Spatial Industries Business Association Limited & Controlled Entities

Financial Report

For the Year Ended 30 June 2020

Spatial Industries Business Association

Contents

For the Year Ended 30 June 2020

Directors' Report

30 June 2020

The directors present their report, together with the consolidated entity (referred to hereafter as the Group) financial statements consisting of Spatial Industries Business Association Limited (SIBA) and the entities it controlled at the end of, or during, the year ended 30 June 2020.

DIRECTORS

The names of Directors in office at any time during or since the end of the year are:

Daniel Harvey (Chairman) - Amristar Solutions
Alistair Byrom - Veris Australia
Antoine Burdett - AECOM (resigned from the Board on 17 December 2019)
Brett Bundock - ESRI Australia (resigned from the Board on 17 December 2019)
Glenn Cockerton - Spatial Vision
Mehrnoush Ghorbani - HERE technologies
Michelle Watson - Jacobs (resigned from the Board on 17 December 2019)
Peter Kinne - Maxar DigitalGlobe (resigned from the Board on 1 July 2019)
Wanda Skerrett - Open Spatial

The Company Secretary is Glenn Cockerton. Glenn was appointed to this position on 23 August 2019.

Information on directors

Daniel Harvey (Chairman)
Amristar Solutions

Daniel brings 20+ years of software development and business management experience. Strong software engineering background in geospatial information systems (GIS) and 2D/3D computer graphics, as well as the advanced mathematical modelling and data processing associated with spatial information analysis. Daniel is also well versed in industry best-practice for quality and project management, and a graduate from the Australian Military Academy.

Daniel is the current Chairman of SIBA.

Alistair Byrom
Veris Australia

Alistair graduated from QUT in the late 80's and gained his Cadastral Endorsement in the early 90's, since then he has worked in the private sector both in south east and far north QLD. Most of this time being in the employment of Goodwin Midson - a Brisbane base surveying and town planning business. On entering the company's management team Alistair gained his Consulting Endorsement. Since 2005 he has been a director of Goodwin Midson and was Managing Director from August 2012 until merging with Veris – a national spatial and surveying company.

Alistair is the immediate past chairman of SIBA and prior to this Alistair was the Chairman for 6 years of Spatial Queensland Limited (SIBA – Qld). Alistair played an active role in the merge of SIBA and Spatial Queensland Limited.

Alistair also has played an active role in SSSI since it original conception; he was on the QLD Unification Committee (ISA & IMSA) and is currently SSSI's representative on NR&M's Survey Cadastral Standards.

Alistair's ongoing commitment to the spatial profession was recognised by the profession, he was recently made a Fellow of SSSI, received a Qld award for Services to Industry (2015) and he was awarded the 2010 Spatial Professional of the Year (QLD).

Directors' Report

30 June 2020

Information on directors

Antoinne Burdett
AECOM

Antoine has been working in the Information Technology, Information Management and Spatial Sciences industry for over 30 years, in which time he has been involved in a wide variety of strategic, operational and project work, encompassing project management, team leadership, business & systems analysis, technical systems assessment, data analysis & modelling, data quality management, solutions architecture, asset management, completions management and the design, implementation and deployment of spatially enabled systems.

Whilst at AECOM, Antoine has undertaken significant program and project roles in Asset Management, GIS and Data Management for clients such as Queensland Rail, Department of Transport and the Department of Defence. Antoine has produced and delivered technical papers on GIS & Asset Management at international GITA (Geospatial Technology & Technology Association) and CORE (Conference for Rail Engineering) conferences in the field of GIS, Information and Asset Management.

Antoine would like to see a unified community of spatial professionals with spatial information and associated technologies being recognised as a core enabler of achieving business outcomes, anywhere, anytime, anyplace. He sees a continuing convergence of technologies such as BIM, CAD and GIS and is excited to be part of this growing industry.

He was a past President of GITA ANZ and current Board member of the merged SIBA|GIBA, and keen to continue assisting the Board in developing and delivering holistic services to its membership and industry.

Brett Bundock
ESRI Australia

Brett Bundock's passion for spatial science has seen him build a career spanning more than three decades, across four continents. As the Managing Director of: Esri Australia; Esri Singapore; Esri Indonesia; Esri Malaysia; and MapData Services – Brett is regarded as one of the Asia Pacific region's most influential contributors to the spatial industry.

An avid supporter of various spatial industry associations and of the broader Esri user community, Brett is currently serving as a Director on the Board of SIBA GITA, and has been a SIBA member for more than 17 years.

Brett holds a Bachelor of Arts Degree in Geography, Cartography and Government Administration, as well as a Graduate Diploma in Mapping and Surveying Studies. Brett's vision is to have spatial technology make a real and positive difference to all organisations across the Asia Pacific region. Brett has had a significant impact on the growth of the technology into new, non-traditional markets and user bases.

This drive to share the value of geography with the broader business community shapes the near-future for the Esri Asia Pacific group and has served to position Esri Australia as the nation's leading Geographic Information System (GIS) solutions provider.

Directors' Report

30 June 2020

Information on directors

Glenn Cockerton
Spatial Vision

Glenn is a recognised leader in the spatial information technology industry. He joined Spatial Vision in 2000 as CEO, and became Managing Director in 2004. With more than 30 years' experience, both in Australia and internationally, Glenn has a wealth of knowledge regarding managing professional service organisations.
Glenn has been an active participant within the spatial information industry for many years. He is the Immediate Past Chairman of Spatial Industries Business Association (SIBA), Chairman of the Program Advisory Committee for the Department of Geospatial Sciences at RMIT, and Member of the Department of Infrastructure Engineering Advisory Committee at the University of Melbourne and an active promoter of the Spatial Information Industry within Australia.
Originally qualified as a Professional Geographer and Town Planner, Glenn has specialist skills in urban economics and the use of IT in applied social - economic research and urban and regional planning issues. He continues to pursue his interests in geo-demographics and urban planning.
Glenn is strategic thinker and advocate of how spatial systems, data and analysis can be utilised to improve organisational decision-making and efficiency, and address some of our most pressing environmental, economic and resource issues.

Mehrnoush Ghorbani
HERE Technologies

Mehrnoush Ghorbani has a Bachelor's Degree in Geomatics and a Master's Degree in GIS.

Mehrnoush's role is Data Partnership, Crowd-sourcing and Developer Engagement in Oceania for HERE Technologies - a Global mapping firm owned by Intel and the German Car Manufacturers - Audi, Daimler, BMW.

Mehrnoush has over 15 years' experience working mainly in commercial sector starting from GIS administration role (in charge of multi-million-dollar surveying program), to application development, program management, business consultancy, strategy development, and business development.

Mehrnoush was appointed to the board in November 2018.

Michelle Watson
Jacobs

Michelle Watson is the Global Director for Geospatial Solutions at Jacobs and also a Director on the Board of Spatial Industries Business Association (SIBA). Over the past 19 years with Jacobs she have held many different roles and worked across many industries including defence, mining, ports and maritime, water infrastructure and telecommunications. She is a passionate advocate for spatially enabled decision making.

Curious by nature she enjoy understanding how client organisations work and, as a daughter of small business owners, she was influenced and driven to find efficiencies and seek out practical solutions to real problems.

Michelle was appointed to the board in November 2018.

Directors' Report

30 June 2020

Information on directors

Peter Kinne
Maxar DigitalGlobe

Peter Kinne is the Company Director and Company Secretary of DigitalGlobe Australia Pty Ltd. He holds a Bachelor of Applied Science and Master of Public Administration which led to careers in: CSIRO, Queensland Government, and Industries including asset management, design, and more recently, 20 years in the spatial industries. Peter also serves on the Brisbane RDA and Queensland Space Industry Development Group.
Peter brings to this strategic role a wealth of network and market knowledge to engage new industry sectors and develop business with vendors, both nationally and internationally. He believes the geospatial intelligence market is the key differentiation to expand the value and use of satellite imagery and the geospatial services generally in government and all corporate sectors.

Peter was appointed to the board in November 2018.

Wanda Skerrett
Open Spatial

Wanda is the current CEO of Open Spatial.
Open Spatial provides geospatial engineering solutions for managing spatial data from survey through design, construction and data management. Our technologies are based on risk-averse, ubiquitous platforms that bridge the gap between CAD, GIS, BIM and asset management applications. Utilising open standards and engineering best practices, we deliver fit-for-purpose solutions with a focus on productivity improvements, definable return on investment and long-term savings.

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

During the financial year, nine (9) meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Daniel Harvey (Chairman)	9	9
Alistair Byrom	9	8
Antoinne Burdett	5	3
Brett Bundock	5	3
Glenn Cockerton	9	9
Mehrnoush Ghorbani	9	6
Michelle Watson	5	5
Peter Kinne	-	-
Wanda Skerrett	9	9

Principal activities

The principal activity of the Group during the financial year was development of the Spatial Information Industry. No significant change in the nature of this activity occurred during the year.

Directors' Report

30 June 2020

Structure of the Group

The Group complies with Australian Accounting Standard AASB 10 Consolidated Financial Statements. SIBA, as the parent entity, recognises the following controlled entities' financial transactions in the consolidated financial statements:

-CSQC Pty Limited; and
-Spatial Innovation Foundation Limited.

SIBA holds a 50% interest (and voting rights) in Locate Conferences Australia Pty Ltd, a joint arrangement structured as a strategic partnership with the Surveying and Spatial Sciences Institute (SSSI) whom holds the remaining 50% interest. SIBA has a 50% direct interest in all of the assets used, the revenue generated and the expenses incurred by the joint arrangement. This arrangement has been recognised using the equity method and has not been consolidated as a subsidiary of the Group. Refer to Note 2(l) for a description of the equity method of accounting.

Significant changes in state of affairs

During the course of the 2020 financial year, a $200,000 grant was received from the Surveyors Trust to clear outstanding debt and to provide additional working capital to assist with the operation of the Associate for the 2021 Financial year.

Review and results of operations

The Group has recorded a profit of $ 156,127 for 2019/20 compared to a loss of $(77,523) for 2018/19.

Limitation of Member's Liability

If the parent entity is wound up, the Company's Constitution states that each member is required to contribute a capped amount towards meeting any outstanding obligations of the Group.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2020 has been received and can be found on page 6 of the financial report.

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

Director: .... Director: ....

24 March 2021

Spatial Industries Business Association

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Spatial Industries Business Association and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been no contraventions of:

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

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

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

ALEX HARDY
Associate Director

24 March 2021

Brisbane

Spatial Industries Business Association

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Revenue from continuing operations	4	**515,182**	626,501
Other income	4	**22,019**	3,772
		-	-
Employee costs		**(159,414)**	(302,311)
Supplies and services		**(136,311)**	(337,107)
Event expenses		**-**	(46,143)
Depreciation and amortisation		**(43,541)**	(25,719)
Other expenses		**(1,343)**	(1,370)
Net Loss from investment in joint venture	6	**(40,623)**	-
Profit/(loss) before income tax		**155,969**	(82,377)
Income tax expense		**-**	-
Profit/(loss) from continuing operations		**155,969**	(82,377)
Profit/(loss) for the year from discontinued operations	3	**158**	4,854
Profit/(loss) for the year		**156,127**	(77,523)
Other Comprehensive Income		**-**	-
Total comprehensive income for the year		**156,127**	(77,523)

The accompanying notes form part of these financial statements.

Spatial Industries Business Association

Statement of Financial Position

As At 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**241,152**	43,946
Trade and other receivables		**44,587**	45,255
Cash and Trade Receivables		**285,739**	89,201
Non-current assets held for sale	3	**450,000**	450,000
Assets of discontinued operation	3	**41,475**	37,213
TOTAL CURRENT ASSETS		**777,214**	576,414
NON-CURRENT ASSETS			
Investment in joint ventures	6	**-**	40,623
Property, plant and equipment	5	**28,325**	32,127
Intangible assets	7	**80,355**	14,680
TOTAL NON-CURRENT ASSETS		**108,680**	87,430
TOTAL ASSETS		**885,894**	663,844
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	**239,497**	244,526
Borrowings	9	**155,470**	10,122
Short-term provisions		**6,182**	17,098
Current trading liabilities		**401,149**	271,746
Liabilities of discontinued operation	3	**12,525**	8,422
TOTAL CURRENT LIABILITIES		**413,674**	280,168
NON-CURRENT LIABILITIES			
Borrowings	9	**69,215**	136,797
TOTAL NON-CURRENT LIABILITIES		**69,215**	136,797
TOTAL LIABILITIES		**482,889**	416,965
NET ASSETS		**403,005**	246,879
EQUITY			
Retained Earnings		**295,005**	138,879
Reserves		**108,000**	108,000
TOTAL EQUITY		**403,005**	246,879

The accompanying notes form part of these financial statements.

Spatial Industries Business Association

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Retained Earnings	Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2019	**138,879**	**108,000**	**246,879**
Total comprehensive income	**156,127**	**-**	**156,127**
Balance at 30 June 2020	**295,006**	**108,000**	**403,006**

2019

	Retained Earnings	Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2018	216,404	108,000	324,404
Total comprehensive income	(77,525)	-	(77,525)
Balance at 30 June 2019	138,879	108,000	246,879

The accompanying notes form part of these financial statements.

Spatial Industries Business Association

Statement of Cash Flows

For the Year Ended 30 June 2020

	2020	2019
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and other sources	**591,497**	775,140
Payments to suppliers and employees	**(388,300)**	(928,116)
Interest received	**139**	115
Net cash provided by/(used in) operating activities	**203,336**	(152,861)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	**(8)**	(26,657)
Net cash provided by/(used in) investing activities	**(8)**	(26,657)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	**4,000**	120,000
Repayment of borrowings	**(10,122)**	(9,204)
Net cash provided by/(used in) financing activities	**(6,122)**	110,796
Net increase/(decrease) in cash and cash equivalents held	**197,206**	(68,722)
Cash and cash equivalents at beginning of year	**43,946**	112,668
Cash and cash equivalents at end of financial year	**241,152**	43,946

The accompanying notes form part of these financial statements.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Spatial Industries Business Association Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The following entities have been consolidated in the financial statements:

- CSQC Pty Limited; and
-Spatial Innovation Foundation Limited.

The following entities have not been consolidated in the financial statements as SIBA jointly controls the arrangement. The joint arrangement has been recognised in the consolidated financial statements using the equity method:

- Locate Conferences Australia Pty Limited.

Refer to Note 2(l) for a description of the equity method of accounting.

1 Basis of Preparation

Spatial Industries Business Association Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Group is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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.

2 Summary of Significant Accounting Policies

(a) Revenue Recognition

The Group has applied AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The adoption of AASB 15 and AASB 1058 did not have any material impact on the accounting policy of the Group.

2020 Accounting Policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, rebates, trade allowances and amounts collected on behalf of third parties.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(a) Revenue Recognition

Membership subscriptions

The parent entity's constitution is silent as to whether the memberships are refundable. Accordingly, the performance obligation is satisfied over the membership period.

Operating Grants

When the Group receives operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When both these conditions are satisfied, the Group:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9. AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Group recognises income in profit or loss when or as it satisfies its obligations under the contract.

Sales of goods and searching services

Revenue from sales of goods comprises revenue earned from the sale of goods purchased/received for resale. Sales revenue is recognised in line with the performance obligation under the contract i.e. upon delivery of the goods to the customer.

Royalties received

Revenue from royalties is recognised when the right to receive has been established.

Event revenue

Event income is recognised when the performance obligations related to the event are completed i.e. when events are delivered to members and other customers.

Investment and interest income

Interest income is recognised as it accrues, using the effective interest method. Investment revenue is recognised when the right to receive the revenue has been established.

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

2 Summary of Significant Accounting Policies

(a) Revenue Recognition

2019 Accounting Policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, rebates, trade allowances and amounts collected on behalf of third parties.

Membership subscriptions

Membership subscriptions are brought to account during the financial period in which the services applicable to the membership subscription are delivered to members. Any amounts received which relate to a future financial period are included in liabilities as prepaid membership subscriptions at reporting date.

Sales of goods and searching services

Revenue from sales of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

Royalties received

Revenue from royalties is recognised when the right to receive has been established.

Event revenue

Event income is recognised during the financial period in which the services applicable to the events are delivered to members and other customers.

Investment and interest income

Interest income is recognised as it accrues, using the effective interest method. Investment revenue is recognised when the right to receive the revenue has been established.

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

(b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, and deposits held at call with banks. The Group does not operate a bank overdraft.

2 Summary of Significant Accounting Policies

(d) Trade and other receivables

Accounts receivable and other debtors include amounts due 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. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(e) Plant and other equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets 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. The depreciation rates used for each class of asset are 20-67%.

(f) Intangibles

Website is recorded at cost. Website has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years. It is assessed annually for impairment.

(g) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised 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 asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

2 Summary of Significant Accounting Policies

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are recognised as expenses in profit or loss immediately

All financial liabilities are recognised initially at fair value. The Group's financial liabilities include payables.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit and loss

The Group did not make an irrevocable election on transition to AASB 9 (1 July 2019) to measure equity instruments at fair value through OCI.

Gains or losses arising from changes in the fair value of the ‘financial assets at fair value through profit or loss’ category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the Group’s right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments.

Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the Group to account for expected credit losses since initial recognition.

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost or at fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument did not show significant change since initial recognition, an expected credit loss amount equal to 12-month expected credit losses are used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

2 Summary of Significant Accounting Policies

(h) Financial instruments

A simple approach is followed in relation to trade receivables as the loss allowance is measured at lifetime expected credit loss.

The Group reviewed and assessed the existing financial assets. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that is available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was done without undue cost or effort in accordance with AASB 9.

(i) Trade and other payables

Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(j) Leases

2020 Accounting Policy

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.

- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

- The Group has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred. At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group‘s incremental borrowing rate is used. Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group’s assessment of lease term. Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2 Summary of Significant Accounting Policies

(j) Leases

The Group has chosen to adopt the practical expedient in AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions whereby rental concessions are recognised in the period in which they are given rather than spreading the concession over the life of the lease.

2019 Accounting Policy

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases. Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(k) Employee benefits

Employee benefits comprise wages and salaries, annual, non-accumulating sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months after the end of the period in which the employees render the related services are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and periods of service.

(l) Taxation

Income Tax

The Directors consider that the Group is taxable on its non-mutual income earned.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

2 Summary of Significant Accounting Policies

(l) Taxation

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, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

(m) Interest in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required. Separate joint venture entities providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method.

The equity method of accounting requires the investment in the joint arrangement to be initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group's share of net assets. In addition, the Group's share of the profit or loss of the joint arrangement is included in the Group's profit or loss. Profits and losses resulting from transactions between the Group and the joint arrangement are eliminated. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(o) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgments incorporated into the financial report 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 Group.

(p) New Australian Accounting Standards

The AASB has issued a number of new and amended Accounting Standards and Interpretations that are applicable for the first time in 2019/20 as follows:

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-Profit Entities

These standards introduce a single revenue recognition model based on the transfer of goods and services and the consideration expected to be received for that transfer. Given the nature of the Group's business, these standards have no material impact on the Group.

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(p) New Australian Accounting Standards

AASB 16 Leases

The Group has adopted AASB 16 Leases with the cumulative effect of initially applying AASB 16 recognised at 1 July 2019. In accordance with the transitional relief provisions of AASB 16, the comparatives for the 2019 reporting period have not been restated.

The Group has recognised a lease liability and right-of-use asset for all leases previously recognised as operating leases under AASB 117 Leases where the Club is the lessee. The lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments. The right of use assets for the Group's trading premises were measured and recognised in the statement of financial position as at 1 July 2019 by taking into consideration the lease liability.

(q) Application of the Going Concern Principle

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus (SARS-CoV-19) across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements. As of the date of this financial report, the Board is unable to determine the future impact of the pandemic on the Group and the financial report. However, the Group has applied for government relief where available through the Job Keeper and Cash Flow Boost support programs. The Board and management continue to assess the situation on an ongoing basis.

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group recorded an operating profit of $156,127 (2019: loss of $77,523), and net operating cash inflows of $203,336 (2019: cash outflows of $152,861) for the year ended 30 June 2020.

Notwithstanding the above the directors are of the opinion the Group is a going concern and is able pay its debts as they fall due in the ordinary course of business due to the following factors:

- The receipt of a $120,000 grant to be used to refinance the group
- The receipt of a $200,000 grant to be used in the continuing operations of the business
- The net proceeds from the sale of 27 Napier Close, Deakin ACT (refer to note 3) is expected to boost the Group's working capital position.
- The strong focus on infrastructure projects by the Federal Government's budget will foster strong growth in the Group's industry over the medium term.
- International advocacy projects undertaken in this and previous financial years will lead to Australian suppliers being in high demand internationally over the medium term, driving growth further.
- Responsible financial management has managed our risks and lead to the opportunity to capitalise on sector-wide growth.

The directors are confident that the Group will be successful in achieving the above endeavours and accordingly, the directors have prepared the financial statements on a going concern basis. However, should the circumstances above not eventuate, there would be uncertainty on the ability of the Group to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business. No provision for such circumstances has been reflected in the financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Discontinued Operations and Non-Current Asset Held for Sale

CSQC Buyout Agreement

In February 2016, the CSQC Pty Ltd board made the strategic decision to enter into a distribution agreement with Global-Mark Pty Ltd (GM) where CSQC (a subsidiary of SIBA) intends to operate exclusively with GM for the term of the contract, on the understanding that CSQC will operate as the Spatial and Land Planning division of GM and will provide auditing services for all such clients of GM.

After five years, CSQC can continue as a going concern or be closed by the Board of CSQC. The agreement would become void and CSQC client managers and clients would work directly with/for GM. The payment arrangements for CSQC's remuneration under each election is a percentage of the new/existing customer revenue generated over the five-year period.

To date, CSQC and GM have operated and been remunerated on the basis that CSQC will be closed in February 2021. Accordingly, CSQC has been recognised as a discontinued operation in accordance with AASB 5 Non-Current Assets Held for Sale and Discontinued Operations.

Non-Current Asset Held for Sale

In addition, the Group has committed to the sale 27 Napier Close, Deakin ACT for $450,000. The sale has been postponed due to a zoning issue, however the Board is confident that the sale will occur in the next 12 months.

4 Revenue and Other Income

	2020	2019
Revenue:	$	$
Event revenue	**31,655**	196,618
Membership subscriptions	**128,426**	176,245
Sale of goods and services	**117,616**	129,464
Grant received	**200,000**	75,000
Rent received	**37,346**	34,165
Advocacy Sponsorship	**-**	15,000
Interest received	**139**	9
Total	**515,182**	626,501

	2020	2019
Other Income	**19**	3,772
Government Stimulus	**22,000**	-
Total	**22,019**	3,772

5 Property, plant and equipment

	2020	2019
	$	$
Furniture fixtures and fittings		
At cost	**40,648**	40,640
Accumulated depreciation	**(12,323)**	(8,513)
Total property, plant and equipment	**28,325**	32,127

(a) Movements in the carrying amount

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	2020	2019
	$	$
Balance at the beginning of the year	**32,127**	12,471
Additions	**8**	26,657
Disposals	**-**	(2,796)
Depreciation	**(3,810)**	(4,205)
Total	**28,325**	32,127

6 Investments

	2020	2019
	$	$
Investments in joint arrangements	**-**	40,573
	-	40,573

SIBA holds a 50% interest (and voting rights) in Locate Conferences Australia Pty Ltd (Locate), a joint arrangement structured as a strategic partnership with the Surveying and Spatial Sciences Institute (SSSI) whom holds the remaining 50% interest. SIBA has a 50% direct interest in all of the assets used, the revenue generated and the expenses incurred by the joint arrangement. This arrangement has been recognised using the equity method and has not been consolidated as a subsidiary of the Group. Refer to Note 2(l) for a description of the equity method of accounting.

The Group’s share of the assets employed in Locate that are included in the consolidated financial statements are as follows:

	2020	2019
	$	$
Total assets	**416,956**	143,453
Total liabilities	**471,113**	(62,307)
Net assets	**(54,157)**	81,146
Group's share of closing net assets (carrying amount of investment)	**-**	40,573

Notes to the Financial Statements
For the Year Ended 30 June 2020

7 Intangible Assets

Website		
At initial recognition	**65,225**	65,225
Accumulated amortisation	**(65,225)**	(50,545)
Net carrying value	**-**	14,680
Total Website - Intangible asset	**-**	14,680
Right-of-Use - Intangible assets		
At initial recognition	**105,407**	-
Accumulated amortisation	**(25,052)**	-
Net carrying value	**80,355**	-
Total Right of use - Intangible asset	**80,355**	-
Total Intangibles	**80,355**	14,680

(a) Right of use asset

The Group has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations. The Group has a lease over the office premises. Information relating to the lease in place and associated balances and transactions are provided below.

The office premises is for a lease terms of 5 years commencing 1 September 2018, with lease payments of $21,800 (SIBA's portion) escalated at 4% per annum.

8 Trade and Other Payables

	Note	2020 $	2019 $
CURRENT			
Trade payables		**139,990**	128,615
Income received in advance		**52,539**	98,069
Payroll liabilities		**1,735**	6,190
GST payable		**-**	4,018
Other payables		**45,233**	7,634
		239,497	244,526

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements
For the Year Ended 30 June 2020

9 Borrowings

	2020 $	2019 $
CURRENT		
Loan - Surveyors Trust	**120,000**	-
Website finance	**11,137**	10,122
Lease - Office	**24,333**	-
Total current borrowings	**155,470**	10,122

	2020 $	2019 $
NON-CURRENT		
Loan - Surveyors Trust	**-**	120,000
Website finance	**5,660**	16,797
Loan - CSQC Pty Ltd	**4,000**	-
Lease - Office	**59,555**	-
Total non-current borrowings	**69,215**	136,797
Total borrowings	**224,685**	146,919

Loan - Surveyors Trust
Private loan provided by ACT Administration Limited. The principal sum together with interest is to be repaid on the repayment date (31 March 2021), with the option to extend to 31 December 2022. The Directors anticipate repayments of the loan on 31 March 2021. The interest rate applied is the interest rate charged from time to time by the Commonwealth Bank on corporate overdraft reference rates over $100,000 (or in the absence of such a rate as stipulated by the Lender not to exceed 12% per annum).

Lease - Office
SIBA shares a 50/50 sublease (with SSSI) from Armflex Pty Ltd. The office premises is for a lease term of 5 years commencing 1 September 2018, with lease payments of $21,800 (SIBA's portion) escalated at 4% per annum.

Notes to the Financial Statements
For the Year Ended 30 June 2020

10 Related Party Transactions

(a) Key Management Personnel Compensation

With the exception of the outgoing company secretary Deanna Hutchinson, no director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, prepared in accordance with the Corporations Act 2001, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Short term benefits

	2020 $	2019 $
Salaries, wages and allowances	**24,770**	137,507
Superannuation	**1,809**	13,063
Total	**26,579**	150,570

(b) Related Party Transactions

There were no related party transactions during the 2020 financial year.

11 Events Occurring After the Reporting Date

No matters or circumstances have arisen since 30 June 2020 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group.

12 Contingencies

There were no contingent assets or contingent liabilities at the reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2020

13 Parent entity

The following information has been extracted from the books and records of the parent, Spatial Industries Business Association and has been prepared in accordance with Accounting Standards.

	2020	2019
	$	$
Statement of Financial Position		
Assets		
Current assets	**253,337**	64,348
Non-current assets	**558,682**	496,807
Total Assets	**812,019**	561,155
Liabilities		
Current liabilities	**241,544**	236,703
Non-current liabilities	**196,352**	146,920
Total liabilities	**437,896**	383,623
Net assets	**374,123**	177,532
Equity		
Retained Earnings	**266,123**	69,532
Reserves	**108,000**	108,000
Total Equity	**374,123**	177,532
Statement of Profit or Loss and Other Comprehensive Income		
Revenue and other income	**506,862**	543,546
Expenses	**(310,270)**	(570,228)
Profit/(loss)	**196,592**	(26,682)
Other comprehensive income	**-**	-
Total comprehensive income	**196,592**	(26,682)

Spatial Industries Business Association

Directors' Declaration

The directors of the Group declare that:

1. The financial statements and notes, as set out on pages 7 to 25, satisfy the requirement of the *Corporations Act 2001* and:

    a. comply with Australian Accounting Standards - Reduced Disclosure Requirements applicable to the Group; and

    b. give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date.

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

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

Director: .... Director: ....

24 March 2021

Spatial Industries Business Association

Independent Auditor's Review Report to the members of Spatial Industries Business Association

Report on the Financial Report

We have reviewed the financial report of Spatial Industries Business Association (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

Responsibilities of Directors for the Financial Report

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

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

Auditor's Responsibilities for the Review of the Financial Report

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 Review of a Financial Report: Company reporting under the Australian Charities and Not-for-profits Commission Act 2012, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012 including: giving a true and fair view of the company's financial position as at 30 June 2019 and its performance for the year ended on that date; and complying with the Australian Accounting Standards. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

Spatial Industries Business Association

Independent Auditor's Review Report to the members of Spatial Industries Business Association

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, 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 Spatial Industries Business Association, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Spatial Industries Business Association is not in accordance with the Corporations Act 2001:

(a) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards. Report on Other Legal and the Australian Charities and Not-for-profits Commission Act 2012.

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

ALEX HARDY
Associate Director

Brisbane
24 March 2021