

OPEN SOURCE INDUSTRY AUSTRALIA LIMITED

ABN 42 109 097 234

Financial Report

For the year ended 30 June 2016

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Directors' Report

Your directors present their report for the year ended 30 June 2016.

Directors and Meetings

The Directors that held office during the year ended 30 June 2016 are shown below. Also shown is the number of Director's Meetings held during that year, and the number of such meetings attended by each director.

Director	Meetings Attended	Meetings Held	Status
Jack Burton	13	13	
Daniel Jitnah	12	13	
Paul Foxworthy	10	13	
Ryan Cross	10	13	Resigned 15 Aug 2016
Aimee Maree Forsstrom	6	13	
Jessica Field	10	13	
Andrew Cutler	5	9	Elected 29 Oct 2015

Principal Activities

The principal activities of the company were to promote the use of open source technologies in business and government in Australia. There has been no significant change in the nature of this activity during the year. A summary of the significant public policy work which took place during the year is shown below.

OSIA's public policy activities in the year ending 30 June 2016

Formal submissions

Burton, J., *Submission to IP Australia regarding ACIP's revised recommendation on the innovation patent system*, Open Source Industry Australia, 23 September 2015.

Forsstrom, A. & Burton, J., *Submission to the Productivity Commission's Inquiry into Intellectual Property Arrangements*, Open Source Industry Australia, 30 November 2015.

Foxworthy, P. & Burton, J., *Submission to the Australian Tax Office on "Digital by Default"*, Open Source Industry Australia, 15 January 2016.

Forsstrom, A. & Burton, J., *Submission to Whole-of-Government – Shared and Common Services Programme*, Open Source Industry Australia, 9 February 2016.

Burton, J. & Foxworthy, P., *Submission to the Commonwealth Joint Standing Committee on Treaties regarding the Trans Pacific Partnership*, Open Source Industry Australia, 11 March 2016.

Burton, J. & Foxworthy, P., *Final submission to the Productivity Commission's Inquiry into Intellectual Property Arrangements*, Open Source Industry Australia, 3 June 2016.

All available at <http://osia.com.au/drupal7/publications>

Informal submissions

Foxworthy, P., *Active Government participation and support for open source software*, submitted to *Policy Hack with Wyatt Roy*, Oursay, 12 October 2015.

Jitnah, D. & Foxworthy, P., *Establish an open source software hub*, submitted to *Policy Hack with Wyatt Roy*, Oursay, 13 October 2015.

Both available at <http://oursay.org/community/policyhack>

Reports of limited distribution

Burton, J., *Preliminary comments on NSW ProcureIT v3.2 draft (Module 13 and contract)*, (prepared for NSW Department of Finance, Services & Innovation), Open Source Industry Australia, 19 October 2015 (unpublished).

Other formal government engagement

Forsstrom, A. & Burton, J., *Interview with economic analysts from the Productivity Commission's Inquiry into Intellectual Property Arrangements*, by telephone, 11 March 2016 (unpublished).

Burton, J., Foxworthy, P. & Jitnah, D., Appearance before the Productivity Commission's public hearing of its Inquiry into Intellectual Property Arrangements, Melbourne, 23 June 2016. Reproduced in Koppel, J. & Chester, K., Productivity Commission – Inquiry into intellectual property arrangements – transcript of proceedings at Productivity Commission, Melbourne on Thursday, 23 June 2016 at 8.49AM, Productivity Commission, 2016, pp. 451–459. Available at <http://www.pc.gov.au/inquiries/current/intellectual-property/public-hearings/20160623-melbourne-intellectual-property.pdf>

Sponsors

The Directors wish to acknowledge support from sponsor's during the reporting period.

- Anchor Systems
- i-Seek Communications
- Open Source Law
- Redback Conferencing

Operating Results

The deficit for the financial year was \$2,385 (prior year \$3,014).

Review of Operations

The summary financial results of the year are:

	2016	2015
Total Income	3,905	4,472
Total Expenses	6,290	7,486
Net Profit (-Loss)	-\$2,385	-\$3,014

Information on Directors and Secretary

Name	Jack Burton
Title	Chairman
Qualifications	BSc MACS CP
Experience & Expertise	Jack has been involved in commercial computing since 1989 across a broad range of fields. He is a director of Saosce Pty Ltd, a generalist computing consultancy & services firm he established in 2002, with a focus on Unix and open source software. He has been an OSIA Director

Name	Jack Burton
	since December 2010 and Chairman since December 2011. Past directorships include OSIA (2007/08), Australian Computer Society Inc. (Council, 2007; Management Committee, 2010 to 2011) and OpenSA Inc. (Treasurer, 2009 to 2013).

Name	Ryan Cross
Title	Non-executive Director
Qualifications	B MechEng B CSci MSci (Mechatronics)
Experience & Expertise	Ryan has over 25 years in the technology industry and has been working on the web for 20 years. Among other leadership and advisory roles, Ryan was a board member for Open Source Developers Club, the founder of Sydney Drupal Users Group and Founder and Managing Director of Cross Functional Pty Ltd. He is a strong advocate for the community and enjoys educating others. Ryan joined the board of directors for OSIA in October 2014.

Name	Andrew Cutler
Title	Non-Executive Director
Qualifications	BEcon
Experience & Expertise	Andrew brings over 15 years IT experience as a developer and consultant. He runs a business specialising in providing managed cloud and DevOps automation services. In his spare time he is a keen Python programmer, and maintains numerous open source projects. Andrew joined the board in October 2015.

Name	Jessica Field
Title	Non-Executive Director
Qualifications	MBA (Marketing) University of Newcastle
Experience & Expertise	Jessica has worked in the web industry for 10 years. Jessica is also a director of the Australian Web Industry Association (AWIA) and organises a range of meetup groups in Sydney, including: Port80, OpenStack & Magento. Jessica joined the board of directors of OSIA in November 2014.

Name	Aimee Maree Forsstrom
Title	Non-executive Director
Qualifications	BIT(Hons) BAppComp
Experience & Expertise	Aimee Maree's main focus has been business enhancement through technology systems that benefit people. She has worked across the areas of Systems Administration, Network Engineering, E-mail Security, Programming, CMS Framework Development, Data Analysis, Qualitative Research and Information Design, Online Integration Solution Design and Technical Lead. Aimee Maree joined the board of directors of OSIA in November 2014.

Name	Paul Foxworthy
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Title	Non-Executive Director
Qualifications	BSc, BA
Experience & Expertise	Paul has over thirty years experience as a software developer and is a co-founder and director of Coherent Software Australia Pty Ltd. He has been a committer to the open source Apache OFBiz project since 2012. Paul joined the board of OSIA in March 2014.

Name	Daniel Jitnah
Title	Non-Executive Director responsible for infrastructure
Qualifications	BSc, MComp, Grad DipEd
Experience & Expertise	Daniel has over 25 years experience in the IT. He has held appointments in various IT support positions. He also worked as a School Teacher for a few years. He has run his own IT Support Consultancy business for 9 years. Daniel joined the Board of OSIA in December 2010. Daniel is also active in the general Open Source Software and Linux User Community.

Name	Steven Sackett
Title	Company Secretary/Treasurer
Qualifications	BComm, Grad Diploma Acctg, CPA
Experience & Expertise	Steven is a CPA and has 25 years experience in senior financial roles in IT services companies.

Changes in State of Affairs

During the financial year there was no significant change in the state of affairs of the company.

Subsequent Events

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future Developments

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the Company's operations.

Environmental Regulations

The Company's operations are not regulated by any significant environmental regulation under the law of the Commonwealth or any State or Territory.

Indemnification of Officers

During or since the financial year, the Company has paid premiums in respect of contracts insuring any past, present or future Directors, secretaries and other officers of the Company against certain liabilities.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of

the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

No Audit

The company is of a type and size that is not required to be audited and, in accordance with a resolution of the members, no audit has been conducted.

On Behalf of the Directors

A handwritten signature in blue ink, consisting of several overlapping loops and strokes, appearing to read 'Jack Burton'.

Jack Burton – Chairman

Dated: 15th August 2016


OPEN SOURCE INDUSTRY AUSTRALIA LIMITED
ABN 42 109 097 234
Directors' declaration

The Directors have determined that the company is not a reporting entity and that this special purpose financial statement has been prepared in order to meet the needs of its members.

The directors declare that in their opinion:

- a) The attached financial statements comply with accounting standards, and give a true and fair view of the financial position at 30 June 2016 and performance of the company on that date
- d) There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable

Signed in accordance with a resolution of the directors, on behalf of the directors.



Jack Burton Director

Dated: 15th August 2016

OPEN SOURCE INDUSTRY AUSTRALIA LIMITED
ABN 42 109 097 234

Statement of Financial Position as at 30 June 2016

	Notes	2016 \$	2015 \$
Current Assets			
Cash at Bank	5	16,501	17,110
Accounts Receivable net of provision	6	225	
Total Assets		16,501	17,110
Current Liabilities			
Subscriptions paid in advance		1,146	-
Payables		780	150
Total Liabilities	7	1,926	150
Net Assets		14,575	16,960
Equity			
Retained profits		14,575	16,960
Total Equity	9	14,575	16,960

Statement of Changes in Equity For the year ended 30 June 2016

	Issued Capital	Retained Earnings
Balance as at 1 July 2014	-	19,974
Profit (-Loss) attributable to Members for the Year	-	-3,014
Balance as at 30 June 2015	-	16,960
Balance as at 1 July 2015	-	
Profit (-Loss) attributable to Members for the Year	-	-2,385
Balance as at 30 June 2016	-	14,575

Note: the company is limited by guarantee and has no issued capital

OPEN SOURCE INDUSTRY AUSTRALIA LIMITED
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Detailed Profit and Loss Statement For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Income			
Membership Fees		3,905	4,110
Interest Received		172	362
Total Income	3	4,077	4,472
Total Expenses	4	6,462	7,486
Net Surplus / (Deficit)		-2,385	-3,014

Statement of Cash Flows For the year ended 30 June 2015

	Note	2016 \$	2015 \$
Cash Balance - opening		17110	19,974
Result for Year after tax		-2385	-3014
Changes in working capital items		1551	150
Cash Flow from Operations	14	-834	-2464
Cash Flow from Investment Activities		-	-
Cash Flow from Financing Activities		-	-
Cash (Used)/Generated		-834	-2464
Cash Balance – closing		16276	17,110

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements of Open Source Industry Australia Pty Ltd (hereafter 'OSIA') 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 company 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.

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

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the relevant legislation to prepare and distribute financial statements to the members of OSIA. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of OSIA.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

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 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.

Sales revenue

Events, fund-raising and raffles are recognised when received or receivable.

Donations

Donations (none were received) are recognised at the time the pledge is made.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is not material and is recognised when credited.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The company is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting

period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

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

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

OSIA presently has no plant and equipment. IT services are provided on hosted computer equipment. The Board has resolved to expense certain software development costs which in a commercial enterprise may have been capitalised and depreciated. The amounts involved are:

2014: Member Referral System	2,750
2015: Member Referral System	1,650
2015: Website redesign:	1,760

Impairment of non-financial assets

Other than software developed for OSIA internal use, OSIA has no non-financial assets and questions of impairment do not arise.

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 are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

OSIA has no employees and accordingly does not account for employees benefits.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

OSIA is small organisation and elects to not charge GST on supply of goods and services nor claim back GST on goods and services purchased.

New Accounting Standards

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2016. The company has not yet assessed the impact of these new or amended

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

Estimation of useful lives of assets

The Board has resolved to immediately charge to expense the costs of developing software for the OSIA's internal use. OSIA has no other non-financial or financial assets requiring assessment of useful life.

Employee benefits provision

As discussed in note 1, OSIA has no employees and accordingly makes no employee provision.

Note 3. Revenue

	2016 \$	2015 \$
Member subscriptions received	3905	4,110
Interest Income	172	362
Total Income	4,077	4,472

Note 4. Expenses

	2016 \$	2015 \$
Accounting fees and ASIC lodgement costs		0
Bank fees and Paypal commissions	66	98
Computer, data and networking	518	20
Software development costs - Member Referral System		1,650
Software development costs - OSIA website redesign		1,760
OSDC Sponsorship Costs	2,500	475
ASIC filing fees	358	469
Printing Design Fees	450	
Insurance	1,876	1,826
Secretarial services		580
Seminar and function costs		278
Travel costs	694	330
	6,462	7,485

Note 5. Current Assets - Cash and Cash Equivalents

	2016	2015
	\$	\$
Cheque account	5,236	1,667
Interest bearing deposit account	10,519	12,846
Paypal account	521	2,597
	16,276	16,960

Note 6. Current Assets - Receivables

	2016	2015
	\$	\$
Subscriptions	640	985
Less amount provided	-415	(985)
	225	-

Note 7. Current Liabilities

	2016	2015
	\$	\$
Trade and other payables	780	-
Member subscription prepayment	1,146	150
Employee benefits	0	-
Other	0	-
	1,926	-

Note 8. Non-current liabilities

	2016	2015
	\$	\$
Non-current Liabilities	-	-
	-	-

Note 9. Equity - retained surpluses

	2016	2015
	\$	\$
Retained surplus at beginning of the year	16,960	19,974
Surplus / (deficit) for the year	-2,385	-3,014
Retained surplus at end of year	14,575	16,960

Note 10. Remuneration of auditors

The company resolved at the previous Annual General Meeting not to appoint an auditor.

Note 11. Contingent liabilities

The company had no contingent liabilities as at 30 June 2016 and 30 June 2015.

Note 12. Commitments

The company had no commitments for expenditure as at 30 June 2016 and 30 June 2015.

Note 13. Events after the reporting period

No matter or circumstance has arisen since 30 June 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of

affairs in future financial years.

Note 14. Reconciliation of surplus after income tax to net cash from operating activities

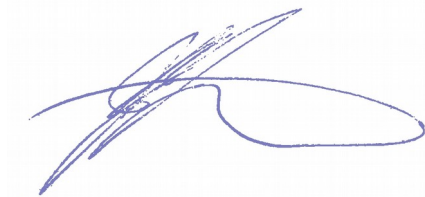
	2016 \$	2015 \$
Cash Balance - opening	17,110	19,974
Total Cash Income	4,077	4,472
Total Cash Expenses	-6,462	-7,486
Decrease In Accounts Receivable	345	
Decrease in AR Provision	-570	
Increase in prepaid subscriptions	994	
Increase in Trade Creditors	780	150
rounding	1	
Cash (Used)/Generated	-834	-2464
Cash Balance – closing	16,276	17,110

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Open Source Industry Australia Pty Ltd;
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2016 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)(a) of the Corporations Act 2001.

On behalf of the directors



Jack Burton
Director

Dated: 15th August 2016