



31 January 2023

Mr Dylan Barker  
Treasurer  
Traffic Management Association of Australia

By e-mail: [tmaa@tmaa.asn.au](mailto:tmaa@tmaa.asn.au)

Dear Mr Barker

**Traffic Management Association of Australia**  
**Financial Report for the year ended 30 June 2022 - FR2022/180**

I acknowledge receipt of the financial report for the year ended 30 June 2022 for the Traffic Management Association of Australia (**the reporting unit**). The financial report was lodged with the Registered Organisations Commission (**ROC**) on 13 January 2023.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

Whilst the 30 June 2022 financial report has been filed your attention is drawn to the following issues which will need to be addressed in relation to the 30 June 2023 financial report.

To assist with the preparation of financial reports, organisations should consult the template model financial statements which is available from the ROC website.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), the 5<sup>th</sup> edition of the reporting guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards.

**1. Timescale requirements**

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines can be found on the ROC website, in particular, the fact sheet 'Financial reporting process' which explains the timeline requirements, and the fact sheet 'summary of financial reporting timelines' which sets out the timelines in diagrammatical format. The ROC website also contains a '[Compliance Calculator](#)' to help organisations comply with the RO Act timelines.

I note that the following timescale requirements were not met:

Documents must be lodged with ROC within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266.

The designated officer's certificate indicates that this meeting occurred on 10 November 2022. If this is correct the documents should have been lodged with the ROC by 24 November 2022.

The full report was not lodged until 13 January 2023.

Please note that in future financial years if the reporting unit cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made *prior to* the expiry of the 14 day period.

Please note that section 268 is a civil penalty provision.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at [ken.morgan@roc.gov.au](mailto:ken.morgan@roc.gov.au)

Yours faithfully



**KEN MORGAN**  
**Financial Reporting Specialist**  
**Registered Organisations Commission**



**TRAFFIC MANAGEMENT ASSOCIATION  
OF AUSTRALIA**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2022**

# **Traffic Management Association of Australia**

## **Financial Statements 2021–22**

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TRAFFIC MANAGEMENT  
ASSOCIATION OF AUSTRALIA

**Traffic Management Association of Australia**

## **Certificate by prescribed designated officer**

Certificate for the year ended 30 June 2022

I, Dylan Barker, being the Treasurer of the Traffic Management Association of Australia (TMAA) certify:

- that the documents lodged herewith are copies of the full report for the Traffic Management Association of Australia for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 10 October 2022; and
- that the full report was presented to a general meeting of members of the Traffic Management Association of Australia (TMAA) on Thursday 10 November 2022 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

A handwritten signature in black ink, appearing to be 'Dylan Barker', written over a horizontal line.

Name of prescribed designated officer: Dylan Barker

Title of prescribed designated officer: Treasurer

Dated: 10 November 2022

**Traffic Management Association of Australia**

www.tmaa.asn.au | tmaa@tmaa.asn.au | 1300 798 772 | PO Box 474 ALBION DC QLD 4010

ABN: 31 212 135 038

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## Independent Audit Report

To the members of Traffic Management Association of Australia

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Traffic Management Association of Australia (the reporting unit), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2022, notes to the financial statements, including a summary of significant accounting policies, the committee of management statement, the subsection 255(2A) report and the officer declaration statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Traffic Management Association of Australia as at 30 June 2022, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the reporting unit is appropriate.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Information Other than the Financial Report and Auditor's Report Thereon

The committee of management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

brisbane. adelaide. canberra. gold coast. melbourne. sydney. sunshine coast.

Level 34, 32 Turbot Street, Brisbane QLD 4000 t 61.7 3228 4000 f 61.7 3228 4099  
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## **Responsibilities of Committee of Management for the Financial Report**

The committee of management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the committee of management determine is necessary to enable the preparation of the 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 committee of management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.
- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

I communicate with the committee of management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. I did not locate any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. Therefore, my opinion on the financial report is not modified.



Victor Uson  
Director  
Vincents Assurance & Risk Advisory

Brisbane QLD  
10 October 2022

Registration number (as registered by the Commissioner under the RO Act): AA2022/18





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## Traffic Management Association of Australia


# Report required under subsection 255(2A)

for the year ended 30 June 2022

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2022.

Descriptive form

Categories of expenditures	2022 (\$)	2021 (\$)
Remuneration and other employment-related costs and expenses – employees	152,120	110,969
Advertising	4,960	5,241
Operating costs	574,800	308,535
Donations to political parties	–	–
Legal costs	1,704	1,298
	733,584	426,043

Signature of designated officer: 

Name and title of designated officer: Dylan Barker, Treasurer

Dated: 10 October 2022





Traffic Management Association of Australia

## Operating report

for the year ended 30 June 2022

The committee of management presents its operating report on the reporting unit for the year ended 30 June 2022.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The reporting unit's objects are:

- a) To promote the Traffic Control Industry in Australia;
- b) To promote the need for safe working environments within the Traffic Control Industry;
- c) To represent the general interests of employers in the Traffic Control Industry;
- d) To provide information services to the members in the Traffic Control Industry;
- e) To provide, when necessary, access to industrial relations services and legal representation for members;
- f) To promote cooperation and respect within the Traffic Control Industry;
- g) To encourage membership of the reporting unit;
- h) To encourage, support and develop skills within the Traffic Control Industry;
- i) To actively promote standardisation and improvement within the Traffic Control Industry;
- j) To liaise with industry stakeholders promoting the interests of the Traffic Control Industry; and
- k) To lobby Local, State and Federal governments with regards to laws which will affect the interests of members of the Traffic Control Industry.

The TMAA is currently working on three strategic areas of focus for the next year and beyond. They are:

- a) National Safety Awareness Campaign for Traffic Controllers (national airings from a funded project for four years from the Office of Road Safety).
- b) National Training for Traffic Controllers providing feedback to Austroads (ongoing).
- c) National Pre-qualification for Traffic Management Companies providing input and feedback to Austroads (ongoing).

### Significant changes in financial affairs

There have been no significant changes in financial affairs during the reporting period.





#### Right of members to resign

- a) A Member may resign from the Organisation at any time by providing the Secretary with written notice of their resignation.
- b) No Membership fees will be refundable if a Member resigns from the Organisation.
- c) Any dues payable but not paid by a former Member of the Organisation, in relation to a period before the Member's resignation from the Organisation took effect, may be sued for and recovered in the name of the Organisation as a debt due to the Organisation.
- d) A Member's resignation takes effect fourteen (14) days from the time the notice is received by the Secretary, except where Rule 5.10(e) applies.
- e) A Member may choose to specify in their notice of resignation the date and time from which their resignation will take effect that is shorter than fourteen (14) days.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

Not applicable to any TMAA officers.

#### Number of members

The current number of TMAA members is 117.

#### Number of employees

The current number of employees of the TMAA is one (1), Louise Van Ristell, Executive Officer, commenced in April 2019, part time.

#### Names of committee of management members and period positions held during the financial year

The TMAA Management Committee office bearers are elected from a two-tier election presided over and implemented by the Australian Electoral Commission, as required by Fair Work Commission for Registered Organisations. The TMAA Board and State Representatives from 1 July 2021 were:

As at 1 July 2021

President & WA Board Member - Stephen O'Dwyer

Vice President & NSW Board Member - Ben Marsonet

Secretary & VIC Board Member - Anthony Simmons

Treasurer & SA Board Member - Andrew White

NT Board Member - Damien Heaslip (resigned 26 November 2021)

QLD Board Member - Andrew Clements

No Board member for TAS (Camille O'Meara had previously resigned 2/2/2021)





As at 30 June 2022

President & NT Board Member - Andrew White (elected 11 March 2022)

Vice President & QLD Board Member - John Cassel (elected 17 May 2022)

Treasurer & SA Board member - Dylan Barker (elected 8 April 2022)

Secretary & VIC Board Member - Anthony Simmons (elected 11 January 2022)

TAS Board Member - Peter Dixon (elected 11 January 2022)

NSW Board Member - Ben Marsonet (elected 11 January 2022)

WA Board Member - Stephen O'Dwyer (elected 11 January 2022)

Signature of designated officer:

A handwritten signature in black ink, appearing to read 'Andrew White'.

Name and title of designated officer: Andrew White, TMAA President

Dated: 10 October 2022





Traffic Management Association of Australia

## Committee of management statement

*for the year ended 30 June 2022*

On 10 October 2022 the Committee of Management of the Traffic Management Association of Australia passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2022:

The Traffic Management Association of Australia (TMAA) Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - v. where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and



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ASSOCIATION OF AUSTRALIA

- vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer:  .....

Name and title of designated officer: Dylan Barker, TMAA Treasurer

Dated: 10 October 2022.

**Traffic Management Association of Australia**

www.tmaa.asn.au | tmaa@tmaa.asn.au | 1300 798 772 | PO Box 474 ALBION DC QLD 4010

ABN: 31 212 135 038

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# Statement of comprehensive income

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue from contracts with customers</b>	3		
Membership subscriptions		287,621	294,760
Supplier memberships		131,725	132,071
Discounts applied		(19,882)	(25,182)
<b>Total revenue from contracts with customers</b>		<b>399,464</b>	<b>401,649</b>
<b>Income for furthering objectives</b>	3		
Grants and/or donations	3A	51,400	54,200
<b>Total income for furthering objectives</b>		<b>51,400</b>	<b>54,200</b>
<b>Other income</b>			
Conference income		157,159	-
Other income		50,090	58,936
<b>Total other income</b>		<b>207,249</b>	<b>58,936</b>
<b>Total income</b>		<b>658,113</b>	<b>514,785</b>
<b>Expenses</b>			
Employee expenses	4A	152,120	110,969
Administration expenses	4B	541,510	308,276
Grants or donations	4C	30,000	-
Legal costs	4D	1,704	1,298
Audit fees	14	8,250	5,500
<b>Total expenses</b>		<b>733,584</b>	<b>426,043</b>
<b>Surplus (deficit) for the year</b>		<b>(75,471)</b>	<b>88,743</b>
<b>Other comprehensive income</b>			
Items that will be subsequently reclassified to profit or loss			
Gain/(loss) on debt instruments at fair value through other comprehensive income (FVTOCI)		-	-
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
Gain/(loss) on equity instruments designated at FVTO		-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>

The above statement should be read in conjunction with the notes.

**Traffic Management Association of Australia**

# Statement of financial position

as at 30 June 2022

	Notes	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5A	292,455	413,640
Trade and other receivables	5B	24,335	16,329
Contract assets	5B	5,236	23,357
<b>Total current assets</b>		<b>322,026</b>	<b>453,326</b>
<b>Total assets</b>		<b>322,026</b>	<b>453,326</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	6A	8,016	15,912
Other payables	6B	13,708	11,076
Employee provisions	7A	24,292	7,445
Contract liabilities	5B	854	68,266
<b>Total current liabilities</b>		<b>46,871</b>	<b>102,699</b>
<b>Total liabilities</b>		<b>46,871</b>	<b>102,699</b>
<b>Net assets</b>		<b>275,156</b>	<b>350,627</b>
<b>EQUITY</b>			
General fund/retained earnings		275,156	350,627
Other funds		-	-
Reserves		-	-
<b>Total equity</b>		<b>275,156</b>	<b>350,627</b>

The above statement should be read in conjunction with the notes.

## Statement of changes in equity

for the year ended 30 June 2022

	Notes	General funds / retained earnings \$	Other funds \$	Reserves \$	Total equity \$
<b>Balance as at 1 July 2020</b>		261,885	-	-	261,885
Surplus / (deficit)		88,743	-	-	88,743
Other comprehensive income		-	-	-	-
Transfer from retained earnings		-	-	-	-
<b>Closing balance as at 30 June 2021</b>		<b>350,627</b>	-	-	<b>350,627</b>
Surplus / (deficit)		(75,471)	-	-	(75,471)
Other comprehensive income		-	-	-	-
Transfer from retained earnings		-	-	-	-
<b>Closing balance as at 30 June 2022</b>		<b>275,156</b>	-	-	<b>275,156</b>

The above statement should be read in conjunction with the notes.

# Traffic Management Association of Australia

## Statement of cash flows

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from customers		554,841	454,484
Donations and Grants		51,400	54,200
<b>Cash used</b>			
Suppliers		(575,306)	(241,457)
Employees		(152,120)	(110,969)
<b>Net cash from (used by) operating activities</b>	8	<u>(122,185)</u>	<u>156,258</u>
<b>INVESTING ACTIVITIES</b>			
<b>Net cash from (used by) investing activities</b>		<u>-</u>	<u>-</u>
<b>FINANCING ACTIVITIES</b>			
<b>Net cash from (used by) financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash held</b>		<u>(121,185)</u>	<u>156,258</u>
Cash & cash equivalents at the beginning of the reporting period		413,640	257,382
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<u>292,455</u>	<u>413,640</u>

The above statement should be read in conjunction with the notes.



# Index to the notes of the financial statements

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## **Note 1 Summary of significant accounting policies**

### **1.1 Basis of preparation of the financial statements**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009 (RO Act)*. For the purpose of preparing the general purpose financial statements, Traffic Management Association of Australia is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

### **1.2 Comparative amounts**

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

### **1.3 Significant accounting judgements and estimates**

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

- i. AASB 16 Leases - lease term: whether the Company is reasonably certain to exercise extension options.
- ii. AASB 116 Property, Plant and Equipment – Depreciation and useful lives of plant and equipment.
- iii. AASB 137 Provisions, Contingent Liabilities and Contingent Assets – Provision for employee benefits and income tax.

## 1.4 New Australian Accounting Standards

### ***Adoption of New Australian Accounting Standards and amendments***

The accounting policies adopted are consistent with those of the previous financial year except for the following amendments to accounting standards and other changes in accounting policy, which have been adopted for the first time this financial year:

- International Financial Reporting Standards Interpretations Committee (IFRS IC) agenda decision on configuration or customisation costs in cloud computing or Software-as-a-Service (SaaS) arrangements
- AASB 2021-3 *Amendments to AASs – COVID-19-Related Rent Concessions beyond 30 June 2021*

No accounting standard has been adopted earlier than the application date stated in the standard.

### **Impact on application of IFRS IC agenda decision on configuration or customisation costs in cloud computing or SaaS arrangements**

In April 2021, the IFRS IC published an agenda decision relating to the accounting for configuration and customisation costs incurred related to a SaaS arrangement. As a result, the *Traffic Management Association of Australia* has changed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements.

### **Impact of change in accounting policy**

For the current year, \$nil costs that would previously have been capitalised (under the previous policy) were expensed. Cash outflows of \$nil were included in payments to suppliers and employees in the Statement of Cash Flows that previously would have been included as payments to acquire intangible assets.

The change in policy has been retrospectively applied and comparative financial information has been restated, as follows:

### **Future Australian Accounting Standards**

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on *Traffic Management Association of Australia* include:

### **AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current***

This Standard amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The reporting unit does/does not expect the adoption of this amendment to have a material impact on its financial statements.



## 1.5 Investment in associates and joint arrangements

An associate is an entity over which *Traffic Management Association of Australia* has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 *Non-current Asset Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, *Traffic Management Association of Australia* discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

## 1.6 Current versus non-current classification

*Traffic Management Association of Australia* presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

*Traffic Management Association of Australia* classifies all other liabilities as non-current.

## 1.7 Revenue

*Traffic Management Association of Australia* enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

### Revenue from contracts with customers

Where *Traffic Management Association of Australia* has a contract with a customer, *Traffic Management Association of Australia* recognises revenue when or as it transfers control of goods or services to the customer. *Traffic Management Association of Australia* accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

### Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of *Traffic Management Association of Australia*.

If there is only one distinct membership service promised in the arrangement, *Traffic Management Association of Australia* recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect *Traffic Management Association of Australia*'s promise to stand ready to provide assistance and support to the member as required.



If there is more than one distinct good or service promised in the membership subscription, *Traffic Management Association of Australia* allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that *Traffic Management Association of Australia* charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), *Traffic Management Association of Australia* recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, *Traffic Management Association of Australia* has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from *Traffic Management Association of Australia* at their standalone selling price, *Traffic Management Association of Australia* accounts for those sales as a separate contract with a customer.

#### **Income of *Traffic Management Association of Australia* as a Not-for-Profit Entity**

Consideration is received by *Traffic Management Association of Australia* to enable the entity to further its objectives. *Traffic Management Association of Australia* recognises each of these amounts of consideration as income when the consideration is received (which is when *Traffic Management Association of Australia* obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- *Traffic Management Association of Australia* recognition of the cash contribution does not give rise to any related liabilities.

*Traffic Management Association of Australia* receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip rounds); and
- government grants.

### **1.8 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits in the circumstances set out below.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by *Traffic Management Association of Australia* in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. *Traffic Management Association of Australia* recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

## **1.10 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## **1.11 Financial assets**

### **Contract assets and receivables**

A contract asset is recognised when *Traffic Management Association of Australia's* right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on *Traffic Management Association of Australia's* future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.



The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and *Traffic Management Association of Australia's* business model for managing them. With the exception of trade receivables that do not contain a significant financing component, *Traffic Management Association of Australia* initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

*Traffic Management Association of Australia's* business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that *Traffic Management Association of Australia* commits to purchase or sell the asset.

### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss.

### **Financial assets at amortised cost**

*Traffic Management Association of Australia* measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.



*Traffic Management Association of Australia's* financial assets at amortised cost includes trade receivables and loans to related parties.

## **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- *Traffic Management Association of Australia* has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) *Traffic Management Association of Australia* has transferred substantially all the risks and rewards of the asset; or
  - b) *Traffic Management Association of Australia* has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When *Traffic Management Association of Australia* has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, *Traffic Management Association of Australia* continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

## **Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **Impairment**

### **Expected credit losses (ECLs)**

when there is no reasonable expectation of recovering the contractual cash flows.

#### **(i) Trade receivables**

For trade receivables that do not have a significant financing component, the *Traffic Management Association of Australia* applies a simplified approach in calculating ECLs. Therefore, the *Traffic Management Association of Australia* does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The *Traffic Management Association of Australia* has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## **1.12 Financial Liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

*Traffic Management Association of Australia's* financial liabilities include trade and other payables.

### **Subsequent measurement**

#### **Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 *Financial Instruments* are satisfied.

#### **Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **1.13 Liabilities relating to contracts with customers**

### **Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before *Traffic Management Association of Australia* transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when *Traffic Management*



*Association of Australia* performs under the contract (i.e. transfers control of the related goods or services to the customer).

### **Refund liabilities**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. *Traffic Management Association of Australia's* refund liabilities arise from customers' right of return. The liability is measured at the amount *Traffic Management Association of Australia's* ultimately expects it will have to return to the customer. *Traffic Management Association of Australia* updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

## **1.14 Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

## **1.15 Taxation**

*Traffic Management Association of Australia* is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (**FBT**) and the Goods and Services Tax (**GST**).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office (**ATO**); and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

## **1.16 Fair value measurement**

*Traffic Management Association of Australia* measures financial instruments, such as, financial assets as at fair value through profit or loss, financial assets at fair value through other comprehensive income, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A *Financial assets and liabilities*.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement

date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by *Traffic Management Association of Australia*. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

*Traffic Management Association of Australia* uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, *Traffic Management Association of Australia* determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, *Traffic Management Association of Australia* has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

## **Note 2      Events after the reporting period**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of *Traffic Management Association of Australia*, the results of those operations, or the state of affairs of *Traffic Management Association of Australia* in subsequent financial periods.



2022	2021
\$	\$

### Note 3 Revenue and income

#### Disaggregation of revenue from contracts with customers

A disaggregation of Traffic Management Association of Australia's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

#### Type of customer

Members	287,621	294,760
Other reporting units	-	-
Government	-	-
Other parties	131,725	132,071
Discounts Applied	(19,882)	(25,182)
<b>Total revenue from contracts with customers</b>	<b>399,464</b>	<b>401,649</b>

#### Note 3A: Grants and donations

Grants	51,400	54,200
Donations	-	-
<b>Total grants and donations</b>	<b>51,400</b>	<b>54,200</b>

### Note 4 Expenses

#### Note 4A: Employee expenses

##### Employees other than office holders:

Wages and salaries	122,976	101,341
Superannuation	12,298	9,627
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-

##### Subtotal employee expenses employees other than office holders

	-	-
<b>Total employee expenses</b>	<b>152,120</b>	<b>110,9698</b>

#### Note 4B: Administration expenses

Conference and meeting expenses	172,408	10,572
Event & training expenses	82,982	57,490
Contractors/consultants	51,476	49,193
Office expenses	234,644	191,021
Other	-	-
<b>Subtotal administration expense</b>	<b>541,510</b>	<b>308,276</b>

	2022 \$	2021 \$
<b>Note 4C: Grants or donations</b>		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	30,000	-
<b>Total grants or donations</b>	<b>30,000</b>	<b>-</b>

**Note 4D: Legal costs**

Litigation	-	-
Other legal costs	1,704	1,298
<b>Total legal costs</b>	<b>1,704</b>	<b>1,298</b>

**Note 5      Current Assets**

**Note 5A: Cash and cash equivalents**

Cash at bank	292,455	413,640
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	<b>292,455</b>	<b>413,640</b>

**Note 5B: Trade and other receivables**

**Other receivables:**

GST receivable	17,837	3,562
Other	6,498	12,766
<b>Total other receivables</b>	<b>24,335</b>	<b>16,328</b>
<b>Total trade and other receivables (net)</b>	<b>24,335</b>	<b>16,328</b>

*Traffic Management Association of Australia* has recognised the following assets and liabilities related to contracts with customers:

<b>Receivables</b>	<b>24,335</b>	<b>16,328</b>
Receivables – current	<b>24,335</b>	<b>16,328</b>
Receivables – non-current	-	-
<b>Contract assets</b>	<b>5,236</b>	<b>23,358</b>
Contract assets – current	<b>5,236</b>	<b>23,358</b>
Contract assets – non-current	-	-
<b>Other contract liabilities</b>	<b>854</b>	<b>68,266</b>
Contract liabilities – current	<b>854</b>	<b>68,266</b>
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract assets primarily relates to a reduction in prepayments for the annual conference.

The significant changes between opening and closing balances of contract liabilities primarily relates to reduction in income received in advance for tickets and sponsorship of the annual conference.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$68,266

<b>2022</b>	<b>2021</b>
<b>\$</b>	<b>\$</b>

## **Note 6 Current Liabilities**

### **Note 6A: Trade payables**

Trade creditors and accruals	<b>8,016</b>	15,912
<b>Subtotal trade creditors</b>	<b>8,016</b>	15,912
<b>Subtotal payables to other reporting unit(s)</b>	-	-
<b>Total trade payables</b>	<b>8,016</b>	15,912

Settlement is usually made within 30 days.

### **Note 6B: Other payables**

Wages and salaries	<b>2,078</b>	2,078
Superannuation	<b>3,188</b>	2,416
Other	<b>8,442</b>	6,582
<b>Total other payables</b>	<b>13,708</b>	11,076

Total other payables are expected to be settled in:

No more than 12 months	<b>13,708</b>	11,076
More than 12 months	-	-
<b>Total other payables</b>	-	-

## **Note 7 Provisions**

### **Note 7A: Employee provisions**

#### **Office holders:**

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	-	-

<b>2022</b>	<b>2021</b>
<b>\$</b>	<b>\$</b>

#### **Employees other than office holders:**

Annual leave	<b>24,292</b>	<b>7,445</b>
Long service leave	-	-



Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	-	-
<b>Total employee provisions</b>	<b>24,292</b>	<b>7,445</b>
Current	24,292	7,445
Non-current	-	-
<b>Total employee provisions</b>	<b>24,292</b>	<b>7,445</b>

## Note 8 Cash Flow

### Note 8A: Cash flow reconciliation

#### Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:

##### Cash and cash equivalents as per:

Statement of cash flow	292,455	413,640
Statement of financial position	292,455	413,640
<b>Difference</b>	-	-

#### Reconciliation of Surplus/(deficit) to net cash from operating activities:

Surplus/(deficit) for the year	(58,625)	88,743
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##### Adjustments for non-cash items

Depreciation/amortisation	-	-
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-

##### Changes in assets/liabilities

(Increase)/decrease in net receivables	(8,007)	2,961
(Increase)/decrease in prepayments	18,121	(13,858)
Increase/(decrease) in supplier payables	(5,263)	10,146
Increase/(decrease) in other payables	-	-
Increase/(decrease) in income received in advance	(67,411)	68,266
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	-	-
<b>Net cash from (used by) operating activities</b>	<b>(122,185)</b>	<b>156,258</b>

2022	2021
\$	\$

## Note 9 Related Party Disclosures

### Note 9A: Related party transactions for the reporting period

Traffic Management Association of Australia does not have any related parties or key management personnels defined in AASB 124 *Related Parties*.

## Note 10 Remuneration of Auditors

### Value of the services provided

Financial statement audit services	8,250	5,500
Other services	-	-
<b>Total remuneration of auditors</b>	<b>8,250</b>	<b>5,500</b>

## Note 11 Financial Instruments

The board meet regularly and considers risk exposure. Liquidity risk is considered in light of financial performance and cashflows. Other risks are considered when they arise.

### Note 11A: Categories of Financial Instruments

#### Financial assets

Fair value through profit or loss:	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
At amortised cost:		
Cash and cash equivalents	292,455	413,640
Trade receivables	24,335	16,329
<b>Total</b>	<b>316,790</b>	<b>429,968</b>
Fair value through other comprehensive income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Carrying amount of financial assets</b>	<b>316,790</b>	<b>429,968</b>

#### Financial liabilities

Fair value through profit or loss:	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Other financial liabilities:		
Trade payables	8,016	15,912
Other payables	13,708	11,076
<b>Total</b>	<b>21,724</b>	<b>26,988</b>
<b>Carrying amount of financial liabilities</b>	<b>21,724</b>	<b>26,988</b>

# **Note 11D: Credit risk**

Credit risk is the risk of financial loss to the branch if a customer or counter party to a financial instrument fails to meet their contractual obligations. The board meet regularly and considers risk exposure.

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

## **Financial assets**

Cash and cash equivalents	292,455	413,640
Trade receivables	24,335	16,329
<b>Total</b>	<b>316,790</b>	<b>429,968</b>

## **Financial liabilities**

Trade payables	8,016	15,912
Other payables	13,708	11,076
<b>Total</b>	<b>8,016</b>	<b>15,912</b>

In relation to the entity's gross credit risk the following collateral is held: Nil collateral held

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

30 June 2022	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

30 June 2021	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

Traffic Management Association of Australia's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2022 and 2021 is the carrying amounts as illustrated above.



### Note 11E: Liquidity risk

Liquidity risk is the risk that the branch will not be able to fund its obligations as they fall due. The board meet regularly and considers risk exposure.

#### Contractual maturities for financial liabilities 2022

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		\$	\$	\$	\$	\$
Trade payables	-	8,016	-	-	-	8,016
Other payables	-	13,708	-	-	-	13,708
<b>Total</b>	<b>-</b>	<b>21,724</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,724</b>

#### Contractual maturities for financial liabilities 2021

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		\$	\$	\$	\$	\$
Trade payables	-	15,912	-	-	-	15,912
	-	11,076	-	-	-	11,076
<b>Total</b>	<b>-</b>	<b>26,988</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,988</b>

### Note 11F: Market risk

Market risks generally include interest rate risk, price risk, and currency risk. The Traffic Management Association of Australia is exposed mainly to interest rate risk in relation to the returns received from its Cash and Cash Equivalents. All are domestic investments so there are no currency risks in relation to those investments.

#### Interest rate risk

The method and assumption used for sensitivity analysis for 2022 and 2021 are the same and illustrate the effect that a 2% change in interest rates will have on the Branch's profit and loss and equity for both years. The change is equivalent to the approximate CPI variation during both years.

#### Sensitivity analysis of the risk that the entity is exposed to for 2022

Risk variable	Change in risk variable %	Effect on	
		Profit or loss	Equity
		\$	\$
Interest rate risk	- + 2%	5,752	5,752
Interest rate risk	- - 2%	(5,752)	(5,752)

#### Sensitivity analysis of the risk that the entity is exposed to for 2021

Risk variable	Change in risk variable %	Effect on	
		Profit or loss	Equity
		\$	\$
Interest rate risk	- + 2%	7,911	7,911
Interest rate risk	- - 2%	(7,911)	(7,911)

#### Price risk

As the Traffic Management Association of Australia is only exposed to investments in cash and cash equivalents the association does not experience any price risk in regard to its investments.

### Sensitivity analysis of the risk that the entity is exposed to for 2022

Risk variable	Change in risk variable %	Effect on	
		Profit or loss	Equity
		\$	\$
Other price risk	- 0%	-	-
Other price risk	- 0%	-	-

### Sensitivity analysis of the risk that the entity is exposed to for 2021

Risk variable	Change in risk variable %	Effect on	
		Profit or loss	Equity
		\$	\$
Other price risk	- 0%	-	-
Other price risk	- 0%	-	-

## Note 12 Fair value measurement

### Note 12A: Financial assets and liabilities

Management of Traffic Management Association of Australia assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of *Traffic Management Association of Australia's* interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2022 was assessed to be insignificant.
- Fair value of equity securities are derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by *Traffic Management Association of Australia* based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2022 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for *Traffic Management Association of Australia's* financial assets and liabilities:

	Carrying amount 2022 \$	Fair value 2022 \$	Carrying amount 2021 \$	Fair value 2021 \$
<b>Financial assets</b>				
Cash and cash equivalents	292,455	292,455	413,640	413,640
Trade receivables	24,335	24,335	16,329	16,329
<b>Total</b>	<b>316,790</b>	<b>316,790</b>	<b>429,9689</b>	<b>429,9689</b>
<b>Financial liabilities</b>				
Trade payables	8,016	8,016	15,912	15,912
Other payables	13,708	13,708	11,075	11,075
<b>Total</b>	<b>8,016</b>	<b>8,016</b>	<b>26,987</b>	<b>26,987</b>

### Note 12B: Financial and non-financial assets and liabilities fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

#### Fair value hierarchy – 30 June 2022

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Cash and cash equivalents		292,455	-	-
Trade receivables		24,335		
<b>Total</b>		<b>316,790</b>	<b>-</b>	<b>-</b>
<b>Liabilities measured at fair value</b>				
Trade payables		8,016	-	-
Other payables		13,708		
<b>Total</b>		<b>8,016</b>	<b>-</b>	<b>-</b>

#### Fair value hierarchy – 30 June 2021

	Date of valuation	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>		\$	\$	\$
Cash and cash equivalents		413,640	-	-
Trade receivables		16,329		
<b>Total</b>		<b>429,968</b>	<b>-</b>	<b>-</b>
<b>Liabilities measured at fair value</b>				
Trade payables		15,912	-	-
Other payables		11,075	-	-
<b>Total</b>		<b>26,987</b>	<b>-</b>	<b>-</b>



**Note 13      Section 272 *Fair Work (Registered Organisations) Act 2009***

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).



## Traffic Management Association of Australia

# Officer declaration statement

I, Dylan Barker, being the Treasurer of the Traffic Management Association of Australia, declare that the following activities did not occur during the reporting period ended 30 June 2022.

*Traffic Management Association of Australia did not:*

*(Note: delete items that appear elsewhere in the audited report)*

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay wages and salaries to holders of office
- pay superannuation to holders of office
- pay leave and other entitlements to holders of office
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay separation and redundancy to employees (other than holders of office)





- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a annual leave provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a long service leave provision in respect of employees (other than holders of office)
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: .....

Dated: ..... 8/10/10/22 .....