Spatial Industries Business Association Limited & Controlled Entities

Financial Report

For the Year Ended 30 June 2021

Spatial Industries Business Association

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For the Year Ended 30 June 2021

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Directors' Report

30 June 2021

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 2021.

DIRECTORS

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

Alistair Byrom (Chairman) - Veris Australia
Daniel Harvey - Amristar Solutions
Glenn Cockerton - Spatial Vision
Mehrnoush Ghorbani - HERE technologies
Wanda Skerrett - Open Spatial
Jacinta Burns - Pelican Corp (appointed October 2021)

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

Information on directors

Alistair Byrom (Chairman)
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).
Alistair is the current Chairman of SIBA.

Daniel Harvey
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 immediate past Chairman of SIBA.

Directors' Report

30 June 2021

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.

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' Report

30 June 2021

Information on directors

Jacinta Burns	
PelicanCorp	Jacinta has extensive experience working in Spatial roles within utilities, state, and local government with responsibilities for maintaining the integrity of spatial datasets used widely across these businesses. Additionally, she has been responsible for managing company-wide spatial data projects including data conversions and asset data capture. Currently Jacinta is a Product Owner at PelicanCorp, managing global products with the objective of ensuring protection of assets to protect community safety. Jacinta has been an active member of SIBA for 6 years and is currently Chair for the Victorian branch. In addition, she sits on the Spatial and Surveying One Voice Committee, Vicmap User Reference Group and the SSSDLN Diversity Survey Committee.

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, four (4) 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)	4	4
Alistair Byrom	4	4
Glenn Cockerton	4	4
Mehrnoush Ghorbani	4	3
Wanda Skerrett	4	2
Jacinta Burns	-	-

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.

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(m) for a description of the equity method of accounting.

Directors' Report

30 June 2021

Significant changes in state of affairs

As previously disclosed in prior year financial reports, CSQC Pty Limited has been subject to a buyout agreement which has been executed and the entity was effectively wound up as at 30 June 2021.

There were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

Review and results of operations

The Group has recorded a profit of $45,737, for 2020/21 and $156,127 for 2019/20.

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 2021 has been received and can be found on page 5 of the financial report.

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

Director: Alistair Byrom ....
Alistair Byrom

Director: DHarvey ....
Daniel Harvey

24 November 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 2021, 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
Director

24 November 2021

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2021

	Note	2021 $	2020 $
Revenue from continuing operations	4	**328,898**	515,182
Other income	4	**31,004**	22,018
Employee costs		**(147,400)**	(159,414)
Supplies and services		**(102,331)**	(136,311)
Event expenses		**(5,137)**	-
Depreciation and amortisation		**(28,749)**	(43,541)
Other expenses		**(1,599)**	(1,343)
Net loss from investment in joint venture	7	**-**	(40,623)
Profit/(loss) before income tax		**74,686**	155,968
Profit/(loss) from continuing operations		**74,686**	155,968
Profit/(loss) for the year from discontinued operations	3	**(28,949)**	158
Income tax expense	5	**-**	-
Profit/(loss) for the year		**45,737**	156,126
Other comprehensive income		**-**	-
Total comprehensive income/(loss) for the year		**45,737**	156,126

The accompanying notes form part of these financial statements.

Spatial Industries Business Association

Statement of Financial Position

As At 30 June 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**111,839**	241,152
Term deposits		**10,995**	-
Trade and other receivables		**34,124**	44,587
Non-current assets held for sale	3	**450,000**	450,000
Assets of discontinued operation	3	**-**	41,475
TOTAL CURRENT ASSETS		**606,958**	777,214
NON-CURRENT ASSETS			
Property, plant and equipment	6	**24,734**	28,325
Intangible assets	8	**55,303**	80,355
TOTAL NON-CURRENT ASSETS		**80,037**	108,680
TOTAL ASSETS		**686,995**	885,894
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**48,076**	239,497
Borrowings	10	**151,939**	155,470
Employee leave provisions		**4,962**	6,182
Liabilities of discontinued operation	3	**-**	12,525
TOTAL CURRENT LIABILITIES		**204,977**	413,674
NON-CURRENT LIABILITIES			
Borrowings	10	**33,276**	69,215
TOTAL NON-CURRENT LIABILITIES		**33,276**	69,215
TOTAL LIABILITIES		**238,253**	482,889
NET ASSETS		**448,742**	403,005
EQUITY			
Retained Earnings		**340,742**	295,005
Reserves		**108,000**	108,000
TOTAL EQUITY		**448,742**	403,005

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2021

2021

	Retained Earnings	Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2020	**295,005**	**108,000**	**403,005**
Total comprehensive income	**45,737**	**-**	**45,737**
Balance at 30 June 2021	**340,742**	**108,000**	**448,742**

2020

	Retained Earnings	Revaluation Reserve	Total
	$	$	$
Balance at 1 July 2019	138,879	108,000	246,879
Total comprehensive income	156,126	-	156,126
Balance at 30 June 2020	295,005	108,000	403,005

Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and other sources	**351,338**	591,497
Payments to suppliers and employees	**(460,547)**	(388,300)
Interest received	**139**	139
Net cash provided by/(used in) operating activities	**(109,070)**	203,336
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	**(106)**	(8)
Acquisition of term deposits	**(5,000)**	-
Net cash provided by/(used in) investing activities	**(5,106)**	(8)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	**-**	4,000
Repayment of borrowings	**(15,137)**	(10,122)
Net cash provided by/(used in) financing activities	**(15,137)**	(6,122)
Net increase/(decrease) in cash and cash equivalents held	**(129,313)**	197,206
Cash and cash equivalents at beginning of year	**241,152**	43,946
Cash and cash equivalents at end of financial year	**111,839**	241,152

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2021

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.

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.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

2 Summary of Significant Accounting Policies

(a) 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 entries 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(n) for a description of the equity method of accounting.

(b) Revenue Recognition

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

The parent entity's constitution is silent as to whether the memberships are refundable. However, revenue is recognised over the membership period.

2 Summary of Significant Accounting Policies

(b) Revenue Recognition

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.

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.

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

(c) 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.

(d) 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

(e) 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.

(f) 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%.

(g) 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.

(h) 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

(i) 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

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

(i) 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.

(j) 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.

(k) Leases

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

(l) 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.

(m) 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.

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.

(n) 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.

2 Summary of Significant Accounting Policies

(o) 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.

(p) 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.

Performance Obligations

The Group assesses whether each grant received contains distinct goods or services. The goods or services are considered promises which performance obligations must be accounted for separately. To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. The Directors exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, the Directors include the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Non-recognition of tax losses

The Group has a history of net losses with the exception of recent financial years due to a number of one-off circumstances. AASB 112 Income Tax requires a deferred tax asset to be recognised for unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised . The Directors do not believe there is convincing evidence about expected future taxable profits. Therefore, it is not considered appropriate for the Group to recognise a deferred tax asset at 30 June 2021. The total value of unrecognised tax losses as at 30 June 2021 is $570,099.

(q) New Australian Accounting Standards

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for current reporting periods. The Group has assessed that new standards have no impact on the financial statements.

(r) Coronavirus Pandemic and Going Concern

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. During 2021, the Company had not suffered any material impacts resulting from COVID-19 to the Group's operations. Further, subsequent to year end, the Queensland Government enacted similar social distancing requirements across Queensland communities.

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.

2 Summary of Significant Accounting Policies

(r) Coronavirus Pandemic and Going Concern

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 $45,737 (2020: $156,127), net current assets of $401,981 (2020: $363,540) and net operating cash outflows of $109,070 (2020: $203,336 inflow) for the year ended 30 June 2021.

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 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.

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.

CSQC and GM have operated and been remunerated on the basis that CSQC has been 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.

The above agreement has been executed and CSQC Pty Ltd was effectively wound up as at 30 June 2021.

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.

Notes to the Financial Statements

For the Year Ended 30 June 2021

4 Revenue and Other Income

	2021	2020
Revenue:	**$**	**$**
Event revenue	**19,175**	31,655
Membership subscriptions	**116,701**	128,426
Sale of goods and services	**129,077**	117,616
Grant received	**26,320**	200,000
Rent received	**37,486**	37,346
Interest received	**139**	139
Total	**328,898**	515,182

Other Income	**4**	18
Government Stimulus	**31,000**	22,000
Total	**31,004**	22,018

5 Income Tax Expense

Accounting profit/(loss) before income tax	**45,737**	156,126
Tax at statutory income tax rate of 26% (2020: 27.5%)	**11,892**	42,935
Adjust for tax effect:		
Recoupment of prior year tax losses	**(11,892)**	(42,935)
Income tax expense/(benefit)	**-**	-

6 Property, plant and equipment

Furniture fixtures and fittings		
At cost	**40,753**	40,648
Accumulated depreciation	**(16,019)**	(12,323)
Total property, plant and equipment	**24,734**	28,325

(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

Balance at the beginning of the year	**28,325**	32,127
Additions	**106**	8
Depreciation	**(3,697)**	(3,810)
Balance at the end of the year	**24,734**	28,325

Notes to the Financial Statements

For the Year Ended 30 June 2021

7 Investments

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(n) 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:

	2021	2020
	$	$
Total assets	**69,089**	416,956
Total liabilities	**(89,113)**	(471,113)
Net assets/(liabilities)	**(20,024)**	(54,157)

Where the joint arrangement records a net liability position, the Group's investment is adjusted to a carrying value of $nil.

8 Intangible Assets

	2021	2020
Website		
At initial recognition	**65,225**	65,225
Accumulated amortisation	**(65,225)**	(65,225)
Total	**-**	-
Right-of-Use - Intangible assets		
At initial recognition	**105,407**	105,407
Accumulated amortisation	**(50,104)**	(25,052)
Total	**55,303**	80,355
Total Intangibles	**55,303**	80,355

(a) Right of use asset

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.

9 Trade and Other Payables

	2021 $	2020 $
CURRENT		
Trade payables	**4,183**	139,006
Income received in advance - memberships	**20,118**	43,492
Income received in advance - other	**12,635**	52,539
Payroll liabilities	**3,307**	1,735
GST payable	**4,764**	-
Other payables	**3,069**	2,725
	48,076	239,497

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.

10 Borrowings

	2021 $	2020 $
CURRENT		
Loan - Surveyors Trust	**120,000**	120,000
Website finance	**5,660**	11,137
Lease - Office	**26,279**	24,333
Total current borrowings	**151,939**	155,470
NON-CURRENT		
Website finance	**-**	5,660
Loan - CSQC Pty Ltd	**-**	4,000
Lease - Office	**33,276**	59,555
Total non-current borrowings	**33,276**	69,215
Total borrowings	**185,215**	224,685

Loan - Surveyors Trust

Private loan provided by ACT Administration Limited. The principal sum together with interest was initially to be repaid on the repayment date (31 March 2021). However, the Company has applied for an option to extend to 31 March 2022 which remains under consideration. 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 2021

11 Related Party Transactions

(a) Key Management Personnel Compensation

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.

Short term benefits

	2021	2020
	$	$
Salaries, wages and allowances	**20,923**	24,770
Superannuation	**1,988**	1,809
Total	**22,911**	26,579

(b) Related Party Transactions

There were no related party transactions during the 2021 financial year.

12 Events Occurring After the Reporting Date

No matters or circumstances have arisen since 30 June 2021 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.

13 Contingencies

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

Notes to the Financial Statements
For the Year Ended 30 June 2021

14 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.

	2021	2020
	$	$
Statement of Financial Position		
Assets		
Current assets	**162,939**	253,337
Non-current assets	**474,784**	558,682
Total Assets	**637,723**	812,019
Liabilities		
Current liabilities	**99,794**	241,544
Non-current liabilities	**125,660**	196,352
Total liabilities	**225,454**	437,896
Net assets	**412,269**	374,123
Equity		
Retained Earnings	**304,269**	266,123
Reserves	**108,000**	108,000
Total Equity	**412,269**	374,123
Statement of Profit or Loss and Other Comprehensive Income		
Revenue and other income	**275,732**	506,862
Expenses	**(241,119)**	(310,270)
Profit/(loss)	**34,613**	196,592
Other comprehensive income	**-**	-
Total comprehensive income	**34,613**	196,592

Spatial Industries Business Association

Directors' Declaration

The directors of the Group declare that:

1. The financial statements and notes, as set out on pages 6 to 22, 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 2021 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 Alistair Byrom .... Director ....

24 November 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 2021, 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 Limited by Guarantee, 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 including: giving a true and fair view of the company's financial position as at 30 June 2021 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.

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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.

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 2021 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (Reduced Disclosure Requirements).

Prosperity Audit Services

PROSPERITY AUDIT SERVICES

ALEX HARDY
Director

Brisbane
24 November 2021