Transport Certification Australia

ANNUAL REPORT 2017-18

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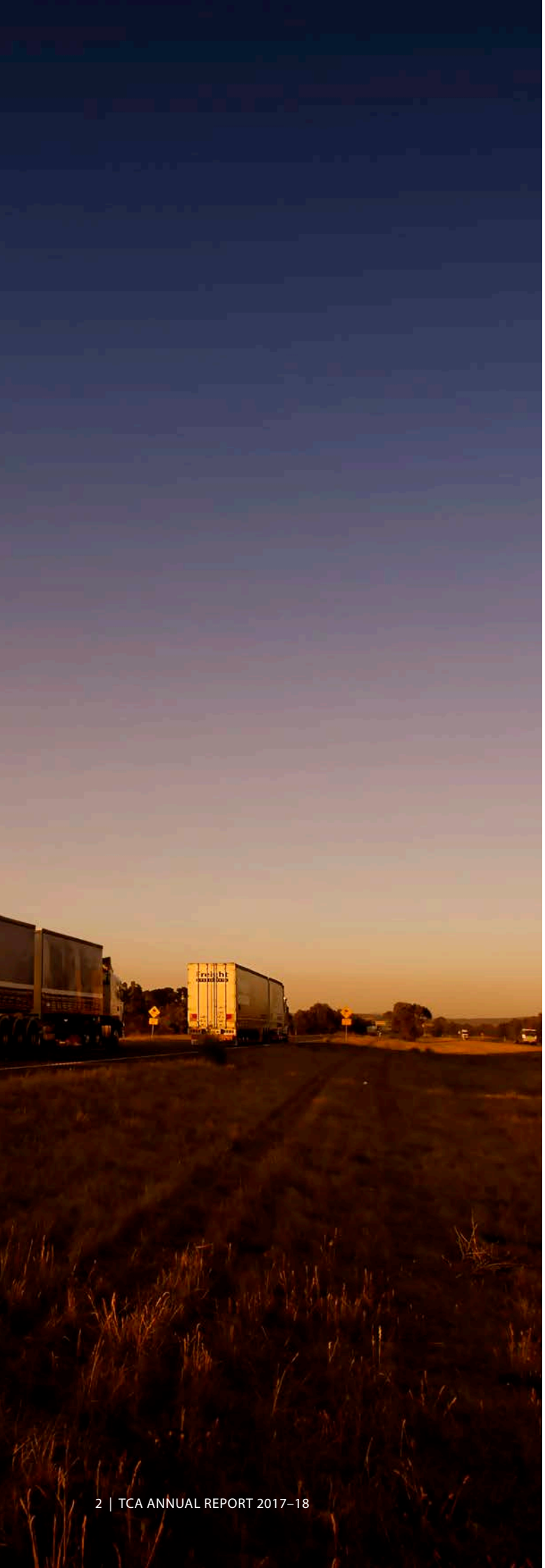

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DEAR MEMBER

This Report is presented in accordance with TCA's Constitution and Memorandum of Understanding, along with the financial reporting requirements of the Corporations Act 2001 (Commonwealth).

Thank for your support during 2017-18.

Yours sincerely

Stephen Golding AM RFD
Chairperson
Transport Certification Australia
16 November 2018

Mr Dave Peffer
Deputy Director-General
Access Canberra
Level 9
12 Moore Street
CANBERRA ACT 2601

Dr Steven Kennedy PSM
Secretary
Department of Infrastructure and Regional Development and Cities
6th Floor
111 Alinga Street
CANBERRA ACT 2600

Mr Tony Braxton-Smith
Chief Executive
Department of Planning, Transport and Infrastructure
Roma Mitchell House
Level 12
136 North Terrace
ADELAIDE SA 5001

Mr Kim Evans
Secretary
Department of State Growth
10 Murray Street
HOBART TAS 7000

Mr Andrew Kirkman
Chief Executive
Department of Transport
Level 1, Energy House
18-20 Cavenagh Street
DARWIN NT 0800

Mr Neil Scales OBE
Director-General
Department of Transport and Main Roads
1 William Street
BRISBANE QLD 4001

Mr Peter Woronzow
Acting Managing Director of Main Roads
Main Roads Western Australia
Don Aitken Centre
Waterloo Crescent
EAST PERTH WA 6004

Mr Ken Kanofski
Chief Executive
Roads and Maritime Services
Locked Bag 928
NORTH SYDNEY NSW 2059

Mr Michael Malouf
Chief Executive
VicRoads
60 Denmark Street
KEW VIC 3101

MESSAGE FROM THE CHAIRPERSON

It is with pleasure that I present TCA's Annual Report for the 2017-18 financial year.

The Annual Report highlights both the breadth and significance of activities performed during 2017-18 which, when viewed from a strategic perspective, underlines TCA's role in managing an open technology market.

In an era where transport is converging with the digital economy, the adoption of new technologies and service offerings are challenging convention and transforming the way we manage transport.

The adoption of telematics (and related intelligent technologies) is central to this transformation.

The rapid growth in technological capabilities coupled with the increasing sophistication of service offerings – combined with reductions in cost – is rapidly reshaping the concept of Intelligent Transport Systems (ITS), where 'smarts in the infrastructure' become meshed with 'smarts in the vehicle'.

This transformation is contributing to a range of disruptive influences including new market entrants and business relationships, which in turn drive changes to traditional service delivery models.

The challenge for governments is to harness the benefits of disruption – through operational structures which enable innovation, entrepreneurship and competition – while at the same time navigating shifts in traditional roles and responsibilities between stakeholders.

This complex and dynamic interplay of policy, technical, commercial and operational dimensions remains a cornerstone of Australia's National Telematics Framework.

"More about markets than technology, digital business platforms offer efficient, low-cost and scalable mechanisms to empower ‘producers’, ‘providers’ and ‘consumers’."

As a digital business platform, the National Telematics Framework has positioned Australia as a leader in the delivery of applications and offerings within the digital economy. In doing so, it provides a framework for disruption.

It’s for this reason TCA’s role is more crucial than ever.

More about markets than technology, digital business platforms offer efficient, low-cost and scalable mechanisms to empower ‘producers’, ‘providers’ and ‘consumers’.

The natural synergies that come from a managed market are an essential ingredient to deliver upon the promised societal benefits of connected mobility.

It may surprise many that Australia is unique in the world in having an organisation that delivers the market-orientated functions performed by TCA. While we may have been ahead of the curve, TCA’s role is now being modelled by other regions across the globe.

I am proud, therefore, of the achievements made by TCA and its Members in progressing market-driven reforms which challenge conventional thinking when it comes to deploying technology across the surface transport sector.

The TCA Annual Report for 2017-18 demonstrates the power of disruption through such non-conventional approaches.

Finally, and most importantly, I wish to thank all of those who have been involved in TCA’s journey so far. None of TCA’s achievements could be possible without the positive engagement and interaction between TCA’s Members, the technology sector and end-users.

Moreover, the market-driven reforms which have been managed by TCA would – without the involvement of other parties – have remained an academic construct.

That Australia has been able to lead the world in developing a market-based reform for the use of telematics and related intelligent technologies – and is now referenced internationally as a best-practice model for the digitalisation of surface transport – once again demonstrates Australia’s ability to offer ingenuity, innovation and, I dare say, persistence to deliver outcomes which have not been attained elsewhere.

In that context, I am proud to deliver TCA’s Annual Report for 2017-18.

Stephen Golding AM RFD
Chairperson

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

I am pleased to report on TCA's activities for the 2017-18 financial year.

During 2017-18 we led further developments of the National Telematics Framework, which have hastened an increase in the number of producers, providers and consumers utilising this digital business platform.

The digital economy – and associated technological advancements – are challenging the public sector, which is striving to foster innovation, protect consumers and address the potential unintended consequences of disruption to ensure an open technology market. As a digital business platform, the National Telematics Framework represents a framework which recognises disruption, but ensures it's not painful to experience.

Like any platform business model, the benefits derived from the National Telematics Framework increase in proportion to its use.

The latent 'network' effect of platforms – where different stakeholders are able to reference common infrastructure and business rules – enables the 'supply' of applications and offerings by producers in response to 'demand' from consumers.

Critical to any effective platform are transparent structures and mechanisms to manage the efficient interaction between producers, providers and consumers.

To this end, I'm particularly pleased with the work progressed during 2017-18 in preparing an updated suite of documents to explain the National Telematics Framework – including its components, infrastructure and business rules which give practical effect to the digital business platform.

With the Framework now being utilised across a diversity of policy areas, industry sectors and end-users, the updated suite of documents were developed to provide greater clarity to producers, providers and consumers.

"Critical to any effective platform are transparent structures and mechanisms to manage the efficient interaction between producers, providers and consumers."

One of the most significant updates to the suite of documents is the Application Builder document. Targeted specifically for producers, it demonstrates how new applications can be easily created by referencing the common components available through the Framework – and leveraging the power of the digital business platform.

There were a number of headlines from 2017-18 which cater directly to the current and emerging needs of producers, providers and consumers:

- The availability of a new road pricing application within the National Telematics Framework (to support trials and pilots being managed by 'producers' in government and industry)
- Engagement with stakeholders on two strategic enhancements to the Framework (the availability of real-time alerts and on-demand access to telematics data)
- Engagement with stakeholders to progress the interoperability of fatigue monitoring devices
- The deployment of the Traveller Information Exchange (TIX)
- Record growth from consumers for the IAP application
- Type-approval of the first On-Board Mass (OBM) Systems (officially announced in August 2018)
- A 16% increase in the number of heavy vehicles fitted with TCA-recognised Telematics In-Vehicle Units (IVUs) – with over 45,000 IVUs now fitted to heavy vehicles across the country.

With respect to the last item above, it is worth noting the fitment of TCA-recognised Telematics IVUs across so many heavy vehicles allows transport operators to easily opt-in to any application of the National Telematics Framework.

The adoption of TCA-recognised telematics IVUs demonstrates how the digital business platform creates its own demand, with consumers making conscious decisions to be 'future-ready' for the availability of current and emerging applications – as they become available through the platform.

We also understand that the power of the Framework comes from stakeholders understanding its purpose, and how to use it. To this end, we made a concerted effort during 2017-18 to engage with stakeholders through a diversity of communication channels:

- Lodging formal submissions to government reviews and inquiries
- Presenting papers which provoke thinking and discussion
- Engaging with the telematics sector through the Telematics Industry Group
- Hosting stakeholders at our Breakfast Series events (which have proven to attract strong interest and will be further progressed during 2018-19).

In reflecting upon all the achievements realised during 2017-18, arguably the most significant is that TCA's role and function – coupled with its management of the National Telematics Framework – is now such an established part of the policy and operational fabric of Australia's transport portfolio.

After leading TCA for the past 13 years I will be retiring from the role of Chief Executive Officer as of 1 March 2019.

It has been a privilege to worth with such passionate people over the years. With this being my final Annual Report, I wish to thank everyone who has been part of the journey with TCA so far. I look forward to seeing TCA progress and prosper into the future.

Chris Koniditsiotis
Chief Executive Officer

ABOUT TCA

TCA's Corporate Management Group and Chairperson. Left to right: Philip Lloyd, General Manager Implementation, Paul Corkill, General Manager Operations, Heather Hausler, General Manager Corporate Operations, Chris Koniditsiotis, Chief Executive Officer, Stephen Golding, TCA Chairperson, Gavin Hill, General Manager Strategic Development.

Our Vision

TCA is a national Government body responsible for providing assurance in the use of telematics and related intelligent technologies, to support the current and emerging needs of Australian Governments.

TCA is a 'cross-cutting' organisation which works across different policy streams, surface transport modes, and government and industry sectors.

Our vision is to be the Australian leader of Advice, Accreditation and Administration services, and to be an essential partner to Government organisations to achieve public outcomes through the use of telematics and related intelligent technologies.

Throughout all our work, TCA strives to uphold four core values of our organisation:

Integrity – honesty, impartiality, confidentiality and fairness

Professionalism – passion and a commitment to excellence, teamwork and delivery of high-quality services

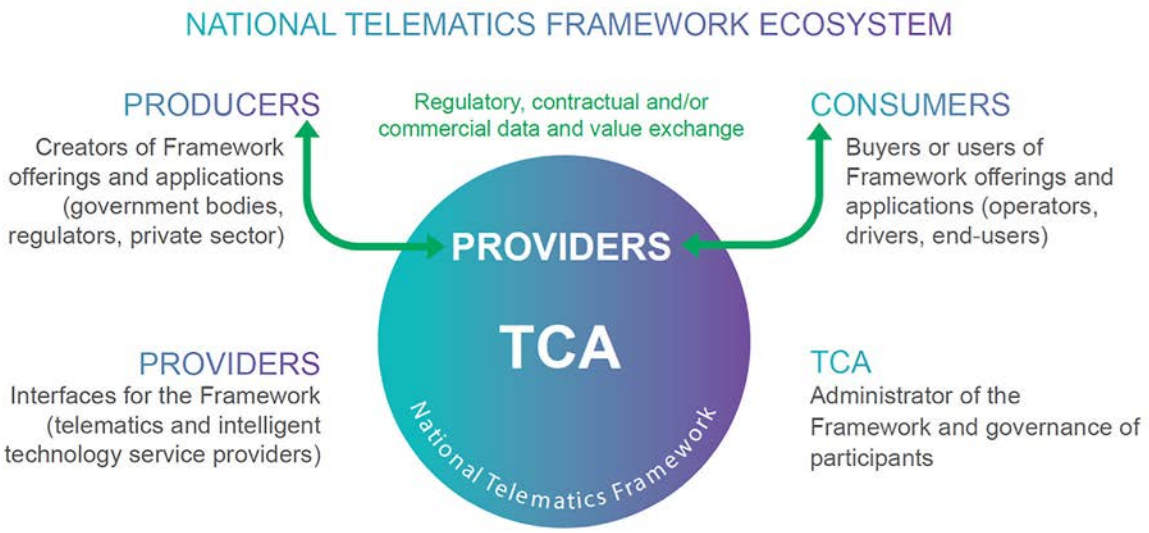
Innovation – a forward thinking commitment to research, development and continual investment in learning

Accountability – caring about the needs of others, a focus of achieving outcomes, and a commitment to timeliness and financial responsibility.

Our Mission

TCA provides assurance through the provision of Advice, Accreditation and Administration, recognising the intersection of policy, technical, commercial and operational elements.

With an appreciation that policy, commercial and operational sustainability is a mindset, not just an outcome, TCA distinguishes itself as a leading Australian provider of a critical intersection between technology providers and Governments, to ensure sustainable public purpose outcomes.



What we do

We provide impartial advice, accredit to ensure fit for purpose outcomes and administer on behalf of government programs that utilise telematics and related intelligent technologies to ensure integrity, scalability and interoperability of the market offerings.

To achieve this, TCA interacts with three distinct stakeholder groups to deliver improved public outcomes:

- Government agencies and regulators (which set policies and/or manage programs using telematics and related technologies)
- Regulated industry sectors/end-users (which use telematics and related intelligent technologies in response to government / regulatory policies and/or programs)
- Private sector service providers (in TCA's case, the technology and ITS sector, which deliver telematics products and services to regulated industry sectors/end-users).

Bringing producers, providers and consumers together on a common platform

The National Telematics Framework is a digital business platform consisting of infrastructure and rules that support an open marketplace of telematics and related intelligent technology providers.

The National Telematics Framework:

- Provides a national, government-endorsed platform for the use of telematics and related intelligent technologies
- Supports different applications across regulatory contractual and commercial needs
- Supports different levels of assurance
- Is outcome focussed and encourages innovation.

The adoption of the National Telematics Framework for the delivery of offerings and applications both for public policy and private decision making is a world first. It has positioned Australia as the leader in the delivery of such services through the advent of the digital economy.

The National Telematics Framework was established following a series of decisions made by Responsible Ministers between 2003 and 2008 and was globally recognised as an International Standard (ISO 15638) in 2012.

This provides an ecosystem to manage relationships and interactions between three key entities:

- Producers
- Providers
- Consumers.

Currently available applications enabled by the **National Telematics Framework**

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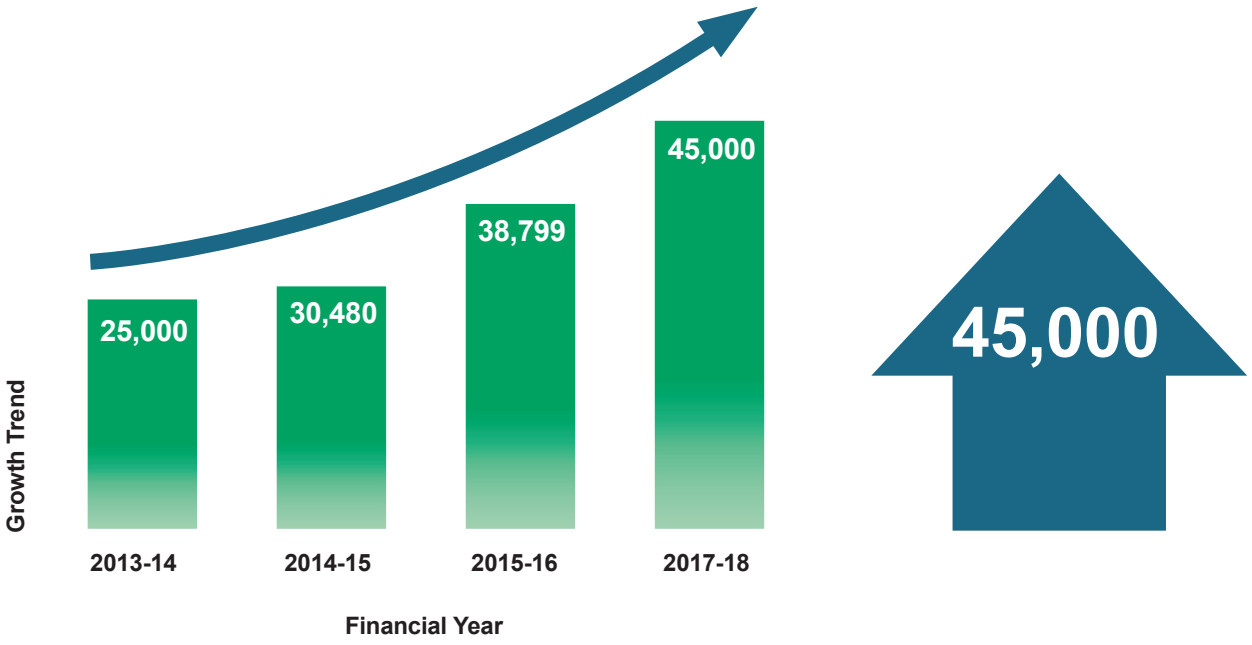
Applications	Number (as at October 2018)	Level of Assurance*	Administrator
Light vehicle applications			
Alcohol Interlocks	≅ 1,000	3	TfNSW/RMS/ DoT WA
Safety Cameras (taxis, hire cars, rideshare)	≅ 3,500	2	TransLink (TMR)
Fare Devices	≅ 7,000	2	Numerous Regulators
Heavy vehicle applications			
Type-approved capable IVUs	45,000	1	TCA
Intelligent Speed Management (ISM)	> 90% of HV	1	TCA
On-Board Mass (OBM) Systems	< 30% of HV	2	Numerous Regulators
Commercially available apps	100%	1	Numerous Providers
Intelligent Access Program (IAP)	5,129	3	TCA
Intelligent Speed Compliance (ISC)	1,844	3	TCA
Interim OBM Solution	356	2 (Planned for 3)	TCA
Certified Telematics Service (CTS)	179	3	TCA
Traveller Information Exchange (TIX)	-	1,2 or 3 subject to policy	TCA

*Levels of Assurance

1. **Self Assessment:** e.g. Self-assessment by consumer or supplier
2. **Independent Assessment- periodic audit:** e.g. Information gathering and collation with other data sources
3. **Independent Assessment- oversight:** e.g. Certificate based data and evidence

KEY STATISTICS 2017-18

Number of vehicles fitted with type-approved capable Telematics In-Vehicle Units (IVUs)



32

Technology provider initiated product/service innovations/ enhancements approved by TCA

32 Million

kilometres travelled by enrolled vehicles 2017-18

11

Active submissions from technology providers with TCA (as at end October 2018)

42

Approved devices (IVUs, User Interfaces and OBM Systems) approved by TCA and currently available in the market

KEY STATISTICS 2017-18

Growth in the Intelligent Access Program (IAP)

The IAP continues to assist heavy vehicle operators nationwide increase productivity, through sharing critical data and transport network insight.

During 2017-18, the total number of vehicles enrolled in the IAP application grew at an average of 55 vehicles per month.

From 1 July 2017 to 30 June 2018, a total of 657 additional vehicles were enrolled in the IAP application, contributing to a total of 4,817 vehicles at 30 June 2018.This represents a 20.4% increase when compared with June 2017.

These numbers demonstrate that an increasing number of transport operators are taking advantage of the IAP to increase the productivity and efficiency of their operations.

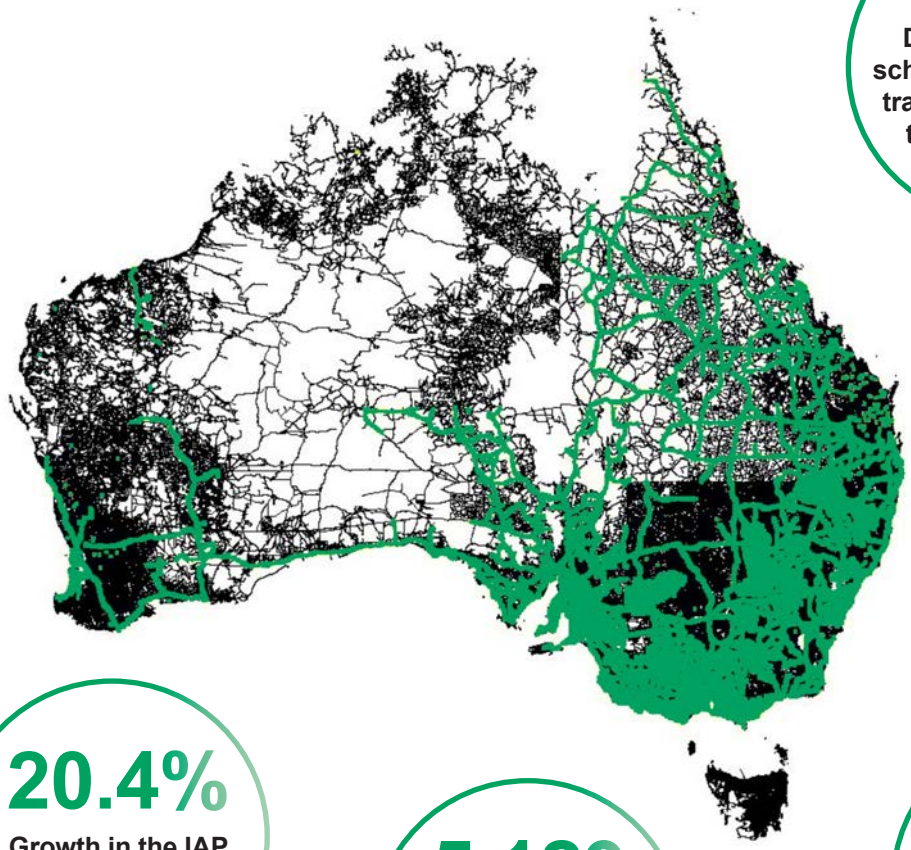
Transport operators are also benefiting from competition and choice available from a market of IAP Service Providers.

By responding to the needs of the transport industry, IAP Service Providers continue to lead the telematics sector by providing the latest technologies, and making innovative, cost-effective options available to transport operators.

IAP metrics

183,912 kilometres of public roads are monitored through the 74 different access schemes available through the IAP application.

74
Different access schemes available to transport operators through the IAP application



55
Additional vehicles joined the IAP application each month

20.4%
Growth in the IAP application during 2017-18

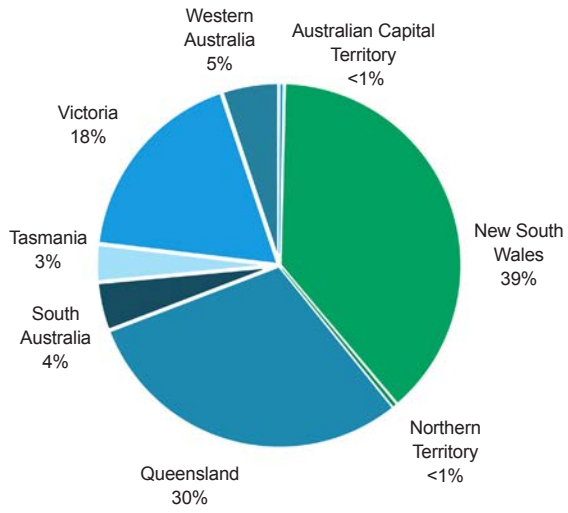
5,129
Vehicles monitored through the IAP
(as at end of October 2018)

9,820
Uses of access schemes by transport operators
(as at end of October 2018)

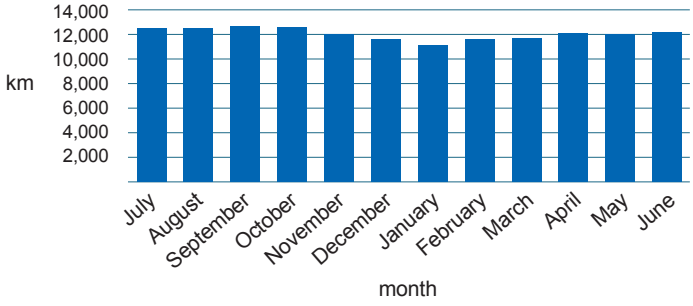
KEY STATISTICS 2017-18

Key statistics from applications of the National Telematics Framework

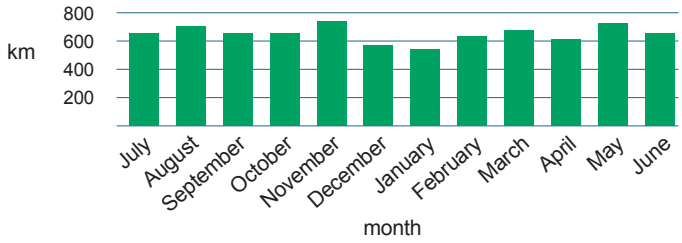
Monitored vehicles by juristiction of registration



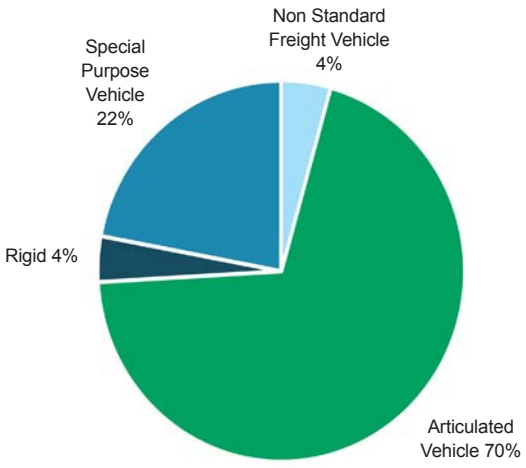
Average distance travelled per freight vehicle per month (km)



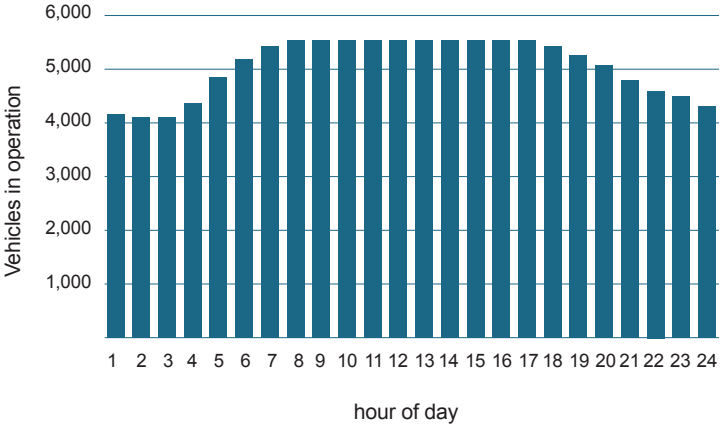
Average distance travelled per Special Purpose Vehicles per month (km)



Monitored vehicles by vehicle type



Vehicles active by hour of the day



ACHIEVEMENTS - NATIONAL TELEMATICS FRAMEWORK 2017-18

Updated suite of documents on the National Telematics Framework

An updated suite of documents on the National Telematics Framework were developed to provide greater clarity to producers, providers and consumers.

The documents included:

- National Telematics Framework
- Telematics Data Dictionary
- Levels of Assurance
- Business Rules
- Telematics Data Exchange
- Application Builder.

Together, these documents present a clear and detailed explanation of the different components of the National Telematics Framework. They precisely detail how it creates a platform for producers and consumers to interact, share information and drive the development of applications that meet a demand.

They also detail how applications with different levels of assurance can co-exist and support each other.

A new addition to the updated suite of documents is the Application Builder document. Targeted specifically for producers, it demonstrates how new applications can be easily created by referencing the common components available through the Framework.

Strategic enhancements to the National Telematics Framework

Preparatory work on two strategic enhancements to the National Telematics Framework were completed during 2017-18:

- Real-time alerts
- On-demand access to telematics data.

These two initiatives respond to the policy and operational needs of producers utilising the National Telematics Framework and will be progressed during 2018-19.

Enhancement and maintenance of National Telematics Framework Specifications

Version 2.22 of the *Telematics In-Vehicle Unit Functional and Technical Specification* was published in January 2018. This update harmonised the requirements for Environmental Characteristics and the Australian Communications and Media Authority Class License with the IAP Specification and applied associated minor editorial adjustments.

Version 3.01 of the *Intelligent Access Program Functional and Technical Specification* was published by TCA in November 2017. This update enabled the National Heavy Vehicle Regulator (NHVR) to transfer selected jurisdictional operational functions within the national IAP operating model, as part of their National Services Transition.

Version 3.02 of the *Intelligent Access Program Functional and Technical Specification* was published in January 2018. This update enabled separate speed thresholds to be established by individual jurisdictions.

Version 1.1 of the *On-Board Mass System Functional and Technical Specification* was published in May 2018. The update clarified the differentiation between different categories of OBM Systems.

tap™ Telematics Analytics Platform

Enhancements to the Telematics Analytics Platform (TAP)

Following its successful launch in 2016-17, producers and providers are now utilising the TAP to manage applications of the National Telematics Framework.

The TAP allows producers to benefit from secure storage, analysis and presentation (through dashboards and reports) of telematics data collected through National Telematics Framework applications. During 2017-18, TAP was further enhanced to provide (through a single integrated portal):

- A Reporting application, allowing providers to centrally report malfunctions and suspected device tamper events (as required by functional and technical specifications and associated business rules)
- A Helpdesk application, allowing producers and providers to raise technical and operational issues for resolution.

Enhancements and maintenance of the Telematics Data Dictionary

The Telematics Data Dictionary, a foundational element of the National Telematics Framework, was originally developed under the direction of the Transport Infrastructure Council in 2014.

In 2017-18, TCA undertook a major revision of the Telematics Data Dictionary to incorporate data elements from latest industry developments, including the expanding number of applications available through the National Telematics Framework.

This revision of the Telematics Data Dictionary improved its readability, accessibility and use for industry end-users, and aligned its branding and style with the suite of documents describing the other foundational elements of the National Telematics Framework.

Data element names and definitions were enhanced, data modelling was undertaken to ensure consistent application of data types, units and other metadata, and examples added outlining construction of common data records to provide application interoperability.

Technology provider enhancements

During 2017-18 TCA approved 32 product service/innovations/enhancements.

tca Transport Certification Australia | Type-Approved™

As at mid-2018, there were more than 45,000 vehicles fitted with telematics IVUs which already meet – or are capable of meeting with minor amendments – the performance requirements contained in the Telematics IVU Functional and Technical Specification. This represents a 56% increase in the number of vehicles fitted with telematics IVUs since 2013-14.

ACHIEVEMENTS - NEW APPLICATIONS 2017-18

On-Board Mass Program (Intelligent Mass)

The On-Board Mass (OBM) Program, comprising three key stages, is being implemented to make new applications, in-vehicle devices and capabilities available within the National Telematics Framework.

Significant progress on the OBM Stage 3 Implementation project was made during 2017-18, highlighted by the publication of the OBM Stage 3 Concept of Operations. The OBM Stage 3 Implementation project is funded by TCA Members, in response to the need to obtain higher levels of accuracy, reliability and integrity of vehicle mass data, as the successor to (and based on the learnings from) the Interim OBM Solution.

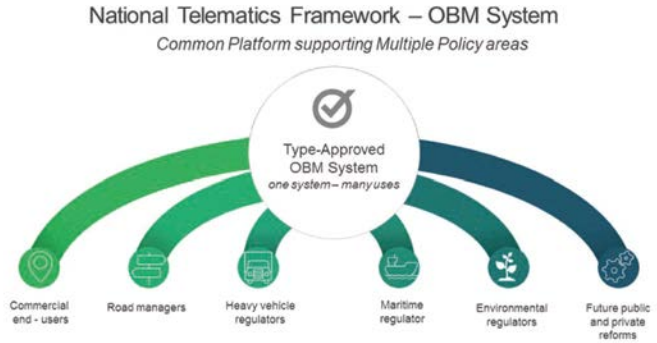
Critically, the OBM Stage 3 Implementation project will enable mass information to be contextually linked to other items of telematics data, including vehicle location, configuration, speed and time.

With the added ability to reliably detect malfunctions, tampering, and when systems need to be re-calibrated for accuracy, the OBM Stage 3 Implementation project will deliver new instruments for use by TCA's Members and a suite of regulators to manage risks, commensurate with policy and operational objectives.

The OBM Program also provides the means to support the introduction of further heavy vehicle productivity and safety reforms.

A Concept of Operations for the OBM Stage 3 Implementation project was finalised and circulated to TCA's Members and industry stakeholders in January 2018.

A Functional and Technical Specification for the Intelligent Mass application was released in October 2018.



Road pricing application (for trials and pilots)

During 2017-18, TCA developed the functional and technical specification for a new road pricing application available through the National Telematics Framework.

TCA has experience in managing several previous road pricing pilots – using the National Telematics Framework and technology providers – at specific locations. The road pricing application was informed by the operational learnings derived from these pilots.

The road pricing specification provides the performance requirements for an effective road pricing application. The intent is to create an open technology market, which promotes innovation, market competition and choice.

The road pricing application offers the necessary foundations for governments (and other stakeholders) to have confidence that any method of direct charging for road use can be calculated accurately and consistently.

The application can be utilised to support the implementation of road pricing pilots, or if need be, a broader deployment.

The road pricing application is currently offered by providers, and can be adopted by current or prospective technology providers.

In January 2018, TCA circulated a paper to Members entitled *Road Pricing Reform Using Telematics – A Pathway to Broader Deployment.* The paper emphasised that technology-based reforms work best when the policy outcomes are clearly articulated, and that focusing on the outcome – rather than technology – is essential to delivering the right outcomes. This also demonstrates the scalability of existing investments by industry and government.

TCA's work on the road pricing application was referenced in the Commonwealth's approach-to-market for Stage 1 of the Heavy Vehicle Charging Trials, released in May 2018.

Traveller Information Exchange (TIX)

TCA established the Traveller Information Exchange (TIX) during 2017-18.

TIX has been established to provide a central exchange of information between producers, providers and consumers.

TIX overcomes the challenges of exchanging information between stakeholders, which is often only available through independent communication mechanisms and channels.

The inclusion of TIX within the National Telematics Framework digital business platform ensures that information can be delivered seamlessly, overcoming many of the traditional barriers that inhibit the exchange of information between providers and producers. TIX allows new providers to subscribe, new data sources from producers to be easily added, and competition and choice for consumers.

TIX allows technology providers to target specific information from different producers, to meet individual consumer needs during a journey.

Three key documents describing TIX were published in March 2018:

- TIX Overview
- TIX Producer Integration Guide
- TIX Provider Integration Guide.

TCA worked closely with the Fremantle Port Authority to integrate real-time information from their port precinct management system and make it available (via TIX) to transport operators working within and around the Port of Fremantle area.

TCA has also engaged with several other potential information producers and technology providers.

Updated Australian Standard for Bridge Assessment

During 2017 an updated standard for bridge assessments was released, which recognises how telematics and related intelligent technologies can underpin productivity reforms.

The Australian Standard for bridge assessment (AS5100.7:2017) – which was developed in conjunction with Austroads – incorporates reduced traffic load factors for vehicles monitored with TCA certified telematics applications – namely, the Intelligent Access Program (IAP) used in conjunction with On-Board Mass (OBM) Systems.

AS 5100.7:2017 is the national standard for assessing bridge infrastructure, and forms part of the national Bridge Design series.

AS 5100.7:2017 highlights how the availability of reliable and accurate vehicle location, mass and configuration information – provided through telematics applications administered through the National Telematics Framework – can enable improved productivity outcomes by enabling increase mass loadings of heavy vehicle combinations.

Fundamentally, AS 5100.7:2017 provides the ability to ‘re-engineer’ the use of bridges – and the networks made available for higher productivity access arrangements – by relying on trusted sources of telematics information.

ACHIEVEMENTS - EVENTS 2017-18

Breakfast Series

TCA hosted its first breakfast series event on 14 March 2018, with the theme of '*Using Data to Better Understand Road Use'*. This included presentations and discussion on:

- The National Telematics Framework
- On-Board Mass (OBM) Systems
- How telematics can be used to inform policy development

Over 40 people attended the event, including representatives from:

- Australian Consumer and Competition Commission (ACCC)
- Productivity Commission
- Transport Safety Victoria
- VicRoads
- Victorian Department of Economic Development, Jobs, Transport and Resources
- Victorian Department of Jobs and Small Business
- Tasmanian Department of State Growth
- Roads Australia
- iMoveCRC.

Post event feedback survey results showed 93% rated the event very good to excellent.

Guests said they liked the speakers and presentations and the networking opportunity.

A second breakfast series event was held on 3 May, 2018 with the theme of *'Safety through Telematics'.* This included presentations and discussion from:

- Roger Weeks – Director Compliance (Compliance and Regulatory Services), Roads & Maritime
- Philip Brooks – Chief Inspector, Traffic & Highway Patrol Command, NSW Police
- Simon O'Hara – General Manager, Road Freight NSW
- Chris Koniditsiotis, CEO, TCA – Chris presented on the National Telematics Framework, the Levels of Assurance available and using telematics for safety.

Over 70 people attended the event, including a range of transport operators and technology providers.

On-Board Mass and Weigh-In-Motion Forum

TCA hosted the On-Board Mass and Weigh-In-Motion Forum to progress the discussion and advancement of weigh-in-motion for both on-road and in-vehicle systems and end user needs.

TCA is an international leader in using and developing On-Board Mass (OBM) systems.

Australian road managers and regulators are recognising the value of OBM systems fitted to heavy vehicle combinations to further advance productivity and safety.

MegaTrans

In May TCA participated in MegaTrans 2018 - a large cross-industry exhibition held at the Melbourne Convention and Exhibition Centre. Participants included logistics, air, sea, rail and road transport operators and suppliers.

TCA hosted the 'Telematics Hub' at the exhibition and were joined by providers operating in the National Telematics Framework.

TCA hosted an On-Board Mass (OBM) Forum on as part of the MegaTrans exhibition. The forum attracted around 30 observers who heard about the latest developments in OBM type-approval and presentations from two applicants for type approval.

TCA also hosted a Telematics Industry Group (TIG) meeting to coincide with MegaTrans. Over 35 guests attended the meeting and there was active discussion on a range of initiatives being progressed through the National Telematics Framework.

Lucille Degenhardt, Communications Manager and Sharon Reay, Government Relations & Engagement Manager

TCA staff and stakeholders at MegaTrans 2018

Gavin Hill, General Manger Strategic Development, presents at the 15th International symposium on Heavy Vehicle Transport Technology (HVTT15) in Rotterdam.

TCA hosted its first breakfast series events in 2018.

ACHIEVEMENTS - NATIONAL AND INTERNATIONAL LEADERSHIP 2017-18

Contribution to NTC Review of Regulatory Telematics

TCA worked with the National Transport Commission (NTC) during its Review of Regulatory Telematics.

TCA's submission to the Review highlighted that the National Telematics Framework supports a continually expanding range of regulatory telematics applications which transcend transport modes and offer:

- Different assurance levels, and
- Different assurance models.

Each application is underpinned by a digital platform which delivers an open technology market with common:

- Data elements
- Communication protocols
- Security
- Legal arrangements.

The use of a common platform means that new applications can be activated rapidly to meet the needs of different legislation, government policy and programs, and industry sector needs.

This platform approach extends to the number of vehicles already fitted with TCA-recognised devices. Significantly, approximately half of the articulated heavy vehicle fleet can immediately support current and future regulatory telematics applications through the National Telematics Framework.

Gavin Hill, General Manager Strategic Development (centre) with other members of the OECD Working Group on Policies to Extend the Life of Road Assets

Australian co-lead on International Cooperative ITS Standards Harmonisation Task Groups (HTGs)

TCA co-led international standards Harmonisation Task Group 7 (HTG7) alongside representatives from the European Commission's Joint Research Centre and the United States Department of Transportation, with delegates also attending from Japan's Highway Industry Development Organisation (HIDO).

HTG7's purpose was to analyse Cooperative ITS (C-ITS) and Connected Vehicle architectures, security and standards, to identify areas of mutual public interest for international harmonisation, enabling cross-regional operation of vehicles, devices and applications.

TCA contributed Australian perspectives to the analysis of international standards and preparation of recommendations to address identified standards gaps. TCA also provided linkage through to the associated Australian C-ITS industry reference groups and pilot sites, including Queensland's Cooperative and Automated Vehicle Initiative (CAVI) project team.

The HTG7 team has published its technical analysis using the Harmonised Architecture Reference for Technical Standards public resource (HARTS, http://www. htg7.org/), with formal documentation of findings and recommendations to be released in 2018-19.

Australian lead on OECD Working Groups

TCA represented Australia on two Organisation for Economic Cooperation and Development (OECD) Working Groups during 2017-18:

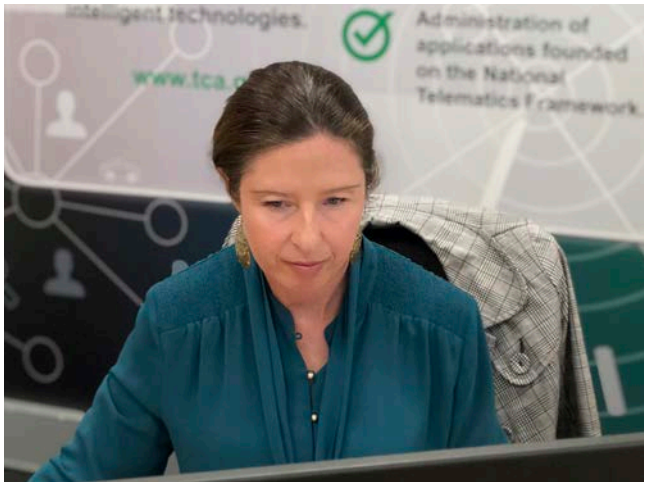
- Working Group on ITS4HCT (Intelligent Transport Systems For High Capacity Transport)
- Working Group on Policies to extend the life of Road Assets.

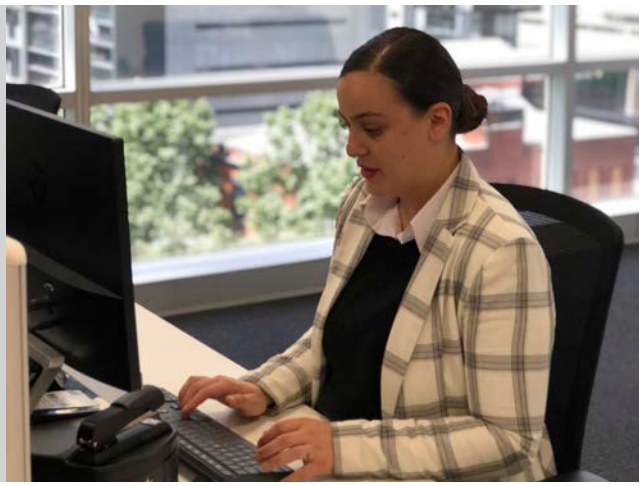
Both working groups recognise the value of telematics and related intelligent technologies to advance higher productivity vehicle reforms, coupled with policies to extend the life road assets.

TCA's contributions to both Working Groups have directly influenced international best practice across the OECD community.

TCA AT WORK


tca
Providing Assurance


Administration of applications founded on the National Telematics Framework



ACHIEVEMENTS - PAPERS AND SUBMISSIONS 2017-18

NTC Regulatory Options to Assure Automated Vehicle Safety in Australia (August 2017)

TCA made a submission to the NTC - National Transport Commission on the regulatory options to assure automated vehicle safety in Australia.

TCA advised that the selection of a single option may not be appropriate, as a “one size fits all” approach was unlikely to satisfy all needs. Instead TCA recommended a risk-managed approach to manage safety and compliance concerns, while remaining flexible and encouraging market innovation.

TCA also highlighted that an integrated approach to safety assurance across both cooperative/connected and automated vehicle technologies was recommended, in line with European Commission Directives – especially given that these technologies are already converging as Connected Automated Vehicles (CAVs).

Submission to NSW Parliamentary Inquiry
(February 2018)

TCA made a submission to the NSW Parliamentary inquiry into heavy vehicle safety and use of technology to improve road safety, led by the Joint Standing Committee on Road Safety.

The inquiry's final report makes reference to TCA's submission, and recognises:

- TCA's role in the management of telematics (and the National Telematics Framework as the digital business platform for telematics applications)
- The use of the Intelligent Access Program (IAP) for infrastructure management and safety.

The Staysafe Committee made a total of 8 recommendations, with the third recommendation of relevance to TCA and the National Telematics Framework:

> *The Committee recommends that the NSW Government adopt a consistent policy on the installation of telematics in heavy vehicles with a view to all vehicles meeting the required standards as a priority.*

The final report also referenced the position of the Australian Logistics Council (ALC), which reiterates the importance of national standards by using the Telematics Data Dictionary managed by TCA, and which forms part of the National Telematics Framework.

Austroads Cooperative Intelligent Transport Systems Compliance Assessment Framework
(March 2018)

TCA contributed to Austroads’ work on proposing a compliance assessment framework for cooperative/connected vehicle technologies, with the aim of ensuring such vehicle systems are interoperable, reliable, secure and manage data privacy accordingly, between offerings across the open technology market.

TCA advised that secure systems (be they human or technology-based) require participants to be verified as trustworthy prior to inclusion into that system, and therefore the compliance assessment framework represents a key gatekeeper in establishing a safe and secure C-ITS/CAV ecosystem.

The lifecycle management needs of such systems and technologies was also highlighted. Modern systems are designed to be upgradeable in-service, which will fundamentally challenge the principles of traditional compliance assessment frameworks, such as type-approval and certification programs.

Submission to draft NSW Freight and Logistics Plan (March 2018)

TCA made a submission to the draft NSW Freight and Logistics Plan, in relation to Section 2.8 – Technology "Transport is a technology business".

The submission highlighted how the National Telematics Framework can be leveraged – beyond its current use by Transport for NSW and Roads and Maritime Services – to contribute to the objectives of the Freight and Port Plan.

TCA's submission consisted of five parts:

- Increase access for freight across the road and rail network
- Facilitate the introduction of freight technologies that reduce freight costs and impacts
- Ensure safe, efficient and sustainable freight access to places
- Other opportunities to use data to improve freight performance by providing input into the sophisticated systems that manage network operations and prioritise traffic movements
- How TCA has worked with the NSW Government.

The final NSW Freight and Logistics Plan contains a package of goals and actions, including:

- Reform to the Intelligent Access Program as well as technology solutions that can be rapidly implemented to improve safety
- Trialling a new approach to telematics, using an innovative co-design approach with industry and other stakeholders (which TCA has actively participated in during the 2018-19 financial year).

Both of the above actions relate to, and informed the development of, the business case with improvements to the IAP which TCA is leading under the direction of the Transport and Infrastructure Council (TIC).

NTC Safety Assurance for Automated Driving Systems (June 2018)

TCA made a submission to the Regulatory Impact Statement on Safety Assurance for Automated Driving Systems.

TCA responded to each of the 21 questions posed by the NTC.

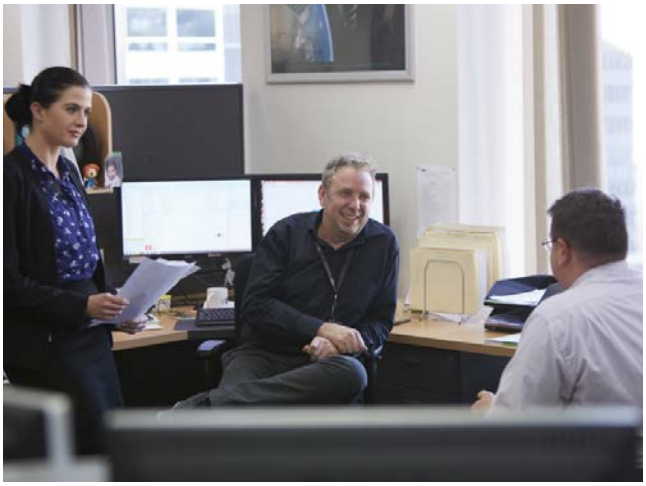
It was highlighted, based on TCA's operational experience in administering the National Telematics Framework, that there were important non-technical market factors requiring assurance (such as insurance, legal liability and other after-market protections) for the safe management of automated vehicles.

TCA also advised that safety, uptake, consistency and certainty in a highly-competitive technology market are most reliably achieved through a contemporary, risk-based regulatory framework, to best protect consumers.

The National Telematics Framework was cited as an operational platform able to provide the levels of assurance necessary to support the safe operation of automated vehicles.

Gavin Hill, General Manager Strategic Development, presenting at The Smart Innovation Centre (Transport for NSW) at workshop on Improving Productivity While Protecting Vulnerable Assets, in Sydney.

ACHIEVEMENTS - DATA INSIGHTS 2017-18



Data Insights

TCA bolstered its Data Insights Team during 2017-18 in response to significant increases in demand from TCA's Members and other government agencies.

The demand for these services highlights how governments are rapidly understanding the power of the National Telematics Framework, and the value of the data insights.

Some examples of the work we've performed with government stakeholders during 2017-18 is as follows:

Analysis of Key Freight Routes using telematics data with BITRE/Austroads

TCA worked with the Bureau of Infrastructure,Transport and Regional Economic (BITRE) and Austroads on the *Key Freight Routes – Heavy Vehicle Usage Data Project.*

The purpose of this project was to explore how telematics could provide an accurate picture of how heavy vehicles use the road network.

Being the first project of its type in Australia, TCA devised a methodology for the analysis in consultation with BITRE, Ausroads and TCA's Members.

The results of the analysis report provided a picture of how a range of heavy vehicle types including rigid trucks, articulated combinations and special purpose vehicles, utilise roads designated as key freight routes.

The final report is scheduled to be published during the first half of 2019.

Analysis of High Productivity Freight Vehicles (HPFVs) in Victoria

TCA performed an analysis of telematics data for VicRoads relating to High Productivity Freight Vehicle (HPFV) road utilisation over a period of four years. The results of the analysis illustrated the level of growth in the utilisation of HPFVs over a four year period on key freight routes across the Victorian road network.

Analysis of container transport vehicles in NSW

TCA performed an analysis of telematics data for Transport for NSW (TfNSW) on vehicles transporting containers across Greater Metropolitan Sydney.

The results of the analysis provide a valuable insight into the movement of heavy vehicles transporting containers from Port Botany to locations throughout Sydney, and to inform future access decisions for higher productivity vehicles.

PRESENTATIONS DURING 2017-18

OECD Working Group to Extend the Life of Road Assets, Paris, France
Australian context and perspectives
Gavin Hill, General Manager Strategic Development
4 July 2017

Transport Connect Forum (Teletrac Navman), Shepparton, Victoria
Gavin Hill, General Manager Strategic Development
27 July 2017

How local governments can use the National Telematics Framework, Blacktown, NSW
Gavin Hill, General Manager Strategic Development
31 August 2017

ALC Supply Chain Safety Summit, Sydney, NSW
The use of Technology to Drive Safety & Productivity
Chris Koniditsiotis, Chief Executive Officer
6 September 2017

Transport Connect Forum (Teletrac Navman), Newcastle, NSW
Gavin Hill, General Manager Strategic Development
13 September 2017

TISOC Meeting, Adelaide, South Australia
TCA, Who we are…
Chris Koniditsiotis, Chief Executive Officer
22 September 2017

Australian ITS Summit, Brisbane, Queensland
International Cooperative-ITS Harmonisation
Philip Lloyd, General Manager Implementation
27 September 2017

Australian Road Safety Conference, Perth, Western Australia
Hacking Safety: Providing Security for Connected Vehicles in Australia
Philip Lloyd, General Manager Implementation
11 October 2017

OR Tambo International Road Transport Indaba, Pretoria, South Africa
Smart heavy vehicle regulation – an Australian experience
Gavin Hill, General Manager Strategic Development
12 October 2017

Queensland Department of Transport and Main Roads, Brisbane, Queensland
Bus Telematics Information Session
Gavin Hill, General Manager Strategic Development
24 October 2017

Queensland Department of Transport and Main Roads, Brisbane, Queensland
Ferry Telematics Information Session
Gavin Hill, General Manager Strategic Development
24 October 2017

Institute of Road Transport Engineers New Zealand (IRTENZ), Rotorua, New Zealand
Heavy Vehicle Management – The Intelligent Access Program
Paul Corkill, General Manager Operations
25 October 2017
&
Privacy and Data Access in Advanced Data Management Systems
Paul Corkill, General Manager Operations
26 October 2017

ITS World Congress 2017, Montreal, Canada
Knowing the mass – increased productivity with improved safety through assured knowledge
&
Implementation of Weigh-in-Motion Systems for Direct Weight Enforcement
Chris Koniditsiotis, Chief Executive Officer
31 October 2017

OECD Working Group on Policies to Extend the Life of Road Assets (Cambridge, United Kingdom, via video link)
Intelligent Access Regulation Chapter
Gavin Hill, General Manager Strategic Development
30 November 2017

International Transport Forum (ITF), Bridge Seminar, Paris, France
Very high capacity vehicles, bridge management and Intelligent Access Program (IAP) in Australia
Gavin Hill, General Manager Strategic Development
1 February 2018

Gas Energy Australia - Presentation to Transport Committee (Telematics & Related Technology Session) Melbourne, Victoria
Gavin Hill, General Manager Strategic Development
23 February 2018

VTA Conference, Lorne, Victoria
Harnessing Technology to Increase Profits
Chris Koniditsiotis, Chief Executive Officer
19 March 2018

PRESENTATIONS DURING 2017-18 CONTINUED

Roads Australia Transport Reform Workshop, Melbourne, Victoria
Cybersecurity in the Driverless Future: Bringing the Community Along for the Ride
Philip Lloyd, General Manager Implementation
21 March 2018

Intertraffic (Amsterdam, the Netherlands, via video link)
National Telematics Framework, Levels of Assurance and OBM
Chris Koniditsiotis, Chief Executive Officer (presented on behalf of ISWIM) 22 March 2018

Queensland Department of Transport and Main Roads, Brisbane, Queensland
Traveller Information Exchange (TIX)
Gavin Hill, General Manager Strategic Development
4 April 2018

Australian Road Research Board Conference, Brisbane, Queensland
Digital Security for CAVs: From Policy to Practice
Philip Lloyd, General Manager Implementation
1 May 2018

Global Heavy Vehicle Leaders' Summit, Melbourne, Victoria
Safety disruption – using truck IT to prevent crashes
Chris Koniditsiotis, Chief Executive Officer
8 May 2018

Victorian Port Outlook Forum, Melbourne, Victoria
Using Telematics to Improve Port Efficiency
Gavin Hill, General Manager Strategic Development
9 May 2018

MegaTrans, Melbourne, Victoria
OBM Forum
Gavin Hill, General Manager Strategic Development
&
Paul Corkill, General Manager, Operations
11 May 2018

OECD Working Group on ITS4HCT, Stockholm, Sweden
The Australian Intelligent Access Program (IAP) – from monitoring HCT to the National Telematics Framework
Chris Koniditsiotis, Chief Executive Officer
21 May 2018

Norwegian Roads Agency and Industry, Oslo, Norway
How the applications of the National Telematics Framework have contributed to increased road safety
Chris Koniditsiotis, Chief Executive Officer
22 May 2018

ITF World Summit 2018, Liepzig, Germany
ITS for Safer and more Secure Road Freight Transport
How the applications of the National Telematics Framework have contributed to increased road safety
Chris Koniditsiotis, Chief Executive Officer
24 May 2018

Finnish Transport Agency and Finnish Transport Safety Agency, Helsinki, Finland
The Australian Intelligent Access Program (IAP) – and the National Telematics Framework in Australia
Chris Koniditsiotis, Chief Executive Officer
31 May 2018

OECD Seminar on ITS4HCT, Helsinki, Finland Access, Monitoring, Compliance & Smart Mobility Solutions
The Australian Intelligent Access Program (IAP) and other HTC Smart Solutions in Australia
Chris Koniditsiotis, Chief Executive Officer
31 May 2018

ITS Australia, National Electronic Tolling Conference (NeTC), Melbourne, Victoria
An approach to road pricing within the National Telematics Framework
Paul Corkill, General Manager Operations
6 June 2018

Road Transport Management System (RTMS) Forum, Pretoria, South Africa
Intelligent Access in Australia
Gavin Hill, General Manager Strategic Development
7 June 2018

Smart Innovation Centre (Transport for NSW), Sydney, NSW
Improving Productivity While Protecting Vulnerable Assets
Gavin Hill, General Manager Strategic Development
14 June 2018

WoodFlow 2018, Forest Industry Engineering Association, Melbourne Victoria
Heavy Vehicle Management with the National Telematics Framework
Paul Corkill, General Manager Operations
21 June 2018

TCA STAFF AS AT 30 OCTOBER 2018

Chief Executive Office

Chris Koniditsiotis - Chief Executive Officer

Carmel Bonaventura - Executive Assistant

Strategic Development Division

Gavin Hill - General Manager Strategic Development

John Gordon - Manager Strategic Development

Janelle Shotton - Government Relations & Engagement Manager

Sharon Reay - Government Relations & Engagement Manager (maternity leave)

James Aanensen - Communications Manager

Corporate Operations Division

Heather Hausler - General Manager Corporate Operations

Mark Aitken - Finance Manager

Maria McGrath - Human Resources Manager

John Mulvaney - Knowledge Manager

John Koutsivos - Information Technology Manager

Sandy McKendrick - Legal Advisor

Natasha Failla - Office Manager

Sarah Matthews - Administration Assistant

Implementation Division

Philip Lloyd - General Manager Implementation

David Rowe - Senior Engineer

Peter Taylor - Implementation Manager OBM

Peter Clark - Specification Manager

Shaun Barnett - Software Architect

Dean Winkle - Project Manager ITS Initiatives

Ashleigh Gordon - Java Script and HTML Developer

Operations Division

Paul Corkill - GM Operations

Omar Alarcon - Operatons Manager/Audit Program Manager

Stephen Mikecz - Senior Operations Specialist

Elise Thompson - Recertificaiton Officer

Shaun Gee - Technical Project Officer

Victor Thomson - Technical Project Officer

Andriy Dyukov - Technical Systems Innovation Manager

Ivan Enierga - Senior Hardware Engineer

Sunil Patel - Electronics Engineer

Sanoob Thekke Valappil - System Engineer

Tim Renowden - Manager Data Insights

Arjun Shankar - Data Insights Analyst

Alexander Ward - Data insights Analyst

Jodie Saba - Operations Support Officer

CONSULTANTS AND COMMITTEES

Consultants

(presented in alphabetical order)

Alexander McKendrick

ASTA Solutions

Breese Pitt Dixon Pty Ltd

C2C Online Services

Datalabs

Davidson Executive Pty Ltd

Delivered Quality Solutions

Fei Li

Gener8Media Pty Ltd

GPSat Systems Australia

Hivint Pty Ltd

John Chisholm Consulting

Lennox Group Pty Ltd

McBain McCartin & Co

Mercer (Australia) Pty Ltd

National Association of Testing Authorities

Philip Ormond Fitzpatrick

PSMA Distribution

SAI Global Limited

Solution Metrics Pty Ltd

Svenson Barristers

The Word Guru

Willis Australia Ltd

Committees

IAP Service Provider Liaison Group

Certification and Audit Committee

Jurisdiction Liaison Group

OBM Reference Group

Telematics Industry Group (TIG)

Pricing Audit and Risk Committee

Remuneration and Development Committee

The Chief Executive Officer is:

- A Director of ITS Australia
- President of the International Society for Weigh-In-Motion (ISWIM)
- A participant of the OECD Working Group on ITS4HCT (Intelligent Transport Systems for Higher Capacity Transport)

TCA participates in the following government and industry groups:

- Austroads Connected and Automated Vehicle Industry Reference Group
- Cooperative ITS Harmonisation Group 7 (HTG7)
- Geoscience Australia Positioning Navigation and Timing Working Group
- ITS Australia
- International Society for Weigh-In-Motion (ISWIM)
- OECD Working Group on ITS4HCT (Intelligent Transport Systems for Higher Capacity Transport)
- OECD Working Group on Policies to Extend the Life of Road Assets
- Standards Australia CS-077 (AS3547) – Blood Alcohol Testing Devices
- Standards Australia IT-023 (TC204) – Transport Information and Control Systems

GOVERNANCE

TCA Members

TCAs constitution provides for nine Members which comprise the Australian government and each state and Territory.

Access Canberra	ACT
Department of Infrastructure, Regional Development and Cities	Australian Government
Department of Planning, Transport and Infrastructure	South Australia
Department of State Growth	Tasmania
Department of Transport	Northern Territory
Department of Transport and Main Roads	Queensland
Main Roads Western Australia	Western Australia
Roads and Maritime Services	New South Wales
VicRoads	Victoria

TCA Board

(presented in order of Members)

TCA is governed by a Board of Directors, comprising senior officials from each Member agency, and an independent Chairperson. Each Member is entitled to nominate a Director (and an Alternate Director).

The Directors are responsible for appointing the independent Chairperson.

The Board has responsibility for providing strategic direction to TCA management, approves the annual work program and budget, and oversees TCA's performance against its Strategic Plan and Business Plan.

Chairperson, Mr Stephen Golding, AM RFD
Independent Director

Company Secretary, Mr Oliver Carton
Lennox Group Pty Ltd

TCA Board (As at October 2018)

(presented in alphabetical order)

Director, Mr David Snowden
Chief Operating Officer
Access Canberra

Director, Ms Stephanie Werner
General Manager
Land Transport Policy and Safety
Department of Infrastructure, Regional Development and Cities

Alternate Director, Mr Roland Pittar
General Manager, Transport Technology Futures Taskforce
Portfolio Research and Coordination Division
Department of Infrastructure, Regional Development and Cities

Director, Mr Gary Swain
Deputy Secretary
Transport Services
Department of State Growth

Alternate Director, Ms Penelope Nicholls
General Manager
Road User Services
Department of State Growth

Director, Mr Des Snook
Executive Director
Road Network Services
Main Roads Western Australia

Director, Mr Mike Stapleton
Deputy Director-General
(Customer Services, Safety and Regulation Division)
Department of Transport and Main Roads

Director, Mr Bernard Carlon
Executive Director
Centre for Road Safety Freight, Strategy and Planning
Transport for NSW

Director, Ms Wendy Sladen
Director Pipelines and Programs
Investment and Design Services
VicRoads

Alternate Director, Ms Annette Bury
Manager Corporate Risk Services
VicRoads


GRESHAM
PREPARE TO STOP
NO DANGEROUS GOODS IN TUNNEL
LOW CLEARANCE 4.4m
CAHILL TUNNEL
NO DANGEROUS GOODS IN TUNNEL
LOW TUNNEL CLEARANCE 4.4m
DETOUR

TRANSPORT CERTIFICATION AUSTRALIA LIMITED

ABN 83 113 379 936

Special purpose financial report for the financial year ended 30 June 2018

CONTENTS

The directors of Transport Certification Australia Limited (the company) submit herewith the annual financial report of the company for the financial year ended 30 June 2018.

The names of the directors and alternate directors of the company during or since the end of the financial year are:

- Stephen Golding (Chairperson)
- Bernard Carlon
- Christina Heffner (Resigned 13 December 2017)
- Marcus James (Resigned 31 January 2018)
- Wendy Sladen
- David Snowden
- Des Snook
- Mike Stapleton (Appointed 13 December 2017)
- Gary Swain
- Stephanie Werner (Appointed 18 April 2018)
- Miranda Blogg – Alternate Director for Christina Heffner (Resigned 13 December 2017)
- Annette Bury – Alternate Director for Wendy Sladen
- Penelope Nicholls – Alternate Director for Gary Swain
- Roland Pittar – Alternate Director for Stephanie Werner (Appointed 18 April 2018)
- Donna Wieland – Alternate Director for Marcus James (Resigned 31 January 2018)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The number of directors meetings and number of meetings attended by each of the directors of the company during the period are:

Directors' Meetings

	No. of Meetings Attended	No. of Meetings Eligible to Attend
Directors		
Stephen Golding	6	6
Bernard Carlon	2	6
Christina Heffner	2	2
Marcus James	2	3
Wendy Sladen	6	6
David Snowden	2	6
Des Snook	6	6
Mike Stapleton	4	4
Gary Swain	5	6
Stephanie Werner	1	2
Alternate Directors		
Miranda Blogg	-	-
Annette Bury	-	-
Penelope Nicholls	-	1
Roland Pittar	1	1
Donna Wieland	-	1

Pricing Audit and Risk Committee Meetings

Directors		
Des Snook	3	3
Stephen Golding	3	3
Marcus James	1	1
Mike Stapleton	0	1

Remuneration and Development Committee Meetings

Directors		
Stephen Golding	1	1
Wendy Sladen	1	1
Gary Swain	1	1

Information on Directors

Director	Qualifications	Experience	Special Responsibilities
Stephen Golding AM, RFD (Chairperson)	Bachelor of Engineering Master of Engineering Science Bachelor of Economics Honorary Fellow of the Institution of Engineers Fellow of the Chartered Institute of Logistics and Transport Fellow of the Australian Institute of Management and Leadership Fellow of the Institute of Transportation Engineers Fellow of the Australian Institute of Company Directors Chartered Professional Engineer Registered Professional Engineer Queensland	Current: Chair TCA Ltd since December 2005. Director, North Queensland Bulk Ports Corporation. Board Member, Queensland Reconstruction Authority and Transmax Pty Ltd. Past: 38 years in Queensland Department of Main Roads, including appointment as Director General from 2000-2005. Board Member, Bundaberg Port Authority, 1991-1993 Director, Mackay Ports Limited, 2005-2009 Chair, Sure Smart Water 2007-2008 Member, Advisory Board of Governance, Qld Department of Primary Industries, 2006-2008 34 years in Active Army Reserve concluding as a Major General, 1994-2004 Member, Chief of Army's Senior Advisory Committee, 1994-1997	Member of Pricing, Audit and Risk Committee; Member of Remuneration and Development Committee
Bernard Carlon	Master of Arts (Management)	Executive Director Centres for Road Safety and Maritime Safety NSW. Over 30 years' experience in NSW public sector in, Health, Justice, Recreation, Environment and Transport sectors. Alternate Director of TCA February 2016 to December 2016. Member of TCA Board since June 2017.	
Wendy Sladen	Bachelor of Economics (Hons)	Director Pipelines and Programs, VicRoads. Over 20 years in micro economic regulatory reform, predominantly in the road transport sector in Victoria and with the National Road Transport Commission. Extensive background in Commonwealth State relations Member of TCA Board since August 2016.	Member of Remuneration and Development Committee
David Snowden	Master of Business Administration Graduate Diploma, Public Sector Management.	Chief Operating Officer, Access Canberra. Over 20 years of regulatory, enforcement and senior management experience in Commonwealth, Territory and New Zealand public sector agencies, encompassing Transport, Customs and Competition and Consumer protection. Holds the statutory positions of ACT Commissioner for Fair Trading, Registrar General and CEO of the Gaming and Racing Commission. Alternate Director of TCA April 2015 to August 2016. Member TCA Board since August 2016.	

Information on Directors Continued

Director	Qualifications	Experience	Special Responsibilities
Des Snook	Bachelor of Engineering Member of Engineers Australia Member of Australian Institute of Company Directors.	39 years with Main Roads Western Australia. 19 years as Executive Director at Main Roads. 13 years as Member on WA Road Safety Council. Member TCA Board since inception (2005).	Chair of Pricing, Audit and Risk Committee
Mike Stapleton	Bachelor of Business, MPA, MANCAP, MNRSS, MAustroads, MQLCSG	Appointed as Queensland Department of Transport and Main Roads Deputy Director-General for Customer Services, Safety and Regulation (CSSR) in January 2016. CSSR is critical to Queensland's current and future transport system, managing the State's regulation, marine and road safety, and frontline services. Over 20 years' experience in the Queensland public transport sector in the areas of finance, general management, infrastructure management and delivery, and transport safety roles. Previous roles include Deputy Director-General for Infrastructure Management and Delivery, and General Manager for Land Transport Safety. Member TCA Board since December 2017	Member of Pricing Audit and Risk Committee
Gary Swain	Bachelor of Economics with majors in Economics and Asian Studies	Deputy Secretary, Transport Services and Tasmanian Transport Commissioner, with broad service delivery, regulatory and policy responsibilities relating to all aspects of State Government road services. Previous roles relate primarily to infrastructure services in public and private sector capacities with an emphasis on change and reform. Member TCA Board since June 2015.	Member of Remuneration and Development Committee
Stephanie Werner	Bachelor of Economics (Hons) Bachelor of Laws (Hons) Barrister and Solicitor of the Supreme Court of NSW Graduate Diploma in Legal Practice	General Manager, Land Transport Policy and Safety, Department of Infrastructure, Regional Development and Cities. 16 years previous experience with the Federal Government in foreign and trade policy. Alternate Director, Austroads Board, since April 2018. Member TCA Board since April 2018.	

Information on Directors Continued

Alternate Director	Qualifications	Experience	Special Responsibilities
Annette Bury	Advance Diploma Governance, Risk & Compliance Diploma Security & Risk Management Cert IV Security & Risk Management Cert IV Government Security Cert IV Government Fraud Control Cert IV Government Investigation	15 year experience with a major grain marketing organisation. 7 years' experience in risk & insurance roles within the private sector. Overall 14 years experience in the Victorian Government public sector including 8 years in risk, governance & compliance management roles. Alternate Director of TCA since August 2016.	Alternate Director for Wendy Sladen
Penelope Nicholls	Bachelor of Arts	General Manager Road User Services in the Department of State Growth. 39 years experience in the Tasmanian public sector, with the last 22 years in senior management policy and regulatory roles in transport and infrastructure portfolios. Alternate Director of TCA since April 2014.	Alternate Director for Gary Swain
Roland Pittar	BSc (Agriculture) Hons	General Manager, Transport Technology Futures Taskforce, Department of Infrastructure, Regional Development and Cities. Over 25 years experience in Federal Government in various policy and program roles in primary industry, resources, infrastructure and transport roles, including a 3-year posting to Australia's delegation to the OECD. Former Government Director on the Grains Research and Development Corporation Board. Altenate Director of TCA since April 2018.	Alternate Director for Stephanie Werner

Principal Activities

The company is a national government body responsible for providing assurance in the use of telematics and related intelligent technologies, to support the current and emerging needs of Australian Governments.
The company is a 'cross-cutting' organisation which works across different policy streams, surface transport modes, and government and industry sectors.

The company provides three broad categories of service, providing opportunities to realise positive outcomes through the deployment of telematics and related intelligent technologies:

Advice:
- Enabling public purpose outcomes to be achieved through the use of telematics and related intelligent technologies
- Informs TCA's Members and other government organisations on the opportunities for policy makers to advance outcomes across surface transport modes
- Assisting governments to gain a better appreciation of the complex interaction of policy, technical, operational and commercial elements when developing new policies and programs and revisiting those in existence
- Achieving a whole of government approach to the deployment of telematics applications.

Accreditation:
Giving confidence to governments in the use of telematics and related intelligent technologies by working with stakeholders to provide assurance through the deployment of quality systems in an operational environment. TCA's accreditation services include:
- Development of functional and technical specifications
- Assessment of conformance against functional, technical and business requirements
- Development of standards
- Management of government pilots, initiatives and reforms that utilise telematics and related intelligent technologies.

Administration:
Administration of telematics and intelligent technology applications and programs provides assurance to governments, industry sectors and end-users. This includes:
- Type-approval of hardware
- Certification and audit of Service Providers
- The operational, end-to-end management of government programs and applications which utilise telematics and related intelligent technologies.

The company's vision is to be the Australian leader of Advice, Accreditation and Administration services, and to be an essential partner to government organisations to achieve public outcomes through the use of telematics and related intelligent technologies.

The company's Strategic Plan contains seven Key Result Areas (KRAs), which align with and deliver the objectives and strategies of TCA's Members and other stakeholders

KRA 1: Leadership in telematics and related intelligent technologies
Raise awareness, and inform thinking on the opportunities available to Members and other stakeholders through the use of telematics and related intelligent technologies – and C-ITS applications – across surface transport modes to advance public purpose outcomes.

KRA 2: Build knowledge sharing and relationships
Build strong relationships with Members and other national and international stakeholders to create improved learning, understanding and innovation to support end-use policy development and decision making.

KRA 3: Provide assurance
Provide Members and other stakeholders with assurance in the use of telematics and related intelligent technologies – and C-ITS applications – to advance surface transport productivity, safety and efficiency outcomes, through the provision of Advice, Accreditation (i.e. approval) and Administration services.

KRA 4: Administer telematics and related intelligent technology programs
Administer programs which utilise telematics and related intelligent technologies for, and on behalf of, Members and other stakeholders, to ensure technical, operational and commercial outcomes align with policy intent.

KRA 5: Manage legislative and legal requirements
Manage an operational environment which ensures all the roles, functions and obligations assigned to TCA in legislation are met, including privacy and the protection of data derived from telematics programs administered by TCA.

KRA 6: Generate Public Value
Generate public value to Members and other stakeholders through the administration of the National Telematics Framework, upholding the principles of the Policy Framework for ITS in Australia – and other related government policies, frameworks and strategies - working with global standards setters to be at the forefront of international developments, managing the intersection of ITS policy, technical, commercial and operational issues, and achieving financial sustainability.

KRA 7: Promote positive values and work environment
Maintain a positive work environment which promotes a culture of inclusiveness, and upholds TCA's values of Integrity, Professionalism, Accountability and Innovation to deliver TCA's strategic vision.

The above KRAs and strategies are measured on an annual basis against pre-determined Key Result Indicators and deliverables assigned to projects within the annual work program. Through the Board Chairperson and the Remuneration and Development Committee Chairperson, the Board conduct an annual review and assessment meeting of the annual KRAs and strategies.

Review of operations
The expenditure program of the company does not align with its revenue cycle and requires the utilisation of cash reserves in years where a shortfall in revenue exists. The deficit of the company for the financial year after providing for income tax amounted to $98,613. This result compares to the budgeted surplus for the year of $12,321. The deficit for the year was attributable to timings of On-Board Mass Stage 3 contributions from members being deferred to 2018/19 and one off expenditure items relating to the write off of fixed assets pertaining to the re-location of premises $148,104 and bad debt write off of $50,400 from the National Heavy Vehicle Regulator (NHVR). As at 30 June 2018, the company has net assets of $2,464,279 (2017: $2,562,892) including cash reserves of $2,378,950 (2017: $2,428,144).

Members Guarantee
The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the Constitution states that each Member is required to contribute a maximum of $50 each towards meeting any outstanding liabilities of the company. At 30 June 2018 the number of Members was 9 (2017: 9 members).

Auditor's independence declaration
The auditor's independence declaration is included on page 38 of the annual report.

Signed in accordance with a resolution of directors made pursuant to s.298 (2) of the Corporations Act 2001.

On behalf of the Directors

Stephen Golding
Director
Melbourne, 25th October 2018

ShineWing Australia
Accountants and Advisors
Level 10, 530 Collins Street
Melbourne VIC 3000
T +61 3 8635 1800
F +61 3 8102 3400
shinewing.com.au

AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TRANSPORT CERTIFICATION AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

(i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

ShineWing Australia

ShineWing Australia
Chartered Accountants

M. Schofield

Matthew Schofield
Partner

Melbourne, 25 October 2018

DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 3 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes as set out on pages 40 to 54, are prepared in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards as described in Note 3 to the financial statements and the *Corporations Regulations 2001*; and
   b. give a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 3 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.295 (5) of the *Corporations Act 2001.*

On behalf of the Directors

Stephen Golding
Director
Melbourne, 25th October 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2018 $	2017 $
Revenue	4	6,399,120	7,151,595
Advertising and promotional expenses		(95,725)	(63,099)
Employee benefits expenses		(4,199,414)	(4,352,276)
Depreciation	4	(155,012)	(112,597)
Meeting expenses		(12,840)	(30,747)
Travel and accommodation expenses		(346,363)	(354,923)
Dues and subscriptions expenses		(142,070)	(152,534)
Consulting expenses		(370,140)	(541,957)
Office expenses		(800,517)	(715,572)
Other expenses		(375,652)	(279,132)
Profit (Loss) before income tax	20	(98,613)	548,758
Income tax expense	5	-	-
Profit (Loss) for the year after tax attributable to members of the entity	20	(98,613)	548,758
Other comprehensive income	-	-	
Total comprehensive profit (loss) for the year		**(98,613)**	**548,758**
Profit (loss) attributable to members of the entity		**(98,613)**	**548,758**
Total comprehensive profit (loss) attributable to members of the entity	20	**(98,613)**	**548,758**

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	NOTE	2018 $	2017 $
ASSETS			
Current assets			
Cash and cash equivalents	15(a)	2,378,950	2,428,144
Trade and other receivables	7	280,386	720,503
Other current assets	8	334,215	448,366
Total current assets		2,993,551	3,597,013
Non-current assets			
Plant and equipment	9	954,486	679,238
Total non-current assets		954,486	679,238
Total assets		3,948,037	4,276,251
LIABILITIES			
Current liabilities			
Trade and other payables	10	399,073	415,784
Other current liabilities	12	323,104	787,188
Provisions	11	251,495	242,835
Total current liabilities		973,672	1,445,807
Non-current liabilities			
Trade and other payables	10	269,998	-
Provisions	11	240,088	267,552
Total non-current liabilities		510,086	267,552
Total liabilities		1,483,758	1,713,359
Net assets		2,464,279	2,562,892
EQUITY			
Retained earnings (Members' funds)		2,464,279	2,562,892
Total equity		2,464,279	2,562,892

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	RETAINED EARNINGS	TOTAL $
Balance at 1 July 2016	2,014,134	2,014,134
Profit for the year	548,758	548,758
Total comprehensive income for the year	-	-
Balance at 30 June 2017	2,562,892	2,562,892
Balance at 30 June 2017	2,562,892	2,562,892
Loss for the year	(98,613)	(98,613)
Total comprehensive income for the year	-	-
Balance at 30 June 2018	2,464,279	2,464,279

STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2018

	NOTE	2018 $	2017 $
Cash flows from operating activities			
Receipts from members, service providers and stakeholders		7,366,139	7,902,310
Payments to suppliers and employees		(6,737,961)	(7,414,621)
Interest received		38,814	49,228
Net cash provided by operating activities	15(b)	666,992	536,917
Cash flows from investing activities			
Proceeds from sale of plant and equipment		39,650	3,036
Payments for plant and equipment		(755,836)	(184,931)
Net cash used in investing activities		(716,186)	(181,895)
Net increase (decrease) in cash and cash equivalents		(49,194)	355,022
Cash and cash equivalents at the beginning of the financial year		2,428,144	2,073,122
Cash and cash equivalents at the end of the financial year	15(a)	2,378,950	2,428,144

1. General information

Transport Certification Australia Limited (the company) is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 25th October 2018 by the directors of the company.

Transport Certification Australia Limited's registered office and its principal place of business are as follows:

Registered office
Level 6
333 Queen Street
Melbourne VIC 3000

Principal place of business
Level 6
333 Queen Street
Melbourne VIC 3000

The registered office and its principal place of business changed to Level 6, 333 Queen Street, Melbourne Victoria from Level 12, 535 Bourke Street, Melbourne Victoria on 18 September 2017.

2. Adoption of new and revised Accounting Standards

- AASB 9: Financial Instruments (December 2014) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).
  These Standards will be applicable retrospectively (subject to the provisions on hedge accounting) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.
  The key changes that may affect the company on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.
  These changes are not expected to significantly impact the company's financial statements.

- AASB 15: Revenue from Contracts with Customers and associated amending standards (applicable to annual reporting periods beginning on or after 1 January 2018 as further amended by AASB 2015-8).
  When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

  To achieve this objective, AASB 15 provides the following five-step process:
  - identify the contract(s) with a customer;
  - identify the performance obligations in the contract(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contract; and
  - recognise revenue when (or as) the performance obligation is satisfied.

  The transitional provisions of this Standard permit an entity to either restate the contracts that existed in each prior period presented as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15) or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.
  Although the directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

2. Adoption of new and revised Accounting Standards (continued)

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019)
  When effective, this standard will replace the current accounting requirements applicable to leases in AASB 117 and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.
  The main changes introduced by the new standard include:
  - Recognition of a right-to-use asset and liability for all leases (excluding short term leases with less than 12 months of tenure and leases relating to low value assets);
  - Deprecation of right-to-use assets in-line with AASB 116 Property, plant and equipment in profit or loss and unwinding of the liability in principal and interest components;
  - Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
  - By applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account all components as a lease; and
  - Additional disclosure requirements.

  The transitional provisions of this standard allows a lessee to either retrospectively apply the standard to comparatives in line with AASB 108: Accounting Policies, Changes in Accounting Estimates and Error; or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.
  Although the directors expect that the new standard will result in lease assets and liabilities being recognised on the balance sheet and a change in how related expenses are incurred, the financial impact has not yet been determined.

- AASB 1058: income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1st January 2019)
  AASB 1058 applies to transactions where the consideration to purchase an asset is significantly less than its fair value in order to support the entity to further its objectives. It also applies to volunteer services.
  The following are the key requirements in this standard:
  - Income arising from the excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets, and revenue should be immediately recognised in profit or loss. For this purpose assets, liabilities and revenue are to be measured in accordance with the applicable standard;
  - A liability is recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with other standards. This liability has to be amortised to profit or loss as the entity satisfies its obligations under the transfer; and
  - An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services shall be measured at fair value and any excess over the related amounts (such as contribution by owners or revenue) should be immediately recognised in profit or loss.

Although the directors anticipate that the adoption of AASB 1058 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

3. Summary of significant accounting policies

Reporting basis

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements except for the cash flow information have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

3. Summary of significant accounting policies (continued)

Accounting policies
The material accounting policies that have been adopted in the preparation of these statements are as follows:

(a) Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(b) Employee benefits
Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.
Employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made for those benefits. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Long Service Leave becomes payable to employees on a pro rata basis after 7 years of continuous service. As at 30 June 2018 7 employees have been employed for 7 years of continuous service (2017: 7).

(c) Financial Instruments
Initial recognition and measurement
Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).
Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.
Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.
The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Financial Liabilities
Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment
At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).
In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

3. Summary of significant accounting policies (continued)

(c) Financial Instruments (continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(d) Impairment of Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

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

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

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

(e) Income tax

The company's income is subject to the concept of mutuality whereby income received from Members is generally exempt from income tax.

(f) Leased assets

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, which are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged to the statement of comprehensive income in the period in which they are incurred, as this represents the pattern of the benefits derived from the leased assets.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the term of the lease.

(g) Plant and equipment

Plant and equipment are carried at cost, less, where applicable, any accumulated depreciation and impairment losses. All assets are depreciated over their useful lives to the company.

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

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over the assets useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

3. Summary of significant accounting policies (continued)

(g) Plant and equipment (continued)

The following useful lives are used in the calculation of depreciation:

Furniture and fixtures	6 - 20 years
Plant and equipment	2.5 - 20 years
Computers	2.5 - 10 years
Motor vehicles	4 - 7 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

(h) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from Members is recognised upon the invoicing of fees and charges in accordance with the annual agreement of Members. Revenue received in advance for the subsequent funding year is reflected in the statement of financial position as Funding in Advance.

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

Revenue in the form of application fees from applicants for certification as IAP Service Providers is recognised upon the invoicing of fees at the time of the application is made. Revenue in the form of operational fees from IAP Service Providers is recognised upon the invoicing of fees.

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

(j) Accounts Receivable and Other Debtors

Accounts receivable and other debtors will include any outstanding contributions from Members and outstanding operational fees from IAP Service Providers at the end of the reporting period. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(k) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

(l) Accounts Payable and Other 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.

(m) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. During the year, there were no significant or material critical accounting estimates or judgements made by the directors.

3. Summary of significant accounting policies (continued)

(n) Comparative figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

4. Profit for the year

Profit for the year has been arrived at after crediting/(charging) the following items of income and expense:

	2018 $	2017 $
Revenue:		
Contributions received from members	2,161,291	2,077,481
Contributions received from regulators	950,000	1,219,057
Application fees received from applicants	152,500	43,763
Operational fees	2,029,350	1,727,501
Interest revenue	35,764	48,430
Major projects	1,042,281	1,967,113
Other revenue	27,934	68,250
	6,399,120	7,151,595
Depreciation	155,012	112,597

5. Income tax

	2018 $	2017 $
The prima facie tax payable on the operating profit (loss) before income tax is reconciled to the income tax expense as follows:		
Prima facie tax payable on operating profit (loss) before income tax at 30% (2017: 30%)	(29,584)	164,627
Non taxable Member income arising from the principle of mutuality	29,584	(164,627)
Income tax expense	-	-

6. Remuneration and retirement benefits

(a) Directors and Alternate Directors

Name	Position	Appointed Date	Retirement Date
Stephen Golding	Chairperson	21 December 2005	
Bernard Carlon	Director	28 June 2017	
Christina Heffner	Director	24 August 2016	13 December 2017
Marcus James	Director	25 February 2015	31 January 2018
Wendy Sladen	Director	24 August 2016	
David Snowden	Director	24 August 2016	
Des Snook	Director	28 November 2005	
Mike Stapleton	Director	13 December 2017	
Gary Swain	Director	24 June 2015	
Stephanie Werner	Director	18 April 2018	

6. Remuneration and retirement benefits (continued)

(a) Directors and Alternate Directors (continued)

Name	Position	Appointed Date	Retirement Date
Miranda Blogg	Alternate Director	24 August 2016	13 December 2017
Annette Bury	Alternate Director	24 August 2016	
Penelope Nicholls	Alternate Director	30 April 2014	
Roland Pittar	Alternate Director	18 April 2018	
Donna Wieland	Alternate Director	25 February 2015	31 January 2018

All Directors and Alternate Directors have been in office since the beginning of the financial year unless otherwise stated.

(b) Key Management Personnel Remuneration

Key management personnel includes the 5 (2017:5) members of the Corporate Management Group as at 30 June 2018 and the independent Chairperson of the Board of Directors. The Corporate Management Group reduced from 6 members to 5 members during 2017.

2018

Primary				Post-employment	Equity	Other	Total
Salary, fees, & commissions	Superannuation contribution	Cash bonus	Non-cash benefits	Superannuation	Options		
$	$	$	$	$	$	$	$
985,588	90,645	-	-	-	-	1,636	1,077,869

2017

Primary				Post-employment	Equity	Other	Total
Salary, fees, & commissions	Superannuation contribution	Cash bonus	Non-cash benefits	Superannuation	Options		
$	$	$	$	$	$	$	$
1,322,434	105,445	-	-	-	-	2,500	1,430,379

(c) Remuneration Practices

Directors, with the exception of the Chairperson, are not entitled to any remuneration in their role as directors of Transport Certification Australia Limited.

7. Trade and other receivables

	2018 $	2017 $
CURRENT		
Trade receivables	280,386	720,503
	280,386	720,503

8. Other current assets

	2018 $	2017 $
Security deposits	71,928	168,948
Prepayments	66,254	103,117
Other	196,033	176,301
	334,215	**448,366**

9. Plant and equipment

	Work In Progress $	Computers $	Motor Vehicles $	Furniture and fixtures $	Plant and equipment $	Total $
2018						
At cost	87,754	826,649	94,905	541,867	633,351	2,184,526
Accumulated depreciation	-	(522,286)	(58,856)	(77,184)	(571,714)	(1,230,040)
Carrying amount at the end of the year	87,754	304,363	36,049	464,683	61,637	954,486
2017						
At cost	211,880	639,203	94,438	358,108	672,651	1,976,280
Accumulated depreciation	-	(446,980)	(59,146)	(193,982)	(596,934)	(1,230,040)
Carrying amount at the end of the year	211,880	192,223	35,292	164,126	75,717	679,238

10. Trade and other payables

	2018 $	2017 $
CURRENT		
Trade payables	122,711	285,572
Goods and services payable	81,326	30,889
Other payables	195,036	99,323
	399,073	415,784
NON-CURRENT		
Other Payables	269,998	-
	269,998	-

11. Provisions

	2018 $	2017 $
CURRENT		
Employee benefits	251,495	242,835
	251,495	242,835
NON-CURRENT		
Employee benefits	240,088	267,552
	240,088	267,552

12. Other current liabilities

	2018 $	2017 $
Accrued expenses	90,614	42,596
Member payment for services in advance	232,490	742,256
Other income received in advance	-	2,336
	323,104	787,188

13. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

14. Lease commitments

	2018 $	2017 $
Non-cancellable operating lease commitments not capitalised in the financial statements		
Payable – minimum lease payments:		
- not later than one year	286,531	312,037
- later than one year but not later than five years	1,305,094	1,536,514
- later than five years	-	55,111
	1,591,625	1,903,662

The company's operating lease relates to the rental of its office premises at Level 6, 333 Queen Street, Melbourne, Victoria. The lease commenced on 18 September 2018 for a period of 6 years.

15. Notes to the statement of cash flows (continued)

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2018 $	2017 $
Cash deposits with Bank	2,378,550	2,427,744
Petty cash	400	400
	2,378,950	**2,428,144**

(b) Reconciliation of profit for the year to net cash flows from operating activities

	2018 $	2017 $
Profit/(Loss) for the year	(98,613)	548,758
Non-Cash items:		
Depreciation	155,012	112,597
Net (gain) loss on disposal of property and equipment	151,185	(5,110)
(Increase)/decrease in assets:		
Trade and other receivables	440,117	84,355
Other assets	108,501	(106,371)
Increase/(decrease) in liabilities:		
Trade and other payables	(5,031)	(50)
Provisions	(18,804)	29,694
Other liabilities	(65,375)	(126,956)
Net cash provided by (used in) operating activities	666,992	536,917

16. Remuneration of auditors

	2018 $	2017 $
Audit of the financial report	25,300	25,300
Other services (taxation) provided by a related division of the auditor	7,350	7,350
	32,650	**32,650**

17. Events after the Reporting Date

The company has been advised of a recommendation by the Transport and Infrastructure Council (TIC) to fold into Austroads Limited. This is subject to final approval by TIC at its meeting scheduled for November 2018. As of the date of this report, it is expected that the folding–in will constitute a change of control event with the company remaining a separate legal entity with the existing work program, funding model and functions remaining unaltered.
Other than as stated above, no matters have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results of operations and the state of affairs of the company entity in subsequent financial years.

18. Economic dependence

The company is dependant on its Members, being the state and territory transport government agencies and the Commonwealth Department of Infrastructure and Transport for the majority of its revenue used to operate the business. In the event of any shortfall in the yearly operational budget, the Members will be required to provide additional funding on an ad hoc basis to support the company. The Members agreed to a new contribution model commencing in the 2016/2017 year.

19. Capital management

The board of directors control the capital of the company to ensure that the company can fund its operations and continue as a going concern. The company does not have any debt and its capital includes retained earnings and financial liabilities, supported by financial assets. There are no externally imposed capital requirements. Management effectively control the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in its funding needs. These responses include the management of funding levels from Members and maintaining sufficient levels of working capital.

20. Operational Losses

The expenditure program of the company does not align with its revenue cycle and requires the utilisation of carry forward cash reserves in years where a shortfall in revenue exists.

21. Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the Constitution states that each Member is required to contribute a maximum of $50 each towards meeting any outstanding liabilities of the company. At 30 June 2018 the number of Members was 9 (2017: 9 members).

ShineWing Australia
Accountants and Advisors
Level 10, 530 Collins Street
Melbourne VIC 3000
T +61 3 8635 1800
F +61 3 8102 3400
shinewing.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRANSPORT CERTIFICATION AUSTRALIA LTD

Opinion

We have audited the financial report of Transport Certification Australia Ltd. ("the Company") which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

ShineWing AUSTRALIA

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the special purpose financial report that gives a true and fair view and have determined that the basis of preparation described in Note 3 of the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are 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 our 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 this financial report.

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

We 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 our 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.

We 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 Company's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

We conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

ShineWing AUSTRALIA

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

ShineWing Australia

ShineWing Australia
Chartered Accountants

M. Schofield

Matthew Schofield
Partner

Melbourne, 25 October 2018

If you would like further information about TCA please contact us:

Transport Certification Australia
Level 6
333 Queen Street
Melbourne 3000
P +61 3 8601 4600
E tca@tca.gov.au
W www.tca.gov.au