Foresters honoured

Emeritus Professor Ian Ferguson AM

Athol Hodgson AM

Dr Sadanandan Nambiar
Norman W. Jolly Medallist

Dr Glen Kile AM

Medal
Member of the Order of Australia

Also inside
2011/12 Company Annual Report
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The views expressed in this publication and any inserts are not necessarily those of the Editor or the Institute of Foresters of Australia.
Alison Carmichael
Chief Executive Officer

At the time of writing I have been six weeks in the role as CEO. I am enjoying living in Canberra, a town I have only visited before, and I am enjoying the work.

As a result of my previous work with NSW Agriculture, Irrigation Australia and my consulting company Naturally Resourceful, I am not a complete stranger to the forestry sector. As a result I’m enjoying remaking some old connections, as well as making plenty of new ones. It is a privilege to work in such a beautiful building as the old School of Forestry, set amongst the street trees of Yarralumla.

IFA is a well-established Institute, justifiably proud of its heritage. It has the strongest culture of volunteerism of any membership body in which I have been involved. It is facing many of the same issues as other membership associations such as a declining and ageing membership, competition for people’s interest and time from many other activities, and the ease in which people can access information that in the past might only have been supplied by their membership body. IFA is very clear about what it is and what is does, but I find it less clear on where it is going. The challenge is for the Board and myself to take IFA into the future as a strong and relevant organisation while honouring its history.

It is early days but I will commit myself here to a few things that I would like to achieve, in partnership with the Board, and we can check back later to see how we progress.

- Get the new, as yet incomplete, website up and running.
- Work hard to better understand who the members are and what they do, and who are not our members and how to engage them.
- Seek out opportunities and new offerings where possible. One area I am already looking at is the delivery of continuing professional development (CPD), not just to members, but also delivery of information about what we know about forests to other sectors.
- Work with the Board towards a strategic plan that is backed by strategic and measurable targets for membership, services, finances, profile or impact.
- Work towards a consistent image for the Institute that reflects it position and values.
- In my Company Secretary role ensure that the Institute is well-governed, and identify where current governance arrangements are no longer working and make recommendations for change.

I look forward to getting to know and work with you all.

Advance notice is given that the Annual General Meeting of The Institute of Foresters of Australia will be held on Thursday 15 November 2012.
(Venue and time to be advised)

AGENDA

1. Attendance and apologies
2. Minutes of the Annual General Meeting held on 17 November 2011
3. President’s Report
4. Audited Financial Statements 2011/12
5. General Business.

Confirmation details will be provided later in the National email Bulletin.

Members are asked to advise the National Office, of any general business or questions prior to the AGM so that a considered response can be prepared.
**IFA’s top award to Sadanandan Nambiar**

The Institute of Foresters of Australia’s top award, the Norman W. Jolly medal, recognises outstanding service to the profession of forestry in Australia.

On 26 July 2012 IFA National President, Mr Rob de Fégely, announced CSIRO forestry scientist Dr Sadanandan Nambiar as the latest recipient of the Institute’s highest award.

Mr de Fégely said that “I am delighted to make this announcement as Sadanandan is a very worthy recipient.”

“He is an eminent forest scientist internationally recognised as a leader in research on sustainable productivity and management of forests,” he said.

“His multi-disciplinary approach to science in support of sustainability has had a profound impact upon efficient, science-based plantation management in Australia and overseas.”

Mr de Fégely said through his work Sadanandan promotes the sustainable management of Australian forests as a balancing act that needs long term goals, focus on productivity and due care for soil, water, landscape and social values.

“Internationally, Sadanandan has been a tireless advocate of research into the potential of man-made forests, agro-forests and woodlands as land use systems that can foster both economic prosperity and environmental benefits for society,” said Mr de Fégely.

“Sadanandan is widely recognised as a science leader and a generous mentor by colleagues in Australia and internationally. He is an active Honorary Fellow in CSIRO Ecosystems Sciences, Canberra, spending significant time supporting forestry in developing countries, especially Southeast Asia, championing sustainable forestry for rural development and poverty alleviation.”

He is a prolific writer and his works are published in more than 100 publications, in addition to reports, books, proceedings, monographs and numerous keynote addresses. He has received several international awards including the Distinguished Scientist Award in USA, Commonwealth Medal of Excellence, and World Congress Award as a preeminent Australian Forest Scientist.

**Welcome new IFA Members**

**Queensland**
- Rohan Allan - Voting Member, Kenneth Robson - Voting Member, Precila Salcedo - Student Member

**Western Australia**
- Geoff North - Voting Member, Gavin Butcher - Associate Member, Lloyd Strack - Associate Member

**Victoria**
- Benjamin Curtis - Voting Member, Thomas Patton - Associate Member, Charles Anin-Agyei - Student Member, Gabriela Hilty - Student Member

**Upgraded to Associate Member Young Professional:** Steven Muldoon (NSW), Franceane O’Connor (VIC), Alex Slattery (NSW).
Foresters honoured

IFA members have cause to celebrate the outstanding recognition that forestry has received in this year’s Queen’s Birthday Australian Honours. Emeritus Professor Ian Ferguson, Dr Glen Kile and Athol Hodgson, each received the Australian Medal for their contribution to forestry.

IFA President Rob de Fégely has personally congratulated the AM recipients. He said “the Institute acknowledges that many unsung heroes quietly make enormous contributions to the forestry profession and only a few are recognised. However 3 persons recognised together is certainly a remarkable and satisfying achievement for the forestry profession”.

Dr Glen Ashley Kile AM

Citation
For service to forest science, biosecurity and sustainable forestry through research, leadership and management.


Inaugural Director, Co-operative Research Centre (CRC) for Temperate Hardwood Forestry, 1990-1991; Visitor, CRC for Forestry 2008-2012; Board Member, various CRCs, 1992-2001.


Chairman, Victorian Division, Australian Academy of Technological Sciences and Engineering since 2009.

Member, UN Forum on Forests Bureau, 2007-2009.

Member, Advisory Board, Australian Biosecurity Intelligence Network, since 2008.


Emeritus Professor Ian Stewart Ferguson AM

Citation
For service to tertiary education through administrative and teaching roles, to forestry and land management, as a researcher and author, and to the community.


Reader, Department of Forestry, Australian National University, 1976-1981; Senior Lecturer, 1971-1976.

Deputy Chair, Forest and Wood Products Research Development Corporation, 2001-2003.


Chair and Sole Board Member, Victorian Timber Industry Inquiry, 1984-1985.


Chair, Rotary Park Committee, Rotary Club of Melbourne; active Member, Vice-President, Probus Club of Port Phillip, 2012-2013.

Awards/recognition include: Fellow, Australian Academy of Technological Sciences and Engineering.; Fellow, Parks and Leisure, Australia.; Fellow, Institute of Wood Science UK, 2002-2012, Fellow, Institute of Foresters of Australia; Centenary Medal, 2001.

Athol Hodgson AM

Citation - For service to forestry science, particularly the development of land management and bushfire risk reduction strategies, to emergency service organisations, and to the community of rural Victoria.

Forester, Forest fire management and research, for more than 50 years.

President and Founder, Forest Fire Victoria Inc, since 2004. A group of forest fire practitioners and scientists brought together to provide and promote independent and expert opinion on forest fire management to ensure that Victoria’s forest fire management policies and practices are based on science, experience and accountability, and address social, economic and environmental values of natural ecosystems; and that the long-term well-being and safety of forest ecosystems and their surrounding rural communities are protected.


Member, Stretton Group, since 2003. A Group committed to ensuring that intergenerational responsibility is met by governments committing appropriate money to the fire protection and maintenance of public property, commensurate with its assets value.

Board Member, Country Fire Authority, 1985-1987. Employee, Forests Commission Victoria, from 1948 to 1987; Commissioner of Forests; Chief Fire Officer; Lecturer, School of Forestry Creswick; Fire Research Officer.

Awards: Winston Churchill Fellowship, 1966; to study fire management in North America.
Crossing the Southern Alps of New Zealand on a clear day after a massive snowfall must rank as one of the most scenic plane flights in the world.

Then stepping out of Christchurch Airport on the 1st of July I was reminded how different New Zealand is from Australia. It was freezing, not just cold but face numbing. I was en route to the New Zealand Institute of Forestry conference at the University of Canterbury as a guest and really looking forward to catching up with old acquaintances and seeing if the mood of their industry was any more buoyant than ours!

It was wonderful to see stalwarts of the New Zealand attending including John Groome and Dr Wink Sutton who is also to be congratulated on being awarded the Kirk Horn Flask, the New Zealand equivalent of the NW Jolly Award.

However the industry mood was not dissimilar to here, and the New Zealand forest industry has a real conundrum where the high-pruned, low-stocking clearwood regimes developed in the 1970’s and 1980’s are no longer economic and fast growing Radiata pine struggles to produce good structural grade sawn timber. This challenge was outlined very well by a number of presenters but two in particular were memorable: a keynote address by Dr Euan Mason (on behalf of John R Moore of Scion); and another by Professor John Walker. Both outlined the problems of growing high quality structural grade sawn timber from Radiata pine in New Zealand.

Clearwood silviculture is based on growing the highest quality log in the shortest possible time for the “appearance” market, and changing back to a regime to produce structural timber, while possible, is not simple. Both Moore and Walker suggested that returning to the highly competitive commodity market for structural sawntimber may not be in New Zealand’s best interests. Solutions included improving communication along the supply chain so that growers and end users understand what each other needs, and working out how to use New Zealand grown structural timber in new engineered wood products and construction techniques. Other species are under consideration, including Douglas Fir (Pseudotsuga menziesii), Redwoods (Sequoia sempervirens) and also showing promise (beware Australia!!) are Eucalypts, particularly some of the durable species from southern New South Wales and Victoria.

Jim Taggart, a New Zealand born Canadian Architect, provided some possible answers in his very thoughtful presentation on “Toward a Culture of Wood Architecture” where he provided three key messages that building with wood can:

- Contribute significantly to the mitigation of climate change
- Provide widespread, decentralized economic and social benefits
- Contribute to the reaffirmation of regional and cultural identity in a globalized context.

Taggart suggests that many parts of the world, including Canada and New Zealand (and Australia), have a deep historical connection with timber buildings beginning with indigenous cultures and possibly culminating in Australia and New Zealand with the 1950’s and 60’s traditional weatherboard house. The more recent shift in domestic housing to McMansions and concrete and steel for commercial building has seen a decrease in the use of timber in construction. Taggart suggested recreating a wood culture based on enterprise, innovation and stewardship and he provided some stimulating illustrations of this rebirth in his now native Canada. He showed that wood can be used in not only grand public buildings such a libraries, concert halls and universities but also everyday utility buildings such as railway and service stations, and supermarkets. He also suggested that the benefits of natural light and wooden materials used in the Carlo Fidani Peel Cancer centre has been proven to create a healing environment for its patients.

Jim Taggart’s presentation was also timely, as it preceded the field tour showing how wood is being used in the re-build of Christchurch after the earthquakes. It is often said that ‘adversity is the mother of invention’ and some of the new engineered timber products being designed to withstand major earthquakes must surely have broader applications in construction. The tour of Christchurch was humbling where one local forester suggested to me that ‘nothing is as it seems’ as almost without fail everything and everyone in Christchurch has been affected in some way. Our hearts, thoughts and best wishes are with them.

Congratulations and thanks to Dr Andrew McEwen and his team at the New Zealand Institute of Forestry for a wonderful three days of industry reflection, good science and delightful camaraderie.
IFA Field Day
at the Wungong Catchment

Frank Batini, assisted by colleagues from the Water Corporation, Murdoch University and University of Tasmania, led an IFA field day to the Wungong Catchment Trial on 10 June. In spite of severe weather warnings 22 members, friends and families attended. The day was an opportunity to learn about proposed silvicultural treatments aimed at enhancing streamflow and groundwater reserves in a part of this catchment. It was also noteworthy for the introduction of a new forestry unit, the philog.

The rainfall in the southwest of WA has decreased significantly over the past 35 years, resulting in a reduction run-off into streams and dams of about two thirds in the Perth hills. The Water Corporation established the Wungong Catchment Trial in 2005 to model ecosystem processes and to determine whether silvicultural treatment would restore streamflow and increase groundwater storage, thus benefitting biodiversity.

The Wungong Catchment is about 60 km south east of Perth and covers 12 845 ha. It is highly disturbed, and contains both cut-over forest and rehabilitated mine sites. It is also well instrumented with extensive bore fields and gauging stations on many of the streams.

Our first stop was in bullich forest, at what used to be a fire-fighting water point on a permanent creek, but which was dry as this is now an ephemeral stream. Keith Barrett, from the Water Corporation, spoke about the observed decreasing groundwater storage and streamflow between 1990 and 2010. This decrease has had a major effect on aquatic fauna and riparian vegetation, which has collapsed on some sites. Modelling, assuming that the rainfall continues to decline, indicates that these stream zones will continue to contract over the next 20 years. Shannon Dundas (Murdoch University) spoke about the effects of this contraction on the biodiversity of these stream zones, not just aquatic animals, but also on animals that depend on the dense riparian vegetation for shelter and food.

Keith outlined the proposed silvicultural strategy to restore soil moisture and streamflow levels to those that occurred during the 1990s. He talked in terms of sapwood area, rather than basal area, and used leaf area index (LAI) assessed from satellite imagery, as a surrogate measure of sapwood area. The aim would be to thin to a LAI of 0.6 (a basal area of 8-10), and repeat this when the average LAI =1. Modelling, (using the 2001 to 2010 rainfall sequence) indicates that this should restore both groundwater storage and streamflow to 1990 levels by 2050, assuming that there rainfall trends do not change significantly.

Keith’s proposed thinning strategy started a discussion about thinning and the utilization of thinned stems. This is where philogs come in. Phil Shedley suggested that the present specification of small logs is too restrictive, and that the commercial size should be reduced to a minimum diameter of 100 mm and 1.2 m length. If these philogs are sold by weight at a nominal royalty, they would encourage commercial thinning at an early age, and would allow thinning from above, with the emphasis on retaining well-formed healthy trees.

Our second stop of the morning was at the jarrah demonstration plots that had been set up by the Water Corporation in 2007. These were established to show what different thinning intensities looked like, and are used when taking members of the public to Wungong, and to explain the link between stand density, LAI, groundwater replenishment and biodiversity.
As the weather was beginning to deteriorate we retreated to the Jarrahdale General Store for lunch and further discussions. Melissa Gordon (University of Tasmania) spoke about her PhD project on community engagement. Melissa’s experiences were added to by others who spoke of their experiences of taking members of the public out into the forest and talking with them about forest management.

After lunch we went to an area where many trees had died between 2007 and 2011. These deaths are drought deaths following the driest winter on record in 2010. Elaine Davison explained that many jarrah, marri and shoaks died, especially on sites with shallow soils. Frank Batini showed us an adjacent thinned stand of spotted gum/red mahogany where deaths had not occurred.

George Matusick (a US forester at Murdoch University) spoke about his aerial survey in the northern jarrah forest establishing the location of many patches of tree deaths and adjacent areas of chlorotic trees. He has established a number of permanent plots where he is monitoring which species are most affected, and whether any of the trees where the primary crown died have resprouted from epicormic or coppice shoots.

We abandoned the remainder of our tour through the Wungong Catchment, not just because of a tree across the road, but also because it was getting very windy.

We thank Frank Batini and colleagues who gave us a very thoughtful presentation of the past trials at the Wungong Catchment and who spoke with enthusiasm about the proposed silvicultural treatments to restore stream flows, replenish groundwater and ensure that riparian habitats are retained.

Elaine Davison

IFA members who are 65 years of age (or over) and who do not work full time are eligible for the IFA ‘Retired rate’. Contact the IFA National Office on 02-6281 3992.
ANU Forestry made its annual pilgrimage across the Snowy Mountains for the Laurel Hill field class, part of the Australia’s Forests intensive course convened by Dr Matt Brookhouse & Prof Peter Kanowski. The 30 students from most ANU Colleges learned directly from staff of many NSW state land management agencies - CMAs, Forests, Lands, and NPWS; from Indigenous rangers and farmers; and from Hyne, Visy, and horticultural businesses. We thank those hosts for providing such an effective introduction to forest policy and management challenges, and to the business of forestry and forest products, for our students.

Also returning from a pilgrimage is “the” elephant! After mysteriously disappearing over 9 months ago, the iconic elephant of ANU-Forestry mysteriously returned last month. There had been no ransom demands nor any postcards so the full story of the disappearance and reappearance is still not known.

However staff and graduates are happy that “the” elephant is back. As soon as we can find a humane way of reducing the chances of another walkabout, she will also be back for good luck pats as tradition demands.

Most staff did not believe it when they heard of the return and required at least photographic (or tactile) evidence.

**IFA Membership fees for 2012-13 are now overdue.**

If you have not paid your annual subscriptions please do so asap.
Farewell Peter Seymour Male

Peter, like many of us Queenslanders was a 1963 intake at Canberra’s Australian Forestry School. He was there on a Commonwealth Scholarship, like Phil Telford and Ian MacLeod, Ian recalls one of Peter’s stories: ‘Chooks and chokos mate – the chooks eat the chokos and the chokos thrive on the chook shit, more money in this than forestry.’ This is probably true as Ian tells of Peter having a brand new Vauxhall when in Canberra, courtesy of his parents, while the rest of us had to make do with clapped-out old ‘bombs’. Ian recalls the ‘lots of grog at the Wello and great parties at the AFS.

Peter Male, forester and friend to most in the profession was a very sincere man and one with a very Christian outlook on life. He had a positive attitude to the world around him and was not averse to voicing his principles some of which were rather old-fashioned, even patriarchal, but to his credit he believed in them strongly and lived by them. He disliked cant and was disdainful of the humbug that went with a lot of the ‘new management’ jargon, like many of us, and would sit at the back of the room, according to his friend Ian Lynch, and read the Courier Mail, rustling the pages scornfully.

His forthright manner and his tendency to say what he thought was sometimes seen as abrupt and his candid manner could be annoying to senior forestry officers and the milder mannered of his staff, but others admired his ability to stand up and ‘tell it like it is’. He was never one to leave you guessing what his position was on life and its vagaries.

He was an innovative man. When in charge of the Gambubal region in the Warwick District, he was keen to cut costs in the plantations there by using regrowth stems after clear fall, so he implemented the idea and was justifiably proud of it, despite some tut-tutting by the Conservator of the day. Nevertheless, it worked and is now understood to be a regime of some interest to the new owners of all our plantations.

Peter was far-sighted enough to try to persuade his father to buy Gambubal plantations when it came onto the market in the 1960s. He wanted to manage the area full time as a family business. It never came to pass, but ironically he eventually got to manage it anyway.

Ian Lynch told me that he thought it was Peter who designed a ‘very peculiar compartment at Toolara with a shape that would gladden the ancient Britons who inscribed the chalk down in southern England’. The design made Peter quite famous and was notoriously known as the ‘Dickhead Block’. Unfortunately, it has disappeared in the new second rotation design.

He was a very competent wood worker in cypress pine, specialising in squatter chairs and childrens’ toys. I once visited him at his family home on the outskirts of Toowoomba. His work shed was enormous, reminiscent of Cloudland Ballroom (well, not quite). It was packed with machines and electric leads hanging from the rafter. You had to duck and dive to avoid them and nudge your way along to find a pathway. It was efficient in output but Workplace Health and Safety guys would have had fits. Nevertheless, Peter loved his shed and his work and meeting buyers at the markets and chatting to buyers who came to his shed. He loved meeting people!

Like many District Foresters he would invite forestry visitors to his home after work for dinner with the family. That’s how a lot of friendships began in those days. Interestingly though, at the end of every dinner and when attending other people’s places he would make a short formal speech of thank you or whatever.

Peter was often away a lot in his time out west. This was due to the tyranny of distance and the long drives to the reserves. He even rented at times and seemed to live out of a cardboard box of comestibles that his wife Loretta packed for him on Monday mornings. These arrangements must have been hard on the family.

Sally and John Simpson remember Peter with affection. As John says, ‘Although our professional careers had taken us in somewhat different directions, the strong bond of friendship that flourished at the Australian Forestry School in Canberra has remained with me. It is with fond memories that I recall some of the moments of our youth and the sincerity of our friendship as we matured. We will always count Peter as a true mate and wonderful person.’

Peter Male was a very good forester. He was also a very charitable man. He would sell the produce from his flower and vegetable garden at his front gate and donate all the proceeds to favoured charities. Let us hope he is so favoured in his own Christian afterlife.

Peter’s family comprised beloved wife Loretta and children Martin, Monica, Marguerite, Luke and James.

(Peter Holzworth with friends of Maley)
Jim Muir was born in Esk in the Brisbane Valley on 11 November 1920 i.e. the second anniversary of Armistice Day, hence the Christian names given to him. His father, a farmer, moved from property to property in the area. For a year Jim did not go to school at Toogoolawah as it was too far to ride and he had to catch up later at Blackbutt School. Jim and his brother and two sisters every morning (before going to school) and every evening had to help milk 80 to 90 cows by hand.

Jim passed the State Scholarship exam at Blackbutt in 1935 and as a boarder attended Ipswich Grammar School where he passed the Junior exam in 1937. Because times were hard, Jim left school and got a job as a clerk in the Queensland Forestry Department (QFD). He realised this was a mistake, so he returned to Ipswich Grammar School in 1939 and completed the Senior exam in one year and gained a Forestry cadetship to attend the University of Queensland (UQ) in 1940.

Jim served in the RAAF during World War II from March 1942 to November 1945 reaching the rank of Flight Lieutenant in charge of a radio and radar unit off the coast of Borneo at the end of the war. It was then back to UQ and in 1947 he entered the Australian Forestry School in an intake of 12 students and on graduation he was awarded the Schlich medal. He was also awarded a medal of merit from UQ.

After graduating with a B.Sc For and a Dip For, Jim served as a subdistrict forester in Brisbane and Imbil within QFD. His first posting as a District Forester was to Mackay where he served for many years. Mackay was a rather small (in terms of budget) district but very diverse with the management of tropical rainforest (in State Forests and National Parks), dry sclerophyll forests, exotic pine plantations and gravel resources as well as a large amount of freeholding and reservation of Crown lands. Jim put in long hours in the field and often caught up with his office work at weekends. He was extremely energetic and there was almost nothing going on in the district that he did not know about. His staff found him to be a demanding taskmaster and it was while in Mackay that he earned the nickname of ‘The Master’. As Mackay was rather remote from Brisbane, visits by senior staff from Head Office were few and far between. There are a host of stories about Jim’s achievements in Mackay district, among them the construction of a road from Eungella to the headwaters of the Pioneer River. This was a very difficult construction that was achieved at extremely low cost – the real story has been largely lost in time but it seems some creative accounting may have been involved.

From Mackay, Jim moved to Dalby as District Forester in 1962 and swept through the district like a new broom. In 1964, he was appointed as Assistant Silviculturist based in Brisbane. It was from here on that his influence on all of Queensland forestry began to manifest itself. In due course, Jim was promoted to Silviculturist and then Director of Operations. He rationalised nursery production through the closure of small units, creation of large central operations with a large increase in mechanisation. Many changes in nursery practice that he instigated were not well received by some of the staff above him, but he persisted with the assistance of key personnel in the field. Jim was instrumental in altering clearing specifications to allow for complete site preparation in exotic pine plantation establishment. His leadership led to the establishment of a suite of magnificent plantations that are a source of raw material for the sawmilling and peeling industry today.

Jim was also very active in setting the standards for native forest management being responsible for a number of prescriptions to ensure only the growing stock with good potential was retained in logging and silvicultural treatment.

Outside working hours, Jim was a very personable individual who could mix with people at all levels. During working hours, Jim adopted a very professional attitude and always demanded a high level of performance from his staff. He was well regarded for his professional knowledge and personal drive.

Whenever the opportunity arose, Jim was a great advocate for forestry with politicians, the Public Service Board and a range of visitors to Queensland, although his somewhat maverick actions at times in getting the job done did not always find favour with the QFD hierarchy. It is almost certain that this prevented Jim from attaining higher positions. Late in his career, Jim was moved from Operations to Planning from where he retired in 1980.

Jim was a long serving member of the IFA and prior to his retirement often attended meetings and field weekends. Jim has bequeathed his Schlich medal to the IFA.

After retirement, Jim and his wife Joy moved to Tugun overlooking the Pacific Ocean. Jim remained very alert mentally, taking a keen interest if forestry, sport and the stock market which he played very successfully. Jim never took to the computer age; in fact he said it was the onset of computers that prompted him to retire early. All his stock market dealings were done without the aid of a computer. Jim was disgusted with the treatment of forestry in Queensland at the hands of a left wing government influenced by their greenie allies.

‘The Master’ passed away on 12 February 2012 aged 91. His wife Joy predeceased him; he is survived by his son, three daughters, seven grandchildren and seven great grandchildren. As one of the later CEOs of QFD remarked: ‘doubt that the forests of Queensland will see his like again beneath their canopies’.

(R E Pegg)
Forest Valuation Standard updated

The IFA Board at its May 2012 meeting approved for publication "A Standard for Valuing Commercial Forests in Australia: V2.1". The joint Technical Editors are myself and Ian Ferguson.

It is freely available for download from the IFA website: http://www.forestry.org.au/ > Contacts > ACFA

ACFA members are reminded that adherence to this document is a condition of membership.

Forest valuation aficionados will notice a few changes, all relatively minor, but nonetheless important in keeping the standard relevant and up to date. Past representations to both the Australian Accounting Standards Board (AASB) and the IASB have resulted in changes to their standards, changes that enable our standard to be made simpler and clearer.

The title has been tweaked. The term "Australian Standard" is a registered trademark of the Australian Standards Association so the change simply avoids potential legal challenges.

The formal incorporation of the Association of Consulting Foresters of Australia as a Division of the Institute is recognised.

The use of the term "appraisal" has changed. Australian foresters have historically used the terms valuation and appraisal to reflect different standards of valuations, with the term appraisal commonly used to cover the less precise, simpler valuations. The international valuation scene uses appraisal as another term for a valuation. So our historical use of the term appraisal to signify a lesser standard forest valuation needs to be avoided. But the question remains as to what to replace it with? Any suggestions will be considered!

You might be surprised to know that Australia and New Zealand are recognised worldwide as the two countries with the most effective standards for valuing commercial forests. I believe that our standard is very useful in assisting the image of both IFA and ACFA.

Personally I find that the evolution of our standard over the past decade, from being reactive to being proactive, is a great step forward.

The International Valuations Standards Council has established a Working Party on Forest Valuation and I am a member. This informal working party of about a dozen includes some foresters with considerable valuation experience, forest appraisers from America, and valuers and accountants from around the world, all ably chaired by Bob Connolly from Wagga Wagga. This diverse group is considering a revamp of the IVSC standards relevant to commercial forestry. By being a member I hope that we will be able to ensure that any new IVSC standard reflects forestry common sense as well as meets the requirements of their more general standards. My guess is that V2.2 of our standard will need to be prepared in about 2014 to reflect a new IVSC standard.

The incorporation of our forest valuation standard within the Standards Australia standards has been considered. If we follow that route then the document, and its future management, would be the property of a third party; IFA and ACFA would have no rights to circulate the document, and it would probably cost $100-120 to buy a copy of the standard rather than be freely available. I can envisage that we might still need a document to explain the standard. To me the negatives far outweigh the advantage of our standard being freely available and under our control.

My thanks to Ian Ferguson, Braden Jenkin and all who have provided input into this revised document, and also everyone who helped with the earlier versions.

Jerry Leech
jleech@ozemail.com.au

The IFA has become part of a purchasing group “Members Advantage” and offers access to the program to all IFA members and their families as part of their membership package.

While not in any way mandating purchase from any specific supplier, the intent of Members Advantage is to offer a range of everyday goods and services at a bulk purchase / corporate rate.

One of our members is very enthusiastic about the program. Braden Jenkin told us that “I used a similar service through another professional association and was able to recover the full cost of my total membership through the savings made by using the program. I saved over $110 on airline lounge renewal, and more on car hire.”

Another member reports saving $200 on comprehensive car insurance compared to her usual provider and is now looking at their offering for professional indemnity insurance.

Reports back from Members Advantage show that IFA members are accessing information equally on airline lounge membership, health insurance and private fleet.

The IFA strives to support members in a variety of ways and we encourage all IFA members to login and compare the cost of a range of everyday goods and services on offer.
The Institute of Foresters of Australia
ABN: 48 083 197 586
President
Rob de Fégely, NSW
Chief Executive Officer/Company Secretary
Adrian O’Loughlin
Members Services Officer
Anne Katalinic

Board of Directors
Steve Worley, Qld
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Mike Ryan, Vic
Lew Parsons, SA
John Clarke, WA
Aidan Flanagan, Tas
Braden Jenkin, ACFA
Michelle Freeman, Vic

IFA Board of Directors 2011/12
(As at 30 June 2012)

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President’s Message

What future for Forestry?

It could be easy to get depressed about the future of forestry with constant media criticism of forest management practices, increasing regulation of forested land that is more about tenure than sound forest management principles, a plantation estate that is more likely to decline than expand and a depressed market for wood products. However I believe the future is bright, for a number of reasons.

Forests are the lungs of the earth and irrespective of their tenure they will need management to minimise adverse impacts of the anticipated increase of the global population which is predicted by the United Nations Population Division to reach 9 billion by 2050.

Defining a future for wood within the current fervour of exploration, exploitation and massive profits from non-renewable resources such as oil and gas, iron ore and precious minerals is difficult. But these resources are limited and they will run out, maybe not soon, but they will run out!

If wood was discovered yesterday it would be hailed as the product for the future being renewable, sustainable, recyclable, bio-degradable and greenhouse positive. But wood was not discovered yesterday, it has been used since the dawn of time (remember Jesus was a carpenter) and this is positive for the future. While evolution has changed how we use resources, humans still have a need for food, clothing and shelter. The servicing of these needs has evolved over the centuries but the elements of these most basic of needs; food to eat, fibre for clothing, and construction materials for shelter, have maintained many similarities over the centuries.

Therefore I predict that the way we use forests for the global community may change but they will not disappear and will need management. The products they provide may also be used more innovatively than in the past but they will still be in demand because they are renewable and they have all the positive characteristics required for consumption in a carbon-regulated economy.

For example, Australia should be justly proud that we will soon have the tallest wooden building in the world in Melbourne being built by Lend Lease. This building incorporates new technology in engineered structural wood panels called cross-laminated timber. This building system has great environmental credentials and if a company like Lend Lease is utilising it, it must be profitable to build with it! The only disappointing aspect is that the cross-laminated timber panels are imported!

Australia has a trade deficit in forest products and this will only get worse if plantations are not re-established or developed and harvesting in natural forests continues to be restricted.

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I have a very simple philosophy about production forests in Australia; plantations are the intensive commodity producers and natural forests the organic specialist producers. There is room and a need for both.

The challenge before our profession is to help the community to understand that forestry is much more than just harvesting trees, explaining the difficult issues with honesty, clarity and perspective.

Opponents to production forestry have successfully maintained the focus of the community’s attention on the harvesting phase, particularly in native forests which is often a 1 in 60 year event!

This is like maintaining the focus of the beef, lamb or pork industry on the killing floor of an abattoir!

People generally love forests and wood products and understandably do not like the sight of tree harvesting and so it is a natural reaction, particularly in the absence of any detailed understanding of forest dynamics to support the cessation of harvesting.

Providing the community with a greater understanding of forest dynamics is the best way to future proof our industry by gaining a social licence to operate. According to Forest and Wood Products Australia gaining a social licence is not a simple yes or no decision for the community it is a more gradual process from a position of accepting its legality to the community gradually understanding its legitimacy to then seeing it as credible and then trusting the industry and to them ultimately loving it.

Getting the community to love the industry is the challenge but it also provides the greatest protection from errant politicians or anti-industry groups who see the cessation of harvesting or prevent the development of plantations as an easy step to their own ideological goals.

Wood has been used since the dawn of time and given its environmental credentials there is no better alternative. Given our technical capacity for innovative utilisation of wood its future should be assured, but it needs our help to explain the full message of forest management and wood production to be heard over all the competing ‘noise’ that is chasing the community’s attention.
I am pleased to report the activities of the company to members.

Unfortunately CEO, Cassandra Spencer, left us towards the end of the Financial Year and I accepted the Board’s invitation to fill-in for a couple of months. Thanks Cassandra for all your dedication and enthusiasm that you brought to the IFA during your 7 years of employment.

For my part it was great to be back at the helm and review friendships and push a couple of my favourite hobbies. However I only ever intended to be a “fill-in” and am happy to revert back to my part-time role as Project Coordinator.

I’m pleased that a new Chief Executive Officer, Alison Carmichael, has been recruited and I believe that she will bring with her some fresh ideas and a wealth of talent. Alison is being introduced to members in a separate article in The Forester.

The Audited Financial Statements of the company are included further in this Report. The Institute remains in a stable position financially and this is testimony to the good judgements of the IFA Board of Directors and staff.

Meetings of Board of Directors

As with most Boards, the IFA conducted a busy working schedule informally via email, and formally meeting on 11 August 2011, 17 November 2011, 8 March 2012, 13 April 2012 and 31 May 2012.

The Chief Executive Officer worked in the following capacities throughout the year:

Institute Company Secretary, IFA Board Secretary, Registered Professional Forester Project Administrator, Publications Committee Member & Secretary, Max Jacobs Fund Committee Secretary, Editor ‘The Forester’, Secretary Forestry Scholarship Fund Committee and Secretary to the Education Sub-Committee.

Australian Forestry Journal

The professional image of the Institute - the Australian Forestry journal, has continued to produce quality articles and is in such demand that 2011/12 has continued to host a backlog of articles awaiting publication. Such demand has cemented its position within Australia and overseas as being the number one resource for articles and research on aspects of forest ecology, forest management, forest policy and land use relating to Australia and the South Pacific region.

The success of the Journal is equally shared by the authors of the articles and the members of the publication team and Editorial Panel.
The Institute recognises the invaluable contributions of:

Colin Matheson - Managing Editor
Alan Brown - Production Editor
Brian Turner - Special Series Editor

Panel Editors:
Stuart Davey
Ian Bevege
Jack Bradshaw
Kevin Harding
David Wettenhall

In addition to the above persons, Australian Forestry would not produce the quality that it does without the input of the many Reviewers who have taken the time to painstakingly review articles. The June issue (Vol 75/2) listed those who have participated this year in Australian Forestry in this capacity.

Australian Forestry continues to maintain its subscription status both in Australia and overseas and offers institutional bulk on-line access which has increased the accessibility of the articles to researchers.

The Forester newsletter

The Forester is an informal Newsletter that includes contributions by members, reports on local events held during the year, announcements of awards, and provides a forum for member’ discussions and to air their views.

It was produced quarterly and issued in the months of September 2011, December 2011, March 2012 and June 2012.

Email Bulletin

The weekly Email Bulletin continues to be the most favoured form of communication between the National Office and members.

The National Office closely guards the content and frequency of the Bulletins to ensure that the information remains current, relevant and of interest to the members. The National Office is aware of the heavy volume of emails that member receives during a normal week and consciously limits the number of emails sent so that members are not bombarded with emails everyday and potentially missing the important ones.

Awards and Scholarships

Australia Day Honours 2012 acknowledged 2 active IFA members. Noel Ashcroft received the Australian Medal and Rob Youl was awarded the Order of Australian Medal. Outlines of their respective involvements in forestry were included in the June 2012 issue of The Forester.

The Max Jacobs Fund Committee reviewed the 16 applications received and awarded the following 2 grants:

- Nicholas Fountain-Jones: Testing the importance of litter and canopy cover to beetle and moss dispersal by artificially adding mature species litter and canopy cover to levels replicating mature forest.

The Forestry Scholarship Fund is an independent trust fund managed by the Institute. Patrick de Jong and Michael Dent were recipients of the 2012 undergraduate scholarships. Both students are enrolled at Southern Cross University, and undertaking a Bachelor of Forest Science and Management degree.

Acknowledgements

The Institute submitted around 12 major submissions and attended numerous stakeholder meetings throughout the year.

The Institute expresses its appreciation to all its members who have participated in these activities representing the IFA, and for providing assistance and advice to the Board of Directors, National Office, and to the Division and group Committee members.
RPF Scheme

The Registered Professional Forester (RPF®) scheme was introduced by the IFA in 2001 as a national scheme for the assessment and accreditation of forestry expertise. Suitably qualified persons may apply for registration in one of the following categories:

- General Practicing Forester (foresters who possess the skills required in general field forestry)
- General Practicing Forester with recognized skills (foresters who have worked or are still working in general forestry and have specialized or streamed into specific areas)
- Specialist (persons who are not foresters but have achieved a high degree of recognition in a specialist area of forestry such as research, carbon accounting etc).

The RPF scheme provides a quality assurance of a person’s professional forestry skills, knowledge and experience for individuals and their peers, employers, clients and the broader community, including the media and judicial system.

The IFA believes that a rigorous and credible system for the accreditation of forestry expertise is particularly relevant as we move into an era of significant challenges for the forestry sector, including a transition towards plantation forests for wood production, the emergence of carbon trading, the demise of many traditional forestry educational institutions and the seemingly endless re-structuring of forest management agencies. RPF accreditation brings the following benefits –

- Formal recognition of professional skills in an era where many people entering the forestry sector do not have traditional qualifications or backgrounds in forestry
- Requirements for foresters to keep their skills up to date through continuing professional development
- Quality assurance of expertise relevant to forest certification and other forest management schemes.

To gain accreditation applicants must meet the requirements to be a voting member of the IFA and submit an application that demonstrates their expertise and experience within the relevant category. Applications to the scheme undergo thorough reference checks and assessment by national experts and reviewed by a panel of the RPF Registration Committee.

Once approved, RPFs must comply with a rigorous Code of Ethics, undertake Continuing Professional Development (CPD) and hold appropriate Professional Indemnity Insurance when consulting. The requirements for CPD are an important part of the accreditation process, as they provide an incentive for foresters to keep their skills up to date and to extend their areas of expertise where appropriate. CPD also provides clients with an assurance that the Registered Professional Forester is up to date and not relying upon experience or skills which are now out of date.

The scheme is subject to an external independent audit. The administration of the scheme is undertaken by the Executive of the IFA with the assistance of the RPF Registration Committee. The Registration Committee consists of:

- Graham Wilkinson – Chair (Regulatory)
- Peter Devonshire (Consulting)
- John Herbohn (Forestry education)
- Libby Mattiske (Non-timber forestry)
- Robert Towler (Public forestry)
- Paul Smale (Private forestry)
- Cassandra Spencer/Adrian O’Loughlin (CEO/RPF Co-ordinator).

During the year the Committee held a teleconference meeting on 20 July 2011. The work of the Committee is primarily conducted through an Executive Panel that reviews all applications and comprises Graham Wilkinson (Chair), a Board nominated member and the Chief Executive Officer.

A total of 82 RPFs were active as at 30 June 2012. A complete list of active RPFs was published in the June 2012 issue of The Forester and details of each Registration is included on the IFA website. In 2011/12 one new application was approved and 2 Registrants resigned due to retirement and change of employment.

The RPF scheme is promoted through a brochure, the national IFA email bulletin, IFA website, The Forester, and at IFA conferences and meetings as the opportunities arise.
ACFA Report against Strategic Plan 2011/12

1. To advance and protect the cause of forestry

An important part of the services provided by ACFA has been the development of a guide to the valuation of forests (natural and plantations) supported by an extensive handbook. Continued maintenance is required of this resource and in 2012, Dr Jerry Leech conducted a review of the document to test compatibility with AASB 141: Agriculture. A draft was provided to members for comments, the comments were addressed and the document was submitted to the IFA Board for endorsement. Based on enquiry, it was necessary to edit the document title to: “A standard for valuing commercial forests in Australia” version 2.1. The revised document is to be made available on the IFA website. It is important to note that the advances made with the Australia valuation guide have helped inform development at the international level.

2. To maintain a high standard of qualification and professional standards and ethical practice among those engaged in forestry

The Annual General Meeting of ACFA was held on 16 September 2011, at Graduate House, University of Melbourne. As part of the Agenda, the meeting was required to consider whether or not ACFA remains a Division of the IFA; with a positive vote to remain as is, and to foster the activities within the IFA and importantly, continue as Registered Professional Foresters.

A CPD program was conducted for 2011/12 in support of members’ professional development and as an opportunity for networking.

In September 2011 CPD event was held:

Estimating plantation productivity; professional and ethical implications of productivity advice (Graduate House, University of Melbourne). In light of recent actual yields compared to those predicted, the intent of the CPD event was to revisit fundamentals of plantation productivity and yield, and to explore the issue of the advice given by members in regard to this important driver of investment returns. The event was well attended with an excellent range of speakers providing the foundation of subsequent discussion;

In support of greater (maximum) access to CPDs, during the period initial investigations commenced into the use of web based technology to deliver programs and seminars to all members. A number of options were explored with the support of the IFA Executive and members were encouraged to log on to the weekly seminar series provided by the University of Melbourne as “test” of the technology. This issue will be explored further in 2012/13 as a basis of expanding the reach to members.

3. To promote social networking between persons engaged in forestry

An underlying benefit of membership of the ACFA Division is that it facilitates interaction between a range of small businesses supporting the forestry sector nationally and contributing greatly to the advancement of forestry in many countries. The functions held allow members to meet and interact, providing information and support via the networks created. New members have the opportunity to learn from more experienced members in mentee / mentor relationships (which is recognised by the requirements of the RPF Scheme).

4. To promote the Institute to members and forestry organisations inside Australia and in overseas countries

A by-product of the many assignments undertaken by ACFA Division members within Australia and overseas is to promote professionalism in forestry as a science.
Strategic Goals - Divisional participation

The strategic goals for IFA in 2011/12 were to advance and protect the cause of forestry; maintain high standards; to promote social networking; and to promote the Institute.

The Divisional structure within a national organisation provides opportunities to work toward the goals at different scales. Some of the goals are best achieved through national effort, and others, particularly networking, are better achieved through Divisional activities.

In conducting networking activities the Divisions also address other goals such as providing information, strengthening links with like-minded organisations, and generally promoting the Institute.

While the National Office coordinates commentary on national policies; Divisions are actively engaged in informing forest policy in their respective states, through invited submissions or taking up issues directly with policy makers and politicians.

Who better to see and recognise the valuable contribution made by IFA volunteers than those who work beside them in the regions? Divisions occasionally bestow awards on individuals so as to continue to “promote high standards and recognise achievement”.

The following provides a summary of IFA Divisional activities for this financial year.

Networking and information events

South Australia. In July the Green Triangle Branch held meeting at which Phil Lloyd described a recent forestry trip to Brazil.

New South Wales. In August the NSW Division ran an event where speakers from the federal government and from industry discussed the Commonwealth Government’s Carbon Farming Initiative (CFI).

Victoria. A media workshop was held in September with speakers from VicForests, Victorian Association of Forest Industries, Hancock Plantations, and Forests and Wood Products Australia.

ACT. In October the ACT Division prepared a document regarding current forest policy issues that was circulated to other Divisions for comment. The document was prepared by Dr Ross Florence with support from Divisional members to be used in a National Policy Forum (still to be determined).

Western Australia. In November members had field trip to iconic Kings Park to consider fire management of the area, speaking with the CEO of the Botanical Gardens Authority about IFAs concerns at the lack of an effective fire management plan for either hazard reduction or regeneration of native species.

Western Australia. WA held a second field trip in November to look at a range of durable hardwood species planted at Bunyip and a visit to Radial Timber Sales to learn about retail in a vertically integrated business.

Victoria. In February Zoe Ryan coordinated, and Melbourne University hosted, a “talking about my forest generation” evening where members of Generation Baby Boomer and Generation Y discussed aspects of their career and the differences and similarities between the Generations.

New South Wales. Northern Branch organised an inspection of the Hurford family plantation investment at Warazambil Creek and their new sawmill facility at Kyogle in March, attended by members from three states, and students and staff from Southern Cross University.

Western Australia. The Western Australians were out and about in the field again in May with a working field day held at Forsters Wood.

Western Australia. Despite the continuing reduction in annual rainfall in the south-west of WA and consequent pressures on the well-being of the northern jarrah forests, the IFA continues to advocate appropriate management strategies emanating from the Wungong catchment trials. Frank Batini led a well-attended field day to the catchment for members in June.

Tasmania. The Tasmanian Division hosted senior Laos forestry staff for 2 weeks, while they examined governance and supply chain systems, as part of an Australia-Laos capacity building project. This visit was celebrated with an industry dinner.

South Australia. The Green Triangle Branch held two joint meetings which included members of the local Australian Forest Growers and Hoo Hoo, to strengthen linkages with these organisations which have similar objectives and are also concerned with raising the professional standing of foresters.

South Australia. The Adelaide Branch continues to co-ordinate the on-going maintenance of the Foresters Forest which it established on land managed by the SA Department of Recreation and Sport and the Port Adelaide Enfield Council.

ACT. The Division’s Conference Organising Committee has undertaken substantial planning for the IFA 2013 National Conference - Managing our Forests into the 21st Century, to be held on 7-11 April 2013, at the Canberra Rex Hotel, ACT.
ACT. Members continue to work with and promote forestry with other organisations, particularly the Fenner School at ANU and Friends of the ACT Arboreta.

WORLD FORESTRY DAY, 21 MARCH

Victoria. Victorian members celebrated World Forestry Day with a dinner in Melbourne. The following night there was a second function for South West Foresters organised by the Committee of Portland/IFA and South West Fibre Exports to bring and business people together for World Forestry Day, with guest speaker being IFA President Mr Rob de Fégely.

New South Wales. World Forestry Day was celebrated in Sydney with a dinner, with guest speaker Fenning Welstead, President of the Institute of Chartered Foresters of the United Kingdom, talking on forestry in the U.K.

ACT. Division held a successful World Forestry Day Dinner at ANU and had Dick Adams MP speak about the House of Representative Inquiry into Forestry and Forest Industry.

AWARD EVENTS

Western Australia. The WA Forester of the Year was awarded to Deidre Maher, an excellent forester and wonderful person loved by many. She sadly passed away following illness in August 2011.

Victoria. An awards night was run honouring the work of Fellow of the Institute Mr Norman Endacott and N.W. Jolly Award recipient Dr Davin Flinn.

ACT. The Chair attended the ANU’s Presentation Ceremony in June to present the IFA Jacobs Medal to Alex Slattery.

ACT. Stephen Midgley was presented with the ACT Forester of the Year award for 2012 at the World Forestry Day Dinner.

POLICY DEVELOPMENT AND ADVOCACY

New South Wales. In December 2011 the NSW Division secured a meeting with the Hon. Katrina Hodgkinson, NSW Minister for Primary Industries. That meeting resulted in the IFA accepting an invitation to nominate a member to the NSW Forest Industries Taskforce. Nick Cameron was duly nominated.

Western Australia. Advocacy activities included written submission to the Environmental Protection Authority’s draft FMP scoping document, a submission to the Department of Environment and Conservation, and a number of articles, letters, media releases, comments and interviews to address the new 10 year south-west native forest management plan increasing calls for a cessation of any form of native forest harvesting or silviculture.

Victoria. The Victorian Division worked on a more equitable outcome for riverine forest management for both the New South Wales and Victoria and developed a discussion document on salvage harvesting for consideration by the Australian Forestry Standard.

Tasmania. In April 2012 the Divisional Chairman, Aidan Flanagan, met Tasmanian Federal Labor Senator and Parliamentary Secretary for Agriculture and Forests and his staff, and showed them the Wungong thinning trials.

Tasmanian Division also provided a draft critique on the IVG reports and wrote to various State and Federal Ministers on a range of issues.

New South Wales. NSW Division made a submission to the Office of Environment and Heritage/Environment Protection Authority on a proposed Private Native Forest certification and accreditation scheme for NSW.

The NSW Northern Branch of the IFA commented on the Port Macquarie Hastings Forest Taskforce Strategic plan and participated in Taskforce meetings and activities throughout the year, including encouraging Rob Oakeshott MP to include native forest residues in the Renewable Energy rules.

NSW and ACT. IFA members Nick Cameron (NSW) Ron Wilson (NSW) and Stuart Davey (ACT). met with the University of Sydney to review the content of forestry subjects and identify potential options for forestry field trips on the NSW South Coast and Southern Tablelands.

ACT. The ACT Division has held several meetings with the ANU regarding forestry education.
THE INSTITUTE OF FORESTERS OF AUSTRALIA
ABN: 48 083 197 586

DIRECTORS’ REPORT

Your directors present this report on the company for the financial year ended 30 June 2012.

Directors

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

Peter Volker resigned (17/11/2011)
David Wetenhall resigned (21/05/2011)
Phillip Pritchard resigned (31/08/2011)
Lewis Parsons appointed (1/08/2008)
Michael Ryan appointed (18/10/2008)
Adrian Goodwin resigned (16/09/2011)
Zoe Harkin resigned (21/05/2011)
Keith Jennings resigned (27/08/2011)
Richard Shoobridge resigned (26/08/2011)
Nicholas Cameron appointed (15/08/2009)
John Clarke appointed (27/07/2011)
Aidan Flanagan appointed (26/08/2011)
Stephen Worley appointed (27/08/2011)
Stuart Davey appointed (1/09/2011)
Braden Jenkin appointed (17/09/2011)
Rob De Fégely appointed (6/03/2012)
Michelle Freeman appointed (22/05/2012)

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

Principal Activities
The principal activity of the entity during the financial year was to advance the profession of forestry.

Objectives
The high level objectives were to maintain high professional standards, promote networking between members and to promote the Institute both in Australia and overseas.

Strategies
To achieve its stated objectives, the company has adopted the following strategies:

- Have input into National and State policy development through submissions and Institute policy positions
- Monitor education programs
- Offer scholarships to encourage youth in Forestry
- Confer awards and grants to recognise excellence
- Distribute material explaining and promoting Forestry
- Conduct and promote meetings, seminars and other events for both networking and learning outcomes at National, State and regional level
- Distribute communiqués such as quarterly newsletter and weekly email bulletins
- Provide online forums for member discussion
- Produce a fully refereed quarterly journal
- Provide certification programs for professionals with corresponding code of ethics
- Engage with a range of other organisations, both in Australia and overseas

Key Performance Measures
Key results are measured quantitatively by membership numbers and financial position and qualitatively through monitoring feedback.

Operating Results
The surplus of the entity for the financial year amounted to $61,910. (2011: Surplus of $11,538)

Forestry Scholarship Fund
The entity established a trust called the Forestry Scholarship Fund 'the Fund' on the 4th of April 2008 for the purpose of establishing scholarships for the study of forestry. The fund will from time to time provide scholarships to Australian students to assist in their studies of Forestry and Forestry related subjects at an Australian University and provide monies to Australian Universities for the purpose of assisting students in the study of Forestry and Forestry related subjects.

Dividends Paid or Recommended
In accordance with the Articles of Association, the company is a company limited by guarantee to the extent of $10.00 per member and accordingly no shares or debentures have been issued and no dividends have been recommended or paid since the start of the financial year.
Significant changes in the state of affairs
There were a number of changes of President during the year as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Appointed</th>
<th>Retired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peter Volker</td>
<td>President</td>
<td>17/11/2011</td>
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<tr>
<td>David Wettenhall</td>
<td>President</td>
<td>18/11/2011</td>
<td>6/12/2011</td>
</tr>
<tr>
<td>Aidan Flanagan</td>
<td>Interim President (internal appointment only)</td>
<td>9/12/2011</td>
<td>6/03/2012</td>
</tr>
<tr>
<td>Rob de Fegely</td>
<td>President</td>
<td>6/03/2012</td>
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</table>

Cassandra Spencer resigned in April as CEO and a new CEO was appointed but did not take up duties until July 2012.

After balance sheet date
No matters of circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

Information on Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Qualifications</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peter Volker</td>
<td>President/Director</td>
<td>Forester</td>
<td>Resigned 17 November 2011</td>
</tr>
<tr>
<td>David Wettenhall</td>
<td>President/Director</td>
<td>Forester</td>
<td>Appointed 18 November 2011</td>
</tr>
<tr>
<td>Philip Pritchard</td>
<td>Director</td>
<td>Forester</td>
<td>Resigned 31 August 2011</td>
</tr>
<tr>
<td>Lewis Parsons</td>
<td>Director</td>
<td>Forester</td>
<td>Appointed 1 August 2006</td>
</tr>
<tr>
<td>Michael Ryan</td>
<td>Director</td>
<td>Forester</td>
<td>Appointed 18 October 2008</td>
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<tr>
<td>Adrian Goodwin</td>
<td>Director</td>
<td>Forester</td>
<td>Resigned 16 September 2011</td>
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<tr>
<td>Zoe Harkin</td>
<td>Director</td>
<td>Forester</td>
<td>Resigned 21 May 2012</td>
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<tr>
<td>Keith Jennings</td>
<td>Director</td>
<td>Forester</td>
<td>Resigned 27 August 2011</td>
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<tr>
<td>Richard Shoobridge</td>
<td>Director/Director</td>
<td>Forester</td>
<td>Resigned 26 August 2011</td>
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<tr>
<td>Nicholas Cameron</td>
<td>Director</td>
<td>Forester</td>
<td>Appointed 14 August 2009</td>
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<tr>
<td>John Clarke</td>
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<td>Forester</td>
<td>Appointed 27 July 2011</td>
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<tr>
<td>Aidan Flanagan</td>
<td>Director/Interim President</td>
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<td>Stephen Worley</td>
<td>Director</td>
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<td>Appointed 27 August 2011</td>
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<td>Stuart Davey</td>
<td>Director</td>
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<td>Appointed 1 September 2011</td>
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<tr>
<td>Braden Jenkin</td>
<td>Director</td>
<td>Forester</td>
<td>Appointed 17 September 2011</td>
</tr>
<tr>
<td>Rob de Fegely</td>
<td>President/Director</td>
<td>Forester</td>
<td>Appointed 6 March 2012</td>
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<tr>
<td>Michelle Freeman</td>
<td>Director</td>
<td>Forester</td>
<td>Appointed 22 May 2012</td>
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</tbody>
</table>

Meetings of Directors
During the financial year, 5 meetings of directors were held. Attendances by each director were as follows:

<table>
<thead>
<tr>
<th>Directors' Meetings</th>
<th>No. Eligible to attend</th>
<th>No. Attended</th>
<th>No. Eligible to attend</th>
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<tr>
<td>Peter Volker</td>
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<td>Keith Jennings</td>
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<tr>
<td>Richard Shoobridge</td>
<td>1</td>
<td>1</td>
<td>Nicholas Cameron</td>
<td>5</td>
</tr>
<tr>
<td>John Clarke</td>
<td>5</td>
<td>5</td>
<td>Aidan Flanagan</td>
<td>4</td>
</tr>
<tr>
<td>Stephen Worley</td>
<td>4</td>
<td>4</td>
<td>Stuart Davey</td>
<td>3</td>
</tr>
<tr>
<td>Braden Jenkin</td>
<td>4</td>
<td>4</td>
<td>Rob de Fegely</td>
<td>3</td>
</tr>
<tr>
<td>Michelle Freeman</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the company.

Indemnifying Officers or Auditor
No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Proceedings on behalf of company
No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

Auditor's Independence Declaration
The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found within the financial report.

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

Dated this 31st day of August 2012
AUDITOR’S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of The Institute of Foresters of Australia for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners
Chartered Accountants

Canberra, Australian Capital Territory
Dated: 31 August 2012
G M STENHOUSE
Partner

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Revenue</td>
<td>452,746</td>
<td>356,962</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>(148,064)</td>
<td>(164,774)</td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>(515)</td>
<td>(1,698)</td>
</tr>
<tr>
<td>Audit, legal and consultancy fees</td>
<td>(12,628)</td>
<td>(9,758)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(20,506)</td>
<td>(24,581)</td>
</tr>
<tr>
<td>Insurance expense</td>
<td>(6,925)</td>
<td>(6,642)</td>
</tr>
<tr>
<td>Division expenses</td>
<td>(49,810)</td>
<td>(16,656)</td>
</tr>
<tr>
<td>Board expenses</td>
<td>(13,225)</td>
<td>(22,176)</td>
</tr>
<tr>
<td>Information program expenses</td>
<td>(77,308)</td>
<td>(66,323)</td>
</tr>
<tr>
<td>Special projects expenses</td>
<td>(2,161)</td>
<td>(2,238)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(59,894)</td>
<td>(30,580)</td>
</tr>
<tr>
<td><strong>Surplus/(Deficit) from Operations</strong></td>
<td><strong>61,910</strong></td>
<td><strong>11,538</strong></td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total comprehensive income attributable to members of the entity</strong></td>
<td><strong>61,910</strong></td>
<td><strong>11,538</strong></td>
</tr>
</tbody>
</table>
# Statement of Financial Position

**As at 30 June 2012**

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

## Assets

### Current Assets
- Cash and cash equivalents: 189,088
- Accounts receivable and other debtors: 28,396
- Other current assets: 1,851
- Investments - term deposits: 435,331
  **Total Current Assets:** 654,666

### Non-Current Assets
- Property, plant and equipment: 117
- **Total Non-Current Assets:** 838,593
- **Total Assets:** 1,593,259

## Liabilities

### Current Liabilities
- Accounts payable and other payables: 45,967
- Provision for employee benefits: 5,041
- **Total Current Liabilities:** 197,301

### Non-Current Liabilities
- Provision for employee benefits: 123
- **Total Non-Current Liabilities:** 243,097
- **Total Liabilities:** 440,398
- **Net Assets:** 457,861

## Equity

- Retained surplus: 190,825
- Reserves: 266,534
- **Total Equity:** 457,359

# Statement of Changes in Equity

**For the Year Ended 30 June 2012**

<table>
<thead>
<tr>
<th>NOTE</th>
<th>Retained Earnings</th>
<th>General Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>
- Balance at 1 July 2010: 117,377
- Surplus/(Deficit) attributable to the entity: 11,598
- **Balance at 30 June 2011:** 128,975
- Surplus/(Deficit) for the year attributable to the entity: 61,910
- **Balance at 30 June 2012:** 190,885

# Statement of Cash Flows

**For the Year Ended 30 June 2012**

<table>
<thead>
<tr>
<th>Note</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

## Cash Flow from Operating Activities
- Receipts from members: 261,782
- Receipts from operating activities: 198,900
- Interest received: 24,319
- Payments to suppliers and employees: (470,784)
- **Net cash generated from operating activities:** 14,217

## Cash Flow from Investing Activities
- Purchase of investments: (23,698)
- **Net cash used in investing activities:** (23,698)

## Change in Cash Held
- Net increase/(decrease) in cash held: 9,481
- Cash and cash equivalents at the beginning of the financial year: 198,569
- Cash and cash equivalents at the end of the financial year: 198,088
THE INSTITUTE OF FORESTERS OF AUSTRALIA
ABN: 48 083 197 586

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

The financial statements cover The Institute of Foresters of Australia as an individual entity, incorporated and domiciled in Australia. The Institute of Foresters of Australia is a company limited by guarantee. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Note 1  Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment that have been contributed at no cost, or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and equipment</td>
<td>15%-20%</td>
</tr>
</tbody>
</table>

(c) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be 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 to sell and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset’s ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.
Note 1  Summary of Significant Accounting Policies (Cont)

(d) Employee Benefits
Provision is made for the company’s liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

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

(e) Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Accounts receivable and other debtors
Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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.

(g) 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). In those circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

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.

(h) Income Tax
No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(i) Provisions
Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(j) Comparative Figures
Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(k) Accounts Payable and Other Payables
Accounts payable and other payables represent the liabilities for goods and services received by the company during the reporting period 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.

(l) Critical Accounting Estimates and Judgments
The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(m) Rounding of amounts
Amounts in the financial report and directors’ report have been rounded off to the nearest $1.
In accordance with a resolution of the directors of The Institute of Foresters of Australia the directors declare that:

1. The financial statements and notes, as set out on pages 1 to 19 are in accordance with the Corporations Act 2001:
   
   (a) comply with Australian Accounting Standards; and
   
   (b) comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with international financial reporting standards (IFRS); and
   
   (c) give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date of the company.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Director
Date this 31st day of August 2012

<table>
<thead>
<tr>
<th>Reference</th>
<th>Title</th>
<th>Summary</th>
<th>Application date (financial years beginning)</th>
<th>Expected Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>AASB 9</td>
<td>Financial Instruments</td>
<td>Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>2009-11</td>
<td>Amendments to Australian Accounting Standards arising from AASB 9</td>
<td>Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>2010-7</td>
<td>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</td>
<td>Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Interpretations 2, 5, 10, 12, 19 &amp; 127 for amendments to AASB 9 in December 2010</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>2011-7</td>
<td>Amendments to Australian Accounting Standards arising from AASB 10,11,12,127,128</td>
<td>Amends AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 &amp; 1038 and Interpretations 5, 9, 16 &amp; 17 as a result of the issuance of AASB 10, 11, 12, 127 and 128</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>ASB 119</td>
<td>Employee Benefits</td>
<td>Prescribes the accounting and disclosure for employee benefits. This Standard prescribes the recognition criteria when in exchange for employee benefits.</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>2011-10</td>
<td>Amendments to Australian Accounting Standards arising from AASB 119</td>
<td>Amends AASB 1, 8, 101, 124, 134, 1049, 2011-8 &amp; Interpretation 14 as a result of the issuance of AASB 119 Employee Benefits.</td>
<td>1-Jan-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>AASB 1053</td>
<td>Application of Tiers of Australian Accounting Standards</td>
<td>This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements.</td>
<td>1-Jul-13</td>
<td>Minimal impact</td>
</tr>
<tr>
<td>2011-4</td>
<td>Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements</td>
<td>This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures.</td>
<td>1-Jul-13</td>
<td>Disclosure only</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

Note 2 Revenue and Other Income

<table>
<thead>
<tr>
<th>Note</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFF</td>
<td>$560</td>
<td>$3,786</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>$247,314</td>
<td>$264,131</td>
</tr>
<tr>
<td>IFA Newsletters</td>
<td>$426</td>
<td>$128</td>
</tr>
<tr>
<td>Australian Forestry Journal</td>
<td>$52,653</td>
<td>$56,720</td>
</tr>
<tr>
<td>AGR</td>
<td>$20,958</td>
<td>$23,465</td>
</tr>
<tr>
<td>Interest received</td>
<td>$40,595</td>
<td>$48,209</td>
</tr>
<tr>
<td>Divisions</td>
<td>$6,204</td>
<td>$8,168</td>
</tr>
<tr>
<td>Newsletter</td>
<td>$2,518</td>
<td>$7,628</td>
</tr>
<tr>
<td>AGR</td>
<td>$6,145</td>
<td>$1,145</td>
</tr>
<tr>
<td>Other revenue</td>
<td>$33,228</td>
<td>$3</td>
</tr>
<tr>
<td><strong>Total revenue and other income</strong></td>
<td><strong>$452,747</strong></td>
<td><strong>$356,662</strong></td>
</tr>
</tbody>
</table>

Note 3 Surplus for the Year
(a) Expenses
- Employee Benefits Expense | $145,064 | $164,774 |
- Depreciation of plant and equipment | $515 | $1,698 |
- Auditors fees | $7,000 | $7,600 |
(b) Significant Revenue and Expenses
The following significant revenue and expenses are relevant in explaining the financial performance:
- Subscriptions and journals | $299,817 | $292,260 |

Note 4 Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>$188,624</td>
<td>$197,369</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>$464</td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>$189,088</strong></td>
<td><strong>$198,369</strong></td>
</tr>
</tbody>
</table>

Note 5 Accounts Receivable and Other Debtors

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$4,387</td>
<td>$3,132</td>
</tr>
<tr>
<td>Other receivables</td>
<td>$24,039</td>
<td>$22,648</td>
</tr>
<tr>
<td><strong>Total current accounts and other receivables</strong></td>
<td><strong>$28,426</strong></td>
<td><strong>$25,780</strong></td>
</tr>
</tbody>
</table>

Note 6 Other Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>$1,651</td>
<td>$1,979</td>
</tr>
<tr>
<td><strong>Total other current assets</strong></td>
<td><strong>$1,651</strong></td>
<td><strong>$1,979</strong></td>
</tr>
</tbody>
</table>

Note 7 Property, Plant and Equipment

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total plant and equipment</strong></td>
<td><strong>$177</strong></td>
<td><strong>$532</strong></td>
</tr>
</tbody>
</table>

Note 8 Accounts Payable and Other Payables

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$7,842</td>
<td>$3,392</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>$30,670</td>
<td>$30,376</td>
</tr>
<tr>
<td><strong>Total accounts payable and other payables</strong></td>
<td><strong>$38,502</strong></td>
<td><strong>$33,768</strong></td>
</tr>
</tbody>
</table>

Note 9 Provisions

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 July 2011</td>
<td>$21,762</td>
<td>$12,869</td>
</tr>
<tr>
<td>Additional provisions raised during year</td>
<td>$1,478</td>
<td>$1,218</td>
</tr>
<tr>
<td>Amounts used</td>
<td>$18,109</td>
<td>$7,505</td>
</tr>
<tr>
<td>Balance at 30 June 2012</td>
<td>$5,041</td>
<td>$21,762</td>
</tr>
</tbody>
</table>

Note 8 Accounts Payable and Other Payables

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance at 1 July 2011</td>
<td>$8,820</td>
<td>$6,406</td>
</tr>
<tr>
<td>Additional provisions raised during year</td>
<td>$4,627</td>
<td>$3,234</td>
</tr>
<tr>
<td>Amounts used</td>
<td>$8,493</td>
<td>$7,269</td>
</tr>
<tr>
<td>Balance at 30 June 2012</td>
<td>$5,041</td>
<td>$30,535</td>
</tr>
<tr>
<td>Non-current</td>
<td>$5,041</td>
<td>$30,535</td>
</tr>
</tbody>
</table>

Note 10 Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 of financial statements.
Note 10  Related Party Transactions

a. Key Management Personnel
   Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Management Personnel Compensation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>— Short-term benefits</td>
<td>76,470</td>
<td>76,616</td>
</tr>
<tr>
<td>— Post-employment benefits</td>
<td>18,586</td>
<td>6,896</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95,056</strong></td>
<td><strong>83,512</strong></td>
</tr>
</tbody>
</table>

Note 11  Cash Flow Information

Reconciliation of Cashflow from Operations with Profit after Income Tax

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit after income tax</td>
<td>61,910</td>
<td>11,538</td>
</tr>
<tr>
<td>Non cash flows</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation expense</td>
<td>515</td>
<td>1,696</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td>(2,613)</td>
<td>(13,062)</td>
</tr>
<tr>
<td>Increase/decrease in trade and other receivables</td>
<td>3,159</td>
<td>6,956</td>
</tr>
<tr>
<td>Increase/decrease in income in advance</td>
<td>23,503</td>
<td>17,854</td>
</tr>
<tr>
<td>Increase/decrease in provisions</td>
<td>25,418</td>
<td>11,277</td>
</tr>
<tr>
<td>Increase/Decrease in prepayments</td>
<td>128</td>
<td>1,010</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,217</strong></td>
<td><strong>37,268</strong></td>
</tr>
</tbody>
</table>

Note 12  Financial Risk Management

The company's financial statements consist mainly of deposits with banks, receivables and payables.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk. There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk
   The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

   The company has no significant concentrations of credit risk with any single counterparty or group of counterparties.

   Credit risk is managed by the notty and reviewed regularly by the board. It arises from exposures to customers as well as through deposits with financial institutions.

(b) Liquidity risk
   The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

   Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:
   - preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
   - maintaining a reputable credit profile;
   - managing credit risk related to financial assets;
   - only investing surplus cash with major financial institutions; and
   - comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

   The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The company does not hold directly any derivative financial liabilities.

   Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

(c) Interest rate risk
   Interest rate risk is managed with a mixture of fixed and floating rate investments.

Financial Instruments Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

<table>
<thead>
<tr>
<th></th>
<th>Floating Interest Rate</th>
<th>Fixed Interest Rate Maturing</th>
<th>Non-interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trade and sundry</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Financial Risk Management (Cont)

Financial Assets  
<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>163,405</td>
<td>168,441</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>25,682</td>
</tr>
<tr>
<td>Investments</td>
<td>435,331</td>
<td>411,633</td>
</tr>
<tr>
<td>Total anticipated inflows</td>
<td>163,405</td>
<td>168,441</td>
</tr>
<tr>
<td>Net (outflow) / inflow on financial instruments</td>
<td>163,405</td>
<td>168,441</td>
</tr>
</tbody>
</table>

The floating interest rates are 0.8% in 2012. The fixed interest rates were 6% in 2011.

Trade and sundry payables are expected to be paid as follows:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payables</td>
<td>45,967</td>
<td>42,769</td>
</tr>
</tbody>
</table>

Sensitivity analysis

The following table illustrates sensitivities to the company’s exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

These sensitivities assume that the movement in a particular variable is independent of other variables.

<table>
<thead>
<tr>
<th>Change in profit</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in interest rate by 1%</td>
<td>5,087</td>
<td>5,081</td>
</tr>
<tr>
<td>Decrease in interest rate by 1%</td>
<td>(5,087)</td>
<td>(5,081)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in equity</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in interest rate by 1%</td>
<td>5,087</td>
<td>5,081</td>
</tr>
<tr>
<td>Decrease in interest rate by 1%</td>
<td>(5,087)</td>
<td>(5,081)</td>
</tr>
</tbody>
</table>

No sensitivity analysis has been performed on foreign exchange risk as the company has no material exposures to currency risk.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

Net Fair Value

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Note 13 Income in advance

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership and journal subscriptions</td>
<td>127,938</td>
<td>131,414</td>
</tr>
<tr>
<td>AFCA</td>
<td>18,935</td>
<td>18,935</td>
</tr>
<tr>
<td>International Year of Forests</td>
<td>-</td>
<td>19,545</td>
</tr>
<tr>
<td>Total</td>
<td>146,293</td>
<td>159,959</td>
</tr>
</tbody>
</table>

Note 14 Assets and Liabilities of Trust for which the Company is a Trustee

The Institute of Foresters is the trustee of the Forestry Scholarship Fund ‘the Fund’. The Fund was established for the purpose of providing scholarships for the study of forestry. Details of the underlying assets and liabilities are as follows:

Current Assets

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>110,483</td>
<td>70,056</td>
</tr>
<tr>
<td>Total Assets</td>
<td>110,483</td>
<td>70,056</td>
</tr>
</tbody>
</table>

Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets</td>
<td>110,483</td>
<td>77,056</td>
</tr>
</tbody>
</table>

Note 15 Entity Details

The registered office of the entity is:

The Institute of Foresters of Australia
Building 9
Wyllie Crescent
YARRALUMLA ACT 2600

Note 16 Members’ Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the entity. At 30 June 2012 the number of members was 1206 (2011:1229).
INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

INSTITUTE OF FORESTERS OF AUSTRALIA LIMITED

We have audited the accompanying financial report of The Institute of Foresters of Australia Limited ("the company"), which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Opinion

In our opinion, the financial report of The Institute of Foresters Australia Limited is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date, and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Canberra, Australian Capital Territory
Dated: 31 August 2012

G M STENHOUSE
Partner