



6 December 2023

Anthony Simmonds  
Secretary  
Traffic Management Association of Australia

Sent via email: [tmaa@tmaa.asn.au](mailto:tmaa@tmaa.asn.au)

CC: [vuson@vincents.com.au](mailto:vuson@vincents.com.au)

Dear Anthony Simmonds

**Traffic Management Association of Australia  
Financial Report for the year ended 30 June 2023 – FR2023/175**

I acknowledge receipt of the financial report for the year ended 30 June 2023 for the Traffic Management Association of Australia (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 28 November 2023.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

## **1. Designated Officer's Certificate**

### Multiple certificates included

The financial report included a 'Certificate by prescribed designated officer' dated 28 November 2023 which has been used by the Commission to assess compliance against section 268 of the *Fair Work (Registered Organisations) Act 2009*. The report also included a 'Certificate by prescribed designated officer' dated 21 September 2023. To avoid confusion please ensure that only one designated officer's certificate is included with future reports.

## **2. General Purpose Financial Report (GPFR)**

### Difference in figure reporting in LGD statement and financial report

A loans, grants and donations (LGD) statement was lodged with the Commission under subsection 237(1) of the RO Act on 20 September 2023. The LGD figure for donations that exceed \$1,000 was disclosed as \$8,100. This differs from Note 4E to the financial statements which discloses a nil amount for donations that exceed \$1,000.

The reporting unit has confirmed that the donation of \$8,100 relates to a sponsorship arrangement and will not be treated as a donation. An amended LGD has been submitted by the reporting unit.

### Statement of comprehensive income

The statement of comprehensive income incorrectly discloses 'Total comprehensive income for the year' as nil instead of (\$45,136).

In future, please ensure that total comprehensive income is disclosed correctly.

### Should be addressed to members

The auditor's statement was not addressed to the members of the reporting unit. Item 22 of ASA700 states "The auditor's report shall be addressed, as appropriate, based on the circumstances of the engagement." Item A21 of ASA700 states "Law, regulation or the terms of the engagement may specify to whom the auditor's report is to be addressed in that particular jurisdiction. The auditor's report is normally addressed to those for whom the report is prepared...".

In this instance the report is prepared for the members of the reporting unit. Accordingly, the auditor's statement is required to be addressed to the members of the Traffic Management Association of Australia.

## **3. Auditor's statement**

### Auditor's qualifications

Item 29(b) of the reporting guidelines states that the auditor's statement must specify the registered auditor's name and registration number. The auditor's statement provided states the name of the registered auditor but not the registration number (AA2022/18).

Please ensure that in future years the auditor's statement includes both the name and registration number of the registered auditor.

If you have any queries regarding this letter, please contact me on (03) 8650 0183 or via email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au).

Yours sincerely



**KEN MORGAN**  
**Assistant Director, Financial Analysis**  
**Registered Organisations Services Branch**



## **Traffic Management Association of Australia (TMAA)**

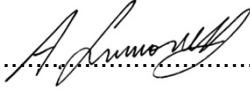
s.268 Fair Work (Registered Organisations) Act 2009

# **Certificate by prescribed designated officer<sup>1</sup>**

Certificate for the year ended 30 June 2023

I, Anthony Simmons, being the Secretary 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 (TMAA) 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 24 October 2023; and
- that the full report was presented to a General Members Meeting of the reporting unit on 16 November 2023 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: .....

Name of prescribed designated officer: Anthony Simmons.....

Title of prescribed designated officer: Secretary.....

Dated: 28 November 2023.....

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<sup>1</sup> Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**TRAFFIC MANAGEMENT ASSOCIATION  
OF AUSTRALIA**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**



**Traffic Management Association of Australia**

**Financial Statements 2022–23**

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## Certificate by prescribed designated officer

Certificate for the year ended 30 June 2023

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 *21/09/2023*; and
- that the full report was presented to a general meeting of members of the reporting unit on *21/09/2023* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: .....



Name of prescribed designated officer: ..... *Dylan Barker* .....

Title of prescribed designated officer: ..... *Treasurer* .....

Dated: ..... *21.09.2023* .....

## Independent audit report

Independent Audit Report to the Committee of Management 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 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2023, 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 2023, 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.

### **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.

My opinion on the financial report is not modified in respect of the following matter(s) because, in my opinion, it has been appropriately addressed by the reporting unit and is not considered material in the context of the audit of the financial report as a whole.



Victor Uson  
Director  
Vincent's Assurance & Risk Advisory

Brisbane QLD  
21 September 2023

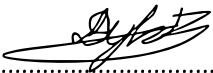
## Report required under subsection 255(2A)

for the year ended 30 June 2023

The committee of management presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2023.

Descriptive form

Categories of expenditures	2023 (\$)	2022 (\$)
Remuneration and other employment-related costs and expenses – employees	159,961	152,120
Advertising	4,800	4,960
Operating costs	578,079	574,800
Donations to political parties	–	–
Legal costs	–	1,298

Signature of designated officer:  .....

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

Dated: 21.09.2023 .....

## Operating report

*for the year ended 30 June 2023*

The committee of management presents its operating report on the reporting unit for the year ended 30 June 2023.

### **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 Organisation;
- 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 funded by the Office of Road Safety which concludes in November 2023).
- 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**

As of 30 June 2023, the total number of TMAA members across all membership categories was 172.

**Number of employees**

The current number of employees of the TMAA is two (2), Matthew Bereni, Chief Executive Officer, commenced in January 2023, full time. The second employee is Bailey Morgan, Executive Assistant, commenced in May 2023, full 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 for the as from 1 July 2022 and as at were:

President and NT Board Representative – Andrew White (elected 11 March 2022)

Vice President and QLD Board Representative – John Cassel (elected 17 May 2022)

Treasurer and SA Board Representative – Dylan Barker (elected 8 April 2022)

Secretary and VIC Board Representative – Anthony Simmons (elected 11 January 2022)

NSW Board Representative – Ben Marsonet (elected 11 January 2022)

TAS Board Representative – Peter Dixon (elected 11 January 2022)

WA Board Representative – Stephen O'Dwyer (elected 11 January 2022)

Signature of designated officer: ..... 

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

Dated: ..... 21.09.2023



## Committee of management statement

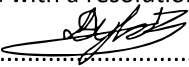
*for the year ended 30 June 2023*

On 21/09/2023 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 2023:

The Traffic Management Association of Australia (TMAA) 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 General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
  - 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, Treasurer

Dated: ..... 21.09.2023

Traffic Management Association of Australia

# Statement of comprehensive income

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>Revenue from contracts with customers</b>			
Membership subscriptions	3	325,846	287,621
Other sales of goods or services to members	3	128,458	131,725
Discounts applied	3	(26,425)	(19,882)
<b>Total revenue from contracts with customers</b>		<b>427,879</b>	<b>399,464</b>
<b>Income for furthering objectives</b>			
Grants and/or donations	3A	55,000	51,400
<b>Total income for furthering objectives</b>		<b>55,000</b>	<b>51,400</b>
<b>Other income</b>			
Conference income		181,332	157,159
Other income		33,491	50,090
<b>Total other income</b>		<b>214,823</b>	<b>207,249</b>
<b>Total income</b>		<b>697,702</b>	<b>658,113</b>
<b>Expenses</b>			
Employee expenses	4A	159,961	152,120
Administration expenses	4B	569,770	541,510
Grants or donations	4C	-	30,000
Legal costs	4E	-	1,704
Audit fees	12	11,800	8,250
Depreciation expense	4D	1,307	-
<b>Total expenses</b>		<b>742,838</b>	<b>733,584</b>
<b>Deficit for the year</b>		<b>(45,136)</b>	<b>(75,471)</b>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>

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

# Statement of financial position

as at 30 June 2023

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5A	248,501	292,455
Trade and other receivables	5B	10,679	24,335
Contract assets	5B	2,088	5,236
<b>Total current assets</b>		<b>261,268</b>	322,026
<b>Non-current assets</b>			
Property, Plant and Equipment	6A	8,670	-
<b>Total non-current assets</b>		<b>8,670</b>	-
<b>Total assets</b>		<b>269,938</b>	322,026
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	7A	8,027	8,016
Other payables	7B	31,891	13,708
Employee provisions	8A	-	24,292
Contract liabilities		-	854
<b>Total current liabilities</b>		<b>39,918</b>	46,870
<b>Total liabilities</b>		<b>39,918</b>	46,870
<b>Net assets</b>		<b>230,020</b>	275,156
<b>EQUITY</b>			
General fund/retained earnings		230,020	275,156
Other funds		-	-
Reserves		-	-
<b>Total equity</b>		<b>230,020</b>	275,156

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

## Statement of changes in equity

for the year ended 30 June 2023

	General funds / retained earnings	Other funds	Reserves	Total equity
Notes	\$	\$	\$	\$
<b>Balance as at 1 July 2021</b>	350,627	-	-	350,267
Adjustment for errors	-	-	-	-
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted Balance as at 1 July 2021</b>	350,627	-	-	350,627
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>
Deficit	(45,136)	-	-	(45,136)
Other comprehensive income	-	-	-	-
Transfer from retained earnings	-	-	-	-
<b>Closing balance as at 30 June 2023</b>	<b>230,020</b>	-	-	<b>230,020</b>

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

## Statement of cash flows

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from customers		657,616	554,841
Donations and grants		55,000	51,400
Other		-	-
<b>Cash used</b>			
Employees		(156,961)	(152,120)
Suppliers		(589,632)	(575,306)
<b>Net cash from (used by) operating activities</b>	9A	<b>(33,977)</b>	<b>(121,185)</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Other		-	-
<b>Cash used</b>			
Payment for property, plant and equipment		(9,977)	-
<b>Net cash from (used by) investing activities</b>		<b>(9,977)</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Other		-	-
<b>Cash used</b>			
Other		-	-
<b>Net cash from (used by) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>		<b>(43,954)</b>	<b>(121,185)</b>
Cash & cash equivalents at the beginning of the reporting period		292,455	413,640
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>248,501</b>	292,455

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

## Index to the notes of the financial statements

Note 1	Summary of significant accounting policies
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Note 7	Current liabilities
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Note 15	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

## **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 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. 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 estimates have been made in the process of applying the *Traffic Management Association of Australia's* accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- i. AASB 116 Property, Plant and Equipment – Depreciation and useful lives of plant and equipment.
- ii. AASB 137 Provisions, Contingent Liabilities and Contingent Assets – Provision for employee benefits.

### **1.4 New Australian Accounting Standards**

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

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

## **Future Australian Accounting Standards**

No future accounting standard has been issued prior to the sign-off date and are applicable to future reporting periods.

### **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 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, 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's* 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 arounds); and
- government grants.

#### **Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

## **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 up 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.

## **1.9 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.

## **1.10 Financial instruments**

Financial assets and financial liabilities are recognised when *Traffic Management Association of Australia* becomes a party to the contractual provisions of the instrument.

## **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).

### **Initial recognition and measurement**

*Traffic Management Association of Australia's* financial assets include trade receivables.

*Traffic Management Association of Australia's* financial assets are classified as financial assets subsequently measured at amortised cost because 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.

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

*Traffic Management Association of Australia* initially measures a financial asset at its fair value plus transaction costs. However contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy in Note 1.9.

### **Subsequent measurement**

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.

### **Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the asset have expired. For receivables and contract assets, *Traffic Management Association of Australia* directly reduces the gross carrying amount of a receivable or contract asset when it has no reasonable expectations of recovering the receivable or contract asset in its entirety or a portion thereof.

### **Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the *Traffic Management Association of Australia* currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

## **Impairment**

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

#### **i. Debt instruments other than trade receivables**

The *Traffic Management Association of Australia* recognises an allowance for ECLs for all contract assets, receivables and any other financial assets measured at amortisation cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **ii. Trade receivables and contract assets**

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**

*Traffic Management Association of Australia's* financial liabilities include trade and other payables, interest-bearing loans and borrowings.

*Traffic Management Association of Australia's* financial liabilities are classified as financial liabilities subsequently measured at amortised cost.

These financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

### **Subsequent measurement**

#### **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 Plant and equipment

Purchases of plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Plant and equipment are measured at cost less accumulated depreciation and impairment losses.

### 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.

2023	2022
\$	\$

### 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	325,846	287,621
Other reporting units	-	-
Government	-	-
Other parties	128,458	131,725
Discounts applied	(26,425)	(19,882)
<b>Total revenue from contracts with customers</b>	<b>427,879</b>	<b>401,649</b>

	2023	2022
	\$	\$
<b>Note 3A: Grants and/or donations</b>		
Grants	50,000	51,400
Donations	5,000	-
<b>Total grants and donations</b>	<b>55,000</b>	<b>51,400</b>

#### **Note 4 Expenses**

##### **Note 4A: Employee expenses**

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

Wages and salaries	142,708	122,976
Superannuation	17,193	12,298
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	60	-
<b>Subtotal employee expenses employees other than office holders</b>	<b>159,961</b>	<b>152,120</b>
<b>Total employee expenses</b>	<b>159,961</b>	<b>152,120</b>

##### **Note 4B: Administration expenses**

Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	193,148	172,408
Event & training expenses	45,593	82,982
Contractors/consultants	67,482	51,476
Property expenses	-	-
Office expenses	263,547	234,644
Information communications technology	-	-
Other	-	-
<b>Total administration expense</b>	<b>569,770</b>	<b>541,510</b>



	2023	2022
	\$	\$

**Note 4C: Grants or donations**

	2023	2022
	\$	\$
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>-</b>	<b>30,000</b>

**Note 4D: Depreciation and amortisation**

Depreciation		
Buildings	-	-
Property, plant and equipment	1,307	-
<b>Total depreciation and amortisation</b>	<b>1,307</b>	<b>-</b>

**Note 4E: Legal costs**

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

**Note 5 Current Assets**

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

Cash at bank	248,501	292,455
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
<b>Total cash and cash equivalents</b>	<b>248,501</b>	<b>292,455</b>

<b>2023</b>	<b>2022</b>
<b>\$</b>	<b>\$</b>

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

**Other receivables:**

GST receivable	<b>10,679</b>	17,837
Other	-	6,498
<b>Total other receivables</b>	<b>10,679</b>	<b>24,335</b>
<b>Total trade and other receivables (net)</b>	<b>10,679</b>	<b>24,335</b>

**Note 5B: Trade and other receivables (continued)**

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

<b>Receivables</b>	<b>10,679</b>	24,335
Receivables – current	<b>10,679</b>	24,335
Receivables – non-current	-	-
<b>Contract assets</b>	<b>2,088</b>	5,236
Contract assets – current	<b>2,088</b>	5,236
Contract assets – non-current	-	-
<b>Other contract liabilities</b>	-	854
Contract liabilities – current	-	854
Contract liabilities – non-current	-	-

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

The significant changes between opening and closing balances of contract liabilities primarily relates to reduction in income in advance for tickets and sponsorship of the annual conferences occurring in the 2022/2023 financial year.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$854.

Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (e.g. changes in transaction price) was nil.

**Unsatisfied performance obligations**

There was no unsatisfied performance obligations as at 30 June 2023.

## Note 6 Non-current Assets

### Note 6A: Property, Plant and Equipment

#### 2023

	Land \$	Buildings \$	Plant and Equipment \$	Total \$
Property, Plant and Equipment:				
carrying amount	-	-	9,977	9,977
accumulated depreciation	-	-	(1,307)	(1,307)
<b>Total Property, Plant and Equipment</b>	<b>-</b>	<b>-</b>	<b>8,670</b>	<b>8,670</b>

#### *Reconciliation of opening and closing balances of property, plant and equipment*

<b>Net book value 1 July 2022</b>	-	-	-	-
Additions:				
By purchase	-	-	9,977	9,977
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	-	(1,307)	(1,307)
Other movement	-	-	-	-
Disposals:				
Nil	-	-	-	-
Other	-	-	-	-
<b>Net book value 30 June 2023</b>	<b>-</b>	<b>-</b>	<b>8,670</b>	<b>8,670</b>
<b>Net book value as of 30 June 2023 represented by:</b>				
Gross book value	-	-	9,977	9,977
Accumulated depreciation and impairment	-	-	(1,307)	(1,307)
<b>Net book value 30 June 2023</b>	<b>-</b>	<b>-</b>	<b>8,670</b>	<b>8,670</b>

**Note 6A: Property, Plant and Equipment (continued)**

**2022**

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Property, Plant and Equipment:				
carrying value	-	-	-	-
accumulated depreciation	-	-	-	-
<b>Total Property, Plant and Equipment</b>	-	-	-	-

***Reconciliation of opening and closing balances of property, plant and equipment***

<b>Net book value 1 July 2021</b>	-	-	-	-
Additions:				
By purchase	-	-	-	-
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	-	-	-
Other movement	-	-	-	-
Disposals:				
Nil	-	-	-	-
Other	-	-	-	-
<b>Net book value 30 June 2022</b>	-	-	-	-
<b>Net book value as of 30 June 2022 represented by:</b>				
Gross book value	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-
<b>Net book value 30 June 2022</b>	-	-	-	-

	2023	2022
	\$	\$
<b>Note 7 Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	8,027	8,016
<b>Subtotal trade creditors</b>	<b>8,027</b>	<b>8,016</b>
<b>Subtotal payables to other reporting unit(s)</b>	<b>-</b>	<b>-</b>
<b>Total trade payables</b>	<b>8,027</b>	<b>8,016</b>
Settlement is usually made within 30 days.		
<b>Note 7B: Other payables</b>		
Wages and salaries	5,395	2,078
Superannuation	6,791	3,188
Legal costs		
Litigation	-	-
Other legal costs	-	-
Other	19,705	8,442
<b>Total other payables</b>	<b>31,891</b>	<b>13,708</b>
Total other payables are expected to be settled in:		
No more than 12 months	31,891	13,708
More than 12 months	-	-
<b>Total other payables</b>	<b>31,891</b>	<b>13,708</b>

	2023	2022
	\$	\$

## Note 8 Provisions

### Note 8A: Employee provisions

#### Office holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

#### **Subtotal employee provisions—office holders**

-	-
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#### Employees other than office holders:

Annual leave	-	24,292
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

#### **Subtotal employee provisions—employees other than office holders**

-	24,292
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#### **Total employee provisions**

-	24,292
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Current	-	24,292
Non-current	-	-
<b>Total employee provisions</b>	-	24,292

## Note 9 Cash Flow

### Note 9A: 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	248,501	292,455
Statement of financial position	248,501	292,455
<b>Difference</b>	-	-

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

Surplus/(deficit) for the year	(45,136)	(75,471)
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	2023	2023
	\$	\$
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	1,307	-
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	13,657	(8,007)
(Increase)/decrease in prepayments	3,148	18,121
Increase/(decrease) in supplier payables	18,183	(5,263)
Increase/(decrease) in other payables	-	-
Increase/(decrease) in income received in advance	(845)	(67,411)
Increase/(decrease) in employee provisions	(24,291)	16,846
<b>Net cash used by operating activities</b>	<b>(33,977)</b>	<b>(121,185)</b>

#### Note 9B: Cash flow information

Cash inflows		
Traffic Management Association of Australia	860,057	691,419
<b>Total cash inflows</b>	<b>860,057</b>	<b>691,419</b>
Cash outflows		
Traffic Management Association of Australia	903,245	812,604
<b>Total cash outflows</b>	<b>903,245</b>	<b>812,604</b>

#### Note 10 Contingent Liabilities, Assets and Commitments

##### Note 10A: Commitments and contingencies

Traffic Management Association of Australia did not have any Contingent Liabilities, Assets or Commitments at 30 June 2023.

#### Note 11 Related Party Disclosures

##### Note 11A: Related party transactions for the reporting period

Traffic Management Association of Australia does not have any related parties, only key management personnels defined in AASB 124 Related Parties. Refer to note 13b.

	2023 \$	2022 \$
<b>Note 11B: Key management personnel remuneration for the reporting period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	131,699	122,976
Annual leave accrued	-	24,292
Performance bonus	-	-
<b>Total short-term employee benefits</b>	<b>131,699</b>	<b>147,268</b>
<b>Post-employment benefits:</b>		
Superannuation	16,056	12,298
<b>Total post-employment benefits</b>	<b>16,056</b>	<b>12,298</b>
<b>Other long-term benefits:</b>		
Long-service leave	-	-
<b>Total other long-term benefits</b>	<b>-</b>	<b>-</b>
<b>Termination benefits</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>168,970</b>	<b>159,566</b>

**Note 11C: Transactions with key management personnel and their close family members**

**Loans to/from key management personnel**

Nil	-	-
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**Other transactions with key management personnel**

Reimbursements	15,423	1,452
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**Note 12 Remuneration of Auditors**

**Value of the services provided**

Financial statement audit services	9,500	8,250
Grant acquittal	2,000	-
Review of acquittal	300	-
<b>Total remuneration of auditors</b>	<b>11,800</b>	<b>8,250</b>



2023	2022
\$	\$

## Note 13 Financial Instruments

*Traffic Management Association of Australia* has financial instruments that are cash or cash equivalents, trade receivables, trade and some other payables that are carried at amortised cost.

### Note 13A: Categories of Financial Instruments

#### Financial assets

At amortised cost:

Cash and cash equivalents	248,501	292,455
Trade receivables	10,679	24,335
<b>Total</b>	<b>259,180</b>	<b>316,790</b>
<b>Carrying amount of financial assets</b>	<b>259,180</b>	<b>316,790</b>

#### Financial liabilities

At amortised cost:

Trade payables	8,027	8,016
Other payables	31,892	13,708
<b>Total</b>	<b>39,919</b>	<b>21,724</b>
<b>Carrying amount of financial liabilities</b>	<b>39,919</b>	<b>21,724</b>

### Note 13B: Net income and expense from financial assets

#### Financial assets at amortised cost

Interest revenue	-	-
Impairment	-	-
<b>Net income/(expense) from financial assets</b>	<b>-</b>	<b>-</b>

### Note 13C: Net income and expense from financial liabilities

#### Financial liabilities at amortised cost

Interest expense	-	-
Gain/loss on disposal	-	-
<b>Net gain/(loss) from financial liabilities</b>	<b>-</b>	<b>-</b>

### Note 13D: Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. *Traffic Management Association of Australia* is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits held with banks. Set out below is the information about the credit risk exposure on trade receivables and contract assets using a provision matrix:

	Trade receivables and contract assets					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
30 June 2023						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-
30 June 2022						
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

For trade receivables and contract assets, customer credit risk is managed in accordance with *Traffic Management Association of Australia's* established policy, procedures and control relating to customer credit risk management, which states that the *Traffic Management Association of Australia* team will conduct at least two reference checks for each Membership application, one from our National Management Committee member for the relevant state and one from our relevant State division Chair or Vice Chair. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. *Traffic Management Association of Australia* does not hold collateral as security. *Traffic Management Association of Australia* evaluates the concentration of risk with respect to trade receivables and contract assets as low.

Credit risk from balances with banks and financial institutions is managed in accordance with *Traffic Management Association of Australia's* policy is to operate within the approved budget by Management Committee. *Traffic Management Association of Australia* currently has no loans and would not take on debt without Board approval.

*Traffic Management Association of Australia's* maximum exposure to credit risk for the components of the statement of financial position at 30 June 2023 and 2022 is the carrying amounts as illustrated above.

#### **Note 13E: Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

*Traffic Management Association of Australia* has sufficient cash to reduce the liquidity risk for its financial asset.

The following tables sets out the liquidity risk of financial liabilities held by *Traffic Management Association of Australia*. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

Contractual maturities for financial liabilities and lease liabilities are as follows:

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
<b>Financial liabilities 30 June 2023</b>						
Payables	-	8,027	-	-	-	8,027
Borrowings	-	31,892	-	-	-	31,892
<b>Total</b>	-	<b>39,919</b>	-	-	-	<b>39,919</b>
<b>Financial liabilities 30 June 2022</b>						
Payables	-	8,016	-	-	-	8,016
Borrowings	-	13,708	-	-	-	13,708
<b>Total</b>	-	<b>21,724</b>	-	-	-	<b>21,724</b>

#### **Note 13F: Market risk**

##### **Interest rate risk**

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. *Traffic Management Association of Australia* exposure to the risk of changes in market interest rates relates primarily to its interest bearing loans.

*Traffic Management Association of Australia* does not have any interest bearing financial liabilities and therefore does not have an associated interest rate risk. The nature of the financial liabilities for *Traffic Management Association of Australia* includes wages payable, and trade payables and other payables.

The following table demonstrates the sensitivity to a reasonably possible change in interest rate of those interest bearing loans:

2023					2022			
Risk variable		Change in risk variable	Effect on		Risk variable	Change in risk variable	Effect on	
			Profit or loss	Equity			Profit or loss	Equity
			%	\$			\$	\$
Interest rate risk	-	+2%	4,970	4,970	-	+2%	5,849	5,849
Interest rate risk	-	-2%	(4,970)	(4,970)	-	-2%	(5,849)	(5,849)
							2023	2022
							\$	\$

**Note 13G: Asset pledged/or held as collateral**

**Assets pledged as collateral**

**Financial assets pledged as collateral:**

Nil

**Total assets pledged as collateral**

Not applicable.

-	-
-	-

**Note 13H: Changes in liabilities arising from financing activities**

	2023			2022		
	Current interest-bearing loans and borrowings	Non-current interest-bearing loans and borrowings	Total	Current interest-bearing loans and borrowings	Non-current interest-bearing loans and borrowings	Total
	\$	\$	\$	\$	\$	\$
Beginning balance	-	-	-	-	-	-
Cash flows	-	-	-	-	-	-
New leases	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ending balance	-	-	-	-	-	-

## Note 14 Fair value measurements

### Note 14A: 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 2023 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 2023 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 2023 \$	Fair value 2023 \$	Carrying amount 2022 \$	Fair value 2022 \$
<b>Financial assets</b>				
Cash and cash equivalents	248,501	248,501	292,455	292,455
Trade receivables	10,679	10,679	24,335	24,335
<b>Total</b>	<b>259,180</b>	<b>259,180</b>	<b>316,790</b>	<b>316,790</b>
<b>Financial liabilities</b>				
Trade payables	8,027	8,027	8,016	8,016
Other payables	31,892	31,892	13,708	13,708
<b>Total</b>	<b>39,919</b>	<b>39,919</b>	<b>21,724</b>	<b>21,724</b>

**Note 14B: 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**

	Date of valuation	Level 1		Level 2		Level 3	
		2023	2022	2023	2022	2023	2022
		\$	\$	\$	\$	\$	\$
<b>Assets measured at fair value</b>							
Cash and cash equivalents		<b>248,501</b>	292,455	-	-	-	-
Trade receivables		<b>10,679</b>	24,335	-	-	-	-
<b>Total</b>		<b>259,180</b>	316,790	-	-	-	-
<b>Liabilities measured at fair value</b>							
Trade payables		<b>8,027</b>	8,016	-	-	-	-
Other payables		<b>31,892</b>	13,708	-	-	-	-
<b>Total</b>		<b>39,919</b>	21,724	-	-	-	-

**Note 15 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 the General Manager:

1. A member of a reporting unit, or the General Manager, 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).

## 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 ending 30 June 2023.

*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 periodic or membership subscriptions
- 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
- Receive income from volunteer services
- 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 a donation that exceeded \$1,000
- 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 wages and salaries to employees (other than holders of office)
- pay superannuation to employees (other than holders of office)
- pay leave and other entitlements to employees (other than holders of office)

- pay separation and redundancy to employees (other than holders of office)
- pay other employee expenses 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 legal costs relating to other legal matters
- 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 annual leave provision in respect of employees (other than 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: ..... 21.09.2023 .....