



**GIPPSLAND
FORESTRY HUB**
Promoting the Forestry Industry



ANNUAL REPORT

2022 - 23

This report was commissioned by the Gippsland Regional Forestry Hub with funding from the Australian Government, Department of Agriculture, Fisheries and Forestry.





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INTRODUCTON

Background and Overview

The Gippsland Forestry Hub (GF Hub) is a beneficiary of funding under the National Forest Industries Plan. This plan is guided by the overarching objectives of generating better returns for businesses, fostering more investment, creating additional jobs, and contributing to Australia's broader economic prosperity.

It is also aimed at enhancing the productivity and efficiency of Australia's forestry sector, thereby providing substantial support to regional economies, including that of Gippsland.

The Hub has maintained a sharp focus on several key areas.

From its inception, the GF Hub has maintained a sharp focus on several key areas. These include Innovation and Growth, Plantation Expansion, Research and Development, Education and Training, Employment Opportunities, Roading and Transport Logistics, Infrastructure Development, and, significantly, Community Engagement.

It supports the industry by providing opportunities to both increase and sustain the supply of fibre into our economy. Moreover, it guides the strategic use of one of our most valuable and renewable resources. Through this support, the GF Hub is not only helping to shape the present landscape of Gippsland's forestry sector but is also laying the foundation for a sustainable and prosperous future.



MESSAGE FROM THE CHAIR



It's been my third year as Chair of Gippsland Forestry Hub and it is again with great pleasure that I present the Annual Report for the year ending 30 June 2023, on behalf of the Executive and Committee.

The Gippsland Forestry Hub's membership consists largely of those organisations from all sectors of the forest and wood products industry here in Gippsland, and elements of the education, training and local government sectors that support our industry.

Our objective is to grow a better industry here in Gippsland. To do this we see the Hub as a primary source of information. This information can be as simple and as important as advising a student who is considering working in the industry on a career pathway or a farmer who is sourcing advice on investment in trees for a shelter belt or diversifying farm income and how to go about doing this. Or further still, offering more complex strategic advice to government on policy decisions or where to direct funding on research and development or infrastructure support.

The flow of information offers an invaluable connection between ourselves and others. As I have said before this is an immensely important extension service, that is offered at a local and regional level and places the Hub in a position of influence with decision makers in government and the community. Our most immediate challenge in Gippsland, as with the rest of the nation, is forest and fibre resource security. Australians are significant consumers of forest and wood products.

The compelling question is where will our future needs for wood and paper come from and how will the nation service this demand? Our challenge is the work to find these answers; through the collaborative effort between industry, government, and the community that tacts from left the right to find the right solution.

In conclusion I extend my sincere thanks to the Executive & Committee members and particularly Lesia Goodwin for your efforts in this past year. We remain committed to seeing a thriving forest and wood products.

Simon Gatt
Chair, Gippsland Forestry Hub

MESSAGE FROM THE GENERAL MANAGER

The forest and wood products industry is a cornerstone of Gippsland's economy. It directly employs approximately 3,400 individuals, the majority of whom are based in our regional communities. This industry is more than just a source of employment; it is a vital part of our regional identity. Currently, the forest and wood products sector in Gippsland is navigating a period of unprecedented change.



This evolving landscape demands innovative approaches to accessing and optimizing fibre recovery, as well as its application in wood products manufacturing. It is imperative that we explore and secure alternative sources of wood fibre to sustain our current levels of input and output. This year, a significant focus for the Hub has been the expansion of our region's plantation estate. Among various initiatives, we developed the Gippsland Carbon Farming Guide. This guide demystifies the Emissions Reduction Fund (ERF) Plantation methodology, explaining how it can be applied within a Gippsland context to generate Australian Carbon Credit Units (ACCU's) and yield financial returns. As we move forward, we remain committed to engaging with stakeholders to identify and implement solutions that will foster industry growth and resilience. In closing, I want to express my sincere gratitude to our Chair, Simon Gatt, the entire committee, and all our stakeholders. Your continued support and valuable input into our various reports over the past year have been instrumental

In these challenging times, I want to extend my heartfelt acknowledgment to those in the timber and forest industry who are navigating through particularly tough circumstances. Thank you for standing with us as we work towards a thriving future for Gippsland's forest and wood products industry.

Lesia Goodwin

General Manager, Gippsland Forestry Hub

GIPPSLAND FORESTRY HUB GOVERNANCE

Chair	Simon Gatt - AKD Softwoods
Deputy Chair	Lou Bourke - HVP Plantations
Secretary	Megan Para - Australian Sustainable Hardwoods (ASH)
Treasurer	Ian Reid - Austimber Harvest & Haulage
Executives	Sandy Kam - National Timber Councils Association (NTCA) Trevor Nicklen - Vic Forests Nick Pigdon - OPAL
General Manager	Lesia Goodwin - GF Hub
Sub-Committee Members	Christy Hoiles - Latrobe City Council Paul Boys - Gippsland Technical School Peter Devonshire - Latrobe Catchment Landcare Network Julian Hay - Gippsland Technical School Tim Fowler - Heartwood Plantations Tony Britton - Radial Timbers Linda Austin - TAFE Gippsland Tony Cantwell - Committee for Gippsland

GF HUB MEETING DATES 2022-23

Full Committee meetings

19th August 2022
30th May 2023

Executive Committee Meetings

29th July 2022
30th September 2022
24th January 2023
29th March 2023
25th July 2023

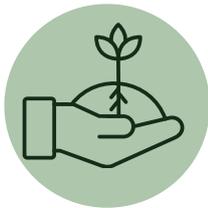
Annual General meetings

18th November 2022

Workforce Development Committee

3rd August 2022
29th November 2022
18th April 2023

GIPPSLAND FORESTRY HUB KEY OBJECTIVES



Assessing Future Plantation Expansion

Evaluate the potential for expanding plantations, considering optimal transport distances and proximity to existing wood and fibre sources. This may involve mapping potential land for plantations and engaging with farmers, Indigenous communities, and other landowners to establish forest plantings.



Analysing Sector Constraints

Conduct thorough analyses of the constraints affecting the productivity and efficiency of the forestry sector.



Identifying Investment Opportunities

Pinpoint opportunities for future investment in infrastructure and technology, as well as potential areas for forest industry expansion.



Supporting Infrastructure Investment Cases

Identify and support compelling business cases for investing in new infrastructure, including roads, bridges, ports, telecommunications, and training facilities, to help forest service industries plan more effectively for the future.

GIPPSLAND FORESTRY HUB KEY OBJECTIVES

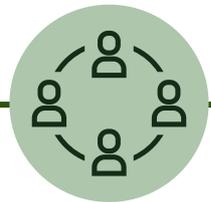


Serving as an Information Hub

Act as the central point for the Gippsland Forest Industry to exchange information and facilitate the implementation of strategies and solutions.

Facilitating Collaboration and Dialogue

Foster collaboration and communication between industry, government, and key stakeholders to ensure the primary objective and its outcomes are achieved.



Promoting Sustainable Industry Growth

Identify opportunities for a growing industry into the future, aiming for sustainability while supporting local regional communities to thrive.

Disseminating Strategies and Solutions

Assist in the sharing of information and facilitate the implementation of strategies and solutions for the benefit of regional towns in Gippsland.



Advocating for Industry and Community Benefits

Work collaboratively with industry, state, and local governments, and other key stakeholders to identify and address the economic, regulatory, and technical issues faced by the industry in Gippsland.

GIPPSLAND FORESTRY HUB 2022-23 PROJECTS

In 2022/2023, the Gippsland Forestry Hub spearheaded a diverse range of projects aimed at fostering sustainable growth in the region's forestry sector. These initiatives encompassed research, community engagement, education, and innovation, aligning with the Hub's commitment to enhancing the environmental, social, and economic values of forestry in Gippsland.



Decision Tree Stage 1

The Decision Tree project is designed as a tool for potential tree farmers. It guides them in making informed decisions about viable crop options for their farms based on various factors.

These factors include location, annual rainfall, soil types, land prices, and comparative crops/production options.

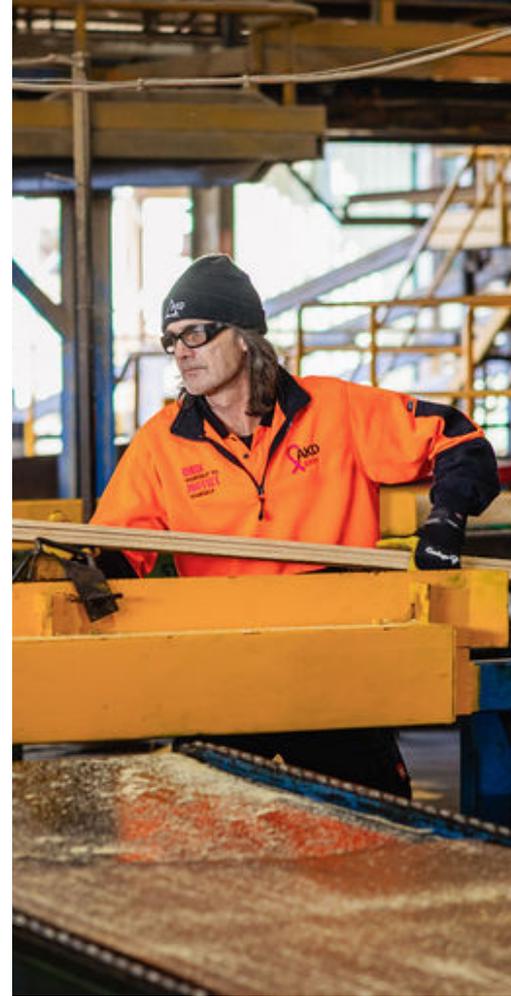
This tool aims to simplify the complex decision-making process involved in starting a tree farming venture.



Carbon Farming Guide

This guide focuses on the significant potential of tree plantations to sequester carbon, a critical component in the fight against climate change. It outlines options for farmers to either sell or retain the carbon credits generated by their plantations. The guide is timely, given the increasing interest in 'net zero' farms and the potential to enter new markets for products originating from such farms.

It highlights the parts of Gippsland that are particularly well-suited for tree farming due to favourable rainfall and soil conditions. Beyond carbon sequestration, the guide also explores the additional benefits that these trees can provide, including potential income from timber and other farm benefits, such as shelter for livestock and enhanced biodiversity.



NATIONAL FORESTRY HUBS MANAGER MEETINGS

The Regional Forestry Hubs, established under the National Forest Industries Plan, were chosen to represent existing concentrations of wood supply resources, combined with significant existing processing and/or manufacturing operations, established domestic and/or international transport links, and strong potential for growth.

Each Regional Forestry Hub is guided by a steering committee composed of industry stakeholders who are deeply invested in the future of their region. These committees are responsible for:

- Determining the priorities for their region, based on a comprehensive understanding of local needs and opportunities.
- Collaboratively working with industry representatives, state and local governments, and other key stakeholders

The primary role of the Hubs is to prepare and provide the Government with strategic planning insights that are tailored to the unique characteristics and opportunities of their region.

Through regular National Forestry Hubs Managers Meetings, these groups come together to share insights, coordinate efforts, and collaboratively work towards the overarching objectives of the National Forest Industries Plan.



CLANCY'S EXPERIENCE WITH THE PLANTATION FORESTRY INDUSTRY

Clancy Quirk's recent work experience stands as a resounding success story within the industry. Concurrent with his Year 12 studies at Lavalla College, Clancy engaged in a 20-week program with HVP that delved into various aspects of the business, focusing particularly on fire management and silviculture.

The initial connection between Gippsland Forestry Hub and Lavalla College occurred in March, resulting in the placement of student Clancy Quirk within a local forestry organisation for hands-on experience. The program was supported by GF Hub, which facilitated Clancy's association with HVP Plantations.

Clancy's relationship with the forestry sector traces back generations, with a family history steeped in timber harvesting. His grandparents, owners of S & CJ Logging in Gippsland, provided him with a strong connection to harvesting.

Clancy's commitment to forests was evident early on, marked by his engagement as a junior volunteer at the Morwell CFA in 2016. What began as a suggestion from his teacher in Toongabbie, flourished into a senior volunteer role and communications officer at the Traralgon CFA, a remarkable accomplishment for a high school student.

Clancy's theoretical knowledge from the Certificate II in Conservation & Ecosystems at TAFE Gippsland translated into tangible skills during his time with HVP Plantations. Direct application of his coursework, such as unit-to-task matching like tree planting and observing spraying and pest management, provided an invaluable real-world experience to his learning journey.

Throughout his 20-week program, Clancy was nurtured and guided by mentors. Reflecting on this experience, Clancy praises his mentors' pivotal role in fostering a positive experience.

As Clancy ventured out with district foresters, he was granted firsthand insights into their daily operations. This interaction yielded a wealth of practical knowledge spanning the fire management, forest management, silviculture, and pest control.

Clancy adds, "From the outset, the HVP staff embraced me as one of their own, readily answering my questions and encouraging exploration across diverse areas of their business." HVP's commitment to Zero Harm, where health and safety take precedence over all business objectives, left a lasting impact on Clancy. He affirms that HVP Plantations is dedicated in adhering to this principle, with his mentors consistently emphasising health and safety as paramount.

With aspirations set on a future in forestry, either as a district forester or specialising in fire management, Clancy envisions a career path that undoubtedly garners industry-wide support.

When asked to reflect on his experience, Clancy is enthusiastic in his praise. He expresses, "My time at HVP Plantations was nothing short of fantastic. The entire staff welcomed me, and I am genuinely grateful for the chance to learn from forestry leaders."

Clancy Quirk's journey stands as a representation of successful mentorship, hands-on learning, and a dedicated commitment to a thriving forestry sector. His story demonstrates the potential for passionate students to develop a thriving career change within the industry.



PRESENTATIONS

AGA - Women in New Careers – guest speaker Morwell & Warragul

Pacific Australia Labour Mobility Home Affairs – Foreign Workers Program

Skills Webinar – Sector update

Skills & Employment update with Victorian Skills Authority

Gottstein Trust, Australian fellowship

Innovation breakfast – Making Gippsland a Great place for Young People

Carbon & Farming 2023 Conference Western Australia

Trials Review, Information and Genetics (TRIG) Project for Farm Forestry in Victoria

Project for farm forestry in Victoria

Innovation breakfast- Building social licence for Gippsland

Forest Tech 2022 Conference

Forestry Products Workforce Skills, Training Activities & Programs

Farm Forestry Development Workshop



GF HUB EDUCATION ENGAGEMENT

Broadening Horizons 10-week program Yarram Secondary College

Latrobe Valley Flexible Learning School – presentation to Year 10 students

Mirboo North Secondary College Year 9 students' excursion out to HVP Plantations for real life experiences.

Living Library - Lavalla Catholic College Traralgon & Drouin Secondary College

South Gippsland & Bass Coast Local Learning & Employment Network Careers Expo

INDUSTRY COMMITTEE EDUCATION ENGAGEMENT

Orbest Innovation Working Group -Forest Management

National Institute for Forest Products Innovation (NIFPI)

Timber and Wood Processing Industry Reference Committee - Latrobe Valley Authority Transition

Plan for the Latrobe Valley & Gippsland Gippsland Regional Taskforce

Resources, Forestry, Pulp and Paper Industry Advisory Group

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Committee's Report

Your committee members submit the financial report of Gippsland Forestry Hub Inc (the association) for the financial year ended 30 June 2023 .

Committee Members

The names of committee members throughout the year and at the date of this report are :

Simon Gatt (Chairperson)	Lou Bourke (Vice Chairperson)
Ian Reid	Megan Para
Sandy Kam	Trevor Nicklen
Christie Hoiles	Paul Boys
Peter Devonshire	Tim Fowler
Julian Hay	Tony Britton
Lesia Clark	Tony Cantwell (appointed Nov 2022)
Linda Austin (appointed Nov 2022)	Nick Pigdon (retired April 2023)

Principal Activities

The principal activities of the association during the financial year were:

Gippsland Forestry Hub Inc. aims to identify opportunities for a growing industry into the future to make the forest and forest products industry sustainable while supporting local and regional communities to thrive, improve public perceptions, support the community, and raise awareness in the region of the career opportunities and employment pathways in the sectors.

Significant Changes

No significant change in the nature of these activities occurred during the year.

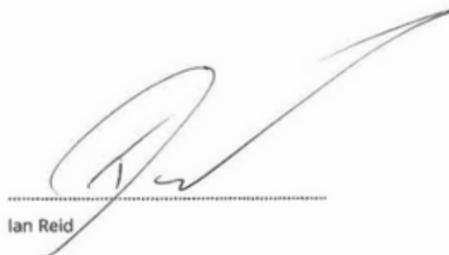
Operating Result

The operating loss for the financial year amounted to \$(10,611.91). (2022 operating loss \$(47,248.61)).

Signed in accordance with a resolution of the members of the committee.



Simon Gatt



Ian Reid

Dated this 24th day of August 2023

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Profit or Loss

For the period 1 July 2022 to 30 June 2023

	Note	2023 \$	2022 \$
Income			
Other Revenue		-	11,500.00
Government Grants			
Dept Agriculture Water and Environment		320,000.00	350,000.00
Total Government Grants		320,000.00	350,000.00
Other Grants			
Responsible Wood - Forestry Taster Program		4,900.00	10,000.00
Total Other Grants		4,900.00	10,000.00
Total Income		324,900.00	371,500.00
Expenses			
Accountancy Fees		764.38	866.54
Administration Costs		1,074.00	126.00
Advertising		98.55	789.00
Auditor's Remuneration		1,800.00	1,800.00
Bank Charges		345.00	360.00
Computer Expenses		8,717.56	1,452.52
Consulting Expenses		-	1,800.00
Education School Projects		8,052.45	1,284.55
Electricity		317.57	198.82
General Expenses		600.53	1,327.62
Insurance		4,470.98	2,716.67
Meeting Expenses		1,771.71	698.99
Motor Vehicle Expenses		14,177.35	12,625.44
Office Expenses		4,140.90	3,812.16
Printing & Stationery		2,335.76	1,971.22
Project Expenses	2	105,226.00	248,200.00
Rent		11,925.00	4,210.64
Subcontractors		29,912.16	-
Subscriptions		1,242.08	1,179.71
Superannuation Contributions		12,209.57	11,668.34
Telephone		2,627.58	2,240.69
Travelling Expenses		6,601.95	2,736.16
Wages		117,100.83	116,683.54
Total Expenses		335,511.91	418,748.61
Loss		(10,611.91)	(47,248.61)

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Appropriation Statement

For the period 1 July 2022 to 30 June 2023

	Note	2023 \$	2022 \$
Loss available for Appropriation		(10,611.91)	(47,248.61)
Opening Balance at the Beginning of the Period		394,048.05	441,296.66
Total Available for Appropriation		383,436.14	394,048.05
Retained Association Funds at the End of the Period		383,436.14	394,048.05

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Financial Position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current Assets			
Cash and Cash Equivalents	3	396,289.67	409,723.29
Trade and Other Receivables	4	-	12,650.00
Security Bond		656.25	656.25
Total Current Assets		396,945.92	423,029.54
Total Assets		396,945.92	423,029.54
Liabilities			
Current Liabilities			
Trade and Other Payables	5	13,509.78	28,981.49
Total Current Liabilities		13,509.78	28,981.49
Total Liabilities		13,509.78	28,981.49
Net Assets		383,436.14	394,048.05
Equity			
Retained Association Funds	6	383,436.14	394,048.05
Total Equity		383,436.14	394,048.05

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Changes in Equity

As at 30 June 2023

	Note	2023 \$	2022 \$
Retained Association Funds			
Opening Balance		394,048.05	441,296.66
Comprehensive Income			
Loss		(10,611.91)	(47,248.61)
Total Comprehensive Income		(10,611.91)	(47,248.61)
Total Retained Association Funds		383,436.14	394,048.05

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Cash Flows

For the period 1 July 2022 to 30 June 2023

	Note	2023 \$	2022 \$
Operating Activities			
Cash Receipts from Customers		338,700.00	328,000.00
Cash Paid to Suppliers and Employees		(352,133.62)	(392,760.97)
Net Cash from Operating Activities	3	(13,433.62)	(64,760.97)
Net Increase/(Decrease) in Cash and Cash Equivalents		(13,433.62)	(64,760.97)
Cash and Cash Equivalents at the Beginning of the Period		409,723.29	474,484.26
Cash and Cash Equivalents at the End of the Period	3	396,289.67	409,723.29

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Notes to the Financial Statements

For the period 1 July 2022 to 30 June 2023

Note 1: Summary of Significant Accounting Policies

Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The association is a not-for-profit entity. The committee has determined that the association is not a reporting entity as the users of the financial statements are able to obtain additional information to meet their needs.

Statement of Compliance

The financial report has been prepared in accordance with the Associations Incorporation Reform Act 2012 and the basis of recognition and measurement specified by all Australian Accounting Standards and Interpretations

Basis of Preparation

The financial statements have been prepared on the basis of historical cost. They do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise have been adopted in the preparation of these financial statements.

a. Income Tax

The association has self-assessed themselves as a not-for-profit community services organisation that is exempt from the assessment of income tax, therefore no provision for income tax has been made and accordingly tax effect accounting has not been adopted.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

c. Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. An excess of the asset's carrying amount over the recoverable amount is recognised in profit and loss.

d. Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

e. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

f. Revenue and Other Income

The association is first required to determine whether amounts received are accounted for as Revenue per AASB 15: Revenue from Contracts with Customers or Income per AASB 1058: Income of Not-for-Profit Entities.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the association is required to consider whether any other financial statement elements should be recognised, with any difference being recognised in profit or loss as income.

Operating Grants

When the association receives operating grant revenue it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant - recognises a contract liability for its obligation under the agreements;
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts;
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amounts.

g. Trade and Other Payables

Trade and other payables represents the liabilities for goods and services received by the Association that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

h. 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 included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Note 2 Project Expenses

	Note	2023 \$	2022 \$
Project Expenses 2020-21			
30 Year Strategy		-	12,300.00
Total Project Expenses 2020-21		-	12,300.00
Project Expenses 2021-22			
Understanding the Barriers and Opportunities for Industry Innovation in Gippsland		-	35,000.00
Investing in Gippsland Sustainable Forestry Future		-	122,300.00
Regional Infrastructure Gap Analysis		-	17,500.00
Gippsland Community Survey and Analysis		-	5,000.00
Training Education and Skills Development		14,000.00	11,000.00
Carbon Farming Guide		17,960.00	40,600.00
Private Farm Forestry Engagement		7,500.00	4,500.00
Total Project Expenses 2021-22		39,460.00	235,900.00
Project Expenses 2022-23			
Decision Tree (Stage 1)		65,766.00	-
Total Project Expenses 2022-23		65,766.00	-
Total Project Expenses		105,226.00	248,200.00

Note 3 Cash and Cash Equivalents

	2023 \$	2022 \$
Gippsland Forestry Hub Account	394,645.21	407,723.29
Gippsland Forestry Hub Expense Account	1,644.46	2,000.00
	396,289.67	409,723.29

Reconciliation of Cash

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	Note	2023 \$	2022 \$
Cash and Bank Balances		396,289.67	409,723.29
		396,289.67	409,723.29

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Reconciliation of Net Profit to Net Cash Flows from Operating Activities

	2023 \$	2022 \$
Profit/(Loss)	(10,611.91)	(47,248.61)
Movement in working capital:		
- (increase)/decrease in trade and other receivables	12,650.00	(12,650.00)
-increase/(decrease) in trade and other payables	(15,471.71)	(4,862.36)
	(13,433.62)	(64,760.97)

Note 4 Trade and Other Receivables

	2023 \$	2022 \$
Trade Debtors	-	12,650.00
Total Trade and Other Receivables	-	12,650.00

Note 5 Trade and Other Payables

	2023 \$	2022 \$
Sundry Creditors - ATO	(4,907.69)	(5,389.19)
Trade Creditors	10,114.67	26,124.22
Superannuation Payable	982.80	1,081.46
PAYG Withholding Payable	7,320.00	7,165.00
Total Trade and Other Payables	13,509.78	28,981.49

Note 6 Retained Association Funds

	2023 \$	2022 \$
Opening Balance		
Retained Profits - Beginning of Year	394,048.05	441,296.66
Total Opening Balance	394,048.05	441,296.66
Current Year Earnings		
Current Earnings	(10,611.91)	(47,248.61)
Total Current Year Earnings	(10,611.91)	(47,248.61)
Total Retained Association Funds	383,436.14	394,048.05

Note 7 Economic Dependence

The Association's main source of income for its activities is funded by operating grants provided by the Australian Government. At the date of this report, members of the committee had no reason to believe that the Australian Government would not continue to provide financial support to Gippsland Forestry Hub Inc.

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

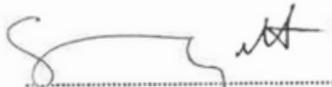
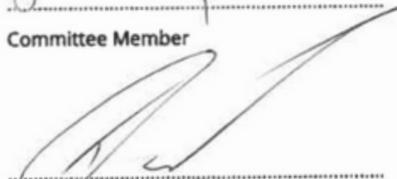
Gippsland Forestry Hub Inc

ABN 68 178 105 512

True and Fair Certification by Members of the Committee

ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND PERFORMANCE OF INCORPORATED ASSOCIATION

The statements attached to this certificate give a true and fair view of the financial position and performance of Gippsland Forestry Hub Inc during and at the end of the financial year of the association ending on 30 June 2023.


.....
Committee Member
.....
Committee Member

Dated this 24th day of August 2023

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Independent Auditor's Report

To the Member of Gippsland Forestry Hub Inc

Opinion

We have audited the financial report of Gippsland Forestry Hub Inc (the association), which comprises the balance sheet as at 30 June 2023, the profit and loss statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the certification by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects or gives a true and fair view of Associations Incorporation Reform Act 2012, the financial position of the association as at 30 June 2023 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012.

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 association in accordance with 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation of the financial report that gives a true and fair view in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has 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

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tyrrell Partners Pty Ltd
Certified Practising Accountants



Neil Tyrrell

Suite 2, First Floor, Cnr George & Moore Streets Moe Vic 3825

Dated this 28th day of August 2023



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Promoting the Forestry Industry

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