



20 November 2015

Mr Paul Kelly
Secretary
Traffic Management Association of Australia
tmaa@tmaa.asn.au

CC: Vincents Audit and Assurance, Peter Sheville by email crosetta-walsh@vincents.com.au

Dear Mr Kelly,

**Traffic Management Association of Australia
Financial Report for the year ended 30 June 2015 - [FR2015/312]**

I acknowledge receipt of the financial report of the Traffic Management Association of Australia. The documents were lodged with the Fair Work Commission on 8 October 2015.

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

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.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 the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

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

Designated Officers Certificate

The Designated Officer's Certificate was not dated. This document must be dated after the General Purpose Financial Report has been presented to the second meeting and after the General Purpose Financial Report has been provided to the members.

Please ensure that next year's Designated Officer's Certificate is dated as the date it is signed.

Disclosure of grants or donations

Reporting Guideline 16(e) requires that where grants or donations have been paid, the total amount paid is to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were less than \$1,000; and
- (iv) donations that exceeded \$1,000

There was no information in the report concerning grants or donations. Reporting Guidelines 17 requires that this information must be provided even if the line items are NIL.

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires a payable in relation to legal costs to be disclosed and broken down by *litigation* and by *other legal matters*. Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement to this effect must be included in the GPFR. I note that for litigation and other legal matters no such disclosure has been made.

Please ensure that these line items appear in next year's report, even if the figure is NIL.

References to the Fair Work Commission

I note that the General Purpose Financial Report refers to the Fair Work Commission on a number of occasions as Fair Work Australia. This is no longer the name of the organisation. Please ensure that next year's report refers to the Fair Work Commission.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8656 4698 or via email at catherine.bebbington@fwc.gov.au.

Kind regards



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8656 4698

Fax: 03 9655 0410

catherine.bebbington@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000
GPO Box 1994, Melbourne Victoria 3001

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Please note my phone number has changed to 03 8656 4698

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**TRAFFIC MANAGEMENT ASSOCIATION OF
AUSTRALIA**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

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To the members of the Traffic Management Association of Australia

Report on the Financial Report

We have audited the accompanying financial report of Traffic Management Association of Australia, which comprises the Statement of Financial Position as at 30 June 2015, the Statement of Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory notes and Committee of Management Statement. This audit has been conducted by an approved auditor whom is a member of the Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.

The responsibility of the Committee of Management for the Financial Report

The Committee of Management are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

INDEPENDENT AUDITOR'S REPORT



Independence

In conducting our audit, we have complied with the independence requirements of the professional standards.

Auditor's Opinion

In our opinion, the general purpose financial report presents fairly, in all material respects:

- (a) the financial position of Traffic Management Association of Australia as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations);
- (b) we have concluded that managements' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- (c) with the AASB and any other requirements imposed by Part 3 of Chapter 8 of the the Fair Work (Registered Organisations) Act 2009t.

Peter Sheville

Vincent's Audit & Assurance

1 September 2015

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

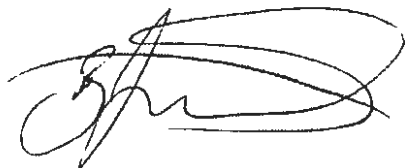
**DESIGNATED OFFICERS CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2015**

s.268 Fair Work (Registered Organisations) Act 2009

I, Brendan Woods, being the President of the Traffic Management Association of Australia (TMAA) certify:

- that the documents lodged herewith are copies of the full report for Traffic Management Association of Australia for the period ended 30 June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to all TMAA members on 07/9/15; and
- that the full report was presented to a *TMAA General Members' Meeting* on 02/10/15 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature



Brendan Woods

President

Date:



TRAFFIC MANAGEMENT
ASSOCIATION OF AUSTRALIA

Traffic Management Association of Australia (TMAA)
Operating Report for financial year ending 30 June 2015
(S254 and regulation 159)

1. Principal Activities

The Traffic Management Association of Australia (TMAA) was registered under Fair Work Australia on 2 November 2011. The principal activities for the association are as follows:

Objects of the Organisation

The Organisation'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
- b) National Accreditation for Traffic Controllers
- c) National Award/Agreement for Traffic Controllers

2. Financial Affairs of the TMAA

All financial reports and information from 1 July 2014 through to 30 June 2015 are provided in the General Purpose accounts and financial reports provided in separate documentation from the Operating Report.



TRAFFIC MANAGEMENT
ASSOCIATION OF AUSTRALIA

3. Resignation of Membership

- 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.

4. Details of officers of the TMAA as a registered organisation

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 Australia for Registered Organisations.

The TMAA Board and State Representatives from 1 July 2014 were:

Andrew White – Traffic Management Association of South Australia – TMAA Treasurer
Brendan Woods – Traffic Management Industry Association of Victoria – TMAA President
Paul Kelly – Traffic Management Association of Queensland – TMAA Secretary
Erin Studsor – Traffic Management Association of Western Australia – TMAA Vice President
Adrian Dart – Traffic Management Association of New South Wales – State Representative

5. Number of members at the end of the financial year

As at 30 June 2015, there were 79 member companies of the TMAA represented under five state and one territory associations. A full list of current members can be provided upon written request to the Secretary.

6. Number of employees

The TMAA has no employees. Administration and Secretarial support is provided by an external Contractor, being Louise Van Ristell of ProfilePR.

7. Name of each person who has been a member of the Committee of Management at any time during the financial year and the period for which they held such a position.



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The Board for the TMAA presided over the association from 1 July 2014 until 27 March 2015 (TMAA Annual General Meeting). The Board for this period consisted of the following representatives:

Brendan Woods, President
Andrew White, Treasurer
Erin Studsor, Vice President
Paul Kelly, Secretary
Adrian Dart, State Representative

The Board was dissolved on 27 March 2015 prior to the Annual General Meeting and election by the Australian Electoral Commission of the board, which is outlined as follows: (and in the details of officers section above):

The TMAA Board and State Representatives from 27 March 2015 until 30 June 2015 are:

Andrew White – Traffic Management Association of South Australia – TMAA Treasurer

Brendan Woods – Traffic Management Industry Association of Victoria – TMAA President

Paul Kelly – Traffic Management Association of Queensland – TMAA Secretary

Erin Studsor – Traffic Management Association of Western Australia – TMAA Vice President

Vincent LoCoco – Traffic Management Association of New South Wales – TMAA State Representative (resigned 15 May 2015) election held by AEC for new New South Wales representative – Ben Marsonet (elected 8 July 2015)

8. Additional Information

Upon written request to the Secretary a copy of the Register of Members and the TMAA rules can be provided.

Signed Andrew White Dated 01/09/15

Position Treasurer



**TRAFFIC MANAGEMENT
ASSOCIATION OF AUSTRALIA**

Traffic Management Association of Australia (TMAA)

Committee Of Management Statement

On 01/09/15 the Committee of Management of the Traffic Management Association of Australia (TMAA) passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30/06/2015:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply* with the Australian Accounting Standards;
- (b) the financial statements and notes comply* with the reporting guidelines of the General Manager;
- (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;
- (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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been* furnished to the member or the General Manager; and
 - (vi) there has been* compliance with any order for inspection of financial records made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.



**TRAFFIC MANAGEMENT
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(f) **in relation to recovery of wages activity:**

The TMAA has no direct employees so no recovery of wages activity is included in the financial statements.

For Committee of Management: ANDREW WHITE [name of designated officer per section 243 of the Fair Work (Registered Organisations) Act 2009]

Title of Office held: TREASURER

Signature: 

Date: 01/09/15

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
INCOME			
Member Subscriptions		21,334	15,500
Suppliers Membership		25,098	22,083
Suppliers Sponsorship Income		41,105	-
Other Sponsorship		63,269	54,319
Conference Income		99,060	93,344
Industrial Award Fund		-	135,000
Miscellaneous Income		-	-
		<u>249,866</u>	<u>320,246</u>
EXPENSES			
Accountancy Fees		4,155	4,249
Advertising		86	-
AGM		-	-
Auditor's remuneration		2,400	2,350
Conference Expense		86,971	101,147
Consultancy Fees		29,182	34,474
Events		2,986	401
Insurance		2,125	2,215
Legal Fees		72,319	75,868
Other Expenses		8,627	4,099
Postage		209	297
Printing & Stationery		1,056	6,432
Promotional		5,513	4,026
Staff Amenities		242	-
Suppliers Sponsorship		40,750	-
Telephone		1,419	1,914
Training		-	3,000
Travel & Entertainment		14,311	4,614
Web & Internet Charges		1,374	1,465
		<u>273,725</u>	<u>246,551</u>
(LOSS)/PROFIT FOR THE YEAR		<u>(23,859)</u>	<u>73,695</u>
OTHER COMPREHENSIVE INCOME			
Items that will not be subsequently reclassified to profit or loss		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(23,859)</u>	<u>73,695</u>

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	3	113,619	118,479
Trade and other receivables	4	7,650	10,320
TOTAL CURRENT ASSETS		<u>121,269</u>	<u>128,799</u>
TOTAL ASSETS		<u>121,269</u>	<u>128,799</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	5	12,084	3,475
Other payables	6	52,914	45,194
TOTAL CURRENT LIABILITIES		<u>64,998</u>	<u>48,669</u>
TOTAL LIABILITIES		<u>64,998</u>	<u>48,669</u>
NET ASSETS		<u>56,271</u>	<u>80,130</u>
EQUITY			
Retained earnings		56,271	80,130
TOTAL EQUITY		<u>56,271</u>	<u>80,130</u>

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Retained earnings	Total
Balance as at 30 June 2013		6,435	6,435
Profit for the year ended 30 June 2014		73,695	73,695
Balance as at 30 June 2014		<u>80,130</u>	<u>80,130</u>
Loss for the year ended 30 June 2015		(23,859)	(23,859)
Balance as at 30 June 2015		<u><u>56,271</u></u>	<u><u>56,271</u></u>

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and sponsors		153,246	89,388
Receipts from conferences		95,865	93,344
Receipts from industrial award		5,000	130,000
Payment to suppliers		<u>(258,971)</u>	<u>(251,590)</u>
Cash from operating activities		<u>(4,860)</u>	<u>61,142</u>
Cash from investing activities		<u>-</u>	<u>-</u>
Cash from financing activities		<u>-</u>	<u>-</u>
Net increase in cash		(4,860)	61,142
Cash at the beginning of the year		<u>118,479</u>	<u>57,337</u>
Cash at the end of the year		<u>113,619</u>	<u>118,479</u>

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

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*. For the purpose of preparing the general purpose financial statements, the Traffic Management Association of Australia is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, 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 preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The accounting policies adopted are consistent with those of the previous financial year

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date are applicable to the future reporting period on Traffic Management Association of Australia.

1.5 Revenue and receivables

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions, sponsorships and conferences is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

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

In the year ended 30 June 2015 TMAA commenced receiving supplier sponsorships on behalf of the States to provide better consolidated national representation. As part of these arrangements TMAA then passes the equivalent sponsorship onto the States in the form of a payment."

1.6 Cash & cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes 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 consolidated statement of financial position.

1.7 Trade payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

1.8 Other payables

Other payables represent the liability outstanding at the end of the reporting period for subscriptions, sponsorships and conferences received in advance. The balance is recognised as a current liability with the amount being normally for subscriptions, sponsorships and conferences within 12 months of the end of the reporting period.

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1.9 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.

1.10 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 obligations 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; 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 cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 \$	2014 \$
2. Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	<u>-</u>	<u>-</u>
3. Cash & cash equivalents		
NAB Community Fee Saver	112,083	54,652
NAB Industrial Award Business	1,536	63,827
	<u>113,619</u>	<u>118,479</u>
4. Trade and other receivables		
Trade receivables	7,650	5,000
GST receivable	-	5,320
Loans receivable	-	-
	<u>7,650</u>	<u>10,320</u>
5. Trade payables		
Trade creditors	557	25
GST Payable	502	-
Accrued expenses	11,025	3,450
	<u>12,084</u>	<u>3,475</u>
6. Other payables		
Income received in advance	<u>52,914</u>	<u>45,194</u>
7. Cash flow reconciliation		
(Loss)/Profit for the year	(23,859)	73,695
<i>Changes in receivables and payables:</i>		
(Increase)/decrease in trade and other receivable	2,670	(10,320)
Increase/(decrease) in trade and other payable	16,329	(2,233)
Cash from operations	<u>(4,860)</u>	<u>61,142</u>
8. Events after the reporting period		

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Traffic Management Association of Australia.

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

9. Commitments & contingencies

There are no commitments and/or contingencies that have not been disclosed in these financial statements.

10. Related party disclosures

Traffic Management Association of Australia does not have any related parties or key management personnel as defined in AASB 24 *Related Parties*.

11. Financial instruments

The financial instruments held by Traffic Management Association of Australia are:

	2015	2014
	\$	\$
Cash and cash equivalents	113,619	118,479
Trade receivables	7,650	10,320
Trade payables	(12,084)	(3,475)

Traffic Management Association of Australia does not have any exposure to price risk as a result of the types of financial instruments held.

Credit risk on financial assets is managed by only entering into transactions with creditworth counterparties.

All payables are due within 30 days and there are no receivable that are past due and not impaired.

None of the financial instruments are measured at fair value.

12. 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 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).

1 September 2015

Board of Directors
TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
PO Box 474
ALBION DC, QLD 4010

C/- Brendan Woods – President

Dear Directors,

RE: Management Letter from our Audit of Traffic Management Association of Australia (TMAA).

We have completed our audit procedures for the 30 June 2015 financial statement audit of the Traffic Management Association of Australia. Our procedures were performed in accordance with professional standards.

Our audit is performed to obtain reasonable assurance whether the financial report is free of material misstatements. Absolute assurance is not possible due to the inherent limitations of an audit and of internal control, resulting in the unavoidable risk that some material misstatements may not be detected.

In planning our audit, we considered internal control over financial reporting to determine the nature, extent and timing of audit procedures. However, a financial report audit does not provide assurance on the effective operation of internal control at the Traffic Management Association of Australia. In the course of undertaking our audit, certain matters came to our attention, and we are reporting these to you within this letter. Because fraud is deliberate, there are always risks that material misstatements, fraud and other illegal acts may exist and not be detected by our audit of the financial report.

We would like to draw the following matters to your attention:

1. Financial Results

For the year ended 30 June 2015, TMAA incurred a loss of \$23,859. This is a significant turnaround from the prior year's gain of \$73,695. This was largely due to the cessation of funds received this financial year for the "Industrial Fund Award".

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Despite this, TMAA is in a strong net current asset position, with total current assets of \$121,269 compared to total current liabilities of \$64,998 giving a current ratio of 1.87:1, indicating the entity has more than sufficient current assets to cover its current liabilities. The current ratio measures an organisation's liquidity (ability to pay its debts as when they fall due), and a ratio of higher than 1 means the entity has sufficient current assets to meet its present obligations. In this case, the TMAA has \$1.87 of current assets for every \$1 of current liabilities as at 30 June 2015. Notably, 100% of TMAA's current assets are in the form of cash and debtors. We encourage Management to continue to monitor the cash flows of TMAA.

2. Trade and Other Receivables

As at 30 June 2015, TMAA had a balance relating to trade receivables of \$7,650. Of this amount, three debtors (Prime Traffic, Reverse Alert Australia Pty Ltd & Road Runner Parts) owed amounts totalling \$3,454 that were 90+ days outstanding. The Secretariat Manager advised that they are still in the process of following up with the debtors to obtain the funds. Audit did not consider the value of these receivables to be materially misstated as at 30 June 2015, however we recommend that Management monitor the collectability of these debtors and write them off as bad debts in accordance with Australian Accounting Standards if they deem them to be uncollectable.

We would like to take this opportunity to thank the management of Traffic Management Association of Australia for their excellent co-operation and responsiveness to the audit process, in particular Louise Van Ristell and Lee Wilder.

If you have any queries or require additional information, please do not hesitate to contact Peter Sheville of this office on 07 3228 4015.

Yours sincerely
VINCENTS

Peter Sheville, Director
Vincents Audit & Assurance