

Annual Report

2023

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About the Biometrics Institute

Mission statement

The mission of the Biometrics Institute is to promote the responsible, ethical and effective use of biometrics and related technologies, and act as an independent and impartial international forum for biometric users and other interested parties.

Goals

To achieve this mission, the goals of the Biometrics Institute are:

- To develop balanced thought leadership and guidance for the responsible use of biometrics, using the input of experts
- To facilitate knowledge transfer to members, prospects, key stakeholders and the public
- To act as a connector for the global biometrics industry including users, suppliers, academics, regulators and privacy advocates

Source: Biometrics Institute Constitution, November 2022

The Biometrics Institute is a Company Limited by Guarantee under the Australian Corporations Act, Australian Business Number: 81 098 407 099

It has a registered subsidiary in the UK registered as Biometrics Institute Limited, UK Company Number: 7717293

The Biometrics Institute (logo) and Biometrics Institute (name) are international trademarks of the Biometrics Institute Limited. It is a not-for-profit organisation that was founded in 2001 in Australia and opened a subsidiary in the UK in July 2011.

Values

In order to determine the framework by which the Institute engages with members, directors, stakeholders and staff, in a way that ultimately influences and shapes its culture, our values are defined as the following:

- **Trusted** – we are committed to honesty, fairness and transparency and acting with integrity
- **Impactful** – we believe in making a difference and pioneering change for the better
- **Collaborative** – we are a global organisation that strives to include a diverse range of stakeholders
- **Accountable** – we believe in delivering the best in all that we do and holding ourselves responsible



Jakob Glynstrup

Chairman and Director, Biometrics Institute

Jakob is the Head of the Danish National ID Centre. He first joined the board in November 2020. He was appointed Chairman by the board in November 2021. Jakob is based in Denmark and is a user member representative.



Hans de Moel

Director, Biometrics Institute

Hans works for the Royal Netherlands Marechaussee (KMar), part of the Dutch Ministry of Defence. He was first elected to the board at the AGM in November 2016 and is based in the Netherlands. Hans stood for re-election at the 2022 AGM and was re-elected to the board. Hans is a user member representative.



Darren Bark

Deputy Chairman and Director, Biometrics Institute

Darren is Chief Executive Officer at the NSW Jewish Board of Deputies. He first joined the board in November 2019 and is based in Australia. Darren is a user member representative.



Stephen Gee

Director, Biometrics Institute

Stephen is a former Assistant Secretary for Passport Integrity at the Department of Foreign Affairs and Trade, Australian Passport Office. He joined the board in November 2021. Stephen is based in Australia and is a user member representative.



Dan Bachenheimer

Director, Biometrics Institute

Dan is Accenture's Global Digital Identity Innovations Technical Lead. He joined the board in November 2019 and is based in the USA. Dan stood for re-election at the 2022 AGM and was re-elected to the board. Dan is a supplier member representative.



Stephanie Schuckers

Director, Biometrics Institute

Stephanie is the Director at the Center of Identification Technology Research (CITeR) and a professor at Clarkson University. She first joined the board in October 2020 and is based in the USA. Stephanie is an academic representative.



Dion Chamberlain

Director, Biometrics Institute

Dion is Manager Product Development – Life Events and Identity Services at the Department of Internal Affairs New Zealand, Service Delivery and Operations. He joined the board in November 2021. He is based in New Zealand and is a user member representative.



Jonathon Thorpe

Director, Biometrics Institute

Jonathon is the General Manager, Service Design Division at Services Australia. He joined the board in June 2021 and is based in Australia. Jonathon is a user member representative.



Paul Cross

Director, Biometrics Institute

Paul is Head of Border Management at SITA's Sydney Practice. He joined the board in June 2019 and is based in Australia. Paul is a supplier member representative.

Biometrics Institute management team



Isabelle Moeller

Chief Executive, Biometrics Institute



Anne Ferraris

Chief Operating Officer, Biometrics Institute

2023

Report for the year ended 30 June 2023

We are pleased to present the 2022-23 Biometrics Institute Annual Report and to reflect on the organisation's achievements and activities for the financial year ending 30 June 2023. Reflecting the Institute's global standing, at the end of this financial year we had 223 membership organisations, representing 958 individuals from 32 countries across the world.

When the annual budget for the year was compiled, key strategic decisions were made by the board and management to re-invest member funds into education and learning tools, as well as on operational and system improvements during this financial year. The Institute had a strong financial performance for the year ending 30 June 2023, with an operating profit of AUD108,612 against a forecast profit of AUD37,124 for this financial year.



Biometrics Institute Congress, October 2022

Delegates from around the world attended our in-person conferences and workshops, and also dialled into our online webinars and events. At every event, members engaged in ongoing and critically important discussions on the responsible, ethical and effective use of biometrics. Our high attendee rates contributed to our year-end result and continue to demonstrate the value members place on our events and workshops.

Management's careful control of operational costs also contributed to our financial result. Our staff and secretariat continued to work under difficult and demanding conditions to help deliver a full programme of events and meetings that were fully supported by members. The dedication of our members, the board, expert groups and secretariat to deliver our mission is exemplary.

Why is our activity important?

Biometric technology continues to be developed and applied at high speed, which poses a challenge for legislators, regulators and standards-developing organisations. As such, independent, diverse and informed discourse about the responsible, ethical and effective use of biometrics is critically important in the biometrics sector.

The Institute develops its event and conference programmes to meet specific needs of members and to respond to recent developments in biometric technology in different regions. Speakers and session moderators are engaged by the Institute to ensure that delegates have access to the broadest range of high-profile speakers, government members, regulatory bodies, and expert panellists at our events.

The use of biometric technologies continues to hold the identity of the individual and privacy at front of mind. Different use cases pose different risks and opportunities, and it is important to unpick the differences and apply good practices. The Institute provides an unbiased and balanced platform for discussion, guidance and education of its members, decision-makers and key stakeholders.

As an indication of the high regard held for the Institute, a number of government bodies and not-for-profit organisations approached the Institute to facilitate in-house workshops for them as training on biometrics usage and good practice. These workshops are created and facilitated by the Institute as bespoke workshops and are centred on how to use the *Good Practice Framework* that the Institute developed in 2020. This framework has proven to be one of our most valuable and highly regarded good practice tools.

Performance against 2022-23 objectives

Our strategic objectives for 2022-23 were as follows:

- To develop balanced thought leadership and guidance for the responsible use of biometrics, using the input of experts
- To facilitate knowledge transfer to members, prospects, key stakeholders and the public
- To act as a connector for the global biometrics industry including users, suppliers, academics, regulators and privacy advocates

2023

Key achievements during 2022-23

Connector
<i>We said we would...</i>
<ul style="list-style-type: none"> • Continue our online events to facilitate dialogue amongst our global membership • Explore activities which provide insights into new technology trends including a first On the Pulse Conversation online event on new solutions and innovation • Continue participation in external meetings and events to grow our network and outreach further • Explore how we can create more engagement with the academic community through collaboration and events
<i>What we did...</i>
<ul style="list-style-type: none"> • Delivered the event programme seeing a return to in-person events nicely balanced with an online offering of On the Pulse Conversations. This included one event with supplier members post-Congress wrap-up in November 2022 • Participated in 12 external events to raise awareness of the Institute's mission amongst new and existing stakeholders • Increased attendance numbers at our online and in-person events • Ensured expired members would re-join as in-person events returned • Strengthened relationships with important stakeholders such as Human Rights and Privacy Commissioners, key UN agencies and the Australian Disability Commissioner who spoke at the May 2023 Asia-Pacific Conference • Invited academics to present within our various conferences to strengthen engagement
<i>Next steps</i>
<ul style="list-style-type: none"> • Continue our event programme with a mix of in-person and online meetings to facilitate dialogue amongst our global membership • Continue participation in external meetings and events to grow our network and outreach further
Knowledge transfer: Information and education
<i>We said we would...</i>
<ul style="list-style-type: none"> • Progress the education goal by working with expert learning consultants to develop an online learning tool. The tool will help understand the decision-making process when implementing biometrics and the potential consequences of those decisions. It will highlight information gaps to the members and where to find additional information • Continue to offer our range of publications and maintain good practice material current through regular reviews • Launch new guiding material including a paper on biometrics and authentication, and an <i>Explanatory Dictionary for Biometrics</i> • Lead the design and delivery of an annual <i>Industry Survey</i>, newsletters and other information pieces

What we did...

- We built and launched the very first online learning tool, *Biometrics Essentials*, in March 2023. The online tool is a scenario-based story supported by the *Good Practice Framework*. It continues to be accessed by members but also many new contacts, for example, from councils and UN agencies
- Promote the learning tool through a range of channels including social media posts through, for example, the Information Commissioner's Office in the UK
- Ran two in-house workshops for members developing questions to better understand decision-making and their consequences, all based on the *Good Practice Framework*
- Launched new guiding papers, updated existing guidance, and released a first draft of the *Explanatory Dictionary for Biometrics* to members on the website (see Communications and thought leadership/Biometrics Institute good practice guidance 2022-23 sections below for more detail)
- Released the annual *Industry Survey 2022* in August 2022
- *Weekly News Digest*, 46 issues across July 2022- June 2023
- Quarterly *e-Newsletter* published
- Strengthened our social media presence through regular posts increasing our followers on LinkedIn to 4,338 (+30%) and on X (formerly Twitter) to 7,292 (+2%)

Next steps

- Progress the education goal by translating the *Biometrics Essentials* learning tool into at least one other language to reach out to new regions
- Consider building a second learning tool potentially focusing on a particular job role in a biometrics project implementation
- Continue to offer our range of publications and maintain good practice material current through regular reviews
- Review and update the *Industry Survey* to be more focused on fewer questions

Thought leadership and good practice guidance

We said we would...

- Strengthen the Institute's brand as the trusted source of information, education and guidance on biometrics
- Continue to promote the *Three Laws of Biometrics* and the *Good Practice Framework* to legislators, regulators and key decision-makers to better understand and manage different biometric use cases, risks and their mitigation
- Create a louder voice for our community to create a more balanced discussion on biometrics
- Provide an independent and global platform for thought leadership
- Provide members with tools to demonstrate more transparently that they follow good practice guidance
- Set priority themes for our community through the publication of the *State of Biometrics Report 2022*

What we did...

- Participated in a range of external meetings and events to raise awareness about the responsible use of biometrics
- Featured on the Australian *Channel Nine News* delivering a story on biometrics
- Published the *State of Biometrics Report 2022* which identified four priority themes which formed the base of our important conversations with members and key stakeholders
- Invited key stakeholders and regulators to speak or attend our meetings and events to raise awareness about key issues and the *Three Laws of Biometrics*
- Noted that the Biometrics and Surveillance Camera Commissioner for England and Wales quoted the Institute's discussion about "do we need a license for biometrics" in his annual report to the Home Secretary
- Promoted our thought leadership and priority themes through meetings, conferences and the online *On the Pulse Conversations* series addressing members and key stakeholders from around the world

Next steps

- Become the leading voice for the biometrics community targeting media as well as key stakeholders
- Strengthen the Institute's brand as the trusted source of information, education and guidance on biometrics
- Continue to promote the *Three Laws of Biometrics* and the *Good Practice Framework* to legislators, regulators and key decision-makers to better understand and manage different biometric use cases, risks and their mitigation
- Provide an independent and global platform for thought leadership
- Identify what tools may be required next so members can demonstrate that they follow good practice guidance
- Set priority themes for our community through the publication of the *State of Biometrics Report 2023* and explore potential call-outs for what is needed to be better prepared

Summary of 2022-23 key facts

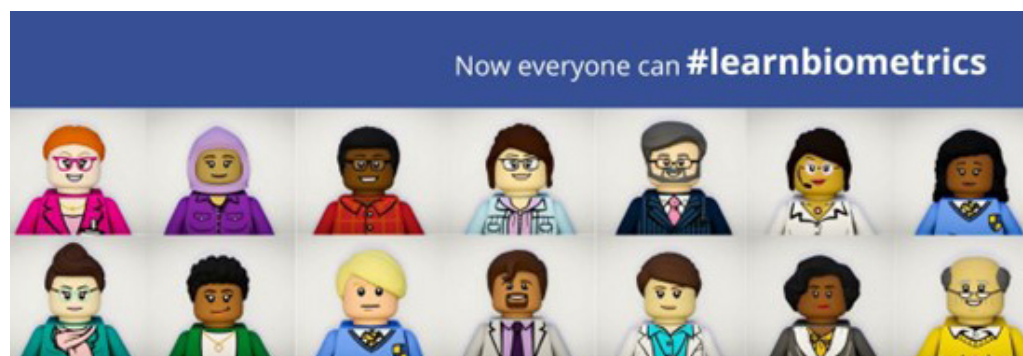
Communications and thought leadership

With the help of our marketing and communications adviser we have continued to support our members by producing more comprehensive thought leadership content and guidance this year. We have made efforts to improve our SEO performance and have grown our social media engagement and click-through rates. Social media engagement and website traffic has also been boosted by the release of the *Biometrics Essentials* learning tool and the updated FAQs webpage; both of these pages rank highly in the list of most visited areas of our website.

Our weekly *News Digest*, a curated list of news headlines, papers and reports, continues to be an extremely popular and valuable resource for members. And to help members put our content into easy use, this year we have created “key message” slides for our *Industry Survey* report and guidance such as the *Digital Onboarding and Biometrics* paper.

We have been keeping members up to date with the development of new resources and reports providing biometric insight and guidance. Content this year has included:

- *Industry Survey 2022 Report*, August 2022
- *Annual Report and State of Biometrics Report*, October 2022
- Release of *Digital Onboarding and Biometrics* paper key message slides, February 2023
- Publication of *Digital Identity and Biometric Authentication* paper, plus summary and key message slides, March 2023
- Launch of *Biometrics Essentials* learning tool, March 2023
- Update of online Supplier Directory, April 2023
- Launch of updated Frequently Asked Questions webpage, May 2023
- Release of updated *Privacy Guidelines*, May 2023
- Launch of *Explanatory Dictionary for Biometrics* to members, June 2023
- *Weekly News Digest*, 44 issues across July 2022 – June 2023
- Quarterly *e-Newsletter*, September and December 2022, March and June 2023



Biometrics Essentials learning tool



ID@Borders Conference, April 2023

Membership

Membership remained strong with 223 member organisations at the end of this financial year. This speaks to the trust members place in the Institute and the value they continue to see in the benefits the Institute offers. Moreover, an impressive 34 new member organisations joined during this period which confirms the growing need for an independent and impartial international forum for biometric users, which the Institute has uniquely provided for 22 years.

As part of its ongoing strategy, the Institute remains committed to deepening its membership base as well as to broadening it, building on member relationships that trust and support its mission, whilst engaging with potential members in new sectors.

The full list of the Institute's member organisations is included in this report.

Events programme

The Institute was able to return to holding conferences as in-person events again, and our annual programme of events enjoyed huge support from all our members. Many members even travelled long distances to attend our events in other countries, with a third of delegates at our flagship conference in Australia being from countries outside the Asia-Pacific region.

Key events for the year included:

- Biometrics Institute Congress, October 2022, London
- ID@Borders & Future of Travel Conference, April 2023, Brussels
- Asia-Pacific Conference, May 2023, Sydney
- US Discussion Day, June 2023, Washington DC

On the Pulse Conversation series

These conversations addressed priority themes as set out in the *State of Biometrics Report 2022* in an unscripted format. This webinar series provided thought leadership in a simple format and connected the Institute's global community. We held the following meetings during the year:

- On the Pulse Member Meeting: What are the latest solutions and innovations?, November 2022, online and on demand
- On the Pulse Member Meeting: What do you need to know about biometric authentication?, March 2023, online and on demand
- On the Pulse Member Meeting: What are the predictions for the future of biometrics and how do we ensure responsible use?, June 2023, online and on demand

Workshops

We are committed to supporting members in developing their knowledge and skills through a range of specialised training courses. We delivered the following courses during the year:

- Facial Recognition Performance Workshop, October 2022, London
- Biometrics Vulnerabilities Workshop, October 2022, London
- Introduction to Biometrics at the Border Workshop, April 2023, Brussels
- Biometrics Vulnerabilities Workshop, May 2023, Sydney

External engagements

On behalf of our members, we aim to create awareness about the work the Biometrics Institute is conducting to deliver on its missions. The Institute's Chief Executive, Directors, Advisory Council and Expert Group members participate in events and stakeholder meetings. During the financial year it reached out to Australia, New Zealand, Thailand, Vanuatu, UK and USA as well as online. A highlight was certainly a meeting with the Australian Disability Commissioner and an interview by the Australian Channel Nine News programme.

External event presentation

- The *Three Laws of Biometrics*, 10th Anniversary Border Cooperation in Practice and Technology Forum: Countering People Smuggling, Trafficking in Persons and Related Transnational Crime, organised by the **Regional Support Office – Bali Process**, 26 – 27 October 2022, Bangkok. Paul Cross, Director and Head of the Future Direction Group, presented the *Three Laws of Biometrics* to demonstrate biometric good practices in border management
- **UK Home Office Biometrics Symposium**, 24 October 2022, London. Isabelle Moeller attended the event that was organised alongside the Biometrics Institute Congress and networked with about 70 government delegates
- Face facts not fiction: A common approach to biometrics, Identity Week America, 5 October 2022 in Washington DC. Isabelle Moeller and Robert Mocny, Member of the Advisory Council, presented a conversation about the importance of finding a common language and approach to biometrics using the *Three Laws of Biometrics*
- The *Three Laws of Biometrics*: Considerations for good practices in border management, 6th Border Management & Identity Conference on Technical Cooperation & Capacity Building, Bangkok, 7 - 9 December 2022, organised by the **International Organisation for Migration**. Isabelle presented in Workshop 4: Beyond the biological threat: Strengthening border technology against cyber-attacks and technical disruptions demonstrating how the *Three Laws* and the *Good Practice Framework* can provide guidance for cyber security planning in border management
- Implementing digital identities, Westminster eForum policy conference, Online, 27 January 2023. Martin George, Member, Digital Identity Group, joined a panel discussing: Implementing digital identities - priorities for technology and interoperability, organisation adoption and cooperative structures, support and guidance, skills development, and public engagement and trust
- Where can biometrics be applied in retail? **Retail NZ** Webinar, 21 February. Brett Feldon, Head of Digital Identity Group, joined a conversation on good practices for retail. The webinar is available online

- Digital Identity Adoption Sprints: Travel, Thursday 23 February 2023, London, organised by the **UK Department for Science, Innovation and Technology (DSIT)**. Isabelle Moeller and Roger Baldwin, Advisory Council Member, attended the consultation and joined a panel to discuss biometrics, digital identity and travel
- The responsible future of biometrics: Trends and considerations for good practices for biometrics, **US Future of Privacy Forum Working Group**, online, 1 March 2023. Isabelle Moeller and Robert Mocny delivered a conversation about key developments based on the *State of Biometrics Report 2022*.
- The responsible future of biometrics, 2023 Identity & Security Conference, Washington Grand Hyatt, Washington DC, 4 April 2023, organised by the US **National Association for Public Health Statistics and Information Systems (NAPHSIS)**. Dan Bachenheimer, Director, provided an introduction to biometrics to agencies managing vital records including birth, death and marriage certificates
- Biometrics and Digital Identity, **Tech UK** podcast, May 2023. Martin joined a discussion on responsible use of biometrics
- Knock, knock... who's there? How do you know who you are dealing with online? 2023 Digital Transformation Live, Sydney, 8 - 9 June 2023. Brett Feldon presented key considerations for digital onboarding based on the Institute's *Digital Onboarding and Biometrics* and the *Digital Identity and Biometric Authentication* papers
- *Knock, knock, who's there? How do you know who you are dealing with?* **Pacific Immigration Development Community (PIDC)**, 25th Regular Annual Meeting, Port Villa, Vanuatu, 20 - 21 June 2023. Dion Chamberlain, Director, presented an introduction to the Biometrics Institute and its good practice guidance to Pacific Nations



PIDC 25th Regular Annual Meeting, June 2023

Participation in the following working groups:

- Member of the UK delegation to the International Organization for Standardization ISO/IEC JTC 1/SC 37/WG 6 Cross-Jurisdictional and Societal Aspects of Biometrics
- Member of the British Standards Institution (BSI) committee IST044 on biometrics
- Member of ICAO Implementation and Capacity Building Working Group and regular exchanges also with ICAO New Technology Working Group (NTWG)

Important stakeholder meetings and media:

- Australian *Channel Nine News* interview discussing the rise of biometrics technology, March 2023
- Ben Gauntlett, Australian Disability Commissioner, discussing how biometrics could provide support and inclusion for people with disabilities, September 2022
- Memorandum of Understanding signed in November 2022 with the Australian Department of Home Affairs to strengthen our potential collaboration
- Partnership signed with the Australian Human Rights Commissioner to develop a Human Rights Impact Assessment, subject to funding

Governance

Board of Directors

First elected to the board in November 2020, Jakob Glynstrup from the Danish National ID Centre was appointed Chairman of the Board in November 2021.

A director on the board since November 2019, Darren Bark was appointed Deputy Chairman in December 2020 and re-elected to that office in November 2021.

Dan Bachenheimer and Hans de Moel were re-elected to the board at the 2022 AGM. Jonathon Thorpe was re-appointed to the board in November 2022.

Throughout the year, the board held four in-person strategy board meetings and four additional board meetings at which the Institute's financials and business plans were thoroughly appraised. The board values and thanks directors for their continued engagement and contribution to the governance of the Institute.

In light of the financial impact from COVID-19, the board has examined and approved the Institute's reserve policy which continues to be set at 12-18 months' expenditure. This conservative level has allowed for sustained support of operations during these challenging economic times.

Advisory Council

The Advisory Council was established to support the Board of Directors drawing on strategic advice from the Expert and Sector Groups. It includes the Heads of the various groups as well as former office holders at the Institute.

Members of the Council provided excellent input into the many opportunities that evolved during the financial year and to the overall strategic direction of the organisation.

Expert and Sector Groups

Our Expert and Sector Groups were involved in various projects and events which helped us meet our objectives.

Group governance

The Groups are well governed, and the group handbook and terms of reference are updated regularly.

Our **Borders and Major Travel Programmes User Group** met online in September 2022 and March 2023, and in-person informally in Brussels at the ID@Borders Conference in April 2023. The usual format of these meetings includes country updates on major projects and advancements, and discussions around common challenges and opportunities.

Our **Privacy and Policy Expert Group** held discussions on current privacy concerns in the media throughout the year. In Q1 2023, the group worked on revising our *Privacy Guidelines* and came together online in February to facilitate that project.

The **Technology and Innovation Group (TIG)** focused on the Third Law of Biometrics: Technology – guided by policy and process: Know your algorithm, biometric system, data quality and operating environment and mitigate vulnerabilities, limitations and risks. The group have provided input into a number of projects including the updating of our online FAQs and the *Explanatory Dictionary for Biometrics*.

The **Future Direction Expert Group (FDG)** held five teleconference meetings across our financial year. In these meetings, and through regular email discussions, the group has been identifying and assessing the future impact of emerging technologies and trends in society, industry and consumers. The group contributed to the Congress in October and helped compile the *State of Biometrics Report 2022*. They are currently working on the *State of Biometrics Report* for 2023.

The **Digital Identity Group (DIG)** met online six times over 12 months and discussed issues relating to digital identity policies, frameworks, programmes and technologies where there is intersection with biometrics. They helped write the *Digital Identity and Biometric Authentication* guiding paper and supporting materials, and contributed to both the Congress in October and the On the Pulse Conversation: What do you need to know about biometric authentication? in March.

Going forward

The Groups will continue to focus on:

- Helping us to prepare guiding material for members
- Working with us to keep abreast of hot topics, vulnerabilities, privacy concerns and innovations
- Presenting at and generating ideas for our events, online meetings and workshops
- Assisting us with media, member and public enquiries

Biometrics Institute good practice guidance 2022-23

Digital Identity and Biometric Authentication paper

Published for the first time in 2023, this paper sets out recommended good practices for implementing biometric authentication in a secure and effective manner. It includes considerations around business benefits, the impact on other authentication mechanisms, the reuse of digital identities, and managing on-device biometrics. It is also available in summary form and as a set of key message slides.

Privacy Guidelines

Our *Privacy Guidelines* are the first comprehensive and universal privacy guidelines for biometrics. They outline key privacy issues that need addressing when introducing biometrics. The guidelines are updated every two years by our Privacy Expert Group with input from many different sectors. They include 18 principles including proportionality, informed consent, protection of biometrics data and purpose and sharing of biometric data. They were first published in 2006 and are being updated every two years, mostly recently in 2023.

Biometrics Essentials learning tool

This online course provides an educational overview based on the ethics and good practices you should consider when implementing a biometric system.

The learner will gain insight into the complex decision-making processes involved in implementing biometrics, as well as understanding the impact these decisions can have on biometric users. The course is based on the Institute's *Good Practice Framework* and was first released in March 2023.

Other existing good practice guidance from the Biometrics Institute

Good Practice Framework (GPF)

In 2019 we began working on the *Biometrics Institute Good Practice Framework*. This document is a first-of-its-kind good practice tool that outlines the various stages of the strategic planning, procurement and operation of a biometric system or network. Its primary function, however, is to provide a structured pathway through the differing factors that may influence or constrain a biometric application.

The GPF was officially launched to members in July 2020 alongside a workshop demonstrating how to put it into practice. In June 2022, having recovered the cost of developing the framework, we were able to make it available to all members at no additional cost. We are continuing to promote the recommended practices set out in the GPF through tailored workshops and presentations at external events.

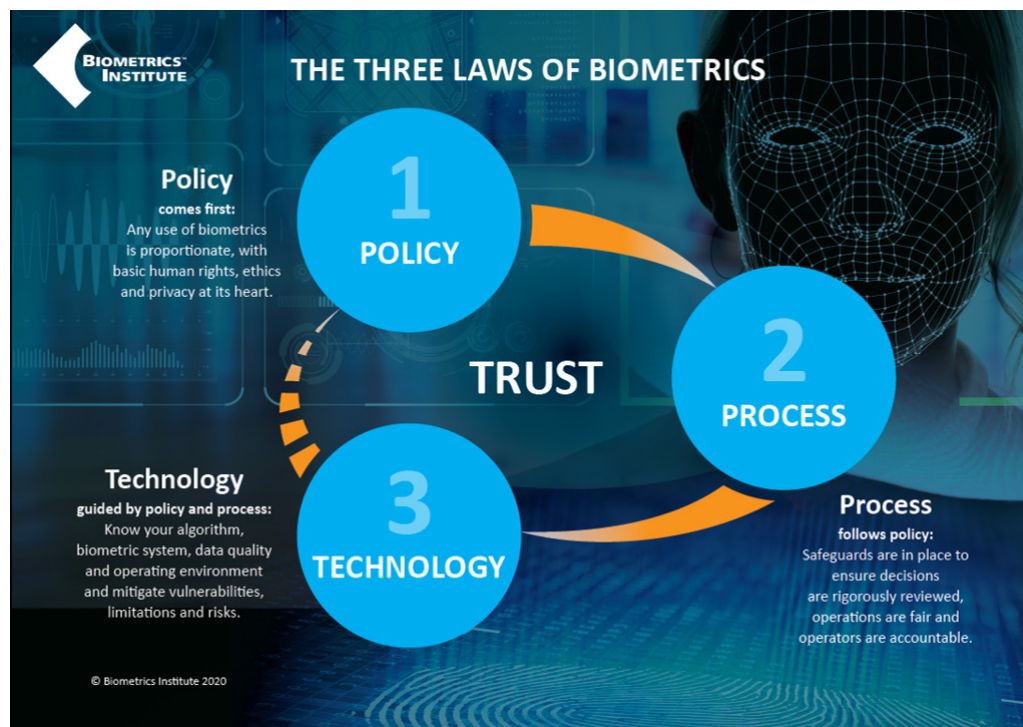


Biometrics Essentials learning tool

The Three Laws of Biometrics

The Biometrics Institute has devised the *Three Laws of Biometrics* to prompt people using biometrics to remember the fundamentals of applying the technology responsibly and ethically.

The laws should be used to guide members in their implementations, and crucially in the order in which tasks should be carried out. They were first released in October 2020, and in 2022, as part of the Institute’s call for a common approach to biometrics, they were developed into a simple illustrative graphic.



The Three Laws of Biometrics

Digital Onboarding and Biometrics

This paper, developed by our Digital Identity Expert Group and published in March 2021, offers a high-level overview of how biometrics intersects with digital identity onboarding to guide decision-makers considering, or already implementing, the use of biometrics in online sign-ups.

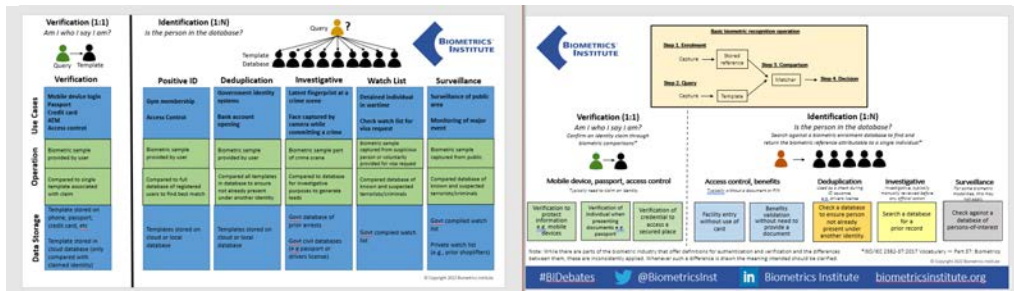
The document covers re-use of an existing digital identity, considerations in the process of attaching a digital identity to a person, deduplication, guidance in formulating strategies, and making ethical and responsible decisions in biometric applications.

Privacy Awareness Checklist (PAC) revision

The *Privacy Awareness Checklist (PAC)* is designed to be a simple and concise resource to raise awareness of privacy concerns whilst being universally useable. First developed in 2013, and revised and updated in 2022, it encourages organisations to discuss their Personal Information processing, assess risks and threats, consider privacy awareness and training, and maintain a strong privacy and data protection environment.

Ethical Principles for Biometrics

The *Ethical Principles for Biometrics* are a clear indication to users and the general public of the Biometrics Institute’s commitment to promote the ethical and responsible use of biometrics. This document has been compiled by a diverse group of members including our Privacy Expert Group, biometrics experts and government employees. It contains seven simple principles and a call to action to promote amongst peers.



Verification (1:1) and identification (1:n) explanatory graphics

Verification (1:1) and identification (1:n) explanatory graphics

These two graphics are a simple illustration and definition of verification and identification; two terms that have led to much confusion in the biometrics industry. They clarify basic biometric recognition operation and explore different use cases for verification and identification to aid understanding. The graphics were first released in March 2022.

Presentation Attack Detection (PAD) and Liveness Guiding Document

This document explains what PAD and liveness is and suggests some general considerations and questions users may want to ask when choosing a biometric product. It also points to the standards and additional information sources available. It was last revised in 2020.

Top 10 Vulnerability Questions

This guiding document was updated with input from our Security and Integrity Expert Group (BSIEG) in August 2020. It provides clarification around some of the frequently asked questions about the spoofing of biometrics including:

- How hard is it to steal a biometric?
- What if my biometric gets compromised?
- Are biometrics a good alternative to passwords?

Biometrics Vulnerability Checklist

This list complements the *Top 10 Vulnerability Questions* and was also revised in August 2020 to help guide members in addressing vulnerability assessments in biometrics. It addresses questions such as: What are the common vulnerabilities for your technology? Do you have a risk management plan? And does it include the potential for biometric vulnerability?

Compendium of Recommended Practices for the Responsible Use and Sharing of Biometrics in Counter-terrorism

This Compendium is an initiative of the UN Counter-Terrorism Implementation Task Force (UNCTED) and a joint project with the Biometrics Institute. It was released by the United Nations on the 29 June 2018. The Compendium provides practical guidance to help address developments in biometrics in the context of counter-terrorism and helps member states fulfil their commitments under resolutions 2322 and 2396.

Understanding Biometrics – Considerations for Implementing a Biometric System

Understanding Biometrics is intended to be a simple and user-friendly resource for members to refer to when considering the use and appropriateness of a biometric system, particularly for first time users. It will also be relevant for anyone contemplating upgrading their current system.

This reference document is a living document and will be updated to keep up with innovations in biometric technology and other developments including vulnerabilities, testing and privacy concerns.

2023

Looking ahead to 2023-24

In the coming year, we will continue to focus on education and thought leadership, but giving the Institute and its members a balanced and respected voice to inform policy and decision-makers about the responsible use of biometrics is a priority.

Our conference programme of prestigious in-person events is scheduled to take place in different countries around the world, with our annual ID@Borders Conference being held for the first time in Helsinki in April 2024. The online On the Pulse Conversations have provided a great platform for our global community to connect on hot issues quickly and we have already scheduled a next event for September 2023.

Education and good practice

We engaged expert education consultants to help us deliver our first online learning tool, *Biometrics Essentials*, that has had an impressive 300 completions since its launch in March 2023. We continue to see the tool being accessed every week which is an unprecedented response to a good practice tool. We will translate this online learning tool to other languages in order to test the take-up by members, key stakeholders and the public across the globe. This is an exciting and strategic re-investment of member fees to develop a wider range of learning tools, which will be accessible to our global community and also used to attract new members. It provides members and stakeholders with a good basic understanding of the risks around biometrics and how decisions need to be made to get to positive outcomes.

We have again scheduled side-events including two workshops to run alongside Congress 2023, to provide a deeper look at issues around facial recognition and digital identity. These allow our members to get maximum exposure to content when we are all aware about the need for more sustainable travel arrangements. We will continue to offer and facilitate in-house workshops for our members, taking staff from multiple departments through the *Good Practice Framework* and addressing key questions aligned to the framework.

During this financial year, we reviewed and updated information on our most popular and viewed website pages *Types of Biometrics* and launched our online *Explanatory Dictionary* to support our call for a common approach to biometrics. The dictionary includes definitions of commonly used terms which we will continue to expand upon. Members have told us that they would like to share some of the member-only material more broadly and we will explore how we can do this without compromising member benefits, for example, the annual *Industry Survey* results.

State of Biometrics Report 2023

Work on our *State of Biometrics Report 2023* is well underway and the report will be released at Congress in October. This report again looks at key developments from the last twelve months and provides insights into the likely impact of these developments for the industry in the coming year. We are looking at adding call-out boxes to highlight areas that we need to monitor closely.

Events

Members were keen to meet up again at our events and certainly enjoyed renewing relationships built over many years in the Institute's community.

The Institute continues to ensure that there is the right balance between our online and in-person offering and to explore new opportunities in the sector. The events are well-respected for their carefully curated and balanced content and this will remain a priority for us. We plan to find ways to create recommendations and even potential consensus at these events to use in our mission to have a louder voice.



Asia-Pacific Conference, May 2023

Growth

The Institute had a strong financial performance for the financial year 2022-23 with a net profit of AUD108,612. The budget for FY2022-23 was prepared with caution due to challenging global economic conditions and business operating environments in Australia and the UK. However, strong profit margins for our events, effective cost controls, and our impressive membership retention rate meant that we realised a higher net profit for the financial year than was budgeted and forecast.

The budget for the next financial year reflects the anticipated continued growth in revenues from holding our full events programme as in-person events. Although we are still operating in a volatile economic and geopolitical environment, we forecast a further uplift in revenues from both memberships and our events in our new financial year.

The board continues to focus on strategic plans that expand the Institute's outreach work and ensure that the Institute is the leading voice in the biometrics community. These strategic plans also include creating and developing more learning tools and new services for members, and investing in system upgrades and technology so that the Institute is best placed to serve its members and is able to grow as the biometrics sector grows.

We would like to thank everyone for their dedicated and ongoing support.



Isabelle Moeller
Chief Executive



Jakob Glynstrup
Board Chairman

2023

Your directors present their report on the company and its controlled entities for the year ended 30 June 2023.

DIRECTORS

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

Jakob Dam Glynstrup	Darren Joseph Bark
Daniel Bachenheimer (re-elected Nov 2022)	Dion Bruce Chamberlain
Paul Anthony Cross	Hans de Moel (re-elected Nov 2022)
Stephen Richard Gee	Stephanie Ann Schuckers
Jonathon Dean Thorpe (reappointed Nov 2022)	

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

OPERATING RESULTS

The profit (loss) derived by the consolidated group for the financial year after providing for income tax amounted to \$ 108,612 (2022 loss \$10,862)

Year ended 30 June 2023 \$108,612	Year ended 30 June 2022 \$(10,862)			
Year ended 30 June 2021 \$108,502	Year ended 30 June 2020 \$66,835	Year ended 30 June 2019 \$334,428	Year ended 30 June 2018 \$366,883	Year ended 30 June 2017 \$135,880
Year ended 30 June 2016 \$114,463	Year ended 30 June 2015 \$72,564	Year ended 30 June 2014 \$34,983	Year ended 30 June 2013 \$(78,022)	Year ended 30 June 2012 \$39,524
Year ended 30 June 2011 \$97,556	Year ended 30 June 2010 \$157,263	Year ended 30 June 2009 \$66,839	Year ended 30 June 2008 \$65,091	Year ended 30 June 2007 \$3,946

REVIEW OF OPERATIONS

The results for the consolidated group's operations for the period ended 30 June 2023 resulted in a surplus of \$108,612. Membership income and continued interest in the Biometrics Institute conferences and training courses continued to show good growth during the year.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated group during the course of the financial year was to provide information and education on the use of biometric systems, as well as good guidance tools. No significant change in the nature of these activities occurred during the financial year. The company continues to have a wholly owned subsidiary in the United Kingdom to facilitate the expansion of the company's operations to Europe.

SHORT TERM AND LONG TERM OBJECTIVES

The mission of the Institute is to promote the responsible, ethical and effective use of biometrics and related technologies that respect the Institute's ethical guidance as an independent and impartial international forum for biometric users and other interested parties.

STRATEGIES

To achieve its stated objectives, the company has adopted the following strategies:

- To develop balanced thought leadership and guidance for the responsible use of biometrics, using the input of experts.
- To facilitate knowledge transfer to members, prospects, key stakeholders and the public
- To act as a connector for the global biometrics industry including users, suppliers, academics, regulators and privacy advocates.

KEY PERFORMANCE MEASURES

The company measures its own performance through the use of both qualitative and quantitative measures. These measures are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

The key measures used by the directors include profitability, cash flows and the number of members.

EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

LIKELY DEVELOPMENTS

There are no likely developments in the operations of the consolidated group, which are expected to affect the results of the consolidated group's operations in subsequent financial years.

ENVIRONMENTAL ISSUES

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

DIVIDENDS

The consolidated group is headed by a parent company limited by guarantee and the Constitution does not permit the distribution of dividends to its members. No dividends have been paid, declared or proposed by the consolidated group since the commencement of the financial year.

DIRECTORS' BENEFITS

Since the commencement of the financial year no director of the consolidated group has received or become entitled to receive, a benefit because of a contract that the director, a firm of which the director is a member, or an entity in which the director has a substantial financial interest, has made with:

- The consolidated group, or
- An entity that the company controlled or a body corporate that was related to the consolidated group, when the contract was made or when the director received, or became entitled to receive, the benefit.

OPTIONS

The parent company does not have a share capital as it is a company limited by guarantee. Accordingly, no options over interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INSURANCE OF OFFICERS

During the financial year, the consolidated group paid a premium to insure certain officers of the consolidated group, details of the nature of the cover and premium paid are prohibited from disclosure in accordance with the terms and conditions of the policy.

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED GROUP

No person has applied for leave of Court to bring proceedings on behalf of the consolidated group or intervene in any proceedings to which the consolidated group is party for the purpose of taking responsibility on behalf of the consolidated group for all or any part of those proceedings.

The consolidated group was not a party to any such proceedings during the year.

2023

DIRECTORS QUALIFICATIONS

Particulars of the directors' experience and special responsibilities (if any) of each director of the consolidated group who held office during or since the end of the financial year are:

DIRECTOR	RESPONSIBILITIES / EXPERIENCE
Jakob Dam Glynstrup	Chairperson of the Biometrics Institute Head of the Danish National ID Centre
Darren Joseph Bark	Deputy Chairperson of the Biometrics Institute Chief Executive Officer at the NSW Jewish Board of Deputies
Daniel Bachenheimer	Global Digital Identity Innovations Technical lead at Accenture
Dion Chamberlain	Manager Product Development – Life Events and Identity Services at the Department of Internal Affairs New Zealand – Service Delivery and Operations
Paul Anthony Cross	Head of Border Management at SITA's Sydney Practice
Hans de Moel	Royal Netherlands Marechaussee (KMar), part of the Dutch Ministry of Defence
Stephen Gee	Former Assistant Secretary, Passport Integrity at the Department of Foreign Affairs and Trade, Australian Passport Office
Stephanie Schuckers	Director at the Center of Identification Technology Research (CITeR) and a professor at Clarkson University
Jonathon Thorpe	General Manager, Service Design Division at Services Australia

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. As at the 30 June 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$4,460.

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

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



Director:

Dated this 11 day of October 2023

2023

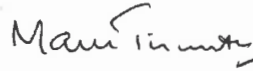
BIOMETRICS INSTITUTE LIMITED AND CONTROLLED ENTITIES

A.B.N. 81 098 407 099

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there has been:

- (i) no contraventions of the auditor's 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



**MARK TINWORTH
CHARTERED ACCOUNTANT**

North Sydney, 11th October 2023

TINWORTH & Co

CHARTERED ACCOUNTANTS and BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BIOMETRICS INSTITUTE LIMITED AND CONTROLLED ENTITIES

Opinion

We have audited the attached financial report of Biometrics Institute Limited and controlled entities ("the entity") which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of recognised income and expenditure, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the Directors' Report.

In our opinion, the accompanying financial report of Biometrics Institute Limited and controlled entities is in accordance with the Corporations Act 2001, including:

1. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards, and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Directors in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Responsibilities of the Directors for the financial report

The directors are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine in necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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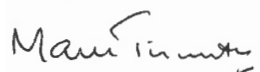
Liability limited by a scheme approved under Professional Standards Legislation

2023

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 misstatements 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 of our opinion. The risk of not detecting 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 Committee's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the company's use of 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 achieved fair representation.

We communicate with the directors regarding, 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.



MARK TINWORTH
CHARTERED ACCOUNTANT

Dated this 11th day of October 2023

TINWORTH & CO

Directors' declaration

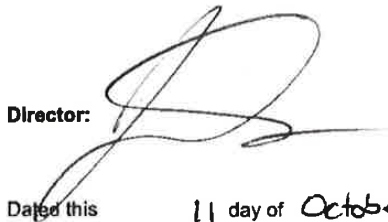
Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

The directors of the consolidated group declare that:

- 1 The financial statements and notes, as set out on pages 9 to 30 are in accordance with the Corporations Act 2001 and:
 - (a) comply with accounting standards; and
 - (b) give a true and fair view of the consolidated group's financial position as at 30 June 2023 and of its performance for the year ended on that date
- 2 In the directors' opinion there are reasonable grounds to believe that the consolidated group 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:



Dated this 11 day of October 2023

Statement of comprehensive income

Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

The accompanying notes form part of these financial statements

2023

	Note	2023 \$	2022 \$
Sales revenue	2	1,545,472	1,031,124
Cost of sales		<u>(297,878)</u>	<u>(101,172)</u>
Gross profit		1,247,594	929,952
Other revenue		28,957	3,503
Employee benefits expense		(600,781)	(441,322)
Depreciation expenses		(2,817)	(1,763)
Administration expenses		(554,430)	(493,868)
Occupancy expenses		-	(750)
Communication expenses		<u>(9,911)</u>	<u>(6,614)</u>
Profit (loss) before income tax	3	108,612	(10,862)
Income tax expense	4	<u>-</u>	<u>-</u>
Profit attributable to members of the entity		108,612	(10,862)
Other comprehensive income after income tax		-	-
Other comprehensive income for the year net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>108,612</u>	<u>(10,862)</u>
Total comprehensive income attributable to members of the entity		<u>108,612</u>	<u>(10,862)</u>

Statement of financial position

Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

The accompanying notes form part of these financial statements

	Note	2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	5	2,021,961	1,921,211
Trade and other receivables	6	112,438	92,538
Other current assets	7	83,743	49,039
TOTAL CURRENT ASSETS		<u>2,218,142</u>	<u>2,062,788</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	43,412	3,305
TOTAL NON-CURRENT ASSETS		<u>43,412</u>	<u>3,305</u>
TOTAL ASSETS		<u>2,261,554</u>	<u>2,066,093</u>
CURRENT LIABILITIES			
Trade and other payables	9	400,734	332,927
TOTAL CURRENT LIABILITIES		<u>400,734</u>	<u>332,927</u>
NON-CURRENT LIABILITIES			
Trade and other payables	9	39,750	20,708
TOTAL NON-CURRENT LIABILITIES		<u>39,750</u>	<u>20,708</u>
TOTAL LIABILITIES		<u>440,484</u>	<u>353,635</u>
NET ASSETS		<u>1,821,070</u>	<u>1,712,458</u>
EQUITY			
Retained earnings		1,821,070	1,712,458
TOTAL EQUITY		<u>1,821,070</u>	<u>1,712,458</u>

Statement of changes in equity

Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

The accompanying notes form part of these financial statements

2023

	2023	2022
	\$	\$
RETAINED EARNINGS		
Balance as at beginning of the year	1,712,458	1,723,320
Profit (Loss) attributable to members	<u>108,612</u>	<u>(10,862)</u>
Balance as at the end of the year	<u>1,821,070</u>	<u>1,712,458</u>

Cash flow statement

Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

The accompanying notes form part of these financial statements

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Members' & Customers' Receipts		1,616,132	977,775
Interest Received		6,787	3,377
Payments to Suppliers & Donations		<u>(1,479,245)</u>	<u>(988,834)</u>
Net Cash provided by (used in) Operating Activities	14	<u>143,674</u>	<u>(7,682)</u>
NET CASH FROM INVESTING ACTIVITIES			
Purchase of plant		<u>(42,924)</u>	<u>(2,546)</u>
Net cash provided by (used) in financing Activities		<u>(42,924)</u>	<u>(2,546)</u>
Net Increase (Decrease) in Cash Held		100,750	(10,228)
Cash at the Beginning of the Financial Year		<u>1,921,211</u>	<u>1,931,439</u>
Cash at the End of the Financial Year	5	<u>2,021,961</u>	<u>1,921,211</u>

2023

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Biometrics Institute Limited and its controlled entities as an individual entity. The Biometrics Institute Limited is a company limited by guarantee.

The financial statements were authorised for issue on October 2023 by the directors of the Entity.

The general purpose financial report has been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Income Tax

No provision for income tax has been raised as the parent entity deductions exceeded its assessable income under the mutuality principle. Biometrics Institute Limited domiciled in the UK is assessed for income tax under the mutuality principle.

Principles of consolidation

A controlled entity is any entity over which the Biometrics Institute has the power to govern the financial operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered. A list of controlled entities is contained in Note 17 to the financial statements.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

Financial Instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of an asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case the transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivable do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- Amortised cost, or
- Fair value through profit and loss

A financial liability is measured at fair value through profit and loss if the financial liability is:

- A contingent consideration of an acquirer in a business combination to which AASB 3 applies
- Held for trading, or
- Initially designated as at fair value through profit and loss

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest rate. The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial asset

Financial assets are subsequently measured at:

- Amortised cost
- Fair value through other comprehensive income
- Fair value through profit and loss

Measurement is on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset, and
- the business model for managing the financial assets

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates: and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

2023

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The entity initially designates financial instruments as measured at fair value through profit and loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.
- It is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of the entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- It is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities:

A liability is derecognised when it is extinguished. An exchange of an existing financial liability for a new one with substantial modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets:

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- The right to receive cash flows from the asset has expired or been transferred;
- All risk and rewards of ownership of the asset have been substantially transferred; and
- The entity no longer controls the asset

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the profit or loss.

Impairment

The company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for financial assets measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

General approach

Under the general approach, at each reporting period, the company assesses whether the financial instruments are credit-impaired, and:

- If the credit risk of the financial instrument has increased significantly since initial recognition, the Entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- If there has been no significant increase in credit risk since initial recognition, the Entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Recognition of expected credit losses in financial statements

At each reporting date, the company recognise the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets 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 cost 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 recognised in profit or loss.

Where the assets are not held primarily for their liability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

2023

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Employee benefits**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wages and salary levels, durations of service and employee departures and are discontinued at rates determined by reference to market yields at the end of the reporting period. Upon the remeasurement of obligation due to changes in assumptions for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

The entity's obligation for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments.

Revenue

Membership revenue is measured at the fair value of the consideration received and is brought to account on a straight-line basis over the period of the membership.

Interest revenue is recognised proportionally using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If sufficiently specific performance obligations are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those specific performance obligations are satisfied.

Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

All revenue is stated net of the amount of Goods and Service Tax ("GST").

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Trade and other receivables

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method, less any provision for impairment.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Depreciation of Plant and Equipment

Each class of property plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment are measured on the cost basis. All assets are depreciated using the straight line basis so as to write off the cost of each asset over its expected useful life to the company.

Depreciation rates used for each class of asset are:

Class of fixed asset	Depreciation rate
Plant and Equipment	10.0%
Fixtures and Fittings	25.0%
Website	40.0%

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

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

2023

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated group.

Key judgements**Performance obligations under AASB 15**

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specific in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value. Quantity and the period of transfer related to the goods or services promised.

Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

Liability of Members'

The company is limited by guarantee. If the company is wound up, Clause 11 of the Constitution states that in the event of there being a deficiency of net assets on winding up each member and members within one year of ceasing to be members undertake to contribute a sum not exceeding twenty dollars per person.

New and Amended Accounting Policies Not Yet Adopted by the Company**AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities**

- The AASB has issued AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*. AASB 1060 defines the disclosure requirements for Tier 2 general purpose financial statements, as defined by Australian Accounting Standards, and serves as a replacement for the existing Reduced Disclosure Regime.

AASB 1060 may be early-adopted and is mandatory for periods beginning on or after 1 July 2021 (and is mandatory for the Company's 30 June 2022 year-end).

	2023	2022
	\$	\$
2. Revenue		
Member subscriptions	507,847	464,052
Sponsorship	389,233	231,534
Member functions	<u>648,392</u>	<u>335,538</u>
	<u>1,545,472</u>	<u>1,031,124</u>
3. Profit (Loss) from Ordinary Activities		
Profit from ordinary activities before income tax has been determined after:		
Expenses		
Depreciation	2,817	1,763
Cost of sales	297,878	101,172
Employment costs	599,048	441,322
Remuneration of auditor		
- Audit services	3,670	3,670
- Other services	2,625	2,280
4. Income Tax Expense		
The components of tax expense comprise:		
Current income tax	<u>-</u>	<u>-</u>
The prima facie tax on profit before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on surplus (loss) before income tax at 25.0% (2022 25%)	27,153	(2,716)
Add (less)		
Tax effect of		
- Tax loss not recorded in the accounts	3,931	8,818
- Tax on ROW not brought to accounts	(2,221)	(36,548)
- Timing difference not brought to accounts	(8,312)	-
- Permanent difference due to Technology Boost	(336)	-
- Mutual expenses	137,470	162,802
- non-taxable member income arising from the principle of mutuality	<u>(157,684)</u>	<u>(132,356)</u>
Income tax attributable to entity	<u>-</u>	<u>-</u>
5. Cash and cash equivalents		
Cash at bank	744,226	896,653
Interest bearing deposits	<u>1,277,735</u>	<u>1,024,558</u>
	<u>2,021,961</u>	<u>1,921,211</u>

The effective interest rate on short term deposits was 2.21% (2022 0.18%) and these deposits have an average maturity of one hundred and eighty days.

2023

	2023 \$	2022 \$
6. Receivables		
Trade & other receivables	112,438	83,771
GST refund receivable	-	8,767
	<u>112,438</u>	<u>92,538</u>

Current trade receivables are non-interest bearing loans and generally are receivable within 30 days.

Credit risk

The Company and its controlled entities have no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the Company and its controlled entities are considered to relate to the class of assets described as membership receivable.

The following table details the Company's and its controlled entities receivable exposed to credit risk with ageing analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Company and its controlled entities and the member counterparty to the transaction.

Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company and its controlled entities. The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

2023	Gross Amount	Past due & impaired	Past due but not impaired (Days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Interest receivable	23,570	-	-	-	-	-	23,570
GST refund receivable	-	-					-
Trade receivables	88,868	-	65,553	12,283	11,032	-	-
Total	112,438	-	65,553	12,283	11,032	-	23,570

2023

	2023	2022
	\$	\$
9. Trade and other payables		
Current		
Creditors & accruals	84,886	66,427
Deferred revenue	315,848	266,500
9a	<u>400,734</u>	<u>332,927</u>
Trade and other payables		
Non-current		
Deferred revenue	39,750	20,708
9a	<u>39,750</u>	<u>20,708</u>
3		
a. Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- total current	400,734	332,927
- total non-current	39,750	20,708
	<u>440,484</u>	<u>353,635</u>
Less deferred revenue	(355,598)	(287,208)
Less Goods & Services tax	(26,275)	-
Financial liabilities as trade & other payables	<u>58,611</u>	<u>66,427</u>

No collateral has been pledged for any of the trade and other payables balances.

A provision has been recognised for employee benefits relating to long service leave for employees. 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. The measurement and recognition criteria for employee benefits have been included in Note 1.

10 Contingent assets and contingent liabilities

The Directors are not aware of any contingent liabilities that are in existence at the date of the signing of this report.

11. Related party transactions

No Director member receives directly or indirectly any fees, bonuses or other remuneration as a consequence of their appointment to the Board.

	Note	2023 \$	2022 \$
12. Key Management personnel compensation			
The totals of remuneration paid to key management personnel (KMP) of the company and its controlled entities during the year are as follows:			
Short-term employee benefits		233,921	191,405
Post-employment benefits		<u>44,845</u>	<u>41,128</u>
		<u>278,766</u>	<u>232,533</u>

13. Financial instruments

Financial risk management

The Company's and its controlled entities financial instruments consist mainly of deposits with banks, local money market instruments and short-term investments, accounts receivable and payable.

The Company and its controlled entities do not have any derivative financial instruments at 30 June 2023.

Financial Risk Management Policies

The Director's overall risk management strategy seeks to assist the Company and its controlled entities in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Directors' on a regular basis.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash & cash equivalents	5	2,021,961	1,921,211
Trade & other receivables	6	<u>112,438</u>	<u>83,771</u>
		<u>2,134,399</u>	<u>2,004,982</u>

Financial liabilities

Trade & other payables	9a	<u>58,611</u>	<u>66,427</u>
		<u>2,075,788</u>	<u>1,938,555</u>

i. Treasury risk management

The Board meets on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial risks

The main risks the Company and its controlled entities are exposed to through its financial instruments are interest rate risk, liquidity risk, foreign exchange risk and credit risk.

Foreign currency risk

The Company and its controlled entities are exposed to fluctuations in foreign currencies

2023

	Note	2023 \$	2022 \$
13. Financial instruments (cont'd)			
Interest rate risk			
The Company's and its controlled entities exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and will affect future cash flows or the fair value of fixed rate financial instruments. All financial assets and liabilities are non-interest bearing except for the following: Cash assets at an average interest rate for the year of 2.21% (2022 0.18%)			
Floating rate instruments			
National Australia Bank		673,756	826,890
Lloyds TSB Bank		<u>70,470</u>	<u>69,763</u>
		<u>744,226</u>	<u>896,653</u>
Fixed rate instruments			
National Australia Bank term deposit		<u>1,277,735</u>	<u>1,024,558</u>
		<u>1,277,735</u>	<u>1,024,558</u>
Total cash		<u>2,021,961</u>	<u>1,921,211</u>

Liquidity risk

Liquidity risk arises from the possibility that the Company and its controlled entities might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities

The Company and its controlled entities manage this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from various sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Financial liability and financial asset maturity analysis

	Within one year	
Financial liabilities due for payment:		
Trade & other payables excluding annual leave and deferred income	<u>58,611</u>	<u>66,427</u>
Total expected outflows	<u>58,611</u>	<u>66,427</u>
Financial assets – cash flows realisable:		
Cash & cash equivalents	2,021,961	1,921,211
Trade & other receivables	<u>112,438</u>	<u>83,771</u>
Total anticipated inflows	<u>2,134,399</u>	<u>2,004,982</u>
Net (outflows) inflows on financial instruments	<u>2,075,788</u>	<u>1,938,555</u>

2023 **2022**
\$ **\$**

13. Financial instruments (cont'd)

Foreign exchange risk

The Company and its controlled entities are exposed to fluctuations in foreign currencies as the company has instruments in UK pounds sterling and US dollars. All other bank accounts are denominated in Australian dollars (AUD). Revenues and expenses are recorded in AUD at the time of the transaction and exchange fluctuations would not be material.

The following table shows the foreign currency risk on the financial assets and liabilities of the group's operations denominated in currencies other than the functional currency of the operations. The foreign currency risk in the books of the parent entity is considered immaterial and is therefore not shown.

	Net financial assets /Liabilities in AUD			
	Assets 2023	Assets 2022	Liabilities 2023	Liabilities 2022
UK pound sterling	134,931	102,138	34,909	49,124
US dollar	61,428	113,874	1,987	484
Euro	19,812	-	1,569	-

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contractual obligations that could lead to a financial loss to the Company and its controlled entities. Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes utilisation of systems for that approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Credit terms are normally 14-30 days from the date of invoice.

Customers that do not meet the Company's and its controlled entities strict credit policies may only purchase in cash or using recognised credit cards.

Risk is also minimised through investing surplus funds in financial institutions that maintain high credit ratings or in entities that the finance committee has otherwise cleared as being financially sound.

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

The company and its controlled entities have no significant concentration of credit risk with any single counterparty or group of counterparties. Trade & other receivables that are neither past due or impaired are considered to be of high credit quality aggregates of such amounts are as detailed in Note 5.

2023

2023	2022
\$	\$

13. Financial instruments (cont'd)

The Company and its controlled entities do not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered in to by the Company and its controlled entities. Credit risk related to balances with banks and other financial institutions is managed by the board in accordance with approved board policy. Such policy requires that surplus funds are only invested in counterparties with a Standard & Poor's (S&P) rating of at least A-2. The following table provides information regarding the credit risk relating to cash based on S&P counterparty credit ratings

Cash and cash equivalents

AA - rated	1,951,491	1,857,418
A-2 rated	70,470	63,793
	<u>2,021,961</u>	<u>1,921,211</u>

Price risk

The company and its controlled entities are not exposed to any material commodity price risk.

Net fair values**Fair value estimation**

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated, Areas of judgement and the assumptions have been detailed below.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company and its controlled entities.

	2023		2022	
	Net carrying value	Net fair value	Net carrying value	Net fair value
Financial assets				
Cash & cash equivalents	2,021,961	2,021,961	1,921,211	1,921,211
Trade & other receivables	112,438	112,438	83,771	83,771
Total financial assets	<u>2,134,399</u>	<u>2,134,399</u>	<u>2,004,982</u>	<u>2,004,982</u>
Financial Liabilities				
Trade & other payables	58,611	58,611	66,427	66,427
Total financial liabilities	<u>58,611</u>	<u>58,611</u>	<u>66,427</u>	<u>66,427</u>

2023	2022
\$	\$

13. Financial instruments (cont'd)

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value.

Sensitivity analysis

The following table illustrates sensitivities to the group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reporting at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
	\$	\$
Year ended 30 June 2023		
+/- 2% in interest rates	39,431	29,574
Year ended 30 June 2022		
+/- 2% in interest rates	38,491	38,491

No sensitivity analysis has been performed on foreign exchange risk as the company is not materially exposed to foreign currency fluctuations.

14. Cash Flow Information

- (a) Reconciliation of net cash provided by operating activities to profit (loss) from ordinary activities after income tax

Profit / (loss) from ordinary activities after income tax	108,612	(10,862)
Non-cash flows in profit from ordinary activities:		
- Depreciation	2,817	1,763
Changes in assets and liabilities:		
- Decrease (increase) in current receivables	(19,900)	(65,110)
- Decrease (increase) in prepaid expenses	(52,458)	32,942
- Increase (decrease) in payables	18,459	20,950
- Increase (decrease) in deferred income	68,390	11,635
Net cash provided by operating activities	<u>125,920</u>	<u>(8,682)</u>

- (b) The company and its controlled entities have no credit stand-by or financing facilities in place.
(c) There were no non-cash financing or investing activities during the year.

2023

2023	2022
\$	\$

15. Contingent Liabilities and Contingent Assets

The company and its controlled entities are not aware of any contingent liabilities that are in existence at the date of the signing of this report.

16. Events after the Balance Sheet Date

There have been no significant events after balance sheet date that will significantly affect the operations of the Company, the results of these operations or the state of affairs of the Company in future financial years.

As at the date of this report, it is not possible to reliably estimate the financial effect (if any) of the virus on the Company's operations.

There have been no other significant events occurring after the reporting period which may affect either the Company's operations or results of those operations or the Company's state of affairs.

17. Controlled entities

<u>Name of Subsidiary</u>	<u>Country of Incorporation</u>	<u>Percentage owned %</u>	
		2023	2022
Biometrics Institute Limited	United Kingdom	100	100

18. Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At the 30 June 2023, the number of members was 223.

19. Company Details

The registered address of the company is:

Biometrics Institute Limited
Suite 5.02 655 Pacific Highway
ST LEONARDS NSW 2065

The principal places of business are:

Biometrics Institute Limited
Suite 5.02 655 Pacific Highway
ST LEONARDS NSW 2065

Biometrics Institute Limited
66 Prescot Street
London
E1 8NN
United Kingdom

TINWORTH & Co

CHARTERED ACCOUNTANTS and BUSINESS ADVISORS

COMPILATION REPORT

BIOMETRICS INSTITUTE LIMITED AND CONTROLLED ENTITIES

On the basis of information provided by the directors of the Biometrics Institute and its controlled entities, we have compiled, in accordance with APES 315 'Statement on Compilation of Financial Reports', the following special purpose financial report of the Biometrics Institute and its controlled entities for the year ended 30 June 2023, as set out in the attached Detailed Profit and Loss Statement.

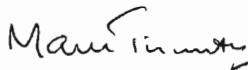
The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. No Accounting Standards or other mandatory professional reporting requirements have been applied in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of the Biometrics Institute constitution and are appropriate to meet the needs of the directors and members of the consolidated group.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage, which any person other than the consolidated group, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the directors and members of the Biometrics Institute and its controlled entities and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.



MARK TINWORTH
CHARTERED ACCOUNTANT

North Sydney, 11th October 2023

WWW.TINWORTH.COM

LEVEL 2, 66 BERRY ST NORTH SYDNEY NSW 2060 | P (02) 9922 4644 | F (02) 9959 3642 | ABN 43 624 513 140

Liability limited by a scheme approved under Professional Standards Legislation

Detailed profit and loss statement

Biometrics Institute and controlled entities: financial report for the year ended 30 June 2023

2023

	Note	2023	2022
		\$	\$
INCOME			
Membership fees		507,847	464,052
Event sponsorship		389,233	231,534
Event registrations		648,392	335,538
Total sales		1,545,472	1,031,124
Interest income		28,957	3,503
		<u>1,574,429</u>	<u>1,034,627</u>
EXPENDITURE			
Cost of sales			
Events		297,878	101,172
Total cost of sales		297,878	101,172
Accountancy expenses		43,808	32,993
Audit expenses		6,295	6,550
Bank charges		20,247	12,765
Computer expenses		23,396	20,113
Consultants		107,057	68,348
Depreciation		2,817	1,763
Donation		-	266
Filing fee		391	250
Foreign exchange loss (gain)		(17,754)	3,042
General expenses		438	1,601
Insurance		10,200	6,116
Legal expense		500	-
Meeting expenses		5,873	2,127
Postage, printing & stationery		3,787	3,898
Rent		-	750
Secretariat fee		291,502	315,499
Staff expenses		2,932	3,773
Staff recruitment		305	2,504
Subscriptions		5,364	9,323
Telephone		3,332	1,584
Teleconference		6,579	5,030
Travel & accommodation		50,089	4,700
Employment expenses		599,048	440,572
Workers compensation insurance		1,733	750
		<u>1,465,817</u>	<u>1,045,489</u>
OPERATING PROFIT (LOSS) before Income Tax		108,612	(10,862)
Retained profits at the beginning of the year		1,712,458	1,723,320
Retained profits at the end of the financial year		<u>1,821,070</u>	<u>1,712,458</u>

This financial statement should be read in conjunction with the attached Compilation Report

Notice of the Annual General Meeting (AGM)

Biometrics Institute Ltd (Australia) ABN 81 098 407 099

Notice of the Annual General Meeting (AGM)

Notice is hereby given that the AGM of the Biometrics Institute Ltd (Australia) will be held at 08:30 on Thursday 30 November 2023 at Hotel Realm, Boardrooms 3 & 4 18 National Circuit, Canberra, ACT 2600, Australia

1. Those present
2. Apologies and proxies
3. Confirm the minutes from the previous AGM, 1 December 2022

Ordinary business

4. To receive and consider the directors' report of the company
5. To receive and consider the financial report of the company
6. To elect directors in accordance with rule 17 of the company's constitution

Eligible nominees:

- a) Darren Bark, NSW Police Force – user (re-nominating)
- b) Naama Ben Zvi, Israel National Cyber Directorate – user

Special business

There is no special business

Proxies:

- Members entitled to attend and vote at this meeting of the company are entitled to appoint a proxy to vote on their behalf
- A member who is entitled to cast two or more votes at the meeting may appoint up to two proxies and may specify the proportion each proxy is entitled to exercise
- A proxy need not be a member of the company
- To be effective, proxy forms must reach the office or registered office of the Company or by the fax number of the Company as shown on the proxy notice no later than the time shown on the proxy notice
- A proxy lodged by a Company must be executed under its company seal or its attorney, or an authorised officer

Dated the 27 October 2023

ORDER OF THE BOARD



Isabelle Moeller,
Secretary
Biometrics Institute Ltd (Australia)
PO Box 576
Crows Nest NSW 1585
Australia
Email: manager@biometricsinstitute.org

2023

User members (90) (Representing 591 persons)

- Air New Zealand
- Australian Criminal Intelligence Commission [ACIC]
- Australian Defence Science & Technology Group (DSTG)
- Australian Federal Police (AFP) - Forensics
- Australian Institute of Criminology (AIC)
- Australian Taxation Office - Customer Service & Solutions
- Australian Taxation Office (ATO) - ICT Voice Services
- Belgian Ministry of Foreign Affairs
- Bundesamt für Sicherheit in der Informationstechnik (Federal Office for Information Security BSI, Germany) [1]
- Canada Border Services Agency (CBSA)
- ClubsNSW
- Danish National ID Centre
- Defence Science and Technology Laboratory (DSTL)
- Department of Foreign Affairs & Trade - Australian Passport Office (DFAT)
- Department of Home Affairs Australia [1]
- Department of Internal Affairs New Zealand (DIA) - Service Delivery and Operations
- Department of Justice and Community Safety - Corrections Victoria
- Department of National Defence and the Canadian Forces
- Department of Road Transport (RDW), Netherlands
- Department of the Premier and Cabinet VIC
- Department of Transport Western Australia - Driver and Vehicle Services
- Digital Transformation Agency Australia (DTA)
- ESR
- Estonian Ministry of the Interior (Siseministerium)
- Federal Bureau of Investigation (FBI)
- Federal Office of Administration (BVA Bundesverwaltungsamt)
- Federal Public Service Home Affairs (ibz, Belgium)
- Finnish Immigration Service
- Future of Privacy Forum
- Government Digital Service (GDS), Cabinet Office
- Government of Canada - Defence Research and Development Canada (DRDC)
- GovTech Singapore
- Heathrow Airport Ltd
- Home Team Science & Technology Agency (HTX) (Singapore)
- Immigration & Checkpoints Authority (ICA), Singapore
- Immigration, Refugees & Citizenship, Canada - Admissibility
- Immigration, Refugees & Citizenship, Canada - Integrity Risk Management
- INCERT GIE (Luxembourg)
- Information Commissioner's Office (ICO), UK
- International Airlines Group (British Airways)
- KBC Group
- Linfox Armaguard
- MasterCard (USA)
- Mastercard Worldwide (UK)
- Meta
- Metropolitan Police
- Ministry of Business, Innovation and Employment New Zealand (MBIE)
- Ministry of Defence Singapore (MINDEF)
- Ministry of the Interior and Kingdom Relations - National Office for Identity Data
- National Australia Bank Ltd (NAB)
- National Crime Agency (NCA, UK)
- National Disability Insurance Agency (NDIA) - Fraud Fusion Taskforce
- National Disability Insurance Agency Australia (NDIA) - Access and Integrity Management
- National Police of the Netherlands
- NATO Communications and Information Agency
- New York City Office of Technology & Innovation (NYC OTI)
- New Zealand Customs Service
- New Zealand Police
- New Zealand Police - National Biometrics Office
- New Zealand Transport Agency (NZTA)
- Norwegian Directorate of Immigration (UDI)
- Norwegian Police IT Unit
- Norwegian Tax Administration
- NSW Jewish Board of Deputies
- NSW Police Force
- NSW Police Force - Forensic Evidence and Technical Services Command
- NSW Registry of Births Deaths & Marriages
- Payments NZ Limited
- Peel Regional Police (Canada)
- PJGN Gendarmerie Nationale (France)
- Prime Minister's Office, Israel - National Cyber Directorate, Identity & Biometric Applications Unit

- Rabobank
- Retail NZ
- Royal Netherlands Marechaussee (KMar) - Ministry of Defence
- Scottish Biometrics Commissioner
- Service NSW
- Services Australia
- Swedish Tax Agency (Skatteverket)
- Transport Canada
- UK Home Office [1]
- UK Home Office [2]
- US Department of Homeland Security - US Citizenship & Immigration Services USCIS (USA)
- US Department of Homeland Security (DHS)
- US Department of Homeland Security (DHS) - Office of Biometric Identity Management (OBIM)
- US Department of Homeland Security (DHS) - US Customs and Border Protection (CBP)
- US Department of Justice
- US Secret Service
- Visa Inc (USA)
- Western Australia Police Force
- World Privacy Forum

Honorary members (2) (Representing 2 persons)

- Kevin Darch
- Nigel Gordon

Observers (10) (Representing 10 persons)

- eu-LISA
- European Commission - Directorate General for Human Resources and Security
- European Union Agency for Fundamental Rights (FRA), Austria
- International Organization for Migration (IOM)
- UNICEF
- United Nations Development Programme (UNDP)
- United Nations High Commissioner for Refugees (UNHCR)
- United Nations Security Council - Counter-Terrorism Committee Executive Directorate (UNCTED)
- United Nations World Food Programme (WFP)
- World Bank Group

University and Research Institution subscribers (11)

(Representing 30 persons)

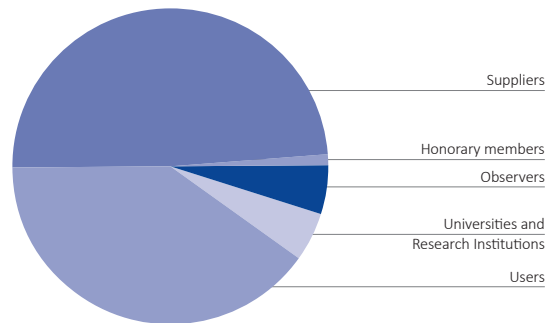
- Canberra Institute of Technology (CIT)
- Center for Identification Technology Research - CITeR
- International Institute of Information Technology, Bangalore (IIIT-B)
- Monash University
- RMIT University - School of Mathematical and Geospatial Sciences
- TNO Defence, Security and Safety
- University Carlos III of Madrid (UC3M), Spain
- University of Copenhagen
- University of Dundee
- University of New South Wales (UNSW)
- University of Reading

Supplier members (110) (Representing 322 persons)

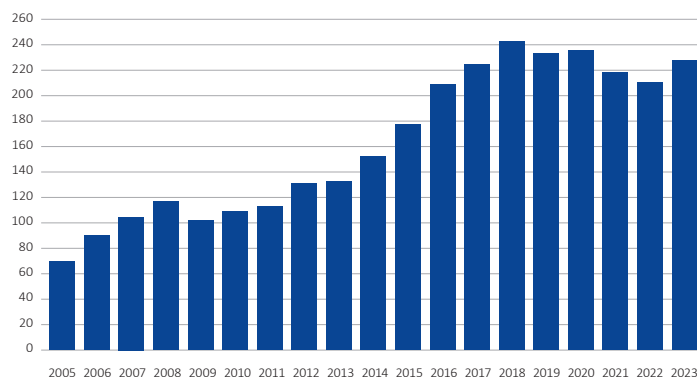
- Accenture
- Aervision Technologies Pty Ltd (Australia)
- Alluvial
- Amazon Web Services (AWS)
- Anekanta Consulting
- APLYID
- Aulich & Co
- Auraya Systems
- Auror (New Zealand)
- Australia Post
- Austrian Institute of Technology
- Aware, Inc.
- Biode Pty Ltd
- Biometix Pty Ltd
- Biometria Aplicada, S. A. de C. V
- Biometric Solutions
- Biometrics Guru
- Bixelab
- BNH.ai
- Brands Australia
- BRYK Group
- Camtech Consulting
- Capgemini UK
- Cognitec Systems - The face recognition company
- Collins Aerospace
- Computer Projects of Illinois
- Cosmocolor
- Critical Insights Consultancy
- CyberSecurity Malaysia
- Daon
- Deloitte MCS Limited
- DERMALOG Identification Systems GmbH
- Dev Technology Group (USA)
- Dignari LLC (USA)
- Entrust
- Entrust APAC
- FacePhi Biometria
- FaceTec
- FARx Group Limited
- FIME SAS
- ForgeRock
- Fujitsu Australia Limited
- Gambit ID (Canada)
- Giesecke and Devrient ePayments Australia Pty Ltd
- Grabba International Pty Ltd
- Griaule Ltda
- HID Global
- iBeta Quality Assurance
- ID R&D
- ID Transnational Consultancy
- Ideco Biometric Security Solutions
- IDEMIA (Global)
- Ingenium Biometric Laboratories
- Innovatrics
- Inverid B.V.
- iProov Ltd
- IQSec, S.A de C.V.
- IRIS ID Systems, Inc
- IrisGuard
- Issured Ltd
- J.A. Davey Pty Ltd
- JCour-Consulting
- Jenetric
- Jumio
- Keyless Technologies
- Kurz
- L-3 Harris ASA
- Laxton
- Leidos
- Mastek
- Mastercard Asia/Pacific (Australia) Pty Ltd
- Mills Oakley
- Muehlbauer ID Services
- NEC (NZ)
- NEC Australia
- NEC Corporation of America
- Nordicstation AB
- Nuance Communications Australia Pty Ltd
- OCR labs
- Onfido
- OVD Kinegram
- Paravision
- PeopleKey
- Pixevety
- Reason360
- Regula Baltija LLC.

- Robert Mocny Consulting LLC
- SECOIA Executive Consultants AG
- secunet Security Networks AG
- Secure Logistics
- SICPA SA
- Sissa Monitoring Integral
- SITA
- SNC-Lavalin Atkins
- Sopra Steria (Benelux)
- Speed Identity
- T3K-Forensics
- TECH5
- Thales (Global)
- TLScontact
- TOC Biometrics SA
- Trust Stamp
- Unisys
- Veridas Digital Authentication Solutions
- Veridos (Germany)
- VFS Services (UK) Ltd
- Vision-Box
- Wicket
- X Infotech SIA
- Zetes SA

Membership breakdown 2023



Total number of members per year, 2005 - 2023



Isabelle Moeller,
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