ANNUAL REPORT 2021

The big picture with every detail.

Geoscape

Geoscape

PSMA Australia Ltd trading as Geoscape Australia
ABN 23 089 912 710

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Design and editing by Andrew Pegler Media Pty Ltd

Contents

Message from the Chair

The 2021 financial year saw some important milestones for Geoscape Australia.

First, following many months of targeted search and selection we appointed Dean Capobianco as CEO. Dean is the second CEO in our company's history and the Board is extremely pleased to have recruited such a high-calibre candidate.

Second, we completed a business transformation program that created our continuous data capability. This year's 12.7 per cent growth in annual revenue is the beginning of realising the impact of this investment.

Of course, there were many challenges throughout the year and we have more work to do before the foundations we've laid translate into accessible products that meet the evolving needs of our partners and customers.

I'm confident, though, that we have the people and capabilities to meet our goals for public impact, economic resilience and sustainable commercial performance. Our success in pivoting our resources to respond to nationwide crisis events ably demonstrated this.

On behalf of the Board, I acknowledge and thank our shareholders, partners and staff for helping us contribute to our industry's extraordinary outcomes this year.

Looking ahead, we will be guided by two core beliefs:

- increasing the economic value of GNAF is critical to supporting Australia's governments and economy
- standardising and enriching core location-based data assets is key to more efficient governments and businesses.

Above all, we will continue to develop essential location data products that enable businesses, governments and, through them, consumers, to benefit from a unique, comprehensive foundation of sovereign data.

Lynne Robinson

Chair

We completed a business transformation program that created our continuous data capability

Message from the CEO

I joined Geoscape Australia in April this year after 20 years' experience in data and technology. Over that time, I've observed and led the transformation of several data-driven companies and seen a significant evolution in the use and sourcing of data. Collaboration is a mark of today's data owners, custodians and curators, while the human and machine learning capacity of data sharing technologies is significantly improving planning and growth decisions across all industries.

Along with Geoscape Australia's shareholders and Board, I want us to be Australia's premier provider of accessible location data. This data is transforming much of our economy – in insurance and financial services, telecommunications, building and construction, energy and emergency services – and generates analysis and insights, as well as increasing efficiencies, streamlining processes and reducing costs.

The geospatial data industry has seen rapid growth, spurring vigorous competition. Geoscape Australia is now a leading and trusted source of location-based national foundational data and well placed to continue fruitful collaborations with governments, partners and customers.

Our ongoing investment in the transformation of our continuous data processing capabilities allows us to deliver updates daily, weekly monthly and quarterly. Meanwhile, our data on demand portal will allow customers and partners to access, select, visualise and extract data themselves.

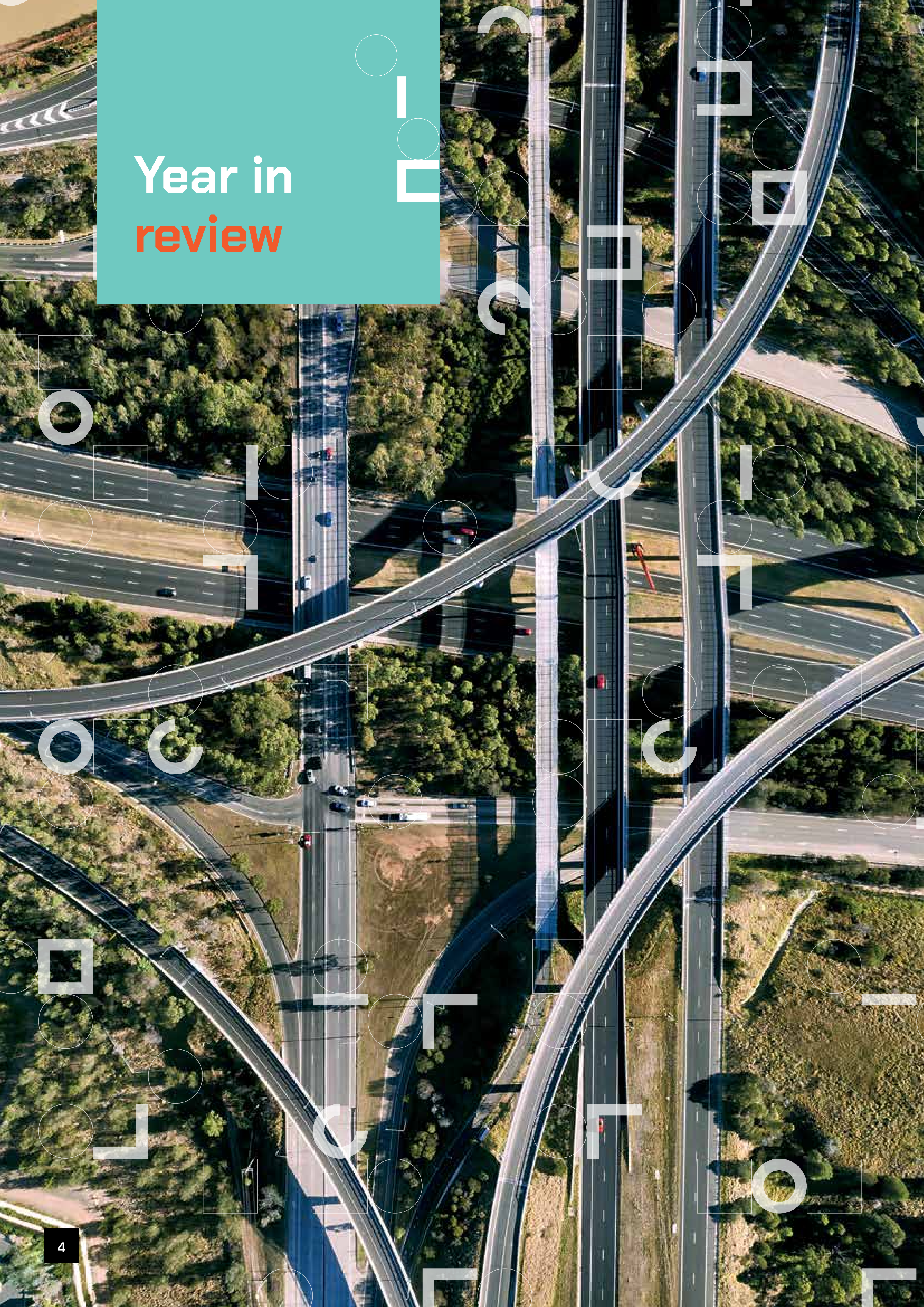
FY22 will see us continue as thought-leaders and innovators, helping industries solve their specific social and economic planning and growth challenges. Data quality, accuracy, currency, accessibility and delivery at scale are critical to our customers' and partners' thinking and decision-making. It is the same for our provision of data security, privacy, ethics and compliance.

As always, our many successes this year are down to our extraordinary people. Despite COVID challenges, their unwavering focus and resilience successfully delivered transformation programs, and improved customer service and experience. While there have been many notable individual efforts, it's the collective effort that truly strengthens our culture and establishes the momentum for ongoing success and realising Geoscape Australia's 'Mission Possible' vision.

Dean Capobianco
Chief Executive Officer

FY22 will see us continue as thought-leaders and innovators

Year in review



This year's key achievements

Our new platform transforms our production capability

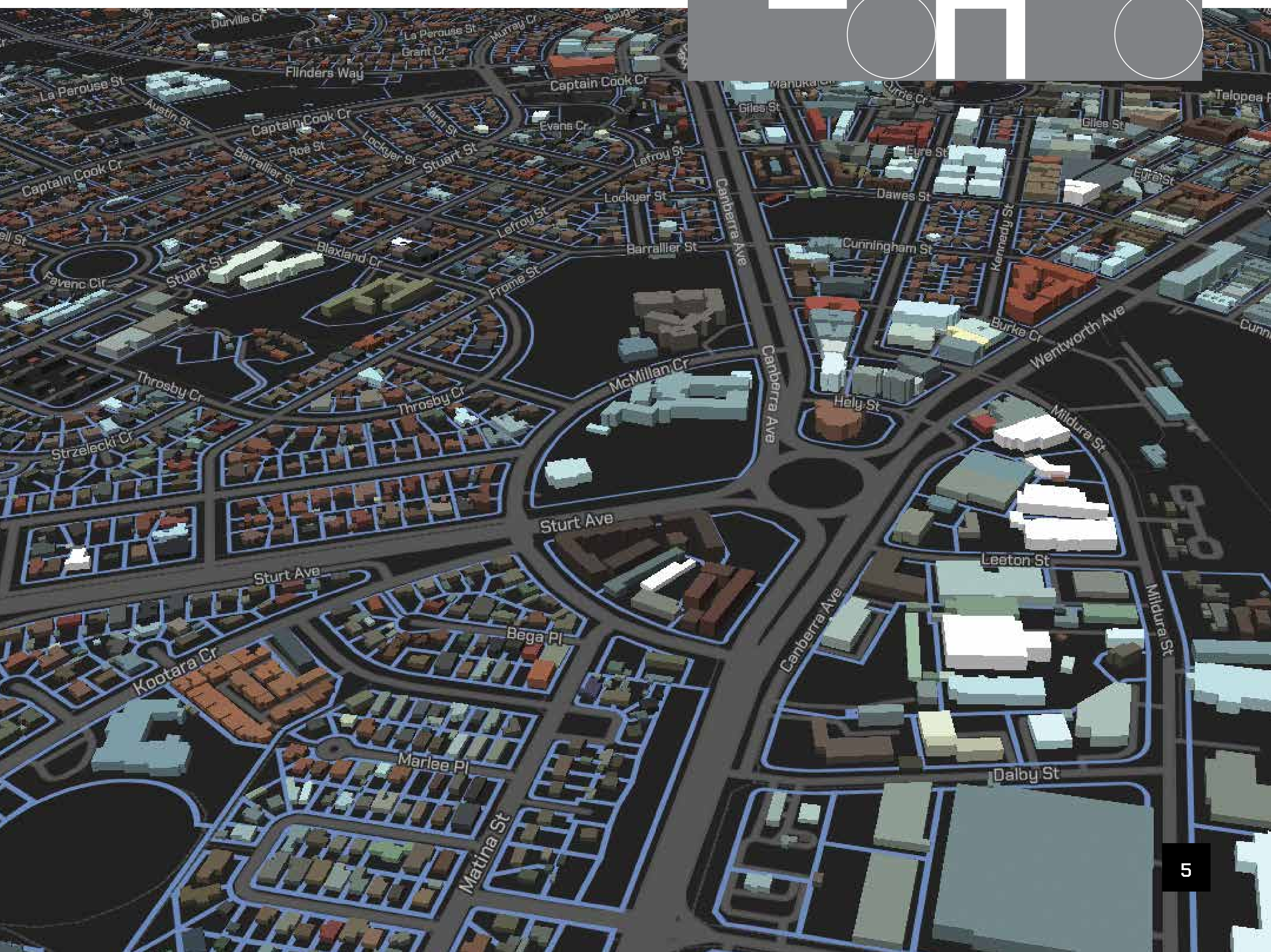
Our new platform represents years of hard work and investment. The continuous data processing it provides allows us to deliver more data, faster, to better maintain our products and pave the way for new and innovative ones.

Despite COVID, we're financially stronger

Revenue grew 12.7 per cent thanks to strong partner-channel performance.

Expenditure fell 15 per cent as we decommissioned legacy processes and systems as part of our capability transformation. Meanwhile, EBITDA grew and cash holdings remain strong.

Our new platform provides continuous data processing, allowing us to deliver more data, faster



Welcomed our new partners **GeoX** and **Aerometrex**

The imagery and AI capability these partnerships bring will allow us to create market leading products. For example, **Geoscape Buildings**’ October 2021 release will offer more accurate data for 2.5 million buildings, with richer annual updates coming across most urban areas. These exciting partnerships also open up possibilities for improvements and new products.

These exciting partnerships open up possibilities for improvements and new products

A thought leader in spatial data ethics and international standards

Our CTO, Joseph Abhayaratna, co-authored and edited a paper on **The Responsible Use of Spatial Data**. It was published by international standards organisations the **Open Geospatial Consortium** (OGC) and the World Wide Web Consortium (W3C). He also chaired the **OGC GeoSPARQL** Standards Working Group revising the standard.

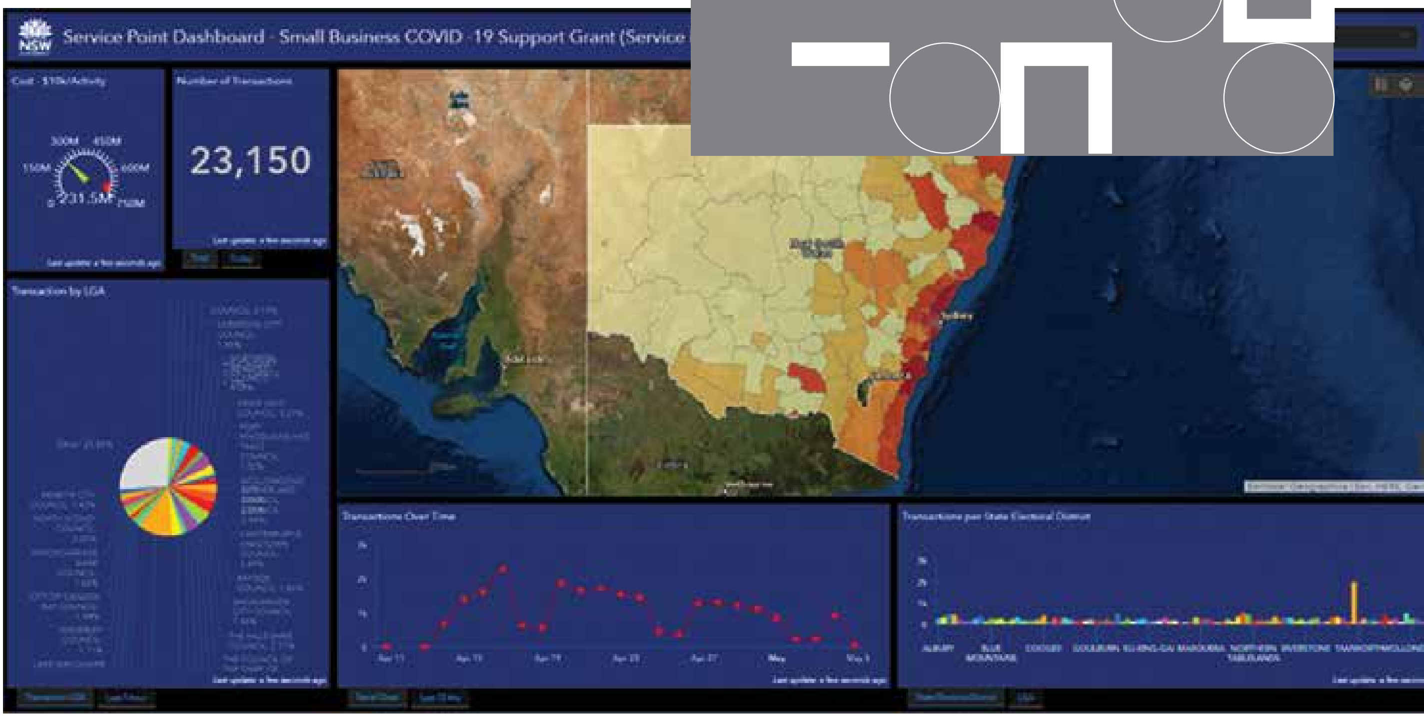
We grew and matured our addressing services to support Australia's COVID response, as well as new market sectors

Our address services played an important role in processing COVID border crossing permits and managing stimulus programs. We improved their resilience and scalability to support higher volume, and developed and launched **Addresses API 2.0**. We also won deals to support high-profile, critical government projects, and a tender with our first major national retailer, Officeworks, to improve their delivery efficiency and online customers' checkout experience.

We adapted to COVID to sustain wellbeing and productivity

We put our people's wellbeing first, so switched early to remote working. Our staff showed resilience and commitment, switching between remote and on-site work. We're proud of how seamlessly they did this and continue to do so! When restrictions allowed, we supported staff wanting to work both from home and our COVIDsafe office. We maintained customer engagement with an inside sales model and ran digital events like webinars.

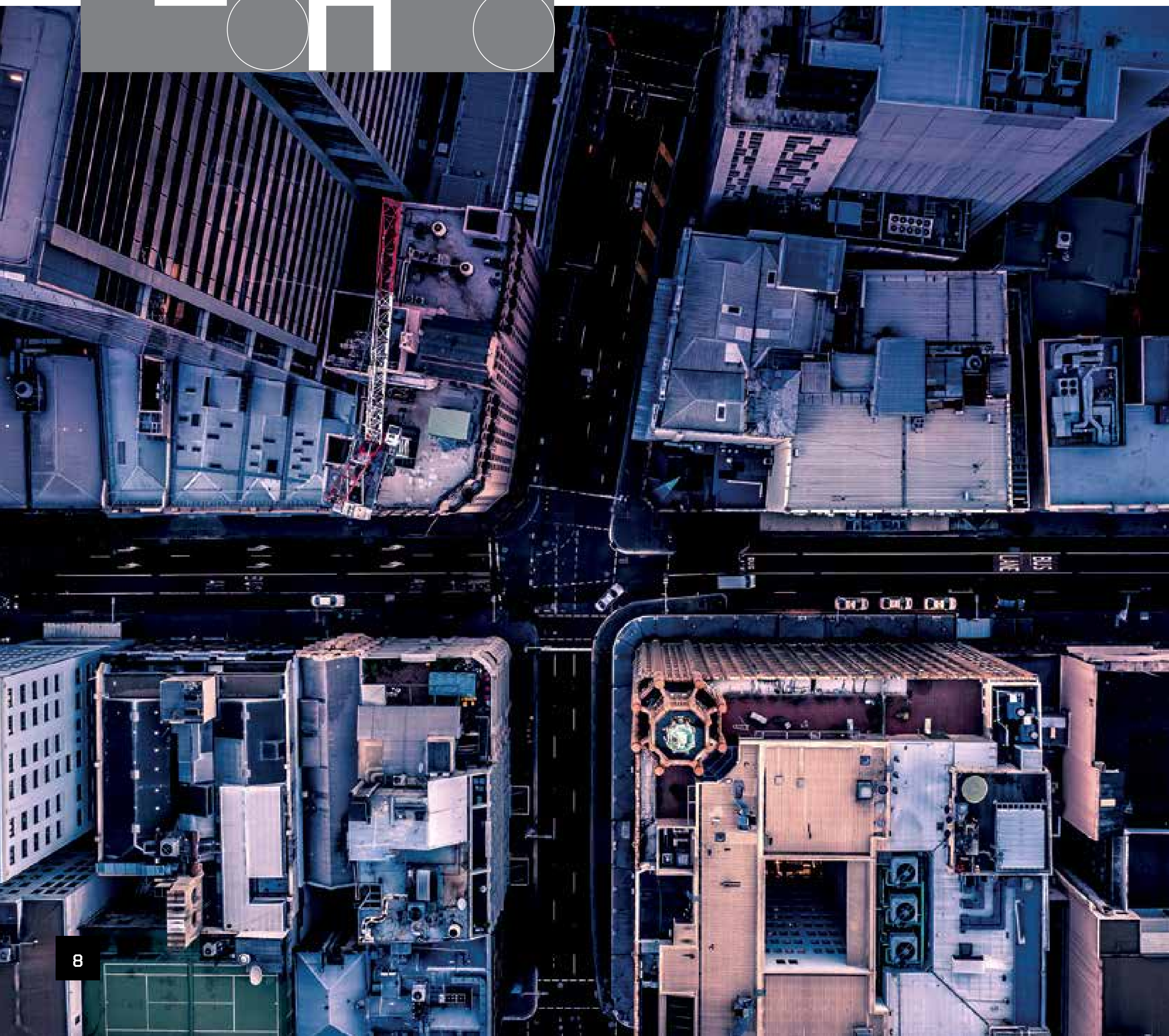
Our address services played an important role in Australia's COVID-19 response



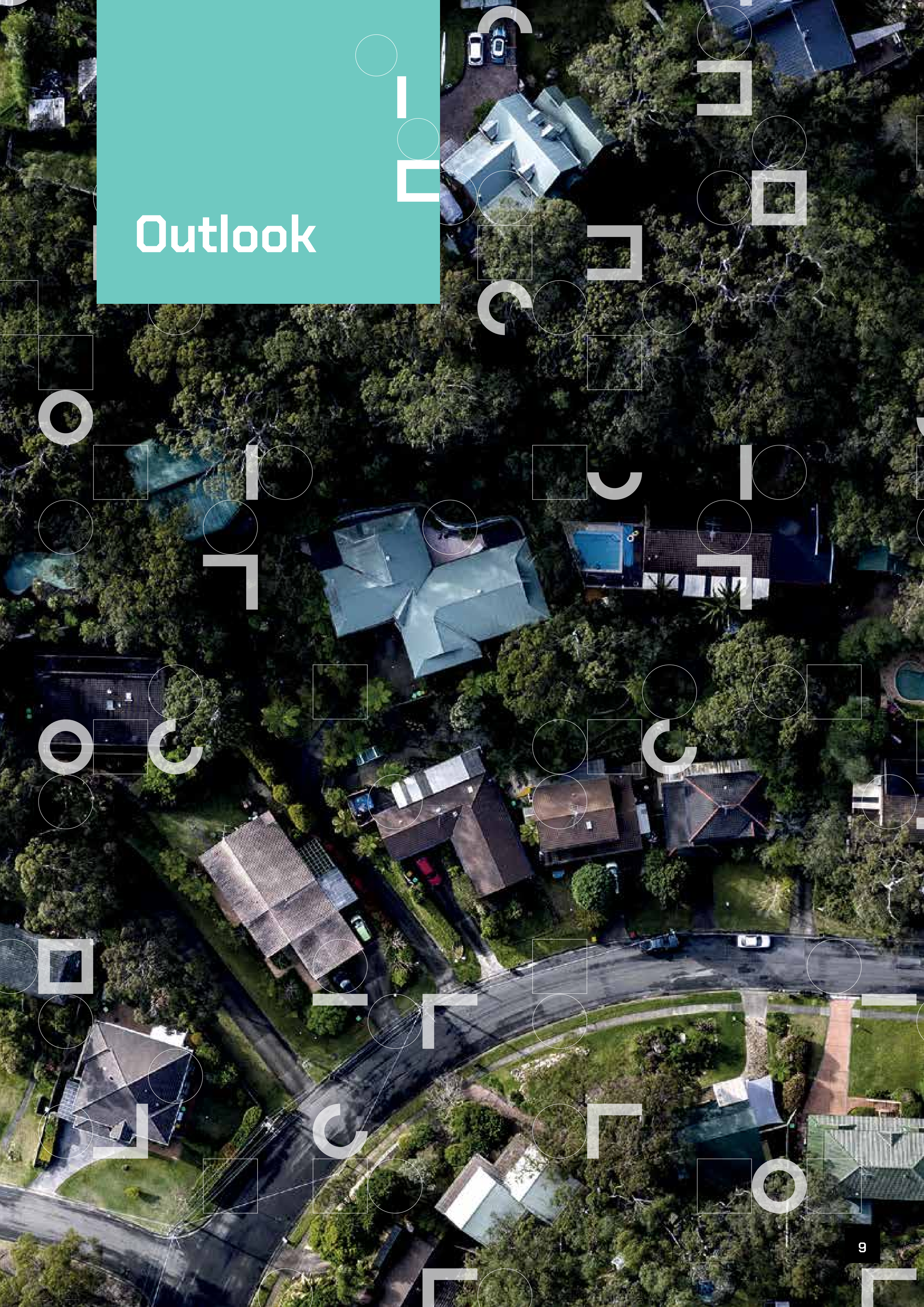
Geoscape Planning aggregates state, territory and local government planning zone codes

A new planning product

Geoscape Planning aggregates the multitude of varying state, territory and local government planning zone codes and assigns a national code to provide consistent development information. Planning zone codes are connected to **Geoscape Cadastre** to spatially represent information at a parcel level, with links to the relevant state or local government planning authority for more detail on a site's restrictions and permitted activities. This helps property developers pick sites, and supports modelling and analytics to help urban planning and policy development.



Outlook



Outlook

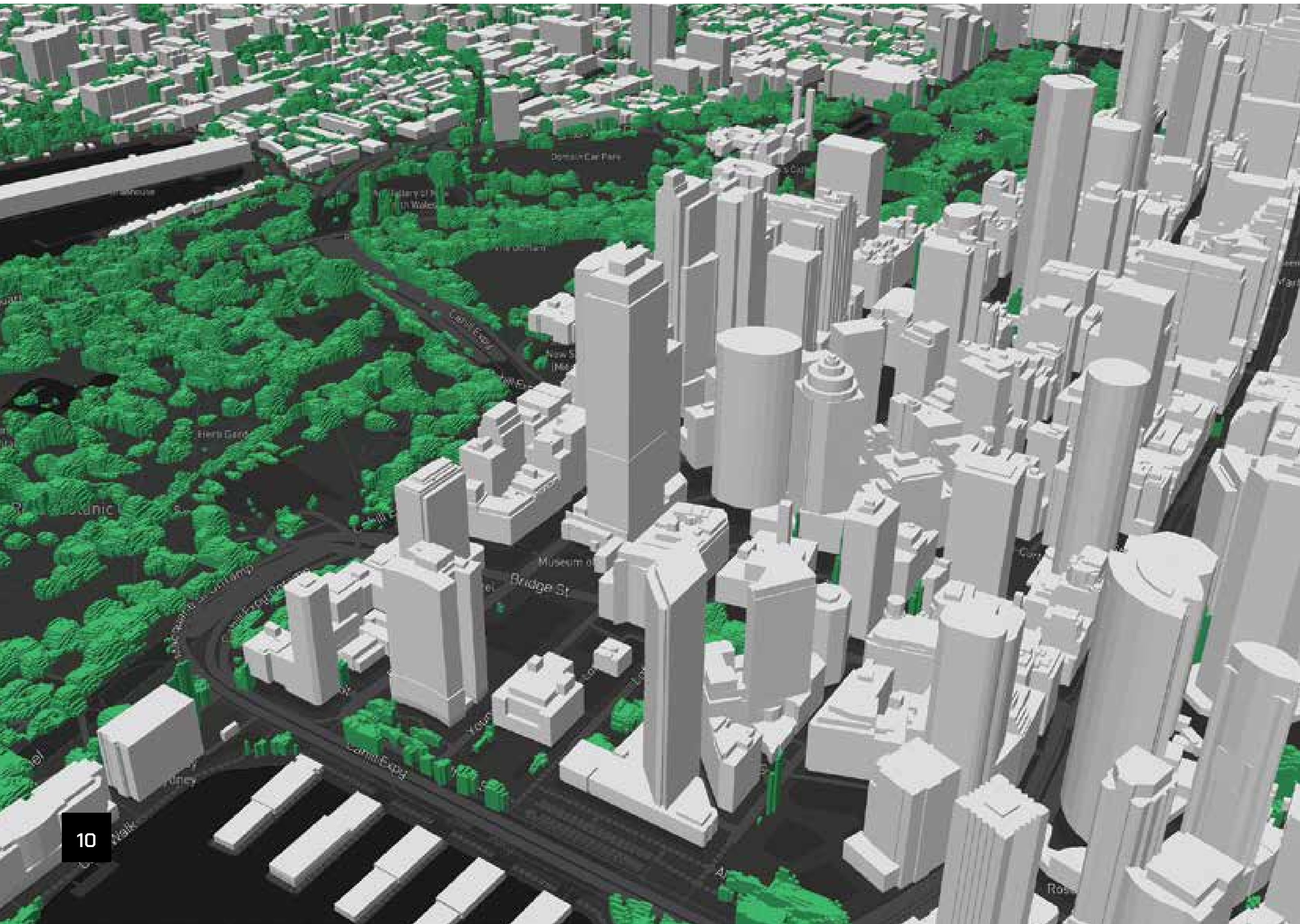
Recognition of the vital role of location data in the digital economy continues to grow. Its use is being normalised by the urgent need to deal with events like COVID, major bushfires and floods. This presents Geoscape Australia with the opportunity to support business and government's broader adoption of location data. However, it has also increased competition across our sector.

Our constitution requires us to develop an annual program outlining our plan for the next 12 months and beyond. It complements this annual report and provides shareholders with a more detailed understanding of our outlook.

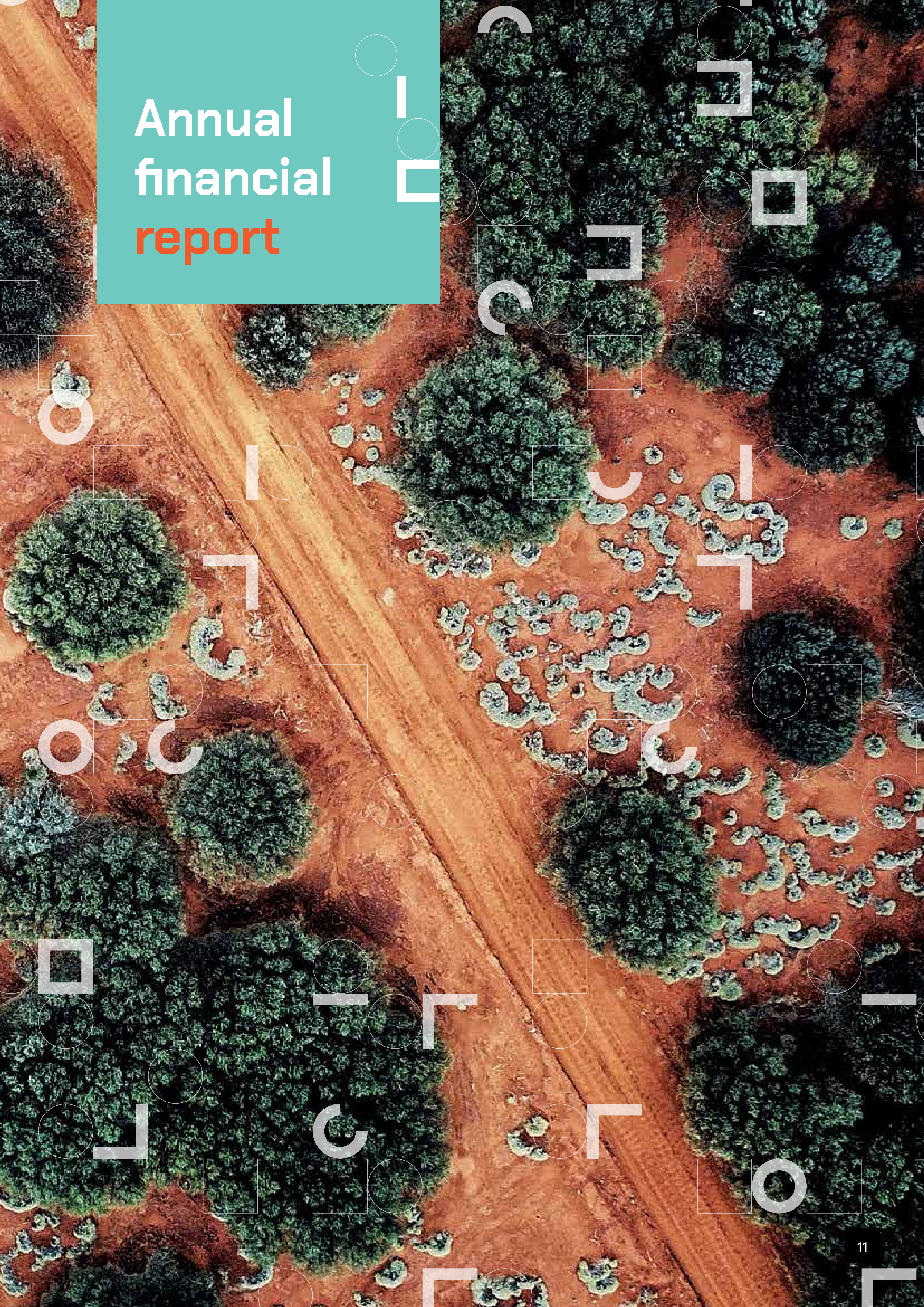
Our FY22 plans will build sustainability by:

- driving growth and building customer loyalty with improved and innovative products and marketing
- using our continuous data platform to drive scalability and competitive advantage
- establishing additional strategic partnerships to improve our product and capabilities
- engaging, supporting and developing our staff to strengthen capabilities and deliver quick results.

As per our constitutional objectives and shareholder expectations, our ongoing plans will mix strong commercial outcomes with economic and social benefits. To achieve them we will continue to leverage our expertise for embedding complex standards within efficient, integrated national solutions.



Annual financial report



Directors' report

For the financial year ending 30 June 2021, the Directors of PSMA Australia Ltd trading as Geoscape Australia (Geoscape Australia) present:

- our Directors' report
- financial statements for Geoscape Australia and its controlled entity, PSMA Distribution Pty Ltd (PSMA Distribution) – together, 'the Group'
- the independent audit.

1. Director details

Directors of the Group companies during, or after, the financial year follow.

Name:	Lynne Robinson
Qualifications and Affiliations:	Bachelor of Arts (Philosophy and Political Theory) Master of Agribusiness (Deans Hons) Graduate of the Australian Institute of Company Directors
Experience:	Co-Founder and CEO of Strategy and Data Pty Ltd Chair, Western Australian Market Led Proposals Former Head of Enterprise Technology Transformation, ANZ Former Head of 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 Member of the Nomination and Remuneration Committee

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 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 New South Wales Former CEO, Land and Property Information, Department of Finance and Services New South Wales
Special Responsibilities:	Deputy Chair and Independent Director of Geoscape Australia Chair of Nomination and Remuneration Committee

Name:	Mark Judd
Qualifications and Affiliations:	Bachelor of Surveying
Experience:	Manager, Digital Futures of AusNet Services Chair of the Deakin University/AusNet Services Research Management Committee Committee Member of the Free Electrons: The Global Energy Accelerator Former Manager Energy Services, (Commercial Energy Services), AusNet Services Former Executive Director and Co-Founder of Geomatic Technologies Former Director of earthmine Australia
Special Responsibilities:	Independent Director of Geoscape Australia Chair of Investment Committee Member of Nomination and Remuneration Committee

Name:	Peter Woodgate
Qualifications and Affiliations:	Bachelor of Forest Science Master of Applied Science (Remote Sensing) Doctorate in Business Administration Graduate of the Australian Institute of Company Directors Honorary Fellow, Surveying and Spatial Sciences Institute Life Member, International Society for Digital Earth
Experience:	Chair of SmartSat CRC Chair of Australian Urban Research Infrastructure Network Chair of Cancer Therapeutics Ltd Director of CTX Trust Pty Ltd Member of Council, Charles Sturt University Chair of Steering Committee 2030 Space & 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

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 Australian Institute of Company Directors
Experience:	Managing Director, CEO and Co-Founder of Paddl Co. Pty Ltd Non-Executive Director of Integrity Life Ltd, Integrity Group Principal of EC Strategies Pty Ltd Former Director including IAG, Australia Post, Circadian Technologies (now Opthea), Pacific Brands, GrowthOps Ltd and NRMA Insurance
Special Responsibilities:	Independent Director of Geoscape Australia Member of Audit and Risk Committee

Name:	Tracey Gosling
Qualifications and Affiliations:	Bachelor of Commerce (Accounting and IT), University of Adelaide Graduate of the Australian Institute of Company Directors MBA (Executive), Australian Graduate School of Management
Experience:	Head of Customer with 4impact Pty Ltd Co-founder of an emerging cyber security and behavioural analytics firm Founder and Director, Gosling Innovation Group (GIG) Former Chief Operating Officer, Identity Care Aus/NZ Former General Manager Digital Transformation, RPS Group Asia Pacific Former General Manager for Government and Defence, Veroguard Systems (cyber/ID) Former National Director for State Government Sector, Australia Post Former Sales Director Electronic Data Systems (Australia).
Special Responsibilities:	Independent Director of Geoscape Australia Member of Investment 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 Australian Institute of Company Directors
Experience:	Executive Director, Co-Founder and Managing Principal of ipervescence Pty Ltd Committee Member (Former Chair), Intellectual Property & Information Technology Committee, Law Institute of Victoria Former Supervising Counsel of Innovation, Big Data & Procurement at Telstra Corporation Ltd
Special Responsibilities:	Independent Director of Geoscape Australia Member of Nomination and Remuneration Committee Independent Director of PSMA Distribution

Name:	Daniel Paull (resigned 7 December 2020)
Qualifications and Affiliations:	Bachelor of Surveying (Honours) Master of Business Administration (Executive) Certificate of Competency – Board of Surveyors NSW Advanced Diploma in Project Management Fellow of the Australian Institute of Company Directors Company Directors Diploma
Experience:	Chief Executive Officer of Geoscape Australia and PSMA Distribution
Special Responsibilities:	Executive Director of PSMA Distribution Deputy Company Secretary of Geoscape Australia Member of Investment Committee

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 Australian Capital Territory Member of ACT Law Society Member of the Association of Corporate Counsel Associate Member of the Governance Institute of Australia Certificate in Governance Practice Completing Graduate Diploma of Applied Corporate Governance and Risk Management with the Governance Institute of Australia
Experience:	Geoscape Australia Company Secretary since April 2019 Group in-house counsel since 2012 Former Associate, Norton Rose Fulbright (formerly Deacons)

3. Principal activities

Geoscape Australia's key objective is to be Australia's authoritative provider of location information and services. There were no significant changes in the nature of the Group's main activities for 2020-21, which continue to be:

- assembling fundamental datasets of national interest
- coordinating their delivery to the widest possible audience and widest possible use
- helping organisations and individuals use the datasets to the fullest potential with minimal effort – aiming to maximise the economic, social and environmental benefits.

4. Financial results and review of operations

The Group made an operating loss of $3,014,360. Last financial year the loss was $4,102,715. Net amounts were calculated as per Australian Accounting Standards Board (AASB) standards.

Read the Chair and CEO's messages and Year in Review sections to learn more about our operations and results.

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

In September 2020, Geoscape Australia drew down the second advance on a concessional Commonwealth Government loan.

6. COVID

Notwithstanding the Group's revenue growth, the COVID pandemic saw lower than expected revenue levels. The Group's COVID and work-from-home plans were rolled out with minimal disruption and productivity loss. The Group took advantage of government stimulus worth $693,000. The Group's supply chain was largely unaffected, and we continue to monitor the situation and amend operational plans as required.

7. Dividends

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

8. 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 do so in future financial years.

9. Likely developments

The COVID pandemic and associated economic impacts create an uncertain operating environment for the Group. Read the Outlook section above for more detail on likely developments.

10. Attendance at Directors' meetings (including Committee meetings)

	Geoscape Australia Directors' meetings	**Audit and Risk Committee meetings**	**Nomination and Remuneration Committee meetings**	**Investment Committee meetings**
Meetings held	8	4	4	5
Lynne Robinson	8	4	4	-
Des Mooney	8	-	4	-
Mark Judd	8	-	4	5
Peter Woodgate	8	4	-	5
Karen Hallenstein	8	-	4	-
Dominique Fisher	8	4	-	-
Tracey Gosling	7	-	-	5

11. Options and shares

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

No shares or interests were issued this financial year, or since, through exercise of an option over unissued shares or interests.

12. Environmental legislation

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

13. 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
- any 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 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 against a liability they incurred. Likewise, the auditor.

14. Proceedings on behalf of the Company

No one has applied to the 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 Geoscape Australia is a party to, to take responsibility on behalf of Geoscape Australia for all or part of those proceedings.

15. Rounding of amounts

As per the ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, amounts for Geoscape Australia in this Directors' report and the financial report have been rounded to the nearest $1,000, and sometimes, the nearest dollar.

16. Auditor's Independence Declaration

As required under s307C of the *Corporations Act 2001* (Cth), this annual report includes a copy of the Auditor's Independence Declaration. It also forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors:

Lynne Robinson

Lynne Robinson
Chair, Geoscape Australia
Date: 1 October 2021

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 2021 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:

Lynne Robinson
Chair, Geoscape Australia
Date: 1 October 2021

Des Mooney
Deputy Chair, Geoscape Australia
Date: 1 October 2021

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2021

	Note	Consolidated 2021 $	Consolidated 2020 $
Revenue	**6**	**14,493,831**	**13,207,395**
Expenses from operations			
Employee benefits expense	**8**	8,460,260	8,881,406
Depreciation and amortisation expenses		4,201,098	3,247,252
Other expenses	**9**	4,583,028	5,791,893
Total expenses from operations		**17,244,386**	**17,920,551**
(Loss) before income tax expense		**(2,750,555)**	**(4,713,156)**
Income tax expenses/(benefit)	**10**	263,805	(610,441)
(Loss) after income tax expense		**(3,014,360)**	**(4,102,715)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(3,014,360)**	**(4,102,715)**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	Consolidated 2021 $	2020 $
ASSETS			
Current assets			
Cash and cash equivalents	**11.1**	8,879,855	6,127,674
Investments	**12**	92,523	92,523
Trade and other receivables	**13**	1,292,147	1,129,296
Other assets	**14**	197,696	268,006
Total current assets		**10,462,221**	**7,617,499**
Non-current assets			
Property, plant and equipment	**15**	2,416,250	2,640,708
Right-of-use asset (lease)	**22**	3,335,129	3,722,445
Deferred tax	**16**	1,656,840	1,919,947
Intangible assets	**17**	22,526,522	23,244,123
Total non-current assets		**29,934,741**	**31,527,223**
TOTAL ASSETS		**40,396,962**	**39,144,722**
LIABILITIES			
Current liabilities			
Trade and other payables	**18**	1,389,131	2,022,576
Income in advance		1,423,930	1,470,599
Income tax		-	-
Provisions	**19**	413,737	374,491
Borrowings	**20**	1,029,091	119,197
Lease liability	**22**	103,734	19,128
Total current liabilities		**4,359,623**	**4,005,991**
Non-current liabilities			
Trade and other payables - payroll tax	**18**	348,252	-
Provisions	**19**	431,550	453,120
Borrowings	**20**	10,008,250	6,537,341
Deferred tax	**21**	1,807,982	1,807,284
Lease liability	**22**	4,128,042	4,013,363
Total non-current liabilities		**16,724,076**	**12,811,108**
TOTAL LIABILITIES		**21,083,699**	**16,817,099**
NET ASSETS		**19,313,263**	**22,327,623**
EQUITY			
Issued capital		9	9
Retained earnings		19,313,254	22,327,614
TOTAL EQUITY		**19,313,263**	**22,327,623**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Note	Consolidated 2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		15,732,718	14,789,085
Payments to suppliers and employees		(13,791,137)	(16,543,700)
Interest received	**6**	2,083	25,148
Interest paid		(865,580)	(217,179)
Net cash provided by/(used in) operating activities	**11.2**	**1,078,084**	**(1,946,646)**
Cash flows from investing activities			
Purchase of property, plant and equipment	**15**	(43,112)	(2,499,875)
Capitalisation of intangibles	**17**	(2,901,047)	(5,380,662)
Increase in investments	**12**	-	1
Net cash (used in) investing activities		**(2,944,159)**	**(7,880,536)**
Cash flows from financing activities			
Proceeds from borrowings	**20**	4,500,000	2,190,000
Repayment of borrowings	**20**	(119,197)	(33,462)
Proceeds from lease liability		296,247	162,926
Repayment of lease liability		(58,794)	(28,850)
Net cash provided by financing activities		**4,618,256**	**2,290,614**
Cash at beginning of year		6,127,674	13,664,242
Net increase/(decrease) in cash held		2,752,181	(7,536,568)
Cash at end of year	**11.1**	**8,879,855**	**6,127,674**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

Consolidated Group	Share Capital (Ordinary) $	Retained Earnings $	Revaluation Surplus $	Total $
Balance at 1 July 2019	**9**	**26,430,328**	**-**	**26,430,338**
Loss for the year	-	(4,102,715)	-	(4,102,715)
Balance at 1 July 2020	**9**	**22,327,613**	**-**	**22,327,623**
Loss for the year	-	(3,014,360)	-	(3,014,360)
Balance at 1 July 2021	**9**	**19,313,253**	**-**	**19,313,263**

The accompanying notes form part of these financial statements.

INDEX TO NOTES TO THE FINANCIAL STATEMENTS

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.

Controlled entities during the financial year ended 30 June 2021 were:
- PSMA Distribution Pty Ltd

The consolidated financial statements of the Company as at and for the year ended 30 June 2021 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 2021 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 2021 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 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 Australian Accounting Standards Board ('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 intitative PSMA 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 income statement during the financial 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 or equipment, commencing from the time the asset is held ready for use.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Property, plant and equipment (continued)

The estimated useful lives for the current and comparative period are:

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 income statement.

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 and 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. The estimated useful lives for the current period are:

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.
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 income statement. 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 the profit and 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 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 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 period is the tax payable on that 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 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 Tax 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 balance sheet.

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	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Financial assets										
Cash	1,890,000	1,890,000	-	-	6,989,855	4,237,674	-	-	8,879,855	6,127,674
Receivable	-	-	-	-	-	-	1,292,147	1,129,296	1,292,147	1,129,296
Investment	92,523	92,523	-	-	-	-	-	-	92,523	92,523
Total	**1,982,523**	**1,982,523**	**-**	**-**	**6,989,855**	**4,237,674**	**1,292,147**	**1,129,296**	**10,264,525**	**7,349,493**
Financial liabilities										
Payable	-	-	-	-	-	-	1,737,383	2,022,576	1,737,383	2,022,576
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1,737,383**	**2,022,576**	**1,737,383**	**2,022,576**

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 entity'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 at the reporting date were as follows:

	Consolidated Group	
	2021	**2020**
	$	**$**
Cash and cash equivalents	125,018	33,460
Trade and other receivables	36,265	-
Total assets	**161,283**	**33,460**
Trade and other payables	(123,873)	(358,042)
Total liabilities	**(123,873)**	**(358,042)**
Net assets	**37,410**	**(324,582)**

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Market risk (continued)

The Group had net assets denominated in foreign currencies of $37,410 (assets of $161,283 less liabilities of $123,873) as at 30 June 2021. 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 $3,741 higher / $1,871 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 6 months each year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 30 June 2021 was $33,836 (2020: Gain $6,555).

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 2021 was 2.2:1. 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	
	2021	2020
Operating income	$	$
Data	8,632,021	8,170,297
Partner Channel	4,147,250	3,132,203
Services	897,276	1,089,542
Data on Demand	99,666	72,264
Total operating income	**13,776,213**	**12,464,306**
Non-operating income		
COVID-19: Stimulus Packages	693,000	714,695
Interest	2,083	25,148
Miscellaneous	35,684	3,047
Total non-operating income	**730,767**	**742,890**
Other gains and (losses)		
Unrealised foreign exchange gain/(loss)	(33,836)	6,555
Realised foreign exchange gain/(loss)	20,687	(6,356)
Total other gains and (losses)	**(13,149)**	**199**
Total revenue	**14,493,831**	**13,207,395**

7 INTEREST

	Consolidated	
	2021	2020
	$	$
Interest income on cash at bank balances	567	2,211
Interest income on term deposits	1,516	22,937
Finance Income	**2,083**	**25,148**
Bank charges	(9,236)	(14,124)
Interest	(358,397)	(203,055)
Lease interest	(497,947)	(179,848)
Finance expense	**(865,580)**	**(397,027)**
Net finance income	**(863,497)**	**(371,879)**

8 EMPLOYEE BENEFITS EXPENSE

	Consolidated	
	2021	2020
	$	$
Wages and salaries	7,179,425	7,338,656
Employer superannuation	656,056	689,111
Payroll tax	379,656	291,621
Annual leave provision (movement)	45,350	140,839
Long-service leave provision (movement)	(27,674)	(101,650)
Staff training and professional development	65,412	111,442
Human resources - other	141,992	388,681
Workers compensation insurance	20,043	22,706
Total employee benefits	**8,460,260**	**8,881,406**

9 OTHER EXPENSES

	Consolidated	
	2021	2020
	$	$
Administration costs	36,832	41,257
General Operating Expenditure (SaaS, R&M, etc)	717,345	645,824
Interest Expenses	856,344	382,902
Insurance	63,393	42,955
Marketing	187,415	825,212
Other expenses	63,380	62,572
Overheads	74,545	359,859
Professional services	309,926	279,881
Royalty returns	231,987	268,178
Supply chain management	1,933,189	2,288,292
Telecommunications	63,952	146,830
Transformation program	-	91,942
Travel	44,720	356,189
Total other expenses	**4,583,028**	**5,791,893**

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	
	2021	**2020**
	$	**$**
Income tax expense		
Current tax	-	-
Deferred tax	263,805	(610,441)
Income tax expense	**263,805**	**(610,441)**
Deferred tax included in income tax expense comprises:		
Decrease/(Increase) in deferred tax assets (note 16)	263,107	(1,849,262)
Increase in deferred tax liabilities (note 21)	698	1,238,821
Deferred tax	**263,805**	**(610,441)**
Income tax reconciliation		
Profit before income tax expense	(2,750,555)	(4,713,156)
Tax at the statutory rate of 26% (2020: 27.5%)	(715,144)	(1,296,118)
Tax effect amounts which are not deductible	972,804	685,677
Unders/Overs from prior year	6,145	-
	263,805	(610,441)
Adjustment recognised for prior periods	-	-
Income tax expense	**263,805**	**(610,441)**

11 CASH

11.1 Cash and cash equivalents

	Consolidated	
	2021	**2020**
	$	**$**
Cash and cash equivalents		
Cash at bank and in hand	6,989,855	4,237,674
Short term bank deposits	1,890,000	1,890,000
Cash and cash equivalents in the statement of cash flows	**8,879,855**	**6,127,674**

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	53,354	53,354
Total cash held in trust	**53,354**	**53,354**

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

11 CASH (CONTINUED)

11.2 Reconciliation of operating cash flows

Reconciliation of cash flows from operating activities

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

	Consolidated	
	2021	2020
	$	$
Cash flows from operating activities		
(Loss) attributable to members:	(3,014,360)	(4,102,715)
Non-cash flows in profit/(loss)		
Lease liability adjustments	34,268	-
Depreciation and amortisation	4,201,098	3,247,252
Operating profit before changes in working capital and provisions	**1,221,006**	**(855,463)**
Change in trade and other receivables	(162,851)	474,842
Change in other assets	70,310	86,180
Change in trade and other payables	(285,193)	(894,744)
Change in provisions and employee benefits	17,676	39,189
Change in income in advance	(46,669)	(186,209)
Change in tax	263,805	(610,441)
Net cash from operating activities	**1,078,084**	**(1,946,646)**

12 INVESTMENTS

	Consolidated	
	2021	2020
	$	$
Term deposits	92,523	92,523
Total investments	**92,523**	**92,523**

The above term deposits are held by the bankers to cover the bank guarantee of $65,205 (2019: $65,205) issued. The effective interest rate on the term deposits was between 0.2%, with an average maturity of 30 days.

13 TRADE AND OTHER RECEIVABLES

	Consolidated	
	2021	2020
	$	$
Trade receivables	709,594	234,571
Accrued income	582,553	894,725
Total trade and other receivables	**1,292,147**	**1,129,296**

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 2021 $	Consolidated 2020 $
Prepayments	197,696	268,006
Total other assets	**197,696**	**268,006**

15 PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2021 $	Consolidated 2020 $
IT Hardware – at cost	749,808	752,850
Accumulated depreciation	(639,412)	(519,551)
	110,396	**233,299**
IT Software – at cost	562,969	562,969
Accumulated depreciation	(543,016)	(510,888)
	19,953	**52,081**
Furniture and Equipment – at cost	185,551	185,551
Accumulated depreciation	(151,321)	(144,940)
	34,230	**40,611**
Building Fit out – at cost	2,357,689	2,314,717
Accumulated amortisation	(106,018)	-
	2,251,671	**2,314,717**
Total plant and equipment	**2,416,250**	**2,640,708**

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 2020	233,299	52,081	40,611	2,314,717	2,640,708
Additions	140	-	-	42,972	43,112
Disposals	(780)	-	-	-	(780)
Depreciation expense	**(122,263)**	**(32,128)**	**(6,381)**	**(106,018)**	**(266,790)**

16 DEFERRED TAX ASSET

	Consolidated	
	2021 **$**	**2020** **$**
Deferred tax asset comprises temporary differences attributable to :		
Carried forward tax losses	311,616	552,679
Amounts recognised in profit or loss:		
Employee benefits	219,775	227,593
Super payable	25,187	30,739
Lease liability	1,100,262	1,108,936
Deferred tax asset	**1,656,840**	**1,919,947**

17 INTANGIBLE ASSETS

	Consolidated	
	2021 **$**	**2020** **$**
Intangible assets		
Foundation Datasets	3,193,806	4,289,045
Geoscape	7,742,258	8,847,430
Spatial Data	3,967,902	3,361,742
Data Platform	4,415,508	4,097,792
APIs	1,648,550	1,530,662
Portal	1,558,498	1,117,452
Total intangible assets	**22,526,522**	**23,244,123**
Completed	20,968,024	22,126,671
Work in progress	1,558,498	1,117,452
Total intangible assets	**22,526,522**	**23,244,123**
Reconciliation		
Opening balance at 1 July	23,244,123	20,712,957
Addition	2,901,047	5,380,662
Amortisation expense	(3,618,648)	(2,849,496)
Closing balance at 30 June	**22,526,522**	**23,244,123**

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 1 year projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value.

17 INTANGIBLES ASSETS (CONTINUED)

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) 5.5% (2020: 6.5%) pre-tax discount rate;
b) Annual projected revenue growth rate of 2% for traditional datasets, 15% to 35% for Geoscape and 15% to 25% APIs; and
c) Annual increase of 4% to 16% for wages and salaries and 17% to 29% for costs and overheads.

The discount rate of 5.5% 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 are as follows:
i) The discount rate would be required to increase by more than 8% 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	
	2021 **$**	**2020** **$**
Trade payables		
Trade creditors	110,525	766,944
Payroll tax	348,252	-
Employee benefits	548,380	377,902
	1,007,157	**1,144,846**
Accrued expenses		
Accrued Jurisdictional Royalties	422,486	877,846
Other accrued expenses	307,740	(116)
	730,226	**877,730**
Total trade and other payables	**1,737,383**	**2,022,576**

19 PROVISIONS

	Consolidated 2021 $	Consolidated 2020 $
Current		
Annual leave provision	288,434	247,106
Long service leave provision	125,303	127,385
	413,737	**374,491**
Non-current		
Annual leave provision	270,962	266,940
Long service leave provision	160,588	186,180
	431,550	**453,120**
Total provisions	**845,287**	**827,611**
Reconciliation		
Opening balance at 1 July	827,611	788,422
Movements during the year	17,676	39,189
Closing balance at 30 June	**845,287**	**827,611**
Number of employees at year end	**52**	**68**

20 BORROWINGS

	Consolidated 2021 $	Consolidated 2020 $
Fit-out loan		
Current	129,091	119,197
Non-current	1,908,250	2,037,341
	2,037,341	**2,156,538**
Commonwealth loan		
Current	900,000	-
Non-current	8,100,000	4,500,000
	9,000,000	**4,500,000**
Total facilities	9,000,000	10,500,000
Used at the reporting date	9,000,000	4,500,000
Unused at the reporting date	-	6,000,000

20 BORROWINGS (CONTINUED)

PSMA Australia Limited 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 seven-year 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 will start on 30 June 2022. As at 30 June 2021, full loan facility amount ($9,000,000) has been drawn, with the first advance of $4,500,000 paid in April 2019 and the second advance of $4,500,000 (reduced from $6,000,000 at the Company's request) paid in September 2020. The loan amount ($9,000,000) was spent by 30 June 2021 on the six deliverables (see below table), leaving nil remaining balance.

Deliverables	Estimated cost of achieving and implementing each Deliverable	Total Spend on Each Deliverables for as at 30 June 2021	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 2021	Consolidated 2020
Deferred tax liability comprises temporary differences attributable to :	$	$
Amounts recognised in profit or loss:		
IP Assets	940,848	783,611
Right of Use Assets	867,134	1,023,673
Deferred tax liability	**1,807,982**	**1,807,284**

22 LEASE LIABILITY & RIGHT-OF-USE ASSETS

	2021	2020
Right-of-use asset		
Right-of-use asset – at cost	3,826,762	3,898,415
Accumulated depreciation	(491,633)	(175,970)
	3,335,129	**3,722,445**
Lease liabilities		
Lease liability - current	103,734	19,128
Lease liability - non-current	4,128,042	4,013,363
	4,231,776	**4,032,491**

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	
	2021	2020
Contract commitment	**$**	**$**
Not later than 1 year	-	579,068
Later than 1 year but no later than 5 years	-	-
Total commitments	**-**	**579,068**

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	
	2021	2020
	$	$
Directors' remuneration		
Anthony Mark Judd	55,000	56,250
Desmond Mooney	60,000	60,000
Dominique Fisher	50,000	37,500
Karen Hallenstein	50,000	37,500
Lynne Robinson	100,000	110,000
Peter Woodgate	55,000	56,250
Tracey Gosling	50,000	-
Total directors' remuneration	**420,000**	**357,500**

25 RELATED PARTY DISCLOSURES (CONTINUED)

	Consolidated	
	2021	2020
	$	$
Key management personnel		
Key management personnel compensation:		
- short-term benefits	1,603,708	1,547,475
- long-term benefits	59,373	90,782
- post employment benefits	158,593	147,170
Total key management personnel benefits	**1,821,674**	**1,785,427**
Total of transactions with related parties	**2,241,674**	**2,142,927**

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**	
	2021	2020
Assets	$	$
Current assets	9,535,741	7,204,087
Non-current assets	29,934,744	31,527,223
Total Assets	**39,470,485**	**38,731,310**
Liabilities		
Current liabilities	3,631,901	3,688,914
Non-current liabilities	16,724,076	12,913,434
Total Liabilities	**20,355,977**	**16,602,348**
Net assets	**19,114,508**	**22,128,962**
Equity		
Issued capital	9	9
Retained earnings	19,313,132	22,128,953
Reserves	-	-
Total Equity	**19,313,141**	**22,128,962**
Statement of Profit or Loss and Other Comprehensive Income		
Total (Loss) after tax	(3,014,360)	(4,102,715)
Total Comprehensive Income after tax	**(3,014,360)**	**(4,102,715)**

27 AUDITOR'S REMUNERATION

	Consolidated	
	2021	**2020**
	$	**$**
Audit and review of financial reports	48,750	47,500
Total remuneration of auditor	**48,750**	**47,500**

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 2021, 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 AUSTRALIA PARTNERS

Canberra, Australian Capital Territory
Dated: 1 October 2021

RODNEY MILLER
Partner

INDEPENDENT AUDITOR'S REPORT (1/2)

RSM

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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 2021, 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 2021 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 2021, 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.

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 AUSTRALIA PARTNERS

Canberra, Australian Capital Territory
Dated: 1 October 2021

RODNEY MILLER
Partner

AUDITOR'S DISCLAIMER

RSM Australia Partners

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PSMA AUSTRALIA LIMITED

AUDITOR'S DISCLAIMER

The additional financial data presented in the following pages is in accordance with the books and records of PSMA Australia Limited which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2021. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person other than PSMA Australia Limited in respect of such data, including any errors or omissions therein however caused.

RSM AUSTRALIA PARTNERS

Canberra, Australian Capital Territory
Dated: 1 October 2021

RODNEY MILLER
Partner

DETAILED INCOME AND EXPENDITURE STATEMENT

	Consolidated	
	2021	2020
	$	$
REVENUE		
Data	8,632,021	8,170,297
Parnter Channel	4,147,250	3,132,203
Services	897,276	1,089,542
Data on Demand	99,666	72,264
Interest revenue	2,083	25,148
Miscellaneous income	728,684	717,742
Other gains and (losses)	(13,149)	199
TOTAL REVENUE	**14,493,831**	**13,207,395**
EXPENDITURE		
Human resource management		
Wages and salaries	7,179,425	7,338,656
Employer superannuation	656,056	689,111
Payroll tax	379,656	291,621
Annual leave provision (movement)	45,350	140,839
Long-service leave provision (movement)	(27,674)	(101,650)
Staff training and professional development	65,412	111,442
Human resources - other	141,992	388,681
Workers compensation insurance	20,043	22,706
	8,460,260	**8,881,406**
Professional services		
Legal	261,176	232,381
Accounting and audit	48,750	47,500
Consultants	-	-
	309,926	**279,881**
General Operating Expenditure (includes SaaS and R&M)		
Equipment costs	-	1,462
Hardware and software costs (including re-licensing)	717,140	640,161
Equipment repair / maintenance/ hire	205	4,201
	717,345	**645,824**
Travel		
Travel (domestic)	41,346	334,266
Travel (international)	-	-
Meals and accommodation	3,374	21,923
	44,720	**356,189**

DETAILED INCOME AND EXPENDITURE STATEMENT (CONTINUED)

	Consolidated	
	2021 $	2020 $
Telecommunications		
Telephone	36,621	38,885
Internet/Web-hosting	27,331	107,945
	63,952	**146,830**
Overheads		
Rent	-	299,935
Cleaning/waste removal	42,557	26,668
Security and maintenance	3,864	2,934
Electricity	28,124	30,322
	74,545	**359,859**
Administration costs		
Postage / freight / handling	23,999	12,215
Stationery / office supplies	12,833	29,042
	36,832	**41,257**
Insurance		
Business insurance	8,155	5,009
Travel insurance	956	1,001
Directors and officers insurance	-	2,448
Personal sickness and accident insurance	755	863
Professional indemnity insurance	53,527	33,634
	63,393	**42,955**
Supply chain management		
Dataset and services maintenance	639,804	818,114
Server hosting	1,293,385	1,469,553
Royalties	231,987	268,178
Project related activities	-	625
Quality assurance	-	-
	2,165,176	**2,556,470**
Marketing		
Marketing Cost	157,035	510,694
Brand Development	30,380	314,518
	187,415	**825,212**

DETAILED INCOME AND EXPENDITURE STATEMENT (CONTINUED)

	Consolidated	
	2021	**2020**
	$	**$**
Transformation program		
Enablement Initiatives	-	91,942
	-	**91,942**
Other expenses		
Bank charges	9,236	14,124
Miscellaneous	54,144	48,447
	63,380	**62,571**
Depreciation and amortisation expenses		
Depreciation	582,450	397,756
Amortisation	3,618,648	2,849,496
	4,201,098	**3,247,252**
Interest expenses		
Interest	856,344	382,903
	856,344	**382,903**
Taxation		
Taxation	263,805	(610,441)
	263,805	**(610,441)**
TOTAL EXPENDITURE	**17,508,191**	**17,310,110**
NET LOSS	**(3,014,360)**	**(4,102,715)**

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