



2021-22 ANNUAL REPORT

AUSTRALIAN INSTITUTE OF QUANTITY SURVEYORS

Contents

PAGE CONTENT

OVERVIEW

- 1 About AIQS
- 2 President's Message
- 3 CEO's Message

PERFORMANCE

- 4 Strategic Goal 1: Be recognised as the pre-eminent brand in the industry
- 5 Strategic Goal 2: Be at the forefront of education for the profession
- 6 Strategic Goal 3: Drive industry standards and technology innovation
- 8 Strategic Goal 4: Lead a profession which is diverse and inclusive
- 8 Strategic Goal 5: Have a robust membership base reflecting the depth and breadth of the industry
- 8 Complaints Register

APPRECIATION

- 9 Chapter Councillors
- 11 25/30/40/50 Year Members

FINANCIALS

- 12 Treasurer's Message
- 13 Financial Statements

About AIQS

The Australian Institute of Quantity Surveyors (AIQS) is the peak professional body for built environment cost professionals. As an individual member-based professional body, the role of AIQS is to raise the profile of the profession through the development and delivery of educational, professional, and technical standards, the delivery of new information, and continuing professional development.

Through leadership, standards, education, communications, and its code of conduct, AIQS ensures that members are dedicated to maintaining the highest standards of professional excellence.

AIQS is a not-for-profit company limited by guarantee. AIQS operates with Chapters representing each state and territory of Australia as well as an International Chapter.

Board of Directors



President
Stephen Warne FAIQS, CQS



Senior Vice President
Andrew Brady FAIQS, CQS



Junior Vice President
Simon Squire FAIQS, CQS



Treasurer
Mark Chappé FAIQS, CQS



Fiona Doherty
FAIQS, CQS



Mike O'Shea
FAIQS, CQS



Jane Northey
MAIQS, CQS



Robin Wheelwright
FAIQS, CQS



Mark Freestone
FAIQS, CQS



Debbie Marsh
MAIQS, CQS



Leong Choong Peng
FAIQS, CQS



Chitra Weddikara
FAIQS, CQS



Andrew Baulch
MAIQS, CQS



Stuart Gillies
MAIQS, CQS

President's Message

After eight years on the AIQS Board, I am honoured to now be the AIQS President and grateful to be able to collaborate with esteemed peers to help direct AIQS and its strategic goals for the betterment of the quantity surveying profession and construction industry.

Throughout the 2021-22 financial year, AIQS members continued to showcase, through the services that they provide, the value of the quantity surveying profession as a strategic imperative in the inception and construction of buildings and infrastructure, utilities, and resources assets.

In these current times of rising costs, supply chain issues, tightening of regulations to achieve higher levels of quality construction, the status of AIQS membership has never been more relevant and important. Clients and employers can be confident that, when securing the services of or employing an AIQS member, they will be working alongside professionals who operate with robust methodologies and processes.

I look forward to leading AIQS over the next year as more opportunities for the profession come to the forefront. An example of this being that quantity surveying professionals are now recognised by industry and the government as being the best suited to quantify embodied carbon.

Thank you to our AIQS members for your continued support and for ensuring that the AIQS brand remains strong.

To our Directors, Chapter Presidents and Councillors, those who sat on Committees and Working Groups, thank you for your valued input and support and the time that you have volunteered over the 2021-22 financial year.

AIQS Head Office staff, led by our CEO Grant Warner, continued to provide an exceptional level of service to our members and engaged deeply within the broader construction industry. Thank you.

We are all working together, with passion and drive, to ensure the quantity surveying profession is revered by industry and the community.

Kind Regards,



Stephen Warne FAIQS, CQS



CEO'S Message

The 2021-22 year saw the worst of the direct impact of COVID-19 coming to an end, with the latter half of the year seeing restrictions eased and the dawning of a new normal business environment.

For many across the construction sector, COVID-19 has become something of a historical event being superseded by pressing issues including supply chain difficulties, cost escalation, and the quantification of carbon in built environment assets.

2021-22 was the second year in the current five-year strategic planning cycle, with a number of initiatives either being completed, under development, or where started during the year. We continued the focus on initiatives that would lead to achieving our strategic goals:

In delivering exemplar, built environment cost professionals, by 30 June 2025, AIQS will be:

- recognised as the pre-eminent brand in the industry
- at the forefront of education for the profession
- seen as driving industry standards and technology innovation
- leading a profession which is diverse and inclusive
- having a robust membership base reflecting the depth and breadth of the industry.

In achieving these goals, the Institute will require a governance structure which is both agile and supportive.

Highlights over the year included our continued engagement with stakeholders across the built environment emphasising the benefits of engaging a Certified Quantity Surveyor (CQS),

submissions to Commonwealth, and State / Territory Government enquiries, stressing the importance of engaging a CQS as the principal consultant on construction projects, participating on private sector industry committees highlighting the role that quantity surveying professionals have in quantifying embodied carbon, and assisting government agencies develop guides for assessing construction costs and the requirement for a CQS to undertake these tasks.

Thank you to our Corporate Partners for your support over the past 12 months: RIB, WoodSolutions, Member Advantage, Autodesk, and Payton.

I would like to thank all AIQS Head Office staff for their ongoing commitment and dedication.

Going forward I encourage as many members as possible to participate on the Institute's Chapter Council's, committees, and working groups. Unfortunately, we continue to rely on the same small number of volunteer members who provide input on a range of matters which ultimately benefit all members across the quantity surveying profession. It is true to say that those members who get the most out of their Institute are those that contribute and participate the most.

Kind Regards,



Grant Warner



Strategic Goal 1

Be recognised as the pre-eminent brand in the industry

In April 2022, AIQS commenced a public relations campaign to raise the profile of AIQS and its members, showcase the importance of engaging a Certified Quantity Surveyor (CQS), and position AIQS as the leading voice and influencer for the profession.

Media stories that quoted AIQS during 2021-22 included:

- "14 infrastructure leaders sign open letter calling for urgent industry reform"
- "Costs biting but business is bullish"
- "Break up infrastructure to avoid 'boom and bust' cycle"
- "How much does it cost to build a skyscraper?"
- "AIQS calls insurers to mandate quantity surveyors' services in home insurance sales"
- "AIQS CEO asks for quantity surveyors to correctly estimate rebuild costs"
- "Mandated use of quantity surveyors urged to address under-insurance"
- "Quantity surveyor flag underinsurance solution"
- "Australian REITS lag on embodied carbon"
- "REITS lag global counterparts in carbon risk"
- "Why AIQS is working on Australian-based embodied carbon standards"
- "National regulator in the works for embodied carbon"
- "Global coalition launches world's first standard for counting projects' carbon"

Over the past year, AIQS has seen a growing appetite from members and non-members wanting to provide articles and case studies for the Built Environment Economist - Australia and New Zealand. The primary aim of the Built Environment Economist continues to be the voice of, and showcase, the quantity surveying profession. Thank you to the members and non-members who contributed high quality articles, case studies, visionaries and Q & A responses.

Our brand recognition has been increased over the past years, shown via a significant increase in the number of professionals following the AIQS LinkedIn page, an increase in the readership of the Built Environment Economist, and an increase in the number of government agencies seeking to require Certified Quantity Surveyors to undertake or verify construction related work.

The member newsletter, which is distributed fortnightly, continued to keep members up-to-date on AIQS and the profession, job opportunities, events, and sponsored content.

During the year, we undertook a campaign allowing members to volunteer to move from Associate grade members (AAIQS) to Member grade (MAIQS). Whilst, the membership levels are identical, we wanted to avoid further confusion as the general public and clients often interchange Associate with Affiliate grade. A high number of members moved from Associate to Member grade during the campaign. Also, from 30 June 2022, Affiliate members were no longer able to use AIQS postnominals.

Strategic Goal 2

Be at the forefront of education for the profession

PROFESSIONAL DEVELOPMENT

The AIQS Academy saw an increase of 9.5% of topics being completed during the past year from 2020-21 levels.

The COVID-19 pandemic impacted the ability for us to hold face-to-face events during the year. We delivered 42 hours of CPD delivered online and 10 hours delivered face-to-face.

Topics covered at these CPD events and webinars included:

- Essential Soft Skills and Basic Professional Skills Required for Successful QSs
- Special Features of Heritage Buildings and their Impact on Cost Control
- Contract Administration
- New South Wales Strata Defects
- Early Contractor Engagement Contracts and Contracting
- Legal updates
- Cost Control 2.0: Tech-enabled optimisation of Field Changes
- Automated cost and carbon estimation using artificial intelligence
- New security of payments reform
- Pre-Construction Post Pandemic
- Life Cycle Cost Analysis
- Arbitration
- Net Zero
- Tax Depreciation - Division 40 & 43
- Internet of Things
- Trust Account Update
- Digital Twins
- BIM and QS in BIM management
- Construction Insurances
- Diversity and Inclusion
- Technology.

A number of site visits to construction sites where also held around Australia.

PROMOTING THE PROFESSION

AIQS continued to promote the quantity surveying profession through having stands at Career Expos and Career Advisors Forums in Melbourne, Brisbane, and Sydney. These enable AIQS to promote the profession to high school students and career advisers as a rewarding career option.

AIQS SCHOLARSHIPS

AIQS received a high number of applicants in 2021-22 and as a result five students were awarded scholarships.

ENGAGEMENT WITH AIQS ACCREDITED UNIVERSITIES

AIQS continued to sponsor university awards across accredited universities and actively engaged with them to promote the quantity surveying profession by providing sessional lectures, publications, and encourage AIQS membership.

Strategic Goal 3

Drive industry standards and technology innovation

Over the 2021-22 financial year, AIQS Head Office has worked with members and non-members via working groups and committees to provide "solutions-based" submission to government inquiries and consultation papers including the following:

INFRASTRUCTURE

Inquiry into procurement practices for government funded infrastructure (Commonwealth)
In its July 2021 submission, AIQS put forward 18 recommendations to address the inconsistency in the way infrastructure projects are currently procured. Recommendations were detailed under the themes of long term plan, complexity, stakeholders and third parties, change in contractors approach, market capacity, procurement, level of design, planning and time, industry standards, risk, and budget development and funding. On 14th October 2021, based on the submission, Grant Warner (AIQS CEO), Mike O'Shea (AIQS Director), and Simon Squire (AIQS Director) took part in the House of Representatives Standing Committee on Infrastructure, Transport and Cities hearing.

In Feb 2022, the Northern Territory (NT) Government released a Northern Territory Infrastructure Framework Position Paper off the back of Infrastructure NT being established in 2021. This Paper outlines the draft NT infrastructure strategy foundations, audit foundations, and plan and pipeline foundations. In its submission, AIQS noted the infrastructure framework does not address the specifics of how the infrastructure initiatives will be implemented. In this regard, AIQS recommended that a Certified Quantity Surveyor (CQS) be engaged from the inception of each project. AIQS added, engaging a CQS from project inception will assist the NT Government achieve value-for-money, certainty of cost and advice to the private sector, as well as informing on most suitable procurement methodology and investment decisions for each project.

In 2021, the New South Wales Treasury sought industry feedback on their proposed Infrastructure Advisory Standard Commercial Framework that included capping rates for consultancy services on all NSW government contracts, using a benchmark rate. In June 2021, AIQS wrote to The Hon. Matt Kean, MP stating that this approach is not representative of the current market, based on robust data, nor considers ongoing inflationary pressures. The capped rates being proposed may be below viable rates of many quantity surveying practices and do not take into account the different quantity surveying firms size, and structure and the level of complexity of the infrastructure projects being tendered on. In light of industry feedback, NSW Treasury has delayed the mandatory implementation of the framework until issues impacting market volatility are sufficiently resolved.

AIQS worked with other Australian Construction Industry Forum (ACIF) related peak bodies to develop position papers with respect to the appropriate and equitable allocation of risk associated with Sub-Surface Conditions, Utilities, and Limitation of Liability Clauses in Construction Contracts.

In South Australia, AIQS engaged on a quarterly basis with the Department for Infrastructure and Transport Commercial Construction Industry Forum (DCCIF) to discuss topics including contracts, tendering/procurement strategies, and payment options.

Strategic Goal 3

Drive industry standards and technology innovation (continued)

LIFE CYCLE COST ANALYSIS

AIQS officially launched the Life Cycle Cost Analysis Information Paper in February 2022. The purpose of this information paper is to inform members and their clients on factors impacting Life Cycle Costs, establish a common approach to undertaking the provision of Life Cycle Costs, inform members and their clients of the scope, inclusions, and exclusions relating to Life Cycle Costs, guide members and their clients on Life Cycle Cost analysis applications in achieving whole of life objectives. This information paper is freely available to download on www.aiqs.com.au.

EMBODIED CARBON

Throughout the financial year, AIQS met with a number of key organisations to position quantity surveying professionals as the most-suited for the quantification of embodied carbon.

In December 2021, AIQS became a founding partner of Materials & Embodied Carbon Leaders' Alliance (MECLA). MECLA is a consortium of organisations working together to drive reductions in embodied carbon in the building and construction industry.

In February 2022, AIQS became a member of the Green Building Council of Australia (GBCA), enabling us to collaborate with GBCA leading to solutions-based advocacy input and educational offerings for members.

AIQS is a key stakeholder in NABER's market feasibility into the investigation and development of a world-leading framework for measuring, benchmarking and certifying emissions from construction and building materials. This is part of the NABERS Accelerating Net Zero Buildings" program.

RETAIL

The NSW Government released the NSW Retail Tenancy Guide 2022 which recommends the use of a CQS. The following is an extract from the Guide: 6. 'Make good' and end of term provisions: 'Make good' provisions set out the obligations of the lessee before the lease ends, if any. Typically, these provisions require a lessee to return the premises to the lessor in an empty and neutral state, which is not necessarily a similar condition to that at the commencement of the lease. In some cases, make good involves a requirement for a lessee to strip back the premises to base building (or bare shell) condition and redecorate the premises (e.g. re-paint). It is important to agree to these provisions before signing the lease. Retail leases often include a clause which stipulates that where the lessor and lessee cannot agree on the make good costs, the President of the Australian Institute of Quantity Surveyors, or another industry body, will nominate an independent certified quantity surveyor to make a binding determination about these costs.

DRIVING MEMBER AWARENESS AND UPTAKE OF TECHNOLOGY

The AIQS Technology and Innovation Committee delivered a series of webinars designed to raise the awareness of how quantity surveying professionals can most appropriately leverage BIM and Digital Twins to perform their duties and expand and hone their offerings for clients.

Strategic Goal 4

Lead a profession which is diverse and inclusive

AIQS continued to deliver initiatives to support a diverse and inclusive quantity surveying profession. Members and potential members are now bound by a Code of Conduct that incorporates International Ethical Standards. A calendar of cultural events was also developed and these are celebrated via LinkedIn posts.

During the year, AIQS was involved in the Construction Culture Initiative in South Australia lead by the Australian Institute of Architects (AIA). A paper has been developed covering mental well being of people in the construction industry and how to stop the exodus of people who are looking elsewhere to find better work-life balance.

AIQS was proud to support University of Newcastle in their successful bid securing a National Careers Institute Partnership Grant to provide opportunities for women in the quantity surveying profession. AIQS will be providing in-kind support and assistance through the provision of access to our members to assist with mentoring and other activities required for the project.

Strategic Goal 5

Have a robust membership base reflecting the depth and breadth of the industry

Over the past year, AIQS worked on identifying the various job titles (63 in total) and key responsibilities, within the buildings and infrastructure sectors, that reside under the quantity surveying profession umbrella.

In the ongoing review of our membership entry and advancement structure we launched the new Member grade via Pathway 2 structure at the end of March 2022. The new pathway requirements is constructed for applicants within the civil engineering, contractor, infrastructure, and wider engineering spaces.

Furthermore, AIQS developed an Infrastructure competency document which contained seven new competencies to cater to those quantity surveying professionals who are working in the infrastructure sector.

Membership retention remained strong with 94% of our members renewing.

A National Skills Commission taskforce was established and were successful in submissions to the National Skills Commission with considerable changes to its listing for "Quantity Surveyor" role.

Complaints Register

We received one complaint during the 2021-22 financial year which is currently being investigated.

Chapter Councillors

Australia Capital Territory

President	David Warren AAIQS, CQS - Wilde & Woollard
Vice-President	Alex Feng FAIQS, CQS - AF Project Consulting
Director/Treasurer	Fiona Doherty FAIQS, CQS - RLB
Chapter Secretary	Johann Badenhorst MAIQS - GECON
Director	Mark Chappé FAIQS, CQS - RLB
Councillor	William Binks MAIQS - WT Partnership
Councillor	Adre de Waal MAIQS, CQS - DCWC
Councillor	Stanley Hoo AAIQS, CQS - PBS Building

International - Region 1

President	Peter Ng FAIQS, CQS - Hong Kong SAR - Beria Consultants
VP	Julie de la Cruz FAIQS, CQS - Philippines - Arcadis
Treasurer	Alex Hung FAIQS, CQS - Hong Kong SAR - Figure Well
Secretary	Ambrose Shim FAIQS, CQS - Brunei Darussalam - PUBM Quantity Surveyors
Director	Leong Choong Peng FAIQS, CQS - Thailand - A & L Siam Trading
Councillor	Amanda Ng MAIQS - Thailand - Frasers Property
Councillor	Daniel Leung MAIQS - People's Republic of China - Currie & Brown (China)
Councillor	Daniel Malacchini MAIQS, CQS - Singapore - WT Partnership (Singapore)
Councillor	Dato Peter Tan FAIQS - Malaysia - Perunding Kos T & K Sdn. Bhd
Councillor	Stanley Chang MAIQS, CQS - Singapore - RLB

International - Region 2

President	Ajantha Premarathna FAIQS, CQS - United Arab Emirates - Emaar Properties
VP/Director	Chitra Weddikkara FAIQS, CQS - Sri Lanka - QServe
Treasurer	Bensiger Wilson FAIQS, CQS - India - Construction Contract Management
Secretary	Lalantha Amarasekara FAIQS, CQS - Qatar - Qserve
Councillor	Shantha Fernando FAIQS, CQS - Sri Lanka - Woodbridge Consultants
Councillor	Mohamed Azar MAIQS - Saudi Arabia - Rua Al Madinah
Councillor	Roshan de Silva MAIQS, CQS - Al Tasnim Enterprises

New South Wales

President	Marty Sadlier FAIQS, CQS - MCG Quantity Surveyors
VP	Benjamin Nicholson MAIQS, CQS - National Housing Finance Investment Corp
Treasurer	Elaine Human MAIQS, CQS - mbmpl
Secretary	Terence Wu MAIQS, CQS - Hansen Yuncken
Director	Mike O'Shea FAIQS, CQS - mbmpl
Director	Simon Squire FAIQS, CQS - Lendlease
Councillor	Brad Marino MAIQS, CQS - CPB Contractors
Councillor	Cameron Beard MAIQS, CQS - University of Newcastle
Councillor	Krisanthi Seneviratne MAIQS - Western Sydney University
Councillor	Kasun Gunasekara MAIQS, CQS - Western Sydney University

Queensland

President	Tom Ford FAIQS, CQS - Hutchinson Builders
Vice President	Matthew Lee MAIQS, CQS - Costplan Group
Treasurer	Stephen Cable MAIQS - RLB
Secretary	Don Hyslop FAIQS, CQS - Don Hyslop and Associates
Director	Andrew Brady FAIQS, CQS - GRC Quantity Surveyors

Chapter Councillors (continued)

Queensland (continued)

Director	Mark Freestone FAIQS, CQS - WT Partnership
Councillor	Doug Fletcher FAIQS, CQS - GRC Quantity Surveyors
Councillor	Gary Man FAIQS, CQS - G M Land Development
Councillor	Mark Hodgson MAIQS, CQS - Turner & Townsend
Councillor	Luke Anthony MAIQS, CQS - mbmpl
Councillor	Gary McDonald LFAIQS, CQS - AECOM
Councillor	Angie Hanson MAIQS - Turner & Townsend
Councillor	Neil Gall MAIQS, CQS - Arcadis
Councillor	Navarupan (Nav) Nadarajah MAIQS, CQS - RLB
YQS	Jaime Toyer - Woolam Constructions
Observer	Jason Gray FAIQS - Queensland University of Technology

South Australia / Northern Territory

President	Mason Robb AAIQS, CQS - Robb Project Consulting
Treasurer	Seth Coultas MAIQS, CQS - RLB
Director/Secretary	Deborah Marsh MAIQS, CQS - Debbie Marsh Consulting
Director	Andrew Baulch MAIQS, CQS - Aurecon
Councillor	Cameron Ridley MAIQS, CQS - Department for Infrastructure and Transport
Councillor	Robert Williamson MAIQS, CQS - DCWC
YQS	Callum Rodgers MAIQS - KPMG

Victoria / Tasmania

President	Kong Yap FAIQS - Charter Keck Cramer
VP	Nicole Trumbull MAIQS, CQS - WT Partnership
Treasurer	Rod Anderson MAIQS - Built
Secretary	Thomas Chan MAIQS - Lendlease
Director	Jane Northey MAIQS, CQS - AECOM
Director	Stuart Gillies MAIQS, CQS - WT Partnership
Councillor	Don Leelarathne FAIQS, CQS - Project Cost Management Group
Councillor	Patrick Louey MAIQS - Prowse QS
Councillor	David Gifford MAIQS - WT Partnership
Councillor	Joanne Chan MAIQS, CQS - RBB
Councillor	Ruky Wang MAIQS, CQS - John Holland
Councillor	Todd Marsden MAIQS - WT
Councillor	Nirvana Rampersad MAIQS, CQS - North Projects

Western Australia

President	Sharon Yap MAIQS - Altus Group
VP/Treasurer	Chanaka Ratnasekara FAIQS, CQS - Wilde & Woollard
Councillor	Adam Robinson MAIQS, CQS - RLB
Secretary	Paul Shanley MAIQS, CQS - RLB
Director	Stephen Warne FAIQS, CQS - Ralph Beattie Bosworth
Director	Robin Wheelwright FAIQS, CQS - RW Quantity Surveyors
Councillor	Sadmir Ceric FAIQS, CQS - Ralph Beattie Bosworth
Councillor	John Stranger FAIQS - John Stranger Partnership
Councillor	Giuseppe Costanzo MAIQS, CQS
YQS	Stella Lee - Ralph Beattie Bosworth

25 Year Members

Anil Bakrania MAIQS
 Sarah Benfield
 Adrian Bridge FAIQS
 Shehzad Charania MAIQS
 Larry Chin MAIQS (Ret.)
 John Cosentino
 Christopher Darling MAIQS
 Alex Feng FAIQS, CQS
 Malcolm Foster
 Kirsten Gilbert MAIQS, CQS
 Michael Gramazio MAIQS
 Mark Humby
 Susy Kasief

Subitha Kulendran AAIQS
 John Lee MAIQS
 Shu Yan Lee MAIQS, CQS
 Don Leelarathne FAIQS, CQS
 Stephanie Leung MAIQS
 Emosi Lutu MAIQS
 Charles Mihatsch FAIQS (Ret.)
 Quoc Nguyen
 Maoibh Russell MAIQS, CQS
 Angela Vong FAIQS, CQS
 Don Wijayasinghe FAIQS
 Robert Wirth AAIQS, CQS
 Chun Kong Wu MAIQS

30 Year Members

Francis Bromilow FAIQS
 James Bryce MAIQS
 Dominic Cheung MAIQS
 Ricardo Cheung MAIQS
 Robert Cheung MAIQS
 Ayoma De Silva MAIQS, CQS
 Dilwyn Evans MAIQS
 Benjamin Foster FAIQS
 Timothy Hogg FAIQS
 Danny Lau FAIQS
 Kenneth Lau MAIQS
 Peter Lawther FAIQS
 Moon Ming Lee MAIQS
 Rosanna Lee MAIQS
 Robert Little FAIQS (Ret.)

Brett Magnussen MAIQS
 Harry Mclver MAIQS, CQS
 Alastair McMichael AAIQS (Ret.)
 Mathew McNair MAIQS, CQS
 Peter Osborne FAIQS (Ret.)
 Andrew Park MAIQS
 Graham Peden MAIQS
 Enzo Rapiti MAIQS
 Timothy Roberts FAIQS, CQS
 Stephen So MAIQS, CQS
 Daya Wattage FAIQS, CQS
 Anthony Wilkinson MAIQS
 Luen Yeung MAIQS
 Chun Wah Yu

40 Year Members

Alessandro Spinetti FAIQS
 Trevor Phillips LFAIQS
 Ross Jarden MAIQS
 Haney Mikhael FAIQS
 Anthony Mills FAIQS, CQS

Geoffrey Rose AAIQS (Ret.)
 James Rubira FAIQS (Ret.)
 Christofer Smit AAIQS (Ret.)
 Reuben Tilby FAIQS (Ret.)
 Michael Trowell MAIQS

50 Year Members

Peter Cox FAIQS
 John Burgess FAIQS (Ret.)
 Dennis Corke FAIQS (Ret.)
 Gregory Brookes FAIQS (Ret.)
 Robert Goff AAIQS (Ret.)

Tong Kok Law AAIQS (Ret.)
 Darryl Miller MAIQS (Ret.)
 Ian Stuart-Robertson MAIQS
 Charles Taggart FAIQS (Ret.)
 John Rosier AAIQS (Ret.)

Treasurer's Message

Over the past financial year ending in June 2022, AIQS has had to adjust our objectives that are determined by our five-year strategic plan to suit the challenges that have arisen by the COVID-19 pandemic. For instance, whereas AIQS had intentions for creating strong diversification and growth over the past two years, the focus instead has been on existing membership retention, and it is pleasing to see that there has only been a marginal reduction in fee renewal income.

Further, meaningful revenues from face-to-face CPD events have not materialised.

Countering this reduction in expected income is the corresponding drop in the related expenses such as travel and venue hire costs for the planned national CPD courses and events.

Despite changed migration patterns because of the pandemic, this past year Skilled Migration Assessments continues to provide strong revenue base for AIQS and is expected to continue in the years ahead with the current skills shortage.

The net effect to the bottom line is that there has seen an improvement to the amount of retained earnings in this financial year, with an operating surplus of \$180,318, which compares to previous financial year's figure of \$321,195.

Net Assets have increased from \$2.1M at the end of 2020-21 to \$2.4M at the end of 2021-22. Notably, monies held in the Benevolent Fund and the Research Fund are included as Liabilities on the Balance Sheet.

Over the next financial year, AIQS anticipates a strong return to pre-pandemic practices such as face-to-face events and membership business development with the resulting increased revenue streams and membership engagement. In addition, AIQS has committed to significant funding of a public relations drive using a professional marketing company with the intention to espouse the virtues of our profession.

Finally, I would like to thank all members for their continued support over the past two years, which for some has seen severe financial hardship.

Kind Regards,



Mark Chappé FAIQS, CQS



Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Financial Statements

For the Year Ended 30 June 2022

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Contents

For the Year Ended 30 June 2022

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	24
Independent Audit Report	25

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Directors' Report For the Year Ended 30 June 2022

The directors present their report on Australian Institute of Quantity Surveyors for the financial year ended 30 June 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Appointed/Resigned
Mark Chappe De Leonval	
Fiona Doherty	
Anthony Mills	Resigned 18/11/2021
Jane Northey	
Andrew Brady	
Michael O'Shea	
Simon Squire	
Deborah Marsh	
Andrew Baulch	
Stephen Warne	
Dhammika Gamage	Resigned 18/11/2021
Choong Peng Leong	
Mark Freestone	
Robin Wheelwright	
Chitra Weddikkara	Appointed 18/11/2021
Stuart Gillies	Appointed 18/11/2021

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. The company secretaries at 30 June 2022 was Grant Warner.

Information on directors

Mark Chappe De Leonval	Quantity Surveyor, FAIQS, CQS
Experience	44 years' professional experience
AIQS Board	Immediate Past President
Fiona Doherty	Quantity Surveyor, FAIQS, CQS
Experience	33 years' professional experience
AIQS Committee Chair	Diversity & Inclusion Committee
Anthony Mills	Quantity Surveyor, FAIQS, CQS
Experience	40 years' professional experience
Jane Northey	Quantity Surveyor, FAIQS, CQS
Experience	22 years' professional experience
Andrew Brady	Quantity Surveyor, FAIQS, CQS
Experience	16 years' professional experience
AIQS Committee Chair	Technology & Innovation Committee
AIQS Board	Senior Vice President

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Directors' Report For the Year Ended 30 June 2022

Information on directors

Michael O'Shea Experience AIQS Committee Chair	Quantity Surveyor, FAIQS, CQS 52 years' professional experience Infrastructure Committee
Simon Squire Experience AIQS Committee Chair AIQS Board	Quantity Surveyor, FAIQS, CQS 34 years' professional experience Contractors Committee Junior Vice President
Deborah Marsh Experience	Quantity Surveyor, AAIQS, CQS 32 years' professional experience
Andrew Baulch Experience	Quantity Surveyor / Project Manager, FAIQS, CQS 17 years' professional experience
Stephen Warne Experience AIQS Board	Quantity Surveyor, FAIQS, CQS 27 years' professional experience National President & Board Chair
Dharmika Gamage Experience	Cost Planner, FAIQS, CQS 39 years' professional experience
Choong Peng Leong Experience	Consultant Quantity Surveyor, FAIQS, CQS 50 years' professional experience
Mark Freestone Experience	Quantity Surveyor, FAIQS, CQS 32 years' professional experience
Robin Wheelwright Experience	Quantity Surveyor, FAIQS, CQS 36 years' professional experience
Chitra Weddikara Experience	Quantity Surveyor, FAIQS, CQS 51 years' professional experience
Stuart Gillies Experience	Quantity Surveyor, FAIQS, CQS 24 years' professional experience

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Strategic Goals

The Institute's goals for the period 1 July 2020 to 30 June 2025 are:

- Be recognised as the pre-eminent brand in the industry
- Be at the forefront of education for the profession.
- Drive industry standards and technology innovation.
- Lead a profession which is diverse and inclusive.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Directors' Report For the Year Ended 30 June 2022

Strategic Goals

- Have a robust membership base reflecting the depth and breadth of the industry.

To achieve these, the Institute will require a governance structure which is both agile and supportive.

Principal measures

The principal activities and achievements of the AIQS can be measured by factors such as:

- 91% membership retention rate for 2021-22.
- 146 new members in 2021-22.
- Updates and additions to the Guidance Note *Construction Finance Reports*, the Information Paper *Replacement Cost Assessment*, and and publication of an Information Paper *Life Cycle Cost Analysis*. Development of Information Papers on *Residential Tax Depreciation*, *Contract Administration*, and *Acting as an Expert Witness*.
- Sponsorship of 12 University Awards across eight accredited universities.
- Increased take up of the AIQS Academy with over 11,576 individual modules being purchased between January 2017 and end June 2022.
- Continued implementation of the Certified Quantity Surveyor (CQS) status, with some 708 members having taken up the designation.
- Delivery of over 45 hours of AIQS CPD events, including 5 face-to-face events

Members' guarantee

Australian Institute of Quantity Surveyors is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 10 for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

Operating results

The surplus of the Company after providing for income tax amounted to \$ 180,318 (2021: surplus of \$321,195).

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Directors' Report For the Year Ended 30 June 2022

Meetings of directors

During the financial year, 5 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mark Chappe De Leonval	5	4
Fiona Doherty	3	1
Anthony Mills	1	1
Jane Northey	3	3
Andrew Brady	5	4
Michael O'Shea	3	3
Simon Squire	4	4
Deborah Marsh	3	3
Andrew Baulch	3	2
Stephen Warne	5	5
Choong Peng Leong	3	3
Mark Freestone	3	3
Robin Wheelwright	3	3
Chitra Weddikkara	3	3
Stuart Gillies	3	3

Indemnification and insurance of officers and auditors

The Company has paid premiums in respect of a contract insuring all the Directors of the Company against a liability incurred in their role as a director of the company, except where:

- (i) the liability arises out of conduct involving a wilful breach of duty; or
- (ii) there has been a contravention of Section 232(5) or (6) of the *Corporations Act 2001*.

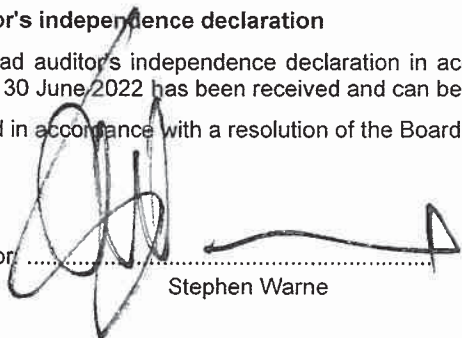
No Director of the Company received or became entitled to receive any remuneration for services rendered, except for insurance premiums paid by the Company on behalf of Directors.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2022 has been received and can be found on page 5 of the financial report.

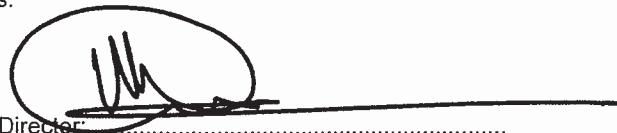
Signed in accordance with a resolution of the Board of Directors:

Director



Stephen Warne

Director



Mark Chappe

Dated 18 October 2022

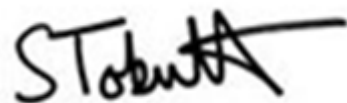
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Australian Institute of Quantity Surveyors

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF



SCOTT TOBUTT
PARTNER

18 OCTOBER 2022
SYDNEY, NSW

PKF (NS) Audit & Assurance Limited Partnership
ABN 91 850 861 839

Liability limited by a scheme approved
under Professional Standards Legislation

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PKF (NS) Audit & Assurance Limited Partnership is a member firm of the PKF International Limited family of separately owned firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For our office locations visit www.pkf.com.au

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	2,254,017	2,496,510
Chapter general expenses		(23,414)	(16,845)
Depreciation and amortisation expense		(210,505)	(263,900)
Employee benefits expense		(1,130,970)	(1,301,238)
Board & executive		(51,617)	(10,738)
Stakeholder engagement		(52,140)	(15,303)
Head office expenses		(121,415)	(113,360)
Bank & merchant fees		(49,292)	(55,720)
IT support costs		(70,066)	(72,668)
Insurance		(9,089)	(7,863)
International offices		(87,888)	(83,501)
Surveyors House, Canberra - costs		(32,642)	(87,051)
Membership		(37,184)	(27,769)
Education & event		(54,851)	(48,948)
Communications and Marketing		(72,699)	(55,160)
International		(51,775)	(12,625)
Standards		(10,613)	(2,617)
Conferences expenses		(7,539)	(9)
Surplus before income tax		180,318	321,195
Income tax expense	2(a)	-	-
Surplus for the year		180,318	321,195
Other comprehensive income for the year		-	-
Total comprehensive income for the year		180,318	321,195

The accompanying notes form part of these financial statements.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Statement of Financial Position As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,915,378	1,626,373
Loans and receivables	6	13,571	25,597
Other financial assets	7	2,196,296	2,125,669
Other assets	8	57,290	85,842
TOTAL CURRENT ASSETS		4,182,535	3,863,481
NON-CURRENT ASSETS			
Property, plant and equipment	10	283,548	406,490
Investment property	11	369,278	369,278
Intangible assets	12	197,069	279,935
TOTAL NON-CURRENT ASSETS		849,895	1,055,703
TOTAL ASSETS		5,032,430	4,919,184
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	2,184,409	2,039,112
Lease liability	9	115,008	106,356
Short-term provisions	14	169,084	257,951
TOTAL CURRENT LIABILITIES		2,468,501	2,403,419
NON-CURRENT LIABILITIES			
Lease liability	9	178,264	293,272
Long-term provisions	14	20,930	38,076
TOTAL NON-CURRENT LIABILITIES		199,194	331,348
TOTAL LIABILITIES		2,667,695	2,734,767
NET ASSETS		2,364,735	2,184,417
EQUITY			
Retained surplus		2,364,735	2,184,417
TOTAL EQUITY		2,364,735	2,184,417

The accompanying notes form part of these financial statements.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Statement of Changes in Equity For the Year Ended 30 June 2022

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2021	2,184,417	2,184,417
Surplus for the year	180,318	180,318
Balance at 30 June 2022	2,364,735	2,364,735
Balance at 1 July 2020	1,863,222	1,863,222
Surplus for the year	321,195	321,195
Balance at 30 June 2021	2,184,417	2,184,417

The accompanying notes form part of these financial statements.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,486,960	2,560,279
Payments to suppliers and employees	(2,021,445)	(1,173,290)
Interest received	5,170	11,263
Receipts from grants	-	176,000
Net cash provided by operating activities	<u>470,685</u>	<u>1,574,252</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for plant and equipment	(4,697)	(13,084)
Payment for intangible asset	-	(4,500)
Transfer to term deposits	(70,627)	(784,814)
Net cash used in investing activities	<u>(75,324)</u>	<u>(802,398)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of finance lease liabilities	(106,356)	(118,693)
Net cash used in financing activities	<u>(106,356)</u>	<u>(118,693)</u>
Net increase in cash and cash equivalents held	289,005	653,161
Cash and cash equivalents at beginning of year	<u>1,626,373</u>	<u>973,212</u>
Cash and cash equivalents at end of financial year	5 <u>1,915,378</u>	<u>1,626,373</u>

The accompanying notes form part of these financial statements.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements For the Year Ended 30 June 2022

The financial report covers Australian Institute of Quantity Surveyors as an individual entity. Australian Institute of Quantity Surveyors is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Australian Institute of Quantity Surveyors is Australian dollars.

The financial report was authorised for issue by the Directors on 07 October 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(b) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed at the end of the reporting period to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other costs (eg. repairs and maintenance) are charged to the statement of comprehensive income during the financial year in which they are incurred.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(b) Property, plant and equipment

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Depreciation

The depreciable amounts of all fixed assets including capitalised leased assets are depreciated on either a straight line or diminishing value basis over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Right of use - Buildings	20%
Furniture, Fixtures and Fittings	7.5% - 33%
IT Equipment	20%
Right of Use Asset	20%

(c) Investment property

Investment property is held to generate long-term rental yields and/or capital growth. All tenant leases are on an arm's length basis. Investment property is carried at fair value, determined annually by independent valuers or director valuation. Changes to fair value are recorded in the statement of profit or loss as other income/ expenses.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

(d) Leases

At inception of a contract, the Company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(e) Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(f) Intangible assets

Expenditure incurred in the planning phase in developing the academy and website development (CRM database) or after the website is put into use is expensed when incurred. Development costs are capitalised only when it is probable that the website development will deliver future economic benefits and these benefits can be measured reliably.

Website development has a finite life and is carried at cost less any accumulated amortisation and impairment losses. The Academy is estimated to have a useful life of five years and is amortised on a straight line basis.

The website has an estimated useful life of five years and is amortised on a diminishing value basis.

All intangibles are assessed annually for impairment.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(g) Impairment of assets

At the end of each reporting period, the carrying values of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit (CGU) to which the asset belongs is estimated.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. The benefits expected to be settled within one year to employees for their entitlements have been measured at the amounts expected to be paid including on-costs and are disclosed as current liabilities. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of those benefits. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Revenue

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(j) Revenue

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Provision of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest revenue

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.

Rental income

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

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

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(l) Change in accounting policy

The Company has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of intangibles

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - fair value of investment property

The investment property is carried at fair value. Changes to the fair value are presented in the profit or loss.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements For the Year Ended 30 June 2022

4 Revenue

Revenue from continuing operations

	2022	2021
	\$	\$
Revenue		
- Subscriptions	1,514,803	1,516,542
- Services	333,303	343,446
Other operating revenue		
- Chapter general	51,948	52,699
- Marketing income	131,304	152,155
- Governance and administration	33,727	220,582
- Education and events	131,961	94,427
Other interest received	5,170	11,263
Rental income	29,160	25,515
EMDG grant income	22,641	28,314
Research Fund transfer	-	51,567
Total Revenue	2,254,017	2,496,510

5 Cash and Cash Equivalents

Cash at bank	1,915,378	1,626,373
--------------	-----------	-----------

Included in cash at bank account is a bank account held in trust on behalf of the Benevolent Fund, of \$750,543, with a corresponding liability in note 13. In addition, a bank account with \$95,657 has been designated for research purposes only.

6 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	13,571	25,597

7 Financial Assets

CURRENT		
Financial assets	2,196,296	2,125,669

Financial assets consist of term deposits with initial terms of maturity of less than one year.

8 Other assets

CURRENT		
Prepayments	57,290	85,842

Notes to the Financial Statements

For the Year Ended 30 June 2022

9 Leases

Company as a lessee

The Company has leases over buildings.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The building lease is for the Company's Head Office premises and is for a period of 5 years. The rent for this lease is subject to a fixed increases of 3% each year.

Concessionary leases

Right-of-use assets

	Buildings \$	Total \$
Year ended 30 June 2022		
Balance at beginning of year	378,567	378,567
Depreciation charge	(110,800)	(110,800)
Balance at end of year	267,767	267,767

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
2022					
Lease liabilities	125,921	184,404	-	310,325	293,272
2021					
Lease liabilities	122,254	310,325	-	432,579	399,628

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2022 \$	2021 \$
Interest expense on lease liabilities	15,898	20,503

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements For the Year Ended 30 June 2022

10 Property, plant and equipment

Right of use - Buildings - at cost	554,000	554,000
Accumulated depreciation	(286,233)	(175,433)
	267,767	378,567
Furniture, fittings and equipment at cost	10,466	10,466
Less accumulated depreciation	(7,119)	(5,677)
	3,347	4,789
IT equipment at cost	120,068	115,372
Less accumulated depreciation	(107,634)	(92,238)
	12,434	23,134
Total property, plant and equipment	283,548	406,490

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Right of use - Buildings	Furniture and Fittings	IT Equipment	Total
	\$	\$	\$	\$
Year ended 30 June 2022				
Balance at the beginning of year	378,567	4,789	23,134	406,490
Additions	-	-	4,696	4,696
Depreciation expense	(110,800)	(1,442)	(15,396)	(127,638)
Balance at the end of the year	267,767	3,347	12,434	283,548

11 Investment Properties

	2022	2021
	\$	\$
Investment property at fair value	369,278	369,278

The investment property was revalued on 30 June 2017, by Independent Valuers, to reflect the property amounting to \$423,500. The Directors have assessed the fair value of the investment property as at 30 June 2022 and are satisfied that no changes to fair value are required.

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements

For the Year Ended 30 June 2022

12 Intangible Assets

CRM database - at cost	325,156	325,156
Accumulated amortisation	(129,887)	(64,856)
	<u>195,269</u>	<u>260,300</u>
AIQS academy set up - at cost	478,463	478,463
Accumulated amortisation	(476,663)	(458,828)
	<u>1,800</u>	<u>19,635</u>
	<u>197,069</u>	<u>279,935</u>

(a) Movements in carrying amounts of intangible assets

	CRM database \$	AIQS academy set up \$	Total \$
Year ended 30 June 2022			
Balance at the beginning of the year	260,300	19,635	279,935
Amortisation	(65,031)	(17,835)	(82,866)
Closing value at 30 June 2022	<u>195,269</u>	<u>1,800</u>	<u>197,069</u>

13 Trade and Other Payables

	2022 \$	2021 \$
CURRENT		
Trade payables	40,884	47,704
Subscriptions received in advance	1,183,020	1,060,743
Accrued expense	23,858	29,813
GST payable	77,757	80,803
Benevolent fund liabilities	750,543	760,293
Research fund liabilities	45,000	-
Other payables	63,347	59,756
	<u>2,184,409</u>	<u>2,039,112</u>

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements

For the Year Ended 30 June 2022

14 Provisions

CURRENT

Other employee benefits

169,084 257,951

NON-CURRENT

Other employee benefits

20,930 38,076

15 Auditors' Remuneration

Remuneration of the auditor PKF, for:

- auditing or reviewing the financial statements

21,100 20,150

16 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

18 Financial Risk Management

The main financial risks to which the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2022	2021
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	1,915,378	1,626,373
Trade and other receivables	13,571	25,597
Financial assets	2,196,296	2,125,669
Total financial assets	4,125,245	3,777,639
Financial liabilities		

Australian Institute of Quantity Surveyors

ABN: 97 008 485 809

Notes to the Financial Statements For the Year Ended 30 June 2022

18 Financial Risk Management

	2022	2021
	\$	\$
Financial liabilities at amortised cost		
Finance lease obligations	293,272	399,628
Trade and other payables	2,184,409	2,039,112
Total financial liabilities	2,477,681	2,438,740

19 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 286,815 (2021: \$ 286,815).

20 Impact of COVID-19 on continuing operations

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the entity based on known information. This consideration extends to the nature of the products and services offered, customers and staffing in which the entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 07 October 2022 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which 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.

22 Statutory Information

The registered office and principal place of business of the company is:
Australian Institute of Quantity Surveyors
Suite 303
Level 3 Pitt Street
SYDNEY NSW 2000

Australian Institute of Quantity Surveyors

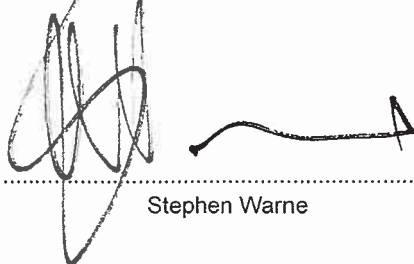
ABN: 97 008 485 809


Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


Director
Stephen Warne


Director
Mark Chappe

Dated 18 October 2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN INSTITUTE OF QUANTITY SURVEYORS

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Institute of Quantity Surveyors (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of, is in accordance with the Corporations Act 2001, including:

- (a) Giving a true and fair view of the company's financial position as at 30 June 2022, and of its financial performance for the year then ended; and
- (b) Complying with the Australian Accounting Standards – Simplified Disclosure Requirements and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022 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.

PKF (NS) Audit & Assurance Limited Partnership
ABN 91 850 861 839

Liability limited by a scheme approved
under Professional Standards Legislation

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Responsibilities of Management and the Directors for the Financial Report

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosure Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Directors are responsible for overseeing the Company's financial reporting process.

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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



SCOTT TOBUTT
PARTNER

18 OCTOBER 2022
SYDNEY, NSW



 AIQS