



SABRENet | Connecting research, education & innovation

Annual Report
2019





SABRENet Limited

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Chair's Report



SABRENet is a leading edge fibre only network which, over the past 14 years, has become a major research, education and innovation asset for the South Australian people.

SABRENet delivers reliable and affordable multi gigabit connectivity to over 230 important locations in Adelaide including university campuses, private and public schools, TAFE campuses, teaching hospitals, research institutions, innovation precincts, public libraries, and data centres.

We are still on a growth trajectory and the number of sites connected to SABRENet increased by 15% in the past 12 months.

Some of the new connections to the network include Lot Fourteen, Adelaide Botanic High School, Forensic Science SA, North Terrace Cultural Precinct and the Unley Public Library.

SABRENet's business model is incredibly efficient and this allows us to provide outstanding value for our Members and customers. It is likely that SABRENet offers the most cost effective access to dark fibre, for research, education, and innovation available anywhere in the world.

SABRENet Ltd is proud to be implementing GigCity on behalf of the South Australian Government as its GigCity implementation partner. As a GigCity, with high speed Internet, Adelaide is able to attract the businesses, entrepreneurs and start-ups with 'bandwidth hungry' ideas, products and services that we need to transition to a modern and innovative economy.

During the year SABRENet successfully undertook the planning, design and construction work to connect another 3 innovation precincts to the GigCity network. This brings the total number of innovation precincts connected to GigCity to 23. The increasing demand for cost effective gigabit services from the tenants in GigCity precincts, affirms the decision by the South Australian government to invest in GigCity. GigCity is a unique offering differentiating South Australia's growing innovation precincts in the global landscape.

During the year our long serving CEO, Ralph Leonard announced his retirement. Ralph made an outstanding contribution to the success of SABRENet. During his tenure the network grew by over 300% and key projects such as GigCity were conceived and implemented. Ralph was a strategic thinker and a practical implementer and his collaborative and enterprising spirit will be missed by the entire SABRENet community.

While Ralph left big shoes to fill our new CEO, Sandra Vallance has already stepped into them with energy and enthusiasm. The Board is delighted that Sandra has joined SABRENet. She is a highly experienced leader and innovative thinker with all the skills necessary to turbo charge SABRENet's next phase of development.

SABRENet Ltd's future is very bright. Our forward plans will continue to expand the reach and density of connections to the network and this will see SABRENet Ltd playing an increasingly important role in the transformation of the South Australian economy.

SABRENet's ongoing success reflects the twin underlying principles upon which it was built – collaboration and innovation. Our success is a shared success, which is underpinned by strategically important partnerships with Vocus Telecommunications, Escapenet and AARNet and the ongoing support of our Members and their IT staff.

On behalf of my fellow Directors and the SABRENet team, Ralph Leonard, Sandra Vallance and Brenton Kelly, I'd like to sincerely thank all of those people who have contributed to our success over the past 12 months. We couldn't have done it without you.

A handwritten signature in black ink, reading "Paul Sherlock". The signature is fluid and cursive, with a large, stylized 'P' and 'S'.

Paul Sherlock
Chair, SABRENet Board



About SABRENet

The South Australian Broadband Research and Education Network (SABRENet) is a fibre only telecommunications network constructed in metropolitan Adelaide to link the State's major Research, Education and Innovation sites, including university campuses, innovation precincts, teaching hospitals, TAFE campuses and schools.

SABRENet Ltd is a not-for-profit public company limited by guarantee and registered as a charitable institution. It was formed to oversee the development, management and effective use of SABRENet.

The Members of the Company are Flinders University, the University of Adelaide, the University of South Australia, and the Government of South Australia. The Defence Science and Technology Group (DSTG) is a contractual partner in SABRENet Ltd.

The strategic role of SABRENet Ltd is to raise South Australia's research, education and innovation performance by utilising its fibre network to deploy and enable specialist broadband and related services on behalf of its members and customers.

- Removing constraints on available bandwidth for research, education and innovation.
- Creating a critical mass of interconnected sites, users and applications.
- Extending, owning and operating fibre infrastructure.
- Providing leadership on broadband issues within the research, innovation and education sector.

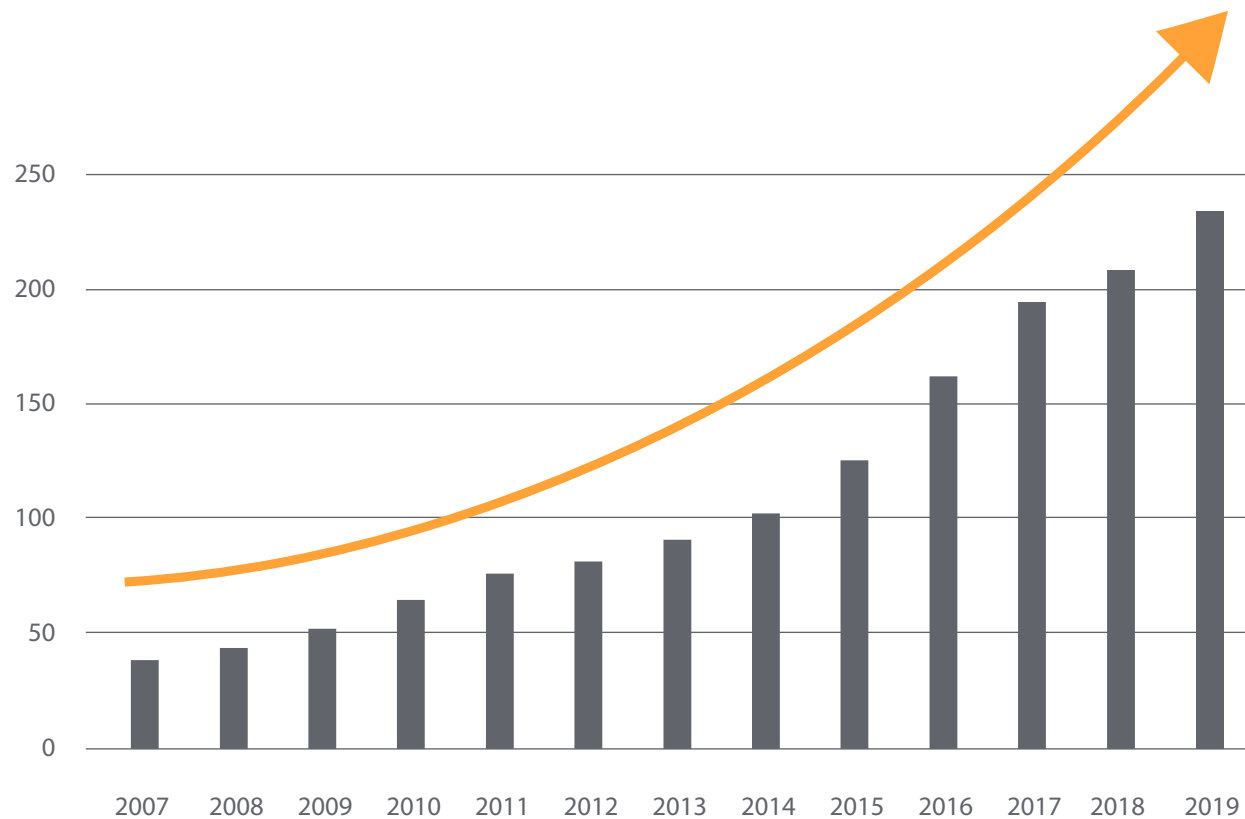
The SABRENet network extends over 400km of fibre optic cable and connects more than 230 locations in the greater Adelaide metropolitan area, typically at data speeds from 1 gigabit to 100 gigabits per second (Gbps).

The success of SABRENet is evident from the continued growth in the number and variety of sites connected to the network, and the accelerating growth trajectory since its inception.

- Not-for-profit company
- Founded in 2005
- Owned by Flinders University, the University of Adelaide, the University of South Australia and the Government of South Australia
- Over 400km of fibre optic cable
- Connects more than 230 locations across Adelaide
- Interconnects South Australia's research, education and innovation sectors with the rest of the world
- Unique South Australian success story



SABRENet Growth Trajectory



SABRENet is a growing fibre optic network linking **over 230** research, education and innovation locations.



New Connections

- Lot Fourteen
- Australian Advanced Materials Precinct
- Adelaide Botanic High School
- Colocity Data Centre
- Customs House
- Unley Public Library
- Northern Sound
- Ellex Medical Lasers
- Forensic Science SA
- Gawler Business Innovation Hub
- North Terrace Cultural Precinct
- Hendon Studios
- Prospect Road Innovation Precinct
- Tindo Solar



Prospect Road GigCity Precinct

GigCity Adelaide

The Adelaide GigCity Program (AGCP), funded by the Government of South Australia, is designed to provide affordable and superfast connectivity to designated innovation precincts. Using SABRENet fibre circuits, the GigCity network links the precincts and five data centres into a high-speed, highly resilient fibre platform using Dell Switch technology. GigCity provides businesses and individuals from across a range of industries with a vibrant space to accelerate their ideas and foster relationships.

August 2017 - Official launch of the GigCity Network

- Adelaide Smart City Studio
- Carclew
- Osborne Naval Shipbuilding Precinct
- SA Film Corporation
- St Paul's Creative Centre
- Stretton Centre
- Technology Park
- TechInSA
- The Mill
- Tonsley Innovation District

Remainder of 2017

- Hub Adelaide
- Science Park

2018

- Waite Research
- Hub Adelaide
- Northern Sound (Playford Centre)
- North Terrace Cultural Centre
- Australian Materials Manufacturing
- Innovation Grid (Fluid Solar)
- Hendon
- Lot Fourteen

2019

- Gawler Innovation Hub
- Games Plus
- Prospect Road



L-R: Grant Rench and Sandra Vallance (SABRENet CEO) at Technology Park, where 38 businesses are connected to GigCity



Unsung Hero – Ralph Leonard and his contribution to SABRENet



Ralph Leonard was CEO of SABRENet from June 2012 until his retirement in August 2019. His distinguished career, predominantly within education and government, involved roles as a teacher, software developer and online systems creator. He was a leader in ICT use in education and provided policy and strategy advice for governments in Australia and Asia.

Ralph also served as a leader in professional societies for several decades. He was President of the

Australian Council for Computers in Education (2003-2010) and a Board Member of the International Society for Technology in Education (2007-2011). Ralph is a Fellow of the Australian Computer Society and a Fellow of the Australian Council for Computers in Education.

Ralph regards his role as SABRENet CEO as one of the highlights of his career. He drove the expansion of the network from 80 sites in 2012 to over 230 sites in 2019 with much of the growth due to the use of SABRENet beyond its original participants.

During his tenure he successfully initiated and completed several projects that established significant ongoing value for SABRENet and its associated community. Ralph's commitment to problem-solving and his ability to liaise adroitly with both contractors and all levels of staff within institutions and government departments generated significant goodwill and high regard for SABRENet.

Collaboration was a hallmark of the SABRENet expansion during his tenure which forged highly productive joint activities between SABRENet and institutions, industry and governments. Those collaborations have created a legacy of enduring benefit for SABRENet Ltd and the many organisations dependent on its services.

In 2014, Ralph successfully negotiated collaborative infrastructure agreements with both the Adelaide City Council (ACC) and the South Australian Department for Planning, Transport and Infrastructure (DPTI). In each case, SABRENet's access to the associated duct networks subsequently enabled many SABRENet fibre connections which would have been unattainable without the agreements.

The DPTI agreement resulted in several joint projects with the Intelligent Transport Systems section of DPTI and delivered significant mutual benefit for both parties. Similarly, the agreement with ACC enabled SABRENet to expand its network within the CBD and provided physical links between the ACC and suburban councils.

In 2016, Ralph was instrumental in proposing and guiding the use of SABRENet infrastructure as the fibre platform for the Government of South Australia's Adelaide GigCity Program and SABRENet's role as the operational manager for the Program. By 2019, the establishment of GigCity services in 22 innovation precincts was a fitting culmination of Ralph's dedication to the use of SABRENet for the enhancement of the research, education and innovation environment in South Australia.

Northern Sound System (Playford Creative Industries) – Pump up the volume

The original concept for Playford Creative Industries was a community music hub for the general public to be involved in music creation and generation. Northern Sound System is not only music oriented but also focused heavily on youth community development, the combination of which has driven a lot of its success. It provides training, support, school based activities and mentorship opportunities as well as offering lessons in song writing, digital media, visual effects and gaming.

Precinct Manager, Ross Read said, "With GigCity we have been able to put on concerts for all sorts. We have collaborated with Northern Adelaide Senior College where we live broadcast the workshop and could only do so because of the super-fast internet from GigCity.

"GigCity has decentralised all the content we have available for our users so that it's all on tap for them at any time. We have started doing VR/AR collaborations, which has been very cool, and we have done some trial programs and game creation in collaboration with other precincts – so you can have everyone in the same virtual world working together in real-time and this has been amazing.

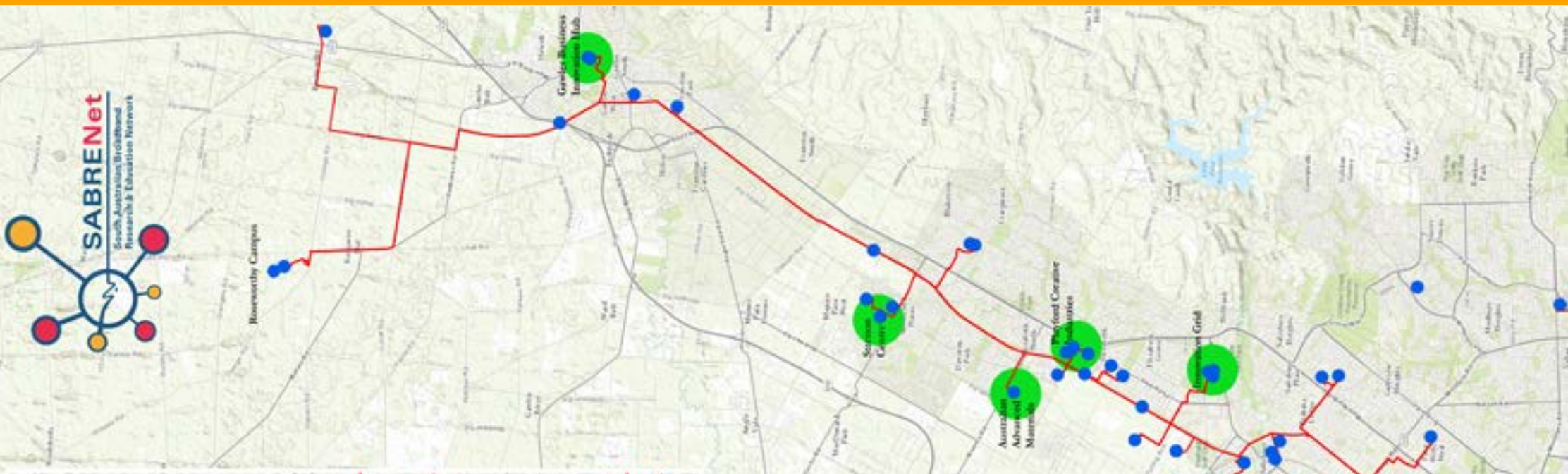
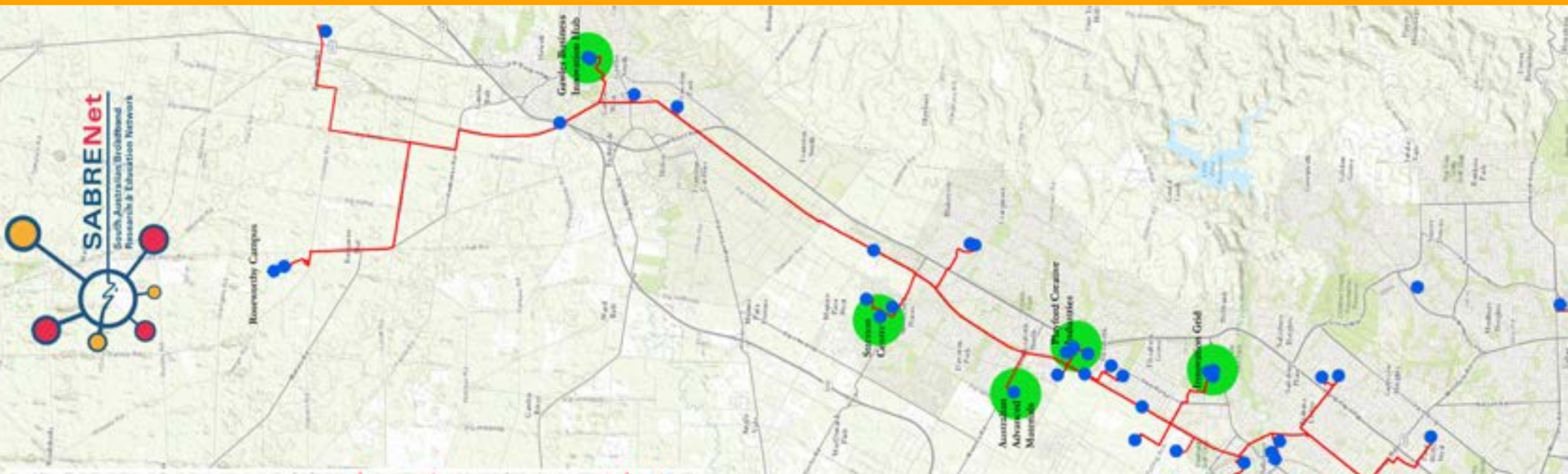
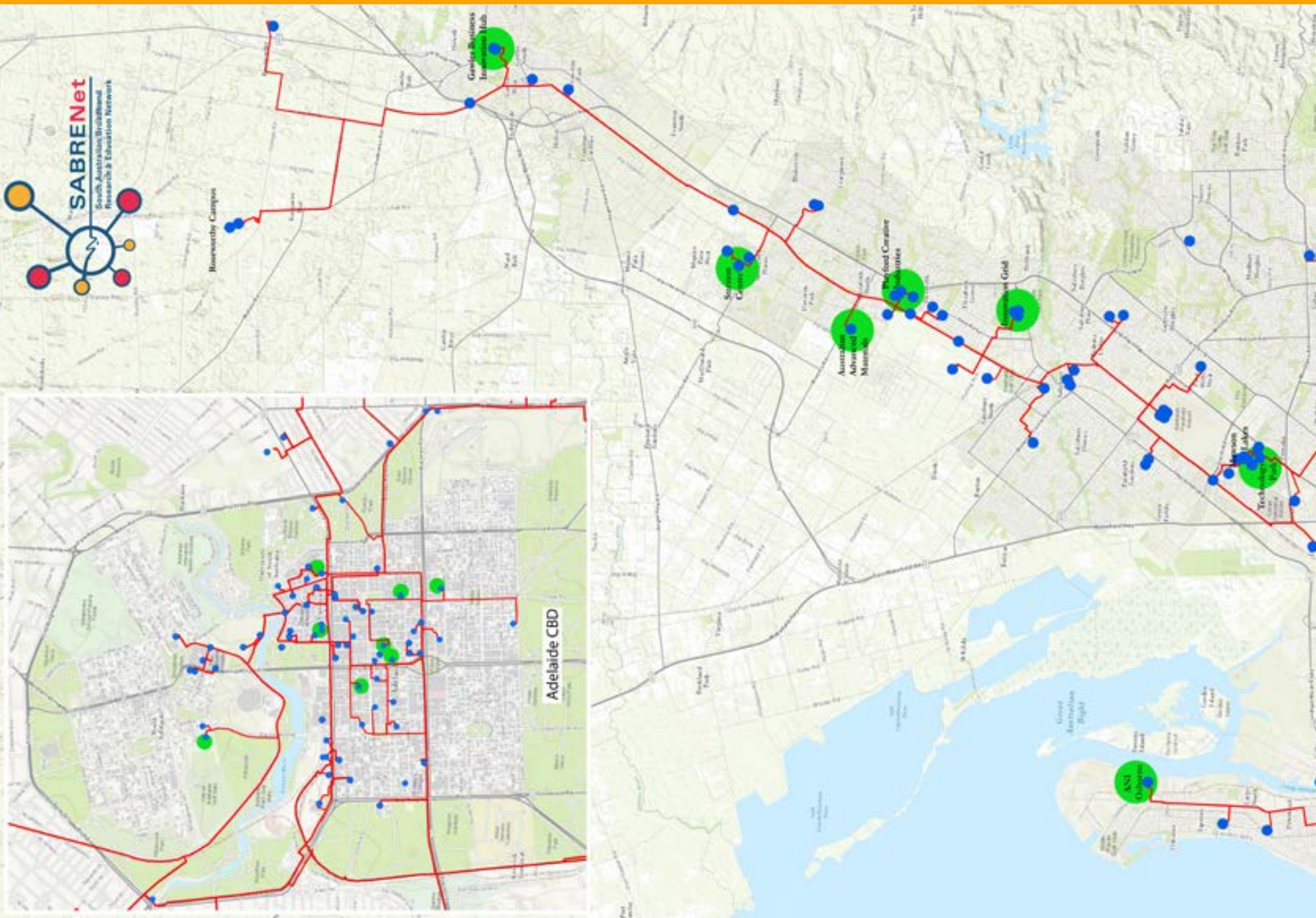
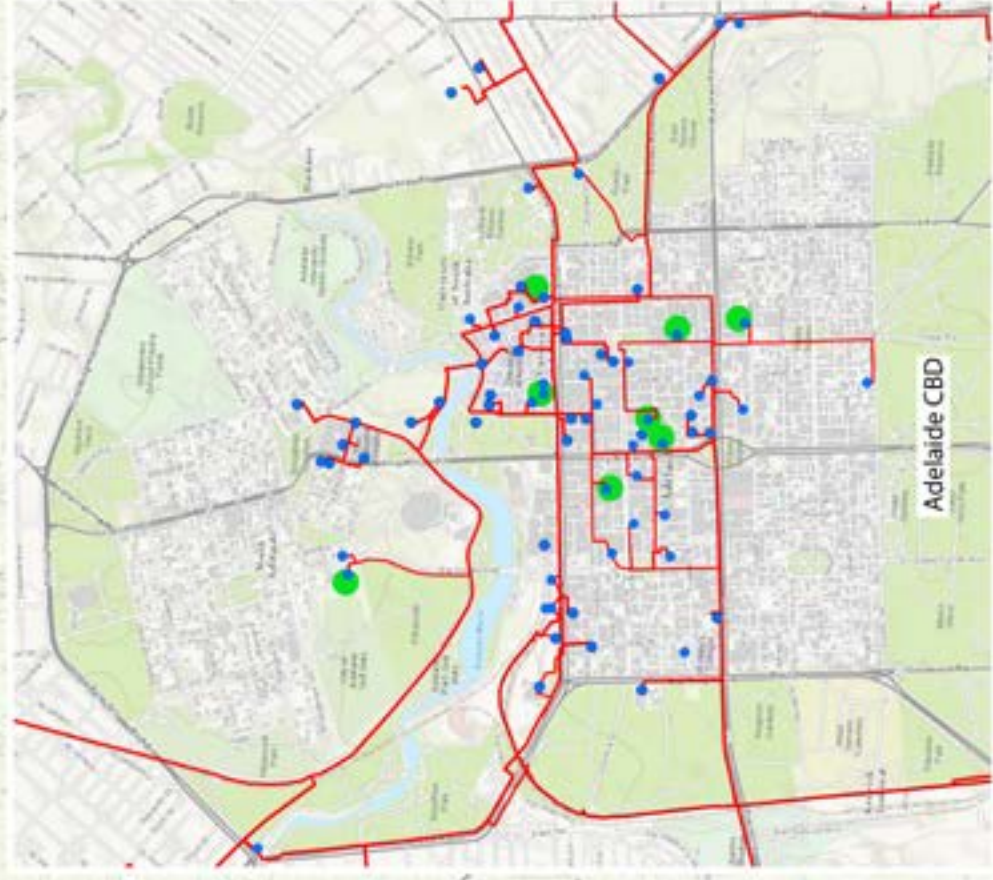
"Even just the day-to-day stuff where users will record a music track and put it straight into the web; these things weren't practical or achievable before. One of our artists came through Northern Sound as a school kid, participated in the band programs, and she is now touring America and Europe full-time as a professional musician, not only because of high-speed internet but you can see how it forms part of the eco system that breeds success."

"We attract anyone from skate park users and at-risk youth as young as 8-10 years old, right through to focused music industry participants who are not yet at commercial level but are looking for help and support to get there. We run a program every Monday called "New to Country" for migrant students (and any students really!) that is more of a drop-in thing and is an opportunity for artists to get together in a casual, relaxed environment. We have a huge take up from African migrants – the art drives the majority of the evening and it happens vicariously because people are coming together on the basis of their similar interests.

"We tailor our activities to these genres where we can get like-minded people together doing the same activity, no matter what their level.

"It's amazing to see and it's so important to offer this kind of space/environment in this area where young people can come in, have fun and feel included."







Largest 3D Metal Printing in the Southern Hemisphere – Changing the way we manufacture

Australian Advanced Materials Manufacturing (AAMM) opened the most advanced commercially available metal 3D printing facility in 2018.

The facility is located in Edinburgh Park and is connected to GigCity ultra-fast internet. It forms part of the Additive Manufacturing Applied Research Network (AMARN) and is able to 3D print various metals including titanium, stainless steel and aluminium into complex metal parts. The University of Adelaide's Institute for Photonics and Advanced Sensing (IPAS) and the Optofab Australian National Fabrication Facility, together with the Stretton Centre and CSIRO's Lab 22 additive manufacturing centre, established the AMARN. At present, it is the only metal additive manufacturing centre in Australia that is available to industry on a commercial basis. It provides access to technology that enables local manufacturers to remove significant costs and barriers from their operational processes.

IPAS utilises advance manufacturing to build prototyping measurement devices using 3D metal printing. With investment from the State Government, IPAS is currently taking 25 photonics, defence and mining companies through a learning journey of this process. The opportunity of access to the 3D metal printer is that it allows shared use – many businesses, even those as large as BAE for example, do not have enough demand to justify their own metal printers so this offers an opportunity to increase the capacity for the printers' use while also allowing other businesses to benefit. IPAS acts as a repository for the shared information around additive manufacturing and the benefits of building up with horizontal layering while also sharing the build plate across different organisational needs. IPAS is focused on collaboration with other businesses because they want other businesses to adopt the technology and this makes it easier for others to get onboard.

"GigCity gives us ultimate responsiveness and ability to design on the fly – time is money and this is a new technology we are using, which means that everything is collaborative. Everything needs to be done in real-time," said Piers Lincoln, Institute Manager, IPAS.



A Collaboration Success Story

Collaboration is vital to SABRENet's success and working collaboratively is a fundamental part of the company's DNA. Through the united action of its Members, SABRENet has created a substantial fibre optic network asset with a management model that delivers outstanding and enduring value to its Members and customers.

SABRENet's collaborative model delivers valuable services to the South Australian research, education and innovation community and increases the company's ability to deliver those services by engaging in partnerships with other organisations. The partnerships provide a highly effective and attractive connection service for the community and SABRENet's members.

AARNet

Australia's Academic and Research Network (AARNet) is a not-for-profit National Research and Education Network (NREN) - owned by the Australian Universities and Commonwealth Scientific and Industrial Research Organisation (CSIRO).

The AARNet and SABRENet partnership uses SABRENet for the local reticulation of AARNet services to universities, TAFE, schools, CSIRO

and other organisations with a research and education mission.

The SABRENet network also provides links between AARNet's major nodes in metropolitan Adelaide.

The partnership enables both organisations to work jointly to deliver highly efficient and advantageous outcomes to the research and education community by presenting a coordinated solution for customer needs.

Adelaide City Council

SABRENet and the Adelaide City Council (ACC) have established a partnership that provides cost effective solutions for SABRENet connections to sites within the Adelaide CBD and connectivity between ACC and other local government councils in suburban Adelaide.

Escapenet

Escapenet, a local Adelaide internet service provider, was selected by SABRENet as the operational partner for the GigCity Adelaide service. This contractual arrangement has grown into a partnership delivering highly successful services to designated GigCity innovation precincts.

The Escapenet service to tenants in the innovation precincts has extended beyond

the initial internet access services to provide fully featured corporate IT services, essential to rapidly growing start-ups and corporations. The partnership between SABRENet and Escapenet for GigCity enhances Adelaide's reputation as a city offering unique opportunities for start-ups and innovative entrepreneurs.

SA Department of Planning, Transport and Infrastructure

SABRENet and the South Australian Department of Planning, Transport and Infrastructure (DPTI) have established a partnership which provides for the exchange of infrastructure access to benefit both parties. This has enabled the extension of SABRENet into locations that would otherwise have been cost prohibitive.

For DPTI, the partnership has been essential to the creation of a metropolitan wide network for traffic operations with a high degree of resilience provided through the combination of SABRENet and DPTI assets.

Vocus Communications

Vocus Communications (originally Amcom Pty Ltd) operates and maintains the SABRENet infrastructure under a long-term Operation and Maintenance agreement. Vocus provides physical maintenance of the infrastructure, including carrier obligations, network

documentation, Dial Before You Dig registration, fault response and repair. Vocus also provides additional operational services to SABRENet, largely associated with making new connections to the existing infrastructure.

The partnership between SABRENet and Vocus allows the network to be extended and enhanced through joint infrastructure projects and by exchange of access to duct and fibre. The collaboration between SABRENet and Vocus directly contributes to the SABRENet business model, delivering a resilient and highly cost effective network.

The extent of collaboration illustrates that SABRENet has become more than a fibre optic network. It's a vehicle for joint action to deliver improved levels of service across the South Australian research, education and innovation community and to transform the South Australian economy.



The Year Ahead

For SABRENet's Participants and customers, the major benefit of the SABRENet network is the provision of a cost effective, reliable fibre network which meets their current needs and responds to new demands. This is the fundamental activity and overarching objective of SABRENet Ltd.

Specific goals have been identified to provide further benefits to stakeholders in 2019/20.

A change in CEO and Staff Structure

With the benefit of the long notice period provided by the outgoing CEO and a vacant position for the second staff member when the Office Coordinator resigned in April 2019, SABRENet is able to embark on a repositioning of its in-house professional staff and the use of outsourced services for administration.

SABRENet's new CEO plans recruited a Customer Experience Project Manager with responsibility to manage each stage of the customer engagement process: client relationship development, network connection proposals and partner/contractor supply processes. This new position will focus on serving the needs of SABRENet's existing customers and acquiring new customers.

Bookkeeping, marketing and IT services will be provided via expert management services.

Marketing and Communications

The continued growth in the number of SABRENet customers and connections is a positive indication of the ongoing value that SABRENet provides to South Australia's innovation, education and research communities. In 2019/20 SABRENet will develop and execute a more nuanced marketing and communications strategy to build greater awareness of our product and its impact, build engagement online with customers, participants, members, projects and business collaborators and increase SABRENet's reach in research, education and GigCity Innovation Precincts. The plan will also consider what further opportunities are available through our partners (Vocus, AARNet and Escapenet) as well as other partnerships that could assist potential customers to join the SABRENet community.

Management Systems

In 2019/20, SABRENet will be reviewing how efficiently/effectively it is supporting its participants, business partners, contractor and customer relationships and the associated requirements. These processes are currently managed with productivity tools such as Excel, email (Gsuite) and document management (Dropbox, Docusign).

Productivity tools are effective when the amount of information is small but as businesses grow, can be subject to error, become unwieldy and less efficient for day-to-day operations. A review will be undertaken to determine options available to SABRENet moving forward with associated costs and benefits.

Responding more proactively to network outages would be improved with an automatic alert system. SABRENet will scope the requirements for such a system, examine the benefits of potential options and determine the best option for implementation.



SABRENet CEO Sandra Vallance with SABRENet's Customer Experience Project Manager, Brenton Kelly

The Board

Paul Sherlock BE, MBA, GAICD (Chair)

Paul is the Chief Information Officer (CIO) for the University of South Australia. He is responsible for the delivery of a wide range of ICT and Library services across the University which support the key business functions of teaching and learning, research and consultancy and administration. Paul previously held senior IT management roles at the Defence Science and Technology Group and BHP Steel International. Paul is a former President of the Council of Australian University Directors of Information Technology (CAUDIT) Incorporated and the Australian Access Federation (AAF) Incorporated.

Paul has completed a Bachelor of Engineering (Electrical) and an Associate Diploma in Computing at the former South Australian Institute of Technology (now UniSA). He has obtained a Master of Business Administration at the University of Adelaide, a Manager's Certificate in IT Service Management at the British Computer Society, and a Graduate Diploma in Applied Finance and Investment at the Securities Institute. Paul is a Graduate Member of the Australian Institute of Company Directors (AICD).

Paul is the Chair of SABRENet Ltd and was appointed to the Board by the University of South Australia when SABRENet Ltd was formed in September 2005.

Kerrie Campbell MBA, GAICD

Kerrie commenced as the Chief Information Officer at Flinders University in September 2017. Kerrie was formerly acting Chief Information Officer at The University of Adelaide, where she also held the position of Deputy CIO. Kerrie previously worked as a Director for Application Services for the Department of Human Services and has worked in the UK as a Business Manager for British Gas.

Kerrie has worked in the IT industry in various sectors including banking, utilities, Federal Government and Higher Education for the last 30 years. Kerrie holds an MBA (University of Adelaide) and is a Graduate Member of the Australian Institute of Company Directors. Kerrie was previously on the Board of the Adelaide University Council and 100% Project and current sits on the SACE Board and is the Chair of Scotch College Digital Innovation Committee.

Kerrie was appointed to the Board by Flinders University in September 2017.

Beverley Wright

Beverley is the Chief Information Officer at the University of Adelaide. Commencing in the role in March 2017. Beverley took on the role at the University of Adelaide to address the need for a strong strategic agenda with a focus on enabling a digital capability and transformation

of IT services. Her previous roles include CIO at SA Water (9 years) where she led a significant transformation of IT services and the introduction of digital, IoT, analytics and data driven decision-making capabilities, and 17 years with ANZ Bank, based in Melbourne where her primary role was the Global Head of Information Services for the Retail Bank covering a range of roles transforming banking to on line and digital services.

Beverley has worked in the IT industry for over 35 years in a range of sectors including banking, insurance, utilities, Federal and State Government. She is a Board Member of the South Australian Tertiary Admissions Centre (SATAC), and is a member of the Australian Institute of Company Directors.

Beverley was appointed to the Board by the University of Adelaide in March 2017.

Bruce Linn AM, BSc, FUniSA, FAICD, FACS

Bruce is an experienced Company Director, Chairman and former CEO who heads a successful governance and strategic management consulting business operating in Australia and the USA. Formerly CEO of Finlaysons Lawyers, Bruce's previous executive roles include CE for EDS (now HP Enterprise),

responsible for all the State Government business of EDS in Australia, and CEO of Camtech, one of Australia's leading internet and electronic payments technology innovators. He is a technologist with over 40 years' experience.

Bruce is a Science graduate of the University of Adelaide. He is currently Chairman of Anglicare SA Ltd, Anglicare SA Housing Ltd, State Library of South Australia, Adelaide Chamber Singers Inc and Sensei Productivity Pty Ltd. He is Past President of the Australian Institute of Company Directors (SA/NT Division), a Distinguished Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Computer Society. He has been awarded a University Fellow from the University of South Australia.

Bruce was appointed to the SABRENet Board as an Independent Director at the 2007 AGM and re-appointed in 2009, 2012, 2014, 2016 and 2018.

Dr Andrew Dunbar PhD, BSc, GAICD

Andrew is Chief Operating Officer, Office of Chief Entrepreneur, which provides a new model for entrepreneurship in South Australia. Formerly he was Director of the Office of Science, Technology and Research (OSTAR) with the Department for Industry and Skills.



Andrew has more than 17 years' experience working in the life sciences (biotech and pharma) industry both in Australia and Europe.

Andrew has a PhD in molecular biology/biochemistry from Flinders University, and is an Observer on the Board of the SA Venture Capital Fund, an Advisory Board Member of UniSA's Innovation and Collaboration Centre and the Medical Devices Partnering Program at Flinders University and is a Director of the South Australian Space Industry Centre.

Previous roles included Board Director and Vice President of Childhood Cancer Association, Director Business and Corporate Development at Mayne Pharma Group and Senior Manager, Corporate Business Development and Acquisitions at Novozymes A/S, based in Denmark. He has also held senior roles at GroPep Ltd, Bionomics Ltd and CSIRO. Andrew is a Graduate Member of the AICD.

Andrew was appointed to the Board by the SA Government in November 2014.



The SABRENet Board. L to R - Kerrie Campbell, Andrew Dunbar, Bev Wright, Paul Sherlock and Bruce Linn

Meetings

The Board held five meetings during the reporting period.

Director	Eligible to attend	Attended
Paul Sherlock	5	5
Andrew Dunbar	5	3
Bruce Linn	5	5
Beverley Wright	5	4
Kerrie Campbell	5	4

Management

Ralph Leonard is the CEO of SABRENet Ltd. His career, predominantly within education and government, has involved both the formation of policy advice and strategies for the use of ICT services and the design, development and management of pioneering systems.

He is a former Director of the International Society for Technology in Education and former President of the Australian Council for Computers in Education. Ralph is a Fellow of the Australian Computer Society and the Australian Council for Computers in Education. Prior to joining SABRENet Ltd he was Manager of Broadband and Digital Environments in the South Australian Department of Further Education, Employment, Science and Technology. Ralph holds the following qualifications: BSc (Hons), GDipBA, DipT, and is a Graduate of the Australian Institute of Company Directors.

Since his appointment as CEO in 2012, Ralph has driven the expansion of the network from 80 to 225 sites, forged highly productive collaboration between SABRENet and institutions, industry and governments, and implemented the GigCity Adelaide service.

With Ralph's impending retirement, Sandra Vallance joined SABRENet as incoming CEO in May 2019. Sandra's career has predominantly been within IT and Not for Profit in a range of roles including CEO, global services and service management. Sandra holds tertiary qualifications in management and information technology.

Business Model

SABRENet allocates dedicated optical transmission paths ('fibre paths') between sites on the network.

It is the responsibility of SABRENet's Users to provide their own active services across these paths. The net operating costs of SABRENet Ltd are met by the Participants through an annual subscription. Non-Participant customers seeking to use SABRENet enter into individual Access Agreements with the Company.

Acceptable Use

The Company has published a SABRENet Network Access Policy that sets out the eligibility criteria and acceptable use conditions governing the use of SABRENet. The Access Policy may be obtained from the SABRENet website.



Paul Sherlock presenting Dr Philip Roetman with the Unsung Hero of South Australia - Science Communication Award at the 2019 SA Science Excellence Awards



Summary Financial Reports and Statements

The summary financial reports have been derived from the 2018-2019 Financial Report of SABRENet Ltd. These summary reports cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities for the entity as the financial report. Copies of the full audited financial reports have been presented to the Members of SABRENet Ltd.

Discussion and Analysis of the Financial Statements - For the Year Ended 30 June 2019

Income Statement

The operating result for the year was a profit of \$1,210,661. The operating result included a depreciation expense of \$1,211,669 reflecting network assets being amortised over their useful life. Subscriptions from Members and Participants and network access fees from customers totalled \$1,485,381.

Statement of Financial Position

Total platform assets at cost increased by \$1,516,012 to \$22,438,089 representing further investment in the network. Accumulated depreciation of the network assets totalled \$11,128,046. Plant and equipment was valued at \$11,241,176 at 30 June 2019.

Cash Flow Statement

The cash flow for the year was a net inflow of \$627,036. Cash inflows were predominantly from member subscriptions, customer network access fees, establishment fees, network construction and project revenue. Cash outflows were for operating expenses and investment in the construction of the network.

Income Statement

For years ended 30 June	2019	2018
Revenue	\$	\$
Revenue from operating activities	4,293,668	4,161,742
Expenses		
Employee Costs	(324,295)	(295,201)
Professional fees	(139,998)	(43,580)
Depreciation	(1,211,669)	(1,086,427)
Insurance	(13,139)	(10,605)
Occupancy Expenses	(21,771)	(24,000)
Infrastructure Expenses	(572,839)	(608,830)
Write off of indefeasible right of use	(10,000)	(10,000)
Relocation and network damage expense	(407,679)	(676,270)
Other expenses	(381,617)	(304,430)
Profit/(loss) before income tax	1,210,661	1,102,399
Income tax expense	-	-
Surplus/(Loss) for the year	1,210,661	1,102,399

Statement of Financial Position

As at 30 June	2019	2018
Assets	\$	\$
Current assets		
Cash and cash equivalents	3,582,871	3,010,868
Trade and other receivables	856,125	604,403
Other financial assets	32,164	32,472
Total current assets	4,495,797	3,647,743
Non-current assets		
Other financial assets	60,000	70,000
Property, plant and equipment	11,241,176	11,222,333
Intangibles assets	73,874	86,689
Total non-current assets	11,375,050	11,397,022
Total Assets	15,870,847	15,026,765
Liabilities		
Current liabilities		
Trade and other payables	126,890	104,463
Income in advance	867,542	1,835,701
Provisions	63,754	19,736
Borrowings	103,955	103,955
Total current liabilities	1,162,141	2,063,855
Non-current liabilities		
Income in advance	1,395,802	715,538
Provisions	-	31,305
Borrowings	9,868	123,692
Total non-current liabilities	1,405,670	870,535
Total liabilities	2,567,811	2,934,390
Net Assets	13,303,036	12,092,375
Equity		
Retained earnings	13,303,036	12,092,375
Total Equity	13,303,036	12,092,375

Statement of Changes in Equity

For year ended 30 June	Retained earnings \$	Total equity \$
Balance at 1 July 2017	10,989,976	10,989,976
Surplus for the year	1,102,399	1,102,399
Balance at 30 June 2018	12,092,375	12,092,375
Surplus for the year	1,210,661	1,210,661
Balance at 30 June 2018	13,303,036	13,303,036

Statement of Cash Flows

For years ended 30 June	2019	2018
	\$	\$
Cash flows from operating activities		
Cash receipts from customers (inc GST)	2,491,163	4,815,840
Project revenue receipts (inc GST)	1,617,508	776,263
Interest received	56,133	45,377
Cash paid to suppliers & employees (inc GST)	(2,236,643)	(2,714,626)
Net cash inflow/(outflow) from operating activities	1,928,161	2,922,854
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	-
Payment for property, plant and equipment	(1,217,697)	(2,523,466)
Net cash used in investing activities	(1,217,697)	(2,523,466)
Cash flows from financing activities		
Proceeds from borrowings	-	259,888
Repayments of borrowings	(113,824)	(32,240)
Net cash from financial activities	(113,824)	227,648
Net increase in cash and cash equivalents	596,640	627,036
Cash and cash equivalents at beginning of financial year	3,010,868	2,383,832
Cash and cash equivalents at end of financial year	3,607,508	3,010,868

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