

AIBS 2019

ANNUAL REPORT



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President's Report

Overview of 2019

The year will be remembered in the history of building surveying not only for the professional indemnity insurance crisis but also as the beginning of a once in a lifetime shift in our industry.

This has been extremely painful for most of us and it is not over yet. However, we may one day look back on 2019 and recognise it as a turning point for our profession, a time when we looked into the future and saw we needed to take control of what we want building surveying to be.

After many years of mounting evidence that the PI insurance market was showing signs of failure, the sudden contraction of availability and skyrocketing premiums in 2019 marked the biggest challenge our profession has seen.

Unable to obtain workable insurance, some building surveying firms decided to close, others whose insurance policies had expired were without insurance and unable to undertake their work for weeks while they struggled to obtain a new policy. In most cases, new insurance includes exclusions huge excesses and at a significantly increased cost, that is if you can get insurance at all.

The crisis, and I do not use that word lightly because that is what it is, made many building surveyors question the future of building surveying. Towards the end of the year, a new theme began to emerge among the AIBS membership. There is a growing realisation that we must lift our professional standards and act like professionals in the true sense of the word. Without a cultural shift in our own ranks, building surveying will not have a future.

AIBS elections – Board and Chapter committees

The AIBS Board and Chapter elections were held in November 2018 and this was the second time Board Directors were elected directly by the membership.

I was honoured to be elected once again as Board Director for South Australia and then to be chosen by my fellow Directors as President of AIBS with Victoria Director Wayne Liddy appointed as Vice President. I was fortunate to be taking the reins of an AIBS left in very good shape by Tim Tuxford, who held the role of President for the previous two years. Fortunately, Tim remains on the Board as NSW Director and has continued to assist us with wise counsel and to volunteer his time and expertise to represent AIBS at government inquiries and to participate in making submissions to governments.

Board Directors who were elected by the members for a two year term are Troy Olds – SA Director, Timothy Tuxford – NSW/ACT Director, Wayne Liddy – Victoria Director, Gabriel Barnes – Tasmania Director, Gary Fitzgerald – Western Australia Director, Stacy Kennedy – Queensland/NT Director

Chapter Committees were also elected across the country, though unfortunately, NSW and initially SA did not have enough members to form a committee, though SA was able to during the year.

PI insurance the dominant theme of the year

Certainly, the year was dominated by the professional indemnity insurance situation. This was caused by a loss of confidence of the insurance sector in Australia's building and construction industry. It is easy to attribute this to the combustible external cladding on apartments. News media reports often point to the Lacrosse and Neo fires in Melbourne and even Grenfell in London as a

basis for the insurance issues and the need for better regulation. But the real cause of the insurance stampede away from the industry is far more complex than simply combustible cladding or cracks in some NSW apartment buildings.

Australia's building regulations have not kept pace with changing times and the globalisation of the building products supply chain. Added to that, poor practice has been allowed to flourish with governments taking their eye off the need to conduct audits and pull errant practitioners into line or remove them from the industry altogether. Some builders have been allowed to produce shoddy work and then fold up to avoid liability. Practitioners found to be doing the wrong thing have been slapped on the wrist and left to continue to produce substandard work at the expense of the public.

As building surveyors, we have to shoulder some of the responsibility too. If we want to be seen as professionals and respected for what we do, we must act more professionally in the true sense of that word. There are some in our ranks who do not act professionally and it is time to change.

AIBS developments

During the PI insurance crisis, AIBS has worked extensively with governments in all jurisdictions to seek solutions, alerted the public to the crisis through the news media and liaised very closely with insurance providers. We believe governments should share responsibility for finding solutions because while industry must share some of the blame for the insurance crunch, governments have failed to properly administer their own building regulations.

But we know we cannot depend on governments for a solution and that we have to determine our own destiny instead of having it determined for us.

On that point, AIBS has worked to develop:

- a Professional Standards Scheme for Building Surveyors;
- an enhanced Continuing Professional Development (CPD) Program;
- revised our National Accreditation Scheme; and
- introduced a new upgraded AIBS Code of Professional Conduct.

These and other measures are aimed at improving the professional standards of building surveying to better reflect the importance of the statutory role we undertake in conjunction with government.

You will find more detail about each of these measures in the CEO's Report.

The culture of building surveying

The above developments undertaken by AIBS have involved a great deal of work by our dedicated staff, with significant input from many of our members who understand that it is time to change our culture for the better and move towards being more professional.

And this year has brought with it the need for each and every building surveyor to ask themselves are we really professional in our work and our attitude to our work.

Ask yourself what your attitude is to training as part of your professional development. The days when 20 of us sat around in the pub and listened to each other's war stories and said that's training are long gone. Training is part of professional development. It is not a nuisance or a matter of how to get around the need for CPD points by opting for the cheapest, easiest and quickest training option.

Ask yourself how you work and collaborate with colleagues. Do you recognise and respect each other as professionals and treat other building surveyors with respect? That means all our colleagues whether in private practice or local government. We all have skills and experience and we can learn from each other.

Ask yourself if you charge a fee that accurately reflects the level of risk you undertake. Or, instead is undercutting colleagues more important than delivering an excellent service and charging accordingly. If this is the case, you are in a race to the bottom and I advise you to pull out now.

Ask yourself when undertaking your work if you behave and dress in a manner expected of a professional who is an expert in the Building Code and carrying out a statutory role on behalf of the government. Or, do you come across as just another contractor onsite.

It should be clear to each and everyone in the profession that now is the time to improve our standard in everything we do. We must take control of our profession and its future and not hand control over to others because we have failed to be professional.

Towards the end of the year, a new theme began to emerge among the membership. An increasing number of members are thinking the same way and are coming with us on the journey. To those who remain negative and stuck in the past, I say you need to consider your relevance in a world that is quickly changing and whether you are dragging the rest of us down to a level where we simply cannot be. If you can't change and adapt, then you will not be with us when we reach our destination. We note some members have chosen to get off the bus now, but we will not be changing direction. We know that the standards and expectations we are setting for professionalism will not be achieved by everyone at this point, but you are welcome to get back on board with us some time in the future. In the meantime, we continue on the journey with those who share our vision for the profession.

Conclusion

In closing, I would like to acknowledge that the work undertaken by AIBS over the past few years has this year been proven to be very worthwhile. We remain in a strong financial position with 2019 delivering an operating surplus of \$85,000. More information can be found in the financial statements in this report.

The changes made to the AIBS structure in previous years, including the addition of key new staff positions, have made AIBS into a more robust and efficient organisation able to withstand the massive pressures placed upon it this year. Also, our work on policy development, particularly the *AIBS Policy on Building Regulatory Reform in Australia* has given us a solid basis on which to form all our many submissions to government inquiries on the insurance issue and many other industry matters. If we had not put in that hard work to improve the way AIBS operates, we would not have achieved what have during 2019.

I would like to thank my fellow Board Directors and our colleagues in all jurisdictions who have put in so much time and effort and volunteered their knowledge and expertise to support AIBS and the profession during this incredibly challenging year. It is so very encouraging to know that we do have in our membership very knowledgeable, dedicated and highly professional people who are committed to ensuring a great future for building surveying.

We have been very well supported by our dedicated AIBS staff members, led by Chief Executive Brett Mace, who have faced the immense challenges of 2019 standing alongside us and continuing to deliver excellent results. I would like to especially acknowledge the work and commitment of Brett who has travelled the length and breadth of the nation meeting with Ministers and their

advisers, insurance providers and industry groups to determine the best way forward from here for the profession.

Of course, AIBS would not be the strong and professional organisation it is today without the support of our members. And if 2019 has proven anything, it is that now is the time to step up and support AIBS because it is only by standing united together that we can determine our own future and make sure it is a bright one.

On behalf of the Board, Chapter Committees, advisory committees and everyone who works together to make AIBS what it is today I thank you for your support and look forward to reporting on positive developments in 2019/20.



Troy Olds
President

The AIBS Board 2018 – 2020 is comprised of an elected Director from each of our Chapters.



CEO's Report

Despite the ongoing challenges facing the profession of building surveying, AIBS has continued to take leadership in the industry through the delivery of a wide range of high-quality services to support members and building surveyors nationally. While combustible external cladding and the associated Professional Indemnity insurance crisis impacted on both the time and resources of the Board and staff over the year, we have seen considerable advances and developments in the services offered to members and the profession overall.

We have continued to pursue and develop an application for a Professional Standards Scheme for Building Surveyors and, to facilitate that, standards were raised on a number of our key programs throughout the year.

Continuing Professional Development (CPD)

In July 2018 a revised CPD program was implemented. Despite criticism from some building surveyors that CPD was becoming too difficult to achieve with AIBS in comparison with other accrediting bodies, AIBS remains totally committed to raising the professional standards of building surveying. CPD is just one of the areas we have identified to achieve higher standards. Our revised CPD Program seeks to ensure that those accredited by AIBS are undertaking relevant quality training delivered by professional bodies who are accountable for the training they deliver. In a time of considerable public scrutiny of building surveying, we believe our commitment to a higher level of professional development demonstrates the leadership and accountability required to improve the image of building surveying in the eyes of both the governments and the general public.

National Accreditation Scheme

Another major reform was completed in May 2019 with the release of our revised National Accreditation Scheme. The Scheme had not been substantially reviewed for a number of years and, while it had performed well during this time, changes were needed as a further step towards the development of a Professional Standards Scheme for Building Surveying. The National Accreditation Scheme will be the cornerstone of a Professional Standards Scheme, so it is crucial that the Accreditation Scheme remains relevant and meets all the essential requirements to ensure we have the highest quality professional building surveyors. Thank you to all those who contributed and provided feedback during this process over the course of the 18 months it was under review.

AIBS Code of Professional Conduct

In conjunction with the implementation of the revised National Accreditation Scheme, a new AIBS Code of Professional Conduct was put in place. Previously AIBS had two Codes of Conduct, one for members and the other for the National Accreditation Scheme. With the implementation of the new Code of Professional Conduct on 1 May 2019, all members and non-members accredited are covered under a single code of professional conduct. The new Code of Professional Conduct once again reflects the commitment by AIBS to show leadership in actively raising the bar on the required standards for building surveyors nationally.

AIBSTV

One of the major achievements for AIBS that I am particularly proud of this year is the introduction of AIBSTV, our online education and communication platform. The realisation of this project in June was some 18 months in the making and was delivered by our Member Services Team led by Karyn McGrigor. AIBSTV will revolutionise the way in which AIBS education and communication will be delivered in the future right across the country, but particularly in regional Australia. This is another key demonstration of the advancements AIBS has made in innovation and preparing the profession for the future. Once again, AIBS continues to lead the way.

NCC BCA 2019

In another year of considerable change, we saw the first edition of the new three-year National Construction Code (NCC) Amendment Cycle come into effect on 1 May 2019. To enable AIBS to communicate and educate our members and all building surveyors on the extensive changes to the NCC, we organised a four-day symposium in Canberra in April 2019. The AIBS NCC BCA 2019 Symposium was designed to provide a comprehensive overview of the key changes to the NCC for 2019, what's behind them and the practical impacts of these changes. In addition, considerable time was spent examining the changes to key amended standards referenced in each volume. The first two days focussed on Volume One of the NCC, while days three and four focussed on Volume Two. Feedback on the program content was excellent and the benefits were significant. Key presentations from the symposium were the first to feature, and are still available on AIBSTV.

Professional Standards Scheme for Building Surveyors

As you will see from our training and conference reports, our professional AIBS team members continue to deliver high calibre, well attended events aimed at educating and accrediting our members to prepare them to meet the demanding challenges faced by the profession. The importance of these crucial areas will only continue to increase as we move towards implementing a Professional Standards Scheme and having a much greater role to play in the regulation, development and education of the profession. We look forward to undertaking this responsibility of guiding the future of the profession of building surveying. After AIBS seeking support from Governments for a number of years for a Professional Standards Scheme, it was pleasing to see towards the end of year a change of direction from them in coming out and publicly endorsing the need for such a scheme.

Advocacy

One important and crucial aspect of our work which goes mostly unnoticed is our advocacy and representation. In the report on advocacy and technical matters within this annual report, you will discover just how much work is undertaken throughout the year right across the country. This work, much of which is behind the scenes, is crucial in ensuring the voice of the profession is heard by governments and industry groups on matters that affect everyone in building surveying. You will note the extent to which AIBS is involved and almost single-handedly representing the profession in all jurisdictions across Australia. It is especially rewarding that I had the opportunity to represent AIBS and the profession at industry roundtables held in conjunction with Building Ministers' Forums in August 2018 and February 2019. The invitation to AIBS is evidence of the recognition of AIBS as the peak national body representing the interests of building surveying. It is equally important that AIBS is involved at all levels of representation to ensure the voice of building surveying is widely heard at every level where it matters.

Conclusion

On a final note, I would like to take this opportunity to once again thank all the AIBS members without whom the organisation would not be able to achieve what it does for the profession of building surveying. And, I also look forward to continuing to work with our President Troy Olds and the Board, all our appointed committees and advisory groups and especially our very professional and motivated team in the AIBS office whose outstanding work greatly benefits all members and everyone in the profession.



Brett Mace
Chief Executive Officer

Operational Report

STAFF ARRIVALS AND DEPARTURES

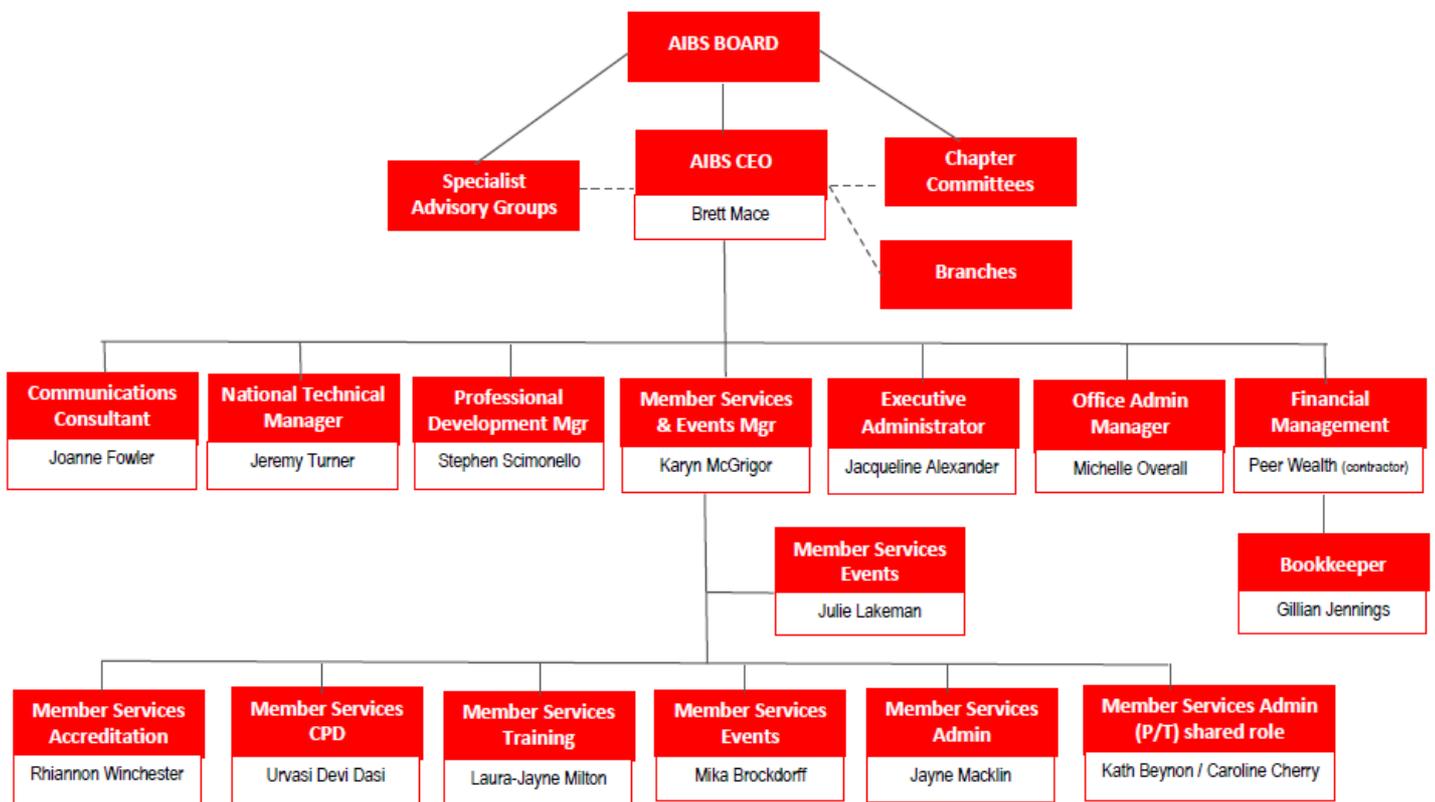
Arriving – Stephen Scimonello, Professional Development Manager (August 2018)

Arriving – Laura-Jayne Milton, Member Services Training Administrator (October 2018)

Arriving – Urvasi Devi Dasi, Member Services CPD Administrator (February 2019)

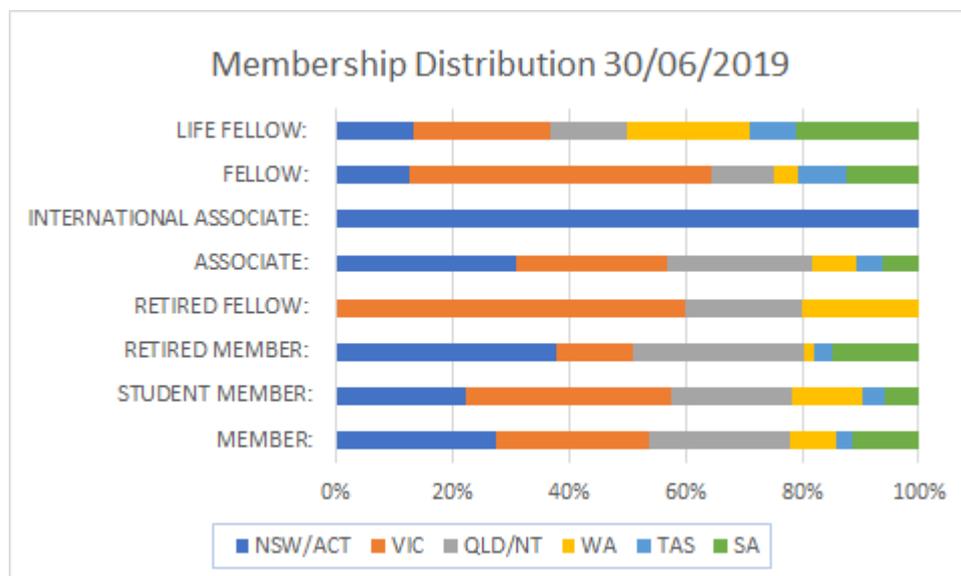
Departing – Tess McGown, Member Services Training Administrator (September 2018)

AIBS Administrative Personnel Structure – as at 30 June 2019



MEMBERSHIP

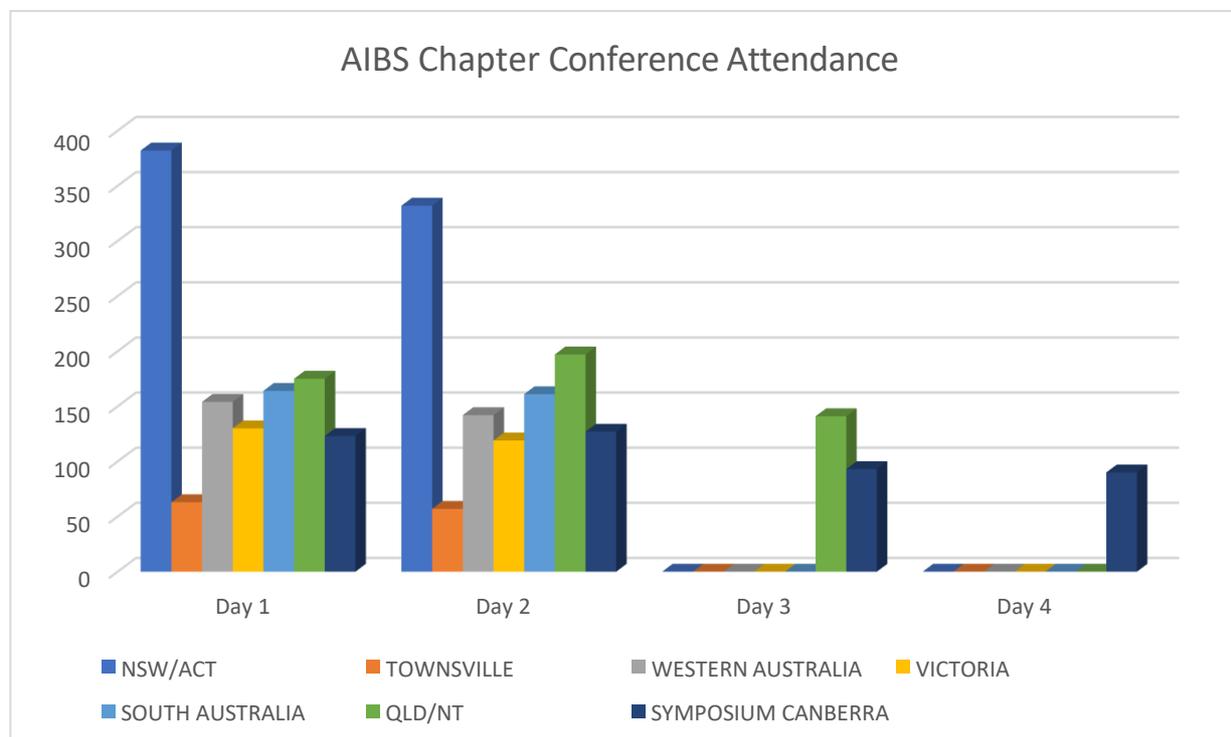
MEMBERSHIP AS OF 30 JUNE 2019							
	NSW/ACT	VIC	QLD/NT	WA	TAS	SA	NATIONAL
MEMBER:	422	405	375	125	42	174	1543
STUDENT MEMBER:	39	62	37	21	7	10	176
RETIRED MEMBER:	23	8	18	1	2	9	61
RETIRED FELLOW:		3	1	1			5
ASSOCIATE:	20	17	16	5	3	4	65
INTERNATIONAL ASSOCIATE:	15						15
FELLOW:	6	25	5	2	4	6	48
LIFE FELLOW:	5	9	5	8	3	8	38
TOTAL:	530	529	457	163	61	211	1951



FELLOW AND LIFE FELLOW UPGRADES		
MEMBER	APPROVED MEMBERSHIP STATUS	BOARD MEETING APPROVAL DATE
Darryl O'Brien	Fellow	4 April 2019
Robert Killorn	Fellow	6 March 2019
Timothy Tuxford	Fellow	4 April 2019

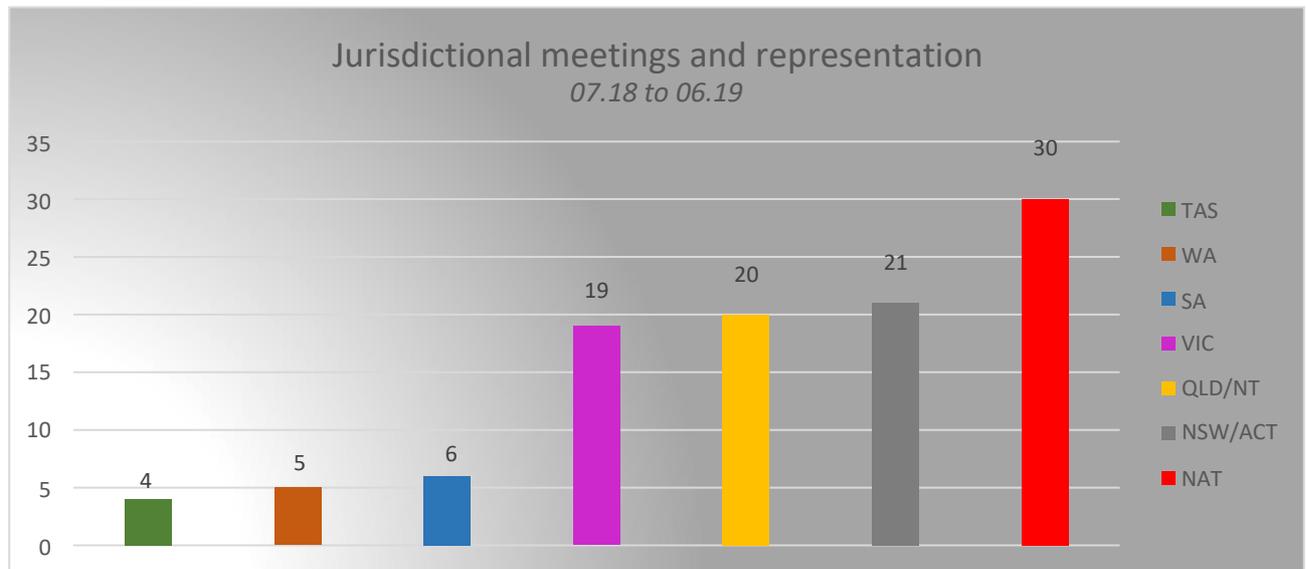
CONFERENCES

CONFERENCE ATTENDEES FOR THE YEAR 1 JULY 2018 – 30 JUNE 2019					
CHAPTER	Day 1	Day 2	Day 3	Day 4	Total
NSW/ACT	382	332			714
TOWNSVILLE	63	57			120
WESTERN AUSTRALIA	154	142			296
VICTORIA	130	119			249
SOUTH AUSTRALIA	164	162			326
QLD/NT	175	197	141	N/A	513
SYMPOSIUM CANBERRA	123	127	93	90	433
TOTAL	1191	1136	234	90	2651



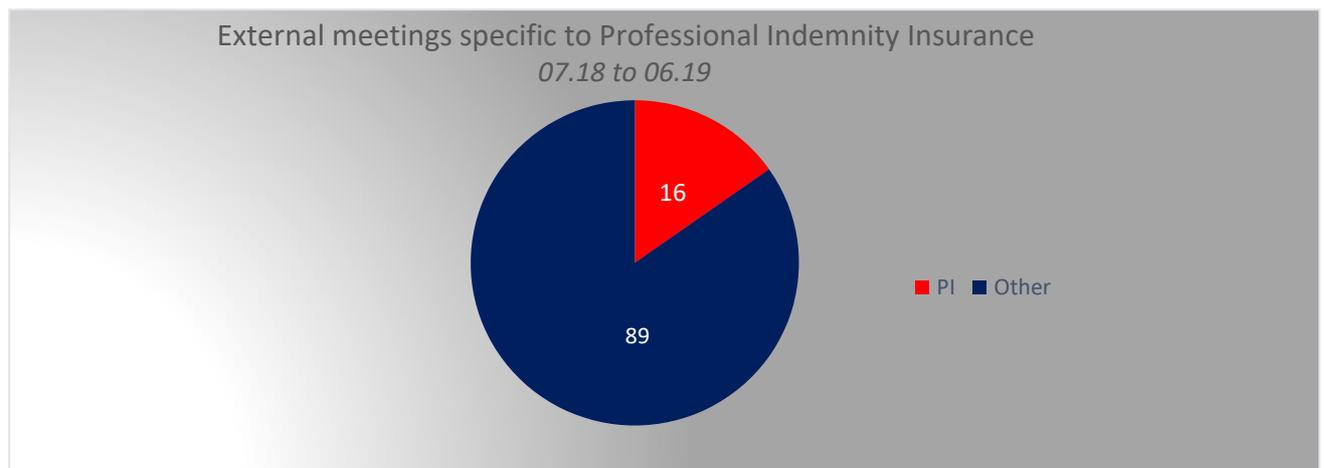
ADVOCACY

Jurisdictional Meetings and Representation



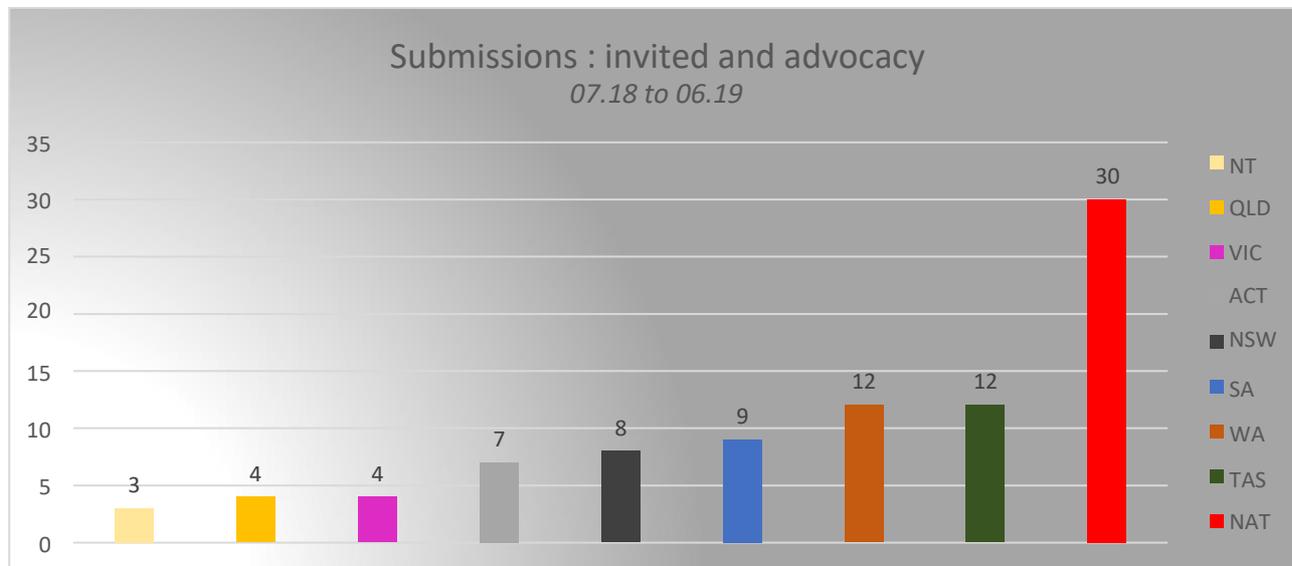
This represents a total of 105 activities that have been recorded and of these, 16 meetings (15%) related to Professional Indemnity insurance for building surveyors

In the latter half of 2018, there was significant activity related to the finalisation of the 2019 edition of the National Construction Code. The first half of 2019 featured high levels of activity related to the implementation of the Building Confidence Report recommendations and other regulatory changes. It is anticipated that the next year will see higher levels of activity related to the implementation of Building Confidence report recommendations and a continuation of the levels of activity related to professional indemnity insurance.



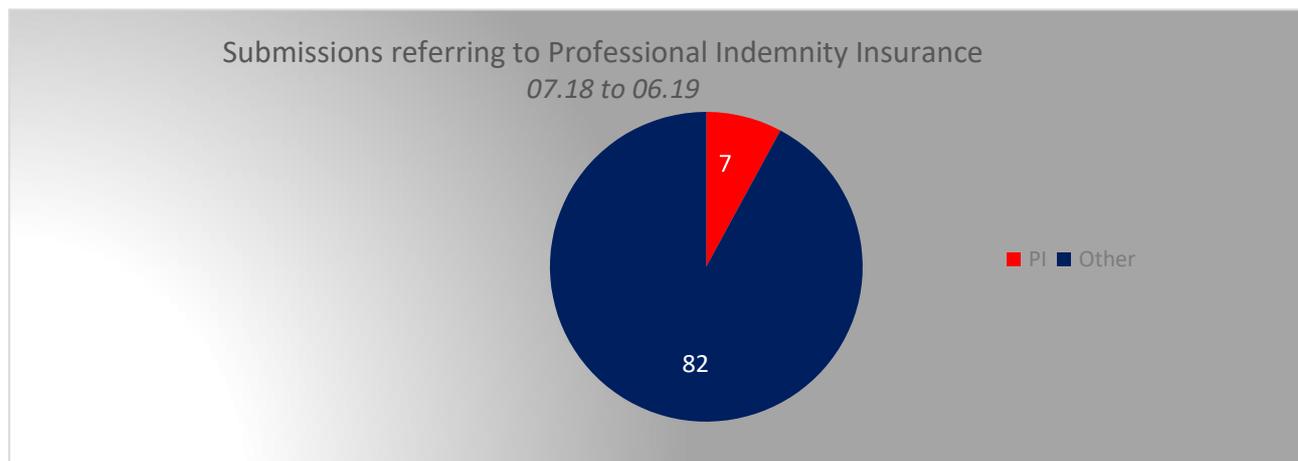
Meeting activity related to professional indemnity insurance has been significant with well over 60 hours spent preparing and attending meetings; however this represents a small proportion of the total representation activity.

Submissions: Invited and Advocacy



This represents a total of 89 formalised written submissions of which 7 were specifically or had reference to Professional Indemnity insurance for building surveyors.

Very few of the submissions invited related to professional indemnity insurance with most on this topic having been made proactively. The majority of other submissions were made in response to requests or invitations to provide comment on proposals or the like. At just under 8% of submissions made, work related to professional indemnity was significant but not dominant. It is unlikely that the mix of submissions made will change substantially in the next 12 months.



Many of the submissions made related to professional indemnity insurance were highly similar, being a national issue requiring individual jurisdictions to respond in unison. This meant that the time preparing written submissions on that topic was minimal in comparison to other forms of submission.

External Advocacy Reach

AIBS is represented on the following key National and State based committees/groups
ABCB – Building Codes Committee
ABCB BCC Working Group – Acceptable Construction Practice Review
ABCB BCC Working Group – IFEG Review
ABCB BCC Working Group – Performance
ABCB Industry Leaders Forum
Accredited Professionals Scheme
Building Activity Management System
Building Confidence Report National Framework Industry Leaders Forum
Building Regulations Advisory Council
Complying Development Expert Panel
Industry Technical Infrastructure Forum
Ministerial Construction Council
Premises Standards Expert Advisory Group
Queensland Reconstruction Authority Stakeholder Group
Small Lot Housing Code Review Group
Stakeholder Advisory Committee
Standards Australia Nominating Organisations Forum

Standards Committee Representation

Committee		Committee	
BD-004	Masonry Structures	CS-034	Swimming and Spa Pools
BD-025	Residential Slabs and Footings	EN-003	Energy Efficiency and Thermal Performance of Buildings
BD-028	Masonry Wall Ties and Accessories	FP-001	Maintenance of Fire Protection Equipment
BD-029	Dampproof Courses and Flashings	FP-002	Fire Detection, Warning, Control and Intercom Systems
BD-038	Wet areas in buildings	FP-003	Fire Extinguishers
BD-059	Demolition of Structure	FP-004	Automatic Fire Sprinkler Installations
BD-066	Tiltup Construction	FP-009	Fire Hydrant Installations
BD-067	Metal Framing	FP-019	Passive Fire Protection
BD-085	Inspection of Buildings	FP-020	Construction in Bushfire Prone Areas
BD-092	Housing Construction - Working Practices	FP-021	Fire Safety Audits
BD-099	Wind Loads for Housing	LG-007	Emergency Lighting in Buildings
BD-104	Building Information Modelling	ME-064	Access for People with Disabilities
BD-105	Performance Description of Houses	PL-015	Floor Coverings
BD-106	Autoclaved Aerated Concrete	PL-022	Plastic Building Sheets
CE-029	Access Covers and Grates	TM-010	Timber Structures and Framing

*There are 11 relevant committees where representation is yet to be provided

In Summary

Overall, advocacy has been largely reactive. The time spent on proactive advocacy work has largely been taken up by representations related to professional indemnity insurance for building surveyors. Proactive advocacy related to the development of proposals for change to the NCC and project proposals related to Australian Standards development and reform is in the early planning stages and will ramp up over the next 12 to 18 months.

ACCREDITATION

AIBS Accreditation Statistics as of 30 June 2019.

ACCREDITED PERSONS BY CHAPTER	
QUEENSLAND & NORTHERN TERRITORY	385
SOUTH AUSTRALIA	190
NEW SOUTH WALES & AUS. CAPITAL TERRITORY	124
VICTORIA	45
WESTERN AUSTRALIA	26
TASMANIA	11
OVERSEAS	3
NATIONALLY	784



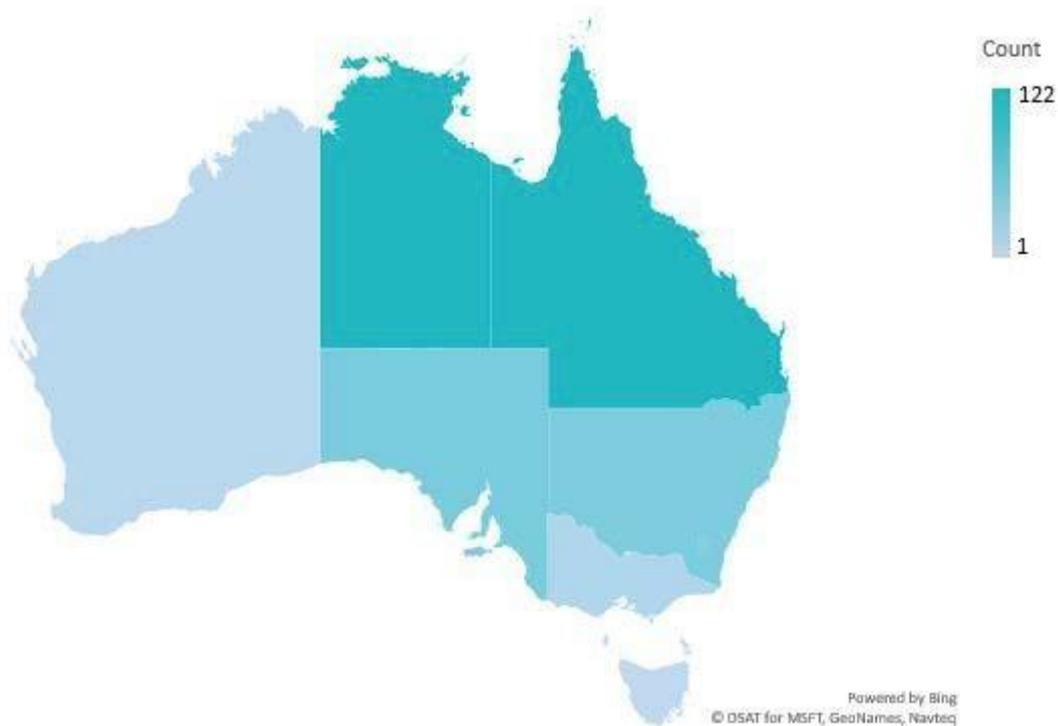
I Above: Accredited persons by Chapter. The diagram above does not include data shown for international individuals

ACCREDITED MEMBERS BY CHAPTER	
QUEENSLAND & NORTHERN TERRITORY	355
SOUTH AUSTRALIA	179
NEW SOUTH WALES & AUS. CAPITAL TERRITORY	120
VICTORIA	35
WESTERN AUSTRALIA	19
TASMANIA	11
OVERSEAS	1
NATIONALLY	720



Above: Accredited members by Chapter. The diagram above does not include data shown for international individuals

ACCREDITATION RENEWALS BY CHAPTER	
QUEENSLAND & NORTHERN TERRITORY	122
SOUTH AUSTRALIA	63
NEW SOUTH WALES & AUS. CAPITAL TERRITORY	33
VICTORIA	7
WESTERN AUSTRALIA	1
TASMANIA	2
OVERSEAS	1
NATIONALLY	229



Above: Accreditation renewals by Chapter. The diagram above does not include data shown for international individuals

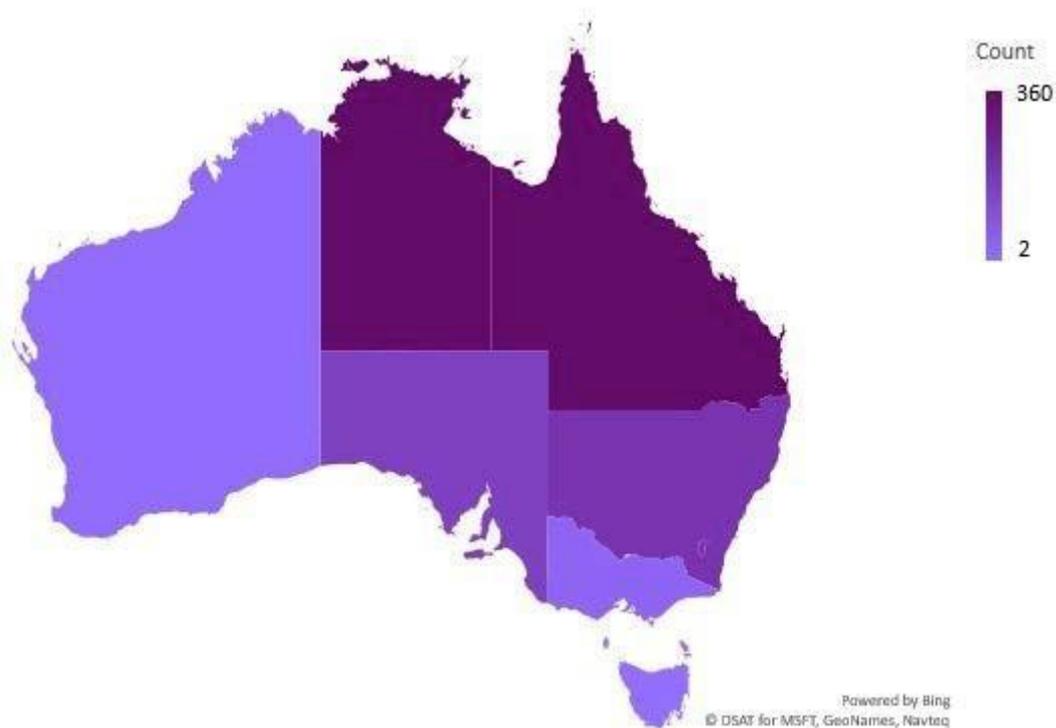
ACCREDITATION RENEWALS BY MEMBERSHIP ¹	
MEMBERS OF AIBS	224
NON-MEMBERS	5
NATIONALLY	229

¹ AIBS accreditation is only required to be renewed every 3 years. Figures shown are representative only of those renewed in this reporting period.

CPD

From the period 1 July 2018 – 30 June 2019 the following stats are confirmed for CPD Returns processed

CPD RETURNS PROCESSED BY CHAPTER	
QUEENSLAND & NORTHERN TERRITORY	360
SOUTH AUSTRALIA	179
NEW SOUTH WALES & AUS. CAPITAL TERRITORY	156
VICTORIA	20
WESTERN AUSTRALIA	9
TASMANIA	7
OVERSEAS	2
TOTAL	733



Above: CPD returns processed by Chapter. The diagram above does not include data shown for international CPD Returns

CPD RETURNS PROCESSED BY MEMBERSHIP	
MEMBERS OF AIBS	707
NON-MEMBERS	26
TOTAL	733

TRAINING

Throughout the 2018 - 2019 financial year AIBS continued to deliver training across all our jurisdictions which covered a range of topics outlined below

Training Events held across Australia in the period 1 July 2018 – 30 June 2019
Weatherproofing and Fire Separation
Building Regulations 2018 and Recent Amendments to the Building Act 1993
Solar PV System Installation – Supplementary Training
Waterproofing Wet Areas and Near Flat Roof Structures
Adelaide: Moot Court Mock Trial
Directors Update and Building for Bushfire Training
Swimming Pool Regulations
NCC 2019 Changes & AS 3959 & Bushfire Verification Method
Fundamentals of Assessing, Inspecting and Commissioning Fire Safety Systems
After Lacrosse: Consulting Agreements v Retainer Agreements v Terms of Engagement
NCC 2019 Mid-Rise Timber Buildings
NCC Vol. 1 & 2 Energy Efficiency & Condensation Changes

These topics spanned 43 events nationally, with registrations totalling 1786.

BRANCHES

The following Branches operated from 1 July 2018 – 30 June 2019:

- Far North Queensland - 1 meeting
- North Queensland - 1 meeting
- Darling Downs / South West Queensland - 2 meetings
- Sunshine Coast - 4 meetings
- Gold Coast - 5 meetings
- Wide Bay Burnett - 2 meetings
- South West WA Australia Building Surveying Group - 3 meetings
- WA Private Building Surveyors' Group - 4 meetings
- ACT - 4 meetings
- NW Victoria - 3 meetings
- Women in AIBS - 4 meetings (until April 2019)
- Adelaide Metropolitan Branch – 1 meeting



AUSTRALIAN INSTITUTE OF BUILDING SURVEYORS

(ACN: 004 540 836)
Financial Report
Year ended 30 June 2019

Australian Institute of Building Surveyors

Ground Floor, 15 Bridge Street, Pymble NSW 2073

Tel: 1300 312 427 ABN: 53 004 540 836

Ceo@aibs.com.au

aibs.com.au

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2019

The directors of Australian Institute of Building Surveyors (the Company) present the following report for the year ended 30 June 2019.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Gabriel Barnes
Wayne Liddy
Timothy Tuxford
Gary Fitzgerald
Stacy Kennedy
Troy Olds

Objectives

The Objectives for which AIBS is established as stated in clause 3 of the AIBS Constitution are to:

- a. Advocate a safe, sustainable and equitable built environment to the community, National, State and Local governments, the private sector and the academic community.
- b. Ensure the public interest of building safety is maintained.
- c. Ensure the structure and governance of AIBS allows continued membership growth through partnerships with allied professions.
- d. Advance the professional interests of Members.
- e. Establish, administer and review standards of competency amongst Persons working professionally in the disciplines involved in building surveying.
- f. Foster and strengthen the technical knowledge and professionalism of Persons working professionally in the disciplines of building surveying.
- g. Provide for and encourage the highest levels of competency in the disciplines of building surveying through education and training and the support of national continuous professional development.
- h. Provide a forum for the exchange of knowledge and views pertaining to the disciplines of building surveying.
- i. Harness the profession's collective knowledge on issues affecting the profession and to collect and disseminate information concerning the disciplines of building surveying.
- j. Deliver accountability and good corporate governance of AIBS to the Members.
- k. Provide a Building Surveying Accreditation service to ensure the provision of the highest standards of service by Building Surveying professionals.
- l. Do all other lawful things as are incidental or conducive to the attainment of these Objectives or any of them or which may advance the interests of AIBS.

DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Principal activities

The principal continuing activity of the Institute is the provision of professional services to members within the practice of Building Surveying.

Performance measures

The Company measures its performance by the success of its annual conferences, the amount of CPD points offered to members and ensuring, if possible, a balanced operating result.

Information on directors

Name: Gabriel Barnes
Title: TAS Director
Qualifications: Associate Degree-Building Surveying; Graduate Certificate-Performance Based Building & Fire Codes
Special responsibilities: Technical Committee Chair

Name: Gary Fitzgerald
Title: WA Director
Qualifications: Diploma Applied Science-Building Surveying; Graduate Diploma-Urban & Regional Planning
Special responsibilities: Accreditation & Education Committee Chair

Name: Stacy Kennedy
Title: QLD/NT Director
Qualifications: Bachelor Architecture Hons, Graduate Certificate-Building & Planning; Graduate Diploma-Fire Safety Engineering
Special responsibilities: Technical Committee, Member (assisting)

Name: Wayne Liddy
Title: Vice President & VIC Director
Qualifications: Certificate of Qualification-Building Surveyor
Special responsibilities: Accreditation & Education Committee, Member (assisting)

Name: Troy Olds
Title: National President & SA Director
Qualifications: Bachelor of Building, Graduate Certificate-Building and Fire Codes, Graduate Diploma-Urban and Regional Planning
Special responsibilities: Finance Committee, Member

Name: Timothy Tuxford
Title: NSW/ ACT Director
Qualifications: Associate Diploma-Health & Building; Bachelor of Business-Local Government/Legal Studies
Special responsibilities: Finance Committee Chair

**DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

Directors' meetings

The following table sets out below the number of meetings held during the financial year ended 30 June 2019 and the number attended by each director.

There were 7 meetings of directors held during the year

Number of meetings attended and in what capacity	Meetings eligible to attend	As Director	As alternative Director
Gabriel Barnes	7	7	-
Gary Fitzgerald	7	3	-
Stacy Kennedy	7	6	-
Wayne Liddy	7	6	-
Troy Olds	7	6	-
Timothy Tuxford	7	6	-

Contributions on winding up

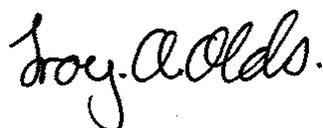
If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At 30 June 2019 the number of members was 1,951 (2018: 1,949). The total amount that members of the Company are liable to contribute if the Company is wound up is \$39,020.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Troy Olds
Director

Sydney, 17 October 2019

**DECLARATION OF INDEPENDENCE BY KIERAN GOULD TO THE DIRECTORS OF AUSTRALIAN
INSTITUTE OF BUILDING SURVEYORS**

As lead auditor of Australian Institute of Building Surveyors for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Kieran Gould
Partner

BDO East Coast Partnership

Sydney, 17 October 2019

30 JUNE 2019

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General information

The financial report covers Australian Institute of Building Surveyors as an individual entity. The financial report is presented in Australian dollars, which is Australian Institute of Building Surveyors' functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

Australian Institute of Building Surveyors is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Ground Floor
15 Bridge Street
Pymble NSW 2073

The financial report was authorised for issue, in accordance with a resolution of directors, on 17 October 2019. The directors have the power to amend and reissue the financial report.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Revenue	3	2,916,858	2,372,166
Expenses			
Employee benefits expense		(1,105,140)	(948,091)
Contractors		(141,365)	(151,354)
Depreciation and amortisation expense	9	(8,382)	(11,412)
Other expenses	4(b)	(1,576,069)	(1,271,913)
Total expenses		<u>(2,830,956)</u>	<u>(2,382,770)</u>
Surplus/(deficit) before income tax expense	4	85,902	(10,605)
Income tax expense	5	<u>-</u>	<u>-</u>
Surplus/(deficit) after income tax expense for the year attributable to the members of Australian Institute of Building Surveyors		<u>85,902</u>	<u>(10,605)</u>
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the members of Australian Institute of Building Surveyors		<u>85,902</u>	<u>(10,605)</u>

The above statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	6	1,498,671	1,391,891
Trade and other receivables	7	107,909	93,094
Other assets	8	165,641	258,136
Total current assets		<u>1,772,211</u>	<u>1,743,121</u>
Non current assets			
Property plant & equipment	9	28,268	30,692
Total non current assets		<u>28,268</u>	<u>30,692</u>
Total assets		<u>1,800,489</u>	<u>1,773,813</u>
Current liabilities			
Trade and other payables	10	187,740	145,959
Unearned income	11	543,663	674,665
Employee benefits	12	77,528	61,355
Total current liabilities		<u>805,931</u>	<u>881,979</u>
Non current liabilities			
Employee benefits	12	45,609	28,786
Total non current liabilities		<u>45,609</u>	<u>28,786</u>
Total liabilities		<u>851,540</u>	<u>910,765</u>
Net assets		<u>948,949</u>	<u>863,047</u>
Equity			
Retained surpluses		<u>948,949</u>	<u>863,047</u>
Total equity		<u>948,949</u>	<u>863,047</u>

The above statement of financial position is to be read in conjunction with the attached notes

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Surpluses	Total Equity
	\$	\$
Balance at 1 July 2017	873,651	873,651
Deficit after income tax expense for the year	(10,605)	(10,605)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year	(10,605)	(10,605)
Balance at 30 June 2018	863,047	863,047
Surplus after income tax expense for the year	85,902	85,902
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	85,902	85,902
Balance at 30 June 2019	948,949	948,949

The above statement of changes in equity is to be read in conjunction with the attached notes

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$ Inflows (Outflows)	2018 \$ Inflows (Outflow)
Cash flows from operating activities			
Receipts from customers		3,038,587	2,426,253
Payments to suppliers and employees		(2,953,392)	(2,496,121)
Interest received		27,543	23,223
Net cash used in operating activities		<u>112,738</u>	<u>(46,645)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(5,958)</u>	<u>(2,045)</u>
Net cash used in investing activities		<u>(5,958)</u>	<u>(2,045)</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		106,780	(48,690)
Cash and cash equivalents at the beginning of the financial year		<u>1,391,891</u>	<u>1,440,581</u>
Cash and cash equivalents at the end of the year	6	<u><u>1,498,671</u></u>	<u><u>1,391,891</u></u>

The above statement of cash flows is to be read in conjunction with the attached notes

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The responsible entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. These are discussed below:

AASB 9 Financial Instruments

The standard introduced new classification and measurement models for financial assets: cash and cash equivalents and trade and other receivables that were classified as loans and receivables under AASB 139 and are now classified as at amortised cost.

New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance against the financial assets measured at amortised cost. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 9 was adopted using the retrospective approach without adjusting comparatives. There was no impact of adoption on opening retained profits as at 1 July 2018 and therefore no adjustment is reflected. AASB 9 did not have any other significant impact on the Company's accounting policies.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Revenue and expense recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue is recognised in the period for which member subscriptions relate. Conference income is recognised as revenue when the conference occurs. Other revenue is recognised as income in the period it is invoiced. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Revenue and expenses are recognised to the extent that it is probable that their respective economic benefits will flow to or be lost or consumed by the Institute, and the revenue and expense can be reliably measured. The following specific recognition criteria must be met before revenue or expenses are recognised:

Member subscriptions

The Institute's subscription year is 1 July to 30 June. Fees are paid annually in advance. Only those member fees which are attributable to the current financial year are recognised as revenue. Fee receipts relating to periods beyond the current financial year are shown, excluding any applicable taxes, in the balance sheet as Income in advance under the heading of current liabilities.

Other income generating activities

The Institute undertakes certain activities which are accounted for on a work-in-progress basis, including conferences and training activities. The Institute's policy of accrual accounting with respect to the recognition of revenue and expenses on such activities is as follows:

- For activities which are completed on or before balance date any surplus or deficit is incorporated into the year's results.
- For activities which take place wholly after the end of the financial year, any revenue received and expenses incurred on such activities prior to balance date is deferred and carried forward in the Balance Sheet within Unearned income and Prepayments respectively.
- For activities which span the balance date, a proportion of the final projected revenue is recognised in the financial year on the percentage of completion basis.

Revenue in regard to certain activities is deferred where it is anticipated that refunds will be made in regard to discontinuation by attendees. The deferred amount is carried forward in the balance sheet within unearned income.

Interest income

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.

Income tax

The institute prepares its income tax return by reference to the application of the principle of mutuality to the revenue and expenses of the Company. The principle of mutuality is a common law principle arising from the premise that individuals cannot profit from themselves. Accordingly receipts from members are deemed to be mutual income and not subject to income tax, and expenses in connection with mutual activities are therefore not deductible for taxation purposes. All other receipts and payments are classified in accordance with taxation legislation.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve 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 recognised at amortised cost, less any provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable. Individual debts which are known to be uncollectable are written off when identified.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets with annual reassessments for major items. The expected useful lives are as follows:

Plant and equipment: 2 - 5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Unearned income

Unearned income is carried at original amount in respect of goods and services to be provided subsequent to balance date. Unearned income includes membership fees and training and development course fees.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

provided by employees up to the reporting date using the projected unit credit method. 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 2 - CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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 within the next financial year are discussed below.

Non-recovery of deferred tax assets

Deferred tax assets are not recognised for deductible temporary differences as management considers that it is not probable that future taxable profits will be available to utilise those temporary differences.

Long service leave provision

As discussed in Note 1 the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at balance date. In determining the present value of the liability, attrition rates, pay increases through promotion, and inflation have been taken into account.

Allowance for impairment loss on trade receivables

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent revenue experience and historical collection rates. The impairment loss is outlined in Note 7.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 3. REVENUE	2019 \$	2018 \$
(a) Member subscriptions	813,950	743,606
(b) Other revenue		
- Conferences, training & seminars	1,583,051	1,092,496
- Accreditation	231,889	227,577
- Publishing	17,608	43,283
- Sponsorship	225,035	214,885
- Interest received	27,543	23,223
- Sundry income	17,782	27,096
	<u>2,916,858</u>	<u>2,372,166</u>

NOTE 4. OPERATING SURPLUS

- (a) The surplus before income tax expense is arrived at after crediting and charging the following specific items.

Credits		
Interest received/receivable - unrelated parties	27,543	23,223
Expenses		
Depreciation and amortisation	8,382	11,412
Superannuation expense	92,255	80,096
Minimum lease payments - operating leases	107,211	99,515
(b) Other expenses		
Conferences	644,216	535,718
Seminars	222,847	105,015
Publishing expenses	67,351	66,019
Online training expenses	11,670	-
Property expenses	139,889	127,193
Office expenses	98,160	100,178
Computing expenses	60,069	46,165
Insurance	21,061	19,792
Meetings	127,943	151,870
Marketing	28,518	32,902
Legal	92,290	27,636
Bad and doubtful debts	6,169	-
Other expenses	55,886	59,425
	<u>1,567,069</u>	<u>1,271,913</u>

NOTE 5. INCOME TAX

Numerical reconciliation of income tax expense to prima facie tax payable

Surplus/(deficit) before income tax	85,902	(10,605)
Tax at the Australian tax rate of 27.5%	23,623	(2,916)
Tax effect amounts which are not deductible/(taxable) - mutual income	(162,081)	(158,668)
Tax benefits (carried forward tax losses) not recognised	<u>(138,458)</u>	<u>(161,584)</u>
Income tax expense	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 5. INCOME TAX (continued)

At balance date, accumulated revenue tax losses of \$1,583,407 (2018: \$1,444,949) existed, giving rise to a potential future tax benefit. Income tax benefits attributable to tax losses and temporary differences have not been brought to account as it is not probable that the Company has the ability to derive future assessable income of a nature and of sufficient amount to enable the benefit to be realised.

The deferred tax asset for revenue tax losses, which will offset future non-mutual income, will only be utilised if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised.
- The conditions for deductibility imposed by tax legislation continue to be complied with
- No changes in tax legislation adversely affect the Institute realising the benefit.

NOTE 6. CASH & CASH EQUIVALENTS	2019	2018
	\$	\$
Cash at bank	618,753	163,512
Cash on deposit	879,918	1,228,379
	<u>1,498,671</u>	<u>1,391,891</u>

NOTE 7. TRADE AND OTHER RECEIVABLES

Trade debtors	99,857	90,819
Less allowance for expected credit loss	(10,189)	(4,020)
Other debtors	18,241	6,295
	<u>107,909</u>	<u>93,094</u>

Recognition and Measurement

Other receivables are recognised at amortised cost, less any allowance for expected credit loss. The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent revenue experience and historical collection rates.

NOTE 8. OTHER ASSETS

Prepayments	<u>165,641</u>	<u>258,136</u>
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NOTE 9. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at cost	201,633	195,675
Less accumulated depreciation	(173,365)	(164,983)
	<u>28,268</u>	<u>30,692</u>

Movement in carrying amounts

Reconciliations of the carrying amounts at the beginning and end of the current financial year are set out below:

	2019	2018
	\$	\$
Balance at the beginning of the year	30,692	40,059
Additions	5,958	2,045
Carrying value of disposals	-	-
Depreciation expense	(8,382)	(11,412)
Carrying amount at the end of the year	<u>28,268</u>	<u>30,692</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 10. TRADE AND OTHER PAYABLES	2019	2018
	\$	\$
Trade payables		
Other payables and accruals	55,544	17,541
	129,196	128,418
	<u>187,740</u>	<u>145,959</u>

NOTE 11. UNEARNED INCOME

Conference income in advance	218,233	310,869
Membership income in advance	260,541	255,372
Other income in advance	64,889	108,424
	<u>543,663</u>	<u>674,665</u>

NOTE 12. EMPLOYEE BENEFITS

Current

Employee benefits	<u>77,528</u>	<u>61,355</u>
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Non current

Employee benefits	<u>45,609</u>	<u>28,786</u>
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Movement in employee benefits

Employee benefits provision at the beginning of the period	90,142	72,888
Annual leave net accretion/(payments) during the period	(59,295)	6,999
Long service leave accretion of employee benefit during the period	92,290	10,255
Employee benefits provision at the end of the period	<u>123,137</u>	<u>90,142</u>

NOTE 13. CONTINGENT LIABILITIES

The Company had no contingent liabilities as at 30 June 2019.

NOTE 14. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Aggregate compensation to key management personnel	<u>229,950</u>	<u>202,575</u>
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The names of the directors in office during the year are included in the directors' report. The directors act in a voluntary capacity. Directors receive reimbursements of costs associated with Institute affairs but do not receive directors' fees.

NOTE 15. CAPITAL AND LEASING COMMITMENTS

Operating leases committed at the reporting date but not provided for in the financial statements:

Payable no later than one year	89,228	120,767
Payable later than one year but not later than five years	1,455	89,191
	<u>90,683</u>	<u>209,958</u>

NOTE 16. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no events subsequent to balance date that will have a material effect on this report.

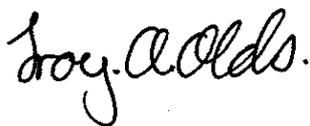
DIRECTORS' DECLARATION
30 JUNE 2018

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the directors



Troy Olds, Director
Sydney, 17 October 2019

INDEPENDENT AUDITOR'S REPORT

To the members of Australian Institute of Building Surveyors

Report on the Financial Report

Opinion

We have audited the financial report of Australian Institute of Building Surveyors (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Australian Institute of Building Surveyors, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 Company in accordance with 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 obtained at the date of this auditor's report is information included in the AIBS 2019 annual report and the directors' report, but does not include the financial report and our 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has 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 (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO East Coast Partnership

BDO


Kieran Gould
Partner

Sydney, 17 October 2019