

# Board of Surveying and Spatial Information Financial Statements

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GPO BOX 12  
Sydney NSW 2001

## INDEPENDENT AUDITOR'S REPORT

### Board of Surveying and Spatial Information

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Board of Surveying and Spatial Information (the Board), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expenses and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

#### ***Auditor's Opinion***

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Board as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

#### ***Board's Responsibility for the Financial Report***

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### ***Auditor's Responsibility***

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Board,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

### ***Independence***

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



S R Stanton  
Director, Financial Audit Services

12 October 2007  
SYDNEY

# Board of Surveying and Spatial Information

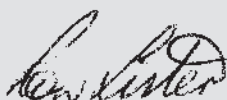
Statement by

Members of the Board

Pursuant to Section 41C (1B) of the *Public Finance and Audit Act 1983* and in accordance with a resolution of the members of the Board of Surveying and Spatial Information, we declare on behalf of the Board that in our opinion:

1. the accompanying financial report exhibits a true and fair view of the financial position and financial performance for the year ended 30 June 2007 of the Board of Surveying and Spatial Information;
2. the accompanying financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Ron Lister

Member - Board of Surveying and Spatial Information

Date: 10/10/07



Warwick Watkins

President and Surveyor-General

Date: 10 OCT 2007

# Board of Surveying and Spatial Information

Income Statement  
For the year ended  
30 June 2007

	Notes	2007 \$	2006 \$
		<u>          </u>	<u>          </u>
Revenue	2(a)	458,174	450,860
Other revenue	2(b)	112,673	53,585
Depreciation	4(a)	(12,061)	(15,332)
Other operating expenses	4(b)	(530,357)	(560,397)
Loss on disposal of asset	4(c)	(1,523)	-
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u><u>26,906</u></u>	<u><u>(71,284)</u></u>

The accompanying notes form part of these financial statements

# Board of Surveying and Spatial Information

Balance Sheet

As at 30 June 2007

	Notes	2007 \$	2006 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8(a)	482,769	535,525
Trade and other receivables	5	28,463	25,551
<b>Total Current Assets</b>		<b>511,232</b>	<b>561,076</b>
<b>Non-Current Assets</b>			
Plant & Equipment	7	19,016	26,892
<b>Total Non-Current Assets</b>		<b>19,016</b>	<b>26,892</b>
<b>TOTAL ASSETS</b>		<b>530,248</b>	<b>587,968</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	4,760	89,386
<b>Total Current Liabilities</b>		<b>4,760</b>	<b>89,386</b>
<b>TOTAL LIABILITIES</b>		<b>4,760</b>	<b>89,386</b>
<b>NET ASSETS</b>		<b>525,488</b>	<b>498,582</b>
<b>EQUITY</b>			
Retained earnings	12	525,488	498,582
<b>TOTAL EQUITY</b>		<b>525,488</b>	<b>498,582</b>

The accompanying notes form part of these financial statements

## Board of Surveying and Spatial Information

Statement of Recognised  
Income and Expense  
For the year ended  
30 June 2007

	Notes	2007 \$	2006 \$
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>		-	-
Surplus / (Deficit) for the year		26,906	(71,284)
<b>TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR</b>	12	<b>26,906</b>	<b>(71,284)</b>

The accompanying notes form part of these financial statements

# Board of Surveying and Spatial Information

## Cash Flow Statement

For the year ended

30 June 2007

	Notes	2007 \$	2006 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		466,754	457,092
Interest and other income		36,312	35,685
GST refund		35,279	48,048
Payments to suppliers		(585,393)	(544,125)
<b>Net cash provided by / (used in) operating activities</b>	8(b)	<b>(47,048)</b>	<b>(3,300)</b>
<b>Cash flows from investing activities</b>			
Purchases of plant and equipment		(5,708)	-
<b>Net cash (used in) / provided by investing activities</b>		<b>(5,708)</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(52,756)</b>	<b>(3,300)</b>
Cash and cash equivalents at the beginning of the financial year		535,525	538,825
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8(a)	<b>482,769</b>	<b>535,525</b>

The accompanying notes form part of these financial statements



# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a. Reporting Entity

The Board of Surveying and Spatial Information (the Board), is constituted under the *Surveying Act 2002* to provide for the registration of Land and Mining surveyors, to regulate the making of surveys and to advise the Government on Spatial Information.

The financial report for the year ended 30 June 2007 was authorised for issue by the Board on the date the accompanying 'Statement by members of the Board' was signed.

### b. Basis of Accounting

The Board's financial report is a general purpose financial report, which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS)) and Interpretations;
- the requirements of the *Public Finance and Audit Act 1983* and Regulation.

Plant and equipment are measured at fair value. Other financial report items are prepared in accordance with historical cost convention.

The Board is a not-for-profit entity and has no cash generating units.

All amounts are rounded to the nearest dollar, unless otherwise stated and are expressed in Australian currency.

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### c. Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

The following new Accounting Standards and Interpretations, that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2007:

- AASB 7 *Financial Instruments: Disclosures* (issued August 2005)
- AASB 101 *Presentation of Financial Statements* (issued October 2006)
- AASB 123 *Borrowing Costs* (issued June 2007)
- AASB 1049 *Financial Reporting of General Government Sectors by Governments* (issued September 2006)
- AASB 2005-10 *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2007-01 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11* (issued February 2007)
- AASB 2007-04 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments* (issued April 2007)
- AASB 2007-05 *Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities* (issued May 2007)
- AASB 2007-06 *Amendments to Australian Accounting Standards arising from AASB 123* (issued June 2007)
- AASB 2007-07 *Amendments to Australian Accounting Standards* (issued June 2007)
- AASB Interpretation 4 *Determining whether an Arrangement contains a Lease* (issued February 2007)
- AASB Interpretation 10 *Interim Financial Reporting and Impairment* (issued September 2006)
- AASB Interpretation 11 *AASB 2 – Group and Treasury Share Transactions* (issued February 2007)
- AASB Interpretation 12 *Service Concession Arrangements* (issued February 2007)
- AASB Interpretation 129 *Service Concession Arrangements: Disclosures* (issued February 2007)

The application of these standards will have no impact on the Board's financial report.

### d. Significant accounting judgments, estimates and assumptions

In the application of AEIFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods if the revision effects both current and future periods.

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

### e. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### (i) Member fees and Subscriptions

Registration revenue is recognised once the registration renewal applications and fees are received and the receipt is issued. Invoices are no longer raised prior to the renewal date as registration renewal is now optional and cannot be reliably measured until the application and fees are received.

#### (ii) Rendering of Services

Revenue is recognised when services such as workshops or training are provided.

#### (iii) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

### f. Employee Benefits

The Board has no employees. All the Board's human resources are provided by the Department of Lands on a fee for services rendered basis. This fee includes employee related costs (salaries, superannuation, leave entitlements, payroll tax and workers' compensation insurance) and administration costs.

Accordingly the Board has no liability for employee entitlements.

### g. Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund manager, based on past claim experience.

### h. Accounting for Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except for:

- GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the acquisition cost of an asset, or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the taxation authority, is included as part of receivables or payables.

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

### *i. Acquisition of Assets*

The cost method of accounting is used for the initial recording of all acquisition of assets controlled by the Board. Cost is determined as the amount of cash paid or fair value of other consideration given, plus costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenue at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller, in an arm's length transaction.

### *j. Capitalisation Threshold*

Plant and equipment costing \$5,000 and above are capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

### *k. Depreciation*

Depreciation is provided for on a straight line basis against all depreciable assets, so as to write off the depreciable amount of each depreciable asset, as it is consumed over its useful life to the Board.

#### **Depreciation Rates:**

Plant and Equipment	20%
Furniture and fittings	10%
EDP Equipment	25%

### *l. Trade and other receivables*

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. The ability to collect trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Board will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates fair value.

### *m. Trade and other payables*

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 2. REVENUE

Registration and other fees collected by the Board in accordance with the *Surveying Act 2002* are retained by the Board to fund their operations. The Board does not receive any funding by way of grants from the Department of Lands or NSW Treasury and its operating expenditure is solely funded by revenue from Registration and other fees.

	2007 \$	2006 \$
<b>a. Revenue</b>		
Annual Registration	388,556	367,100
Application for Registration	2,280	1,980
Candidate Workshop Fees	11,240	23,828
Certificate of Registration	300	-
Enrolment as Candidate	17,382	13,392
Examination Fees	19,291	24,750
Letters of Accreditation	900	420
Professional Training Agreement Fees	2,380	3,490
Conferences and Seminars	2,195	-
Restoration to Register	13,650	15,900
	<b>458,174</b>	<b>450,860</b>
<b>b. Other Revenue</b>		
Interest – Investment Income	37,884	32,939
Other income	30	88
In-kind contributions	74,759	20,558
	<b>112,673</b>	<b>53,585</b>

## 3. BOARD MEMBER FEES

Board members' fees payable for 2006-2007 amounted to \$24,720 (2005-2006 - \$27,810). In addition Board members received \$13,131 (2005-2006 - \$17,030) for acting as examiner; other Board related activities (included under other service fees); and travelling and accommodation expenses incurred in connection with the Board's operations (included under travelling and subsistence).

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 4. EXPENSES

	<u>2007</u>	<u>2006</u>
	\$	\$
<b>a. Depreciation</b>		
Plant and Equipment	4,448	6,641
EDP Equipment	7,613	8,691
	<u>12,061</u>	<u>15,332</u>
<b>b. Other Operating Expenses</b>		
Audit	1,000	9,377
Board/Committee Member Fees	25,565	27,810
Continuing Professional Development Assessment	1,083	1,897
Lands Administration Fee	28,062	29,772
Personnel Services	221,429	206,822
Lands rent	17,000	15,176
Examination Related Expenses	61,111	72,569
Maintenance	1,289	1,770
Postage Telephone and Courier	4,083	7,098
Stores and Stationery	3,022	9,222
Travel and Subsistence	28,664	35,402
Services received free of charge	74,859	20,558
Other Service Fees	63,190	122,924
	<u>530,357</u>	<u>560,397</u>

The method of accounting for Auditors remuneration was changed in 2006/07 from previously accepted practice of expensing total audit fees in the financial year under review, to expensing the fee when service is actually provided. This change resulted in a reduced expense being reported for 2006/07. The total audit fee for the 2006/07 Financial Report is \$9,100 (2005/06 - \$9,000).

<b>c. Loss on disposal of fixed asset</b>	<u>1,523</u>	<u>-</u>
	<u>1,523</u>	<u>-</u>

## 5. TRADE AND OTHER RECEIVABLES

Trade debtors	-	1,647
Interest receivable	17,243	15,641
GST receivable	11,220	8,263
	<u>28,463</u>	<u>25,551</u>

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 6. TRADE AND OTHER PAYABLES

	2007 \$	2006 \$
Trade payables and accruals	3,176	44,098
Prepaid registration fees	1,584	45,288
	<u>4,760</u>	<u>89,386</u>

## 7. PLANT AND EQUIPMENT

	Plant and Equipment \$	EDP Equipment \$	Total \$
<b>At 1 July 2006</b>			
At Fair Value	33,203	37,124	70,327
Accumulated depreciation and impairment	(20,892)	(22,543)	(43,435)
Net Carrying Amount	<u>12,311</u>	<u>14,581</u>	<u>26,892</u>
<b>At 30 June 2007</b>			
At Fair Value	33,202	29,105	62,307
Accumulated depreciation and impairment	(25,340)	(17,951)	(43,291)
Net Carrying Amount	<u>7,862</u>	<u>11,154</u>	<u>19,016</u>

### Reconciliation

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the financial year are set out below:

#### Year ended 30 June 2007

Net carrying amount at start of year	12,311	14,581	26,892
Addition	-	5,708	5,708
Disposal	-	(1,523)	(1,523)
Depreciation expense	(4,449)	(7,612)	(12,061)
<b>Net carrying amount at end of year</b>	<u>7,862</u>	<u>11,154</u>	<u>19,016</u>

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 8. CASH AND CASH EQUIVALENTS

### a. Cash

For the purposes of the Statement of Cash Flows cash consists of cash at bank. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2007 \$	2006 \$
Cash at bank	482,769	535,525
<b>Cash at the end of financial period</b>	<b>482,769</b>	<b>535,525</b>

### b. Reconciliation of net profit / (loss) to cash flows from operating activities

Surplus / (Deficit)	26,906	(71,284)
<b>Adjustment for non – cash items:</b>		
Depreciation	12,061	15,332
Loss on disposal of fixed asset	1,523	-
<b>Changes in Assets &amp; Liabilities</b>		
(Increase)/decrease in trade and other receivables	(2,912)	10,214
(Decrease)/increase in trade and other payables	(84,626)	42,438
<b>Net cash flows from operating activities</b>	<b>(47,048)</b>	<b>(3,300)</b>

## 9. COMMITMENTS FOR EXPENDITURE

### a. Capital Commitments

At 30 June 2007 there were no capital commitments (2006 - NIL).

### b. Other Expenditure Commitments

At 30 June 2007 there were other expenditure commitments totalling \$2,538 (2006 – NIL).

## 10. CONTINGENT LIABILITIES

At 30 June 2007 there were no contingent liabilities (2006 - NIL).



# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 11. ASSISTANCE FROM OTHER AGENCIES

The Department of Lands provided the Board with assistance for development of the spatial information project free of charge. The fair value of the assistance provided was \$74,759 (2006 – \$20,558). The fair value of assistance is recognised as other revenue of \$74,759 (2006 – \$20,558) and also as other operating expenses of \$74,759 (2006 – \$20,558) in the income statement.

## 12. EQUITY

	2007 \$	2006 \$
Balance at the beginning of financial year	498,582	569,866
Surplus / (Deficit) for the year	26,906	(71,284)
<b>Balance at the end of financial year</b>	<b>525,488</b>	<b>498,582</b>

## 13. FINANCIAL INSTRUMENTS

The Board's principal financial instruments include cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments for speculative purposes. The Board does not use financial derivatives.

Financial instruments give rise to positions that are a financial asset of either the Board or its counterparty and a financial liability (or equity instrument) of the other party. For the Board these include cash and cash equivalents, receivables, and creditors. These are recorded at cost, being the contractual amount owing or owed. All financial instrument cash flows are recognised on an accruals basis.

In accordance with AASB 132 *Financial Instruments: Disclosure and Presentation* information is disclosed here in respect of the interest rate risk and credit risk of financial instruments. Such amounts are carried in the accounts at net fair value unless otherwise stated. Financial instruments applicable to this Board consist of cash at bank, receivables and creditors.

### a. Interest rate risk

Interest rate risk is the risk that the value of the instruments will fluctuate due to changes in market interest rates. The Board's exposure to interest rate risk and the weighted average effective interest rates of financial assets and liabilities at the balance date are as follows:

# Board of Surveying and Spatial Information

Notes to the Financial Statements  
For the year ended  
30 June 2007

## 13. FINANCIAL INSTRUMENTS (continued)

	Weighted average effective interest rate %	Floating interest rate	Non interest bearing	Carrying amount as per balance sheet
<b>30 June 2007</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	5.64	482,769	-	<b>482,769</b>
Trade and other receivables	-	-	28,463	<b>28,463</b>
<b>Total Financial Assets</b>	<b>-</b>	<b>482,769</b>	<b>28,463</b>	<b>511,232</b>
<b>30 June 2006</b>				
Cash and cash equivalents	5.03	535,525	-	<b>535,525</b>
Trade and other receivables	-	-	25,551	<b>25,551</b>
<b>Total Financial Assets</b>	<b>-</b>	<b>535,525</b>	<b>25,551</b>	<b>561,076</b>
<b>30 June 2007</b>				
<b>Financial Liabilities</b>				
Trade and other payables	-	-	3,176	<b>3,176</b>
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>3,176</b>	<b>3,176</b>
<b>30 June 2006</b>				
Trade and other payables	-	-	44,098	<b>44,098</b>
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>44,098</b>	<b>44,098</b>

### b. Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to Treasury.

### c. Trade Creditors and Accruals

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

## 14. AFTER BALANCE DATE EVENTS

There are no after balance date events.

## END OF AUDITED FINANCIAL REPORT