



GIPPSLAND FORESTRY HUB

Promoting the Forestry Industry

ANNUAL REPORT 2024 - 25



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Australian Government

**Department of Agriculture,
Fisheries and Forestry**

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

Gippsland Forestry Hub (GF Hub) recognises and respects that First Nations people have sustainably cared for and protected their land for thousands of years. We are committed to developing our understanding of the diversity of culture and customs across First Nations communities, particularly in the Gippsland region where we live and conduct our business.

INTRODUCTION

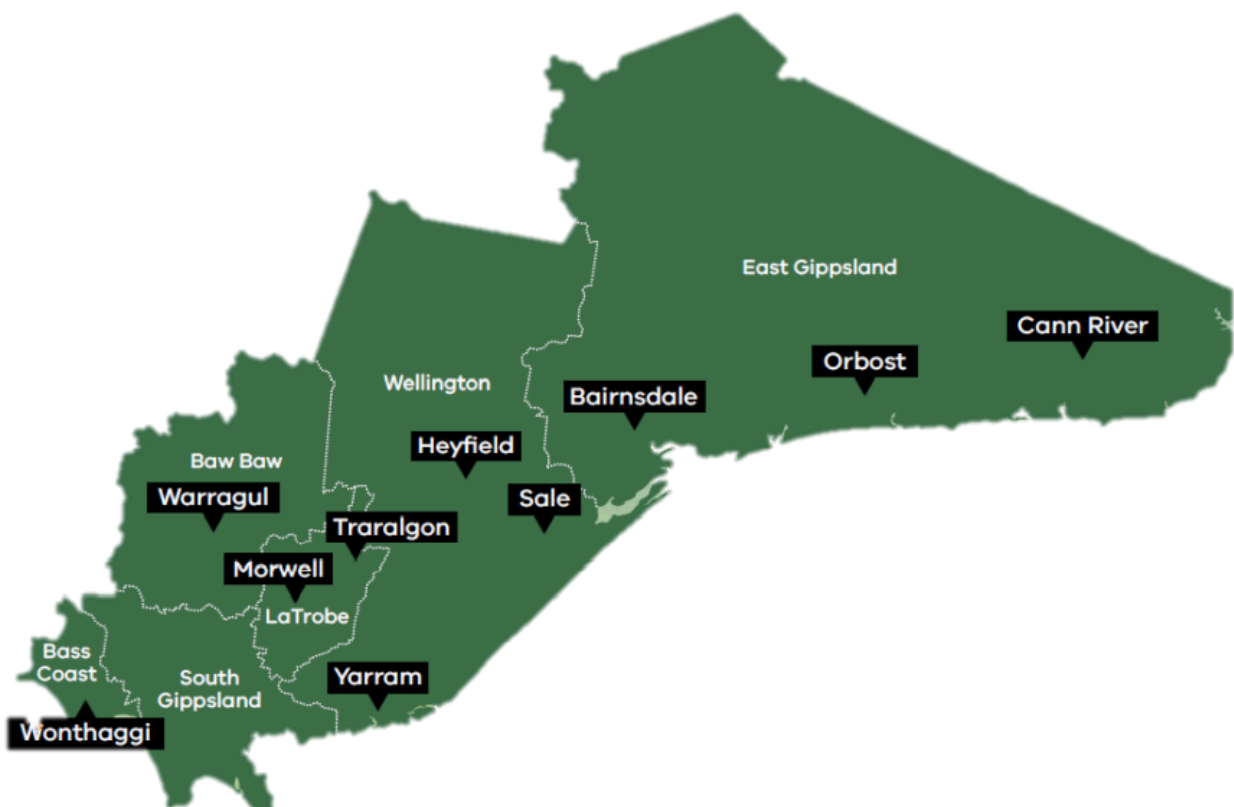
Forestry has long been part of Gippsland's story - shaping the region's landscapes, supporting local livelihoods, and contributing to strong, connected communities.

The Gippsland Forestry Hub (GF Hub) continues to build on that legacy, working alongside industry, government and community to ensure a sustainable and vibrant future for the region's forest and wood products sector.

Supported by the National Forest Industries Plan, the Hub brings together local knowledge and national priorities to drive real outcomes - from research and resource development to skills, infrastructure and innovation.

In 2024-25, this collaborative approach has guided the Hub's work across Gippsland - strengthening regional partnerships, supporting jobs and helping to unlock new opportunities that balance productivity with environmental care.

At its heart, the Gippsland Forestry Hub is about people, place, and progress, ensuring forestry continues to play a vital role in shaping Gippsland's economic and environmental future.



MESSAGE FROM THE

CHAIR



TREVOR NICKLEN

DEECA

As Chair of the Gippsland Forestry Hub, I am pleased to present this Annual Report, reflecting another year of strong collaboration, meaningful engagement, and forward-thinking initiatives across our region.

The Gippsland forestry sector continues to be a vital contributor to regional prosperity, environmental stewardship, and employment across our communities. Over the past year, the Hub has deepened its work with industry, government, research bodies and Traditional Owners, ensuring that our strategic direction remains responsive to emerging challenges and opportunities.

This year, the Hub focused on several strategic projects designed to support both the current and future needs of the Gippsland forestry sector. We completed the comprehensive Investigating Future Markets report, providing critical insights to inform future investment and policy decisions. Significant progress was made on the Removing Barriers to Private Plantations project, additionally, our work on Transport Infrastructure Barriers and Opportunities identified targeted improvements essential to enhancing the efficiency and competitiveness of the regional supply chain.

I'd like to acknowledge the dedication of our Hubs General Manager, committee members, staff, project partners, and stakeholders - your expertise and passion drive the success of this Hub. I also extend my thanks to the Department of Agriculture, Fisheries and Forestry for their continued support of the Regional Forestry Hubs initiative.

Looking ahead, we remain committed to supporting the Gippsland's forestry sector and fostering solutions that balance economic, environmental, and social outcomes. Together, we can ensure that Gippsland's Forest and Timber Industry continues to support generations to come. Thank you for your ongoing support.

Trevor Nicklen

Chair, Gippsland Forestry Hub

MESSAGE FROM THE

HUB MANAGER



LESIA GOODWIN

GM, Gippsland Forestry Hub

It's been a rewarding and productive year for the Gippsland Forestry Hub, and I'm proud of what we've achieved together. As Manager, my focus has remained on ensuring our projects are delivered with integrity, that we continue to engage meaningfully with stakeholders across the region, and that the Hub's work remains aligned with the needs and aspirations of the Gippsland forestry and Timber sector.

This year, I've been proud to lead the delivery of several key projects that highlight our committee's shared commitment to driving positive outcomes for the Gippsland forestry industry.

We are especially proud to have brought together high-quality research that supports the future of our industry.

The Investigating Future Markets report represents a significant milestone, offering deep insights into emerging opportunities and long-term challenges.

Removing Barriers to Private Plantations report now offers practical recommendations to help unlock growth and investment across the private forestry sector.

Our work on Transport Infrastructure Barriers and Opportunities has provided a clear picture of the improvements needed to enhance efficiency and competitiveness across the region. These initiatives highlight our ongoing commitment to supporting a resilient, innovative, and sustainable future for forestry in Gippsland.

I'd like to thank our committee, project partners and supporters for their ongoing contributions and collaboration. The Hub's success is a reflection of the strength of our relationships and shared commitment to the future of the Gippsland forestry and Timber Industry.

We are eager to build on these achievements as we move into the next year.

Lesia Goodwin

General Manager, Gippsland Forestry Hub

MEMBERS

Executive Committee



Committee for
GIPPSLAND



General Committee



Executive Committee

Trevor Nicklen, DEECA | Chair
Simon Gatt, AKD | Deputy Chair
Ian Reid, AusTimber | Treasurer
Megan Para | Secretary
Craig Dunn - HVP
Jon Lambert - Heartwood Unlimited
Steven Zyhajlo, Opal
Tony Cantwell, Committee for Gippsland
Tom Schraenkler, Sumitomo Forestry

General Committee

Angela & Luke Olarenshaw, Alberton Timber
Julian Hay, AKD
Linda Austin, TAFE Gippsland
Mark Coleman, Wellington Shire Council
Peter Devonshire, DevTree
Tony Britton, Radial Timbers

STRATEGIC PRIORITY AREAS (2024 - 27)



1

Increasing Resource Security & Domestic Supply Volumes:

Address the need for more secure timber and fibre resources for at least three rotations, infrastructure improvements, and overcoming barriers to private plantation expansion.

2

Expanding the Production of Timber & Wood Products:

Projects such as expanding wood fibre utilisation and developing next-generation processing facilities (biochar and bioenergy) aim to modernise the sector and bridge gaps in supply.

3

Expanding Forestry & Contribution to Climate Change Mitigation:

Research will highlight how forestry contributes to carbon sequestration and compare timber's lower emissions with alternative materials like steel.

4

Expanding Workforce Opportunities & Capacity:

Focus on developing career pathways, promoting forestry to students, increasing female participation, and leveraging overseas workers to address labor shortages.

5

Sustainable Management of Forests:

Risk mitigation plans to handle environmental, industrial, and biosecurity challenges.

HUB OBJECTIVES



**Increasing resource security
and domestic supply volumes**



**Expanding the production of
timber and wood products**



**Expanding forestry's
contribution to climate
change mitigation**



**Expanding timber industry
workforce opportunities and
capacity**



**Continued sustainable
management of forests**

KEY ACHIEVEMENTS

2024-25

This year, the Gippsland Forestry Hub made significant progress across several strategic priority areas, delivering high-quality research, strengthening partnerships and reinforcing our commitment to good governance and regional outcomes.

A major highlight was the completion of the *Investigating Future Markets* report - a comprehensive report that explores emerging opportunities, value-adding potential, and long term industry trends. This detailed analysis provides a strong foundation for future strategic planning .

In parallel, the Hub finalised the revised *Removing Barriers to Private Plantations* report. This important work identifies the regulatory, financial and operational challenges currently limiting private plantation expansion in Gippsland

The *Transport Infrastructure Barriers and Opportunities* project delivered critical insights into infrastructure gaps and investment priorities across the forestry supply chain. The findings offer clear guidance on improving transport efficiency and regional competitiveness - key enablers for long term industry growth.

The Hub also partnered with SMEC Australia to deliver the *Value of Forestry and Timber Products to Climate Change Mitigation in Gippsland* report. This landmark study provides the first region-wide carbon footprint assessment of the forestry sector, highlighting the significant role that Gippsland's plantations, timber processing and wood products can play in reducing greenhouse gas emissions. The report identifies practical decarbonisation opportunities and positions the forestry industry as a key contributor to Victoria's net-zero transition.

Beyond project delivery, the Hub continued to invest in strong stakeholder engagement, maintaining productive relationships with industry, all levels of government, Traditional Owners, and regional communities. This inclusive approach ensures that our work remains collaborative, regionally grounded and responsive to the needs of the sector.

From a governance perspective, the Hub has remained committed to transparency and accountability - delivering projects on time and within budget, while supporting regular committee meetings, structured reporting, and clear communication. We also continued to enhance the Hub's visibility and professional presence through updated reports, online platforms and stakeholder publications.

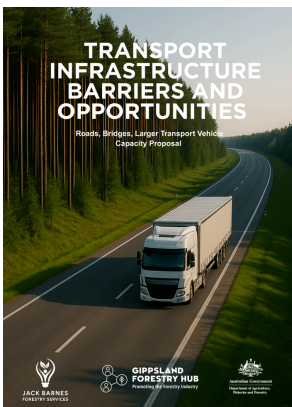
These achievements reflect the Hub's ongoing role as a connector, facilitator and support for a sustainable and competitive forestry sector in Gippsland.

HUB PROJECTS

2024-25

Investigating In Future Markets

A comprehensive list of potential products for Gippsland has been prepared and a companion database created. This report presents a guide to the use of that database to explore potential product options.

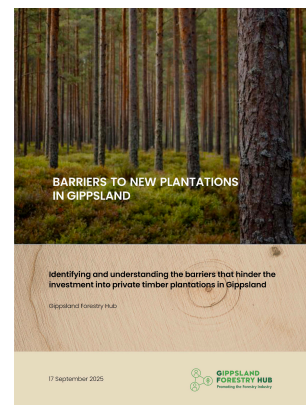


Transport Infrastructure Barriers and Opportunities

Identifying several areas where improvements in transport infrastructure can significantly benefit the timber industry. These include roads, freight systems, bridges, and larger transport vehicle capacity.

Barriers to New Plantations in Gippsland

The report investigated the key regulatory, financial, and social challenges preventing the expansion of private timber plantations in Gippsland.



The Value of Forestry & Timber in Climate Change Mitigation – Carbon Footprint

The report explores the critical role that the forestry and timber sectors can play in reducing the carbon footprint of industries and mitigating climate change.

PROJECT 1

INVESTIGATING IN FUTURE MARKETS

A comprehensive list of potential products for Gippsland has been prepared and a companion database created. This report presents a guide to the use of that database to explore potential product options. The database includes categorisation of products based on a range of attributes and these categories are presented in this report. For example, the state of commercialisation is a consideration. A product may be conceptual (blue sky) or routine with current markets. A product while commercial, may be redundant due to changes in technology. A key understanding is that there is no one best-fit product, hence a deliberation is required.

KEY REPORT FINDINGS

- No single best-fit product was identified for Gippsland's forestry sector.
- The region's diversity in resources, industries, and infrastructure means product opportunities will vary by site, investor type, and scale.
- Comprehensive database created: A detailed catalogue of potential forest-based products (traditional, novel, and emerging) has been compiled, supported by an Excel database. Products are categorised by:
 - Level of commercialisation (conceptual to routine)
 - Development status (blue sky to redundant)
 - Input materials and scale requirements.
- Site-specific suitability matters: Opportunities depend on whether an investment is brownfield (add-on/bolt-on) or greenfield (new build).
 - Brownfield sites benefit from leveraging existing infrastructure and can target smaller-scale innovations like residue utilisation or energy generation.
 - Greenfield sites require larger investment and strategic long-term planning.
- Notable market opportunities:
 - Pyrolysis and bioenergy present strong potential - flexible in scale, capable of using residues, and aligned with renewable energy goals.
 - Glue-laminated timber (GLT) and engineered wood products show continued commercial promise as bolt-on additions to existing sawmills.



Read full report [here](#)

RECOMMENDATIONS

- Use the products database as a decision-support tool for investors and processors to match product options with available resources, infrastructure, and risk profiles.
- Assess products holistically, considering:
 - Input fibre and supply chain availability
 - Infrastructure readiness (transport, energy)
 - Technology maturity and market demand
- Adopt flexible investment approaches, encouraging modular, bolt-on facilities that evolve with market and technological developments rather than committing to single large-scale ventures.
- Explore circular economy opportunities, particularly around energy, residues, and value-adding to by-products.

NEXT STEPS

1. Apply the database and decision model to identify specific Gippsland investment opportunities.
2. Engage with potential investors and processors to test practical applications of the tool.
3. Integrate findings with other GF Hub reports (e.g. infrastructure, innovation, private plantations) to prioritise feasible developments.
4. Promote regional case studies (e.g. AKD Yarram site example) to demonstrate how data-driven assessments can guide sustainable investments.
5. Continue market scanning for new forest product technologies and update the database to maintain its relevance over time.

PROJECT 2

TRANSPORT INFRASTRUCTURE BARRIERS AND OPPORTUNITIES - ROADS, BRIDGES, FREIGHT AND LARGER TRANSPORT VEHICLE CAPACITY

The report examines key challenges affecting the forestry and timber industry in Gippsland and presents strategic recommendations aimed at improving operational efficiency and industry competitiveness. While the primary focus is on road transport, the report provides limited consideration of rail and sea freight options. It outlines a clear pathway toward more efficient and sustainable forest product transport through targeted investment in infrastructure, streamlined permitting processes, and supportive policy reforms. These measures are essential to safeguarding the long-term viability of Gippsland's forestry industry amid evolving market conditions and increasing logistical demands.

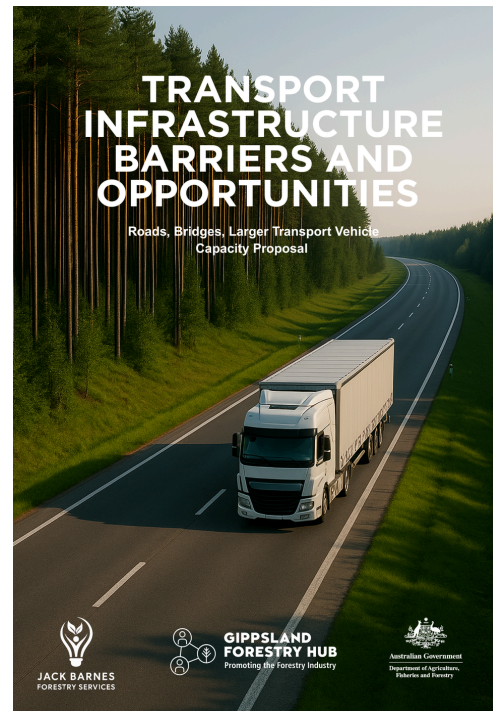
RECOMMENDATIONS

1. Permit and Access Improvements

- Work directly with Latrobe City Council to address the 6% forestry permit rejection rate (vs 1.5% average) and develop a training package with the NHVR for council permit assessors.
- Develop training materials for transport operators to improve permit application quality

2. Bridge and Road Infrastructure

- Collaborate with NHVR to refine bridge assessment processes so assessments occur after provisional permit approvals.
- Develop a Gippsland-specific bridge upgrade program and pilot project to expand HPFV networks, including creating approved "reference vehicles" for consistent bridge testing.
- Prioritise road strengthening and pavement upgrades to enable HPFVs operating at HML.



Read full report [here](#)

RECOMMENDATIONS CONT.

3. HPFV Route Development

- Establish dedicated HPFV freight corridors (e.g., Morwell–Port Melbourne).
- Advocate for creation of HPFV routes to Melbourne docks, Western Victoria, and Southern NSW, with vehicle capacities up to 91t and 36.5m length.

4. Engagement and Coordination

- Create a regional contact register of road managers (maintained by GF Hub or SEATS).
- Host biannual road access forums for collaboration between councils, contractors, and landowners.

5. Cost and Efficiency Measures

- Advocate for a full toll rebate for forestry freight traveling through Melbourne.
- Conduct comparative route assessments to demonstrate the economic, safety, and environmental benefits of HPFV adoption.

6. Broader Initiatives

- Support major infrastructure projects such as the Traralgon Bypass and Sale Alternate Truck Route.
- Encourage multimodal freight options (rail and sea) and continued investment in rural roads.
- Undertake an innovation study into emerging transport technologies and efficiency tools

PROJECT 3

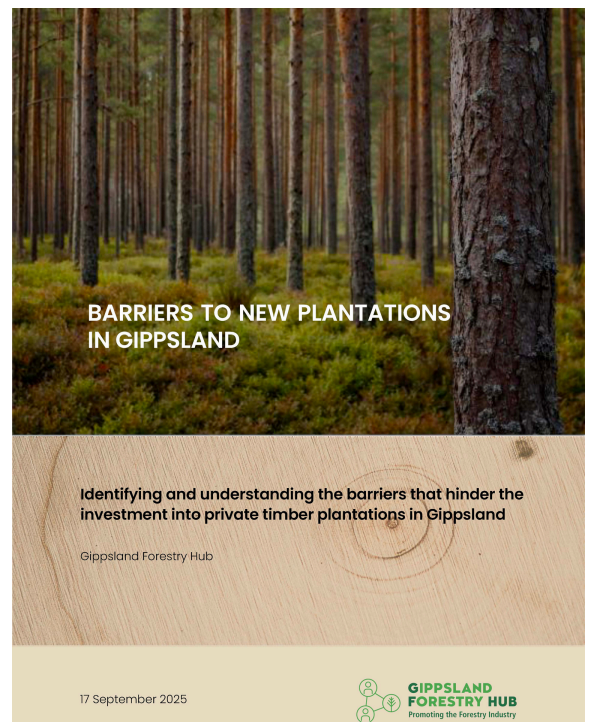
BARRIERS TO NEW PLANTATIONS IN GIPPSLAND

This report investigated the key regulatory, financial, and social challenges preventing the expansion of private timber plantations in Gippsland. Despite national incentives and opportunities through carbon markets, new plantation development in the region has remained limited. The report identified high land prices, complex and inconsistent planning processes, and mixed community perceptions as major barriers. It highlights that existing landowners are better positioned to benefit from current incentives, including government grants and carbon credits. A series of strategic recommendations were put forward, including streamlining planning approvals, updating the Code of Practice, exploring a state-level regulatory model, and addressing local government permit thresholds. The project also developed a stakeholder engagement strategy and monitoring framework to support long-term plantation growth.

RECOMMENDATIONS

Policy and Legislative Reform

1. Create a tailored development pathway for plantation projects under the Planning and Environment Act or Development Facilitation Program, particularly for investments under \$10 million.
2. Review and update the Code of Practice for Timber Production to:
 - o Ensure clarity and consistency with environmental laws.
 - o Simplify compliance for LGAs and landowners.
 - o Provide “deemed to comply” status for plantation managers.
3. Adopt a state-managed regulatory model (similar to NSW and Tasmania) to reduce local government administrative burden and speed up approvals.
4. Engage the Victorian Government to streamline environmental legislation and remove inconsistencies.
5. Review East Gippsland Shire’s 100-hectare permit rule, which imposes unnecessary cost barriers.



Read full report [here](#)

RECOMMENDATIONS CONT.

Stakeholder Engagement Strategy

- Build relationships with farm advisors, local and state government, industry, and environmental groups through workshops, briefings, and open forums.
- Encourage collaboration via case studies, demonstration projects, and outreach campaigns.
- Highlight the economic, carbon, and biodiversity benefits of plantations to increase social licence and trust.

NEXT STEPS

1. Implement the five key policy objectives:
 - Development pathway design
 - Updated Code of Practice
 - State-level administration model
 - Environmental law reform
 - Local government engagement
2. Set measurable targets (2025–2028):
 - Tailored development pathway approved
 - Revised Code of Practice gazetted
 - State-level model endorsed by Cabinet
 - All six LGAs engaged and area limits reviewed
 - Average project approval time reduced from 9 months to 6 months
3. Track progress through:
 - Quarterly project reporting
 - Annual stakeholder workshops
 - Biannual local government engagement logs
 - Ongoing review of planning scheme amendments and legislative updates.

PROJECT 4

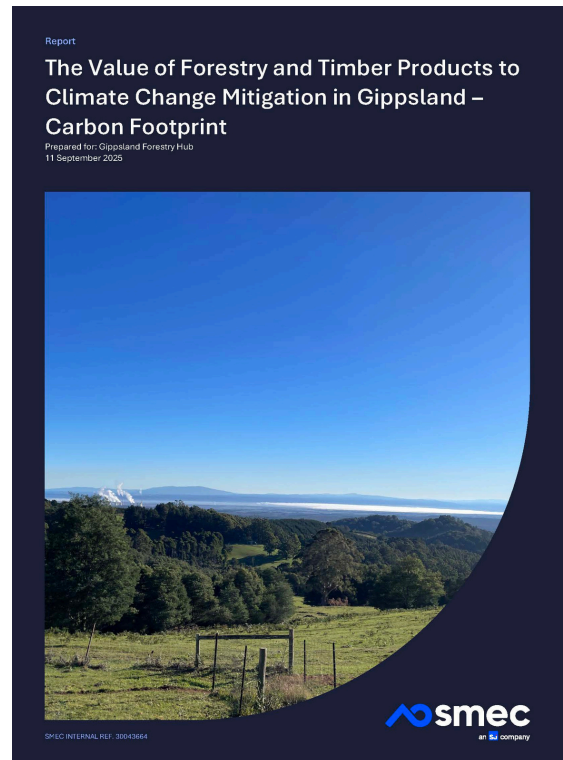
THE VALUE OF FORESTRY & TIMBER IN CLIMATE CHANGE MITIGATION – CARBON FOOTPRINT

The report on the Value of Forestry and Timber Products to Climate Change Mitigation in Gippsland explores the critical role that the forestry and timber sectors can play in reducing the carbon footprint of industries and mitigating climate change. The concept of a carbon footprint is introduced as the total amount of greenhouse gases (GHGs) emitted into the atmosphere due to human activities, measured in terms of CO₂ equivalents. These emissions stem from both direct activities, such as the combustion of fossil fuels, and indirect activities, such as energy use in production processes. The significance of understanding and measuring the carbon footprint of industries is highlighted as an essential step toward promoting sustainability and reducing global warming.

KEY RECOMMENDATIONS

Four priority policy and regulatory recommendations are proposed to support a low-carbon, competitive forestry industry:

1. Enable circular economy, local processing, and market diversification
 - Invest in value-adding technologies, modern processing, and recycling infrastructure.
 - Support the development of domestic and export markets for low-emission timber and paper products.
2. Incentivise and de-risk plantation expansion and on-farm integration
 - Strengthen existing grants and streamline approval pathways.
 - Encourage agroforestry adoption and private-sector investment to diversify land use and income.
3. Decarbonise energy, heat, and transport
 - Promote renewable energy in mills, low-emission transport systems, and sustainable logistics solutions.



Read full report [here](#)

KEY RECOMMENDATIONS CONT.

4. Drive industry transformation through standards, targets, and workforce development
 - Establish clear sustainability standards, industry-wide emissions targets, and training programs to prepare for emerging technologies and carbon markets.

NEXT STEPS

The report outlines an implementation and monitoring framework focusing on the following actions:

1. Refine the emissions dataset through ongoing data collection from industry partners to improve accuracy.
2. Develop decarbonisation roadmaps for key subsectors (plantations, haulage, processing).
3. Collaborate with government and industry to operationalise the four regulatory recommendations.
4. Integrate carbon and circular economy initiatives with regional development, housing, and renewable energy agendas.
5. Establish ongoing reporting and review mechanisms to track emissions reductions and progress toward net-zero goals

INDUSTRY PARTNERSHIPS

The Gippsland Forestry Hub's progress over 2024/25 has been made possible through strong, collaborative partnerships across the forestry supply chain, government, education, and regional development sectors. These relationships ensure our work is grounded in practical expertise, research excellence, and regional relevance. We gratefully acknowledge the contribution of the following partners:

INDUSTRY PARTNERS

- AKD Softwoods
- Australian Sustainable Hardwoods (ASH)
- PF Olsen Australia
- HVP Plantations
- Opal – Australian Paper
- Aus Timber
- Sumitomo Forestry Australia
- Alberton Timber & Treatment Plant
- Gippsland Agroforestry Network (GAN)
- Private forestry consultants and contractors

EDUCATION AND RESEARCH PARTNERS

- TAFEs and training organisations across Victoria and Australia
- Universities across Australia engaged in forestry, agriculture, and regional development research
- Australian Forest and Wood Innovations (AFWI)

INDUSTRY ASSOCIATIONS

- Victorian Association of Forest Industries (VAFI)
- Timber Merchants Association (TMA)
- Frame and Truss Manufacturers Association (FTMA)
- Australian Forest Contractors Association (AFCA)

These partnerships have enriched our projects with knowledge, insight, and networks—enabling the Hub to address barriers, explore opportunities, and support the future of Gippsland's forestry sector. We thank all our partners for their ongoing support and look forward to continuing this important work together in the year ahead.

GOVERNMENT PARTNERS

- Department of Agriculture, Fisheries and Forestry (DAFF)
- Victorian State Government (including DEECA and Agriculture Victoria)

LOCAL GOVERNMENT PARTNERS

The Hub engaged with all six Gippsland Local Government Areas:

- Bass Coast Shire Council
- Baw Baw Shire Council
- East Gippsland Shire Council
- Latrobe City Council
- South Gippsland Shire Council
- Wellington Shire Council

AGRICULTURE AND REGIONAL PARTNERS

- Food & Fibre Gippsland
- Local agricultural businesses and landholders
- Regional catchment management authorities
- Landcare and community-based environmental group

FORESTRY FUTURES

Inspiring the next generation remains a key focus for the Gippsland Forestry Hub. Throughout 2024-25, the Hub continued to engage with schools and training providers across the region - introducing students to the many and varied careers within the forestry and timber industries.

Through interactive classroom presentations and hands-on site visits to plantations, timber mills and agroforestry projects, students gained first-hand insight into how forestry combines innovation, sustainability and technology. These experiences helped bring learning to life, showing young people how forestry contributes to the environment, local communities and regional economies.

The Hub also participated in regional job expos and worked closely with secondary schools, TAFE's, and industry partners to connect emerging job seekers with real career pathways. Together, these initiatives are helping to spark curiosity, build skills, and grow the future workforce that will carry Gippsland's forestry industry forward.



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 2025 .

Committee Members

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

Trevor Nicklen (Chairperson)	Simon Gatt (Vice Chairperson)	Ian Reid
Lesia Goodwin	Lou Bourke	Tony Cantwell
Stephen Zyhajlo	Tom Schraenkler	Jon Lambert
Peter Devonshire	Julian Hay	Angela Olarenshaw
Luke Olarenshaw	Tony Britton	Mark Coleman
Linda Austin		

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 of the association for the financial year amounted to \$(123,790.91). (2024 operating loss \$(89,707.92).

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



Trevor Nicklen

Date: 25 September 2025



Ian Reid

Date: 25 September 2025

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Profit or Loss

For the period 1 July 2024 to 30 June 2025

	Note	2025 \$	2024 \$
Income			
Government Grants			
Dept Agriculture Water and Environment		347,211.45	292,667.00
Total Government Grants		347,211.45	292,667.00
Total Income		347,211.45	292,667.00
Expenses			
Accountancy Fees		1,091.37	1,107.34
Administration Costs		-	227.27
Advertising		5,680.00	-
Auditor's Remuneration		2,000.00	1,980.00
Bank Charges		342.36	194.90
Computer Expenses		3,197.81	1,751.72
Electricity		29.03	121.64
Employee Leave Entitlements		2,117.38	-
General Expenses		-	491.67
Insurance		4,580.77	4,744.07
Meeting Expenses		62.36	888.11
Motor Vehicle Expenses		12,878.71	14,540.14
Office Expenses		2,712.55	577.91
Printing & Stationery		2,152.01	2,411.73
Project Expenses	2	289,057.10	168,484.00
Rent		5,500.00	12,259.99
Subcontractors		-	32,339.07
Subscriptions		724.70	1,267.36
Superannuation Contributions		12,916.80	12,355.20
Telephone		1,843.17	2,074.79
Travelling Expenses		11,796.26	12,238.03
Wages		112,319.98	112,319.98
Total Expenses		471,002.36	382,374.92
Loss		(123,790.91)	(89,707.92)

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Appropriation Statement

For the period 1 July 2024 to 30 June 2025

	2025	2024
Note	\$	\$
Loss available for Appropriation	(123,790.91)	(89,707.92)
Opening Balance at the Beginning of the Period	293,728.22	383,436.14
Total Available for Appropriation	169,937.31	293,728.22
Retained Association Funds at the End of the Period	169,937.31	293,728.22

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current Assets			
Cash and Cash Equivalents	3	185,524.57	318,238.10
Trade and Other Receivables	4	13,002.42	12,881.37
Other Current Assets			
Security Bond		-	656.25
Total Other Current Assets		-	656.25
Total Current Assets		198,526.99	331,775.72
Total Assets		198,526.99	331,775.72
Liabilities			
Current Liabilities			
Trade and Other Payables	5	28,589.68	38,047.50
Total Current Liabilities		28,589.68	38,047.50
Total Liabilities		28,589.68	38,047.50
Net Assets		169,937.31	293,728.22
Equity			
Retained Association Funds	6	169,937.31	293,728.22
Total Equity		169,937.31	293,728.22

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Changes in Equity

As at 30 June 2025

	Note	2025 \$	2024 \$
Retained Association Funds			
Opening Balance		293,728.22	383,436.14
Comprehensive Income			
Loss		(123,790.91)	(89,707.92)
Total Comprehensive Income		(123,790.91)	(89,707.92)
Total Retained Association Funds		169,937.31	293,728.22

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Statement of Cash Flows

For the period 1 July 2024 to 30 June 2025

	Note	2025 \$	2024 \$
Operating Activities			
Cash Receipts from Customers		352,666.45	292,667.00
Cash Paid to Suppliers and Employees		(486,036.23)	(370,718.57)
Cash Generated From Operations	3	(133,369.78)	(78,051.57)
Net Cash from Operating Activities		(133,369.78)	(78,051.57)
Investing Activities			
Refund of Security Bond		656.25	-
Net Cash (used in)/from Investing Activities		656.25	-
Net Increase/(Decrease) in Cash and Cash Equivalents		(132,713.53)	(78,051.57)
Cash and Cash Equivalents at the Beginning of the Period		318,238.10	396,289.67
Cash and Cash Equivalents at the End of the Period	3	185,524.57	318,238.10

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

Gippsland Forestry Hub Inc
ABN 68 178 105 512

Notes to the Financial Statements

For the period 1 July 2024 to 30 June 2025

Note 1: Summary of Material 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 an accrual basis and are based on historical costs. They do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

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

Accounting Policies

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 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. 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 statements elements should be recognised, with any difference being recognised immediately in profit or loss as income.

Operating grants

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

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When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement;
- 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 (being lease liability, financial instruments, provisions); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

d. Trade and Other Payables

Trade and other payables represent 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.

e. 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 assets and liabilities statement.

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.

Note 2 Project Expenses

	Note	2025 \$	2024 \$
Project Expenses 2022-23			
Decision Tree (Stage 1)		-	14,484.00
Total Project Expenses 2022-23		-	14,484.00
Project Expenses 2023-24			
Mid Rotation Management Project		12,750.00	52,000.00
Project 15 Steps towards a greener future		30,687.60	31,000.00
Comprehensive Literature Review Project		13,650.00	35,000.00
First Nation Engagement		1,250.00	36,000.00
Total Project Expenses 2023-24		58,337.60	154,000.00
Project Expenses 2024-25			
Investigation into Future Markets		122,500.00	-
Transport Infrastructure Barriers & Opportunities		45,750.00	-
Barriers to Plantations Report		25,500.00	-
Carbon Footprint		36,969.50	-
Total Project Expenses 2024-25		230,719.50	-
Total Project Expenses		289,057.10	168,484.00

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Note 3 Cash and Cash Equivalents

	Note	2025 \$	2024 \$
Gippsland Forestry Hub Account		183,568.57	317,744.89
Gippsland Forestry Hub Expense Account		1,956.00	493.21
		185,524.57	318,238.10

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	2025 \$	2024 \$
Cash and Bank Balances		185,524.57	318,238.10
		185,524.57	318,238.10

Reconciliation of Net Profit after Tax to Net Cash Flows from Operations

	Note	2025 \$	2024 \$
Loss for the year		(123,790.91)	(89,707.92)
Adjustments for:			
Operating cash flows before movements in working capital		(123,790.91)	(89,707.92)
Movement in Trade and Other Receivables		(121.05)	(7,973.68)
Movement in Trade and Other Payables		(9,457.82)	19,630.03
Cash Generated From Operations		(133,369.78)	(78,051.57)

Note 4 Trade and Other Receivables

	Note	2025 \$	2024 \$
GST Payable/Refundable		13,002.42	12,881.37
Total Trade and Other Receivables		13,002.42	12,881.37

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Note 5 Trade and Other Payables

	Note	2025 \$	2024 \$
Trade Creditors		18,700.00	29,700.00
Superannuation Payable		1,076.30	1,029.50
PAYG Withholdings Payable		6,696.00	7,318.00
Payroll Liabilities			
Provision for Annual Leave		2,117.38	-
Total Payroll Liabilities		2,117.38	-
Total Trade and Other Payables		28,589.68	38,047.50

Note 6 Retained Association Funds

	Note	2025 \$	2024 \$
Opening Balance			
Retained Profits - Beginning of Year		293,728.22	383,436.14
Total Opening Balance		293,728.22	383,436.14
Current Year Earnings			
Current Earnings		(123,790.91)	(89,707.92)
Total Current Year Earnings		(123,790.91)	(89,707.92)
Total Retained Association Funds		169,937.31	293,728.22

Note 7 Economic Dependence

The Association's main source of income from its activities is funded by operating grants provided by the Australian Government. At the date of this report, members of the committee have 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 2025

Trevor Nicklen
Trevor Nicklen

Date: 25 September 2025

Ian Reid

Ian Reid

Date: 25 September 2025

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 statement of financial position as at 30 June 2025, the profit or loss statement, statement of changes in equity and statement of cash flows 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 gives a true and fair view of Associations Incorporation Reform Act 2012, the financial position of the association as at 30 June 2025 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 (including Independence Standards) (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 expected to influence the economic decisions of users taken on the basis of this financial report.

GIPPSLAND FORESTRY HUB FINANCIAL STATEMENTS

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



Neil Tyrrell, CPA

Date: 29 September 2025

CONCLUSION

As we reflect on another successful year, the Gippsland Forestry Hub remains proud to play a central role in shaping the future of forestry across the region. Collaboration continues to be at the heart of everything we do – bringing together industry, government, and community to strengthen the sustainability and growth of Gippsland’s forestry sector.

This year has seen strong progress and fresh momentum, with new projects underway and a shared commitment to innovation, responsible management and long term regional resilience. Together, we are tackling challenges, unlocking opportunities and ensuring Gippsland’s forestry industry continues to thrive - economically, environmentally, and socially.

Looking ahead, the Hub remains focused on supporting the people and partnerships that drive sustainable forestry, ensuring Gippsland continues to lead the way in building a stronger, greener future.



**GIPPSLAND
FORESTRY HUB**

Promoting the Forestry Industry

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