



1 December 2021

Andrew White
Treasurer
Traffic Management Association of Australia

Sent via email: tmaa@tmaa.asn.au
CC: PMiller@vincents.com.au

Dear Andrew White,

**Traffic Management Association of Australia
Financial Report for the year ended 30 June 2021 – (FR2021/229)**

I acknowledge receipt of the financial report for the year ended 30 June 2021 for the Traffic Management Association of Australia (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 5 November 2021.

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 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 2021 will 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 ROC will confirm these concerns have been addressed prior to filing next year's report.

Non-compliance with previous requests

While we filed last years' financial reports, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report, namely incorrect total comprehensive income, and duplicate nil activities disclosures.

I raised these issues again with the reporting unit on 22 November 2021 to seek explanation to why these issues have not been remedied in this year's financial report. The reporting unit's auditor advised on 24 November 2021 that these issues were clerical errors. The auditor also proposed changes to the financial report to rectify these issues. Please ensure that these issues are fixed in the next financial report.

The ROC aims to assist reporting units comply with their obligations under the RO Act and reporting guidelines by providing advice about the errors identified in financial reports. Failure to

address these issues may lead to the Commissioner exercising his powers under section 330 of the RO Act.

Lodgement of unsigned document

The lodged financial report on 5 November 2021 includes an unsigned copy of the officer's declaration statement. The reporting unit's Executive Officer, Louise Van Ristell advised me on 22 November 2021 that the statement was not signed due to an oversight. She confirmed that the unsigned statement was audited on 7 October 2021, provided to members on 11 October 2021 and presented to the general meeting of members on 4 November 2021. I acknowledge receipt of the signed officer's declaration statement which was lodged with the ROC on 22 November 2021. Louise Van Ristell also advised that the signed officer's declaration together with the financial report was provided to members again on 23 November 2021.

In this instance, it appears that the full report (including all signed statements and reports) has not been provided to members 21 days before the general meeting of members as per requirement of section 265(5)(a) of the RO Act. Please ensure that all documents are signed before providing them to members.

Inconsistencies in disclosures

Employee provision disclosures

Note 7A *Employee provisions* discloses employee provisions for office holders. The officer's declaration statement, however has nil disclosures for employee expenses for office holders. It appears that note 7A should refer to employee provisions for other employees (other than holders of office).

Please ensure in the next financial year that this note is amended accordingly.

Receivables from other reporting unit

Note 5B *Trade and other receivables* includes a receivable amount from other reporting unit of \$12,766 from the Traffic Management Association of Australia. It appears that the Traffic Management Association of Australia is the reporting unit and not an "other reporting unit".

Please ensure in future year that Note 5B is amended to include correct name of the other reporting unit. If there are no receivables from other reporting unit, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement.

Disclosures of the notes

Note 9 *Contingent Liabilities, Assets and Commitments* contains sub-note Note 12A *Commitments and contingencies*. This sub-note should be numbered as note 9A.

Note 10 Related Party Disclosures contains a sub-note Note 13A Related party transactions for the reporting period. This sub-note should be numbered as note 10A.

Please ensure in future year that the notes are numbered correctly.

Use of model financial statements

I note that the reporting unit has prepared its general purpose financial report using the model financial statements available on the ROC website. Please note the introduction on page 2 of the model financial statements which states:

A reporting unit will need to ensure that, with the exception of the mandatory disclosures for the activities set out in the reporting guidelines, only disclosures that are applicable to their individual circumstances are included in the audited financial report distributed to members and lodged with the Registered Organisations Commission.

The audited financial report lodged with the ROC contains disclosures that are NOT applicable to the reporting unit and it would appear that the model statements have been replicated without a review by the reporting unit to ensure they accurately reflect the operations of the organisation. This has led to the financial report being longer than necessary.

Please ensure in future years that the financial report contains only information that is applicable to the reporting unit's circumstances and that is mandatory according to the reporting guidelines.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at kylie.ngo@roc.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kylie Ngo', with a horizontal line underneath.

Kylie Ngo
Registered Organisations Commission

**TRAFFIC MANAGEMENT ASSOCIATION
OF AUSTRALIA**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

Contents

Independent Audit Report.....3
Certificate by prescribed designated officer6
Report required under subsection 255(2A)7
Operating Report.....8
Committee of management statement.....11
Statement of comprehensive income13
Statement of financial position14
Statement of changes in equity.....15
Statement of cash flows16
Index to the notes of the financial statements17
Officer declaration statement.....48



Independent Audit Report to the Members of Traffic Management

Association of Australia

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Traffic Management Association of Australia (the Registration Organisation), which comprises the statement of financial position as at 30 June 2021, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021, 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 of Traffic Management Association of Australia is in accordance with:

- a) the Australian Accounting Standards; and
- b) gives a true and fair view of the Organisation's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- c) 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.

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

Level 2, 14 Moore Street, Canberra ACT 2601 t 61.2 6274 3400 f 61.2 6274 3499

GPO Box 680, Canberra ACT 2601 w www.vincents.com.au



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

Vincents Audit Pty Ltd

Phillip Miller CA
Director

Canberra

Dated this 7 October 2021

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/24



Certificate by prescribed designated officer

Certificate for the year ended 30 June 2021

I, Andrew White, 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 (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 1 October 2021 (the management Committee), and approved by the management committee on Tuesday 5 October 2021; and the report provided to all members on 11 October 2021 and;
- that the full report was presented to a general meeting of members of the Traffic Management Association of Australia (TMAA) on Thursday 4 November 2021 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:

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

Name of prescribed designated officer: Andrew White

Title of prescribed designated officer: Treasurer

Dated: 4 November 2021



Traffic Management Association of Australia

Report required under subsection 255(2A)

For the year ended 30 June 2021

The committee of management present the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30 June 2021.

Categories of expenditures	2021 (\$)	2020 (\$)
Remunerations and other employment-related costs and expenses – employees	110,968	115,505
Advertising	-	-
Operating costs	313,776	345,069
Donations to political parties	-	-
Legal costs	1,298	6,063

Signature of prescribed designated officer:

Name and title of prescribed designated officer: Andrew White

Dated: 5 October 2021



Traffic Management Association of Australia (TMAA)

Operating Report

for the year ended 30 June 2021

The committee of management presents its operating report on the reporting unit for the year ended 30 June 2021.

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

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



Significant changes in financial affairs

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

Right of members to resign

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

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

Not applicable to any TMAA officers.

Number of members

The current number of TMAA members is 118. (Refer attached Membership Register).

Number of employees

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



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

The TMAA Management Committee office bearers are elected from a two-tier election presided over and implemented by the Australian Electoral Commission, as required by Fair Work Commission for Registered Organisations. The TMAA Board and State Representatives from 1 July 2020 were:

Andrew White – South Australia Division Representative – TMAA Treasurer

Andrew Clements – Queensland Division Representative

Anthony Simmons – Victoria Division Representative – TMAA Secretary

Damien Heaslip – Northern Territory Division Representative

Ben Marsonet – New South Wales Division Representative – TMAA Vice President

Stephen O'Dwyer – Western Australian Division Representative - TMAA President

Camille O'Meara – Tasmania Division Representative (resigned 2/02/2021)

Signature of designated officer:

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

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

Dated: 30 June 2021



Traffic Management Association of Australia (TMAA)

Committee of management statement

for the year ended 30 June 2021.

On 5 October 2021, 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**) for the year ended 30 June 2021:

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

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



TRAFFIC MANAGEMENT
ASSOCIATION OF AUSTRALIA

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

Signature of designated officer: 

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

Dated: 5 October 2021

Traffic Management Association of Australia

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

ABN: 31 212 135 038

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Traffic Management Association of Australia

Statement of comprehensive income

for the year ended 30 June 2021

	Notes	2021	2020
		\$	\$
Revenue from contracts with customers	3		
Membership subscriptions		294,760	276,433
Supplier memberships		132,071	116,762
Discounts applied		(25,182)	(20,758)
Capitation fees and other revenue from another reporting unit	3A	-	-
Levies	3B	-	-
Other sales of goods or services to members		-	-
Total revenue from contracts with customers		401,649	372,437
Income for furthering objectives	3		
Grants and/or donations*	3C	-	-
Total income for furthering objectives		-	-
Other Income			
Revenue from recovery of wages activity	3D	-	-
Suppliers sponsorship income		58,936	29,988
Other sponsorship income		54,200	84,823
Other income	3E	-	21,969
Total other income		113,136	136,780
Total income		514,785	509,217
Expenses			
Employee expenses	4A	110,968	115,505
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	-	-
Administration expenses	4D	313,776	331,214
Grants or donations	4E	-	8,000
Legal costs	4F	1,298	6,063
Audit fees	11	-	7,855
Total expenses		426,042	468,637
Surplus (deficit) for the year		88,743	40,580
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss			
Gain/(loss) on debt instruments at fair value through other comprehensive income (FVTOCI)		-	-
Items that will not be subsequently reclassified to profit or loss			
Gain/(loss) on revaluation of land & buildings		-	-
Gain/(loss) on equity instruments designated at FVTOCI		-	-
Total comprehensive income for the year		-	-

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

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
Traffic Management Association of Australia

Statement of financial position

as at 30 June 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	413,640	257,382
Trade and other receivables	5B	16,329	19,289
Prepayments	5C	23,367	9,500
Total current assets		453,326	286,171
Total assets		453,326	286,171
LIABILITIES			
Current liabilities			
Trade payables	6A	34,433	16,842
Other liabilities	6B	68,266	-
Employee provisions	7A	-	7,445
Total current liabilities		102,699	24,287
Total liabilities		102,699	24,287
Net assets		350,627	261,884
EQUITY			
Retained earnings (accumulated deficit)		350,627	261,884
Total equity		350,627	261,884

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

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
Traffic Management Association of Australia

Statement of changes in equity

for the year ended 30 June 2021

	Notes	Retained earnings \$	Total equity \$
Balance as at 1 July 2019		221,304	221,304
Surplus / (deficit)		40,580	40,580
Other comprehensive income		-	-
Closing balance as at 30 June 2021		261,884	261,884
Surplus / (deficit)		88,743	88,743
Other comprehensive income		-	-
Closing balance as at 30 June 2021		350,627	350,627

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

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
Traffic Management Association of Australia

Statement of cash flows

for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
OPERATING ACTIVITIES			
Cash received		-	-
Receipts from customers		508,684	399,472
Donations and Grants		-	-
Interest		-	-
Other		-	-
Cash used		-	-
Employees		-	-
Suppliers		(352,426)	(366,937)
Net cash from (used by) operating activities	8A	156,258	32,535
INVESTING ACTIVITIES			
Cash received		-	-
Net cash from (used by) investing activities		-	-
FINANCING ACTIVITIES			
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		-	32,535
Cash & cash equivalents at the beginning of the reporting period		257,382	224,847
Cash & cash equivalents at the end of the reporting period	5A	413,640	257,382

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
Note 2	Events after the reporting period
Note 3	Revenue and income
Note 4	Expenses
Note 5	Current assets
Note 6	Current liabilities
Note 7	Provisions
Note 8	Cash flow
Note 9	Contingent liabilities, assets and commitments
Note 10	Related party disclosures
Note 11	Remuneration of auditors
Note 12	Financial instruments
Note 13	Fair value measurements
Note 14	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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 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.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

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

- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

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

Impact on adoption of AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to Traffic Management Association of Australia.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.5 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.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.6 Revenue

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

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

Revenue from contracts with customers

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

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

Membership subscriptions

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

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

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

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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.

1.7 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 when it is probable that settlement will be required, and they are capable of being measured reliably.

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.

1.8 Cash

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 statement of financial position.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.9 Financial assets

Contract assets and receivables

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

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

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

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as financial assets at amortised cost.

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Financial assets at amortised cost

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

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

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

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

Impairment

Expected credit losses

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses (**ECLs**) at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, Traffic Management Association of Australia applies a simplified approach in calculating ECLs which requires lifetime ECLs to be recognised from initial recognition of the receivables.

Therefore, 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. 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.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.10 Financial Liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

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

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

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

Financial liabilities at amortised cost

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

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

Derecognition

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

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1.11 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.

1.12 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.

1.13 Going concern

Traffic Management Association of Australia is not reliant on the agreed financial support of another reporting unit or entity to continue on a going concern basis.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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:

	2021	2020
	\$	\$
<i>Type of customer</i>		
Members	294,760	276,433
Other reporting units	-	-
Government	-	-
Other parties	132,071	116,762
Discounts applied	(25,182)	(20,758)
Total revenue from contracts with customers	401,649	372,437

Disaggregation of income for furthering activities

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

<i>Income funding sources</i>		
Members	294,760	276,433
Other reporting units	-	-
Government	-	-
Other parties	132,071	116,762
Total income for furthering activities	(25,182)	(20,758)

Note 3A: Capitation fees and other revenue from another reporting unit

Capitation fees:

Traffic Management Association of Australia	-	-
Subtotal capitation fees	-	-

Other revenue from another reporting unit:

Traffic Management Association of Australia	-	-
Subtotal other revenue from another reporting unit	-	-
Total capitation fees and other revenue from another reporting unit	-	-

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 3B: Levies

	2021	2020
	\$	\$
	-	-
Total levies	-	-

Note 3C: Grants and/or donations

Grants	-	-
Donations	-	-
Total grants and donations	-	-

Note 3D: Revenue from recovery of wages activity

Amounts recovered from employers in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	-	-

Note 3E: Other income

<i>Sundry Income</i>	-	21,969
Total other income	-	-

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 4 Expenses

Note 4A: Employee expenses

	2021	2020
	\$	\$
Employees other than office holders:		
Wages and salaries	101,341	98,684
Superannuation	9,627	9,375
Leave and other entitlements	-	7,445
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	110,968	115,505
Total employee expenses	110,968	115,505

Note 4B: Capitation fees and other expense to another reporting unit

Capitation fees

Traffic Management Association of Australia	-	-
Subtotal capitation fees	-	-

Other expense to another reporting unit

Traffic Management Association of Australia	-	-
Subtotal other expense to another reporting unit	-	-
Total capitation fees and other expense to another reporting unit	-	-

Note 4C: Affiliation fees

Traffic Management Association of Australia	-	-
Total affiliation fees/subscriptions	-	-

Note 4D: Administration expenses

Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies*	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	49,193	45,081
Property expenses	-	-
Office expenses	264,583	286,133
Information communications technology	-	-
Other	-	-
Subtotal administration expense	313,776	331,214
Total administration expenses	313,776	331,214

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 4E: Grants or donations

	2021	2020
	\$	\$
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	-	8,000
Total grants or donations	-	8,000

Note 4H: Legal costs

Litigation	-	-
Other legal costs	1,298	6,063
Total legal costs	1,298	6,063

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2021	2020
	\$	\$
Note 5 Current Assets		
Note 5A: Cash and cash equivalents		
NAB Community Fee Saver	379,391	220,117
NAB Industrial Award Business	34,249	37,265
Total cash and cash equivalents	413,640	257,382
Note 5B: Trade and other receivables		
Receivables from other reporting unit(s)*		
Traffic Management Association of Australia	12,766	11,370
Total receivables from other reporting unit(s)	12,766	11,370
Less allowance for expected credit losses*		
Traffic Management Association of Australia	-	-
Total allowance for expected credit losses	-	-
Receivable from other reporting unit(s) (net)	12,766	11,370
Other receivables:		
GST receivable	3,562	7,919
Other	-	-
Total other receivables	3,562	7,919
Total trade and other receivables (net)	16,328	19,289
Note 5C: Other current assets		
Prepayments	23,367	9,500
Total other current assets	23,367	9,500

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2021	2020
	\$	\$
Note 6		
Current Liabilities		
Note 6A: Trade payables		
Trade creditors and accruals	34,433	16,842
Subtotal trade creditors	34,433	16,842
Total trade payables	34,433	16,842

Settlement is usually made within 30 days.

Note 6B: Other payables

Payable to employers for making payroll deductions of membership subscriptions*	-	-
Legal costs*		
Litigation	-	-
Other legal costs	-	-
GST payable	-	-
Other	-	2,200
Total other payables	-	2,200
Total other payables are expected to be settled in:		
No more than 12 months	-	2,200
More than 12 months	-	-
Total other payables	-	2,200

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2021	2020
	\$	\$

Note 8 Cash Flow

Note 8A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per balance sheet to cash flow statement:

Cash and cash equivalents as per:

Cash flow statement	413,640	257,382
Balance sheet	413,640	257,382
Difference	-	-

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

Profit/(deficit) for the year	88,743	40,580
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Changes in assets/liabilities

(Increase)/decrease in net receivables	(1,396)	(4,195)
(Increase)/decrease in prepayments	(13,858)	(3,030)
Increase/(decrease) in supplier payables	17,591	(6,065)
Increase/(decrease) in other payables	-	(2,200)
Increase/(decrease) in income received in advance	68,266	-
Increase/(decrease) in employee provisions	(7,445)	7,445
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	156,258	32,535

Note 8B: Cash flow information*

Cash inflows

Traffic Management Association of Australia	508,684	399,472
Total cash inflows	508,684	399,472

Cash outflows

<i>[list each [reporting unit]/controlled entity]</i> Traffic Management Association of Australia	(352,426)	(366,937)
Total cash outflows	(352,426)	32,535

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 9 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and contingencies

Operating lease commitments—as lessor

None

Risk management for rights retained in the underlying assets

Not applicable

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are:

	2021	2020
	\$	\$
Within one year	-	-
After one year but not more than two years	-	-
After two years but not more than three years	-	-
After three years but not more than four years	-	-
After four years but not more than five years	-	-
After five years	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

Finance leases—lessor

None

Risk management for rights retained in the underlying assets

Not applicable

Changes in the carrying amount of the net investment in finance leases	-	-
Carrying amount of net investment in finance leases at 1 July 2020	-	-
Additional assets subject to a finance lease	-	-
Payments received during the year	-	-
Others, such as decrease in the residual value guarantee	-	-
Carrying amount of net investment in finance leases at 30 June 2021	-	-
Minimum lease payments	-	-
Unguaranteed residual value	-	-
Gross investment	-	-
Unearned finance income	-	-
Net investment (present value of the minimum lease payments)	-	-

Gross amount of minimum lease payments:

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total gross amount of minimum lease payments	-	-
Present value of minimum lease payments:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total present value of minimum lease payments	-	-

Other Contingent assets or liabilities (i.e. legal claims)

None

Note 10 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

Traffic Management Association of Australia does not have any related parties or key management personnel as defined in AASB 13 Related Parties.

Note 11 Remuneration of Auditors

Value of the services provided

Financial statement audit services	5,500	7,855
Other services ¹	-	-
Total remuneration of auditors	5,500	7,855

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

2021 **2020**
\$ \$

Note 12 Financial Instruments

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

Note 12A: Categories of Financial Instruments

Financial assets

Fair value through profit or loss:

	-	-
Total	-	-

At amortised cost:

Cash and cash equivalents	413,640	257,382
Trade receivables	16,329	19,289

Total	429,969	276,671
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Fair value through other comprehensive income

	-	-
Total	-	-

Carrying amount of financial assets	429,969	276,671
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Financial liabilities

Fair value through profit or loss:

	-	-
Total	-	-

Other financial liabilities:

Trade payables	34,433	16,842
Other payables		

Total	34,433	16,842
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Carrying amount of financial liabilities	34,433	16,842
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**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 12B: Net income and expense from financial assets

	2021	2020
	\$	\$
Financial assets at fair value through profit or loss		
Held for trading:		
Change in fair value	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total held for trading	<u>-</u>	<u>-</u>
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total designated as fair value through profit or loss	<u>-</u>	<u>-</u>
Net gain/(loss) on financial assets at fair value through profit or loss	<u>-</u>	<u>-</u>
Sub-total net income/(expense) from financial assets	<u>-</u>	<u>-</u>
Financial assets at fair value through other comprehensive income		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/(loss) on disposal	-	-
Total financial assets at fair value through other comprehensive income	<u>-</u>	<u>-</u>
Net income/(expense) from financial assets	<u>-</u>	<u>-</u>

Note 12C: Net income and expense from financial liabilities

At amortised cost		
Interest expense	-	-
Exchange gains/(loss)	-	-
Gain/loss on disposal	-	-
Net gain/(loss) financial liabilities - at amortised cost	<u>-</u>	<u>-</u>
Fair value through profit or loss		
Held for trading:		
Change in fair value	-	-
Interest expense	-	-
Exchange gains/(loss)	-	-
Total held for trading	<u>-</u>	<u>-</u>
Designated as fair value through profit or loss:		
Change in fair value	-	-
Interest expense	-	-
Total designated as fair value through profit or loss	<u>-</u>	<u>-</u>
Net gain/(loss) at fair value through profit or loss	<u>-</u>	<u>-</u>
Net gain/(loss) from financial liabilities	<u>-</u>	<u>-</u>

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2021 2020
 \$ \$

Note 12D: Credit risk

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

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

Financial assets

Cash and Cash Equivalents	413,640	257,382
Trade Receivables	16,329	19,289
Total	429,969	276,671

Financial liabilities

Trade Payables	34,433	16,842
Other Payables	-	-
Total	34,433	16,842

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

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

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

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

Traffic Management Association of Australia's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2021 and 2020 is the carrying amounts as illustrated above.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 12E: Liquidity risk

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

Contractual maturities for financial liabilities 2021

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade Payables	-	15,912	-	-	-	-
Total	-	-	-	-	-	-

Contractual maturities for financial liabilities 2020

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade Payables	-	1,100	-	-	-	1,100
Total	-	1,100	-	-	-	1,100

Lease liability maturities for 2021

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Lease liability	-	-	-	-	-	-
Total	-	-	-	-	-	-

Lease liability maturities for 2020

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Lease liability	-	-	-	-	-	-
Total	-	-	-	-	-	-

Note 12F: Market risk

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

Interest rate risk

The method and assumption used for sensitivity analysis for 2021 and 2020 are the same and illustrate the effect that a 2% change in interest rates will have on the Branch's profit and loss and equity for both years. The change is equivalent to the approximate CPI variation during both years.

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

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

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

Sensitivity analysis of the risk that the entity is exposed to for 2020

Risk variable	Change in risk variable %	Effect on	
		Profit or loss	Equity
		\$	\$
Interest rate risk	- + 2%	5,148	5,148
Interest rate risk	- - 2%	(5,148)	(5,148)

Price risk

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

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

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

Sensitivity analysis of the risk that the entity is exposed to for 2020

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

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including obligations under finance leases and hire purchase contracts to current due to the passage of time, the accrual of special dividends that were not yet paid at the year-end, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. *[Reporting unit]* classifies interest paid as cash flows from operating activities.

TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 13 Fair value measurement

Note 13A: 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 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 [year-end date] 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 2021 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 [reporting unit's] financial assets and liabilities:

	Carrying amount 2021 \$	Fair value 2021 \$	Carrying amount 2020 \$	Fair value 2020 \$
Financial assets				
Cash and cash equivalents	413,640	413,640	257,382	257,382
Receivables	16,329	16,329	19,289	19,289
Total	429,969	429,969	276,671	276,671
Financial liabilities				
Trade Payables	34,433	34,433	16,842	16,842
Other Payables	-	-	-	-
Total	34,433	34,433	16,842	16,842

**TRAFFIC MANAGEMENT ASSOCIATION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

Note 13B: Financial and non-financial assets and liabilities fair value hierarchy

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

Fair value hierarchy – 30 June 2021

Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Cash and cash equivalents	413,640	-	-
Trade Receivables	16,329		
Total	429,969	-	-
Liabilities measured at fair value			
[List each class]	-	-	-
Total	-	-	-

Fair value hierarchy – 30 June 2021

Date of valuation	Level 1	Level 2	Level 3
Assets measured at fair value	\$	\$	\$
Cash and cash equivalents	257,382	-	-
Receivables	19,389		
Total	276,671	-	-
Liabilities measured at fair value			
Trade Payables	16,842	-	-
Total	16,842	-	-

Note 13C: Description of significant unobservable inputs

No significant unobservable inputs exist.

Note 14 Section 272 *Fair Work (Registered Organisations) Act 2009*

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

Information to be provided to members or Commissioner:

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



Traffic Management Association of Australia (TMAA)

Officer declaration statement

I, Andrew White, being the Treasurer of the Traffic Management Association of Australia (TMAA), declare that the following activities did not occur during the reporting period ending 30 June 2021.

The Traffic Management Association of Australia (TMAA) did not:
(Note: delete items that appear elsewhere in the audited report)

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay 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 to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a 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 an 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
- 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

Signature of prescribed designated officer:

Name of prescribed designated officer: Andrew White

Title of prescribed designated officer: Treasurer

Dated:

Appendix A – Australian Accounting Standards not applicable to illustrative financial statements

- *AASB 1 First-time Adoption of Australian Accounting Standards*
- *AASB 2 Share-based Payment*
- *AASB 3 Business Combinations*
- *AASB 4 Insurance Contracts*
- *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*
- *AASB 6 Exploration for and Evaluation of Mineral Resources*
- *AASB 8 Operating Segments*
- *AASB 10 Consolidated Financial Statements*
- *AASB 14 Regulatory Deferral Accounts*
- *AASB 102 Inventories*
- *AASB 112 Income Taxes*
- *AASB 121 The Effects of Changes in Foreign Exchange Rates*
- *AASB 129 Financial Reporting in Hyperinflationary Economies*
- *AASB 133 Earnings per Share*
- *AASB 134 Interim Financial Reporting*
- *AASB 141 Agriculture*
- *AASB 1004 Contributions²*
- *AASB 1023 General Insurance Contracts*
- *AASB 1038 Life Insurance Contracts*
- *AASB 1039 Concise Financial Reports*
- *AASB 1049 Whole of Government and General Government Sector Financial Reporting*
- *AASB 1050 Administered Items*
- *AASB 1051 Land Under Roads*
- *AASB 1052 Disaggregated Disclosures*
- *AASB 1056 Superannuation Entities*
- *AASB 1059 Service Concession Arrangements: Grantors*
- *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

² The scope of AASB 1004 *Contributions* has been significantly reduced by consequential amendments made by AASB 1058 *Income of Not-for-Profit Entities*.

- *AASB 2019-4 Amendments to Australian Accounting Standards – Disclosure in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements*
- *AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*
- *AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform*
- *AASB 2019-7 Amendments to Australian Accounting Standards - Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations*
- *AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*
- *Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities*
- *Interpretation 2 Members' Shares in Co—operative Entities and Similar Instruments*
- *Interpretation 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*
- *Interpretation 6 Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*
- *Interpretation 7 Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies*
- *Interpretation 10 Interim Financial Reporting and Impairment*
- *Interpretation 12 Service Concession Arrangements*
- *Interpretation 16 Hedges of a Net Investment in a Foreign Operation*
- *Interpretation 17 Distributions of Non-Cash Assets to Owners*
- *Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments*
- *Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine*
- *Interpretation 21 Levies*
- *Interpretation 22 Foreign Currency Transactions and Advance Consideration*
- *Interpretation 23 Uncertainty over Income Tax Treatments*
- *Interpretation 107 Introduction of the Euro*
- *Interpretation 110 Government Assistance — No Specific Relation to Operating Activities*
- *Interpretation 125 Income Taxes – Changes in the Tax Status of an Entity or its Shareholders*
- *Interpretation 129 Service Concession Arrangements: Disclosures*
- *Interpretation 1003 Australian Petroleum Resource Rent Tax*

- Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities*
- Interpretation 1047 *Professional Indemnity Claims Liabilities in Medical Defence Organisations*
- Interpretation 1052 *Tax Consolidation Accounting*
- Interpretation 1055 *Accounting for Road Earthworks*

Appendix B - Future Australian Accounting Standards Requirements

- *AASB 17 Insurance Contracts*
- *AASB 2020-3 Amendment to AASB 141 – Taxation in Fair Value Measurements*
- *AASB 2020-3 Amendment to AASB 1 – Subsidiary as a First-time Adopter*
- *AASB 2020-3 Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract*
- *AASB 2020-3 Amendments to AASB 116 – Property, Plant and Equipment: Proceeds before Intended Use*
- *AASB 2020-31 Amendment to AASB 9 – Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities*

Appendix C – Amendments issued and effective at the reporting date

AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business

The amendment to AASB 3 *Business Combinations* clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments had no impact on the financial statements of the Traffic Management Association of Australia but may impact future periods should the Traffic Management Association of Australia enter into any business combinations.

AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the accounting standard setter in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

The amendments had no impact on the financial statements of the reporting entity.

AASB 2020-4 Amendments to AASs – Covid-19-Related Rent Concessions

These amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under AASB 16 *Leases*, if the change were not a lease modification.

The amendments had no impact on the financial statements of the reporting entity.