

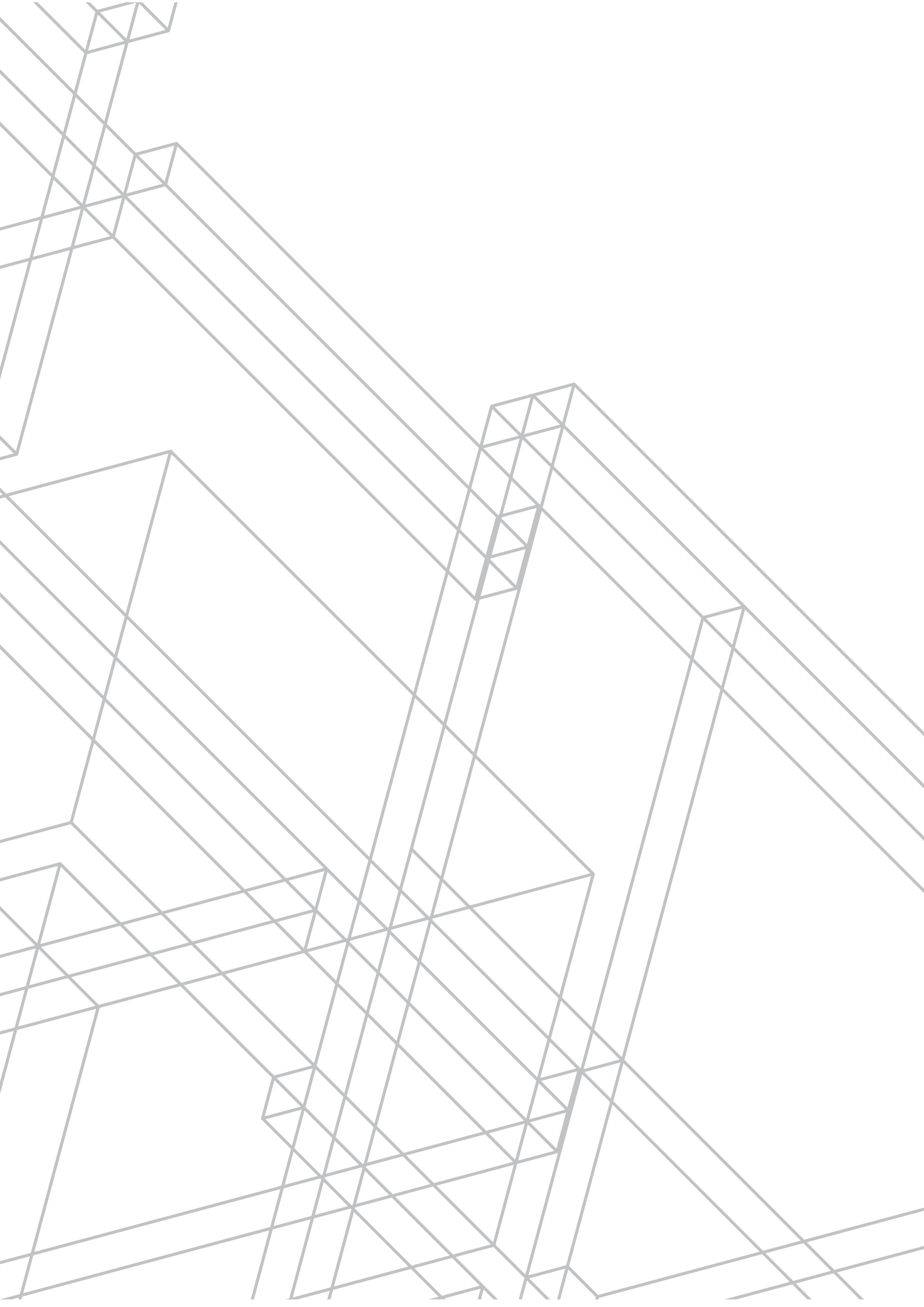
ANNUAL REPORT



2015-2016

.au DOMAIN ADMINISTRATION LTD
ANNUAL REPORT 2015-16

.auDA
.au DOMAIN ADMINISTRATION LTD



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**.au Domain
Administration Ltd
is the administrator
of the domain name
system in Australia**

.au Domain Administration Ltd (auDA) is the administrator of the Domain Name System (DNS) in Australia. The DNS is the technical system that seamlessly directs users to the website or service they expect when they enter an Internet address into their computer's browser.

Given it is used by millions of Australian businesses, organisations and individuals every day, auDA's role in ensuring this element of Australia's Internet infrastructure is stable and reliable, is of vital importance.

The core elements of auDA's role are:

- Developing and reviewing .au policies
- Enabling and enforcing regulatory compliance
- Maximising the security and technical stability of the .au space
- Facilitating competition and consumer choice through the accreditation of .au registrars
- Engaging and educating .au stakeholders and the broader community
- Protecting consumer safeguards and providing effective dispute resolution mechanisms.

auDA operates under an industry self-regulatory model. Stakeholders from both the supply and demand side of the Internet industry are represented at the highest levels of our corporate governance structure and are consulted in the development and refinement of all of auDA's policies. auDA works closely with the Australian Government, from whom we have received endorsement to perform our role.

We acknowledge that .au is just one element of the Internet's vast international policy and management network. As such, we play an active role in representing the interests of .au in relevant fora, such as the Internet Corporation for Assigned Names and Numbers (ICANN), the Internet Governance Forum (IGF), and the Internet Engineering Task Force (IETF).

Chair's Statement



I am pleased to present the 2015-16 auDA Annual Report. As of December 2015, I took up the role of Chair of the auDA Board at a time of significant change in the organisation and the domain space, both domestically and internationally.

This year, our communication work was focused on improving stakeholder engagement and broadening our membership base. This was supported through our partnerships with innovative fora created by Startup Victoria, at Above All Human, the largest startup event in Australia, and the Communities in Control Conference, a very successful not-for-profit sector event. All our community programs exist not only to reward and support organisations making significant contributions to the Internet in Australia, but also to create opportunities to engage with our members and our many and varied stakeholder groups.

Our decision to introduce direct registration in the .au domain space, after much discussion and debate, was the focus of a considerable part of the past year. We also continued to work at strengthening the security and stability of the .au domain, staying at the forefront of technical developments in areas such as cyber security and through our relationships with partnering agencies at the centre of this critical and fast moving environment.

Internationally, we saw the IANA transition proposal approved by the US Government, a significant milestone in the history of the DNS. auDA staff and directors shared the international responsibility by attending and actively participating within working groups in this process. We take our role as a voice for the Australian Internet seriously.

At our AGM in November 2015, we welcomed two new Demand Class directors to the auDA Board, Grant Wiltshire and Miguel Wood. Departing after many years of service were Josh Rowe (14 years on the auDA Board) and Paul Levins (four years on the auDA Board), and we thank them for their contribution to auDA over the years.

Throughout this year of change, I would like to acknowledge the commitment and hard work of the auDA staff, with special mention to Jo Lim. Jo agreed to take on the Acting CEO role in March 2016 with passion, which reflects her performance over the 16 years she has been with auDA. Thank you team.

CEO's Statement

ACTING CEO JO LIM'S STATEMENT



This year has seen some major changes at auDA. In December 2015, we announced the appointment of Stuart Benjamin as Chair of auDA, replacing The Hon Tony Staley AO who had been Chair since 2001. This was followed by the departure of Chris Disspain in March 2016, after 16 years as CEO and director of auDA. In June 2016, independent director Graham McDonald left the Board after eight years of service.

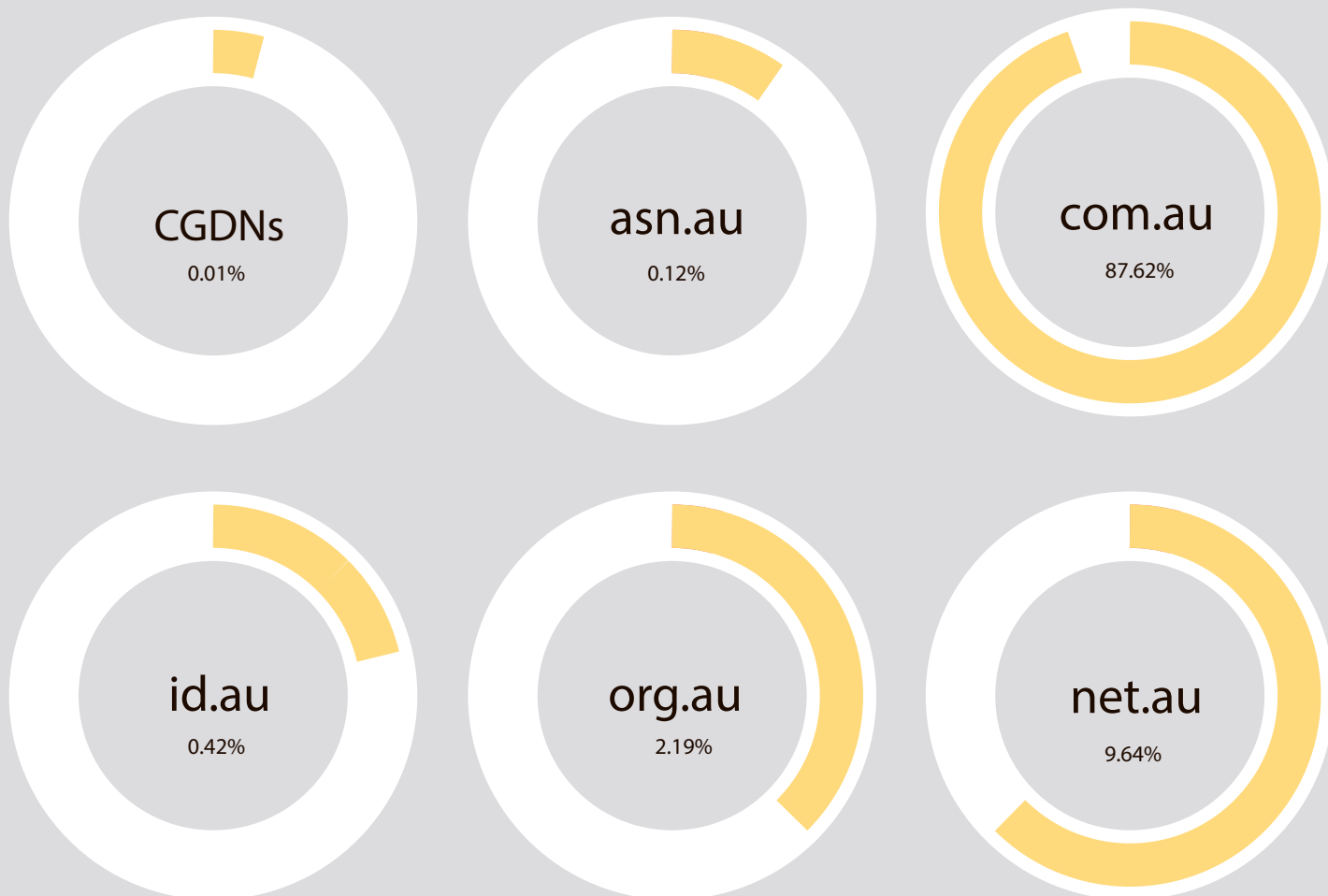
I have had the good fortune to have worked closely with Tony, Chris and Graham during my time at auDA, and I would like to acknowledge their invaluable leadership and contribution to the organisation. I am pleased that Tony will remain an independent director on the auDA Board through the next financial year to help see the organisation through this transitional period.

Apart from changes within the organisation, the past year has also seen auDA achieve some key milestones. Building on the robust regulatory environment for which the .au domain space is internationally renowned, we completed the phase-in period for the Information Security Standard (ISS) for registrars. We continued to work at strengthening the security and stability of the .au space, with an enhanced focus on improving the operational redundancy of our IT infrastructure. On a personal level, I was thrilled to moderate the highly successful opening plenary session of the Australian Internet Governance Forum (auIGF) on Gender and the Internet, another way in which auDA is working to embrace new audiences within the Australian Internet community.

Of course, the most significant development during this year was the auDA Board's decision, in April 2016, to introduce direct registration in the .au domain, on the recommendation of auDA's 2015 Names Policy Panel. This was the culmination of a year-long policy review and consultation process, which elicited around 5,000 responses from the public. The work to implement the Panel's recommendation has commenced, and it looks like 2016-17 will be another busy year for auDA and the .au domain space!

On a final note, I would like to offer my personal thanks and appreciation to all the hard-working and dedicated staff at auDA in making sure that we continued to perform our core business functions to a high standard, and maintain our position as an internationally recognised, best-practice domain administrator.

The .au Marketplace



.au OPEN 2LD BREAKDOWN AT 30 JUNE 2016

Source: AusRegistry Total .au: 3,035,915

At 30 June 2016, .au had 3,035,915 total registrations, an increase from 2,972,751 at the same time last year.

DOMAIN REGISTRATIONS	CGDNs	asn.au	id.au	org.au	net.au	com.au
	199	3,656	12,775	66,357	292,743	2,660,185

Regulatory

REGISTRARS AND RESELLERS

Registrars provide services in .au to people who want to register a new domain name, renew their existing domain name or make changes to their domain name record. Much like registrars, resellers provide services in .au, usually managing domain name records on behalf of their customers.

There were 42 accredited registrars at 30 June 2016. During 2015-2016, five registrars were terminated by consent and two new registrars were accredited. This year also saw 5,552 resellers notified to auDA.

auDA INFORMATION SECURITY STANDARD (ISS)

The auDA Information Security Standard (ISS) for registrars came into effect in October 2013 and is now a mandatory condition of being an accredited registrar in the .au domain name space. The purpose of the ISS is to encourage and assist registrars to manage and improve the security and resiliency of their own businesses, and to protect .au registrants and the overall integrity and stability of the .au DNS.

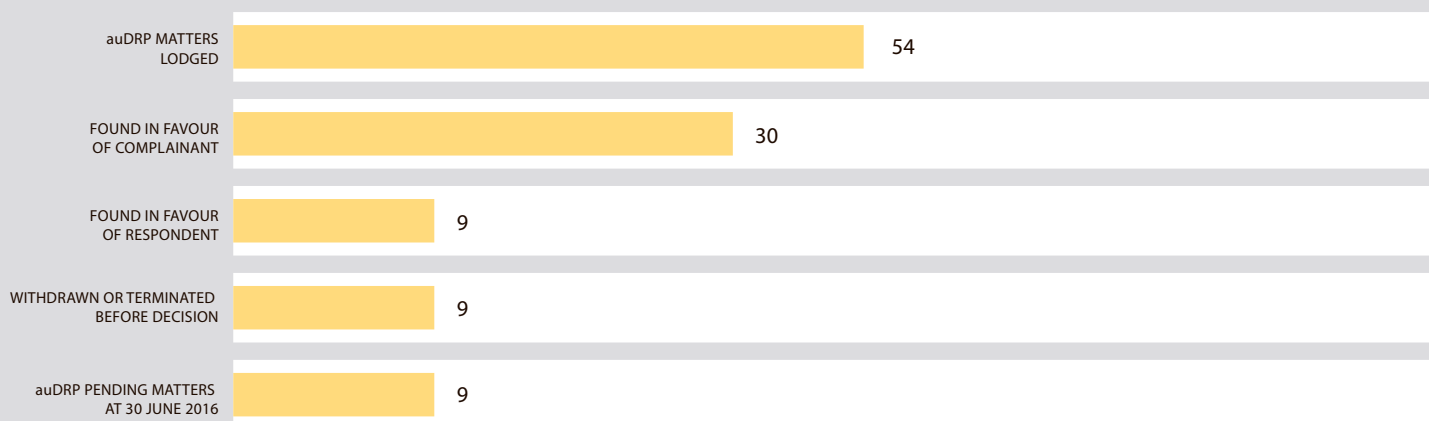
The 2015-2016 year saw 39 registrars achieve full ISS certification, with all 42 registrars having completed their online ISS assessment.

.AU DISPUTE RESOLUTION POLICY (AUDRP)

The .au Dispute Resolution Policy (auDRP) is designed to provide a cheaper, speedier alternative to litigation for the resolution of disputes between the registrant of a .au domain name and a party with competing rights in the domain name.

In 2015, auDRP Providers LEADR and IAMA merged to become a single entity called Resolution Institute. Resolution Institute and WIPO are the two approved auDRP Providers.

SNAPSHOT OF AUDRP PROCEEDINGS FOR THE 2015-2016 YEAR:



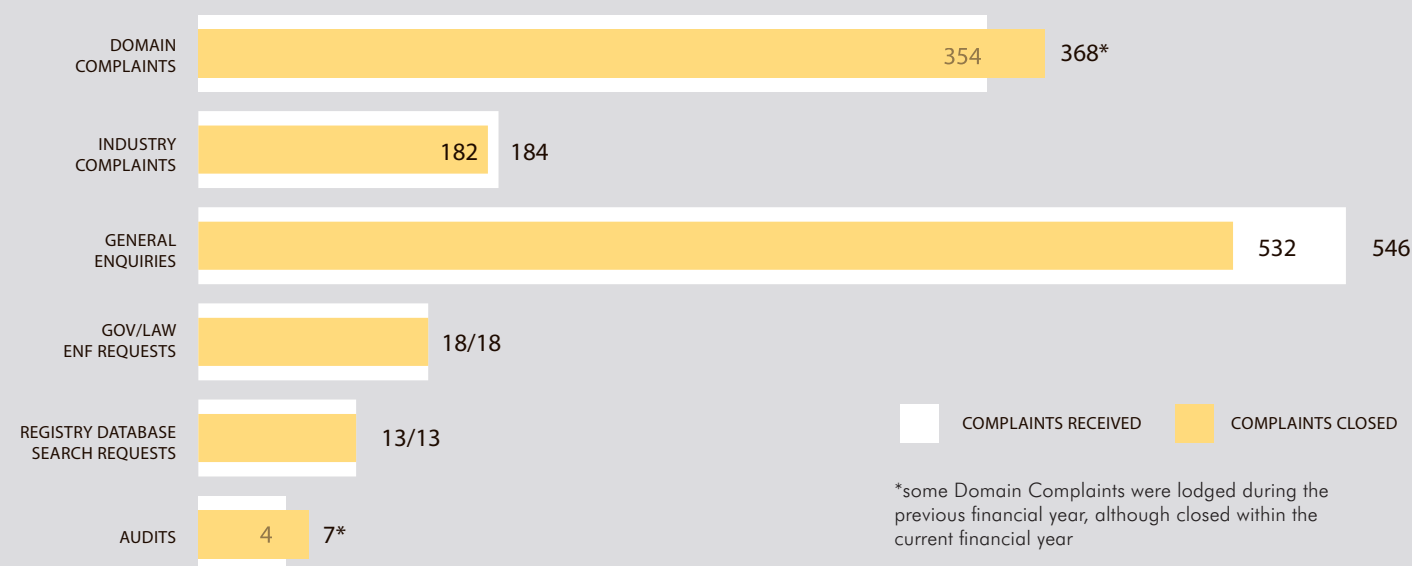
COMPLAINTS

auDA's policy compliance team provides a number of services to .au registrars, resellers and registrants, as well as the general public, with the main role being to manage complaints about .au domain names ("Domain Complaints") and .au registrars and resellers ("Industry Complaints").

The team also manages .au domain name information and deletion requests received from Australian government and law enforcement agencies, and works cooperatively with those agencies in relation to online consumer protection issues.

Finally, the team provides a registry database search request service for those registrants who wish to check what .au domain names have been registered across all auDA accredited registrars, using their details such as their company name.

SNAPSHOT OF AUDA COMPLAINTS DATA FOR THE 2015-2016 YEAR:



SNAPSHOT OF 2015-2016 AUDA COMPLAINTS DATA COMPARED TO 2014-2015 YEAR:

FINANCIAL YEAR	DOMAIN COMPLAINTS	INDUSTRY COMPLAINTS	GENERAL ENQUIRES	GOV/LAW ENF REQUESTS	REGISTRY DBASE SEARCH	AUDITS
2014-2015	371	158	508	37	6	11
2015-2016	354	184	546	18	13	4
% CHANGE	-4.58	+16.46	+7.48	-51.35	116.67	-63.64

Compared with the previous year, complaint statistics for 2015-2016 reflect a 4.58% decrease in the number of Domain Complaints, however complaints related to industry participants have climbed by 16%.

AUSREGISTRY - GIRLS IN ICT DAY BREAKFAST

**.au REGISTRY**

AusRegistry is the appointed second-level domain registry operator entrusted to operate the registry for all commercial domain names such as com.au and net.au, and non-commercial domain names like gov.au and edu.au.

Highlights in the technical operation of the .au namespace in 2015-2016 included:

- managing and maintaining the software and infrastructure that facilitates:
 - over 30 million average EPP transactions per month
 - 11.5 million average WHOIS lookups per month
 - over 67 million average WHOIS checks per month
- technical evaluation support for the auDA Information Security Standard (ISS)
- ongoing DNSSEC support and Registrar training
- continued implementation of the .auLOCKDOWN security feature to protect valuable domain assets and brands
- hosting periodic planning events with auDA to help increase operational efficiency and identify process improvements.

In this period, AusRegistry also continued its commitment to providing detailed research and insight into the .au namespace and the industries it relies on and impacts. Highlights included:

- the annual .au Survey of 3,000 Australian Internet users, examining their relationship with .au
- analysis of the .au zone file to understand domain utilisation
- quarterly industry magazine 'Behind the Dot: State of the .au Domain' continues to increase its circulation with editions focused on security, marketing and registry data.

AusRegistry supported marketing initiatives to drive awareness and registrations in the .au namespace, including:

- \$5 org.au promotion – a week-long program to support auDA's participation in the Communities in Control conference
- 'Registrar Executive Day' – an industry event supporting the retail channel with marketing support and Registry information.

Finally, AusRegistry is committed to programs that support the Australian technology industry and wider communities, with initiatives such as:

- Girls in ICT Day breakfast for industry guests, presenting results of a Women in Tech survey
- support and sponsorship of the auDA Foundation, Internet Australia, and the Australian Internet Governance Forum (auIGF).

Security

The IT industry as a whole has seen multiple vulnerabilities in key protocols and applications that underpin the Internet. For example, OpenSSL has had 20 vulnerabilities addressed since December 2015, each varying in severity with the most critical being DROWN (Decrypting RSA using Obsolete and Weakened eNcryption.) DROWN allowed an attacker to exploit weakened protocols to break the encryption used between a server and the client.

auDA constantly monitors the security, bug and patch notification lists for the announcement of critical vulnerabilities that may affect its systems. Patches and updates are tested and applied where required to ensure auDA maintains a secure and stable name space.

Operationally, we are constantly reviewing and improving its co-location infrastructure. As part of our ongoing site upgrade program, we upgraded two key sites in 2015-2016, deploying new hardware, a new physical design and a new logical design. This rolling review and improvement program allows auDA to utilise the latest technology, address weaknesses and improve our ability to respond to incidents if and when they occur.

DNSSEC has continued to operate with integrity and stability in .au, with auDA performing a Key Signing Key (KSK) rollover in late 2015 and three Zone Signing Key (ZSK) rollovers in 2016 so far. We continue to stay abreast of technical developments in this area. Many ccTLDs and TLDs (including the root zone operators) use a 1024 bit RSA key for the ZSK. The 1024 bit RSA key size was considered insecure in 2013 by NIST (National Institute of Standards and Technology), and as computing power and capability increases year on year, many are now moving away from the use of 1024 bit key sizes. auDA factored in this risk during its implementation of DNSSEC and when the .au zone was signed in late 2014 we did so using a ZSK key size of 1280 bits. The mathematical difference between 1280 and 1024 may not appear much (256 bits) but computationally it would take about 1000 times as long to crack with the current hardware and conditions.



ADAM KING CTO auDA

Communications

In the past year, communications focused predominantly on stakeholder engagement as well as a broadening of our membership base.

The majority of our efforts were targeted towards our database of subscribers and the general public, to encourage their input in the policy review process. Our call for public comment on the 2015 Names Panel Policy's draft recommendations received the highest number of responses to any single policy review in auDA's history. Media interest helped us gain further traction on our call for comment, and we also undertook quantitative surveys to support the policy review. The result of this year-long process, as is widely known, saw a decision by the auDA Board to introduce direct registration in the .au domain space – a historic decision in the Australian digital landscape.

In addition to the considerable time put into the promotion of our policy work, we also reviewed and took steps to enhance our community programs. These come out of our commitment to the multi-stakeholder model of Internet governance, in which auDA is an active participant. We made a conscious decision to expand the scope of our auIGF (Australian Internet Governance Forum). We used the theme of "How the Internet is transforming Australian society" to attract attendance from the wider tech sector. Feedback on the day and through an attendee survey was extremely positive. New attendee registrations were the highest in the history of the auIGF, and the topics for panel discussions were seen as very beneficial to the success of the event.

With the ANZIAs (Australia & New Zealand Internet Awards), we created new categories, invited key industry representatives to the judging panel, and designed a new logo. Our changes were part of an effort to reflect the fast moving tech sector we work within. We relaunched the ANZIAs (Australia & New Zealand Internet Awards) in 2016, with a new logo and award categories, at Australia's leading start-up and tech conference, Above All Human. More than 1500 startups were represented at this important innovation-focused event, allowing us to speak directly to a growing stakeholder group for auDA.

We created a panel and promotional partnership at Our Community Group – Communities in Control Conference 2016 – to help us leverage the new look ANZIA program and to speak directly with the NFP sector. The panel we ran enabled us to share our insights and knowledge around the value of video content in optimising website traffic. auDA was represented on stage with a session led by Acting CEO Jo Lim and included Natalie Isaacs, Founder of 1millionwomen, Krystal Barter, Founder Pink Hope, and Georgie Harman, CEO of Beyond Blue.

Community Programs

2015 ANZIA GALA DINNER



2015 ANZIA gala dinner in Auckland, New Zealand

The Australia and New Zealand Internet Awards (ANZIA) is a collaborative initiative between auDA and InternetNZ. The annual awards event celebrates the achievements of organisations, businesses, and individuals whom have made a significant contribution to the development and utility of the Internet in Australia and New Zealand.

ANZIA winners receive recognition as industry leaders who have set new standards in delivering accessible, innovative, informative, and secure resources to make the Internet a more inclusive, accessible, and safe place.

The seventh annual ANZIA were presented on 27 August 2015 at a Gala dinner in Auckland, New Zealand. Over 200 people attended the awards ceremony to celebrate the efforts of the diverse range of finalists.

Six different category winners were announced, alongside a Highly Commended organisation, recognised for each category. This included the Leonie Dunbar Memorial Award for Community Websites, which has proven to grow in strength since its first year. 2015 also marked a record number of entries from New Zealand, all proving to deliver innovative, and positive contributions.



The 2016 ANZIA winners were:

ACCESS & DIGITAL SKILLS WINNER

N4L (NETWORK FOR LEARNING)

www.n4l.co.nz/managednetwork/rollout

N4L (Network for Learning) is a Crown company formed to contribute to the improvement of the education system by providing students and teachers with access to a high quality Internet network and digital content, improving the efficiency of learning. Their objective involves advancing the New Zealand educational sector by creating new learning opportunities presented by digital technologies and the Government's investment in ultra-fast broadband (UFB). N4L has developed a Managed Network specifically designed for schools and an online learning hub called 'Pond', to drive this improvement in the education sector. These initiatives are aimed at creating a positive change in the New Zealand educational sector and increasing the achievements of young New Zealanders through digital empowerment.



DIVERSITY WINNER

AUSTRALASIAN COLLEGE FOR EMERGENCY MEDICINE acem.org.au/culturalcompetency

The Australasian College for Emergency Medicine (ACEM) is a not-for-profit organisation responsible for the training of emergency physicians and the advancement of professional standards in emergency medicine in Australia and New Zealand. ACEM has a vested interest in ensuring the highest standards of medical care for patients in emergency departments are maintained. The Indigenous Health and Cultural Competency (IH&CC) program aims to enhance culturally competent communication and overall care for Aboriginal, Torres Strait Islander and other culturally and linguistically diverse patients in emergency departments through a series of comprehensive, culturally relevant tools and resources specifically designed for doctors and healthcare practitioners.



INFORMATION WINNER

GOVT.NZ www.govt.nz

Govt.nz is a team within the Government Information Services group at the Department of Internal Affairs. It delivers useful, all-of-government information to the public in a user-centric manner, to ease the process of finding New Zealand government information online – anywhere, at any time. The information provided is designed to be both authoritative and easy to find, in order to reflect the opinions of users through the use of evidence collected from ongoing user testing, feedback, and research.



INNOVATION WINNER

STARTSOMEGOOD www.startsomegood.com

StartSomeGood is a crowd-funding platform exclusively available for community, social change initiatives. They provide a purpose-driven platform, empowerment, and coaching to aid in raising funds with campaign creators, aiming to create a difference. StartSomeGood has achieved an above-industry success rate at 53%, successfully helping 500 ventures raise over \$6million. Their goal is to help fund 10,000 projects to improve 10 million lives, within the next three years. Their unique 'Tipping Point' model, and the 1-on-1 support that they provide has proven successful, and is a demonstration of their commitment to each campaign's achievements.



SECURITY & ONLINE SAFETY WINNER

OPTUS- DIGITAL THUMBPRINT PROGRAM

www.optus.com.au

Optus is a wholly owned subsidiary of Singtel, Asia's leading communications group. In Australia, Optus services over 10 million customers each day including mobile, telephone, business network, Internet, satellite, and subscription television. Digital Thumbprint (DT) is a free digital citizenship offered to secondary schools in Melbourne, Sydney, and Queensland; created in collaboration with leading education experts, and delivered by a team of world-class facilitators. The program is administered through both face-to-face workshops and on-going online engagement. DT promotes the idea of fun, and interactive digital education, teaching the benefits of a positive online presence, with facts and tools that students can use to stay safe while online.



THE LEONIE DUNBAR MEMORIAL AWARD FOR COMMUNITY WEBSITES WINNER

TAMAHERE FORUM

www.tamahereforum.co.nz

Tamahere Forum is a community news website primarily created for the residents of the rural district of Tamahere, Waikato, New Zealand. It was established in June 2008 after a fatal explosion and fire at a central Tamahere business, Icepak Coolstores, to keep the community informed of the many issues that arose from the incident. The forum became an essential medium for sharing and discussing the community's news, events and issues. It attracts interest from outside the district. About two years after its establishment, the Tamahere Community Committee, whose members represent the community, chose to use Tamahere Forum as its main method for communicating to Tamahere people. On average, the site has around 13,000 unique visits per week.



auDA Foundation

The auDA Foundation is a charitable trust that was established in 2005 to provide grants for projects for the purpose of promoting and encouraging educational and research activities that will ultimately enhance the utility of the Internet for the benefit of the Australian community.

As of 1 July, 2010, \$0.25 from every renewal and registration in the 'open' 2LDs sector has been directed to the auDA Foundation.

This year we were pleased to announce that 15 grants have been awarded in the 2016 round, by the auDA Foundation Board, for a total funding amount of \$382,942.21.

The Board Directors are Greg Watson (Chair), John Higgins, Craig Ng and Derek Whitehead. The board aims to achieve a balanced portfolio of funded projects that complement each other in terms of aim, geographic spread and target group.



EXAMPLES OF 2015 PROJECTS FUNDED BY THE auDA FOUNDATION:

WOMEN'S WELLNESS RESEARCH PROGRAM, GRIFFITH UNIVERSITY, SCHOOL OF NURSING AND MIDWIFERY, MENZIES HEALTH INSTITUTE

The objective of the Pasifika Diabetes Wellness e-learning Program is to develop an e-health enabled structured health promotion educational program with online support tools for Australian Pacific Island (API) peoples with diabetes. The program will aim to provide a platform to create culturally tailored online resources on diabetes self-management and prevention for API communities in Australia.

HIGH RESOLVES

Involves the development and implementation of a Digital Citizenship module run as a 2-hour workshop for Year 7 and 8 high school students, throughout Australia. The focal learning areas for students participating in the program will relate to how social media and digital channels can amplify messages that unite humanity. The use of these channels will allow them to address social and environmental issues that are of direct concern on both a local and global level.

INFORMATION TECHNOLOGY & ENGINEERING, FACULTY OF EDUCATION, SCIENCE, TECHNOLOGY AND MATHEMATICS, UNIVERSITY OF CANBERRA

This project aims to intercept and analyse the data transmitted by popular applications to their bases in order to understand the privacy risks, raise awareness, and provide a road map for lawful digital forensic investigations.

JUSTICE CONNECT

This 'live chat' project will aim to expand and improve Not-for-Profit Law's highly regarded Information Hub, a key source of information and education for Australia's community sector.

CENTRAL QUEENSLAND UNIVERSITY

This project's aim is to improve the affordability of Indigenous Internet access. To address the project's objective, an offline digital map will be developed which will be able to identify the location and provide directions to free WiFi services.

THE UNIVERSITY OF ADELAIDE, FACULTY OF HEALTH SCIENCES, SCHOOL OF PSYCHOLOGY

An online course will be developed, specialised for job seekers with a spinal cord injury (SCI). Titled 'Work and SCI', this resource has the potential to promote vocational outcomes for consumers and their families. 'Work and SCI' can also be utilised in future research and clinical practice as a rehabilitation tool for SCI health professionals.

WOBBLY HUB RURAL RESEARCH TEAM, FACULTY OF HEALTH SCIENCES, UNIVERSITY OF SYDNEY

Aimed at connecting rural children to early intervention: a trail of telepractice for disability service provision.

INCLUSION TRAINING

Involves the development of a specialist module addressing digital learning and Internet literacy for people with an intellectual disability. The module would be a supplementary unit with activities and pacing designed specifically for people with an intellectual disability who are enrolled in foundation level accredited training courses.

HEAR FOR YOU LIMITED

Aimed towards improving the Hear For You website so that it is fully accessible for deaf teenagers. Fulfilling two language requirements - Australian Sign Language (Auslan) and written English. This project will create an addition to the website that will improve accessibility for deaf teenagers and their families; ensuring information is clear, interesting and accessible.

ROYAL HOSPITAL FOR WOMEN FOUNDATION

A project initiated to create online antenatal videos and an app, developed from the existing Royal Hospital for Women antenatal education program. The material will be informative and engaging - delivering the expertise and knowledge of our midwives, obstetricians and educators.

SAMSON INSTITUTE FOR HEALTH RESEARCH, UNIVERSITY OF SOUTH AUSTRALIA

This project will provide rural Australians affected by cancer with access to a series of online, video-based stories and supportive messages from like-minded country peers. As the burden of cancer for rural patients is heavy and access to peer support is difficult, this innovative online resource will cost-effectively and sustainably harness the power of peer support and provide necessary encouragement, information and support to rural Australians affected by cancer.

TELETHON KIDS INSTITUTE, THE UNIVERSITY OF WESTERN AUSTRALIA

The cyber-leader project will enable young people to design and evaluate the usefulness of an interactive online resource. Schools and other settings with young people will use this resource to mobilise their technology skills to influence positive cyber change, by knowledge sharing, and by example.

FACULTY OF EDUCATION, MONASH UNIVERSITY

This research and development project will use data-mining and data-visualisation techniques to work with groups of teenagers (14-18yrs) in developing better understandings of their own personal data.

COMMUNITY GEOGRAPHIC DOMAIN NAMES (CGDN)

Community Geographic Domain Names (CGDNs) take a similar form to a postal address – www.town.state.au. CGDNs are available for every addressable locality in Australia, except capital cities, eg. www.carlton.vic.au and www.eden.nsw.au. This website address provides an easy way for communities to be found on the Internet and gives a focal point for community organisations, who may not be able to afford their own website.

Following a review of CGDN operations and policy in 2014, auDA discontinued providing CGDN website and hosting services in 2015 and assisted CGDN community groups to transition to another web service of their choice. This year we put a call out for 'Expressions of Interest' for CGDN registrar services to facilitate the ongoing management of the program.



auIGF

The global Internet Governance Forum (IGF) is an annual event convened by the United Nations (UN), that serves to bring people from across the globe together, with a purpose to discuss Internet related issues, exchange ideas and best practices, and help shape the future of the Internet.

All attending stakeholders - businesses, non-government organisations and end users - are able to equally contribute with governments, making the IGF unique among UN events. While there is no negotiated outcome, the IGF informs and inspires those with policy-making power in both the public and private sectors.

auDA has created its own national version of the IGF, the Australian Internet Governance Forum (auIGF), for the fourth year. The auIGF was held in Melbourne on 6 and 7 October 2015, attracting approximately 250 attendees from a range of sectors including government, business, peak industry bodies, business, academia, and Internet users, whom all made active contributions at the forum.

In 2015, we decided to take a different approach to broaden the event's appeal to more of our stakeholders in the wider tech sector, as well as those who know us. In order to achieve this, we developed an overarching theme to focus our promotions and encourage a greater variety of topics for discussion. The event drew over 50% first time visitors, and feedback from our post event survey reflected our own belief that this new take on the auIGF was a resounding success.

The 2015 theme was 'How the Internet is transforming Australian society'. The discussion for the forum was initiated by four main plenary sessions of both local and international significance. These were:

- Gender and the Internet
- Data retention in Australia
- Internet, innovation, and the third sector
- Internet and Indigenous communities

The forum also included a number of smaller, interactive workshops on specific topics, including:

- The Internet and the reshaping of culture
- Security in .au
- Office of the Children's eSafety Commissioner: Open for business – a first quarter report
- How I used the Internet to start up my start-up
- "You've got my domain name!" Dispute resolution in the .au domain
- The Influence Seekers – Knowledge exchange, advocacy and public policy
- Innovation, engagement and behavioural insights for the Digital Age
- Local and International Update
- Does the digital world license us to behave differently?

Australian Internet Governance Forum



Board Committees

THE BOARD HAS ESTABLISHED THE FOLLOWING STANDING COMMITTEES:

FINANCE & AUDIT COMMITTEE

Members: Kartic Srinivasan (Chair from 20 June 2016), Graham McDonald (Chair until 20 June 2016), Joe Manariti, Grant Wiltshire, Miguel Wood

The purpose of the Committee is to provide the Board with advice and guidance on issues affecting the financial strategy of the business, including:

- reviewing the operational and capital budgets prepared by management and recommending them to the Board for approval
- reviewing the monthly financial reports and the annual financial statements
- reviewing the investment guidelines and monitoring the financial performance of funds invested by the company
- reviewing financial issues on request from the Board
- recommending the appointment of auditors to the Board.

STRATEGIC RISK COMMITTEE

Members: Simon Johnson (Chair from 20 June 2016), Julie Hammer (Chair until 20 June 2016), Graham McDonald (until 20 June 2016), George Pongas, Kartic Srinivasan, Miguel Wood

The Committee is responsible for:

- the identification and assessment of strategic risks to auDA and the .au domain space
- the oversight of auDA's strategic risk management.

GOVERNANCE, BOARD SUCCESSION & REMUNERATION COMMITTEE

Members: Stuart Benjamin (Chair), Julie Hammer, Simon Johnson, Erhan Karabardak, Joe Manariti, Tony Staley

The Committee is responsible for:

- oversight of auDA's governance processes and ensuring that they conform as far as practicable with generally accepted good practice in not-for-profit governance
- assisting the Board to enhance its performance
- monitoring the Board and Committee composition and providing recommendations on succession planning
- oversight of the performance management, remuneration and contractual arrangements of the CEO
- oversight of the process for Board remuneration, both independent and elected Directors, individually and in aggregate.

The auDA Board



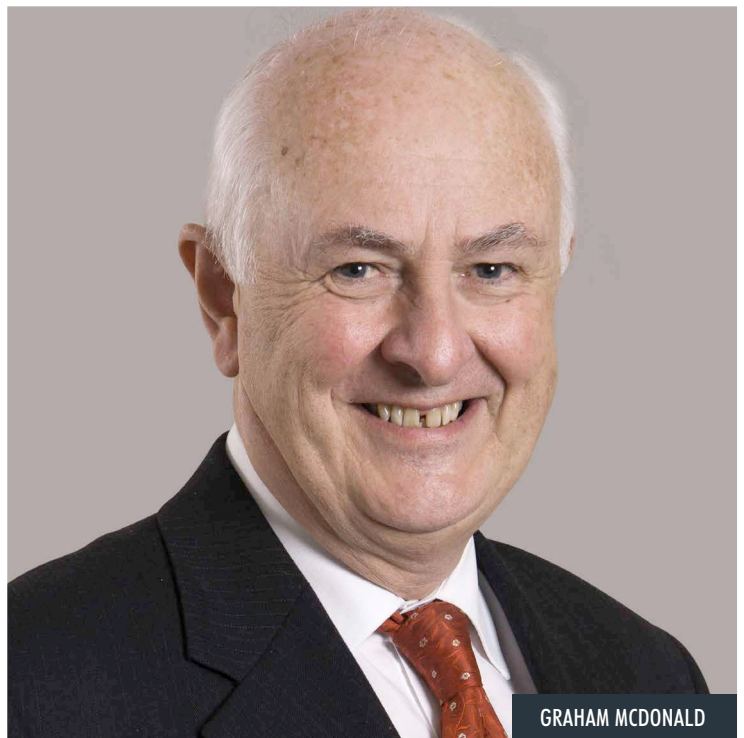
STUART BENJAMIN



JULIE HAMMER AM, CSC



THE HON TONY STALEY AO



GRAHAM McDONALD

STUART BENJAMIN – CHAIR AND DEMAND CLASS DIRECTOR

Born and raised in regional Victoria, Stuart studied and worked around Australia before settling in Ballarat to start a family. He has four children and runs a business group operating across the state. Stuart is currently:

- A Director of Elmstone, a multi-faceted land and construction group operating in Western Victoria
- A Director of Aviation Accommodation Australia, a specialised residential and commercial accommodation provider
- Chairman of Regional Development Australia Grampians – Federal Government Body
- The Victorian representative on the Federal Government Regional Development Reference Group, reporting to the Deputy Prime Minister & Minister for Infrastructure and Regional Development
- Chair of RISER, the Regional Incubator for Social and Economic Research as part of Federation University
- A Board Member with Enterprising Communities Inc, whose aim is to strengthen the connections between the community, families and schools.

AIR VICE-MARSHAL JULIE HAMMER AM, CSC – DEPUTY CHAIR

Air Vice-Marshal Julie Hammer, an electronics engineer, served in the Royal Australian Air Force for over 28 years in the fields of aircraft maintenance, technical intelligence, electronic warfare, and ICT systems. She acted as the CIO for Defence for the year prior to her retirement. She holds a Bachelor of Science with Honours in Physics, a Masters degree in Aero Systems Engineering, a Graduate Diploma in Strategic Studies and a Doctor of Engineering Honoris Causa. She was National President of Engineers Australia throughout 2008 and has been a Director of auDA since April 2007.

In March 2012, Julie was appointed to the ICANN Security and Stability Advisory Committee (SSAC) and also acts as the At-Large Advisory Committee Liaison (ALAC) to the SSAC.

THE HON TONY STALEY AO – INDEPENDENT DIRECTOR

Tony Staley was independent Chair of the auDA Board from 2001 - 2015. Currently an independent board director.

He spent a decade in the Australian Parliament, including three years as Minister for Post and Telecommunications before pursuing a career in the private sector. He has been Chairman or Director of a variety of companies and organisations, including Mitsubishi Motors, Ogilvy and Mather, Alexander Stenhouse, National Museum of Australia, Playbox Theatre, the Telecommunications Industry Ombudsman Council, the Liberal Party of Australia, Energy and Water Ombudsman Board, Partners in Performance International and the Co-operative Research Centre's Association.

Tony graduated in law and political science from the University of Melbourne, where he also lectured in Australian Government.

GRAHAM MCDONALD – INDEPENDENT DIRECTOR

Graham McDonald has practised law for 40 years. He was a Presidential Member of the federal Administrative Appeals Tribunal for the last 20 years during which time he also served as the inaugural Australian Banking Ombudsman and as Chairman of the Superannuation Complaints Tribunal. Graham has extensive experience as a partner in legal firms, as a barrister and has held a number of state and federal government appointments.

JOE MANARITI – SUPPLY CLASS DIRECTOR

In 1996, Joe founded SWiM Communications, a digital agency practising in website development, eCommerce, video for web and social media. Earlier, Joe was a manager with Fairfax at both The Age and Business Review Weekly. His business was also Australia's first auDA Registered Domain Reseller.

Joe serves as Vice Chairman of the Australian Web Industry Association (AWIA) and sits on the Tourism Hepburn Committee.

He is passionate about web industry best practice and next gen development.

KARTIC SRINIVASAN – SUPPLY CLASS DIRECTOR

Kartic has extensive experience in the domain industry and was elected to the auDA Board in October 2011. Kartic is the General Manager for Enterprise Sales (Australia) and Global Operations of Melbourne IT Ltd. Kartic was part of the 2007 Names Policy Panel which recommended relaxing the Transfers policy. Kartic holds a Masters in Information Technology and Bachelor of Engineering (Electronics and Communications).

GEORGE PONGAS – SUPPLY CLASS DIRECTOR

George Pongas has been an active and visible member of the Australian domain industry for over fourteen years. Participating on many auDA panels and working groups over the period, he delivers a determined focus towards product innovation through policy development and reform to address the impact of the ever-changing Internet landscape for all Australian Internet users.

In his current position, George is the Director of Product Management at Neustar, the parent company of AusRegistry, the appointed .au 2LD registry operator. In the past, he has held CEO and various senior positions at established registrars, playing a valuable leadership role in shaping the .au retail sector in its formative years.

His role as an auDA Board Director perfectly positions George to apply his extensive commercial and industry experience to ensure the delivery of a valuable Supply Class perspective to the benefit of the organisation, the wider domain industry and the .au namespace.

ERHAN KARABARDAK – SUPPLY CLASS DIRECTOR

Erhan Karabardak is a technology lawyer and Trade Marks Attorney. He is a Director of Cooper Mills Lawyers and has been practising law for more than 20 years.

Erhan has been involved in the domain name industry for over a decade and has been active in the domain name industry and represents domain name registrars and resellers, and has advised some of the world's largest domain name registrars. Erhan has served as a Director and Board Member of auDA since 2012. Before being appointed to the Board, Erhan had served on various auDA Policy panels (since 2004), including the Industry Advisory Panel of 2012.

Erhan is recognised as an expert in domain name law and has run some of the leading cases in the area.

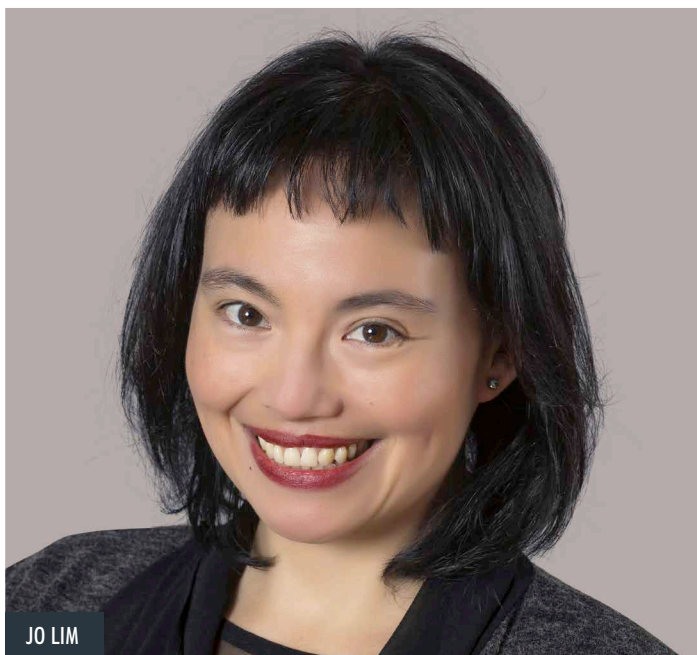
Erhan acts for brand owners in the management and protection of their intellectual property rights. His clients include both national and international clients, including well-known global brands. He is regularly engaged to provide expert advice and commentary on domain name and trademark issues. He is recognised as a leading trademark professional by the World Trademark Review 2016 (The World's Leading Trademark Professionals).

SIMON JOHNSON – DEMAND CLASS DIRECTOR

Simon Johnson brings over two decades of commercial experience in the Internet industry to auDA. After first using the Internet in 1989, he co-founded one of Australia's first ISPs and Cyber Security companies. He has since bought and sold multiple Internet companies, written multiple books and has been widely interviewed in the international media. Simon has also advised many public companies in the areas of Governance, Risk Management and Information Security, including Coca-Cola and ANZ Bank.

Currently Simon serves as Chair of the auDA Risk Management Committee. He has also served on the auDA 2010 Names Policy Panel and holds a Bachelor of Computing (Information Systems) from Monash University.





MIGUEL WOOD – DEMAND CLASS DIRECTOR

Miguel is a serial entrepreneur, strategist, and computational social scientist. Miguel is the Co-founder & CEO of Euler's Bridge, an online graph analytics B2B platform to build stronger communities. He co-founded Tin Alley beta, the award winning and premier tech internship program in Australia. He is on the Board of Directors of Startup Victoria and was a mentor in the Melbourne Accelerator Program. He was the 2013 Australian Internet Ambassador and part of the 2010 and 2015 Names Policy Panel and 2012 Industry Advisory Panel. Miguel is passionate about tech startups, innovation and the Internet. He is a PhD candidate in social analytics at the University of Melbourne.

GRANT WILTSHIRE - DEMAND CLASS DIRECTOR

Grant is self-employed delivering consultancy services across leadership, sales, business and management. He has been an executive with the Victorian Government and the owner of varying businesses.

Grant spent 23 years at Telstra. From 2005-2011, Grant was Telstra's Executive Director for Victoria and Tasmania – accountable for over \$2.5 billion in revenue and managed Telstra's operations throughout both states.

Grant's education background is extensive and includes accounting, marketing, commercial law, business management, AICD, Advanced Diploma of Management, Australian Graduate School of Management and many domestic and global leadership programs. Over the years, Grant has sat on various boards, many of them in a voluntary capacity.

PAUL LEVINS – DEMAND CLASS DIRECTOR (TO 30 NOVEMBER 2015)

Paul is President, Intellectual Ventures, for Australia and New Zealand, and also manages the monetisation program across all of Intellectual Ventures' Asian offices.

Previously he was Executive Officer and Vice President at ICANN, where he took a leading role in negotiating ICANN's Affirmation of Commitment with the US Government. Prior to joining ICANN, Paul was General Manager, Operations and Corporate Affairs at Bilfinger Berger Australia, and also worked as a corporate affairs manager for Telstra Corporation.

Paul has substantial public sector policy experience having been an adviser and Chief of Staff to Australian federal and state government Ministers. Paul is also a director of the ANZAC Medical Research Institute.

JO LIM – COMPANY SECRETARY AND ACTING CHIEF EXECUTIVE OFFICER

Jo Lim is auDA's Company Secretary and Acting Chief Executive Officer following the departure of former CEO Chris Disspain in March 2016. She has been with auDA since 2001, and in that time she has been primarily responsible for managing the policy and regulatory framework for the .au domain, as well as running the internal operations of the organisation.

Jo has previous experience in government policy work on communications and IT issues, including a stint as ministerial adviser. Jo was also a member of the taskforce that drafted the Telecommunications Act 1997, to facilitate open competition in the Australian telecommunications market.

Jo holds a Bachelor of Laws and Bachelor of Arts (Hons) from the University of Melbourne, and Diplomas in Management and Business from Swinburne University.

CHRIS DISSPAIN – CEO AND DIRECTOR (TO 30 MARCH 2016)

Chris was appointed CEO of auDA in October 2000. Under his guidance, auDA has become self-funding, introduced competition into the domain name market in .au, simplified the policy regime and introduced an industry code of practice.

From its foundation in June 2004 until March 2011, Chris was the Chair of ICANN's ccNSO, a body that represents the interests of and sets global policy and best practice for ccTLDs. In June 2011 he became a Board Member of ICANN. From 2006 until 2013 he was a member of the UN Secretary General's IGF Multi-stakeholder Advisory Group.

JOSHUA ROWE – DEMAND CLASS DIRECTOR (TO 30 NOVEMBER 2015)

Josh is the CEO of realAs – a free website and app that helps home buyers and property investors find their next home. Josh is a digital entrepreneur who is passionate about eCommerce. Josh has been helping businesses – like Australia Post, Tarazz and Medibank – improve their performance by using the Internet, for over 20 years.

Glossary

2LD

Second Level Domains. The .au domain space is divided into a number of 2LDs. Each has their own eligibility and registration rules and serves a distinct segment of the Internet community.

‘Open 2LDs’ are open to registrations by the general public, subject to eligibility criteria. These include com.au for business-related activities and org.au for organisations.

‘Closed 2LDs’ are only available to entities within a defined sector. Examples include gov.au for government and edu.au for educational institutions.

ALAC

At-Large Advisory Committee. ALAC is an advisory committee to ICANN. Its mission is to act as an advocate for the interests and viewpoints of the global individual users of the Internet.

ANZIAs

The Australia and New Zealand Internet Awards. The ANZIAs are an annual event celebrating the achievements of organisations, businesses and individuals that have made significant contributions to the development and use of the Internet in Australia and New Zealand.

APNIC

Asia Pacific Network Information Centre. APNIC is an open, membership-based, not-for-profit organisation providing Internet addressing services to the Asia Pacific.

APTLD

Asia Pacific Top Level Domain Association. APTLD is a forum for information exchange regarding technological and operational issues of domain name registries in the Asia Pacific region.

auDRP

.au Dispute Resolution Policy. auDRP is a process which provides a cheaper, speedier alternative to litigation for the resolution of disputes between the registrant of a .au domain name and a party with competing rights in the domain name.

auIGF

Australian Internet Governance Forum (auIGF). An initiative based on the UN IGF (see IGF below). It brings government, business and individuals together to facilitate an ongoing dialogue about Internet governance policies and issues in Australia.

ccTLD

Country Code Top Level Domain. ccTLDs are reserved for exclusive use by a country or external territory. The codes are determined according to a list maintained by the International Organization for Standardization (ISO 3166-1). .au is Australia’s ccTLD. Other examples of ccTLDs include .de for Germany and .uk for the United Kingdom.

CGDNs

Community Geographic Domain Names. Geographic domain names in each Australian state and territory that are reserved for use by local community groups.

DNS

Domain Name System. The technical protocol that maps the Internet Protocol (IP) addresses used by computers to navigate the Internet to more human-friendly domain names.

DNSSEC

Domain Name System Security Extensions. DNSSEC facilitates the digital signing of Internet communications, providing improved integrity and authenticity of transmitted data. Once fully implemented, DNSSEC offers additional protection against a range of vulnerabilities such as cache-poisoning, man-in-the-middle attacks and the Kaminsky exploit.

gTLD

Generic Top Level Domain. gTLDs are operated by a registry at the global level with policies developed through ICANN processes. gTLDs can be unrestricted (such as .com, .org and .net) or sponsored (such as .aero and .museum).

IANA

Internet Assigned Numbers Authority. The global coordination of the DNS Root, IP addressing, and other Internet protocol resources is performed as the IANA functions.

As of 1 October 2016, the IANA functions are being provided by Public Technical Identifiers, a new affiliate of ICANN.

IETF

Internet Engineering Task Force. The IETF is a large, open, international community of network designers, operators, vendors and researchers concerned with the evolution of the Internet architecture and the smooth operation of the Internet.

ICANN

Internet Corporation for Assigned Names and Numbers. ICANN is an international, not-for-profit, private sector organisation created to coordinate four key functions of the Internet: managing the domain name system, allocating IP address space, assigning protocol parameters and managing the root server system.

IGF

Internet Governance Forum. The IGF was established by the United Nations to accommodate multi-stakeholder policy dialogue in the field of Internet governance. It aims to bring together all stakeholders in the Internet governance debate, whether they represent states, the private sector or civil society, on an equal basis and through an open and inclusive process.

ISS

Information Security Standard. A set of technical operations and rules for registrars to enhance domain name security.

KSK

Key Signing Key. A KSK is a public/private key pair. The KSK private key is used to generate a digital signature for the ZSK. The KSK public key is stored in the DNS to be used to authenticate the ZSK.

REGISTRANT

Someone who holds, is applying for, or renewing a domain name licence.

REGISTRAR

auDA-accredited companies who handle domain name licence applications and renewals.

REGISTRY

The database of domain names registered in each 2LD.

RESELLER

Non-accredited companies, affiliated with an accredited registrar, who handle domain name licence applications and renewals.

ZSK

Zone Signing Key. A ZSK is a public/private key pair. The ZSK private key is used to generate a digital signature, known as a Resource Record Signature (RRSIG), for each of the resource record sets (RRSET) in a zone. The ZSK public key is stored in the DNS to authenticate an RRSIG.

Financials

.au DOMAIN ADMINISTRATION LIMITED [A COMPANY LIMITED BY GUARANTEE] 079 009 340

Meagher Howard & Wright, Certified Practising Accountants
Suite 505, 55 Grafton Street, Bondi Junction NSW 2022

DIRECTORS' REPORT

The names of the directors who held office during the year, and attendance at meetings are:

	Eligible	Attended	Apologies
Stuart BENJAMIN (Chair)	8	8	
Julie HAMMER (Deputy Chair)	8	8	
Tony STALEY	8	8	
Simon JOHNSON	8	8	
Erhan KARABARDAK	8	8	
George PONGAS	8	8	
Paul LEVINS (resigned November 2015)	3	3	
Joe MANARITI	8	8	
Graham MCDONALD	8	8	
Joshua ROWE (resigned November 2015)	3	3	
Kartic SRINIVASAN	8	8	
Miguel WOOD (elected November 2015)	5	5	
Grant WILTSHIRE (elected November 2015)	5	5	
Chris DISSPAIN (resigned March 2016)	6	6	

Stuart Benjamin – Demand Class Director

Born and raised in Regional Victoria, Stuart studied and worked around Australia before settling in Ballarat to start a family. With his wife Naomi, he has four children and runs a business group operating across the State. Stuart is currently a Director of Elmstone Property Group, Aviation Accommodation Australia and Ballarat Regional Tourism, Chairman of Regional Development Australia Grampians, a Board member of Enterprising Communities Inc. Stuart was elected Chair in December 2015.

The Hon Tony Staley AO - Independent Director

Tony Staley was Independent Chair of the auDA Board from 2001 to 2015, and is currently an Independent Director. He spent a decade in the Australian Parliament, including three years as Minister for Post and Telecommunications before pursuing a career in the private sector. He has been Chairman or Director of a variety of companies and organisations, including Mitsubishi Motors, Ogilvy and Mather, Alexander Stenhouse, National Museum of Australia, Playbox Theatre, the Telecommunications Industry Ombudsman Council, the Liberal Party of Australia, Energy and Water Ombudsman Board, Partners in Performance International and the Co-operative Research Centre's Association. Tony graduated in law and political science from the University of Melbourne, where he also lectured in Australian Government.

Air Vice-Marshal Julie Hammer AM, CSC – Independent Director

Air Vice-Marshal Julie Hammer, an electronics engineer, served in the Royal Australian Air Force for over 28 years in the fields of aircraft maintenance, technical intelligence, electronic warfare, and ICT systems. She acted as the CIO for Defence for the year prior to her retirement. She holds a Bachelor of Science with Honours in Physics, a Masters degree in Aero Systems Engineering, a Graduate Diploma in Strategic Studies and a Doctor of Engineering Honoris Causa. She was National President of Engineers Australia throughout 2008 and has been a Director of auDA since April 2007. In March 2012, Julie was appointed to the ICANN Security and Stability Advisory Committee (SSAC) and also acts as the At-Large Advisory Committee Liaison (ALAC) to the SSAC.

Graham McDonald – Independent Director

Graham McDonald has practiced law for 40 years. He was a Presidential Member of the federal Administrative Appeals Tribunal for the last 20 years during which time he also served as the inaugural Australian Banking Ombudsman and as Chairman of the Superannuation Complaints Tribunal. Graham has extensive experience as a partner in legal firms, as a barrister and has held a number of state and federal government appointments.

Erhan Karabardak – Supply Class Director

Erhan Karabardak is an IT & T lawyer and Registered Trade Marks Attorney. He is a Director of Cooper Mills Lawyers and has been practising law for 17 years. Erhan has been involved in the domain name industry for over a decade. He acts for .au registrars and resellers, and has advised some of the world's largest domain name registrars. He is regularly engaged to provide expert advice and commentary on domain name issues. Erhan has been an auDA Director since 2012, and has served on numerous auDA Panels since 2004, including the 2010 Names Policy Panel and the 2012 Industry Advisory Panel.

Joe Manariti – Supply Class Director

In 1996, Joe founded SWiM Communications, a digital agency practising in website development, eCommerce, video for web and social media. Earlier, Joe was a manager with Fairfax at both The Age and Business Review Weekly. Joe also serves as Vice Chairman of the Australian Web Industry Association (AWIA). He is passionate about web industry best practise and next gen development.

George Pongas – Supply Class Director

George Pongas has been actively involved with the Australian domain industry since 2003. In his current position, George is the General Manager of Naming Services at Bombora Technologies, the parent company of AusRegistry, the appointed .au 2LD Registry Operator. In the past, he has held CEO and other senior positions at established Registrars, playing a valuable leadership role in shaping the .au retail sector in its formative years. Over the period, George has been an active and visible industry member, participating on every auDA panel since 2007, as well as many working groups. He has a determined focus towards policy development and reforms, to address the impact of the ever-changing Internet landscape for Australian Internet users.

Kartic Srinivasan – Supply Class Director

Kartic has extensive experience in the domain industry and was elected to the auDA Board in October 2011. Kartic is the General Manager for Enterprise Sales (Australia) and Global Operations of Melbourne IT Ltd. Kartic was part of the 2007 Names Policy Panel which recommended relaxing the transfers policy. Kartic holds a Masters in Information Technology and Bachelor of Engineering (Electronics & Communications).

Paul Levins – Demand Class Director – Resigned November 2015

Paul is President, Intellectual Ventures for Australia and New Zealand and also manages the monetisation program across all of Intellectual Ventures Asian offices.

Previously he was Executive Officer and Vice President at ICANN, where he took a leading role in negotiating ICANN's Affirmation of Commitment with the US Government. Prior to joining ICANN, Paul was General Manager, Operations and Corporate Affairs at Bilfinger Berger Australia, and also worked as a corporate affairs manager for Telstra Corporation. Paul has substantial public sector policy experience having been an adviser and Chief of Staff to Australian Federal and State Government Ministers. Paul is also a director of the ANZAC Medical Research Institute.

Joshua Rowe - Demand Class Director – Resigned November 2015

Josh is the CEO of realAs - a free web site and app that helps home buyers and property investors find their next home. Josh is a digital entrepreneur who is passionate about eCommerce. Josh has been helping businesses – like Australia Post, Tarazz and Medibank – improve their performance by using the Internet, for over 20 years.

Chris Disspain – CEO and Director – Resigned March 2016

Chris was appointed CEO of auDA in October 2000. Under his guidance, auDA has become self-funding, introduced competition into the domain name market in .au, simplified the policy regime and introduced an industry code of practice. From its foundation in June 2004 until March 2011, Chris was the Chair of ICANN's ccNSO, a body that represents the interests of and sets global policy and best practice for ccTLDs. In June 2011 he became a Board Member of ICANN. From 2006 until 2013 he was a member of the UN Secretary General's IGF Multi-stakeholder Advisory Group. Chris's role as CEO ceased as of 24 March 2016.

Simon Johnson - Demand Class Director

Simon Johnson brings over two decades of commercial experience in the Internet industry to auDA. After first using the Internet in 1989, he co-founded one of Australia's first ISP's. He has since bought and sold multiple Internet companies, written multiple books and has been widely interviewed in the international media. Simon has also advised many public companies in the areas of Governance, Risk Management and Information Security, including Coca-Cola and ANZ Bank.

Currently Simon serves as a Director of the domain name intelligence and Intellectual Property management firm, IPNeighborhood. As an authority on Internet Security and domain name issues, he regularly advises on acquisitions and brand protection strategies.

Simon has also served on the auDA 2010 Names Policy Panel and holds a Bachelor of Computing (Information Systems) from Monash University.

Miguel Wood – Demand Class Director – Elected November 2015

Miguel is a serial entrepreneur, strategist, and computational social scientist. Miguel is the Co-founder & CEO, Euler's Bridge an online graph analytics B2B platform to build stronger communities. He co-founded, Tin Alley beta, the award winning, premier tech internship program in Australia. He is on the Board of Directors of Startup Victoria and was a mentor in the Melbourne Accelerator Program. He was the 2013 Australian Internet Ambassador and part of the 2015 and 2010 Names Policy Panel and 2012 Industry Advisory Panel. Miguel is passionate about tech startups, innovation and the internet. He is a PhD candidate in social analytics at the University of Melbourne.

Grant Wiltshire - Demand Class Director – Elected November 2015

Grant is self-employed delivering consultancy services across leadership, sales, business and management. He has been an executive with the Victorian Government and the owner of varying businesses.

Grant spent 23 years at Telstra. From 2005-2011, Grant was Telstra's Executive Director for Victoria and Tasmania – accountable for over \$2.5 billion in revenue and managed Telstra's operations throughout both states.

Grant's education background is extensive and includes accounting, marketing, commercial law, business management, AICD, Advanced Diploma of Management, Australian Graduate School of Management and many domestic and global leadership programs.

Over the years, Grant has sat on various boards, many of them in a voluntary capacity.

Jo Lim – Company Secretary

Jo Lim is auDA's Company Secretary and Chief Operations and Policy Officer. She has been with auDA since 2001, and in that time, she has been primarily responsible for managing the policy and regulatory framework for the .au domain. Jo has previous experience in government policy work on communications and IT issues, including a stint as ministerial adviser. Jo was also a member of the taskforce that drafted the *Telecommunications Act 1997*, to facilitate open competition in the Australian telecommunications market. Jo holds a Bachelor of Laws and Bachelor of Arts (Hons) from the University of Melbourne, and Diplomas in Management and Business from Swinburne University.

Principal Activities

The principal activities of the company in the course of the year were:

Management of .au Domain name space.

No significant change in the nature of these activities occurred during the year.

The entity's short term objectives are:

- Ensure stability and security of internet .
- Demonstrate the value and validity of the industry self regulatory model.
- Maintain the .au brand as an indicator of quality to Australian consumers operating in a global marketplace.
- Development and monitoring of policy breaches in an ever more sophisticated environment.

The entity's long term objectives are:

- Managing risks associated with industry business failure.
- Managing the increase in demand for IPv6 addresses due to the global exhaustion of IPv4 address space.
- Maintain a structure that allows auDA to remain relevant to stakeholders in a changing industry environment.

To achieve these objectives, the entity has adopted the following strategies:

- Strengthen industry engagement by developing and implementing support services for Registrars to make it easier for them to understand and meet their regulatory obligations.
- Through the auDA Foundation, to continue to promote education and research activities that will enhance the utility of the internet for the benefit of the Australian community.
- Participate in international internet fora activities.
- Strengthen knowledge management and implement succession and capacity planning.

OPERATING RESULTS

The surplus for the year amounted to \$1,693,475 (2015-\$1,672,148).

Members' Guarantee

In accordance with clause 7 of the Constitution of the company, each member has undertaken to contribute towards the assets of the company an amount of one hundred dollars (\$100) in the event the company is wound up whilst they are still a member or within one year after they cease to be a member. As at 30 June 2016, the company had 144 members.

Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, in subsequent financial years.

Benefits under Contracts with Directors

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which the director is a member or an entity in which the director has a substantial interest.

This statement excludes a benefit included in the aggregate amount of emoluments received, or due and receivable, by directors as shown in the company's financial accounts for the financial year or the fixed salary of a full-time employee of the company or a related body corporate.

Indemnifying Officer or Auditor

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

* indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings.

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

Chair 
Stuart BENJAMIN

Director 
Kartic SRINIVASAN

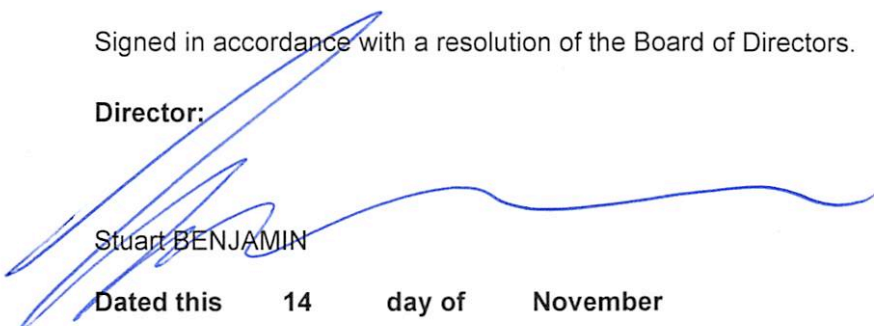
Dated this 14th day of November 2016

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2016 has been received.

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

Director:


Stuart BENJAMIN

Dated this 14 day of November 2016

COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
Revenue	2	7,658,570	7,257,739
Depreciation and amortisation expenses		(79,846)	(106,421)
Employee benefits expenses		(2,558,702)	(2,216,970)
Finance costs		(17,370)	(5,607)
Other expenses		(3,309,177)	(3,256,593)
Profit (Loss) for the year		<u>1,693,475</u>	<u>1,672,148</u>
Retained earnings at the beginning of the financial year		10,902,334	9,230,186
Profit attributable to members of the company		<u>12,595,809</u>	<u>10,902,334</u>

BALANCE SHEET AS AT
30 JUNE 2016

	Note	2016	2015
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	5	9,446,616	9,103,858
Trade and other receivables	6	641,291	588,197
Other current assets	7	124,500	45,295
TOTAL CURRENT ASSETS		<u>10,212,407</u>	<u>9,737,350</u>
NON-CURRENT ASSETS			
Investments		3,656,365	2,211,724
Property, plant and equipment	8	150,562	151,853
TOTAL NON-CURRENT ASSETS		<u>3,806,927</u>	<u>2,363,577</u>
TOTAL ASSETS		<u>14,019,334</u>	<u>12,100,927</u>
CURRENT LIABILITIES			
Trade and other payables	9	922,818	602,336
Provisions	10	500,707	596,257
TOTAL CURRENT LIABILITIES		<u>1,423,525</u>	<u>1,198,593</u>
TOTAL LIABILITIES		<u>1,423,525</u>	<u>1,198,593</u>
NET ASSETS		<u>12,595,809</u>	<u>10,902,334</u>
EQUITY			
Retained earnings	11	12,595,809	10,902,334
TOTAL EQUITY		<u>12,595,809</u>	<u>10,902,334</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance at 30 June 2014	9,230,186	-	9,230,186
Profit attributable to members	<u>1,672,148</u>	-	<u>1,672,148</u>
Balance at 30 June 2015	10,902,334	-	10,902,334
Profit/(Loss) attributable to members	<u>1,693,475</u>	-	<u>1,693,475</u>
Balance at 30 June 2016	<u><u>12,595,809</u></u>	-	<u><u>12,595,809</u></u>

CASH FLOW STATEMENT AS AT
30 JUNE 2016

	NOTE	2016	2015
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from debtors		8,123,332	8,090,574
Payments to suppliers and employees		(6,639,571)	(6,375,803)
Interest received		<u>274,474</u>	<u>246,726</u>
Net Cash from Operating Activities		<u><u>1,758,235</u></u>	<u><u>1,961,497</u></u>
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES			
Plant & Equipment Sales		8,150	19,590
Plant & Equipment at Cost		(123,060)	(40,083)
Purchase Investments		(1,300,567)	(79,006)
Net Cash used in Investing Activities		<u><u>(1,415,477)</u></u>	<u><u>(100,219)</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Increase (Decrease) in Cash Held		342,758	1,861,278
Cash at Beginning of Year		<u>9,103,858</u>	<u>7,242,580</u>
Cash at End of Year		<u><u>9,446,616</u></u>	<u><u>9,103,858</u></u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note 1 Statement of Significant Accounting Policies

These financial statements and notes represent those of .au Domain Administration Limited.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

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

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the entity's accounting policies, which are described throughout this note, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Accounting Policies

(a) Revenue

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

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

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

(b) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%
Computers	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

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

(c) 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 equivalent to the date that the entity commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments 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 transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

(d) Impairment of Assets

At each reporting date, the entity 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 costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

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

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

(e) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to employee superannuation funds and are charged as expenses when incurred.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of six months or less, and bank overdrafts.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Provisions

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(j) Comparative Figures

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

(k) 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 company.

Key Estimates

(a) Impairment

The entity assesses impairment at each reporting date by evaluation of conditions and events specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

2	Revenue	2016	2015
	Operating activities	7,364,872	6,914,297
	Interest	274,474	246,726
	Subscriptions	10,160	5,880
		<u>7,649,506</u>	<u>7,166,903</u>
3	Auditor's Remuneration		
	Auditor's Remuneration - Fees	8,750	8,500
4	Income Tax		
	The company has been deemed a non profit organisation and is not subject to tax.		
5	Cash and Cash Equivalents		
	Reconciliation of cash		
	Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
	Cash in Hand	898	1,355
	National Australia Bank ("NAB")	1,689,543	1,077,867
	NAB Cash on Deposit	1,107,179	4,335,744
	NAB USD Account	701,287	394,552
	Term Deposits	5,551,160	2,251,367
	Cash Management Account	396,549	1,042,973
		<u>9,446,616</u>	<u>9,103,858</u>
6	Trade and Other Receivables		
	Current	582,059	526,228
	Other Debtors	-	4,728
	GST on acquisitions	59,232	57,241
		<u>641,291</u>	<u>588,197</u>
7	Other Current Assets		
	Miscellaneous	4,500	13,000
	Deposits	13,000	-
	Prepayments	107,000	32,295
		<u>124,500</u>	<u>45,295</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

8 Property, Plant and Equipment

Plant and equipment:

At cost	620,406	823,411
Accumulated depreciation	(469,844)	(671,558)
Total plant and equipment	<u>150,562</u>	<u>151,853</u>

Movements in Carrying Amounts

Plant & Equipment

Balance at beginning of year	151,853	247,995
Additions (at cost)	123,060	40,804
Disposals	(44,505)	(30,525)
Depreciation	(79,846)	(106,421)
Balance at End of Year	<u>150,562</u>	<u>151,853</u>

9 Trade and Other Payables

Current

Trade Creditors	104,647	141,594
Prepaid Income	75,250	75,500
Payroll Clearing	58,511	45,564
GST on supplies	315,989	296,949
Other Creditors	368,421	42,729
	<u>922,818</u>	<u>602,336</u>

10 Provisions

Provision for Holiday Pay	263,370	287,442
Provision for Long Service Leave	<u>224,320</u>	<u>278,421</u>
Total Provision for Employee Entitlement	487,690	565,863
Provision for Audit Fees	9,625	9,350
Provision for Bonus	<u>3,392</u>	<u>21,044</u>
Total provisions	<u>500,707</u>	<u>596,257</u>

11 Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Profit/(Loss) from Ordinary Activities	1,693,475	1,672,148
Non-cash flows in profit from ordinary activities		
Depreciation & Loss on Disposal of Assets	81,531	117,355
Increase in Market Value of Investments	(109,404)	(22,051)
(Increase)/Decrease in receivables	(53,094)	28,136
(Increase)/Decrease in other assets	(79,205)	99,437
Increase/(Decrease) in payables	320,482	(13,303)
Increase/(Decrease) in provisions	<u>(95,550)</u>	<u>79,775</u>
Cash Flows from Operations	<u>1,758,235</u>	<u>1,961,497</u>

12 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short term investments and accounts receivable and payable and investments in bonds & funds.

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	Note	2016	2015
Cash and cash equivalents	5	9,446,616	9,103,858
Loans and receivables	6	638,874	588,197
Investments in bonds funds		3,656,365	2,211,724
Total financial assets		<u>13,741,855</u>	<u>11,903,779</u>
Financial Liabilities			
Trade and other payables		922,818	602,336
Total Financial Liabilities		<u>922,818</u>	<u>602,336</u>

Additional Information

Registered Office	Principal Place of Business
114 Cardigan Street Carlton Victoria 3053	114 Cardigan Street Carlton Victoria 3053

PROFIT & LOSS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
INCOME		
Subscriptions Received	10,160	5,880
Interest Received	274,474	246,726
Registry Licence Fees	1,630,067	1,557,500
Domain Name Fees	5,492,151	5,189,846
Registrar Fees	133,250	139,500
Community Site Fees	-	5,400
Unrealised Increase in Market Value	109,404	22,051
	<hr/>	<hr/>
TOTAL INCOME	7,649,506	7,166,903
EXPENSES		
Accounting & Financial Consulting	169,600	150,000
ANZIA Award & Australian IGF	157,112	277,043
Auditors Remuneration - Fees	8,750	8,500
Bank Charges	6,376	5,607
Communications	185,086	701,556
Depreciation	79,846	106,421
Directors Fees	185,944	162,705
Directors & Meeting Expenses	158,943	108,814
Donations	-	10,000
Entertainment	9,894	24,973
External Consultants	137,832	47,522
Fringe Benefits Tax	67,256	65,246
General Expenses	924	337
Holiday Pay and Long Service Leave	133,749	80,918
Insurance	21,799	19,622
Internet Expenses	373,750	338,735
Legal Costs	269,325	154,356
License Fee-ICANN/CCTLD	335,980	350,704
Office Expenses	63,806	56,756
Payroll Tax	115,038	85,396
Postage, Printing & Stationery	5,754	8,741
Rent	138,328	133,008
Registry Enhancements	451,184	119,400
Salaries & Wages	2,237,485	1,899,388
Security	13,687	22,909

Staff Amenities	15,164	17,226
Staff Training	70,671	32,244
Subscriptions	87,831	13,316
Superannuation	198,385	171,413
Technical Support	81,450	131,678
Telephone	19,752	21,217
Travelling Expenses	<u>142,651</u>	<u>248,906</u>
TOTAL EXPENSES	<u>5,943,352</u>	<u>5,574,657</u>
OPERATING PROFIT/(LOSS)	<u>1,706,154</u>	<u>1,592,246</u>
NON-OPERATING INCOME AND EXPENSES		
Non Operating Gains/(Expenses)		
Profit /(Loss) on Disposal of Assets	(1,685)	(10,934)
Unrealised Foreign Exchange Gain/(Loss)	(20,058)	61,151
Realised Foreign Exchange Gain/(Loss)	<u>9,064</u>	<u>29,685</u>
Total Non Operating Gains/(Expenses)	<u>(12,679)</u>	<u>79,902</u>
OPERATING PROFIT FOR THE YEAR	<u>1,693,475</u>	<u>1,672,148</u>

DIRECTOR'S DECLARATION

1. The financial statements and notes, as set out on pages 8 to 17 present fairly the company's financial position as at 30 June 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director: _____

Stuart BENJAMIN

Director: _____

Kartic SRINIVASAN

Dated this 14 day of November 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
.au DOMAIN ADMINISTRATION LIMITED



MEAGHER, HOWARD & WRIGHT

CERTIFIED PRACTISING ACCOUNTANTS

ABN 42 664 097 441

PO Box 653

PARTNERS

K.J. WRIGHT J.P. M.COMM. F.C.P.A

G. MIDDLETON B.COMM. ACA

ASSOCIATE

L.J. HOWARD O.A.M. J.P. B Ec. F.C.P.A.

FINANCIAL PLANNING

MARK MAYCOCK

Fax: 02 9387 8388

ken@mhw.net.au

Suite 505

Level 5 / 55 Grafton Street

BONDI JUNCTION NSW 2022

BONDI JUNCTION NSW 1355

Phone: 02 9387 8988

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF .AU DOMAIN ADMINISTRATION LIMITED

We have audited the accompanying financial report of .au Domain Administration Ltd, which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of .au Domain Administration Ltd on 30 June 2016, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the financial report

- a.) gives a true and fair view of the financial position of .au Domain Administration Ltd as of 30 June 2016, and of its financial performance and its cash flows for the year then ended.
- b.) Complies with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Accounting Standards (including Australian Accounting Interpretations) as described in Note 1 and the *Corporations Act 2001*.

Name of Firm: Meagher Howard & Wright
 Name of Partner: Ken Wright 
 Address: Suite 505, 55 Grafton Street Bondi Junction NSW 2022
 Dated: this 14 day of November 2016



MEAGHER, HOWARD & WRIGHT
 CERTIFIED PRACTISING ACCOUNTANTS
 ABN 42 664 097 441

PARTNERS
 K.J. WRIGHT J.P. M.COMM. F.C.P.A.
 G. MIDDLETON B.COMM. ACA

FINANCIAL PLANNING
 MARK MAYCOCK J.P.

ASSOCIATE
 L.J. HOWARD O.A.M. J.P. B Ec. F.C.P.A.

Suite 505
 Level 5 / 55 Grafton Street
 BONDI JUNCTION NSW 2022
 PO Box 653
 BONDI JUNCTION NSW 1355

Phone: 02 9387 8988
 Fax: 02 9387 8388
ken@mhw.net.au

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

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

Name of Firm Meagher Howard & Wright

Name of Partner

Ken Wright

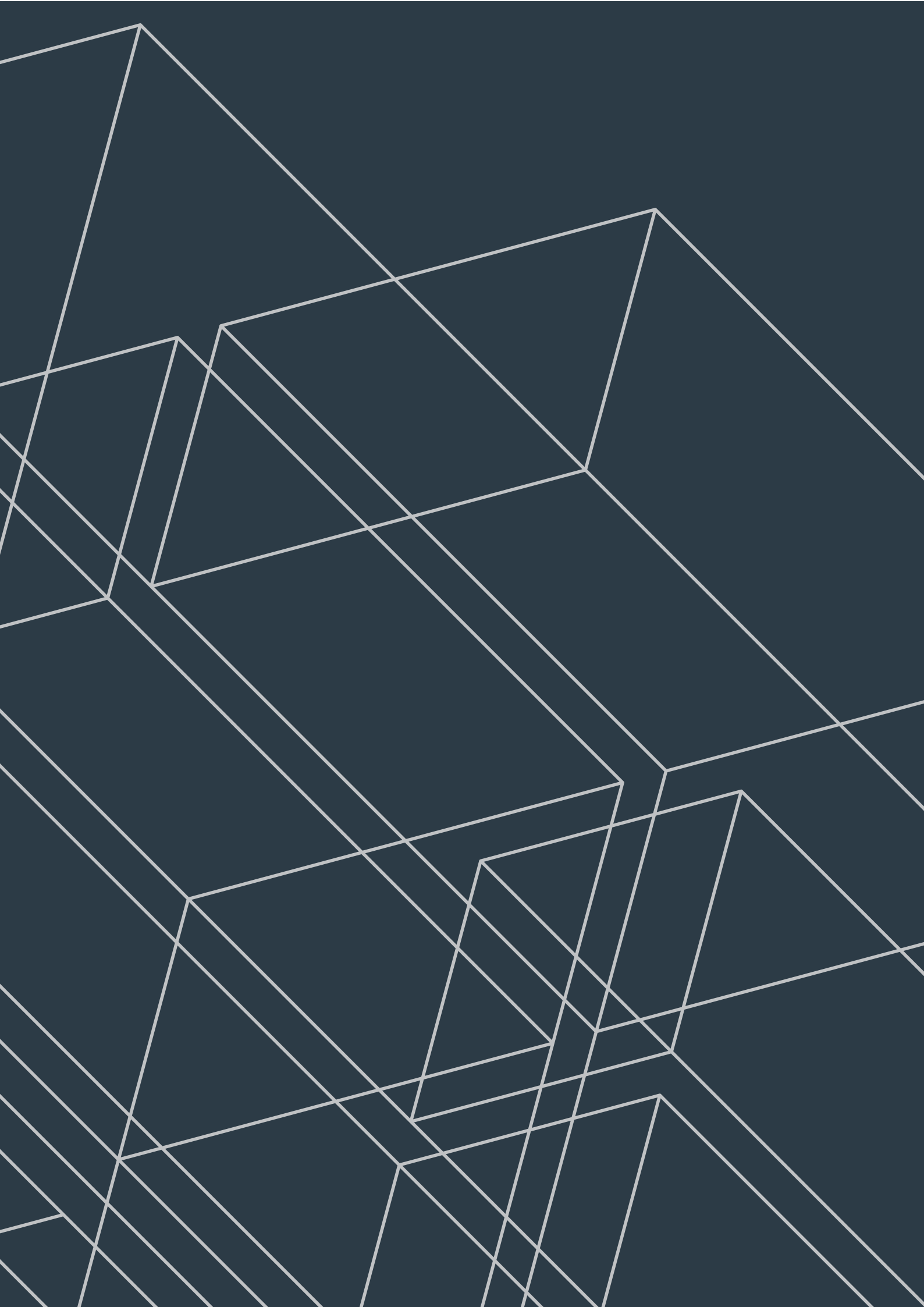
Date

14 November 2016

Address

Suite 505 No 55 Grafton Street

BONDI JUNCTION NSW 2022





2015-2016

.au DOMAIN ADMINISTRATION LTD
ANNUAL REPORT 2015-16



DESIGN: CREATIVE ORDER

.auDA
.au DOMAIN ADMINISTRATION LTD