WHERE
THINGS
HAPPEN

Geoscape

ANNUAL REPORT 2022–2023

PSMA Australia Ltd trading as Geoscape Australia
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MESSAGE FROM THE CHAIR

Thanking Lynne Robinson

Being elected as Geoscape Australia Chair is a great honour. The smooth transition from Lynne Robinson and onboarding of two new Directors was seamless. This is a credit to Lynne's work in building a collegiate board that's prepared to engage in robust and respectful debates.

Lynne faced down formidable challenges as Chair. These include building a new fully independent skills-based board from scratch, recruiting a new CEO and securing a Commonwealth loan to transform the company's technology and skills. And all this during the chaos of the COVID-19 pandemic!

On behalf of the board and the company I would like to acknowledge Lynne for her achievements and for setting up Geoscape Australia for ongoing success. Lynne's leadership and stewardship leaves a lasting, positive legacy.

Repositioning Geoscape Australia

Repositioning Geoscape Australia's offering to include data services has improved our results. Revenues and Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA) are up 19% and 26% respectively year-on-year. Add to that, we achieved business-wide efficiency gains and our plan is on track to deliver location intelligence to empower companies and assist the government.

This year's milestones

We secured an extension for the Commonwealth Government's licence for Geoscape G-NAF. We also introduced National Roads by Geoscape through Geoscience Australia's Digital Atlas of Australia and launched Geoscape Planning Insights in a partnership with Archistar. Beyond these product launches, we've worked closely with many of our shareholders on different strategic projects. These collaborations aim to meet the future location intelligence needs of both government and industry.

Vale Peter Woodgate

The board, the company, our shareholders and the entire industry was shocked to hear of Peter Woodgate's sudden passing in late December 2022. Peter was an industry leader in Australia and globally. He was always generous with his knowledge and insights and the board will miss his professional input and friendship.

Finally, thank you team …

A big thanks to the board for its valuable contribution, and the executives and staff who drive our achievements. And of course, CEO Dean Capobianco who's been instrumental in creating a viable and competitive Geoscape Australia.

Des Mooney
Chair

MESSAGE FROM THE CEO

Efficiency gains and revenue growth

The 2022–23 financial year (FY23) was a period of strong growth for Geoscape Australia. In 2021, we started a journey to evolve our business offering to include data services. We now provide ready-to-use data and services that help governments work better and make businesses more effective. This evolving strategy continues to deliver efficiency gains and revenue growth, resulting in stronger key metrics and better margins across core business pillars. Total revenue grew 19% and earnings before income tax (EBIT) grew 152% year-on-year to deliver the first positive net profit result since 2019.

Sales up

Our commercial and business operations investment has paid off, leading to more meaningful and direct interactions with our customers, which has driven innovation. New custom data solutions and managed data services delivered 31% of total sales, with 77% of sales generated from direct customers.

Our quest to produce fit-for-purpose ('application ready') customer solutions removes the cost and pain of data processing and curation, and allows customers to focus on their own purpose and productivity. This is best shown in Geoscape solutions across insurance and financial services, telco, property and government sectors. In addition, we worked with governments to provide special rights to use our location intelligence across flood affected areas.

Federal contract extended

The extension of our contract to supply the Commonwealth Government with Geoscape G-NAF (the Geocoded National Address File) was a highlight and a recognition of the value this open data product delivers the Australian economy. Lateral Economics estimates that Geoscape G-NAF contributes over $1.4 billion of economic value in net present value terms. We will continue to evolve Geoscape G-NAF and improve the accessibility and use of this valuable data product.

Machine learning and AI

Our ongoing investment in machine learning and the use of AI is delivering world class location intelligence products and services, and will remain core to our strategy. As government and industry needs for location-based information grows, particularly with the challenges of climate change, affordable housing, insurance accessibility, and other vital services like healthcare and aged care, we will continue to collaborate to meet these challenges and deliver good outcomes for Australia.

Change is no obstacle

FY23 saw significant change, and I'm incredibly proud of how our team embraced it. While change can be challenging and disruptive, our team's commitment to the company's direction has resulted in a motivated and engaged workforce, genuinely focused on making a difference.

I could not be prouder of how we've faced our opportunities and challenges head-on with the aim of contributing to a more resilient and productive Australia. This strong sense of purpose is at the heart of Geoscape Australia's culture and leaves me confident our future is brighter than ever. Thank you, Geoscapers!

Dean Capobianco
CEO

Highlights

Invoiced **revenue grew 5%** compared to last year.

Statutory **revenue** from clients **grew 15%** year-on-year.

EBITDA **grew by 26%** compared to last year.

EBIT **surged 152%** year-on-year.

Achieved an **11%** compounded annual **growth rate** in statutory **revenue** over the past 4 years*.

The Geoscape **G-NAF dataset** is estimated to be **worth over $1.4b** to the **Australian community** in net present value terms. This **factsheet** has more.

Our **customer value** saw a **26% increase** year-on-year over the reporting period.

We introduced new **managed services** in three **target markets** – telecommunications, banking and government.

We launched **four** new products – Geoscape **Planning Insights,** Geoscape **Land Parcels API, National Roads** by Geoscape and Geoscape **G-NAF Core.**

We **retained 91%** of our **staff.**

Excluding non-operational income

Key achievements

Geoscape G-NAF

A key FY23 objective was to shape the future direction of Geoscape G-NAF. This dataset is central to our product strategy and plays a crucial role in various sectors of the Australian economy. Examples that illustrate Geoscape G-NAF's importance include:

- helping emergency services quickly locate people in need
- ensuring the accuracy of addresses in online forms
- optimising delivery routes
- helping banks and insurers assess property risk
- enhancing the reliability of key statistics and models underpinning infrastructure and land-use planning.

Federal contract renewed

The Australian Government extended the Geoscape G-NAF contract with a $42.4 million commitment to keep its data freely available until mid-2029. This renewal underscores the dataset's economic impact and sets the stage for its future optimisation to benefit public and private sectors. In the years ahead, we'll keep collaborating with the Commonwealth Government to expand the take up and use of Geoscape G-NAF, aiming to deliver even more value to Australia.

This dataset is very valuable to the Australian economy, consistently ranked among the top 10 datasets on data.gov.au. We recognised the need to quantify the dataset's economic value, so this year we commissioned a study from Nicholas Gruen and his team at Lateral Economics. The findings were compelling: G-NAF contributed approximately $1.4 billion in net present value to the Australian community and holds potential for even greater returns with a modest investment.

Release of Geoscape G-NAF Core

The aim of Geoscape G-NAF Core, first released in August 2022, is to simplify national addressing data. While the original Geoscape G-NAF dataset consists of 108 tables, G-NAF Core consolidates this information into just one table, with an additional one for retired addresses. Unlike the data available on data.gov.au, users of Geoscape G-NAF Core must register to access it. This provides us with invaluable insights into which industries are using the data. The top sectors include:

- information technology and services
- geospatial and location intelligence
- education and training
- government
- property and real estate
- financial services
- insurance.

Having users register allows us to, gather feedback through surveys, develop product initiatives and follow up potential commercial opportunities. Further expanding its reach, Geoscape G-NAF Core is available on AWS and Snowflake marketplaces, breaking down accessibility barriers and widening its user base.

G-NAF is consistently ranked among the top 10 datasets on data.gov.au

Location intelligence solutions support Telstra 5G rollout

Good mobile reception is vital for daily activities — from CBDs to remote communities. Maximum mobile coverage requires high-quality geospatial data. In collaboration with Precisely and Ozius, Geoscape Australia significantly improved Telstra's radio frequency (RF) modelling capabilities, especially in rural Australia, offering its customers the best possible mobile coverage.

This project marked a step change in the quality and scope of available 3D national RF modelling datasets. Traditionally, data has been skewed towards urban and high-density population areas, with national coverage often dropping to 90-200m resolution. However, our collaboration has produced data at 1m resolution for CBD and high-density areas, 2m for population centres with populations greater than 200, and 30m coverage Australia-wide.

Geoscape Australia played a critical role in producing the location intelligence solution for Telstra by supplying building and surface cover data and leveraging our scaled production expertise to produce customised data solutions to meet defined specifications.

We remain committed to providing state-of-the-art location intelligence solutions to meet evolving government and industry needs.

Geoscape Australia **significantly improved** Telstra's **radio frequency** modelling capabilities, especially in **rural Australia**, offering its **customers** the **best possible** mobile **coverage**.

Towards net zero with location intelligence solutions

As businesses and governments step up their commitment to achieve net-zero carbon emissions, the role of structured, reliable data has never been more important for setting benchmarks and tracking progress. Over the past year, we have deepened our partnerships with organisations keen to monitor their environmental impact, particularly focusing on the properties they finance, insure, or invest in. Our work in this space involves both capturing new data points, (e.g. the presence of solar panels and building volumes) and enhancing existing emissions data with location intelligence. This two-pronged approach brings important structure and context to data and makes it more accessibility to fuel reporting programs.

With regulations around mandatory climate disclosures set to start in 2024, we anticipate growing investment in this area, further solidifying our commitment to supporting the net-zero carbon goals.

Partnering with Archistar for new Geoscape Planning Insights product

Initially released in beta form in September 2022 and formally launched in March 2023, Geoscape Planning Insights aims to provide land development controls. These are typically overseen by local, state, and territory governments. The dataset aids market understanding of land development potential, including factors like building height restrictions, and flood and fire exposure zones. It also provides information on how you can and can't use land.

Geoscape Planning Insights is produced via an innovative commercial partnership with Archistar, based on our shared objective of providing high-quality land-related data to boost the productivity of users.

National Roads by Geoscape

Another key achievement for FY23 was National Roads by Geoscape, which was released openly to both government and industry through Geoscience Australia's Digital Atlas of Australia. Geoscience Australia identified the need for a reliable, curated dataset of national roads, and after a competitive procurement process, Geoscape Australia was selected to provide Geoscience Australia with this critical data.

Our established production processes, coupled with quality state and territory datasets, have been instrumental in producing and delivering this important dataset of national roads. The Geoscience Australia partnership has opened doors for further data enrichment in specialised cases, like heavy vehicle management. We remain committed to the Digital Atlas of Australia's goals and are confident we can provide key datasets to advance this national initiative.

Vale Peter Woodgate

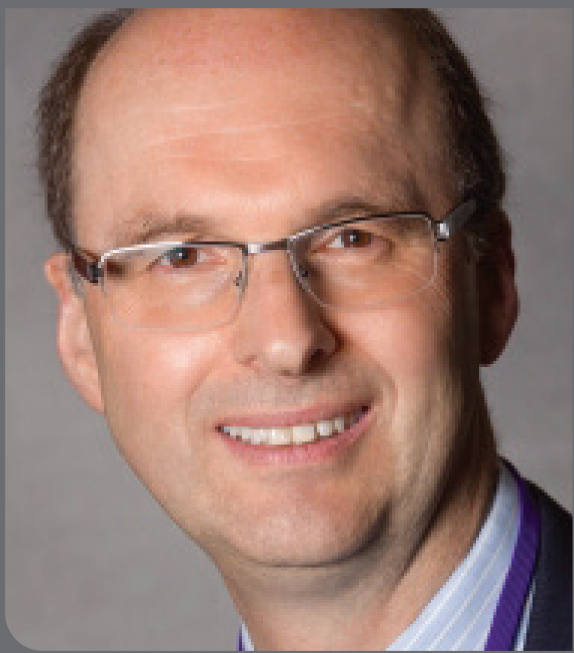
In December 2022, the Geoscape Australia community was deeply saddened by the unexpected death of our colleague and friend, Peter Woodgate.

Given Peter's prominent role in the geospatial industry, several of us had known and worked with him for over 20 years.

Peter's intellect, integrity and insight was eclipsed only by his gentle, humorous, and respectful ways.

We remain very grateful for his passionate support for Geoscape Australia and the broader geospatial community throughout his distinguished career.

We'll miss Peter both professionally and personally, and our thoughts and prayers are with his family, friends and wide network of colleagues.



OUR PLAN FOR 2023–24

Future market outlook

The general consensus points to a cautious optimism for the near term. There are signs inflation has peaked and monetary policy will loosen and Australia will have a 'soft landing'. However, the global environment remains dynamic. China's economy is hard to read, making it a significant risk factor that demands close attention. This environment has shaped our prudent FY24 budget planning which we'll continue to review trading over the coming year.

The 2023 Intergenerational Report paints a clear picture of the looming challenges of a slower, older Australian economy, one tasked with supporting critical endeavours in climate, housing, defence and core citizen support services. Australia will need to be smarter and more productive.

We're proud of the essential role Geoscape Australia plays in supporting Australian businesses and government services. We're confident our pivot towards solution-targeted, location-based intelligence is the right path for our company, customers, and stakeholders. It also allows us to continue making a meaningful contribution to the national good.

Looking ahead, we've fine-tuned our innovation strategy to concentrate on application ready location intelligence solutions. In the coming year, we've identified four main areas for support:

- climate risk management
- affordable housing
- insurance accessibility
- sustaining provision of core citizen services (health/aged care/National Disability Insurance Scheme/education).

Directors' report

For the financial year ended 30 June 2023, the Directors of PSMA Australia Ltd trading as Geoscape Australia (Geoscape Australia) present the:

- Directors' report
- Financial statements for Geoscape Australia and its controlled entity, PSMA Distribution Pty Ltd (PSMA Distribution) – together, 'the Group'
- Independent auditor's report.

1. Director details

Name	Des Mooney
Qualifications and affiliations	Bachelor of Surveying (Hons) Master of Business Administration Company Directors Diploma Fellow of the Australian Institute of Company Directors (AICD) Fellow of the Institute of Managers and Leaders
Experience	Senior advisor and consultant Former CEO, New South Wales Land Registry Services Former Registrar General and Surveyor General of NSW Former CEO, Land and Property Information, Department of Finance and Services, NSW
Special responsibilities	Chair and Independent Director of Geoscape Australia Independent Director of PSMA Distribution

Name	Dominique Fisher
Qualifications and affiliations	Bachelor of Arts (Hons) (Government and Public Policy), University of Sydney Diploma of Agriculture (Organic Farming), Advanced TAFE Member of the AICD
Experience	Managing Director, CEO and Co-Founder, Paddl Co. Pty Ltd Non-executive Director, Integrity Life Ltd, Integrity Group, (Member Risk Committee, Remuneration Committee) Non-executive Director, Biome Australia Limited, Chair of Remuneration Committee, Audit and Risk Committee Principal, EC Strategies Pty Ltd Former Non-executive Director – IAG Ltd (ASX:IAG) (Member of Risk Committee); Australia Post (Member Human Resources, Remuneration Committee); Pacific Brands Ltd (ASX:PBG delisted now Hanes Brands Australasia) (Member of Remuneration Committee, Risk Committee). Former Chair and Non-executive Director – Circadian Technologies Ltd (now Opthea) (ASX:OPT); GrowthOps Ltd (ASX:TGO delisted); Dance Board, Australia Council of the Arts; Sky Technologies Pty Ltd; LaunchVic; Victorian Government and Innovation Expert Panel, Victorian Government. Former Deputy Chair and Non-executive Director, NRMA Insurance
Special responsibilities	Deputy Chair and Independent Director of Geoscape Australia Member of Audit and Risk Committee

Name	Mark Judd
Qualifications and affiliations	Bachelor of Surveying
Experience	Non-executive Director and co-founder, Arbory Global Pty Ltd Former Manager, Digital Futures, AusNet Services Former Head, Digital Intelligence at AusNet Services Former Manager Energy Services, (Commercial Energy Services), AusNet Services Former Executive Director and Co-Founder, Geomatic Technologies Former Director, earthmine Australia
Special responsibilities	Independent Director of Geoscape Australia Chair of Investment Committee Member of Nomination and Remuneration Committee

Name	Karen Hallenstein
Qualifications and affiliations	Bachelor of Laws (Hons), Monash University Bachelor of Arts, Monash University Bachelor of Science (Hons in Psychology), Monash University Master's Degree in Intellectual Property Law, Melbourne University Graduate of the AICD (GAICD)
Experience	Executive Consultant, Davies Collison Cave Consulting Former Executive Director, Co-Founder and Managing Principal, ipervescence Pty Ltd Former Chair, Research Integrity Investigation Committee, Peter MacCallum Cancer Centre Committee Member (Former Chair), Intellectual Property and Information Technology Committee, Law Institute of Victoria Former Supervising Counsel of Innovation, Big Data and Procurement at Telstra Corporation Ltd
Special responsibilities	Independent Director of Geoscape Australia Chair of Audit and Risk Committee Member of Nomination and Remuneration Committee Independent Director of PSMA Distribution

Name	Kellie Benda (appointed on 27 October 2022)
Qualifications and affiliations	Harvard University (US) Advanced Management Programme Macquarie University, Master of Applied Finance University of Western Australia, Bachelor of Laws University of Western Australia, Bachelor of Arts (Industrial Relations) GAICD
Experience	Fellow of the AICD Non-executive Director, Midway Limited, Brightwater Group, GolfWA Former Chief Operating Officer, Deep Blue Company Limited Former Group Executive Customer Markets, AGL Limited Former Chief Risk Officer, Origin Energy Limited Former Executive General Manager, Strategy and Corporate Development, Emeco Holdings Limited Former Group Executive Vice President International and Domestic Business Development, Aurizon Holdings Limited Former Chair of IMX Resources Limited (2012–2015) and The WA Government's Social Enterprise Fund 2011–2013. Former Non-executive Director of The Australian Youth Orchestra 2011–2015, The Art Gallery of Western Australia 2007–2011; WA Forrest Products Commission (GTE) 2004–2007; Methodist Ladies' College (WA) (2003–2009), Youth Focus (2004–2012) ReadyToWork (2008–2015). Former Council Member of the AICD (WA).
Special responsibilities	Independent Director of Geoscape Australia Member of Audit and Risk Committee

Name	Rob Mellor (appointed on 27 October 2022)
Qualifications and affiliations	University of Melbourne, Bachelor of Science, Zoology Monash University, Bachelor of Business, Accounting AICD, Company Director's Course GAICD
Experience	Board Member, Club Secretary, Portsea SLSC Inc Former Board Observer, Digital Agriculture Services Pty Ltd Co-founder and CTO Digital Agricultural Services Pty Limited Managing Director, Accenture Australia
Special responsibilities	Independent Director of Geoscape Australia Member of Investment Committee

Name	Lynne Robinson (appointment ended on 27 October 2022)
Qualifications and affiliations	Bachelor of Arts (Philosophy and Political Theory) Master of Agribusiness (Deans Hons) (GAICD)
Experience	Co-Founder and CEO, Strategy and Data Pty Ltd Board Chair and Non-Executive Director, Data Action Pty Ltd Non-Executive Director, Catholic Healthcare Limited Former Chair, Western Australian Market Led Proposals Former Head, Enterprise Technology Transformation, ANZ Former Head, Data Services, ANZ Former Senior Manager, Service Centre, ING Former e-Business Lead, GIO
Special responsibilities	Chair and Independent Director of Geoscape Australia Member of Audit and Risk Committee, Nomination and Remuneration Committee

Name	Peter Woodgate (appointment ended on 23 December 2022)
Qualifications and affiliations	Bachelor of Forest Science Master of Applied Science (Remote Sensing) Doctorate in Business Administration Graduate of the AICD Honorary Fellow, Surveying and Spatial Sciences Institute Life Member, International Society for Digital Earth
Experience	President-elect of the Geospatial Council of Australia Non-executive Chair and co-founder, Arbory Global Pty Ltd Chair, SmartSat CRC Chair, Australian Urban Research Infrastructure Network Chair, Cancer Therapeutics Ltd Director, CTX Trust Pty Ltd Member of Council, Charles Sturt University Chair of Steering Committee 2030 Space and Spatial Industry Growth Roadmap Member of Australian Space Agency's Space Industry Leaders Forum Former CEO and Managing Director, Australia and New Zealand Cooperative Research Centre for Spatial Information
Special responsibilities	Independent Director of Geoscape Australia Chair of Audit and Risk Committee Member of Investment Committee Independent Director of PSMA Distribution

2. Company Secretary

Name	Alexandra Nikolic
Qualifications and affiliations	Bachelor of Laws (Hons) and Bachelor of Arts (Philosophy), Australian National University Graduate Diploma in Legal Practice – admitted to practice in the Supreme Court of the ACT Graduate Diploma of Applied Corporate Governance and Risk Management, Governance Institute of Australia Member of ACT Law Society Member of the Association of Corporate Counsel Associate Member of the Governance Institute of Australia
Experience	Group in-house counsel Former Associate, Norton Rose Fulbright (formerly Deacons)

3. Principal activities

Geoscape Australia is Australia's leading location intelligence service provider. In 2022–23, Geoscape Australia accelerated its transformation to deliver location solutions to enable economy-wide intelligent business decisions and productivity improvements.

Geoscape Australia's main activities in FY23 were:

- producing national location data to maximise economic, social and environmental value
- providing industry and government with data to the benefit of all Australians.

4. Financial results and review of operations

The Group's FY23 operating profit was $361,002. Last financial year the loss was $609,566. Net amounts were calculated as per the Australian Accounting Standards Board (AASB) standards.

The Chair and CEO's messages and Year in review detail more about this year's operations and results.

5. Significant changes in the Group's state of affairs in FY23

There were none.

6. Dividends

No dividends or distributions were paid, recommended or declared to members this financial year or last.

7. Events after the reporting period

No events occurred after the end of the financial year that significantly affected the Group's operations, operational results or state of affairs, or may in future financial years.

8. Likely developments

The Group is expected to remain largely unaffected by the Russia-Ukraine war, extreme weather events, and their associated volatility and economic and geopolitical impacts. 'Future market outlook' on page 8 details likely developments.

9. Attendance at Directors' meetings (including committee meetings)

Director	Geoscape Australia Directors' meetings	Audit & Risk Committee meetings	Nomination & Remuneration Committee meetings	Investment Committee meetings
Meetings held	**8**	**2**	**5**	**1**
Lynne Robinson[1]	2	1	2	–
Des Mooney	8	1	4	–
Mark Judd	7	–	5	1
Peter Woodgate[2]	3	1	–	1
Karen Hallenstein[3]	8	1	5	–
Dominique Fisher[4]	8	0	3	–
Rob Mellor[5]	5	–	–	–
Kellie Benda[5]	5	1	–	–

1. Appointment ended on 27 October 2022.

2. Appointment ended on 23 December 2022.

3. Appointment to Audit and Risk Committee commenced on 24 October 2022.

4. Appointment to Nomination and Remuneration Committee commenced on 24 October 2022.

5. Appointment commenced on 27 October 2022.

10. Options and shares

No options were granted over unissued shares or interests during FY23, or since, and the Group had none under option at the publication date of this annual report.

No shares or interests were issued during FY23, or since, through exercise of an option over unissued shares or interests.

11. Environmental legislation

The Group's operations are not subject to any Commonwealth, state or territory environmental regulation.

12. Insurance for, and indemnities given to, officers and auditor

Geoscape Australia insured Group officers against:

- legal costs for defending civil or criminal proceedings brought against Group officers acting in that capacity
- other payments arising from liabilities incurred by officers in relation to those proceedings.

Officers are not covered for:

- a wilful breach of duty
- improper use of their position or information to gain advantage for themselves or someone else, or to harm the Group.

Geoscape Australia did not insure its auditor.

Contract terms prohibit disclosure of the details of the nature of liabilities covered or premium costs.

The Group has not, during the year, or since – except where legal – indemnified or agreed to indemnify, any current or former Group officer or the auditor against any liability that they may incurred.

13. Proceedings on behalf of the Company

No one has applied to a court under section 237 of the Corporations Act 2001 (Cth) for leave to bring proceedings on behalf of Geoscape Australia, or to intervene in proceedings that Geoscape Australia is a party to, for the purposes of taking responsibility on our behalf for all, or part of, those proceedings.

14. Rounding of amounts

As per the Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports), amounts for the Group in this Directors' report and the financial statements are rounded to the nearest $1,000, and, sometimes, the nearest dollar.

15. Auditor's independence declaration

As required under section 307C of the *Corporations Act 2001* (Cth), both our annual report and Directors' report includes a copy of the auditor's independence declaration.

Signed in accordance with a resolution of the Directors:

DJ Mooney

Des Mooney
Chair, Geoscape Australia

Date: 28 September 2023

Directors' declaration

1. In the opinion of the Directors of Geoscape Australia:
   a. The consolidated financial statements and notes of Geoscape Australia meet the requirements of the *Corporations Act 2001* (Cth), including:
      i. giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
      ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001 (Cth); and
   b. There are reasonable grounds to believe Geoscape Australia will be able to pay its debts as and when they become due and payable.
2. The consolidated financial statements and notes comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors

DJ Mooney

Des Mooney
Chair
Geoscape Australia

28 September 2023

Karen Hallenstein
Chair of Audit and Risk Committee
Geoscape Australia

28 September 2023

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 $	2022 $
Revenue	**6**	**17,643,200**	**14,827,841**
Expenses from operations			
Employee benefits expense	**8**	7,891,308	7,043,749
Depreciation and amortisation expenses		4,763,336	4,599,487
Other expenses	**9**	3,732,343	3,259,701
Total expenses from operations		**16,386,987**	**14,902,937**
Income/(loss) before income tax expense		**1,256,213**	**(75,096)**
Income tax expense	**10**	895,211	534,470
Income/(loss) after income tax expense		**361,002**	**(609,566)**
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		**361,002**	**(609,566)**

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	Consolidated 2023 $	2022 $
ASSETS			
Current assets			
Cash and cash equivalents	**11**	8,918,469	9,658,630
Investments	**12**	1,198,643	94,435
Trade and other receivables	**13**	1,730,131	1,232,550
Other assets	**14**	227,135	206,758
Total current assets		**12,074,378**	**11,192,373**
Non-current assets			
Property, plant and equipment	**15**	1,997,856	2,256,349
Right-of-use asset (lease)	**22**	1,936,365	3,016,233
Deferred tax	**16**	1,287,527	1,317,071
Intangible assets	**17**	21,268,237	21,528,779
Total non-current assets		**26,489,985**	**28,118,432**
TOTAL ASSETS		**38,564,363**	**39,310,805**
LIABILITIES			
Current liabilities			
Trade and other payables	**18**	1,718,447	879,609
Income in advance		2,278,160	2,422,722
Income tax	**10**	822,925	252,953
Provisions	**19**	416,977	421,122
Borrowings	**20**	2,176,409	2,164,805
Lease liability	**22**	227,066	250,002
Total current liabilities		**7,639,994**	**6,391,213**
Non-current liabilities			
Provisions	**19**	418,844	458,078
Borrowings	**20**	5,667,036	7,843,445
Deferred tax	**21**	1,792,472	1,749,730
Lease liability	**22**	3,981,328	4,164,642
Total non-current liabilities		**11,859,670**	**14,215,895**
TOTAL LIABILITIES		**19,499,664**	**20,607,108**
NET ASSETS		**19,064,699**	**18,703,697**
EQUITY			
Issued capital		9	9
Retained earnings		19,064,690	18,703,688
TOTAL EQUITY		**19,064,699**	**18,703,697**

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 $	2022 $
Cash flows from operating activities			
Receipts from customers		18,515,322	17,365,052
Payments to suppliers and employees		(11,975,478)	(11,876,931)
Interest received	**6**	227,323	4,156
Interest paid		(867,632)	(926,326)
Net cash flows from operating activities	**11**	**5,899,535**	**4,565,951**
Cash flows from investing activities			
Purchase of property, plant and equipment	**15**	(115,265)	(138,002)
Capitalisation of intangibles	**17**	(3,870,119)	(2,984,945)
Increase in investments	**12**	(1,344)	(1,912)
Net cash flows (used in) investing activities		**(3,986,728)**	**(3,124,859)**
Cash flows from financing activities			
Proceeds from borrowings	**20**	-	-
Repayment of borrowings	**20**	(2,164,805)	(1,029,091)
Proceeds from lease liability		-	470,508
Repayment of lease liability		(488,163)	(103,734)
Net cash flows (used in) financing activities		**(2,652,968)**	**(662,317)**
Cash at beginning of year		9,658,630	8,879,855
Net (decrease)/increase in cash held		(740,161)	778,775
Cash at end of year	**11**	**8,918,469**	**9,658,630**

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

Consolidated Group	Share capital (Ordinary) $	Retained earnings $	Revaluation surplus $	Total $
Balance at 1 July 2021	**9**	**19,313,254**	**-**	**19,313,263**
Loss for the year	-	(609,566)	-	(609,566)
Balance at 1 July 2022	**9**	**18,703,688**	**-**	**18,703,697**
Income for the year	-	361,002	-	361,002
Balance at 30 June 2023	**9**	**19,064,690**	**-**	**19,064,699**

The accompanying notes form part of these financial statements

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INDEX TO NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1 REPORTING ENTITY

PSMA Australia Limited (the Company) is a company limited by shares, incorporated and domiciled in Australia.

The address of the Company's registered office is Unit 6, Level 2, 113 Canberra Avenue, Griffith ACT 2603.

The controlled entity during the financial year ended 30 June 2023 was PSMA Distribution Pty Ltd.

The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company and its subsidiary (together referred to as the 'Group' and individually as 'Group entities').

The nature of the operations and principal activities of the Group during the year were:

- assembling fundamental datasets of national interest
- coordinating the delivery of these datasets, so as to achieve the widest possible audience and widest possible use
- assisting organisations and individuals to maximise the value from these datasets, with the least amount of effort and in doing so maximise the economic, social, and environmental benefits.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial statements for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors.

2.2 Basis of measurement

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The methods used to measure fair value have been discussed further in note 4.

2.3 Functional and presentation currency

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

2.4 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are described in the following notes:

- note 3.8 – measurement of the recoverable amounts of cash-generating units containing intangible assets
- note 3.11 and 19 – provision accounts.

2 BASIS OF PREPARATION (CONTINUED)

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Impairment testing as at 30 June 2023 confirmed no impairment of the PSMA Datasets and PSMA Systems as disclosed in the Company's financial statements.

The Company determines whether intangibles with indefinite useful lives are impaired on at least an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the intangibles with indefinite useful lives are allocated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting polices set out below have been applied consistently to all reporting periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

3.1 New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3.2 Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by PSMA Australia Limited at the end of the reporting period. The controlled entity is any entity over which PSMA Australia Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year in which they were controlled. A list of controlled entitles is contained in note 1 to the financial statements.

In preparing the consolidated financial statements, all inter-Group balances and transactions between entities in the Consolidated Group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in the subsidiary not attributable directly or indirectly, to the parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Comparative information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the financial statements. For instance, comparative figures for revenue and expenses have been adjusted to better reflect the transformation initiative the Company has undergone in the past three financial years.

3.4 Financial instruments

Non-derivative financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Key judgement – provision for impairment of receivables

The directors believe that the full amount of each debt is recoverable, and no provision for impairment of receivables has been made at balance date.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and other financial assets (continued)

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

3.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.6 Property, plant and equipment

Recognition and measurement

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

Plant and equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset’s employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset’s carrying amounts, 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of an item of property, plant and equipment, commencing from the time the asset is held ready for use.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Property, plant and equipment (continued)

As at the reporting date, the estimated useful lives for the current and comparative reporting periods were:

Class of fixed asset	Estimated useful life	Depreciation rate
Plant and equipment	5 years	20%
Furniture and fittings	5 years	20%
Computer hardware	4 years	25%
Computer software	5 years	20%

Assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

3.7 Intangible assets

Intangible assets are initially carried at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment when there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite life are reviewed at least each financial year-end, and the amortisation expense is recognised in the profit or loss.

Intangible assets with an indefinite useful life are tested for impairment annually, either individually or as a cash-generating unit. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed at each reporting period to determine whether indefinite life assessment continues to be supportable.

Datasets developed using intellectual property owned by PSMA Australia Limited are valued in the accounts at cost of development and enhancements of the asset.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of an item of intangible, commencing from the time the asset is held ready for use. As at the reporting date, the estimated useful lives for the current reporting period were:

Class of intangible	Estimated useful life	Depreciation rate
Externally purchased software	5 years	20%
Internally generated software	5 – 10 years	10% – 20%
PSMA foundational datasets	6 years (from 1 July 2018)	16.7%
Geoscape dataset	10 years (from 1 October 2018)	10%
PSMA Platform Technologies	8 years	12.5%
PSMA Application Program Interfaces	4 – 6 years	16.7% – 25%

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of assets

Intangible assets are initially carried at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

As at each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such 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 value. Any excess of an asset's carrying value over its recoverable amount is expensed in the statement of comprehensive income. Impairment testing is performed annually for intangible assets with indefinite lives.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment when there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite life are reviewed at least each financial year-end, and the amortisation expense is recognised in profit or loss.

Intangible assets with an indefinite useful life are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

3.9 Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

An intangible asset arising from development expenditure, on an internal project, is recognised only when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- its intention to complete, and its ability to use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the development
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost for an intangible asset with indefinite useful life, or cost less any accumulated amortisation and accumulated impairment losses for an asset with a finite life. Any expenditure so capitalised is amortised over the period of expected benefits from the related project.

3.10 Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Employee benefits (continued)

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

3.11 Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

3.12 Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Revenue recognition (continued)

Royalties
Royalties are recognised on an accrual basis in accordance with the relevant agreement. Royalties from the licensing of spatial data are recognised upon receipt of a royalty report from Value Added Resellers (VARs) detailing the number and value of sales for the reporting period.

3.13 Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incorporated association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the reporting period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

3.14 Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the incorporated association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

3.15 Income tax

The Company and Group were exempt from income tax under the provisions of Section 24AM of Division 1AB of the *Income Tax Assessment Act 1936* on the grounds that the Company is a State/Territory body, up until the 30 June 2015. From 1 July 2015, as per a ruling from the Australian Taxation Office, the Company and Group are considered taxable.

The income tax expense or benefit for the reporting period is the tax payable on that reporting period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior reporting periods, where applicable.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Income tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

PSMA Australia Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

3.16 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 these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense
- for receivables and payables which are shown inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office, is included as part of the receivables and payables in the statement of financial position.

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

4 DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

4.1 Intangible assets

The fair value of intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets. The assumptions and methodology used to assess the fair values are set out in note 17.

5 FINANCIAL RISK MANAGEMENT

The Company and Group have exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk and
- market risk.

5.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and investment securities. For the Company, it arises from receivables due from the subsidiary. The maximum exposure to credit risk for recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position and notes to the financial report.

Trade and other receivables

The Group has a limited exposure to credit risk from receivables as all licencing arrangements with resellers are negotiated as data licence contracts signed by both parties. Failure to abide by the terms of the contract could result in a withdrawal of data services and a refusal to negotiate a new contract by the Group.

Investments

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a credit rating of A1+ from Standard & Poor's. Given these high ratings, management does not expect any counterparty to fail to meet its obligations.

5.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group has sufficient cash on hand to meet expected operational expenses for 90 days, and maintains a minimum of $2.5 million in short-term financial instruments that can be drawn down to meet financing needs.

5.3 Market risk

The Group's major exposure to market risk is interest rate and foreign exchange risk.

The Group's principal financial instruments comprise cash and short term deposits, and the primary purpose of the Group's investment strategy is to maximise investment returns in order to contribute to the funding of the Group's operations.

5 FINANCIAL RISK MANAGEMENT (continued)

5.3 Market risk (continued)

Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	Fixed interest rate maturing within 1 year		Fixed interest rate maturing 1-5 yrs		Floating interest rate		Non-interest bearing		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	$	$	$	$	$	$	$	$	$	$
Financial assets										
Cash	1,890,000	1,890,000	-	-	7,028,469	7,768,630	-	-	8,918,469	9,658,630
Receivable	-	-	-	-	-	-	1,730,131	1,232,550	1,730,131	1,232,550
Investment	1,198,643	94,435	-	-	-	-	-	-	1,198,643	94,435
Total	**3,088,643**	**1,984,435**	**-**	**-**	**7,028,469**	**7,768,630**	**1,730,131**	**1,232,550**	**11,847,243**	**10,985,615**
Financial liabilities										
Payable	-	-	-	-	-	-	1,718,447	879,609	1,718,447	879,609
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1,718,447**	**879,609**	**1,718,447**	**879,609**

Foreign currency risk

Foreign exchange risk relates to the contracts from our value-added resellers, which is pre-dominantly quoted in US Dollar. To mitigate the foreign exchange risk, the Group has adopted the option of using forward contracts that mature on the same dates that the foreign currency transactions are due to be received.

The Company undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the Group's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Company's foreign currency denominated financial assets and financial liabilities as at the reporting date were as follows:

	2023	2022
	$	$
Cash and cash equivalents	68,110	5,981
Trade and other receivables	-	-
Total assets	**68,110**	**5,981**
Trade and other payables	-	-
Total liabilities	**-**	**-**
Net assets	**68,110**	**5,981**

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Market risk (continued)

The Group had net assets denominated in foreign currencies of $68,110 (assets of $68,110 less liabilities of $0) as at 30 June 2023. Based on this exposure, had the Australian dollar weakened by 10% / strengthened by 5% against these foreign currencies with all other variables held constant, the Company's profit before tax for the year would have been $6,811 higher / $3,406 lower. The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last six months of each year and the spot rate as at each reporting date. The actual foreign exchange gain for the year ended 30 June 2023 was $11,023 (2022: Loss $5,927).

5.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the stability of capital and has agreed by resolution that:

- current ratio should not fall below 1.5:1
- current assets should exceed current liabilities by three months' projected operating costs and
- the Company should have a minimum of $2,500,000 in short term financial instruments.

The current ratio as at 30 June 2023 was 1.58:1. The ratio indicates that the Company has sufficient liquid assets to meet its short-term obligations.

There were no changes in the management approach to capital management during the year, and neither the Company nor its subsidiary are subject to externally imposed capital requirements.

6 REVENUE AND OTHER INCOME

	Consolidated	
	2023	**2022**
Operating income	**$**	**$**
Data	9,888,809	8,784,125
Partner channel	4,423,520	4,068,232
Services	2,614,366	1,847,883
Data on demand	86,400	129,541
Total operating income	**17,013,095**	**14,829,781**
Non-operating income		
Interest	227,323	4,156
Miscellaneous	396,726	2
Total non-operating income	**624,049**	**4,158**
Other gains/(losses)		
Unrealised foreign exchange gain/(loss)	(4,967)	(171)
Realised foreign exchange gain/(loss)	11,023	(5,927)
Total other gains/(losses)	**6,056**	**(6,098)**
Total revenue	**17,643,200**	**14,827,841**

7 INTEREST

	Consolidated	
	2023	**2022**
	$	**$**
Interest income on cash at bank balances	134,955	1,498
Interest income on term deposits	14,449	2,658
Interest income on sublease	77,919	-
Finance income	**227,323**	**4,156**
Bank charges	(9,390)	(11,822)
Interest	(512,108)	(563,322)
Lease interest	(346,134)	(351,182)
Finance expense	**(867,632)**	**(926,326)**
Net finance income	**(640,309)**	**(922,170)**

8 EMPLOYEE BENEFITS EXPENSE

	Consolidated	
	2023	**2022**
	$	**$**
Wages and salaries	6,507,411	6,017,103
Employer superannuation	634,987	546,489
Payroll tax	363,760	324,302
Annual leave provision (movement)	20,919	(63,228)
Long-service leave provision (movement)	44,255	(11,412)
Staff training and professional development	58,960	31,650
Human resources – other	237,833	185,837
Workers compensation insurance	23,183	13,008
Total employee benefits	**7,891,308**	**7,043,749**

9 OTHER EXPENSES

	Consolidated	
	2023	**2022**
	$	**$**
Administration costs	32,953	19,483
General operating expenditure (SaaS, R&M, etc)	736,891	542,827
Interest expenses	858,242	914,504
Insurance	86,811	74,780
Marketing	256,123	229,507
Other expenses	75,397	100,591
Overheads	132,611	71,040
Professional services	309,955	299,594
Royalty returns	-	(75,366)
Supply chain management	964,700	972,870
Telecommunications	31,607	38,342
Travel	247,053	71,529
Total other expenses	**3,732,343**	**3,259,701**

10 INCOME TAX EXPENSE

The Company and Group were exempt from income tax under the provisions of Section 24AM of Division 1AB of the *Income Tax Assessment Act 1936* on the grounds that the Company is a State/Territory body, up until the 30 June 2015. From 1 July 2015, as per a ruling from the Australian Taxation Office, the Company and Group are considered taxable.

	Consolidated	
	2023 $	**2022 $**
Income tax expense		
Current tax payable	822,925	252,953
Deferred tax	72,286	281,517
Income tax expense	**895,211**	**534,470**
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets (note 16)	29,544	339,769
Increase/(decrease) in deferred tax liabilities (note 21)	42,742	(58,252)
Deferred tax	**72,286**	**281,517**
Income tax reconciliation		
Profit before income tax expense	1,256,213	(75,096)
Tax at the statutory rate of 25% (2022: 25%)	314,053	(18,774)
Tax effect amounts which are not deductible	(675,055)	624,243
Adjustment in change in tax rate from 26% to 25%		
(Unders)/overs from prior year	-	4,097
	895,211	**534,470**
Adjustment recognised for prior year	-	-
Income tax expense	**895,211**	**534,470**

11 CASH

11.1 Cash and cash equivalents

	Consolidated	
	2023 $	**2022 $**
Cash and cash equivalents		
Cash at bank and in hand	7,028,469	7,768,630
Short term bank deposits	1,890,000	1,890,000
Cash and cash equivalents in the statement of cash flows	**8,918,469**	**9,658,630**
The effective interest rate on the bank deposits was 0.05% to 0.1%, with an average maturity of 30 days.		
Cash held in trust		
Cash at bank	52,664	52,854
Total cash held in trust	**52,664**	**52,854**

The amount is due to funds held in trust for customers.

11 CASH (CONTINUED)

11.2 Reconciliation of net cash flows from operating activities to income/(loss) after income tax expense

The Group has no non-cash financing or investing activities during the reporting period.

	Consolidated	
	2023 $	**2022 $**
Cash flows from operating activities		
Income/(loss) after income tax expense	361,002	(609,566)
Non-cash flows in profit/(loss)		
Lease liability adjustments	-	-
Depreciation and amortisation	4,763,336	4,599,487
Operating profit before changes in working capital and provisions	**5,124,338**	**3,989,921**
Change in trade and other receivables	(497,581)	59,597
Change in other assets	(20,377)	(9,062)
Change in trade and other payables	838,838	(788,727)
Change in provisions and employee benefits	(43,379)	33,913
Change in income in advance	(144,562)	998,792
Change in tax	642,258	281,517
Net cash flows from operating activities	**5,899,535**	**4,565,951**

12 INVESTMENTS

	Consolidated	
	2023 $	**2022 $**
Current		
Term deposits	95,779	94,435
Sublease: Finance asset – current	299,102	-
	394,881	**94,435**
Non-current		
Sublease: Finance asset – non-current	803,762	-
	803,762	**-**
Total investments	**1,198,643**	**94,435**

The above term deposits are held by the bankers to cover the bank guarantee of $65,205 (2022: $65,205) issued. The effective interest rate on the term deposits was between 0.3% – 2.5% p.a during the reporting period, with an average maturity of six months.

13 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2023	2022
	$	$
Trade receivables	1,197,096	834,582
Interest receivable	1,534	1,534
Accrued income	531,501	396,434
Total trade and other receivables	**1,730,131**	**1,232,550**

Trade receivables are non-interest bearing and are generally on 30-day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable has been impaired.

14 OTHER ASSETS

	Consolidated	
	2023	2022
	$	$
Prepayments	227,135	206,758
Total other assets	**227,135**	**206,758**

15 PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
	2023	2022
	$	$
IT Hardware – at cost	992,760	877,495
Accumulated depreciation	(848,054)	(701,757)
	144,706	**175,738**
IT Software – at cost	573,279	573,279
Accumulated depreciation	(560,949)	(554,863)
	12,330	**18,416**
Furniture and Equipment – at cost	185,551	185,551
Accumulated depreciation	(162,490)	(157,087)
	23,061	**28,464**
Building Fit out – at cost	2,357,688	2,357,688
Accumulated amortisation	(539,929)	(323,957)
	1,817,759	**2,033,731**
Total plant and equipment	**1,997,856**	**2,256,349**

15 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts

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

	IT Hardware $	IT Software $	Furniture and Equipment $	Building Fitout $	Total $
Balance at 1 July 2022	175,738	18,416	28,464	2,033,731	2,256,349
Additions	115,265	-	-	-	115,265
Disposals	-	-	-	-	-
Depreciation expense	(146,297)	(6,086)	(5,403)	(215,972)	(373,758)
Carrying amount at 30 June 2023	**144,706**	**12,330**	**23,061**	**1,817,759**	**1,997,856**

16 DEFERRED TAX ASSET

	Consolidated 2023 $	Consolidated 2022 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	208,955	192,661
Super payable	26,474	20,749
Lease liability	1,052,098	1,103,661
Deferred tax asset	**1,287,527**	**1,317,071**

17 INTANGIBLE ASSETS

	Consolidated 2023 $	Consolidated 2022 $
Intangible assets		
Foundation datasets	1,079,921	2,098,568
Geoscape	5,530,906	6,637,087
Spatial data	6,576,912	4,898,942
Data platform	5,257,949	4,769,953
APIs	1,602,436	1,734,923
Portal	1,220,113	1,389,306
Total intangible assets	**21,268,237**	**21,528,779**
Completed	21,268,237	21,528,779
Work in progress	-	-
Total intangible assets	**21,268,237**	**21,528,779**

17 INTANGIBLES ASSETS (CONTINUED)

	Consolidated	
	2023 $	2023 $
Reconciliation of intangible assets		
Opening balance at 1 July	21,528,779	22,526,522
Addition	3,870,119	2,984,945
Amortisation expense	(4,130,661)	(3,982,688)
Closing balance at 30 June	**21,268,237**	**21,528,779**

In 2019, intangibles have been determined to have finite lives, amortised from 1 July 2018 or from the effective date of use of the asset.

The recoverable amount of the Group's intangibles has been determined by a value-in-use calculation using a discounted cash flow model, based on a one year projection period approved by management and extrapolated for a further four years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model:
a) 7.8% (2022: 7.4%) pre-tax discount rate
b) Annual projected revenue growth rate of 9.5 and
c) Annual increase of 3.5% for wages and salaries, costs and overheads.

The discount rate of 7.8% pre-tax reflects management's estimate of the time value of money and the Group's weighted average cost of capital adjusted for the Group, the risk free rate and the volatility of the share price relative to market movements.

Management believes the projected revenue growth rate is prudent and justified, based on the general trend in the market.

Sensitivity
The directors have made judgements and estimates in respect of impairment testing of intangibles. Should these judgements and estimates not occur the resulting intangibles carrying amount may decrease.

The sensitivities indicate that the discount rate would be required to increase to 9.7% before the intangibles would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of the intangibles is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of intangibles is based, this would result in a further change in the recoverable value of the intangibles.

18 TRADE AND OTHER PAYABLES

	Consolidated 2023 $	Consolidated 2022 $
Trade payables		
Trade creditors	244,465	249,052
Payroll tax – current	71,070	36,785
Employee benefits	268,009	90,037
	583,544	**375,874**
Accrued expenses		
Accrued jurisdictional royalties	496,025	474,344
Other accrued expenses	638,878	29,391
	1,134,903	**503,735**
Total trade and other payables	**1,718,447**	**879,609**

19 PROVISIONS

	Consolidated 2023 $	Consolidated 2022 $
Current		
Annual leave provision	266,467	174,798
Long service leave provision	150,510	137,771
Other employee provisions	-	108,553
	416,977	**421,122**
Non-current		
Annual leave provision	250,620	321,370
Long service leave provision	168,224	136,708
	418,844	**458,078**
Total provisions	**835,821**	**879,200**
Reconciliation		
Opening balance at 1 July	879,200	845,287
Movements during the year	(43,379)	33,913
Closing balance at 30 June	**835,821**	**879,200**
Number of employees at year end	**56**	**44**

20 BORROWINGS

	Consolidated	
	2023	2022
	$	$
Fit-out loan		
Current	151,409	139,805
Non-current	1,617,036	1,768,445
	1,768,445	**1,908,250**
Commonwealth loan		
Current	2,025,000	2,025,000
Non-current	4,050,000	6,075,000
	6,075,000	**8,100,000**
Total used facilities	**9,000,000**	**9,000,000**

PSMA Australia received a concessional loan from the Commonwealth Government. The purpose of the loan is to improve the accessibility and useability of our data products, while also enhancing our ability to assist with future national spatial data priorities through a coordinated national approach. The loan will enable us to upgrade our IT infrastructure and develop our staff capability in project management, IT and data science

The Company entered into the loan facility on 8 March 2019. The facility will mature on 30 June 2026 with interest rate at 4.5% per annum. Repayment of facility started on 30 June 2022. As at 30 June 2023, full loan facility amount ($9,000,000) has been drawn. The loan amount ($9,000,000) was spent by 30 June 2023 on the six deliverables (see below table), leaving nil remaining balance.

Deliverables	**Estimated cost of achieving and implementing each deliverable**	**Total spent on each deliverable as at 30 June 2023**	**Available balance**
	$	$	$
Continuous data	2,500,000	2,500,000	-
Industry solutions	1,750,000	1,750,000	-
Application programming interfaces	1,400,000	1,400,000	-
Data ecosystem development	1,500,000	1,500,000	-
Richer dataset development program	1,500,000	1,500,000	-
Organisational capability	350,000	350,000	-
Total deliverable - Stage 1	**9,000,000**	**9,000,000**	**-**

21 DEFFERED TAX LIABILITY

	Consolidated 2023 $	2022 $
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
IP assets	1,032,665	995,672
Sublease assets	275,716	-
Right-of-use assets	484,091	754,058
Deferred tax liability	**1,792,472**	**1,749,730**

22 LEASE LIABILITY & RIGHT-OF-USE ASSETS

	Consolidated 2023 $	2022 $
Right-of-use assets		
Right-of-use assets – at cost	2,747,158	3,826,762
Accumulated depreciation	(810,793)	(810,529)
	1,936,365	**3,016,233**
Lease liabilities		
Lease liability – current	227,066	250,002
Lease liability – non-current	3,981,328	4,164,642
	4,208,394	**4,414,644**

23 FINANCIAL INSTRUMENTS

23.1 Net fair values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in a standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down, as the Company intends to hold these assets to maturity.

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

24 COMMITMENTS

24.1 Contracted commitments for future capital and non-capital expenditure but not recognised in the financial statements

	Consolidated 2023 $	2022 $
Contract commitment		
Not later than 1 year	-	254,000
Later than 1 year but no later than 5 years	-	-
Total commitments	**-**	**254,000**

25 RELATED PARTY DISCLOSURES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the financial year, PSMA has amended its terms and conditions in respect to the appointment and remuneration of directors to ensure consistency and ease reporting and management of these agreements.

Transactions with related parties:

	Consolidated	
	2023 $	2022 $
Directors' remuneration		
Anthony Mark Judd	55,250	55,000
Desmond Mooney	87,061	60,000
Dominique Fisher	56,087	50,000
Karen Hallenstein	53,576	50,000
Kellie Benda	37,500	-
Lynne Robinson	33,485	100,000
Peter Woodgate	26,788	55,000
Robert Mellor	37,500	-
Tracey Gosling	-	37,500
Total directors' remuneration	**387,247**	**407,500**

	Consolidated	
	2023 $	2022 $
Key management personnel		
Key management personnel compensation:		
- short-term benefits	1,870,592	1,928,677
- long-term benefits	29,320	72,306
- post employment benefits	161,296	158,535
Total key management personnel benefits	**2,061,208**	**2,159,518**
Total of transactions with related parties	**2,448,455**	**2,567,018**

26 PARENT ENTITY INFORMATION

The following information has been extracted from the books and records of the parent entity and has been prepared in accordance with the Australian Accounting Standards.

Statement of financial position	**Parent Entity**	
	2023	**2022**
	$	**$**
ASSETS		
Current assets	11,270,615	10,832,526
Non-current assets	27,293,745	28,458,200
Total assets	**38,564,360**	**39,290,726**
LIABILITIES		
Current liabilities	7,639,974	5,977,172
Non-current liabilities	11,859,680	14,274,148
Total liabilities	**19,499,654**	**20,251,320**
Net assets	**19,064,706**	**19,039,406**
EQUITY		
Issued capital	9	9
Retained earnings	19,064,696	19,039,398
Reserves	-	-
Total equity	**19,064,705**	**19,039,407**
Statement of profit or loss and other comprehensive income		
Total income/(loss) after tax	361,002	(609,566)
Total comprehensive income after tax	**361,002**	**(609,566)**

27 AUDITOR'S REMUNERATION

	Consolidated	
	2023	**2022**
	$	**$**
Audit and review of financial reports	54,000	51,000
Total remuneration of auditor	**54,000**	**51,000**

28 COMPANY DETAILS

The registered office of the Company is:
PSMA Australia Limited
Unit 6, 113 Canberra Ave
GRIFFTH ACT 2603

AUDITOR’S INDEPENDENCE DECLARATION

RSM Australia Partners

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AUDITOR’S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of PSMA Australia Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA PARTNERS

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 28 September 2023

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INDEPENDENT AUDITOR'S REPORT (1/2)

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of PSMA Australia Limited

Opinion

We have audited the financial report of PSMA Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated 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.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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INDEPENDENT AUDITOR'S REPORT (2/2)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 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 ability of the Company 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 Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM

RSM AUSTRALIA PARTNERS

GStenhouse

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 28 September 2023

Geoscape