

2020-21

Annual Report



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Dear Stakeholder

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 you for your support.

Yours sincerely

Gary Swain
Chairperson
Transport Certification Australia

October 2021





Message from the Chairperson

I am pleased to present TCA's Annual Report for the 2020-21 financial year.

Since its establishment in 2005, TCA has evolved to become an authoritative national entity on digital transport technologies and data. Through its administration of the National Telematics Framework (NTF), TCA continues to collaborate with transport authorities and industry stakeholders to enable and support the realisation of positive transport and societal outcomes.

The use of technology and data is accelerating as an essential pre-condition for advancement of land transport reform. In a COVID-19 environment, the productivity and safety of road freight transport – coupled with the broader focus on supply chain resilience – have become critical and continue to be the cornerstone for new transport policies and programs. With increasing pressure to improve productivity and safety, road transport agencies leveraged TCA's assurance and data services during the financial year to support a broadening range of road access schemes and initiatives.

TCA responded to calls from industry to recognise technologies and services already in use by transport operators through the NTF. During 2020-21, TCA introduced new arrangements to accommodate the assessment and approval of self-managed technologies by transport operators. This included the first approvals of transport operators to use their own technologies and systems within the NTF, which delivered on an initiative approved by transport ministers.

TCA also worked closely with the technology sector to promote the availability of type-approved devices which can support lower levels of assurance. There is now a wider choice of type-approved devices in the market, allowing for greater competition of lower-cost options for end-users.

Similarly, the NTF is providing choice in the availability of type-approved Smart On-Board Mass (OBM) systems, which are in use to underpin new productivity and safety reforms by road agencies.

Demands from stakeholders for transport information and data to support informed decision-making continue to grow. TCA plays a unique national role with its administration of vehicle telematics data. A major initiative during the year was to expand the Telematics Analytics Portal (TAP), enabling access to aggregated reporting for an expanding user base, including local councils.

TCA contributed to significant national reform initiatives, including the Heavy Vehicle National Law (HVNL) Review led by the National Transport Commission (NTC), the National Services Transition led by the National Heavy Vehicle Regulator (NHVR) in coordination with jurisdictions, and the Australian Government's National Freight Data Hub. It is particularly pleasing to see continued recognition and potential leveraging of TCA's role across the broader land transport sector through these discussions.

I'd like to extend a big thank you to TCA staff and their executive team, led by Executive General Manager, Stuart Ballingall, for the successful delivery of the 2020-21 work program. The year threw its fair share of challenges, including the COVID-19 pandemic and the various restrictions and issues that came along with it, yet our staff responded exceptionally, and the business continued to evolve and deliver value to stakeholders throughout.

I would also like to thank my colleagues on the TCA Board for your engagement, guidance and good counsel. We saw the departure of three Board members during the year, namely Jessica Hall, Tony Braxton-Smith and Robyn Seymour, who we thank for their service and wish all the best. We welcomed new members Maree Bridger and Emma Kokar, who are already proving valuable additions to the TCA Board. I would also like to thank the Austroads Chief Executive, Geoff Allan, and look forward to further embedding a positive collaborative and connected culture across Austroads and TCA.

Wishing all TCA staff and their stakeholders well and I look forward to working with you in the year ahead.

Gary Swain
Chairperson



Message from the Executive General Manager

It has once again been a successful year for TCA.

Our work program continues to evolve to meet changing service demands from transport authorities and industry stakeholders. TCA progressed the development and adoption of new contemporary technologies and processes. We contributed and responded effectively to policy changes and reform initiatives. And throughout all of this, our staff rose to the challenge and transformed our ways of working in response to the COVID-19 pandemic, with a continual focus on enabling positive outcomes from Australia's road transport system.

TCA met or exceeded all of its key objectives for 2020-21. Some notable achievements for the year include:

- The total number of vehicle enrolments in the Intelligent Access Program (IAP), Telematics Monitoring Application (TMA) and Road Infrastructure Management (RIM) applications was 7,913, an increase of 22.9%.
- TCA completed the operational deployment of different assurance levels through the National Telematics Framework (NTF).
- There was a significant expansion in the use of NTF applications and schemes by jurisdictions across all levels of assurance (LoA).
- There was a notable increase in the number of technology providers and transport operators seeking TCA recognition, and participation in the NTF led to:
 - An increase in the number of providers participating in the NTF
 - Type-approval of a telematics device at LoA 2 specifications for the first time

- Type-approval of Smart OBM systems to support new regulatory conditions
- The first approvals involving transport operator developed systems, including type-approval of a Smart OBM system and the certification of telematics system.
- TCA significantly expanded the Telematics Analytics Portal (TAP) end-user access to jurisdictions and local governments.

TCA further developed its internal systems and capabilities, particularly with digital infrastructure and data. We expanded the back-office support service for the IAP to include Victorian-enrolled vehicles, and developed innovative processes to optimise intelligent access conditions. Enhancements to our data management platform progressed well, including its new spatial and data science capabilities. Our contemporary Telematics Data Exchange (TDE) is also evolving and dynamically receiving data from a growing range of providers.

The year 2020-21 also highlighted our role as an independent, trusted manager of telematics data, with jurisdictions calling upon TCA to perform analysis and reporting of data collected through NTF applications. This work supported a number of initiatives where telematics data provided valuable insights into road network and infrastructure use, while safeguarding the use of data in line with the NTF principles and consent agreements.

Once again, we saw recognition for our technical and business systems with TCA's accreditation confirmed to ISO 9001 for its

quality management system; ISO 27001 for its information security management systems; and the National Association of Testing Authorities (NATA) for aspects of our telematics testing systems and processes. As our systems and processes evolve, these accreditations provide a robust foundation upon which we will continue to build.

Throughout the year, I have been impressed by the adaptability and innovation our staff have shown. COVID restrictions and other related challenges tested our ways of working but, at every turn, our staff remained engaged, committed, and focussed on helping others – thank you.

COVID-19 has also challenged everyone we work with, from government, industry and the technology sectors. I would like to recognise the flexibility and adaptability of all external parties we interact with through the NTF. It is a testament to the strong relationships TCA maintains with all parties that we've been able to deliver such positive outcomes during 2020-21. My gratitude to all.

I am pleased to report that the organisation successfully achieved its key objectives for the reporting year. In doing so I would like to extend my thanks to the TCA Board, and to the Austroads executive, for their guidance and support throughout the year.

I look forward to building upon our successes over the coming year

Stuart Ballingall
Executive General Manager

About Us



Transport Certification Australia (TCA) is a national organisation that provides assurance services relating to transport technologies and data to enable improved public purpose outcomes from road transport.

Priority outcome areas enabled by our services include improved road safety, transport efficiency, freight productivity, asset management and sustainability.

Key aspects of TCA include:

- An independent not-for-profit entity, with government oversight and ownership through Austroads
- Administration of the National Telematics Framework, including its rules, specifications, agreements, digital infrastructure and other supporting services
- Assurance services that support but are appropriately separated from regulators, policy makers and enforcement activities, and underpin telematics applications and associated information and data services
- Advice that is based on evidence and a deep subject matter knowledge
- Trusted partner to both government and industry stakeholders, enabling a nationally consistent open market, with services covering all road vehicle types and associated digital infrastructure.

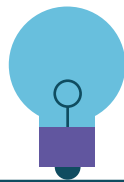
Our Values

In all our work, we strive to uphold four core values of our organisation:



Integrity

Honesty, impartiality, confidentiality and fairness



Innovation

Forward thinking and a commitment to research, development and continual investment in learning



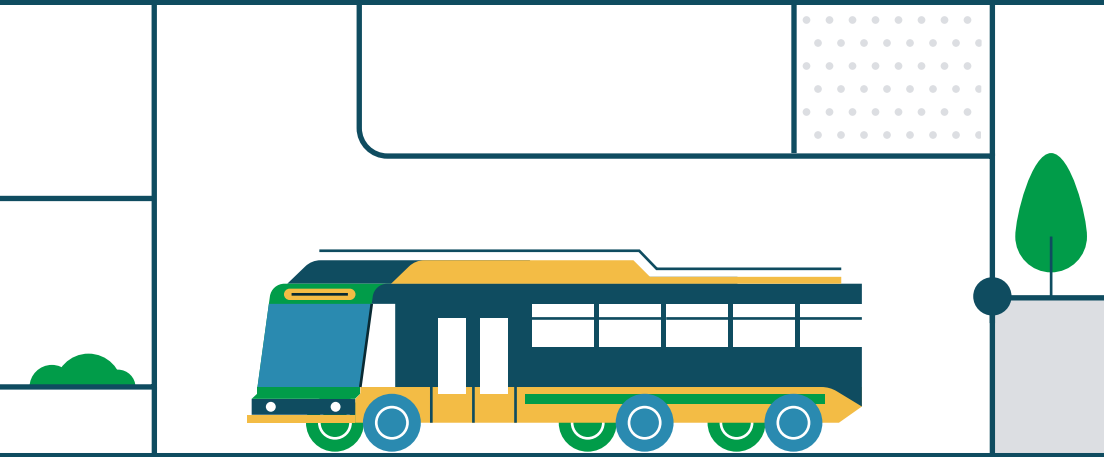
Professionalism

Passion and a commitment to excellence, teamwork and delivery of high quality services



Accountability

Caring about the needs of others, respecting differing opinions, a focus of achieving outcomes, and a commitment to timeliness and financial responsibility.



What We Do

The scope of our services will continue to evolve across and within the following service categories:

Assurance

- Certification of service providers, telematics applications and data
- Type-approval of devices and systems, including telematics units and on-board mass systems
- Auditing of service providers, applications and associated data.

Administration

- Administration of the National Telematics Framework, including the rules, specifications, agreements and digital infrastructure that it comprises
- Support for applications, schemes and other initiatives on behalf of key stakeholders
- Maintenance of road access maps, scheme conditions, and processing of data and information
- Administration of an audit program for certified services to ensure that the technical, functional, business and legal requirements certified by TCA continue to meet expectations.

Analysis and Reporting

- Standardised and ad-hoc data analysis, reporting and data provision to support the compliance, policy, planning, investment and operational decision making of key stakeholders

- Manage the Telematics Analytics Platform to support user access to data and reporting services
- Provide core analysis and reporting capabilities that key stakeholders require.

Advice

- Provision of authoritative information and trusted advice on transport technologies and data to support policy and regulatory reform, and planning, investment and operational decisions
- Well-developed knowledge on emerging vehicle and transport technologies, including telematics, connected and automated driving systems, and innovative mobility services.

We interact with three distinct stakeholder groups in providing services across assurance, administration, advice and analysis and reporting, to deliver improved public outcomes:

- **Government authorities** – that administer policies, regulations and programs using telematics and related technologies
- **Transport operators** – that use telematics and related intelligent technologies in response to government or regulatory policies and programs
- **Service providers and suppliers** – that develop and deliver telematics (and data) products and services to regulated industry sectors and transport operators.

TCA's Corporate Management Group



Stuart Ballingall
Executive
General Manager



Heather Hausler
General Manager
Corporate Operations



Gavin Hill
General Manager
Strategy and Delivery

Key Metrics and Statistics

as at 30 June 2021



7,468

Vehicles enrolled in the Intelligent Access Program (IAP)

3,143

Vehicles enrolled in the Intelligent Speed Compliance (ISC) application

22.9%

Growth in the total number of vehicles enrolled in the NTF



Type-approved telematics devices

133,000*

*Estimate provided by providers of the number of telematics are either type-approved, or capable of meeting type-approval requirements.



4 New providers participating in the NTF during 2020-21



103%

Growth in Telematics Analytics Platform (TAP) users during 2020-21



280

Vehicles enrolled in the Telematics Monitoring Application (TMA)

165

Vehicles enrolled in the Road Infrastructure Management (RIM) application



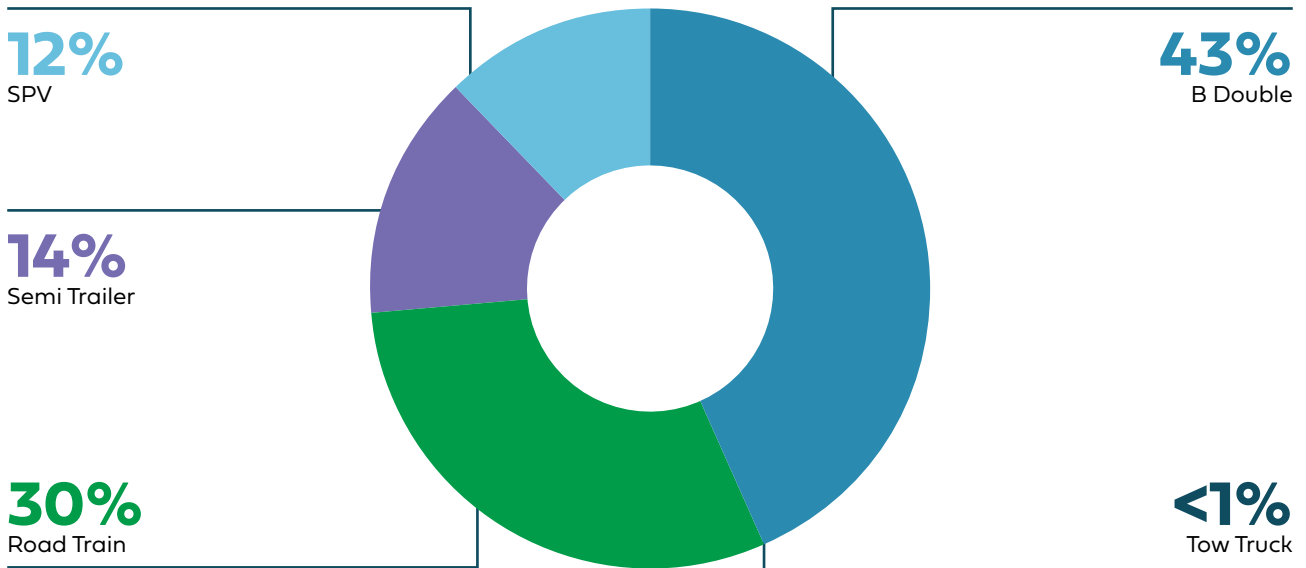
5 New productivity and safety initiatives deployed during 2020-21



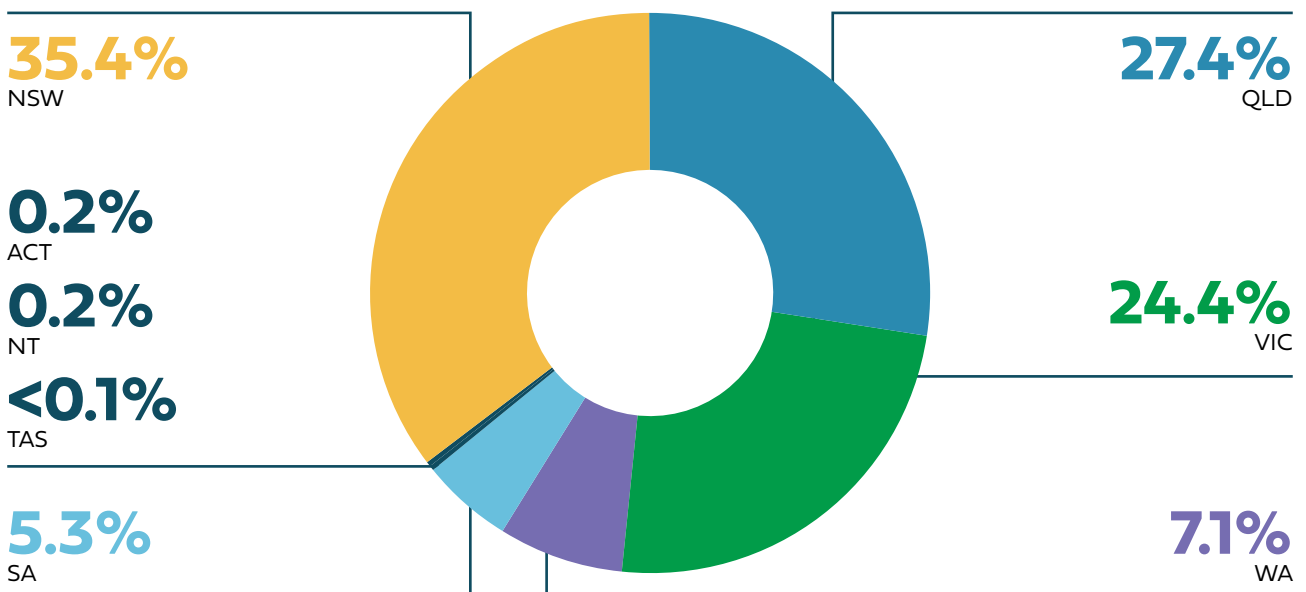
Key Metrics - Data

as at 30 June 2021

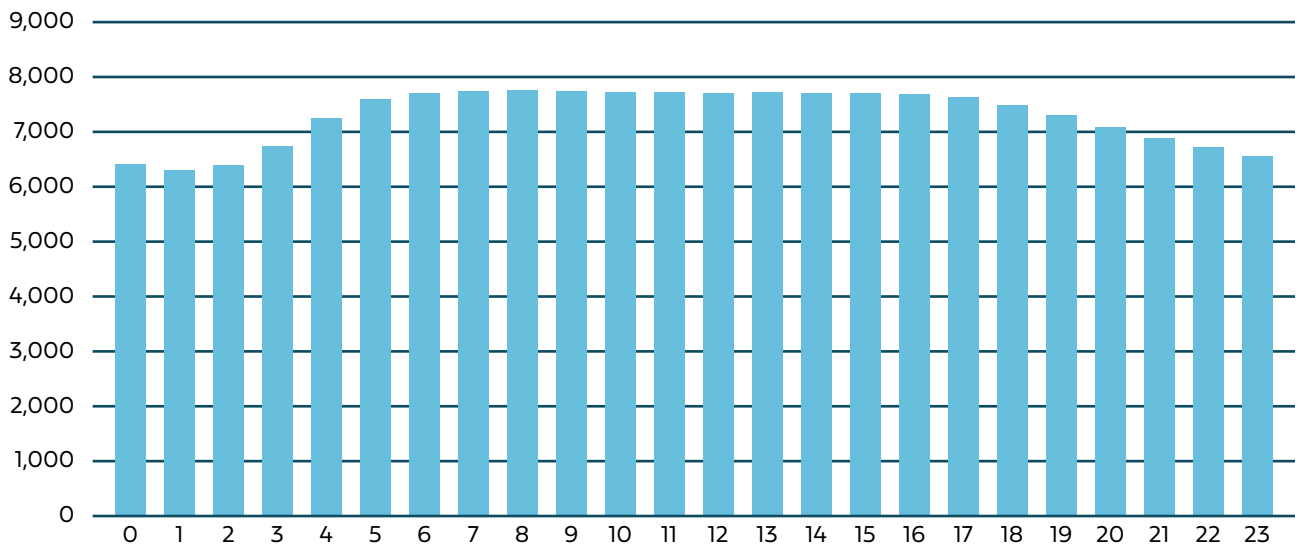
Monitored vehicles by type



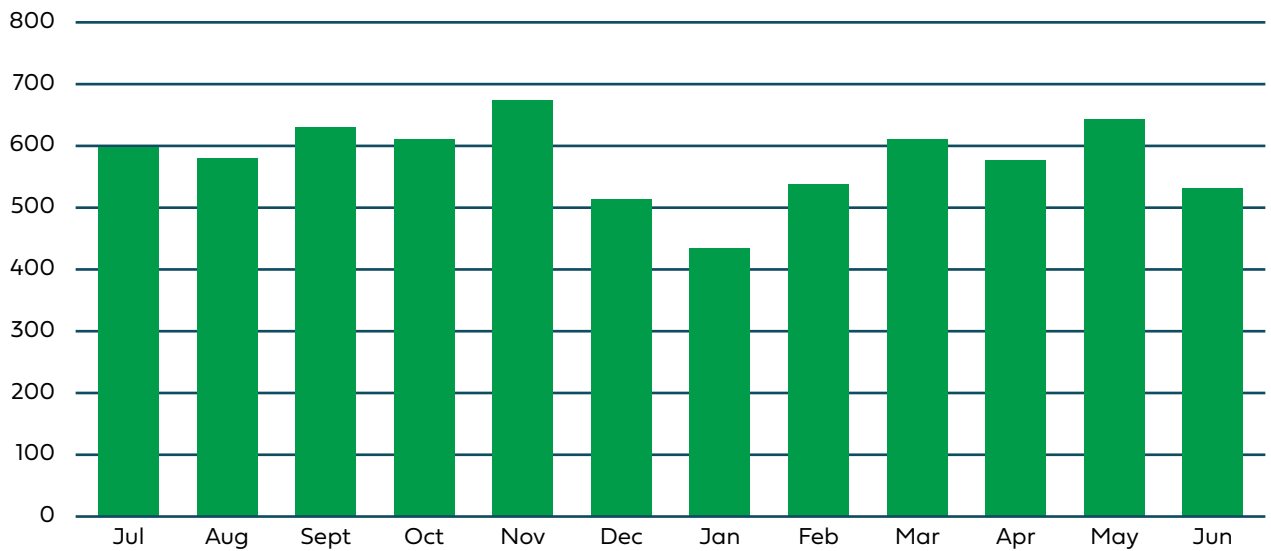
Monitored vehicles by jurisdiction of registration



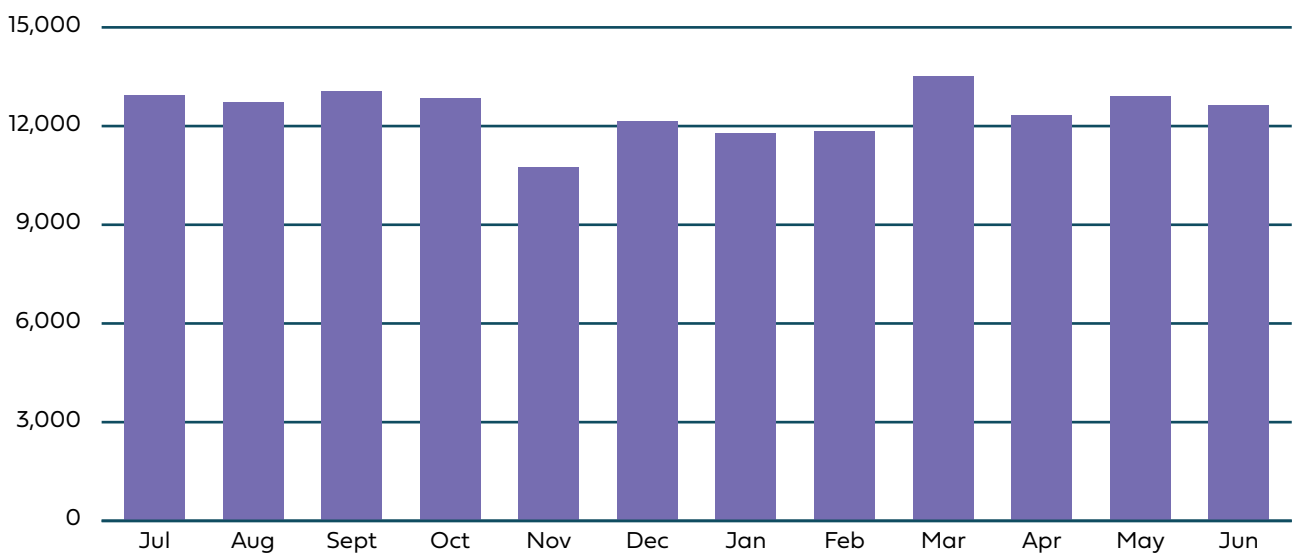
Vehicles active by hour of the day



Average distance travelled per Special Purpose Vehicle (SPV) per month (km)

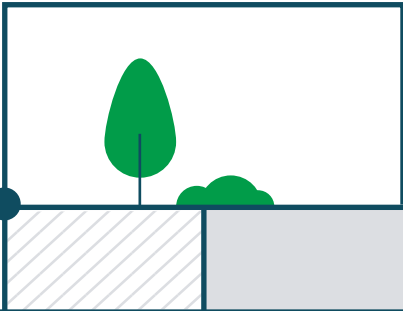


Average distance travelled per freight vehicle per month (km)



NTF Achievements

General Achievements



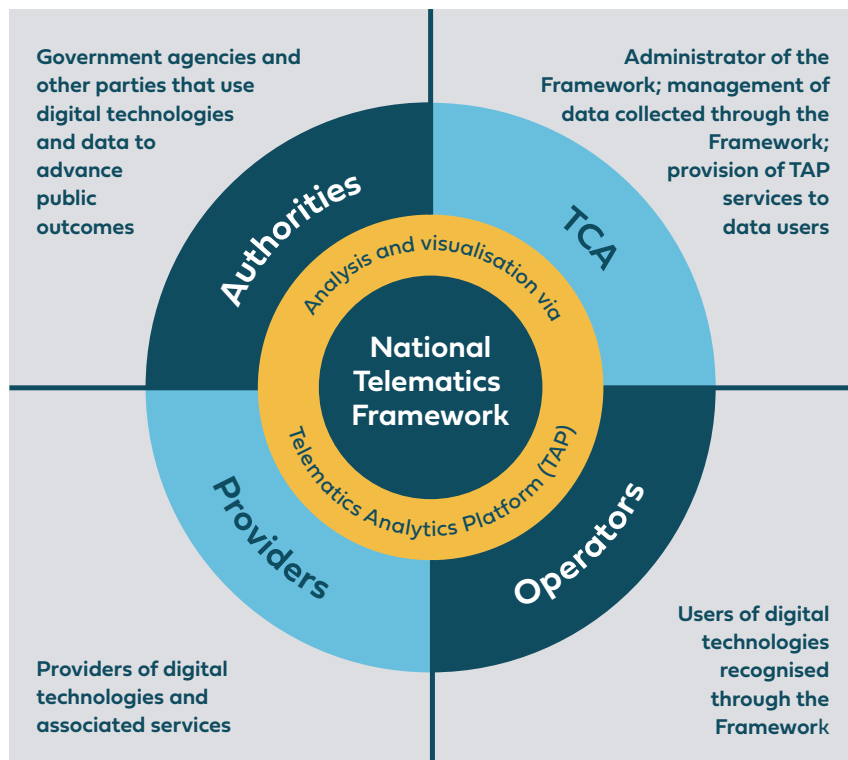
The National Telematics Framework (NTF) continued to grow and evolve during 2020-21 in response to the emerging needs of authorities, providers and operators.

The NTF:

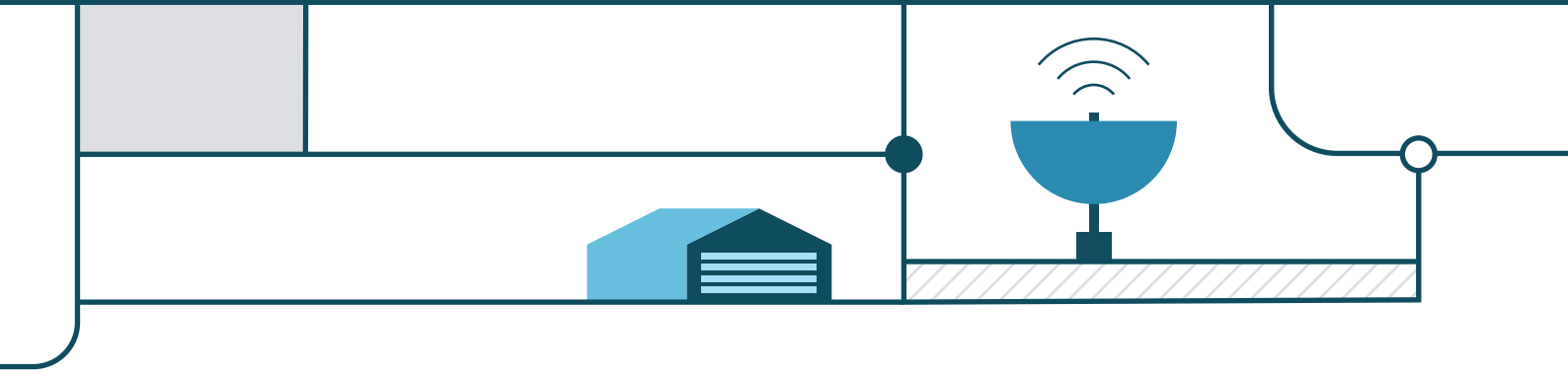
- Provides a national platform for the use of telematics and related intelligent technologies
- Supports different applications across regulatory, contractual and commercial needs
- Supports different levels of assurance
- Is outcome focussed and encourages innovation.

The NTF delivers public purpose outcomes through a suite of inter-related functions and activities:

National Telematics Framework Ecosystem



There was significant growth in the use of the NTF during 2020-21, which catered to the evolving needs of stakeholders across the country.



Providers

The NTF continues to evolve with the needs of stakeholders. The introduction of new applications and features through the Framework has encouraged policy makers and program managers to make greater use of telematics for a variety of needs.

New type-approvals

In 2021, TCA welcomed two new OBM suppliers, Right Weigh and Knorr-Bremse, now recognised through the NTF. In addition, TCA type-approved two existing suppliers, Airtec and Loadman – who are already offering OBM systems – to start offering Smart OBM systems.

TCA also type-approved a range of telematics devices to support applications of the NTF up to level 2 assurance, including MTData, Teletrac Navman and V-DAQ telematics devices.

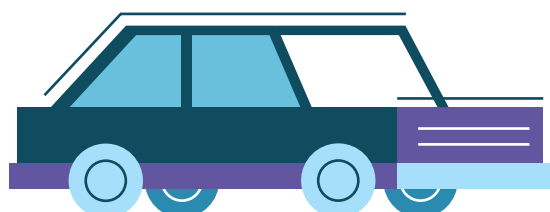
New service providers

TCA saw four new providers who entered the NTF for the first time. We welcomed Sensium, SolBox, Wisetech Global, and Fleetlogix while seeing existing service providers like V-DAQ, MTData and Netstar expand their offerings across RIM and TMA.

First transport operator approvals

For the first time, TCA approved transport operators to use their own technologies and systems within the NTF, demonstrating how the NTF provides opportunities for custom technologies and innovative systems that meet the relevant functional and technical specifications.

This included McColl's Transport Operations' type-approval for a Smart OBM system. The type-approval enhanced in-house capability and allowed McColl's to ensure they are always operating within the gross vehicle mass limits for the roads they travel on, leveraging new road access arrangements that reduce the need for permits, while providing greater protection for roads and bridges.



Smart OBM and bridge standards

Smart OBM systems are transforming bridge engineering standards into improved freight and supply-chain outcomes.

In 2017 the Australian Standard for bridge assessment (AS 5100.7:2017) – developed in collaboration with Austroads – recognised how OBM systems could change the way bridge assessments are performed.

With the availability of Smart OBM, bridge engineers are now able to better manage safety when performing bridge assessments by using real vehicle data. A recalculation of safety margins based on actual vehicle data allows the use of more realistic safety margins in bridge assessments for vehicles generating mass data. This provides bridge engineers with the assurance to reduce bridge load factors.

What does this mean? Larger, heavier and more productive vehicles can travel on networks that were previously off-limits. Smart OBM is unlocking productivity reforms that, until now, have not been possible.

Authorities

The number of parties now interacting with the NTF positions the Framework at the forefront of providing essential digital infrastructure for use by TCA participants and other stakeholders to advance road transport management and reform.

Mobile Crane Movement Analysis

TCA, in collaboration with the Crane Industry Council of Australia (CICA) and Transport for NSW has visualised telematics data sourced from a subset of mobile cranes in NSW through the IAP (with consent from participating transport operators).

This study used 36 months of data from 112 vehicles, across fifteen crane operators, and covering mobile cranes of a wide range of configurations ranging from 2-axle to 9-axle cranes.

The visualisation of this aggregated data has been received by CICA and forms the basis of access and other discussions with Transport for NSW.



New schemes for applications of the NTF

A scheme is a specific use of an application linked to delivering a policy objective, and it inherits the relevant features of the application it's associated with. Key processes within a scheme, such as enrolment and reporting, are consistent with processes described in the telematics application it's associated with, and across all schemes associated with the application.

This relationship is an efficient method of reusing the same technology and hardware for a range of purposes.

Several schemes associated with telematics applications such as TMA and RIM have been developed for use by authorities, including Transport for NSW, Main Roads Western Australia, the Department of Transport in Victoria and the Department of State Growth in Tasmania.

Compared with the previous year, authorities have accelerated the introduction of new productivity and safety initiatives using applications of the NTF. Examples of these initiatives include:

- **Road Infrastructure Management (RIM):** There has been a significant expansion of this application. These operating arrangements (schemes) provide valuable insights for road managers (based on aggregated and de-identified data), as well as significant productivity improvements for industry.

Two new operating arrangements came into place using the RIM application during 2020-21 including:

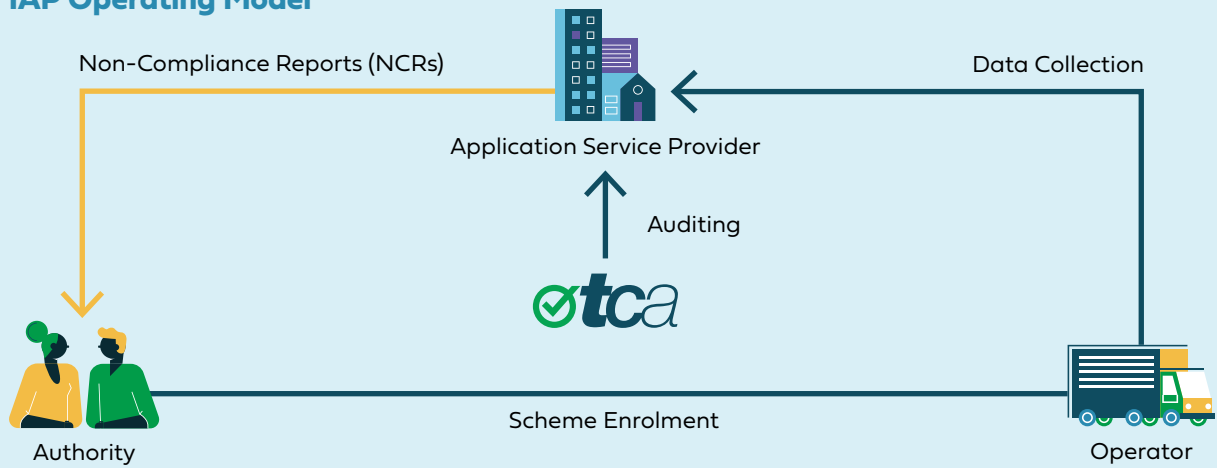
- **Farm Gate Access (NSW):** The Farm Gate road access arrangement uses the RIM application to allow transport operators increased access on restricted access vehicle (RAV) networks to and from the farm gate.

- **RIM PBS Monitoring (NSW):** This road access arrangement enables increased network access for eligible Performance-Based Standards (PBS) vehicles in NSW.

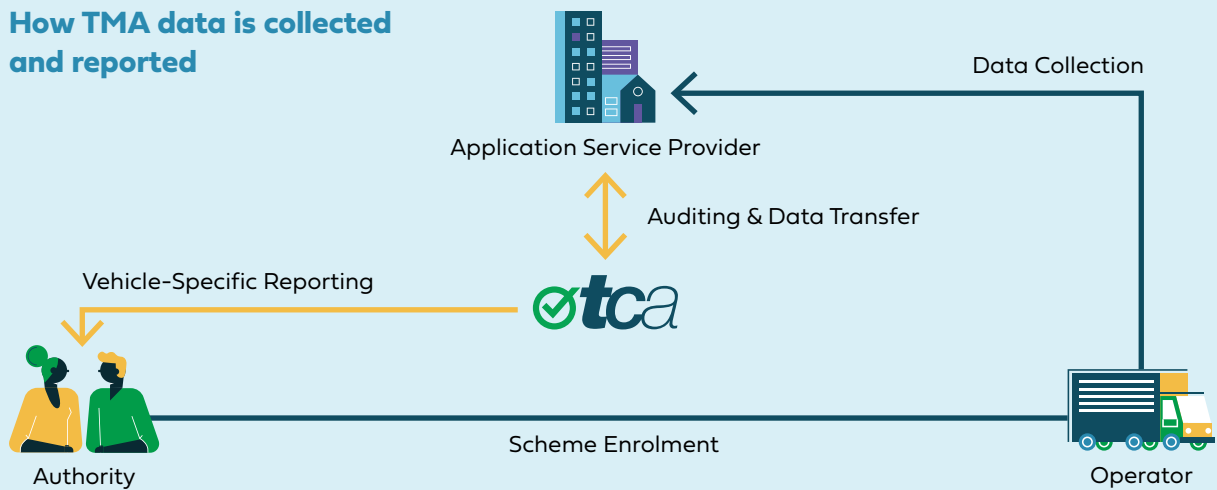
- **Telematics Monitoring Application (TMA):** Three (3) new operating arrangements came into place using TMA during 2020-21 including:

- **Hill Descent Monitoring – Mount Ousley (NSW):** This road access arrangement enables increased access and improved safety down the steep descent at Mount Ousley.
- **TMA Livestock Loading (NSW):** This road access arrangement enables increased access of eligible vehicles to the NSW Livestock Loading Scheme network.
- **TMA PBS Monitoring (NSW):** Aligned with RIM PBS Monitoring, this road access arrangement also enables increased access for eligible PBS vehicles in NSW.

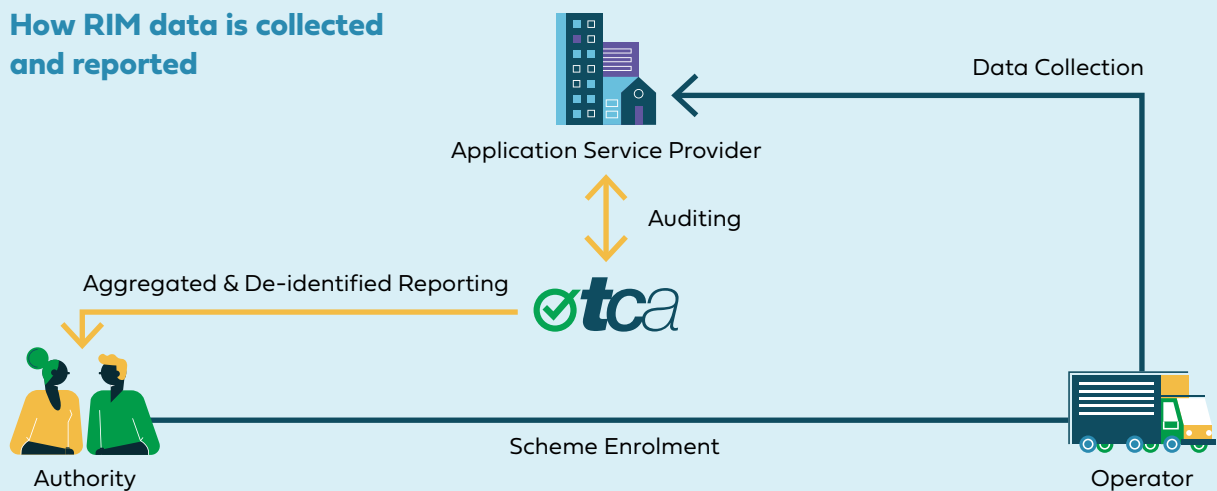
IAP Operating Model



How TMA data is collected and reported



How RIM data is collected and reported



→ Data Transfer and Reporting

Pilot schemes

TCA supported jurisdictions in introducing and assessing several trial or pilot schemes during the reporting period. Queensland Transport and Main Roads undertook a pilot using lower level of assurance applications to assess the movements of vehicles currently not captured under the Intelligent Access Program (IAP). This pilot sought to examine the potential for using an application such as the

Telematics Monitoring Application (TMA) – potentially with Smart On-Board Mass or other mass data – to monitor Low Loaders and other vehicles across relevant networks, and reduce the need for network assessments and permits.

Transport for NSW has introduced the Oversize Overmass Low Loader Monitoring Scheme, that allows Oversize Overmass (OSOM)

vehicles operating in NSW to access 12-month permits if they participate in the Road Infrastructure Management (RIM) application. This is a significant extension compared to the 3-month permits normally available. Longer-term permits help increase certainty for transport operators when planning future work, and reduce the administrative overhead of permit applications.

Special Purpose Vehicle (SPV) Monitoring Scheme

This scheme associated with TMA is administered by the Department of State Growth (DSG), Tasmania, to:

- permit access of Class I Special Purpose Vehicles (SPV) to the Tasmanian road network
- monitor the operation of Class I SPVs on the Tasmanian road network, including the ability to identify when Class I SPVs:
 - cross certain bridges no faster than 10 km/h
 - cross 'do-not-cross' structures

– travel on no-access roads.

Transport operators leveraging this road access arrangement have the productivity benefit of increased payloads, with safer access to new parts of the network that may previously not have been permitted.

The telematics data produced by vehicles enrolled in this scheme informs capital works and maintenance programs undertaken by Tasmanian road managers.

Performance-Based Standards (PBS) Vehicle Monitoring Scheme

This scheme associated with TMA is administered by the Department of State Growth, Tasmania, to:

- permit access of PBS Level 2 vehicle combinations exceeding 26 m in length (e.g. 30-metre A-Doubles, 30-metre B-Doubles) or 68.5-tonne gross mass to the Tasmanian road network
- monitor the operation of certain PBS Level 2 vehicle combinations on an approved road network, including speed at no greater than 90 km/h
- monitor whether the vehicles which exceed 68.5 tonne gross mass cross certain bridges at nominated weights.

Transport operators leveraging this road access arrangement have the productivity benefit of increased network access for eligible vehicles in NSW, and maintaining safety through compliance with conditions of the permit.

The telematics data produced by this scheme allows the Department of State Growth to monitor travel of permitted vehicles over identified bridge structures on the Tasmanian road network, and determine whether those vehicles travel along roads of appropriate lane width and shoulder.

First Smart OBM schemes

Several jurisdictions have begun leveraging Smart OBM technology to support increased and more streamlined access for higher productivity vehicles. Smart OBM opens the possibility of tailoring access to infrastructure capacity, with data verification for compliance. A number of jurisdictions are now adopting Smart OBM systems to capture data from freight vehicles, and using this data to introduce new productivity reforms, with payloads that better match the capability of the network.

These schemes are currently operating in Tasmania, Victoria and New South Wales, and allow increased network access for eligible freight vehicles operating above normal limits on approved routes. Smart OBM data also helps with the formal gazettement of networks for vehicles using them rather than relying on permits, which leads to significant administrative savings for operators and government.

Find out more about Smart OBM systems at tca.gov.au/smart-obm.



Class 1 Oversize Overmass (OSOM) Permits

This scheme associated with RIM is administered by Transport for NSW.

For:

- laden permits, a 12-month permit can be obtained (instead of 3 months)
- unladen permits, a 3-year permit can be obtained (instead of 12 months).

From 1 June 2020, transport operators were required to submit their applications for access to both state and local council roads via the National Heavy Vehicle Regulator (NHVR) Portal.



Levels and Models of Assurance

Levels of assurance

Just as the NTF supports multiple applications, the Framework also supports different levels of assurance.

Assurance is the provision of certainty that a system or data can be used for an *intended purpose*.

Different assurance outcomes can be derived from *five interrelated dimensions* managed through the NTF:

1. The stringency of functional and technical requirements
2. The assessment and approval process
3. The oversight of in-service performance
4. The management of changes
5. The management, security and use of data (which is always set at the highest level).

The NTF allows road managers and regulators to assign the appropriate level of assurance based on the intended use of data, the risks being managed, and the needs and expectations of stakeholders.

TCA has also introduced alternative models of assurance which enable assurance activities to be tailored to support different uses. Adopting alternative models also delivers on an initiative approved by transport ministers. The NTF now supports assurance models that will allow transport operator telematics systems (not already recognised by TCA) to support applications of the NTF.

In 2021, TCA approved two 'operator suppliers' to join the NTF using their own in-house systems to deliver the same level of assurance required for the applications they wish to join.

Many of these systems have in-house or bespoke systems, sometimes integrated with other business systems, to meet the specific needs of the transport operator.

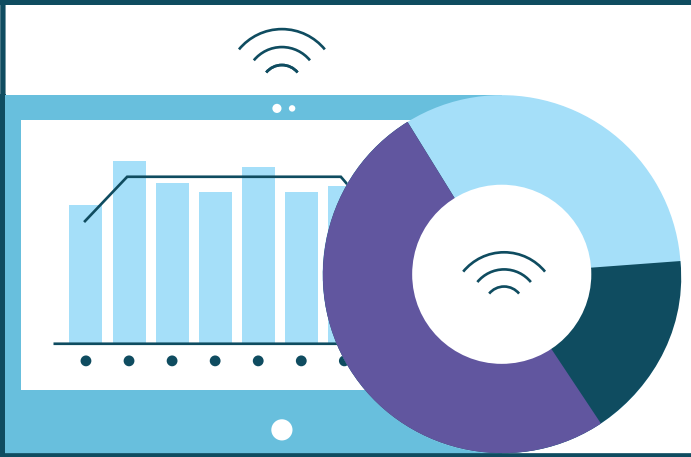
These systems can support multiple applications of the NTF by complying with the Telematics Data Dictionary, the Telematics Data Exchange and Telematics Business Rules.

Find out more about levels of assurance from our website at tca.gov.au/levels-of-assurance

About

21 GB

of de-identified data to support the National Freight Data Hub Prototype



Our Telematics Analytics Platform (TAP) is the online gateway to the National Telematics Framework

TAP puts vehicle-generated data at the fingertips of road managers, regulators and other stakeholders.

Data is the new oil – providers are collecting more data from vehicles now than ever before, but the data is not always available to improve public outcomes.

TAP currently provides a range of services, including access to data to support compliance of heavy vehicles, road use analytics, and an interface for telematics providers and road managers to interact with TCA when needed.

Digitised road networks

Digitising road networks can transform the way we manage road networks, improving productivity, efficiency and safety.

By drawing on data from providers who collect data from vehicles

enrolled in the NTF, TAP offers a single consolidated view of vehicle movements across Australia's road networks.

TAP works similarly to road networks. In the same way that physical road networks support a diversity of road users, TAP supports a range of technology providers.

Leveraging technologies already used in vehicles

TAP responds to the evolving needs of governments and their need for data, and does so by using technologies already used in vehicles, including various applications of the NTF, telematics devices and Smart OBM systems.

Changing the way road network data is collected

Data collection is often complex and expensive.

We've evolved from manual and less automated forms of collection, including through research and surveys to automated data collection using vehicle telematics.

Sophisticated tools to categorise vehicles and loads

TAP offers users sophisticated ways to gain insights into vehicle operating arrangements, vehicle combinations and the weight of carried loads.

The power of the analytics capabilities that TAP offers is unparalleled in Australia.

TAP leverages the precise categorisation of vehicles through the NTF, in a way other telematics data does not.

How Road Network Data is Collected

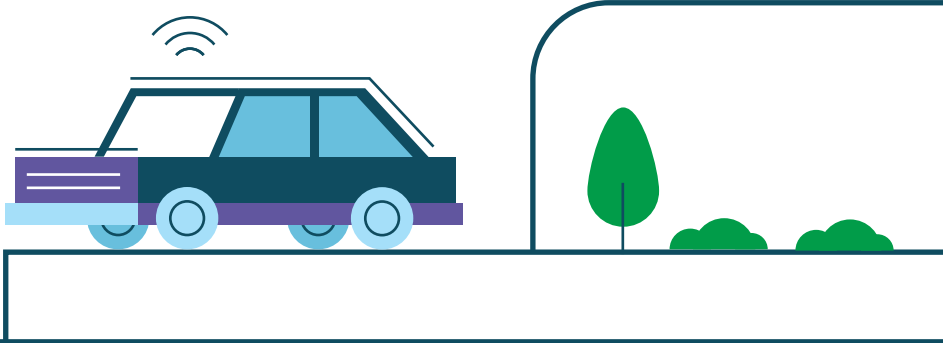
Road Network Management / Planning

TCA



Off-vehicle data collectors

On-vehicle data collectors



TAP overcomes traditional challenges

Traditional methods of data collection often rely on point-based data collection methods. These are often costly and inefficient to perform and, because of this, are not always regularly performed.

This means data is not always of dependable quality and can quickly lose its currency.

TAP shifts the paradigm using vehicle-generated data that is continuously received across the network.

A public purpose focus with an emphasis on data sharing

TAP is an independent, trusted custodian of data generated from vehicles, and plays a critical role.

This is why TAP:

- applies different access rights to data for different users, based on the vehicle owners' consented use of data by vehicle owners, using role-based access entitlements
- incorporates stringent data management, security and ICT controls to manage how data is used.

TAP is designed to support self-service – authorised users can look up data analytics to their own configurations to gain valuable insights on monitored vehicles across the national road network.

Mapping services

TCA is a hub for mapping data – this service is primarily related to restricted access heavy vehicles, but with a range of other road-related data. Authorities are increasingly adopting this capability to support or replace their own in-house mapping capabilities.

We recently provided access to Restricted Access Vehicles (RAV) maps that TCA is responsible for administering, for road managers to review, update, amend and approve for finalisation. This significantly streamlines previous RAV map development and updates approval processes for road managers, saving time and allowing for timely RAV map updates.

Provider reporting functions

TAP is a two-way gateway. It allows service providers and road managers to enter queries and data, review and process data, and note specific data items.

One important function of TAP is the provider reporting service, which allows service providers to report issues with their systems, log helpdesk requests, trace and track data anomalies, while engaging with TCA's technical support and audit teams for issues management.

This important reporting capability offers transparency and efficiency in the administration of the NTF.

112

Registered
TAP users



Road use analytics and reporting

This secure portal for authorised users provides a range of functions and services, including giving access to road network usage information for crucial decision-making.

Through TAP, local government authorities can now:

- get a better understanding of where restricted access vehicles are operating across their road network, and across their region
- access road segment level usage data to support capital investment plans, land use planning and maintenance programs

- obtain valuable data evidence to better manage community expectations and requests for road access.

TCA can provide additional analysis in jurisdictions where information on bridges or other infrastructure is available. We are also rolling out a program of strategic enhancements to TAP which includes structure analysis.

We work with stakeholders to give them access to core analysis and reporting through data analytics

as part of the NTF. We saw more than a doubling in the number of TAP users during 2020-21, with an expansion in the use of TAP for local, state and territory road managers.

TAP currently provides access to analytics derived from the IAP, TMA and RIM applications.

Expanding access to all local councils in NSW and Tasmania, and state road managers in Western Australia and Victoria, TAP continues to add value to public decision-making.

28

Local councils accessing TAP



Powerful analytics and visualisations to local councils

During 2020-21, TCA continued to respond to the needs of stakeholders by providing more data analytics and reporting services to more governments.

We rolled out access to powerful de-identified road use analytics to four state road and transport agencies, and to almost 160 local councils, with 24 councils currently accessing the system. This includes expanded access to all local councils in NSW and Tasmania, and to state road managers in Western Australia and Victoria during the current financial year.

Examples of the kinds of reports and visualisations or views available in TAP include:

- Journey counts of participating vehicles by road segment in each local government
- Unique vehicle counts by road (journey intensity)
- Average speed for each road (indicating speeding or congestion hotspots)
- Average speed by time of day and by vehicle type
- Journeys by broad vehicle category
- Breakdown of High Productivity Freight Vehicle (HPFV) movements in Victoria by vehicle length.

The digital infrastructure available through TAP is helping to better manage physical infrastructure by:

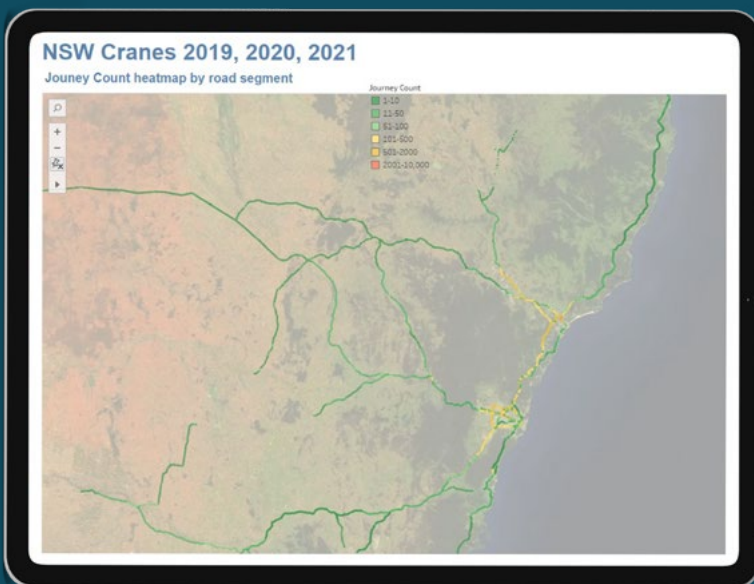
- Informing policy and planning of road networks using historical heavy vehicle travel patterns, including density of journeys, speed variations and reliability
- Responding to community concerns about heavy vehicle usage of local roads, particularly in urban areas
- Understanding safety risks on the road network, for example by providing access to and safety across rail level crossings, including allowing the ability to undertake historical analysis of the impact of heavy vehicles on level crossings.

Trusted safe harbour for data

As a tangible example of the NTF's value to industry and government, and TCA as a trusted safe harbour for data, TCA conducted a collaborative research study with the Crane Industry Council of Australia (CICA) and Transport for NSW.

This study used privacy-protected data from heavy mobile cranes in NSW to help inform strategic discussions between industry and government on network and bridge access for mobile cranes, investment and maintenance planning, and future policy.

The study, aligned with other data sources such as permit applications, bridge assessments and operator input, promises an evidential collation of rich historical insights on the actual number, location and movement of cranes across the road network.



This dashboard is based on data collected from heavy mobile cranes monitored under the IAP. This report allows the Crane Industry Council of Australia and Transport for New South Wales staff access to the de-identified and aggregated report of data by local government area (LGA), road name, road hierarchy, year, month, number of axles and the IAP application.



National freight data standard

TCA's work with the Australian Logistics Council (ALC) and GSI Australia (global standards) led to the release of the National Freight Data Standard in December 2020.

Developed in collaboration with the freight and supply chain sector, the standard contributes directly to one of the priority areas of the National Freight and Supply Chain Strategy:

Develop an evidence-based view of key freight flows and supply chains and their comparative performance to drive improved government and industry decision-making, investment and operations

The standard is fostering improved ways of collating data across government, industry and the technology sector.

National Freight Data Hub Prototype

TCA has worked closely with the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) to support the public release of the National Freight Data Hub Prototype website. The Hub will publish a wide array of freight-related data, including aggregated, de-identified telematics data from the NTF.

The National Freight Data Hub prototype website provides a trusted source of strategic freight data for industry, government and other technology users to help improve the efficiency, safety and resilience of the freight sector.

Leveraging the NTF's data protection mechanisms and privacy-by-design principles, TCA provided the National Freight Data Hub with aggregated, de-identified data extracts from applications of the NTF.



Standardised approaches to data collection and transfer – which underpin all NTF applications – offered the National Freight Data Hub an efficient way to access data from 6,500 vehicles operating across the country. The data is from transport operators who use Application Service Providers operating in the NTF.

Standardised data consent arrangements that TCA has in place with transport operators overcame challenges routinely associated in obtaining data from heavy vehicle fleets.

With more vehicles enrolling in the NTF, and driven by the use of new productivity and safety reforms in use by road managers and regulators, future versions of the interactive maps on the Hub will benefit from more data from a diverse range of vehicles.

National Freight Data Standard

The Australian Logistics Council (ALC) has worked with TCA on the development of a Single Freight Data Standard to enable a National Freight and Logistics Data Framework. The ALC aims to use the Framework to:

- Establish a single national 'data standard' for industry and government to reference and use
- Enable greater efficiencies in the sharing of data between

commercial entities, government entities, data aggregators and technology providers

- Support the work of the National Freight Data Hub and the National Freight and Supply Chain Strategy.

The National Freight and Logistics Data Framework combines key data elements from two separate dictionaries which are recognised through the International Standards Organization (ISO):

- The Telematics Data Dictionary maintained by TCA (for vehicle-generated data), which references ISO 15638 – Collaborative Telematics Applications for Regulated Commercial Freight Vehicles (TARV)
- Data standards/definitions maintained by GSI (for data collected from freight as it moves through the logistics chain), which references ISO/IEC 19987 – Electronic Product Code Information Services (EPCIS) standard and the associated ISO/IEC 19988 – Core Business Vocabulary (CBV).

The ALC has published the Single Freight Data Standards on its website (www.austlogistics.com.au) and continues to promote the value of a standardised approach for data standards across the logistics and supply chain.



Real time data with freight sync

TCA is working collaboratively with the Sustainable Built Environment National Research Centre in the use of telematics data for improved traffic management and road network use.

The FreightSync Roadmap has been designed to support efforts to use near real-time telematics data from heavy and light freight vehicles to

build better information about the movement of freight across the network, and allow swift responses and decision-making.

One key outcome is the use of telematics data to allow for effective traffic management that takes into account the presence and intention of freight vehicles to streamline the flow of key freight corridors.



User-driven enhancements

Provision of data to support turn-by-turn guidance

TCA is working with stakeholders to identify and source data that would be valuable for the provision of turn-by-turn guidance to drivers, via telematics providers. Rather than seek to create a discrete solution, TCA is supporting the open market approach to technology by providing base mapping data for restricted access vehicle networks, structure locations and conditions of access, rest area locations and similar data sets.

Once available, this data should include restricted access networks across Australia, locations of structures with low-speed requirements, level crossings with vehicle length restrictions, and rest area locations. The availability of Turn-by-Turn information is anticipated to be a significant safety enhancement offering direct in-vehicle information to drivers on the routes they can safely take and warnings regarding infrastructure constraints.

Many state and territory governments are contributing to these outcomes through the digitisation of network data, and TCA is supporting the uptake of this data through the development of common standards, formats and potentially a single data 'hub' to support efficient uptake of this information by the marketplace and reducing barriers to getting this valuable information into the cabs of trucks.

Improvements to performance-based telematics specifications

TCA revised its key functional and technical specifications, in response to and anticipation of technological developments, and to reflect the way in which applications, systems and devices are now in use within the NTF.

Improvements included updates to the *Telematics Monitoring Application Functional and Technical Specification* to address installation, operation, maintenance, calibration and documentation of OBM systems.

We further improved the *Telematics Business-to-Business Data Exchange Functional and Technical Specification*, integrating updates to data models and data element requirements.

Digital mapping services

During 2020-21, TCA continued to provide support to state road managers through digitised conditions of access, and restricted access vehicle mapping activities.

This has included a significant expansion of the support provided to Transport for NSW in digitising restricted access network maps (including the Farm Gate, Livestock Loading Scheme, and several PBS vehicle networks). These interactive maps are provided for public use on the Transport for NSW website, and are a valuable planning and scheduling tool for the transport industry.

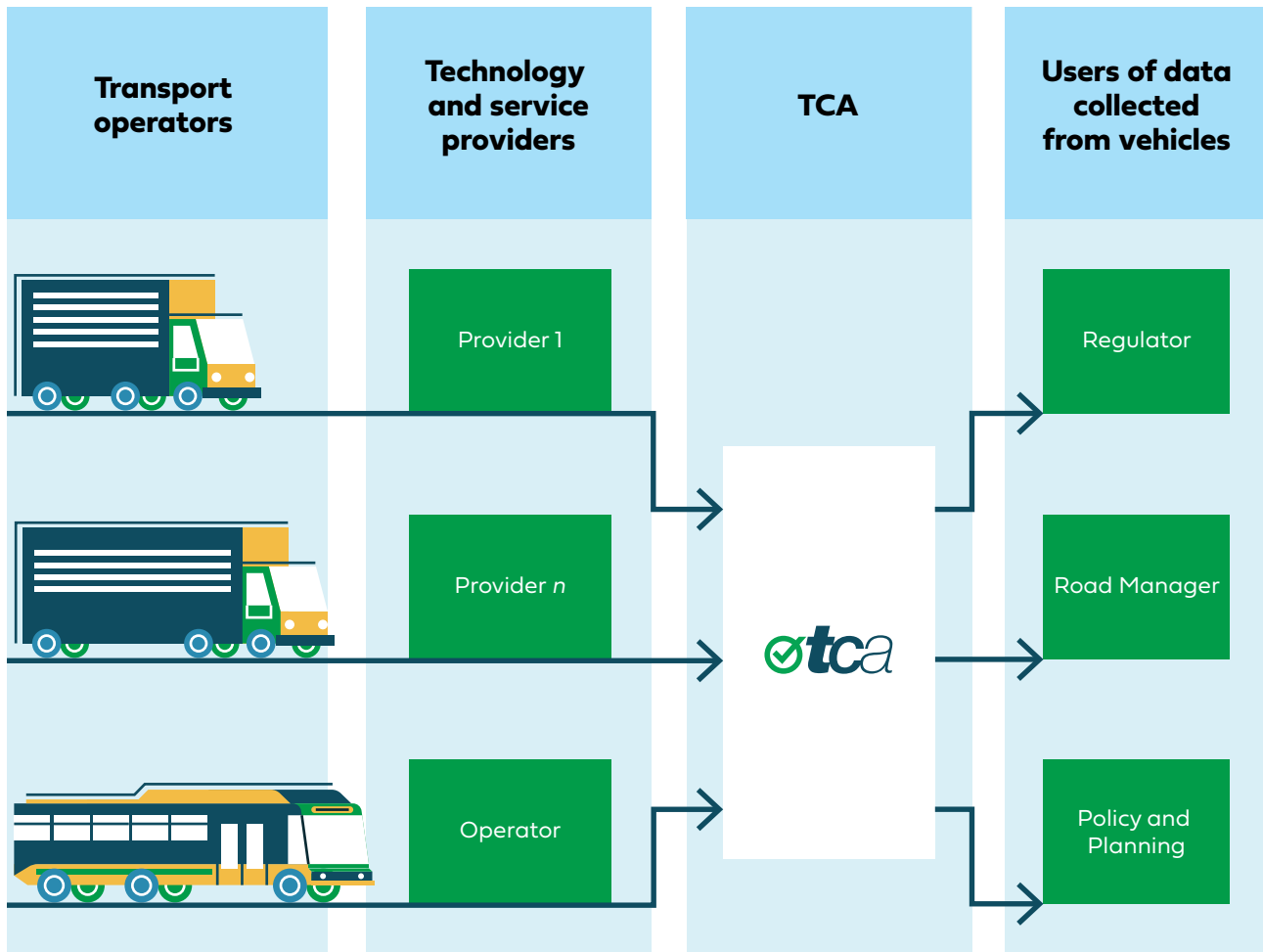
TCA's work delivers a nationally consistent approach for the use of digitised Restricted Access Vehicle (RAV) maps by providers, to support turn-by-turn route guidance for heavy vehicle drivers.

With the increasing complexity of restricted access networks, coupled with the use of in-cab navigation services, the assurance provided by TCA is relied upon by providers and operators alike.

A life-cycle approach to data collection, transmission, retention, use and destruction

TCA provides a single point of access to data reports and analysis within applications and schemes, as agreed with transport operators and certified service providers.

The following shows how data flows through the NTF.



Key participants in the National Telematics Framework

As part of the NHVR national services transition, TCA continues to provide data analytics and reporting services for vehicles monitored under the IAP in Victoria for compliance purposes.

During 2020-21, the NHVR confirmed that TCA would also manage the IAP back-end services for New South Wales upon transition, on behalf of the NHVR. Planning and technical development to achieve this within the NHVR's proposed time frame of mid-2022 is well underway.

This includes work to replicate the benefits achieved with the Victorian transition, in NSW.

Full transition is anticipated to occur at the end of 2021-22, and will involve TCA undertaking full administrative activity for processing IAP applications, changes and cancellations, data receipt and validation, and provision of a digital portal for the NHVR to access non-compliance reports (NCRs) for assessment and appropriate compliance activity.

A key task will be the optimisation of the conditions of access to better focus on higher risk activities and locations. When undertaken for the Victorian transition, this resulted in an initial reduction in NCRs by almost 40%, with further improvements in efficiency and processing to be realised over the following update cycles. Offering IAP back-end services in NSW could see a reduction of about 20 million NCRs per year, reducing costs for the NHVR, service providers and transport operators.

Focus on easy-to-understand materials

The rapid growth in the use of applications, telematics devices and systems in the NTF called for timely and proactive delivery of supporting promotional material that formed a part of TCA's program of work for 2020-21.

Continued enhancements to the TCA website ensured ongoing content refinement, user-friendliness and fitness for purpose in a swiftly evolving heavy vehicle transport industry.

Smart OBM microsite

Early in 2021, TCA launched a new microsite with essential information for transport operators about Smart OBM systems and which certified ASPs support Smart OBM systems. Online resources included information sheets, frequently asked questions (FAQs) and a new TCA video on Smart OBM systems, available at tca.gov.au/smart-obm.

New fact sheets and FAQs

Stakeholder-focused information included videos, fact sheets, FAQs and one-page information sheets questions relevant to respective stakeholder groups. These included information on:

- Differences between IAP and TMA
- Getting started on a Smart OBM
- Smart OBM – Changes to HPFV arrangements in Victoria
- Transition of TCS to MTData
- Getting Started: TAP Road Use Analytics and Reporting Service
- TAP for Road Managers.

TCA published these on the website, directly distributed them to ASPs and suppliers, and made print copies available at major events, including the Brisbane Truck Show in May 2021, where TCA had a notable presence, well received by industry partners and stakeholders.

National Telematics Framework Working Group

The National Telematics Framework Working Group (NTFWG) was established in 2020 to provide oversight and advice over projects relating to the National Telematics Framework.

The purpose of the NTFWG is to:

- Facilitate discussions between the NHVR, road managers and other government stakeholders to achieve more nationally harmonious, efficient and higher value use of telematics for regulatory purposes
- Better align and inform planning for delivery of policy utilising telematics, including new and existing monitoring schemes, and the development of new applications and functionalities under the NTF
- Inform TCA's forward view of potential telematics uses, analytical tools, data types and technologies required to support the NTF
- Provide updates on the use and participation within the NTF, including insights garnered from data and market analysis.



New ways to recognise existing transport operator technology

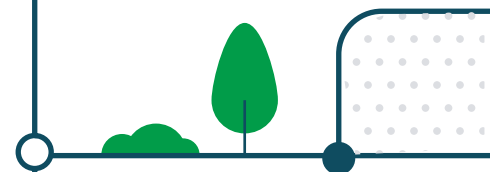
Transport operators are now having their own technologies recognised for use through the National Telematics Framework.

For many operators, vehicle digital technologies are now highly integrated within the business systems of transport operators.

What does this mean?

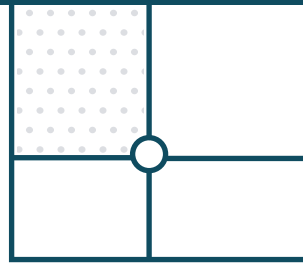
Telematics devices and services are no longer stand-alone technologies, but part of a broader technology suite in transport operator businesses.

The recognition of transport operator technologies demonstrates how the National Telematics Framework continues to evolve and cater for emerging needs.



NTF Achievements

Presentations during 2020-21



**Participation is online for those presentations without physical location*

Dangerous Goods Movement Study

Using vehicle movement data through the National Telematics Framework

John Gordon, Manager
Strategic Development
Sydney, New South Wales
02 July 2020

Urban Logistics Forum

Developments in Regulatory Heavy Vehicle Telematics

Gavin Hill, General Manager
Strategy and Delivery
23 July 2020

NHVR National Policy and Operational Forum

Developments in the deployment and rollout of new telematics applications and schemes across Australia

John Gordon, Manager
Strategic Development
30 July 2020

NHVR National Policy and Operational Forum

Developments in the deployment and rollout of new telematics applications and schemes across Australia

John Gordon, Manager
Strategic Development
2-3 December 2020

Queensland Telematics operational Policy Workshop

National Telematics Framework opportunities, features and costs

John Gordon, Manager
Strategic Development
8 December 2020

TAP Road Usage Analytics Service

Demonstrations of recent enhancements to the Telematics Analytics Platform (TAP) Road Usage Analytics Service for state and local governments

John Gordon, Manager
Strategic Development
10 presentations

Prototype National Freight Data Hub team, Department of Infrastructure, Transport, Regional Development and Communications

Opportunities for TCA to contribute de-identified and aggregated data from the National Telematics Framework (NTF) for the Hub

John Gordon, Manager
Strategic Development
31 August 2020

Transport for New South Wales, Freight Branch

Use of the Telematics Monitoring Application, and other new telematics applications for the monitoring of higher risk heavy vehicles

John Gordon, Manager
Strategic Development
9 September 2020

National Bulk Tanker Association (NBTA) – National Bulk Tanker Day 2020

Using the National Telematics Framework for the Dangerous Goods Movement Study

Gavin Hill, General Manager
Strategy and Delivery
17 September 2020

Australasian Institute of Dangerous Goods Consultants (AIDGC) Conference 2020

Insights on safety and productivity for Dangerous Goods movements using telematics

Gavin Hill, General Manager
Strategy and Delivery
25 September 2020

NSW Grain Harvest Management Scheme (GHMS) – Participating Grain Receiver Meeting

Introducing new NTF applications

Gavin Hill, General Manager
Strategy and Delivery
21 October 2020

Fuel Supplier Safety Forum

Opportunities for the National Telematic Framework to support industry safety

Gavin Hill, General Manager
Strategy and Delivery
21 October 2020

Farm Gate Access Phase Two Working Group

Demonstration of TAP for the visualisation of de-identified movements of vehicles enrolled in the Farm Gate Access scheme for participating local councils

John Gordon, Manager
Strategic Development
9 November 2020

Department of Infrastructure and Transport, South Australia

National Telematics Framework opportunities and features

John Gordon, Manager
Strategic Development
23 November 2020



National Roads and Traffic Expo

The Evolving Role of Telematics in Road Transport

Stuart Ballingall, Executive General Manager
30 November 2020

Road Access Forum

Introduction to TCA telematics required by notices with telematics conditions in NSW

Gavin Hill, General Manager Strategy and Delivery
8 December 2020

Telematics Industry Group (TIG) meeting

9 December 2020

Australia Build 2020 Expo – Transport

Shining a Light on Dark Data in Road Transport – Opportunities to Improve Strategic Insights and Decision Making

Gavin Hill, General Manager Strategy and Delivery
10 December 2020

Council for Scientific and Industrial Research: Smart Mobility Cluster Conference on Road Wear and bridge Impacts

Learnings from Australia, utilising telematics and the National Telematics Framework to better inform road managers

Gavin Hill, General Manager Strategy and Delivery
14 January 2021

Agricultural Transport & Logistics Group Meeting, Toowoomba Region

Using the power of telematics and data to improve access

Gavin Hill, General Manager Strategy and Delivery and John Gordon, Manager Strategic Development
26 February 2021

Farm Gate Access

Stakeholder Briefing – What you Need to Know

Gavin Hill, General Manager Strategy and Delivery
12 March 2021

Smart Mobility – The next generation of transport data in South Africa

The National Telematics Framework – Learnings from the Australian telematics experience

John Gordon, Manager Strategic Development and Gavin Hill, General Manager Strategy and Delivery
18 March 2021

Victorian Transport Association (VTA) State Conference 2021

Smart OBM Systems and Vehicle Data – Opportunities to do More

Gavin Hill, General Manager Strategy and Delivery
San Remo, Victoria
22 March 2021

ITS Asia Pacific Forum 2021

A Flexible Assurance Framework for Vehicle Telematics and Data

Stuart Ballingall, Executive General Manager
13 April 2021

Crane Industry Council of Australia (CICA)

NSW Mobile Crane Movement Study Using Telematics Data

Gavin Hill, General Manager Strategy and Delivery and John Gordon, Strategic Development Manager
Sydney, New South Wales
5 May 2021

Bulk Tanker Day 2021

Dangerous Goods Movement Study and other telematics developments

Gavin Hill, General Manager Strategy and Delivery and John Gordon, Strategic Development Manager
Brisbane, Queensland
11 May 2021

Telematics Industry Group (TIG) meeting

Brisbane Truck Show

Brisbane, Queensland
15 May 2021

Heavy Vehicle Industry Association (HVIA)

The Evolving Role of Telematics in Road Transport

Gavin Hill, General Manager Strategy and Delivery
Brisbane, Perth, Sydney and Melbourne
1 - 3 June, 18 June

NTF Achievements

Organisational Certifications

ISO 9001

Our Integrated Management System has been certified by the SAI Global certification authority to ISO 9001:2015 – Quality Management Systems standard.

ISO 9001 is the international standard for a quality management system, designed to help companies to consistently provide products and services that meet customer and regulatory requirements, and to demonstrate continuous improvement.

ISO 27001

The SAI Global certification authority has certified our Integrated Management System to ISO/IEC 27001:2013 – Information Security Management System standard.

Meeting a standard in the ISO 27001 family of standards is one way for an organisation to prove that it is managing the security of its assets, including financial information, intellectual property, employee details or information entrusted by third parties.

NATA Accreditation

TCA is accredited by the National Association of Testing Authority (NATA) for:

- Calibration of GPS Based In-Vehicle Units (IVU) for Speed Accuracy
- Calibration of a Vehicle with Digital Display of Speed.

TCA's NATA accreditation allows GPS based systems to be tested for speed accuracy.

NATA accreditation is highly regarded and provides a means of determining, recognising and promoting the competence of facilities to perform specific types of testing and calibration, focusing on both technical competence and quality systems.

Delivering new productivity reforms between industry and government

Road managers across Australia are using telematics enabled by the National Telematics Framework to open new productivity reforms for freight vehicles, including:

- Improving access for Performance-Based Standards (PBS) vehicles via notice arrangements
- Offering heavy vehicles increased access to steep descents, with monitoring under the Hill Descent Monitoring application
- Using telematics data to reassess risk, and increase access for longer vehicles across rail level crossings with a lower risk profile than previously suspected
- Offering 'last mile' access for Farm Gate vehicles getting produce to markets.





TCA Staff

as at 30 June 2021

At TCA, our people are integral to our success. Our commitment to providing a culture of performance, development, safety and fairness during the year enables our people to operate at their best and our organisation to deliver on its strategic objectives.

TCA employs staff across a range of highly specialized and technical disciplines. Our rigorous recruitment practices include skills and psychometric testing. We encourage our staff to participate in external and internal training to make sure they continually improve their skills and knowledge.

To ensure a high performing culture, TCA strives to maintain a safe and welcoming work environment, where all staff have equal access to opportunities.

This philosophy is underpinned by HR policies which are regularly reviewed and updated to reflect best practice.

Further, the safety and amenity of the physical work environment is monitored and managed by a dedicated Office Manager, and a staff team of Occupational Health and Safety representatives and First Aiders.

The enforced change to work practices across 2020-21 because of the COVID-19 pandemic enabled a streamlining of workplace processes and systems. Although physically distant or working from home for much of the year, TCA staff continued to innovate new and practical ways to remain connected and cohesive, and be productive in delivering against the comprehensive TCA work program.

TCA Team

Stuart Ballingall

Executive General Manager

Gavin Hill

General Manger Strategy and Delivery

Heather Hausler

General Manager
Corporate Operations

Adnan Karadza

IT Manager

Aiden Westrip

Data insights Analyst

Andriy Dyukov

Technical Systems
Innovation Manager

Anthony Tedesco

Technical Project Officer

Ashleigh Gordon

JavaScript and HTML Developer

Christopher Yeung

Engineer Intern

David Rowe

Senior Engineer

Dean Winkle

Program Manager

Elise Thompson

Business Process Officer

Eugen Bacon

Communications Manager

Hannah Gonzales

Technical Project Officer

Ivan Enierga

Senior Hardware Engineer

Janelle Shotton

Business Integration Manager

John Gordon

Strategic Development Manager

Jonah Nio

Senior Data Insights Analyst

Maria McGrath

Human Resources Manager

Mark Aitken

Finance Manager

Mark Caldecourt

Program Manager

Murraya Nuzli

Administration Support Officer

Natasha Trantino

Office Manager

Peter Clark

Specification Manager

Samaneh Heidaryansaein

Electronics Engineer

Sanoob Thekke Valappil

Senior System Engineer

Sarah Fontana

Administration Assistant

Sarah Young

Engineer Intern

Stephen Childs

Data Insights Manager

Stephen Mikecz

Team Leader Programs

Tejwant Kaur Saini

Senior GIS Engineer

Victor Thomson

Audit and Assurance Lead



Committees and Industry Participation

Internal Committees

- Certification and Audit Committee
- ICT Steering Committee
- Occupational Health & Safety Committee
- Pricing Audit and Risk Committee

TCA hosted the following groups:

- National Telematics Industry Group (TIG)
- National Telematics Framework (NTF) Working Group

TCA participated in the following government and industry groups:

- Austroads Connected and Automated Vehicle Industry Reference Group
- Austroads Freight Taskforce
- Geoscience Australia Positioning Navigation and Timing Working Group
- ITS Australia
- National Transport Commission (NTC) Industry Advisory Group: Heavy Vehicle National Law (HVNL) Safety and Productivity Program
- National Transport Commission (NTC) Government access to vehicle-generated data working group
- Standards Australia CS-077 – Blood Alcohol Testing Devices
- Standards Australia IT-023 – Transport Information and Control Systems.

Governance

TCA is governed by a board, comprising nominated participants from government road and transport agencies from each State and Territory, and the Australian Government.

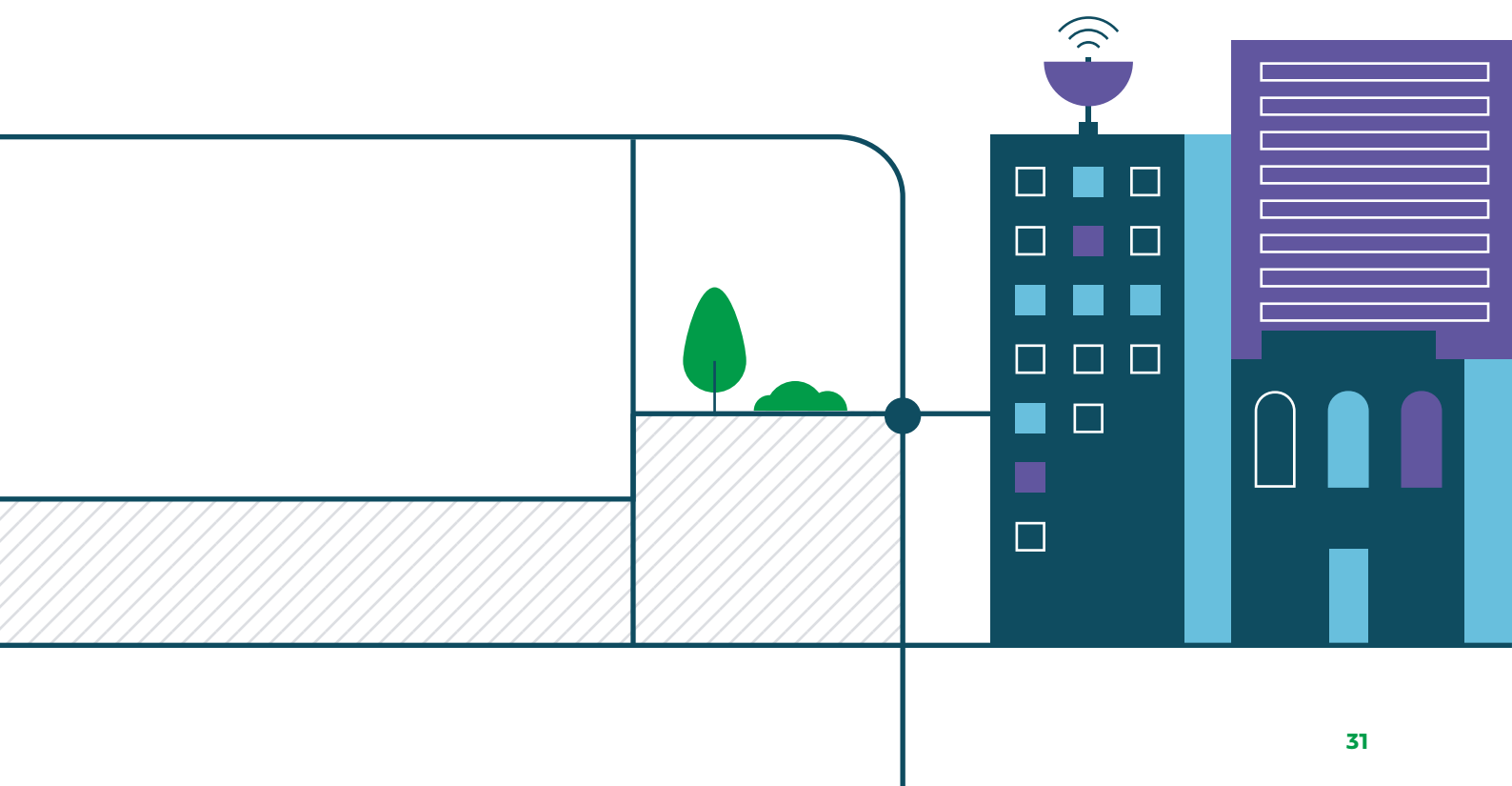
The board meets at least four times each year and has responsibility for providing clear policy and strategic direction. It also monitors TCA's performance against strategic objectives, annual work plan and budget.

TCA Board of Directors as at 1 July 2021

- **Gary Swain (Chairperson)**, Deputy Secretary Transport and Infrastructure, Department of State Growth Tasmania
- **Neil Scales (Deputy Chairperson)**, Director-General, Queensland Department of Transport and Main Roads
- **Louise McCormick**, General Manager, Department of Infrastructure, Planning and Logistics Northern Territory
- **Maree Bridger**, First Assistant Secretary Surface Transport Policy, Australian Government Department of Infrastructure, Transport, Regional Development and Communications
- **Peter Woronzow**, Managing Director, Main Roads Western Australia
- **James Corrigan**, Deputy Director-General, Transport Canberra and City Services Directorate ACT
- **John Hardwick**, Executive Director, Asset Management, Transport for New South Wales
- **Emma Kokar**, Executive Director Road and Marine Services, Department of Infrastructure and Transport, South Australia.

For more information on the TCA Board, please refer to the detailed Directors' Report in the special purpose financial report in the next section of this document.

The Company Secretaries are Dr Geoff Allan and Stuart Ballingall.



Special Purpose Financial Report

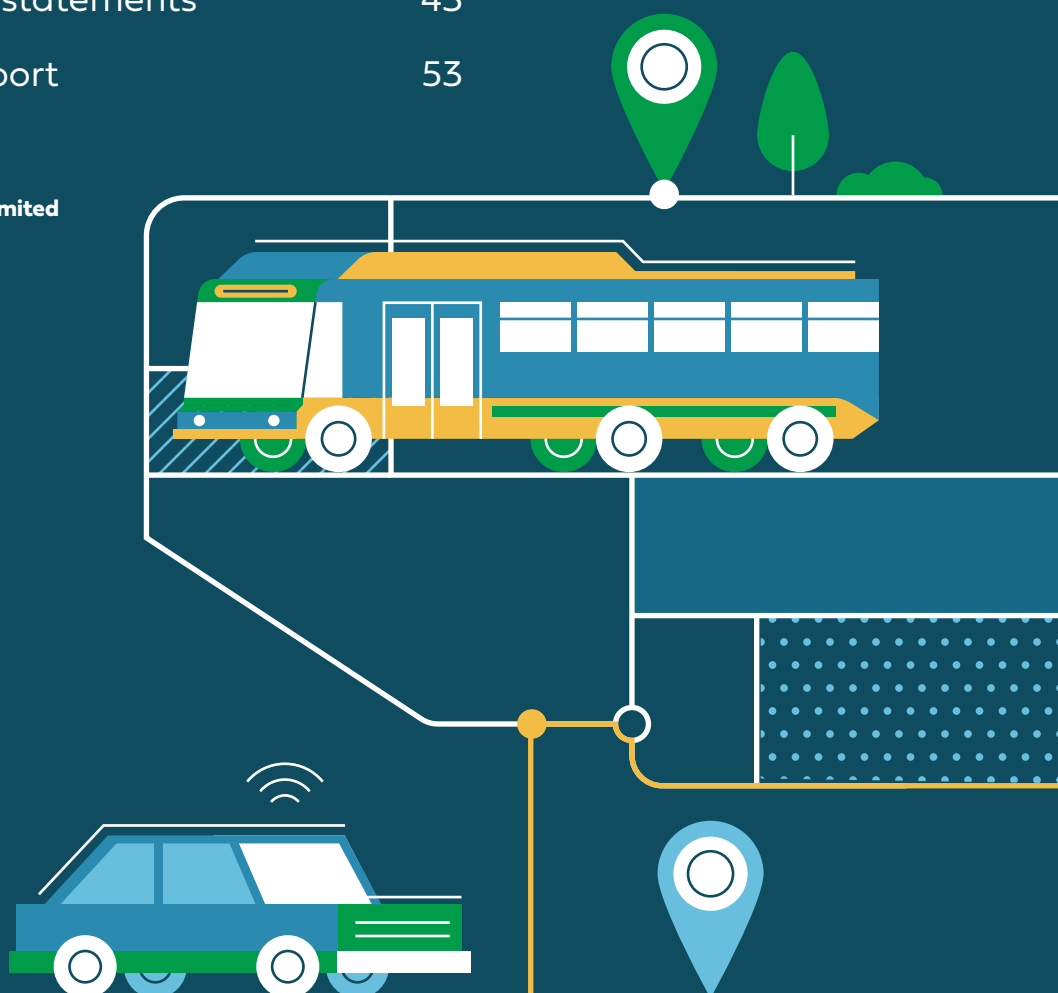
for the year ended 30 June 2021

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Transport Certification Australia Limited

ABN 83 113 379 936



Directors' report

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 2021.

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

- Tony Braxton-Smith
(Resigned 11 December 2020)
- Maree Bridger
(Appointed 3 February 2021)
- James Corrigan
- Jessica Hall
(Resigned 2 February 2021)
- John Hardwick
- Emma Kokar
(Appointed 11 December 2020)
- Louise McCormick
- Neil Scales OBE
- Robyn Seymour
- Gary Swain
- Peter Woronzow

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

Information on Directors

Gary Swain (Chairperson)

Gary Swain holds the positions of Deputy Secretary, Transport and Infrastructure, Department of State Growth, Transport Commissioner for Tasmania and Interim CEO of Infrastructure Tasmania. As Deputy Secretary Transport and Infrastructure, Gary's role spans network planning, capital program delivery, asset management, passenger transport policy, procurement, regulation, road safety and registration and licensing. As Commissioner for Transport he makes complex statutory decisions, and supports co-ordinated outcomes between road managers, particularly state and local government. Through his Interim CEO responsibilities, Gary plays a broad strategic infrastructure policy and planning role within Tasmania. Gary has more than 25 years experience, primarily in the infrastructure sectors of transport, electricity, natural gas and water and sewerage. He is Director of Austroads, Chair of Transport Certification Australia and a member of the Road Safety Advisory Council for Tasmania. Gary was previously a Member of the TCA Board from June 2015 to December 2018.

Neil Scales OBE (Deputy Chairperson)

ONC (Eng), HNC (EEng), DMS, BSc (Eng), MSc (Control Engineering and Computer Systems), MBA, CEng (UK), FIEAust, FIET, FIMechE, FICE, FCILT, FCIT, FLJMU, FRSA, FSOE, MAICD

Neil Scales is Director-General of Queensland Department of Transport and Main Roads. He was previously CEO of TransLink, the public transport operator across Queensland. Prior to joining TransLink, Neil was the Chief Executive and Director General of Merseytravel; the transport authority for Merseyside in the north of England. Along with almost 40 years experience in the transport industry, he is a Fellow of three major UK engineering institutions. He received an OBE for services to public transport in 2005 and in 2011 he was awarded an honorary Fellowship from Liverpool John Moores University for his services to the region.

Information on Directors

(continued)

Maree Bridger

Maree Bridger is the First Assistant Secretary, Surface Transport Policy for the Australian Government's Department of Infrastructure, Transport, Regional Development and Communications. She is responsible for progressing the Australian Government's national reforms in surface transport policy, market reform and regulation (road, rail, and maritime), vehicle design standards and road safety. Prior to this Maree worked at Services Australia where she led a number of reforms including delivery of COVID-19 related social welfare payments and the delivery of aged care and child support services. Maree has worked in a variety of Australian Public Services senior roles including at the Department of Immigration and Border Protection and the Australian Customs Service. Prior to her time in the public sector Maree worked in a variety of private sector organisations that spanned the oil, IT and pay television/communications sectors. Maree holds an Executive Master of Business Administration from the University of New South Wales and a Bachelor of Economics from Australian National University. She is also a Certified Practising Accountant.

Tony Braxton-Smith (to 11 December 2020)

MBA

Tony Braxton-Smith became Chief Executive of the Department of Planning, Transport and Infrastructure in October 2018. He is also the South Australian Rail Commissioner and Commissioner for Highways. His role encompasses overseeing a broad range of government objectives ensuring the effective delivery of services involving planning, transport and valuable social and economic infrastructure throughout the State of South Australia. Formerly the Deputy Secretary Customer Services at Transport for New South Wales for seven years, Tony's prior career spans 20 years in senior executive roles in the private sector with Great Southern Rail and Serco; Dreamworld and the P&O Group.

James (Jim) Corrigan

Jim Corrigan has qualifications in urban and regional planning and environmental design and has over 25 years public sector experience in a range of positions within the ACT and NSW Governments. Jim is currently the Deputy Director-General City Services for the ACT Government which has responsibility for managing the public areas of Canberra and provision of core services including Waste Management, civil infrastructure such as roads and stormwater system, urban parks and associated capital works delivery.

Jessica Hall (to 2 February 2021)

Jessica Hall was the First Assistant Secretary, COVID Surface Transport, for the Australian Government's Department of Infrastructure, Transport, Regional Development and Communications. Prior to this, Jessica held a number of senior positions in the infrastructure, science and education portfolios, having worked on economic and social policy issues in the Australian Public service for over 15 years. She has undertaken an Executive program in infrastructure financing at Harvard Kennedy School, and has masters degree in international law and Asian studies.

John Hardwick

John Hardwick is the Executive Director of the Asset Management Branch at Transport for NSW and is responsible for leading and enabling transport service outcomes for customers and communities through effective whole of life asset management. John was previously the Executive Director, Sydney Division for the former Roads and Maritime Services. John has a background of over 30 years in asset management within the electricity and transport industries. He is a graduate of the Australian Institute of Company Directors and serves as a board member for numerous global and Australian asset management organisations and co-authored the book *Living Asset Management*. In 2018 John was awarded the MESA medal by the Asset Management Council.

Emma Kokar

B.Commerce, GAICD

Emma Kokar was appointed to the role of Executive Director, Road and Marine Services at the Department for Infrastructure and Transport in February 2019. She is also the South Australian Registrar of Motor Vehicles and delegate Commissioner for Highways. Her role oversees the maintenance and operation of the State managed road and marine networks, regulating the various industries and communities using those networks, road safety and the delivery of services to the public via Service SA. Prior to this, Emma has held various roles in both the public and private sector including regulation, finance, assurance and migration policy development in Europe.

Louise McCormick

B.Eng-Civil Engineering, Dip. Project Management

Louise McCormick is an Executive Engineer, Chartered Fellow and Senior Civil/Structural Engineer with 19 years' experience in the public and private sectors. In 2016, Louise was appointed as the General Manager for Transport and Civil Services Division within the Department of Infrastructure, Planning and Logistics NT. Louise has managed some of the largest transport infrastructure projects in the Territory. She has played an active role in Engineers Australia, and her work has been recognised through industry awards for projects and individual awards including Young Professional Engineer of the Year for the NT in 2007; Winner of the 2010 NT Telstra Business Women's Award for Innovation; National Finalist for the 2010 Telstra Business Women's Award for Innovation.

Robyn Seymour

Up until 1 July 2021, Robyn Seymour was Deputy Secretary, Network Planning, and Head of Road Safety Victoria both within the Department of Transport (Victoria). Working across all transport modes, in an integrated manner, Robyn is responsible for the Department's outputs on transport strategy, system design and service planning. As inaugural head of Road Safety Victoria, Robyn is leading the consolidation and strengthening of the work of Victoria's road safety partners to reduce the road toll as part of Towards Zero strategy while also developing the next Road Safety Strategy. Robyn has worked in road safety for 20 years and is committed to reducing trauma on the roads. She held a number of senior positions most recently serving as the Chief Executive of VicRoads.

Peter Woronzow

BA (Economics), Grad Dip Public Sector Management, CPA

In March 2020, Peter Woronzow was appointed to the position of Acting Director General – Department of Transport, which also sees him hold the concurrent roles of Acting Chief Executive Officer of the Public Transport Authority and Acting Commissioner of Main Roads. Peter is responsible for setting the strategic direction of transport for the State, shaping the development of all major integrated transport plans and leading the implementation of some of WA's most transformational capital projects. Peter was appointed as the Managing Director Main Roads in 2018 but had been undertaking the role since 2016. Peter is a member of CPA Australia, Chairman of the Australian Road Research Board, Director on the Board of Austroads Ltd, and is an ex officio Board Member of Infrastructure WA

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

Directors	Directors' Meetings	
	No. of Meetings Attended	No. of Meetings Eligible to Attend
Maree Bridger	2	2
Tony Braxton-Smith	-	2
James Corrigan	3	4
Jessica Hall	-	2
John Hardwick	4	4
Emma Kokar	2	2
Louise McCormick	4	4
Neil Scales	2	4
Robyn Seymour	3	4
Gary Swain	3	4
Peter Woronzow	-	4

Alternate Directors	Directors' Meetings	
	No. of Meetings Attended	No. of Meetings Eligible to Attend
Emma Kokar – Alternate Director for Tony Braxton-Smith	1	2
Ken Marshall – Alternate Director for James Corrigan	-	-
Nicholas Papandonakis – Alternate Director for Louise McCormick	-	-
Desmond Snook – Alternate Director for Peter Woronzow	3	4
Dennis Walsh – Alternate Director for Neil Scales	1	2

Principal Activities

The company is a national organisation that provides assurance services relating to transport technologies and data to enable improved public purpose outcomes from road transport.

Priority outcome areas enabled by the company's services include improved road safety, transport efficiency, freight productivity, asset management and sustainability.

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

- **Assurance** – provide certification of telematics applications, schemes and associated services and data, development of functional and technical specifications for applications and features of the National Telematics Framework, accreditation of service providers and technology suppliers, type approval of devices and systems, and, auditing of service providers technology suppliers, applications, schemes and associated data.
- **Administration** – administer the National Telematics Framework, including the rules, specifications, agreements and digital infrastructure that it comprises. The company supports applications, schemes and other initiatives on behalf of key stakeholders and maintains road access maps, scheme conditions. It also processes data and information.
- **Analysis and Reporting** – being a trusted national entity that collects, stores and standardises data for aggregation and analysis to support the compliance, policy, planning, investment and operational decision making of key stakeholders. The company manages the Telematics Analytics Platform to support user access to data and reporting services and provide core analysis and reporting capabilities to meet the needs of our key stakeholders.
- **Advice** – provide authoritative information and trusted advice on transport technologies and data to support policy and regulatory reform, and planning. The company has well-developed knowledge on emerging vehicle and transport technologies, including telematics, connected and automated driving systems, and innovative mobility services.

The company interacts with three distinct stakeholder groups in providing services across assurance,

administration, advice and analysis and reporting, to deliver improved public outcomes:

- Government authorities – that administer policies, regulations and programs using telematics and related technologies
- Transport operators – that use telematics and related intelligent technologies in response to government or regulatory policies and programs
- Service providers and suppliers – that develop and deliver telematics (and data) products and services to regulated industry sectors and transport operators.

The company's Strategic Plan contains six Strategic Objectives (SOs), which align with and deliver the objectives and strategies of TCA's Members, participants and other stakeholders

SO 1: Enable improved public purpose outcomes from road transport

Collaborate with key stakeholders to ensure that technology and data services are fit-for-purpose and can effectively contribute to desired outcomes. Contribute to policy and regulatory reform initiatives and other relevant projects to ensure that decision making is well informed.

SO 2: Administer an assurance framework that supports multiple assurance models and applications

Ensure availability of telematics applications at levels of assurance that are tailored to stakeholder requirements and are fit for purpose. Develop and evolve assurance services with consideration to supporting contemporary and evolving uses of technology and data.

SO 3: Increase the number and range of vehicles enrolled in telematics applications

Increase the number of vehicles that are enrolled in and contribute data to the National Telematics Framework. Expand the range of enrolled vehicles, including restricted access vehicles and general access vehicles, where appropriate.

SO 4: Develop our digital infrastructure to address emerging data demands and requirements

Evolve our digital infrastructure to support changing demands with data ingestion, storage, analysis and reporting, and to meet evolving security and privacy requirements. Improve user access to data, including de-identified and aggregated analysis and reporting.

SO 5: Provide support for evolving and emerging transport technologies

Improve TCA's readiness to provide services that support evolving and emerging technologies. Develop and maintain relevant knowledge and capabilities, including with connected and automated vehicles (CAVs) and associated Intelligent Transport Systems (ITS).

SO 6: Evolve our business practices and capabilities to meet changing requirements

Continue to develop our staff, including with their knowledge, skills and supporting systems. Partner with key government and industry stakeholders to achieve objectives. Evolve our business practices and funding model to ensure sustainability and resilience.

The above Strategic Objectives are measured on an annual basis against deliverables assigned to projects within the annual work program.

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 surplus of the company for the financial year amounted to \$1,588,774. As at 30 June 2021, the company has net assets of \$5,496,403 (2020: \$3,907,629) including cash reserves of \$5,799,718 (2020: \$3,572,746).

Coronavirus (COVID-19) has not interrupted the rhythm of company's operational processes and governance functions. Further detail of the impact of COVID-19 is described in Note 14 of the financial statements.

Members Guarantee

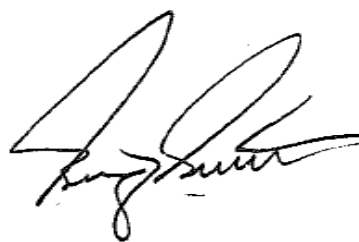
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each Member is required to contribute a maximum of \$10 each towards meeting any outstanding liabilities of the company. At 30 June 2021 the number of Members was 1 (2020: 1 member).

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



Gary Swain
Chairperson

1st October 2021



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**Auditor's Independence Declaration
To the Directors of Transport Certification Australia Limited
ABN 83 113 379 936**

In relation to the independent audit for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Transport Certification Australia Limited during the year.

S WHIDDETT
Partner

PITCHER PARTNERS
Sydney

1 October 2021

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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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 52, 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 2021 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

A handwritten signature in black ink, appearing to read 'Gary Swain', written over a horizontal line.

Gary Swain
Chairperson

1st October 2021

Statement of comprehensive income

for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue and other income	4	7,532,471	6,873,166
Advertising and promotional expenses		(49,570)	(81,687)
Employee benefits expenses		(3,888,855)	(3,672,167)
Depreciation	4	(372,576)	(384,437)
Meeting expenses		(1,670)	(11,052)
Travel and accommodation expenses		(37,513)	(135,026)
Dues and subscriptions expenses		(132,820)	(130,017)
Consulting expenses		(477,588)	(520,878)
Office expenses		(758,576)	(500,974)
Finance cost		(39,981)	(52,713)
Other expenses		(184,548)	(171,437)
Surplus for the year		1,588,774	1,212,778
Other comprehensive income		-	-
Total comprehensive income for the year		1,588,774	1,212,778
Surplus attributable to member's of the entity		1,588,774	1,212,778
Total comprehensive surplus attributable to member's of the entity		1,588,774	1,212,778

Statement of financial position

as at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	12(a)	5,799,718	3,572,746
Trade and other receivables	5	384,489	320,630
Other current assets	6	460,649	424,258
Total current assets		6,644,856	4,317,634
Non-current assets			
Plant and equipment	7	689,218	691,060
Right-of-use assets	8	482,176	700,519
Total non-current assets		1,171,394	1,391,579
Total assets		7,816,250	5,709,213
LIABILITIES			
Current liabilities			
Trade and other payables	9	311,995	231,468
Lease liabilities	8	291,118	306,447
Other current liabilities	11	595,859	91,899
Provisions	10	430,250	287,829
Total current liabilities		1,629,222	917,643
Non-current liabilities			
Lease liabilities	8	387,916	639,047
Provisions	10	302,709	244,894
Total non-current liabilities		690,625	883,941
Total liabilities		2,319,847	1,801,584
Net assets		5,496,403	3,907,629
EQUITY			
Accumulated surplus		5,496,403	3,907,629
Total equity		5,496,403	3,907,629

Statement of changes in equity

for the year ended 30 June 2021

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2019	2,694,851	2,694,851
Surplus for the year	1,212,778	1,212,778
Total comprehensive income for the year	-	-
Balance at 30 June 2020	3,907,629	3,907,629
Balance at 1 July 2020	3,907,629	3,907,629
Surplus for the year	1,588,774	1,588,774
Total comprehensive income for the year	-	-
Balance at 30 June 2021	5,496,403	5,496,403

Statement of cash flows

for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from members, participants, service providers and stakeholders		8,613,159	7,826,326
Payments to suppliers and employees		(5,960,772)	(5,940,396)
Interest received		14,321	20,371
Interest paid - lease		(39,981)	(52,713)
Net cash provided by operating activities	12(b)	2,626,727	1,853,588
Cash flows from investing activities			
Proceeds from sale of plant and equipment		-	-
Payments for plant and equipment		(133,295)	(56,521)
Net cash used in investing activities		(133,295)	(56,521)
Cash flows from financing activities			
Payment of lease liabilities		(266,460)	(243,370)
Net cash used in financing activities		(266,460)	(243,370)
Net increase in cash and cash equivalents		2,226,972	1,553,697
Cash and cash equivalents at the beginning of the financial year		3,572,746	2,019,049
Cash and cash equivalents at the end of the financial year	12(a)	5,799,718	3,572,746

Notes to the financial statements

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 1st October 2021 by the directors of the company.

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

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

2. Adoption of new and revised Accounting Standards

There are no new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory to the Company for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not mandatory have not been early adopted.

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 recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the

mandatory disclosure requirements applicable to entities reporting under the *Corporations Act 2001*. The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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.

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 2021, 6 employees have been employed for 7 years of continuous service (2020: 6).

3. Summary of significant accounting policies (continued)

(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.

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.

For financial assets carried at amortised cost (including loans and receivables), the company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income. Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The company used the simplified approach to impairment, as applicable under AASB 9.

Simplified Approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to trade receivables.

(d) 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.

(e) 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.

(f) Income tax

The company is exempt from income tax under Section 50-1 of the *Income Tax Assessment Act 1997*.

(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.

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) Right-of-use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(i) 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.

(j) Revenue

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company identifies the contract with a customer, identifies the performance obligations in the contract, determines the transaction price which takes into account estimates of variable consideration and the time value of money, allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered, and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly

3. Summary of significant accounting policies (continued)

probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Fees and charges

Operational fees and other service fees are recognised over the period to which the provision of services relate.

Application fees are recognised at a point in time when certifications are issued.

Contribution revenue

Contribution revenue is recognised at a point in time when received or when the right to receive payment is established.

Grant revenue

Grant funding that contain specific conditions on the use of those funds are recognised as and when the Company satisfies its performance obligations. A contract liability is recognised for unspent grant funds for which a refund obligation exists in relation to the funding period. General grants that do not impose specific performance obligations on the Company are recognised as income when the Company obtains control of those funds, which is usually on receipt.

Interest Income

Interest income is recognised on an accruals basis using the effective interest.

Other Revenue

Other revenue is recognised as income upon receipt of those income.

(k) Accounts Receivable and Other Debtors

Accounts receivable and other debtors will include any outstanding contributions from participants, and outstanding operational fees from IAP Service Providers at the end of the reporting period.

(l) 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.

(m) 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.

(n) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(o) 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, other than stated below, there were no significant or material critical accounting estimates or judgements made by the directors.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in Note 3(b), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

(p) 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. Surplus for the year

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

	2021 \$	2020 \$
Revenue from contracts with customers		
Application fees received from applicants	85,040	31,000
Operational fees	3,548,003	2,993,656
Other service fees	451,667	-
Other revenue		
Contributions received from members and participants	2,304,692	2,350,973
Contributions received from regulators	950,000	950,000
Major projects	127,000	475,276
Other income		
Interest income	12,669	22,364
Government subsidy – cashflow boost	50,000	50,000
Loss on foreign exchange	-	(1,080)
Other revenue	3,400	977
	7,532,471	6,873,166
Depreciation	372,576	384,437

5. Trade and other receivables

	2021 \$	2020 \$
Trade receivables	384,489	320,630
	384,489	320,630

6. Other current assets

	2021 \$	2020 \$
Security deposits	71,928	71,928
Prepayments	65,120	55,093
Other	323,601	297,237
	460,649	424,258

7. Plant and equipment

	Work In Progress \$	Computers \$	Motor Vehicles \$	Furniture and fixtures \$	Plant and equipment \$	Total \$
2021						
At cost	112,381	867,543	52,769	564,766	599,573	2,197,032
Accumulated depreciation	-	(712,315)	(52,769)	(162,328)	(580,402)	(1,507,814)
Carrying amount at the end of the year	112,381	155,228	-	402,438	19,171	689,218
2020						
At cost	-	837,523	52,769	554,775	599,573	2,044,640
Accumulated depreciation	-	(596,360)	(52,769)	(133,074)	(571,377)	(1,353,580)
Carrying amount at the end of the year	-	241,163	-	421,701	28,196	691,060

8. Leases

The lease for the company's Melbourne office expires 17 September 2023.

(a) Amounts recognised in the Statement of financial position:

	2021 \$	2020 \$
Right of use assets		
Opening balance at beginning of year	700,519	918,862
Depreciation charge for the year	(218,343)	(218,343)
Carrying amount at end of year	482,176	700,519

	2021 \$	2020 \$
Lease liabilities		
Lease liabilities – current	291,118	306,447
Lease liabilities – non-current	387,916	639,047
	679,034	945,494

(b) Amounts recognised in the Statement of comprehensive income:

	2021 \$	2020 \$
Lease under AASB 16 – interest on lease liabilities	39,981	52,713
Depreciation expenses on right-of-use assets	218,343	218,343

8. Leases (continued)

(c) Amounts recognised of cash flows

The total cash outflow for leases was \$306,441 (2020: \$296,083).

(d) Extension options

The lease has an option to extend for further 4 years. The company does not have an option to purchase the leased premises at the expiry of the rental period.

9. Trade and other payables

	2021 \$	2020 \$
Trade payables	160,515	57,988
Goods and services payable	61,035	70,631
Other payables	90,445	102,849
	311,995	231,468

10. Provisions

	2021 \$	2020 \$
CURRENT		
Employee benefits	430,250	287,829
	430,250	287,829
NON-CURRENT		
Employee benefits	302,709	244,894
	302,709	244,894

11. Other current liabilities

	2021 \$	2020 \$
Accrued expenses	96,526	66,899
Participant payment for services in advance	499,333	25,000
	595,859	91,899

12. Notes to the statement of cash flows

(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:

	2021 \$	2020 \$
Cash deposits with Bank	5,799,668	3,572,696
Petty cash	50	50
	5,799,718	3,572,746

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

Surplus for the year	1,588,774	1,212,778
Non-Cash items:		
Depreciation	372,576	384,437
Net (gain) loss on disposal of property and equipment	-	6,521
(Increase)/decrease in assets:		
Trade and other receivables	(63,859)	224,017
Other assets	(36,391)	(46,025)
Increase/(decrease) in liabilities:		
Trade and other payables	81,520	(54,416)
Provisions	200,236	147,059
Other liabilities	483,871	(20,783)
Net cash provided by (used in) operating activities	2,626,727	1,853,588

13. Remuneration of auditors

	2021 \$	2020 \$
Audit of the financial report	25,200	23,500
	25,200	23,500

14. Events after the Reporting Date

Subsequent to the reporting date, the State government of Victoria enacted a lockdown which commenced 16 July 2021 and ended on 27 July 2021. Another lockdown commenced from 5 August 2021 and further tightened the rules of the lockdown. Other States and Territories have also imposed various lockdown and restrictions. Further extension of these restrictions may delay the company's ability to conduct its assurance activities. The impact of the State/Federal government support packages has yet to be determined. As at the date of the directors' declaration, the directors are unable to determine the long term impact on the company at this time or when operations will return to pre-lockdown levels.

No other matters or circumstances have arisen since 30 June 2021 that significantly affected, or may significantly affect the company's operations, the results of those operations or the company's state of affairs in future financial years.

15. Economic dependence

The company is dependant on its participants, being the Commonwealth, state and territory transport government agencies for the majority of its revenue used to operate the business. In the event of any shortfall in the yearly operational budget, the Member and participants may be required to provide additional funding on an ad hoc basis to support the company.

16. 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 participants and maintaining sufficient levels of working capital.

17. Operational surplus/(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.

18. Member 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 \$10 each towards meeting any outstanding liabilities of the company. At 30 June 2021 the number of Members was 1 (2020: 1 member).



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**Transport Certification Australia Limited
ABN 83 113 379 936**

**Independent Auditor's Report
To the Members of Transport Certification Australia Limited**

Report on the Audit of the Financial Report

Opinion

We have audited the special purpose financial report of Transport Certification Australia Limited "the Company", which comprises the statement of financial position as at 30 June 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial report of Transport Certification Australia Limited 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 2021 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 3, 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 (including Independence Standards)* "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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' 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.

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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Transport Certification Australia Limited
ABN 83 113 379 936



Independent Auditor's Report
To the Members of Transport Certification Australia Limited

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report and the directors report for the year ended 30 June 2021, but does not include the financial report and the 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.

Responsibilities of Management and Those Charged with Governance for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to 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 directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 the 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 Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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Transport Certification Australia Limited
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Independent Auditor's Report
To the Members of Transport Certification Australia Limited

- 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.
- 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 those charged with governance 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.

A handwritten signature in black ink, appearing to read 'S Whiddett'.

S WHIDDETT
Partner

A handwritten signature in black ink, appearing to read 'Pitcher Partners'.

PITCHER PARTNERS
Sydney

12 October 2021

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