian Plantations Pty Ltd (HVP)  
Henson Sawmilling Pty Ltd  
Hexan Holdings Pty Ltd trading as Whiteland Milling  
Highland Pine Products Pty Ltd  
HQPlantations Pty Ltd  
Hume Forests Limited Hurford Sawmilling Pty Ltd

Hurford Wholesale Pty Ltd  
Hyne Timber  
Injune Cypress  
Intech Operations Pty Ltd trading as Mucherts Sawmill (QLD)  
Ironwood Taree Pty Ltd  
ITI (NSW) Pty Ltd  
ITI (Queensland) Pty Ltd  
ITI (SA) Pty Ltd  
ITI (Victoria) Pty Ltd  
ITI (WA) Pty Ltd  
J Notaras & Sons Pty Ltd  
J Wright & Sons Pty Ltd  
Jarrah Select Pty Ltd  
Jarrahwood Australia Pty Ltd  
Jeff and Lilian Ang  
Jelfor Timbers Pty Ltd  
Jetstar Enterprises Pty Ltd trading as Permapole  
John Cook & Sons Pty Ltd  
Kangaroo Island Plantation Timbers  
Kilner Creek Company Trust  
Koppers Wood Products Pty Ltd  
KSI Sawmills Pty Ltd  
LA & KE Barnett  
LM Hayter & Sons Pty Ltd  
Lormier Timber Pty Ltd trading as Davids Timber  
Lotus Oaks Pty Ltd  
Luxury Home Solutions  
Machin's Sawmill Pty Ltd  
Mathews Timber Pty Ltd  
McCormack Demby Timber Pty Ltd  
McDonnell Industries Pty Ltd  
McKay Timber  
Meyer Timber Pty Ltd  
Middlesex Mill Pty Ltd  
Midway Limited  
Millmerran Timbers Pty Ltd  
Montana Timber Holdings Ltd  
Moran Logging Company Pty Ltd  
Morgan Sawmill Jamestown  
Morgan Sawmill Jamestown

MRG Connections Pty Ltd  
Nannup Timber Processing (NTP)  
New Forests Asset Management Pty Ltd (ABN 42 114 545 283) trading as The Trust Company (Australia) Ltd (ABN 21 000 000 993)  
NLG Timber Pty Ltd  
Norske Skog Paper Mills (Australia) Ltd  
NSFP Smartfibre Pty Ltd  
Onefortyone Plantations Pty Ltd  
OneFortyOne Wood Products  
Oregon Sales Pty Ltd trading as Timbeck Cedar Products  
Palletco SA Pty Ltd  
Parkside Building Supplies Pty Ltd  
Penrose Pine Products Pty Ltd  
Pentarch Forest Products Pty Ltd  
Planet Timbers (WA) Pty Ltd  
Porta Mouldings Pty Ltd  
Porters Sawmilling Pty Ltd  
Portland Pine Products  
Private Forestry Service Queensland  
Queensland Department of Agriculture and Fisheries  
Radial Timber Australia  
Ravenshoe Timbers Pty Ltd  
Redmond Sawmill  
Regional & Rural Reliance Forest Fibre  
Ridgewood Timber Pty Ltd  
Ryan & McNulty Pty Ltd  
S A Relf & Sons Pty Ltd  
SA Pine Pty Ltd  
Sarawood (Aust)  
Schiffke Sawmill Pty Ltd  
SFM Environmental Solutions  
Shield Resources Pty Ltd  
Simmonds Lumber Pty Ltd  
South East Fibre Exports Pty Ltd  
South East Pine Sales Pty Ltd  
Southern Pacific Fibre  
Stora Enso Australia Pty Ltd

Sustainable Timber Tasmania  
 Swan Le Messurier Pty Ltd  
 Ta Ann Tasmania Pty Ltd  
 Tarmac Sawmilling Pty Ltd  
 TASC0 trading as Dongwha Timbers Pty Ltd  
 Tasman KB Pty Ltd  
 The Hesmat Unit Trust  
 The Laminex Group  
 The Timber Treaters Trust  
 Tilling Timber Pty Ltd  
 Timberlands Pacific Pty Ltd  
 Timberlink Australia  
 Timothy J Mitchell  
 Towers Timber trading as Wambenger  
 Treated Pine Distributors trading as  
 Waverly Consulting  
 Urgenty Pty Ltd trading as Mary Valley Timbers  
 Ventech Australia  
 VicForests  
 VIDA Wood Australia Pty Ltd  
 Visy Pulp & Paper Pty Ltd  
 WA Chip & Pulp Co Pty Ltd  
 Wade Sawmill Pty Ltd  
 Weathertex Pty Ltd  
 Wesbeam Pty Ltd  
 Wespine Industries Pty Ltd  
 Western Junction Sawmill  
 Whiteheads Timber Sales Pty Ltd  
 Wild Partnership  
 Williams Timber Pty Ltd  
 Wilton Logging Pty Ltd  
 Woodhouse Timber Company Pty Ltd  
 Woodpanels International Pty Ltd  
 Wright Forest Products Pty Ltd

### Associate Member Companies

A E Girle Sons  
 AG Trusses  
 Andre Augusto Avino  
 ATS Building Products  
 Australasian Timber Flooring  
 Association Australian Forest  
 Contractors Association  
 Australian Forest Products Association  
 Australian Timber Importers  
 Federation Biomass Heating Australia  
 BIS Shrapnel Pty Ltd  
 Dellow Corporation Pty Ltd trading as Curwood  
 Egger Australasia Pty Ltd  
 Everist Timber Pty Ltd  
 Explore  
 Fingal Pastoral Pty Ltd  
 ForestPHD Pty Ltd  
 Frame & Truss Manufacturers Association  
 of Australia Ltd (FTMA)  
 Greenwood Strategy Solutions Pty Ltd  
 Greenvally Pty Ltd  
 Hume Plasterboard Pty Ltd  
 IMEMS Pty Ltd trading as IMEMS  
 Environmental  
 Keith Timber Group  
 Kennedys Classic Aged Timbers Pty Ltd  
 Koppers Performance Chemicals Australia  
 Kurrumbene Agribusiness  
 Learn by Nature  
 Lendlease DesignMake Pty Ltd  
 Lonza Wood Protection trading as  
 Arch Wood Protection (Aust) Pty Ltd  
 Margules Groome Consulting  
 Marshall Pine  
 McInnes International Pty Ltd  
 Merriwa Timbers  
 Multinail Australia Pty Ltd  
 National Building Supplies Group Pty Ltd  
 Omega Consulting  
 Pollard's Sawdust Supplies

Poyry Management Consulting (Australia) Pty Ltd  
 Programmed Timber Supplies  
 Pryda  
 Regional Development Australia Limestone  
 Coast Incorporated  
 Responsible  
 Wood Rodpak  
 Rothoblaas SRL  
 Siempelkamp Pty Ltd  
 Simpson Strong-Tie  
 Springwood Resources Australia Pty Ltd  
 Stephen Mitchell Associates  
 Sumitomo Australia Pty Ltd  
 Sumitomo Forestry Australia Pty Ltd  
 Sylva Systems Pty Ltd  
 The Timber Preservers Association of Australia  
 Timber & Building Materials Association (Aust.) Ltd  
 Timber Central  
 Timber Corporation Pty Ltd  
 Timber Development As. (NSW) Ltd  
 Timber Insight Pty Ltd  
 Timber Merchants Association (Victoria)  
 Timber Queensland Ltd  
 TWS Project Partners  
 Victorian Association of Forest Industries  
 Wood Based Products Pty Ltd  
 Woodlands Pacific Consulting Ltd  
 Wood Products Victoria Ltd  
 XLam Pty Ltd



# Financial Statements 2022/23

Forest & Wood Products Australia Limited  
A.C.N 127 114 185  
Financial Statements  
For the year ended 30 June 2023

## Contents

Directors' Report	50
Auditor's Independence Declaration	55
Statement of Profit or Loss and Other Comprehensive Income	56
Statement of Financial Position	57
Statement of Changes in Equity	58
Statement of Cash Flows	59
Note to the Financial Statements	60
Directors' Declaration	72
Independent Auditor's Report	73

# Directors' Report

## Directors' Report

Directors present this report on Forest and Wood Products Australia Limited ("the Company") for the financial year ended 30 June 2023.

## Directors

During the reporting period, seven non-executive directors served on the Board. Seven directors 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 (excluding the Managing Director if so appointed) at least two of whom are non-member directors. After the first annual general meeting, directors, with the exception of the Managing Director (if appointed) 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 Company is now in a transitional period to the Annual General Meeting in 2028 to align all existing directors with the term of four years with a maximum of two consecutive terms. The Constitution was amended at an Extraordinary General Meeting held in May 2023 to include transitional provisions relating to incumbent directors from the previous term conditions of three years with a maximum of three consecutive terms. Under the terms of the amended Constitution, from the 2026 AGM Directors will be appointed for 4-year terms with a limit of 2 successive terms. Elections for Directors will be held every 2 years.

## Board of Directors

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

**Craig Taylor (Chair)**

**Christine Briggs**

**Stephen Dadd**

**Katie Fowden**

**Prof. Tony Arnel**

**Nicholas Roberts**

**Yvonne Pengilly**

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

## Information on directors

### CHAIR

#### Craig Taylor

Mr Taylor has more than 35 years' management and consulting experience in primary industries, sustainable resource management, supply chain management, manufacturing, sales and marketing, mostly in the plantation forestry sector. He is a Director and Principal of The Fifth Estate Consultancy which works across the spectrum of the resources and primary production sectors. Mr Taylor provides advice to Australia's and New Zealand's largest forest and wood products companies covering strategy, business development and investment. After completing his BSc (Forestry) at the ANU, Mr Taylor worked as a professional Forester with the NSW Forestry Commission before taking on management roles with Boral Timber and Wesfi. Immediately before joining The Fifth Estate, he was a Vice President with Jaakko Pöyry Asia-Pacific. He is a Non-Executive Director of PF Olsen Limited (New Zealand), the largest independent forest manager in Australia and New Zealand, and Chair of Beyond Subsistence Pty Limited, a not for profit which undertakes forestry and agroforestry training and development with subsistence farmers and rural communities in Africa. He is a member of the Australian Institute of Company Directors and the Institute of Foresters of Australia.

#### Board additional responsibilities:

Member of Nominations and HR Committee, Chair of Growers Research Advisory Committee and non-voting Independent Chair of Director Selection Committee.

### NON-EXECUTIVE DIRECTORS

#### Christine Briggs

Ms Briggs has a rewarding career of more than 30 years in the forest and wood products industry, largely focused on the Australian and New Zealand sectors, and with international experience in North America.. She has held senior sales and marketing general management roles with major Australian timber manufacturing businesses such as CSR, Weyerhaeuser, Gunns, Timberlink and is currently at AKD. Her international experience

includes time in the US, working with Weyerhaeuser Building Materials during 2003. Ms Briggs' business executive experience covers strategic planning and business development, stakeholder engagement, sales & marketing excellence and supply chain development. In her current role with AKD, she advises the company on market positioning and the development and adoption of the strategic market direction for the business. Ms Briggs' qualifications include a Bachelor of Business with a Marketing Major from University of Technology, Sydney and Graduate of the Australian Institute of Company Directors (GAICD).

#### Board additional responsibilities:

Member of the Nominations and HR Committee and Chair from May 2023.

#### Stephen Dadd

Mr Dadd is an Executive Director of the Pentarch Group. Prior to joining Pentarch he ran Boral's National Building Products Division where he worked for more than 18 years in a range of executive roles including as Executive General Manager of Boral's timber business. Before Boral, Mr Dadd was a strategy consultant with the Boston Consulting Group for 9 years and has also worked in the sugar industry as production Engineer with CSR.

Mr Dadd serves on the Board of various Pentarch group companies including the Highland Pine Products joint venture. He is a non-Executive Director of the Australian Forest Products Association (AFPA) and is the chair of AFPA NSW and the Central West NSW Forestry Hub. Mr Dadd is also a Councillor of the Royal Agricultural Society of New South Wales.

He has a degree in Chemical Engineering from the University of New South Wales and an MBA from the London Business School and is a Graduate of the Australian Institute of Company Directors.

#### Board additional responsibilities:

Chair of the Finance, Audit and Risk Management Committee.

#### Katie Fowden

Ms Fowden is the Strategic Relations Manager for Hyne Timber and XLam, where a significant part of her role is the promotion of the companies brand,

products and the industry more broadly. She is also currently a non-executive director of Responsible Wood and advisor to the Queensland Government on both the Biofutures Advisory Council and the Timber Industry Roundtable.

Ms Fowden's background is in advocacy, government liaison, policy and corporate communications having held the role of Executive Director, Media and Corporate Communication with the Northern Territory Police, Fire and Emergency Services prior to joining the timber industry.

She holds as Bachelor of Arts in Policy, majoring in Criminology from the University of Hull, UK, and more recently, became a Graduate of the Australian Institute of Company Directors (GAICD).

#### Board additional responsibilities:

Member of the Finance, Audit and Risk Management Committee.

#### Prof. Tony Arnel

Prof. Arnel is Industry Professor for the Built Environment at Deakin University and works in the Faculty of Science, Engineering and Built Environment. Most recently he was the Global Director of Sustainability at Norman, Disney and Young, a Tetra Tech company. He is an expert in the built environment and has been a policy formulator and sustainability advocate for more than three decades working in government, capital city government and the private sector.

Tony is a Life Fellow of both the Australian Institute of Architects and the Energy Efficiency Council of Australia. He is also a Life Fellow of the Green Building Council of Australia, a founding director and was chair between 2007 and 2012. During this time, he was also chair of the World Green Building Council 2008-2011. His current board appointments include ARBS Exhibitions Ltd (Chair) and the Deakin University School of Engineering (Chair). He is the immediate past President of the Energy Efficiency Council and a fellow of the Australian Institute of Company Directors.

#### Board additional responsibilities:

Member of the Finance, Audit and Risk Management Committee.

**Nicholas Roberts**

Mr Roberts has significant forestry and timber industry experience in Australia and overseas. He has been the Chief Executive Officer of Forestry Corporation, NSW's largest commercial forest manager, for more than ten years and was previously Managing Director of Weyerhaeuser Australia, a position he held for five years. He has been actively involved in industry associations, chairing A3P and serving as a Director for Forest and Wood Products Australia.

**Board additional responsibilities:**

Member of the Nomination and HR Committee.

**Yvonne Pengilly**

Ms Pengilly holds a Bachelor of Technology (Engineering) and has worked within the construction industry for the past 35+ years including roles as board member, assistant commissioner, managing director, regional manager, project manager, design manager and contracts administrator across project areas of trade contracting, client-side project management, principal contractor, developer and government. These roles have encompassed a diverse range of projects including housing, hospitals, integrated hotel casino, airport, shopping centre, 5 star resort, multistorey residential projects and modular construction in both regional and metropolitan areas. During her career, Ms Pengilly has worked with in all facets of the industry from family operated businesses to Tier 1 builders, and significant developers delivering high end resort developments and apartments. Ms Pengilly is a registered open builder in Queensland and has held board positions with two state regulatory authorities in Queensland, along with being Chair of the Building Regulators Forum supporting the Building Ministers forum to respond to the Building Confidence Report recommendations. Ms Pengilly was awarded Master Builders Qld (MBQ) State Woman In Construction 2013 and used this platform to found Women In Construction FNQ, which successfully promotes engagement with engineers, architects and builders in Far North Queensland through educational events.

**Board additional responsibilities:**

Member of the Finance, Audit and Risk Management Committee.

**COMPANY SECRETARY**

**Dr Chris Lafferty**

Dr Lafferty joined FWPA in March 2002. As Research and Development Manager, He is responsible for implementing FWPA's policy of supporting R&D projects across the entire forest and wood products value chain.

Dr Lafferty was appointed Company Secretary in February 2009.

**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: Finance, Audit and Risk Management Committee, and Nominations and Human Resources Committee. All committee members listed below were members of the committee for the entire year, unless otherwise specified.

**Finance, Audit and Risk Management Committee (FARMC)**

*Members:*

- Stephen Dadd (Chair)
- Tony Arnel
- Katie Fowden
- Yvonne Pengilly

Secretariat support to the FARM Committee is provided by the company's CFO.

The key tasks of the Audit, Finance and Risk Management 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:*

- Craig Taylor (Chair to May 2023)
- Christine Briggs (Chair from May 2023)
- Nicholas Roberts

The Committee secretariat is an external contractor.

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

- The establishment of procedures and systems to assess Board performance, identify skill gaps and to 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 MD or CEO and their 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		Finance, Audit and Risk Management Committee		Nominations and Human Resources Committee		Length of Service Years
	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	
Mr Craig Taylor	5	5			3	3	5
Ms Christine Briggs	5	5			3	3	9
Mr Stephen Dadd	5	5	4	4			8
Ms Katie Fowden	5	5	4	4			5
Prof Tony Arnel	4	5	4	4			7
Mr Nick Roberts	5	5			3	3	3
Ms Yvonne Pengilly	5	5	4	4			2

### Principal activities

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

- Providing research, development and extension services to support the Australian forest and wood products industry; and
- Providing domestic marketing and promotion services for 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. In March 2023 the company adopted its Strategic Plan for 2023 – 28. FWPA has previously operated under a rolling 5-year strategic plan from 2009. FWPA will transition to the new Strategic Plan with full effect from 1 July 2023.

### Mission

FWPA collaborates with government and industry to deliver transformative RD&E initiatives and market development programs to drive growth in the Australia forest and wood products industry.

### Outcomes – under its 2023 – 28 Strategic Plan

FWPA will deliver the following outcomes;

- Consumers – Improve perceptions of forest and wood products through the development and promotion of their economic, environmental and social advantages.
- Supply chain customers – Increase the demand for, and value of, wood products in the built environment and industrial markets.
- Growers and processors – Improve the resource base, reduce risk and increase productivity and utilisation along the value chain.
- Industry capability – Attract people to the industry and enhance workforce capability and decision making.
- High performance service delivery – Provide leadership as the industry services company.

### Results of operations

The operating result for the financial year to 30 June 2023 was an operating deficit of \$91,969 (2022: \$1,357,299 deficit). The deficit was budgeted and the company retains a prudent level of financial reserves.

### 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 interest

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.

### 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. The total amounts that members of the company are liable to contribute if the company is wound up is \$190, based on 190 current ordinary members.

### 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.

### Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included in this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.



**Craig Taylor**, Chair  
31 August 2023



**Stephen Dadd**, Chair Finance, Audit and Risk Management Committee  
31 August 2023



RSM Australia Partners

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### Auditors Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

As lead auditor for the audit of the financial report of Forest and Wood Products Australia Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Australian Professional accounting bodies; and
- any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PARTNERS**



**WARWICK JA SPARGO**  
Partner

Melbourne, Victoria  
Dated: 31 August 2023

8

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# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	3	17,918,902	16,714,461
Interest revenue calculated using the effective interest method		264,285	32,180
Promoting wood products	4(a)	(2,641,942)	(4,018,874)
Aligning products to market needs	4(b)	(4,235,703)	(3,843,892)
Assisting value chain optimisation	4(c)	(555,426)	(426,841)
Resource availability and risk	4(d)	(2,130,432)	(1,223,110)
Decision making and capability	4(e)	(984,653)	(1,110,186)
Voluntary contribution programs	4(f)	(5,080,252)	(4,686,015)
Government grant programs	4(g)	(2,276,441)	(2,251,022)
Grower research contribution programs	4(h)	(370,307)	(544,000)
<b>Net surplus / (deficit) before income tax expense</b>		<b>(91,969)</b>	<b>(1,357,299)</b>
Income tax expense	1(q)	-	-
<b>Surplus / (deficit) after income tax expense for the year attributable to the members of Forest and Wood Products Australia Limited</b>		<b>(91,969)</b>	<b>(1,357,299)</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income / (loss) for the year attributable to the members of Forest and Wood Products Australia Limited</b>		<b>(91,969)</b>	<b>(1,357,299)</b>

# Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	1,659,673	232,576
Trade and other receivables	6	4,782,195	4,417,573
Financial assets	7	5,547,690	9,341,949
<b>Total current assets</b>		<b>11,989,558</b>	<b>13,992,098</b>
<b>Non-current assets</b>			
Furniture and equipment	8	112,342	111,682
<b>Total non-current assets</b>		<b>112,342</b>	<b>111,682</b>
<b>TOTAL ASSETS</b>		<b>12,101,900</b>	<b>14,103,780</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	3,137,826	3,186,838
Provisions	10	336,189	455,914
Contract liabilities	11	4,575,351	6,360,334
Lease liabilities	12	89,267	86,609
<b>Total current liabilities</b>		<b>8,138,633</b>	<b>10,089,695</b>
<b>Non-current liabilities</b>			
Provisions	10	51,540	10,389
<b>Total non-current liabilities</b>		<b>51,540</b>	<b>10,389</b>
<b>TOTAL LIABILITIES</b>		<b>8,190,173</b>	<b>10,100,084</b>
<b>NET ASSETS</b>		<b>3,911,727</b>	<b>4,003,696</b>
<b>EQUITY</b>			
Retained surplus		3,911,727	4,003,696
<b>TOTAL EQUITY</b>		<b>3,911,727</b>	<b>4,003,696</b>

## Statement of Changes in Equity

For the year ended 30 June 2023

	Retained surplus	Total
	\$	\$
<b>Balance at 1 July 2021</b>	<b>5,360,995</b>	<b>5,360,995</b>
Net surplus for the year after income tax	(1,357,299)	(1,357,299)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(1,357,299)	(1,357,299)
<b>Balance at 30 June 2022</b>	<b>4,003,696</b>	<b>4,003,696</b>
<b>Balance at 1 July 2022</b>	<b>4,003,696</b>	<b>4,003,696</b>
Net surplus for the year after income tax	(91,969)	(91,969)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(91,969)	(91,969)
Balance at 30 June 2023	3,911,727	3,911,727

## Statement of Cash Flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
	Note	
<b>Cash flows from operating activities:</b>		
Receipts from members and government	15,712,911	15,769,377
Payments to suppliers and employees	(18,226,799)	(18,408,278)
Interest received	258,544	38,620
<b>Net cash provided by / (used in) operating activities</b>	<b>13</b>	<b>(2,600,281)</b>
<b>Cash flows from investing activities</b>		
Acquisition of furniture and equipment	(10,900)	(18,128)
Proceeds from / (Investments in) of financial assets	3,800,000	700,000
<b>Net cash provided by / (used in) investing activities</b>	<b>3,789,100</b>	<b>681,872</b>
<b>Cash flows from financing activities</b>		
Repayment of lease liabilities	(106,659)	(89,617)
<b>Net cash provided by / (used in) financing activities</b>	<b>(106,659)</b>	<b>(89,617)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,427,097</b>	<b>(2,008,026)</b>
Cash and cash equivalents at the beginning of the financial year	232,576	2,240,602
<b>Cash and cash equivalents at the end of the financial year</b>	<b>5</b>	<b>232,576</b>

## 1 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 31st August 2023. 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 or amended Accounting Standards and Interpretations adopted

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

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

### c) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profit Commission Act 2012 ("ACNC Act")*.

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

The company recognises revenue as follows:

#### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of

variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

#### Industry contributions (levies)

Industry contributions (levies) are recognised when it is received or when the right to receive payment is established from the Department of Agriculture, Fisheries and Forestry and from State Growers.

#### Matching

Commonwealth matching and Voluntary matching revenue is recognised when it is received or when the right to receive payment is established from the Department of Agriculture, Fisheries and Forestry.

#### Government grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

#### Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

### 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 twelve 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 twelve months after the reporting period. All other liabilities are classified as non-current.

### e) 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.

### f) Trade and other receivables

Receivables are recognised at amortised cost, less any allowance for expected credit losses.

### g) 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 attribute to the acquisition of the items.

Purchases of furniture and equipment are recognised initially at historical cost, except for purchases costing less than \$1,500, 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% - 50%
Leasehold improvements	14%

An item of furniture and equipment is derecognised upon disposal or when disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### h) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of

inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### 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 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.

### k) Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

### l) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### 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 commercial 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, FirstWrap, Qsuper, Rest super, HOSTPLUS, Vision Super Saver, VicSuper, The Trustee for Apical Super Fund, Netwealth Super, Spaceship, ING Living Super and Aware Super. 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) 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.

#### p) 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.

#### q) 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.

#### r) Economic dependence

Forest and Wood Products Australia Limited (FWPA) is dependent on the Department of Agriculture, Fisheries and Forestry for a significant portion 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.

#### 2 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*

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

#### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

#### *Employee benefits expense and cost allocation policy*

As discussed in note 1 critical accounting estimates and judgment, the costs for employee benefits expenses are allocated to programs as per our Cost Allocation Policy developed according to guidelines first described in the Statutory Funding Agreements.

# Notes to the Financial Statements

30 June 2023

	2023 \$	2022 \$
<b>3. Revenue</b>		
<b>Revenue from contracts with customers</b>		
Voluntary contributions	1,031,428	1,709,786
Government grant	2,276,441	2,250,922
Grower research contributions	1,879,004	1,177,221
	<b>5,186,873</b>	5,137,929
<b>Other Revenue</b>		
Industry Levies		
Processors	2,803,706	2,859,705
Importers	1,091,688	1,368,140
Growers	911,147	845,562
State growers	404,999	404,908
Grower- R&D	454,452	-
Penalties	18,902	9,865
	<b>5,684,894</b>	5,488,180
Matching		
Matching	6,266,221	5,761,432
Matching - R&D	298,299	=
	<b>6,564,520</b>	5,761,432
Other income	482,615	326,920
Total other revenue	<b>12,732,029</b>	11,576,532
Total revenue	<b>17,918,902</b>	16,714,461
<i>Disaggregation of revenue</i>		
The disaggregation of revenue from contracts with customers is as follows:		
<i>Geographical regions</i>		
Australia	5,186,873	5,137,929
<b>4. Program expenses</b>		
<b>(a) Promoting Wood Products</b>		
Consumer activities	1,462,290	2,586,034
Forest education activities	222,545	251,730
Program support management	957,107	1,181,110
	<b>2,641,942</b>	4,018,874
<b>(b) Aligning Products to Market Needs</b>		
Specifier activities	1,473,342	1,366,132
Research and development activities	816,491	725,040
Building codes and standards activities	308,532	197,298
Statistic and economic activities	9,720	4,860
Resilient Timber Housing	181,402	148,430
Program support management	1,446,216	1,402,132
	<b>4,235,703</b>	3,843,892
<b>(c) Assisting Value Chain Optimisation</b>		
Research and development activities	194,500	170,000
Building codes and standards activities	92,749	7,500
Program support management	268,177	249,341
	<b>555,426</b>	426,841

# Notes to the Financial Statements

30 June 2023

	2023 \$	2022 \$
<b>(d) Resource Availability and Risk</b>		
Research and development activities	901,704	712,882
Grower R&D activities	380,384	
Program support management	848,344	510,228
	<b>2,130,432</b>	1,223,110
<b>4. Program expenses (continued)</b>		
<b>(e) Decision Making and Capability</b>		
Research and development activities	73,755	238,661
Statistic and economic activities	578,056	505,814
Program support management	332,842	365,711
	<b>984,653</b>	1,110,186
<b>(f) Voluntary Contribution Program</b>		
Voluntary contribution project	5,094,609	3,862,018
Midrise program	(14,357)	823,997
	<b>5,080,252</b>	4,686,015
<b>(g) Government Grant Program</b>		
National institute of forest products innovation	2,021,341	1,861,116
Research grant project	-	249,250
Other government fund project	255,100	140,656
	<b>2,276,441</b>	2,251,022
<b>(h) Grower Research Contribution Program</b>		
Grower research project	370,307	544,000
	<b>370,307</b>	544,000
<b>(i) Employee benefits expenses*</b>		
Wages and salaries	2,112,730	1,843,234
Annual leave	(49,268)	11,287
Increase/ (decrease) to long service leave provision	(29,306)	8,666
Superannuation contributions	200,136	180,198
	<b>2,234,292</b>	2,043,385
<i>* Employee benefits expenses were allocated into various program support management from 4(a) to 4(e) above as per cost allocation policy. This cost allocation policy being a critical judgment for the overheads of the company to the support and running of all the programs activities (reference Note 2).</i>		
<b>(j) Matchable Expenses</b>		
Promoting wood products	582,468	565,951
Aligning products to market needs	3,921,145	3,658,696
Assisting value chain optimisation	535,207	393,257
Resource availability and risk	2,200,624	1,212,490
Decision making and capability	910,441	1,099,601
Voluntary contribution projects	5,080,252	4,686,015
Levies and other not matchable expenses	(101,098)	(93,146)
	<b>13,129,039</b>	11,522,864
Matching include Growers R&D (total matchable divide by 2)	6,564,520	5,761,432

# Notes to the Financial Statements

30 June 2023

	2023 \$	2022 \$
<b>5. Cash and cash equivalents</b>		
Cash on hand	200	200
Cash at bank	659,473	232,376
Short term bank deposits	1,000,000	-
	<b>1,659,673</b>	<b>232,576</b>
<b>6. Trade and other receivables</b>		
Matching	2,141,235	2,860,531
Levies receivable	238,979	215,014
Prepayments	69,049	34,409
Voluntary contribution	943,963	77,867
Grower's collaboration	1,289,304	1,098,480
Other receivables	43,608	18,150
GST receivable	56,057	113,122
	<b>4,782,195</b>	<b>4,417,573</b>
<b>7. Other financial assets</b>		
Long term bank deposits	5,529,500	9,329,500
Interest receivable	18,190	12,449
	<b>5,547,690</b>	<b>9,341,949</b>
<b>8. Furniture and equipment</b>		
Office equipment		
At cost	219,522	285,706
Less accumulated depreciation	(196,063)	(253,032)
Total office equipment	23,459	32,674
Improvements		
At cost	92,551	92,551
Less accumulated depreciation	(92,551)	92,423
Total improvements	-	128
Right of Use Asset		
At cost	387,766	281,107
Less accumulated depreciation	(298,883)	(202,227)
Total Right of Use Asset	88,883	78,880
	<b>112,342</b>	<b>111,682</b>

## a) Movements in Carrying Amounts

Reconciliations of the written down values at the beginning and end of the current and comparative financial years are set out below:

# Notes to the Financial Statements

30 June 2023

	Right-of-Use Asset \$	Office Equipment \$	Improvements \$	Total \$
Balance at 30 June 2021	55,650	54,222	12,410	122,282
Additions	94,656	18,129	-	112,785
Depreciation expense	(71,426)	(39,677)	(12,283)	(123,386)
Balance at 30 June 2022	<b>78,880</b>	<b>32,674</b>	<b>128</b>	<b>111,682</b>
Balance at 30 June 2022	78,880	32,674	128	111,682
Additions	106,659	10,900	-	117,559
Depreciation expense	(96,656)	(20,115)	(128)	(116,899)
Balance at 30 June 2023	88,883	23,459	-	112,342
<b>9. Trade and other payables</b>				
Trade payables			1,518,350	2,867,098
			<b>1,518,350</b>	<b>2,867,098</b>
Other payables & accruals				
Audit fee			23,000	20,000
PAYG tax & FBT (BAS)			81,406	71,261
Accrued payable			1,515,070	228,479
			1,619,476	319,740
			3,137,826	3,186,838
<b>10. Provisions</b>				
	Annual Leave \$	Long Service Leave \$	Make good of premises \$	Total \$
Balance at 30 June 2021	144,061	445,554	9,898	599,513
Additional provisions	11,287	-	-	11,287
Amounts used	-	(134,599)	(9,898)	(144,497)
Balance at 30 June 2022	155,348	310,955	-	466,303
Balance at 30 June 2022	155,348	310,955	-	466,303
Additional provisions	-	-	-	-
Amounts used	(49,268)	(29,306)	-	(78,574)
Balance at 30 June 2023	106,080	281,649	-	387,729
			2023 \$	2022 \$
Analysis of total provisions				
CURRENT				
Employee benefits - annual leave			106,080	155,348
Employee benefits - long service leave			230,109	300,566
			336,189	455,914
NON-CURRENT				
Employee benefits - long service leave			51,540	10,389
Make good of premises			-	-
			51,540	10,389
			387,729	466,303

# Notes to the Financial Statements

30 June 2023

	2023 \$	2022 \$
<b>11. Contract liabilities</b>		
Midrise program contribution	-	71,993
NIFPI grants	<b>3,159,387</b>	4,560,728
Voluntarily and growers' funds	<b>129,530</b>	272,613
Other Government grants	<b>1,199,900</b>	1,455,000
Resilient Timber Housing	<b>86,534</b>	-
	<b>4,575,351</b>	6,360,334
<b>12. Lease liabilities</b>		
CURRENT		
Lease liability	<b>89,267</b>	86,609
Total lease liabilities	<b>89,267</b>	86,609
<b>13. Cash Flow information</b>		
<b>Reconciliation of Cash Flow from operations with profit after income tax</b>		
Net income for the year	<b>(91,969)</b>	(1,357,299)
Depreciation, amortisation and impairments	<b>116,899</b>	123,385
Unwinding of interest on lease liability and make good provision	<b>3,035</b>	2,780
Unwinding of make good provision	-	(9,898)
Change in operating assets and liabilities		
(Increase) / decrease in trade and other receivables	<b>(364,622)</b>	(139,746)
(Increase) / decrease in interest receivables	<b>(5,741)</b>	6,440
Increase / (decrease) in trade payables and other payables	<b>(49,389)</b>	(175,491)
Increase / (decrease) in provisions	<b>(78,574)</b>	(123,312)
Increase / (decrease) in contract liabilities	<b>(1,784,983)</b>	(927,140)
Cash flow from operations	<b>(2,255,344)</b>	(2,600,28)
<b>14. Key management personnel compensation</b>		
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:		
Aggregate compensation	<b>662,787</b>	699,398
<b>15. Remuneration of auditors</b>		
During the financial year the following fees were paid or payable for services provided by RSM Australia:		
Auditing the financial statements	23,000	20,000
Other auditing services	-	4,500
Other services	7,000	7,000
	<b>30,000</b>	<b>31,500</b>

# Notes to the Financial Statements

30 June 2023

## 16. Related party transactions

### Key management personnel

Disclosures relating to key management personnel are set out in note 14.

### 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.

### Receivable from and payable to related parties

There were trade receivables from or trade payables to related parties at the current and previous reporting date.

	2023 \$	2022 \$
<b>Payment to related parties:</b>		
AFPA (S.Dadd)	<b>172,950</b>	200,980
Fire Protection Association Australia (Y. Pengilly)	<b>9,614</b>	5,594
Hyne Timber (K. Fowden)	<b>8,852</b>	36,951
<b>Income from related parties:</b>		
AKD Softwood (C.Briggs)	<b>18,992</b>	16,294
Hyne Timber (K. Fowden)	-	27,500
PF Olsen (C.Taylor)	<b>191,560</b>	162,296
<b>Current receivables:</b>		
PF Olsen (C. Taylor)	<b>156,642</b>	118,122
AKD Softwood (C.Briggs)	<b>8,123</b>	11,711

### Loans to/from related parties

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

## 17. Contingent assets and contingent liabilities

There were no contingent assets and contingent liabilities as at 30 June 2023 and 30 June 2022.

## 18. 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.

## 19. Operating Lease Commitments (non-cancellable)

The Company had no commitments for expenditure as at 30 June 2023 and 30 June 2022.

## 20 Project of commitments

	2023 \$	2022 \$
By Maturity		
Project commitments		
One year or less	2,218,877	785,775
From one to five years	3,562,265	366,681
	<b>5,781,142</b>	<b>1,152,456</b>

NB: Commitments are GST inclusive where relevant.

## 21. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 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.

## 22. 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 Australian Charities and Not-for-profit Commission Act 2012 ("ACNC Act"), the Australian Accounting Standards – Simplified Disclosures, the Australian Charities and Not-for-profit Commission Act 2012 ("ACNC Act") and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 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.

This declaration is made in accordance with a resolution of Board of Directors.

On behalf of the directors



**Craig Taylor**

Chair


Dated this on 31st August 2023



**Stephen Dadd**

Chair of Finance,

Audit and Risk Management Committee

  
**RSM**

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### INDEPENDENT AUDITOR'S REPORT To the Members of Forest and Wood Products Australia Limited

#### Opinion

We have audited the financial report of Forest and Wood Products Australia Limited ("the Company"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act"), including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Other Information


The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

28

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors 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 – Simplified Disclosures under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

#### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.aasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.aasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**RSM AUSTRALIA PARTNERS**

**WARWICK JA SPARGO**  
Partner

Melbourne, Victoria  
Dated: 6 September 2023

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