Annual report 2023–2024

Geoscape

Geoscape

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

PSMA Distribution Pty Ltd
ABN 89 131 984 800

Unit 6, Level 2, 113 Canberra Ave
GRIFFITH ACT 2603 AUSTRALIA

T: +61 2 6260 9000
W: **geoscape.com.au**

Design, layout and editing by Andrew Pegler Media Pty Ltd

Contents

Introduction

MESSAGE FROM THE CHAIR

Financial year 2023–24 (FY24) was another strong year for Geoscape Australia.

Our recent investments to focus our technology and skills on location intelligence have been welcomed by customers and partners and improved our operational and financial performance.

The team focused on delivering our strategic objectives across key market sectors – government, finance and insurance, and property – by providing location intelligence solutions to support the national agenda in climate management, insurance accessibility, housing affordability, national security and defence, and essential citizen services.

As a result, we are on a clear pathway to self-funded growth, retiring our debt, and funding the innovation required to help build a smarter, cleaner, more productive nation.

Year-on-year operating revenue is up 3.5%, with strong engagement across financial services and government. EBITDA was +3.4% to budget. EBIT performance was +8.5% to budget, with a net after tax profit for the second consecutive year.

Our aim is to provide geospatial data that will help unlock Australia's world leading potential and build a more productive economy. We want to be part of building Australia's sovereign capability with a thriving economy less reliant on global supply chains.

Currently, our data and technology can:

- support flood and fire risk modelling to drive resilience planning for the most vulnerable properties
- fuel climate risk analysis of residential, commercial and agricultural properties to assess asset values and de-average insurance
- map our country's most valuable infrastructure and critical assets for national security and defence.

Thank you to all our staff for driving our business transformation and delivering results. Your ongoing commitment to helping overcome this country's most challenging economic, social and environmental issues is invaluable.

Thank you also to the Board for its support, both personally and on behalf of the business.

Des Mooney
Chair

MESSAGE FROM THE CEO

Geoscape Australia is making great strides in transitioning from data seller to location intelligence leader and in building a smarter, more productive Australia.

Consequently, FY 2023–24 delivered another year of strong performance.

It was an important year for learning and innovation. We collaborated across both government and industry on some of the greatest challenges this nation has faced in a generation. The final report of the recent Public Review of the Australian Climate Service, said, there is an 'urgent and rapidly growing demand, for trustworthy and authoritative information...'

Geoscape Australia is well placed to meet this demand, helping government and industry tackle climate management, insurance accessibility, housing affordability, national security and defence, and improve essential citizen services. Our collaborations with partners and customers have delivered new solutions, such as:

- carbon emissions calculations for mandatory reporting
- flood level modelling for houses and communities at risk
- asset valuation for residential, commercial and agricultural property portfolios
- national addressing capabilities for better service delivery.

Sales this year were up 12% on 2023, driven by our innovative location intelligence solutions for finance, insurance, property technology and government. Growing demand for these has almost doubled the production of new data artefacts year-on-year, with total data artefacts up 25% year-on-year. Investment in our data production capacity and capability will ensure we meet growing demands for geospatial data and services, which are rapidly expanding beyond traditional industry sectors. We'll achieve this through upskilling our people to meet our ambitions and business objectives.

Our ongoing pursuit of world class technology partners to support and drive thought leadership and innovation in the region, remains a high priority.

I would personally like to thank the extraordinary group of people who are dedicated to our purpose, who live our values every day and make working at Geoscape so fulfilling.

Dean Capobianco
CEO

Year in review

Building a smarter, more productive Australia

HIGHLIGHTS

+98%
new data artefacts

+25%
data artefacts in total

>50%
of new sales revenue related to climate risk management

^12%
invoiced revenue

^3.5%
statutory operating revenue

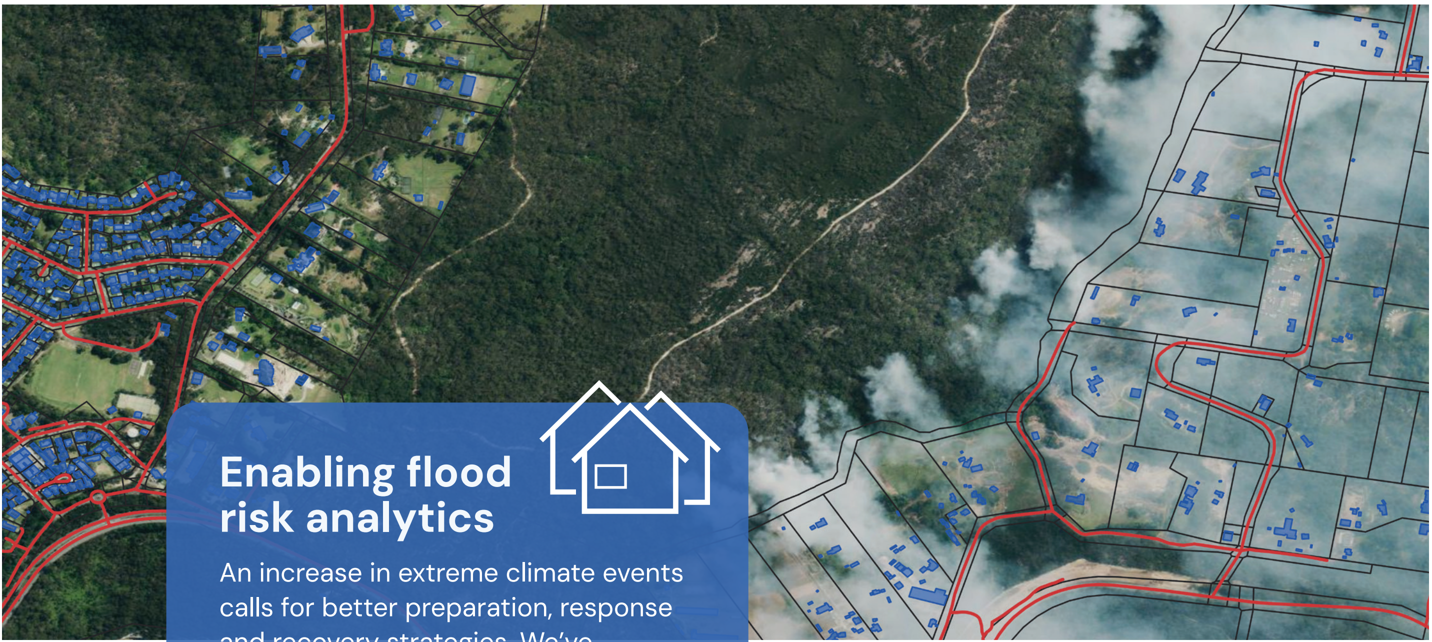
^50%
committed contract value (year-on-year)

93%
of staff retained

+53%
of staff undertaking individualised professional development

65
employee net promoter score (up 9 points)

KEY ACHIEVEMENTS

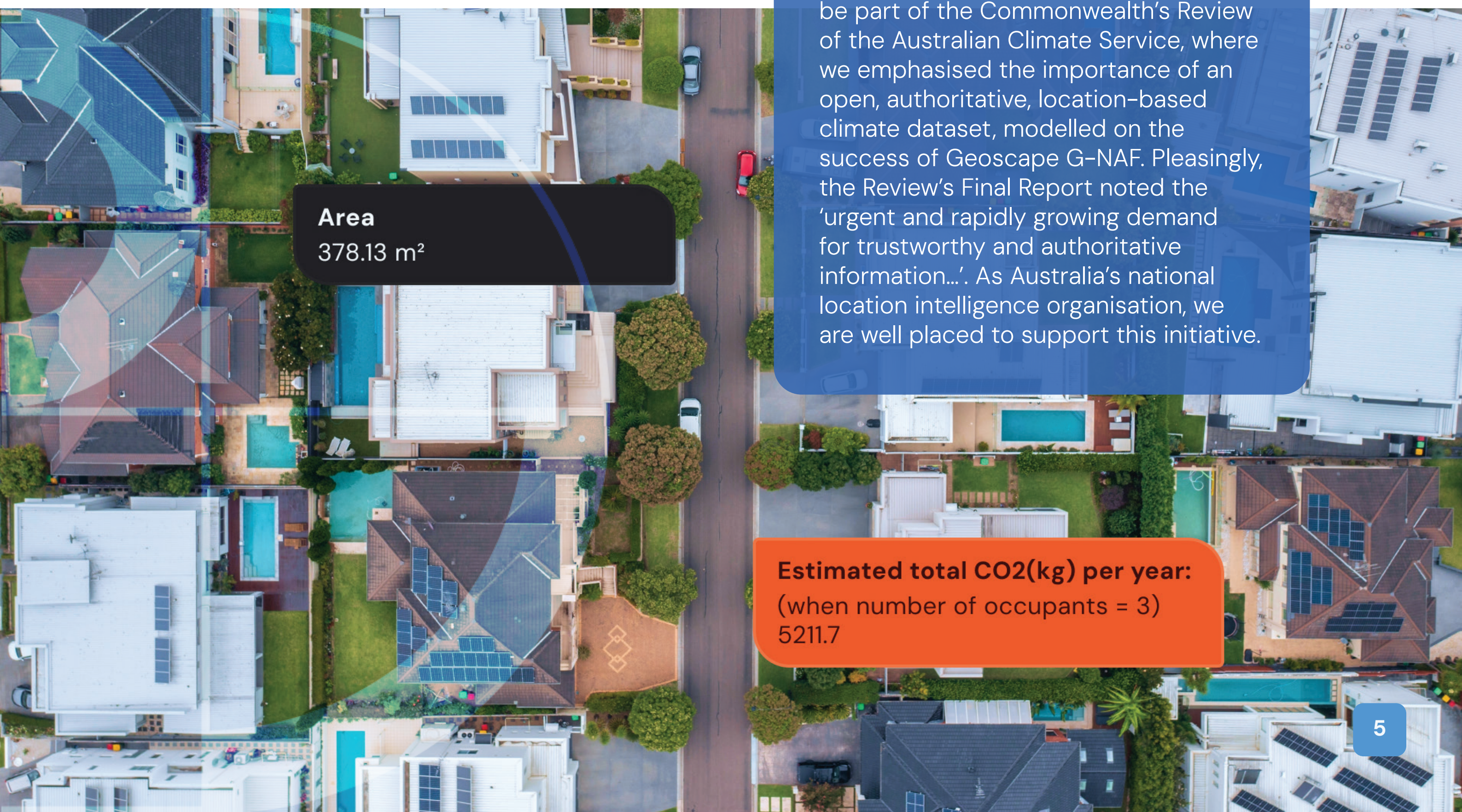


Enabling flood risk analytics

An increase in extreme climate events calls for better preparation, response and recovery strategies. We've partnered with GeoX to develop a new feature that calculates the height of a building's first floor, for better flood modelling and impact assessment. One of the Big Banks has already used it across one million properties to help buyers understand their potential flood risk. We'll roll this feature out further over the next few years.

Net zero and the Australian Climate Service review

We're increasingly being asked how to use location data to better manage Australia's climate-related risk and achieve 2050 emissions targets and net zero transformation. We were invited to be part of the Commonwealth's Review of the Australian Climate Service, where we emphasised the importance of an open, authoritative, location-based climate dataset, modelled on the success of Geoscape G-NAF. Pleasingly, the Review's Final Report noted the 'urgent and rapidly growing demand for trustworthy and authoritative information…'. As Australia's national location intelligence organisation, we are well placed to support this initiative.



Launch of Geoscape Hub

Our new Hub simplifies user experience by combining several online interactions into a single user-friendly platform. Geoscape Hub replaces Data on Demand, PSMA Cloud, Developer Portal and Sharefile with simpler access to our off-the-shelf and custom datasets, APIs, data clips and more. For example:

- customers can browse our data sets through an online map or data catalogue, making it easier to understand our data and its potential.
- subscribers can clip out and buy data for specific regions, with non-subscribers able to make one-off purchases.

Geoscape Hub is also more efficient for us, because we no longer need to support multiple platforms with differing technologies, code bases and user pools. We will sunset our Data on Demand portal once we migrate all customers.

> *Our new Hub simplifies user experience by combining several online interactions into a single user-friendly platform …*
>
> *Customers can browse our data sets through an online map or data catalogue, making it easier to understand our data and its potential.*

Enabling customers' digital transformation with APIs

We continued to invest in digital infrastructure to support the scaled delivery of data to customers via an Application Programming Interface (API). With address verification at the lead, we offer a range of complimentary data services which enable customers to embed location content into their applications without needing to manage vast amounts of data. The continued growth of API delivery represents a changing consumer market, which we are well placed to support as the trend continues.

Improving efficiency and stakeholder communications for APA Group

The APA Group is a responsible energy infrastructure leader. Its digital information systems rely on foundational land parcel data. We format its monthly national data to fit the needs of its business team, providing timely updates to help APA streamline its operations, improve stakeholder communication and strengthen communities.

Before You Dig productivity and customer service gains

Not-for-profit Before You Dig Australia (BYDA) ensures safe digging and prevents damage to infrastructure. BYDA improved its online customer request process by integrating Geoscape Addresses and Land Parcel APIs into their application form, so it's easier to identify sites in customer applications and automatically mark land parcels. Customers welcomed this and support calls fell significantly. With manual data handling down and the consistency of user experience up, BYDA now has more time to focus on business.

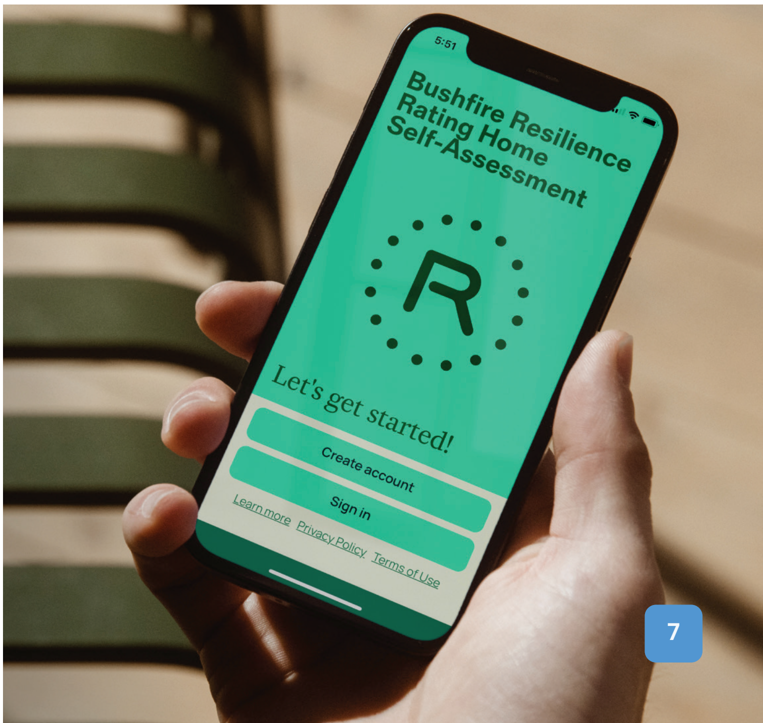
Healthier Work, Gold Workplace

Geoscape Australia joined the ACT Healthier Work initiative in 2022 and is now a 'Gold Workplace'. Our Healthier Work team meets monthly to develop and implement mental and physical health, and safety initiatives. For example, our all-staff event on International Women's Day featured a panel of accomplished women talking tech, careers, mentorship and juggling home and work life. We also had a push-up challenge, created an office mural and ran a dad joke contest.

Enhancing bushfire resilience

Our work with Resilient Building Council's (RBC's) free Bushfire Resilience Home Self-Assessment app has boosted bushfire safety for Australian homes. With the help of $3 million from the Commonwealth Government, 22,000+ households used the app, leading to around $52 million in home safety upgrades. Major home insurers like NRMA and Suncorp Group now offer app users discounts, while NAB is testing mortgage rate reductions for home retrofits.

Our Addresses API gives the app precise geolocation data for accurate mapping and bushfire risk assessment. The Buildings API details a home's area, roof size and so on, to help work out bushfire risk. The two APIs show the power of location data in tackling climate change and adding a level of safety for Australian communities facing natural disasters.



Our plan for 2024–25

FUTURE MARKET OUTLOOK

With Australia in a 'per capita' recession, annual growth is at its lowest since 1991–92. However, we remain cautiously optimistic over the near term. The general consensus points to a soft landing with moderating inflation and gradual improvements to household consumption and business confidence over the coming year. And while global competition and emerging geopolitical threats present risks, they also reinforce the importance of resilient, innovative technologies and partnerships.

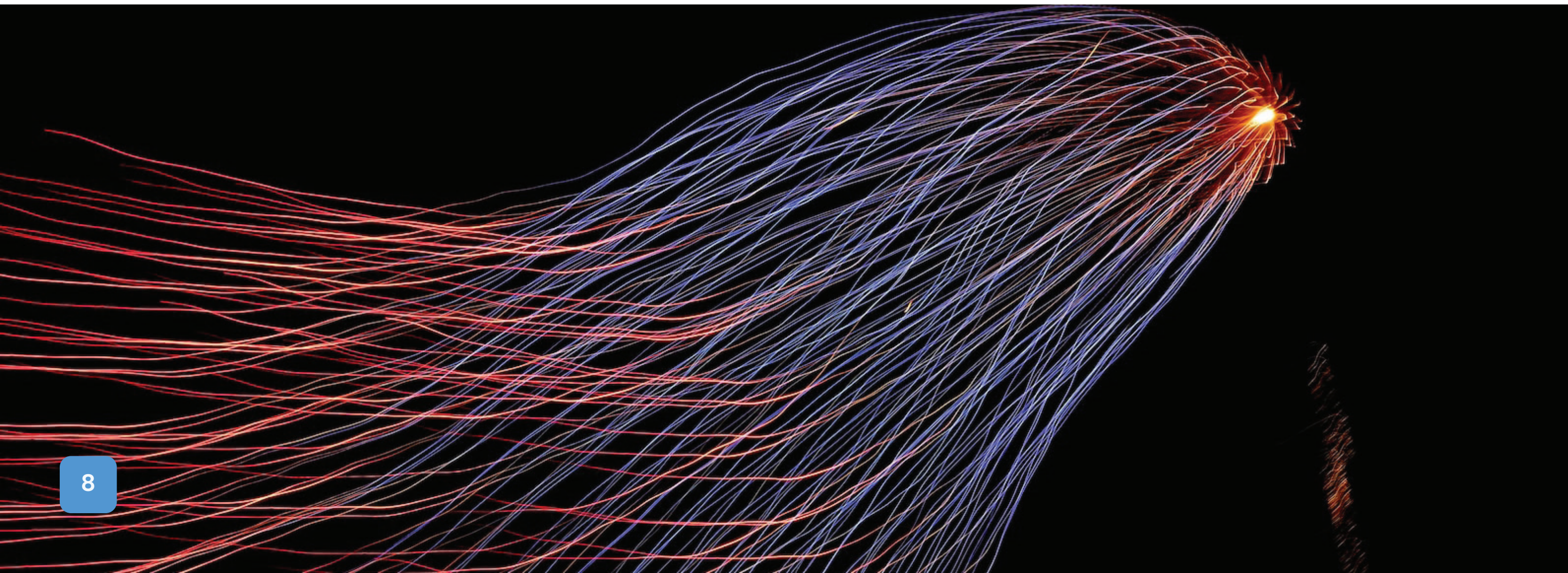
With a federal election looming, the government will focus on industry policy and mission-driven strategic investments. These are very relevant to our location intelligence customers and partners. Importantly we've factored the volatile domestic and international environment into our forward plans, noting our strong underlying growth and stronger 'jump off' revenue position.

As Australia's national location intelligence organisation, Geoscape Australia is uniquely positioned to drive positive economic, social, environmental and security outcomes across government and industry. We can also contribute on our most pressing issues like climate risk management, housing affordability, productivity and national security.

There is a significant opportunity for Geoscape data and services to drive economies of scale across both industry and government. By focusing on standardisation, interoperability and efficiency, we can remove duplication and improve data usability for data custodians and end users.

The breadth and depth of geospatial use cases, particularly in climate and environmental management, are expanding across industries, accelerating innovation. New global earth observation technology presents opportunities to scale our product offerings beyond current high-value urban applications, unlocking further potential across new sectors and regions. The growing thirst for AI-driven solutions is delivering new partnering opportunities to support locally trained and contextually relevant AI products. We expect to see the rise in 'GeoAI', the fusion of AI and geospatial intelligence, as a critical enabler to adopt and adapt generalised global AI solutions for the Australian market.

These innovations, plus strong partnerships and collaborations and good governance, are set to drive our long-term success. Upgrading our core solutions, alongside a new automated continuous data platform and deeper use of AI, will be vital to our stated aim of helping to build a smarter, more productive Australia.



DIRECTORS' REPORT

For the financial year ended 30 June 2024, 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 AM
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 Former Non-executive Director – IAG Ltd (ASX: IAG) (Member of Risk Committee); Australia Post (Member of 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 Chair of Nomination and Remuneration Committee Member of Audit and Risk Committee

Name	Mark Judd
Qualifications and affiliations	Bachelor of Surveying
Experience	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 Australian Institute of Company Directors (GAICD)
Experience	Senior Consultant, Directioneering Former 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
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) FAICD
Experience	Non-executive Director, Midway Limited, Brightwater Care Group, Foreign Investment Review Board (FIRB), Aurora Energy, Grains Research Development Corporation (GRDC), GolfWA Chair, Youth Futures Former Chief Operating Officer (COO), Deep Blue Company Limited Former Group Executive Customer Markets, AGL Limited Former Chief Risk Officer (CRO), Origin Energy Limited Former Executive General Manager (EGM), Strategy and Corporate Development, Emeco Holdings Limited Former Group Executive, International and Domestic Business Development, Aurizon Holdings Limited Former Chair of IMX Resources Limited and The WA Government's Social Enterprise Fund Former Non-executive Director of The Australian Youth Orchestra (AYO), The Art Gallery of Western Australia (AGWA); WA Forrest Products Commission (FPC); Methodist Ladies' College (WA), Youth Focus, ReadyToWork (2008–2015) Former Council Member of the AICD
Special responsibilities	Independent Director of Geoscape Australia Member of Audit and Risk Committee

Name	Rob Mellor
Qualifications and affiliations	University of Melbourne, Bachelor of Science, Zoology Monash University, Bachelor of Business, Accounting AICD, Company Director's Course GAICD
Experience	Former Board Member, Club Secretary, Portsea SLSC Inc Former Board Observer, Co-founder and CTO, Digital Agriculture Services Pty Ltd Former Managing Director, Technology Consulting, Resources Industry, Accenture Australia
Special responsibilities	Independent Director 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 ACT Graduate Diploma of Applied Corporate Governance and Risk Management, Governance Institute of Australia Member of ACT Law Society 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 national location intelligence provider. The Group's main activities in FY24 were producing national location data and services and distributing them to both industry and government to help build a smarter, more productive Australia.

There were no significant changes in the nature of the Group's activities during the year.

4. Financial results and review of operations

The Group's FY24 operating profit was $487,273. Last financial year the profit was $361,002. 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 FY24

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

See Future market outlook on page 8.

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	6	4	3	0
Des Mooney	6	–	3	–
Dominique Fisher	5	3	3	–
Mark Judd	6	–	3	–
Karen Hallenstein	6	4	3	–
Rob Mellor	5	–	–	–
Kellie Benda	5	3	–	–

** In FY24, investment matters were considered by the full Board.*

10. Options and shares

No options were granted over unissued shares or interests during FY24, or since, and the Group had none under option at the publication date of this annual report.

No shares or interests were issued during FY24, 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:

Des Mooney
Chair, Geoscape Australia
11 October 2024

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 2024 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.
3. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors:

DJ Mooney

Des Mooney
Chair, Geoscape Australia
11 October 2024

Dominique Fisher

Dominique Fisher
Deputy Chair, Geoscape Australia
11 October 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Revenue	**6**	**17,916,080**	**17,643,200**
Expenses from operations			
Employee benefits expense	**8**	8,147,675	7,891,308
Depreciation and amortisation expenses		5,123,943	4,763,336
Other expenses	**9**	3,629,316	3,732,343
Total expenses from operations		**16,900,934**	**16,386,987**
Income/(Loss) before income tax expense		**1,015,146**	**1,256,213**
Income tax expenses/(benefit)	**10**	527,873	895,211
Income/(Loss) after income tax expense		**487,273**	**361,002**
Other comprehensive income		-	-
Total comprehensive income (Loss) for the year		**487,273**	**361,002**

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	Consolidated 2024 $	2023 $
ASSETS			
Current assets			
Cash and cash equivalents	**11**	7,799,708	8,918,469
Investments	**12**	99,439	1,198,643
Trade and other receivables	**13**	1,388,523	1,730,131
Other assets	**14**	334,162	227,135
Total current assets		**9,621,832**	**12,074,378**
Non-current assets			
Property, plant and equipment	**15**	1,669,349	1,997,856
Right-of-use asset (lease)	**22**	2,604,030	1,936,365
Deferred tax	**16**	1,434,804	1,287,527
Intangible assets	**17**	21,767,534	21,268,237
Total non-current assets		**27,475,717**	**26,489,985**
TOTAL ASSETS		**37,097,549**	**38,564,363**
LIABILITIES			
Current liabilities			
Trade and other payables	**18**	1,617,353	1,718,447
Income in advance		2,453,672	2,278,160
Income tax	**10**	416,245	822,925
Provisions	**19**	1,217,137	416,977
Borrowings	**20**	2,188,976	2,176,409
Lease liability	**22**	336,432	227,066
Total current liabilities		**8,229,815**	**7,639,984**
Non-current liabilities			
Provisions	**19**	514,654	418,844
Borrowings	**20**	3,478,060	5,667,036
Deferred tax	**21**	1,757,189	1,792,472
Lease liability	**22**	3,565,859	3,981,328
Total non-current liabilities		**9,315,762**	**11,859,680**
TOTAL LIABILITIES		**17,545,577**	**19,499,664**
NET ASSETS		**19,551,972**	**19,064,699**
EQUITY			
Issued capital		9	9
Retained earnings		19,551,963	19,064,690
TOTAL EQUITY		**19,551,972**	**19,064,699**

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 30 JUNE 2024

	Note	Consolidated 2024 $	Consolidated 2023 $
Cash flows from operating activities			
Receipts from customers		19,860,005	18,515,322
Payments to suppliers and employees		(13,231,588)	(11,975,478)
Interest received	**6**	331,639	227,323
Interest paid		(733,107)	(867,632)
Net cash provided by/(used in) operating activities	**11.2**	**6,226,949**	**5,899,535**
Cash flows from investing activities			
Purchase of property, plant and equipment	**15**	(28,681)	(115,265)
Capitalisation of intangibles	**17**	(5,017,289)	(3,870,119)
Increase in investments	**12**	(3,660)	(1,344)
Net cash (used in) investing activities		**(5,049,630)**	**(3,986,728)**
Cash flows from financing activities			
Repayment of borrowings	**20**	(2,176,409)	(2,164,805)
Repayment of lease liability		(119,671)	(488,163)
Net cash provided by financing activities		**(2,296,080)**	**(2,652,968)**
Cash at beginning of year		8,918,469	9,658,630
Net increase/(decrease) in cash held		(1,118,761)	(740,161)
Cash at end of year	**11.1**	**7,799,708**	**8,918,469**

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 30 JUNE 2024

Consolidated Group	Share Capital (Ordinary) $	Retained Earnings $	Revaluation Surplus $	Total $
Balance at 1 July 2022	**9**	**18,703,688**	**-**	**18,703,697**
Loss for the year	-	361,002	-	361,002
Balance at 1 July 2023	**9**	**19,064,690**	**-**	**19,064,699**
Income for the year	-	487,273	-	487,273
Balance at 30 June 2024	**9**	**19,551,963**	**-**	**19,551,972**

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 2024 were:

- PSMA Distribution Pty Ltd

The consolidated financial statements of the Company as at and for the year ended 30 June 2024 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 2024 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 2024 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 MATERIAL ACCOUNTING POLICIES

The accounting policies 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.

3.3 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 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, its 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.

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.

3.6 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 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of assets (continued)

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 leaves 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 MATERIAL 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.

3.12 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.

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:

3.15 Income tax (continued)

- 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.

5.3 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	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets										
Cash	1,890,000	1,890,000	-	-	5,909,708	7,028,469	-	-	7,799,708	8,918,469
Receivable	-	-	-	-	-	-	1,388,523	1,730,131	1,388,523	1,730,131
Investment	99,439	1,198,643	-	-	-	-	-	-	99,439	1,198,643
Total	**1,989,439**	**3,088,643**	**-**	**-**	**5,909,708**	**7,028,469**	**1,388,523**	**1,730,131**	**9,287,670**	**11,847,243**
Financial liabilities										
Payable	-	-	-	-	-	-	1,617,353	1,718,447	1,617,353	1,718,447
Total	**-**	**-**	**-**	**-**	**-**	**-**	**1,617,353**	**1,718,447**	**1,617,353**	**1,718,447**

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	
	2024 $	2023 $
Cash and cash equivalents	14,402	68,110
Trade and other receivables	-	-
Total assets	**14,402**	**68,110**
Trade and other payables	-	-
Total liabilities	**-**	**-**
Net assets	**14,402**	**68,110**

5 FINANCIAL RISK MANAGEMENT (CONTINUED)

5.3 Market risk (continued)

The Group had net assets denominated in foreign currencies of $14,402 (assets of $14,402 less liabilities of $0) as at 30 June 2024. 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 $1,440 higher / $720 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 gain for the year ended 30 June 2024 was $4,911 (2023: Gain $11,023).

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 would review the Company's liquidity ratios and working capital balances on a regular basis (no less frequently than quarterly) and would take appropriate actions to maintain the financial health of the Company, for example by adjusting the Company's operations, financial management, and capital structure as necessary.

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	
	2024	2023
Operating income	$	$
Data	10,069,561	9,888,809
Partner Channel	4,585,589	4,423,520
Services	2,877,781	2,614,366
Data on Demand	76,883	86,400
Total operating income	**17,609,814**	**17,013,095**
Non-operating income		
Interest	331,639	227,323
Miscellaneous	(25,762)	396,726
Total non-operating income	**305,877**	**624,049**
Other gains and (losses)		
Unrealised foreign exchange gain/(loss)	(4,522)	(4,967)
Realised foreign exchange gain/(loss)	4,911	11,023
Total other gains and (losses)	**389**	**6,056**
Total revenue	**17,916,080**	**17,643,200**

7 INTEREST

	Consolidated	
	2024	2023
	$	$
Interest income on cash at bank balances	229,463	134,955
Interest income on term deposits	14,410	14,449
Interest income on sublease	87,766	77,919
Finance Income	**331,639**	**227,323**
Bank charges	(8,412)	(9,390)
Interest	(410,128)	(512,108)
Lease interest	(314,567)	(346,134)
Finance expense	**(733,107)**	**(867,632)**
Net finance income	**(401,468)**	**(640,309)**

8 EMPLOYEE BENEFITS EXPENSE

	Consolidated	
	2024	**2023**
	$	**$**
Wages and salaries	6,915,694	6,507,411
Employer superannuation	625,484	634,987
Payroll tax	342,114	363,760
Annual leave provision (movement)	97,097	20,919
Long-service leave provision (movement)	49,712	44,255
Staff training and professional development	50,448	58,960
Human resources - other	45,990	237,833
Workers compensation insurance	21,136	23,183
Total employee benefits	**8,147,675**	**7,891,308**

9 OTHER EXPENSES

	Consolidated	
	2024	**2023**
	$	**$**
Administration costs	9,973	32,953
General Operating Expenditure (SaaS, R&M, etc)	641,962	736,891
Interest Expenses	724,695	858,242
Insurance	85,140	86,811
Marketing	365,255	256,123
Other expenses	54,053	75,397
Overheads	171,189	132,611
Professional services	314,664	309,955
Supply chain management	869,798	964,700
Telecommunications	63,754	31,607
Travel	328,833	247,053
Total other expenses	**3,629,316**	**3,732,343**

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	
	2024 $	**2023 $**
Income tax expense		
Current tax payable	416,245	822,925
Unders/(Overs) for prior year	294,188	-
Deferred tax	(182,560)	72,286
Income tax expense	**527,873**	**895,211**
Deferred tax included in income tax expense comprises:		
(Increase)/Decrease in deferred tax assets (note 16)	147,277	29,544
(Decrease)/Increase in deferred tax liabilities (note 21)	35,283	42,742
Deferred tax	**182,560**	**72,286**

	2024	**2023**
Income tax reconciliation		
Profit before income tax expense	1,015,146	1,256,213
Tax at the statutory rate of 25% (2023: 25%)	253,787	314,053
Tax effect amounts which are not deductible	537,388	(675,055)
Adjustment in change in tax rate from 26% to 25%		
(Unders)/Overs from prior year	(157,442)	-
R&D Offset	(105,860)	-
	527,873	895,211
Adjustment recognised for prior periods	-	-
Income tax expense	**527,873**	**895,211**

11 CASH

11.1 Cash and cash equivalents

	2024 $	**2023 $**
Cash and cash equivalents		
Cash at bank and in hand	5,909,708	7,028,469
Short term bank deposits	1,890,000	1,890,000
Cash and cash equivalents in the statement of cash flows	**7,799,708**	**8,918,469**

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	52,544	52,664
Total cash held in trust	**52,544**	**52,664**

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.

	2024 $	2023 $
Cash flows from operating activities		
Profit/(Loss) attributable to members:	487,273	361,002
Non-cash flows in profit/(loss)		
Depreciation and amortisation	5,123,943	4,763,336
Operating profit before changes in working capital and provisions	**5,611,216**	**5,124,338**
Change in trade and other receivables	341,608	(497,581)
Change in other assets	(107,027)	(20,377)
Change in trade and other payables	(101,094)	838,838
Change in provisions and employee benefits	895,970	(43,379)
Change in income in advance	175,512	(144,562)
Change in tax	(589,236)	642,258
Net cash from operating activities	**6,226,949**	**5,899,535**

12 INVESTMENTS

	2024 $	2023 $
Current		
Term deposits	99,439	95,779
Sublease: Finance Asset - current	-	**299,102**
	99,439	**394,881**
Non-current		
Sublease: Finance Asset - non-current	-	**803,762**
	-	**803,762**
Total investments	**99,439**	**1,198,643**

The above term deposits are held by the bankers to cover the bank guarantee of $65,205 (2023: $65,205) issued. The effective interest rate on the term deposits was between 0.3% - 2.5%p.a during the financial year, with an average maturity of 6 months.

13 TRADE AND OTHER RECEIVABLES

	2024 $	2023 $
Trade receivables	1,201,052	1,197,096
Interest receivable	12,284	1,534
Accrued income	175,187	531,501
Total trade and other receivables	**1,388,523**	**1,730,131**

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

	2024 $	2023 $
Prepayments	334,162	227,135
Total other assets	**334,162**	**227,135**

15 PROPERTY, PLANT AND EQUIPMENT

	2024 $	2023 $
IT Hardware – at cost	913,119	992,760
Accumulated depreciation	(871,543)	(848,054)
	41,576	**144,706**
IT Software – at cost	333,953	573,279
Accumulated depreciation	(326,674)	(560,949)
	7,279	**12,330**
Furniture and Equipment – at cost	73,928	185,551
Accumulated depreciation	(55,222)	(162,490)
	18,706	**23,061**
Building Fit out – at cost	2,357,688	2,357,688
Accumulated amortisation	(755,900)	(539,929)
	1,601,788	**1,817,759**
Total plant and equipment	**1,669,349**	**1,997,856**

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 2023	**144,706**	**12,330**	**23,061**	**1,817,759**	**1,997,856**
Additions	28,681			-	28,681
Disposals	-	-	-	-	-
Depreciation expense	(131,811)	(5,051)	(4,355)	(215,971)	(357,188)
Carrying amount at 30 June 2024	**41,576**	**7,279**	**18,706**	**1,601,788**	**1,669,349**

16 DEFERRED TAX ASSET

	2024 $	2023 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Provision of Bad Debts	3,539	-
Employee benefits	432,948	208,955
Super payable	22,744	26,474
Lease liability	975,573	1,052,098
Deferred tax asset	**1,434,804**	**1,287,527**

17 INTANGIBLE ASSETS

	2024 $	2023 $
Intangible assets		
Foundation Datasets	-	1,079,921
Geoscape	4,424,724	5,530,906
Spatial Data	8,379,308	6,576,912
Data Platform	5,780,603	5,257,949
APIs	2,131,980	1,602,436
Portal	1,050,919	1,220,113
Total intangible assets	**21,767,534**	**21,268,237**
Completed	21,767,534	21,268,237
Work in progress	-	-
Total intangible assets	**21,767,534**	**21,268,237**
Reconciliation		
Opening balance at 1 July	21,268,237	21,528,779
Addition	5,017,289	3,870,119
Amortisation expense	(4,517,992)	(4,130,661)
Closing balance at 30 June	**21,767,534**	**21,268,237**

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) 8.2% (2023: 7.8%) pre-tax discount rate;
b) Annual projected revenue growth rate of 10.5; and
c) Annual increase of 3.8% for wages and salaries, costs and overheads.

The discount rate of 8.2% 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 to 17% 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

	2024 $	2023 $
Trade payables		
Trade creditors	131,347	244,465
Payroll tax	(47,115)	71,070
Employee benefits	111,404	268,009
	195,636	**583,544**
Accrued expenses		
Accrued Jurisdictional Royalties	546,723	496,025
Other accrued expenses	874,994	638,878
	1,421,717	**1,134,903**
Total trade and other payables	**1,617,353**	**1,718,447**

19 PROVISIONS

	2024 $	2023 $
Current		
Annual leave provision	312,204	266,467
Long service leave provision	155,770	150,510
Other employee provisions	749,163	-
	1,217,137	**416,977**
Non-current		
Annual leave provision	301,979	250,620
Long service leave provision	212,675	168,224
	514,654	**418,844**
Total provisions	**1,731,791**	**835,821**
Reconciliation		
Opening balance at 1 July	835,821	879,200
Movements during the year	895,970	(43,379)
Closing balance at 30 June	**1,731,791**	**835,821**
Number of employees at year end	**56**	**56**

20 BORROWINGS

	2024 $	2023 $
Fit-out loan		
Current	163,976	151,409
Non-current	1,453,060	1,617,036
	1,617,036	**1,768,445**
Commonwealth loan		
Current	2,025,000	2,025,000
Non-current	2,025,000	4,050,000
	4,050,000	**6,075,000**
Total used facilities	9,000,000	9,000,000

20 BORROWINGS (CONTINUED)

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 2024, full loan facility amount ($9,000,000) has been drawn. The loan amount ($9,000,000) was spent by 30 June 2024 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 2024**	**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

Deferred tax liability comprises temporary differences attributable to:	2024 $	2023 $
Amounts recognised in profit or loss:		
IP Assets	1,106,181	1,032,665
Sublease Assets	-	275,716
Right of Use Assets	651,008	484,091
Deferred tax liability	**1,757,189**	**1,792,472**

22 LEASE LIABILITY & RIGHT-OF-USE ASSETS

	2024 $	2023 $
Right-of-use asset		
Right-of-use asset – at cost	3,312,924	2,747,158
Accumulated depreciation	(708,894)	(810,793)
	2,604,030	**1,936,365**
Lease liabilities		
Lease liability - current	336,432	227,066
Lease liability - non-current	3,565,859	3,981,328
	3,902,291	**4,208,394**

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	
	2024 $	2023 $
Contract commitment		
Not later than 1 year	-	-
Later than 1 year but no later than 5 years	-	-
Total commitments	**-**	**-**

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:

	2024 $	2023 $
Directors' remuneration		
Anthony Mark Judd	55,000	55,250
Desmond Mooney	100,000	87,061
Dominique Fisher	60,000	56,087
Karen Hallenstein	55,000	53,576
Kellie Benda	50,000	37,500
Lynne Robinson	-	33,485
Peter Woodgate	-	26,788
Robert Mellor	50,000	37,500
Total directors' remuneration	**370,000**	**387,247**

	2024 $	2023 $
Key management personnel		
Key management personnel compensation:		
- short-term benefits	**1,859,201**	1,870,592
- long-term benefits	**(12,865)**	29,320
- post employment benefits	**176,849**	161,296
Total key management personnel benefits	**2,023,185**	**2,061,208**
Total of transactions with related parties	**2,393,185**	**2,448,455**

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.

	2024	2023
Assets	**$**	**$**
Current assets	9,423,071	11,270,615
Non-current assets	27,674,481	27,293,745
Total Assets	**37,097,552**	**38,564,360**
Liabilities		
Current liabilities	8,229,826	7,639,974
Non-current liabilities	9,514,513	11,859,680
Total Liabilities	**17,744,339**	**19,499,654**
Net assets	**19,353,213**	**19,064,706**
Equity		
Issued capital	9	9
Retained earnings	19,353,204	19,064,696
Reserves	-	-
Total Equity	**19,353,213**	**19,064,705**
Statement of Profit or Loss and Other Comprehensive Income		
Total Income / (Loss) after tax	487,273	361,002
Total Comprehensive Income after tax	**487,273**	**361,002**

27 AUDITOR'S REMUNERATION

	2024	2023
	$	**$**
Audit and review of financial reports	56,650	54,000
Total remuneration of auditor	**56,650**	**54,000**

28 COMPANY DETAILS

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

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Entity name	Entity type	Place formed/ Country of incorporation	Ownership interest %	Tax residency
PSMA Distribution Pty Ltd	Body corporate	Australia	100%	Australia

RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61 (0) 2 6217 0300
F +61 (0) 2 6217 0401

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of PSMA Australia Limited for the year ended 30 June 2024, 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

Canberra, Australian Capital Territory
Dated: 14 October 2024

GED STENHOUSE
Partner

RSM Australia Partners

Equinox Building 4, Level 2, 70 Kent Street Deakin ACT 2600
GPO Box 200 Canberra ACT 2601

T +61 (0) 2 6217 0300
F +61 (0) 2 6217 0401

www.rsm.com.au

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 2024, 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 material accounting policy information, the consolidated entity disclosure statement 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 2024 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 2024, 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.

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:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 14 October 2024

Geoscape