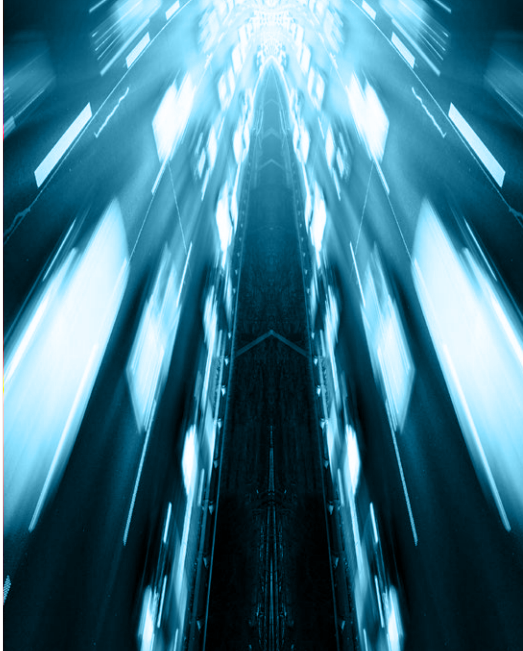
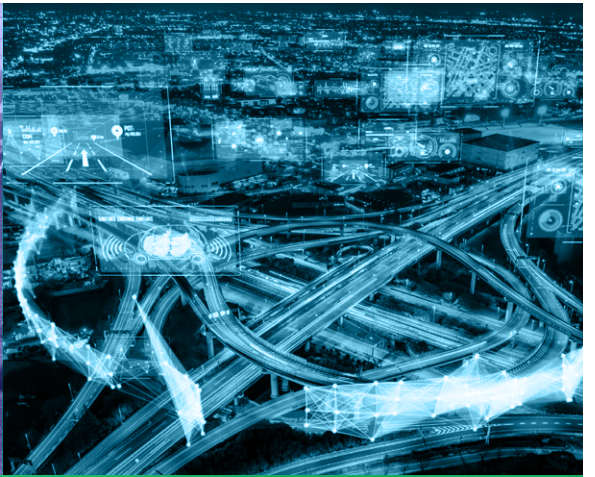


# Annual Report 2021-22









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# Message from the Chairperson

**I am very pleased to present TCA's Annual Report for 2021-22.**

TCA has continued to evolve in its national role as the lead assurance entity for digital transport technologies and data, with a firm focus on enabling positive outcomes from road transport across Australia. Its integration into Austroads has strengthened this role, which will be further cemented from the start of 2022-23 when strategic oversight will shift to the Austroads Board.

The National Telematics Framework – which TCA administers on behalf of governments and in

collaboration with industry – has been enhanced and expanded. New schemes to support the needs of road managers have been developed, and the number of vehicle enrolments has continued to grow across all TCA-administered telematics applications.

Key initiatives that highlight TCA's successful year include the operational deployment of regulatory schemes that connect Smart On-board Mass (OBM) monitoring via in-vehicle telematics systems (a world first), the rollout of advanced data analysis and report through the Telematics Analytics Platform (TAP) to state and local government users, and an Austroads pilot of a new assurance scheme for temporary traffic management devices (known as AITDSA).

My deepest thanks to the TCA staff and their executive team, under Executive General Manager, Stuart Ballingall's leadership, for the successful delivery of the 2021-22 work program under extenuating circumstances of the pandemic, as well as the various challenges that government road managers, regulators and industry threw at them, which they responded to with positivity and a can-do attitude.

I would also like to thank my colleagues on the TCA Board. This is my last message as TCA Chairperson – a role that I have served with great pride and enjoyment. Along with many of my fellow Directors, I look forward to our continued involvement in the ongoing success of TCA as part of the broader Austroads enterprise.

Wishing all TCA staff and their stakeholders well.

**Gary Swain**  
Chairperson





# Message from the EGM

## It's been another successful year for TCA.

We delivered our work program as planned, despite operating in a dynamically changing environment, and with evolving service needs from our government and industry colleagues.

The importance of having a national entity providing harmonised assurance for digital transport technologies and data was once again in the spotlight, with road managers across Australia requesting new regulatory monitoring schemes and trusted data reporting services.

In collaboration with Austroads, we have continued to rise to emerging challenges and opportunities.

Among the many achievements from 2021-22, the following are particularly noteworthy:

- Deployment of new and innovative monitoring schemes in various jurisdictions
- Increase in total number of enrolled vehicles by 21% (to 9,587)
- Increase in the number of technology companies TCA certified or registered to 13
- Type-approval of telematics and mass monitoring systems across all levels of assurance
- Expanded user base for the Telematics Analytics Platform (TAP) to over 160, including with local governments.

TCA also actively participated in a range of external initiatives that positively contributed to the national transport agenda.

These included data services to support the National Freight Data Hub, back-office services for the National Heavy Vehicle Regulator (NHVR) with its national services transition, and piloting and establishing the Austroads Innovative Temporary traffic management Device and Solution Assessment (AITDSA) scheme.

We once again saw recognition of our commitment to quality and best practice. TCA achieved re-accreditation to ISO9001 for its quality management system, ISO27001 for its information system management, and NATA accreditation for its testing of telematics systems for speed measurement.

Thank you to all Austroads and TCA staff for your engagement, flexibility and overall positive approach during 2021-22. We would not have delivered our program and enabled our stakeholders to achieve the outcomes they did without your efforts.

And thanks to the TCA Chairperson Gary Swain, the TCA Board, and my colleagues on the Austroads Executive Group and TCA Corporate Management Group for your direction, support and wise counsel throughout the year.

I look forward to continuing TCA's evolution and ongoing success under the guidance of the Austroads Board from 2022-23 onwards.

**Stuart Ballingall**  
Executive General Manager





**We are a national  
organisation that  
provides assurance  
services relating  
to transport  
technologies and  
data to enable  
improved public  
purpose outcomes  
from road transport.**

# About us

**Our services enable priority outcomes on improved road safety, efficient transport, productive freight, managed assets and sustainability.**

As an independent not-for-profit entity, with government oversight and owned by Austroads, we:

- administer the National Telematics Framework, including its rules, specifications, agreements, digital infrastructure and other supporting services
- provide assurance services that support – yet remain separated from regulators – policy makers and

enforcement activities, and underpin telematics applications and connected information and data services

- offer evidence-based advice with a deep subject matter knowledge
- are trusted partners to government and industry stakeholders, enabling a nationally consistent open market, with services covering all road vehicle types and associated digital infrastructure.

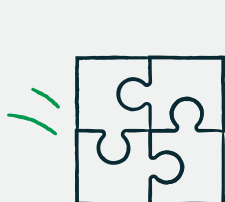
## What we do

The TCA Strategic Plan 2020-24 details our strategic objectives, services and capabilities to address a range of current and emerging strategic challenges and opportunities.

The scope of our services continues to evolve across and within the service categories of assurance, administration, analysis and reporting, and advice.

## Our Values

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



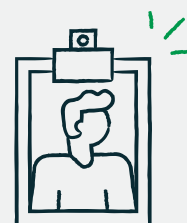
**Integrity**



**Innovation**



**Professionalism**



**Accountability**



## Evolving our service offerings

**TCA was established on 15 August 2005 by its members, consisting of the road authorities of the Australian, State, and Territory governments. Our role responds to the transport challenges facing Australia.**

As our functions evolved, and through engagement with stakeholders, TCA reconfigured its brand identity in 2011, and members updated its constitution in November 2016 to:

- reaffirm its role in providing assurance in the use of telematics and related intelligent technologies
- expand its role to support the emergence of connected and automated vehicles.

### Our stakeholders

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

- Authorities – that administer policies, regulations and programs using telematics and related technologies
- Operators – that use telematics and related intelligent technologies in response to government, policies, regulations and programs
- Providers and suppliers – that develop and deliver telematics (and data) products and services products and services to operators.



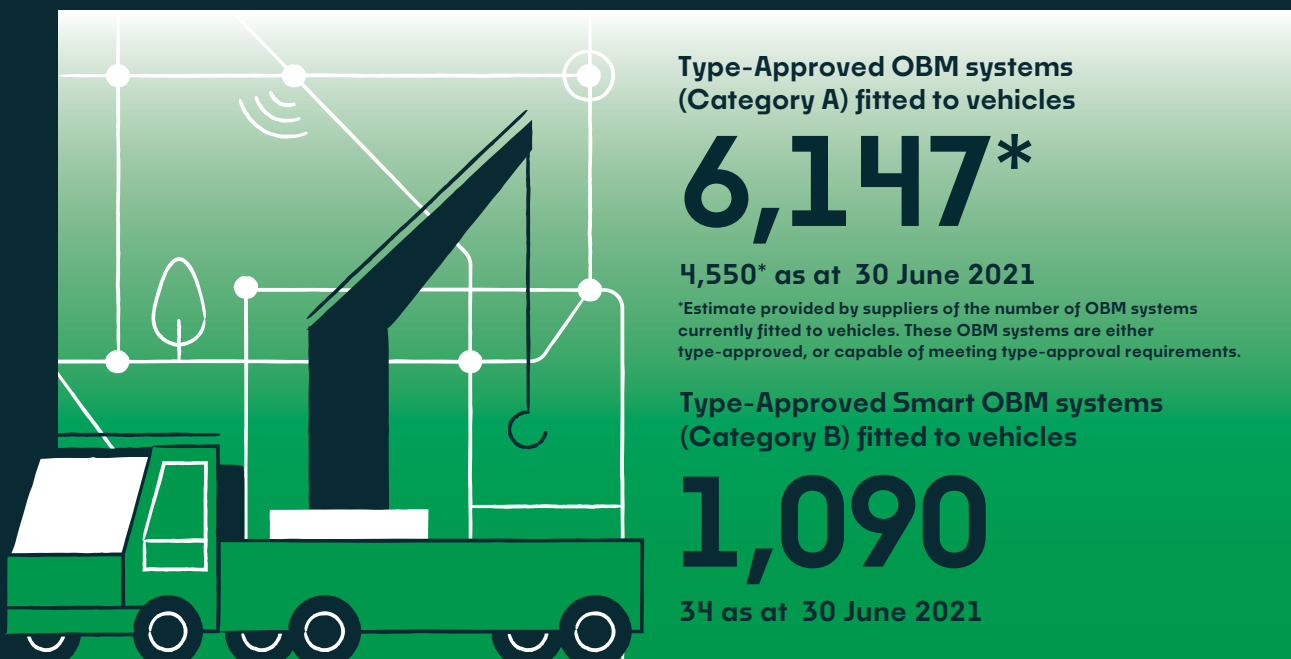
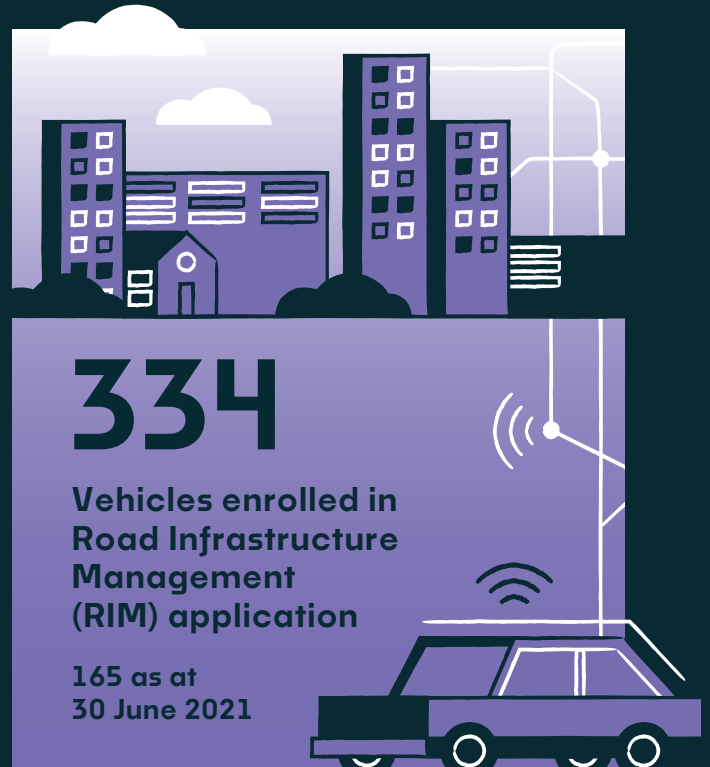
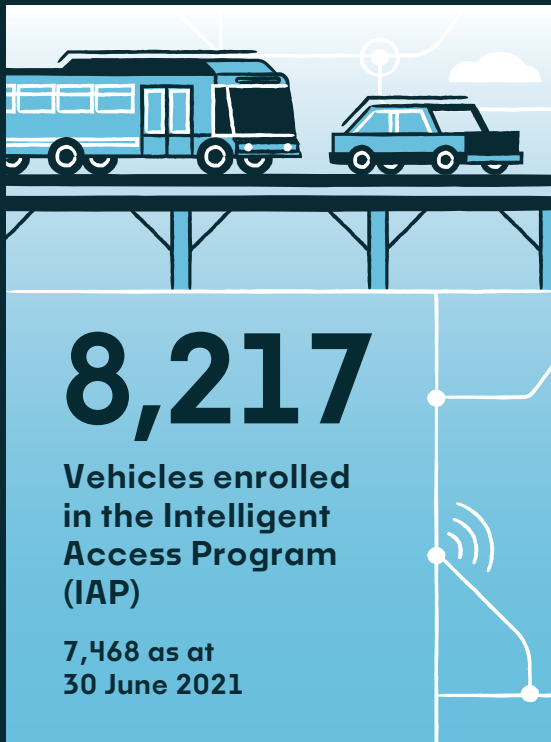
# 103,363 km

average distance travelled by  
each vehicle in the NTF in 2021-22



**We continue to  
deliver a strategic  
work program that  
provides assurance  
services for transport  
technologies  
and data.**

# Key metrics and statistics





# 1,036

Vehicles enrolled in  
Telematics Monitoring  
Application (TMA)

280 as at 30 June 2021



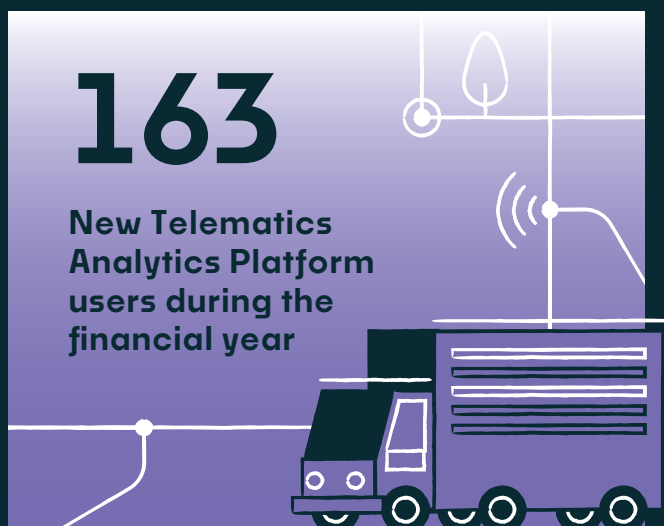
# 21.2%

Percentage growth in the  
total number of vehicles  
enrolled in the National  
Telematics Framework  
during 2021-22



# 163

New Telematics  
Analytics Platform  
users during the  
financial year



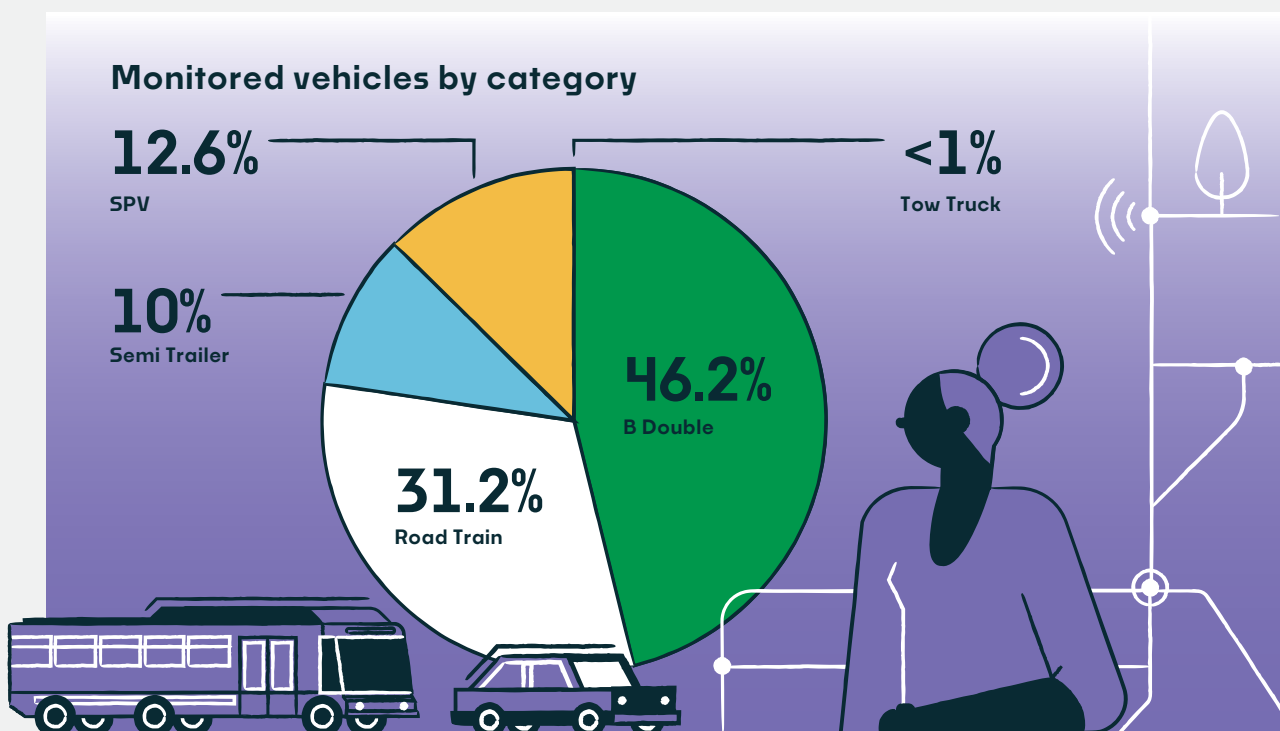
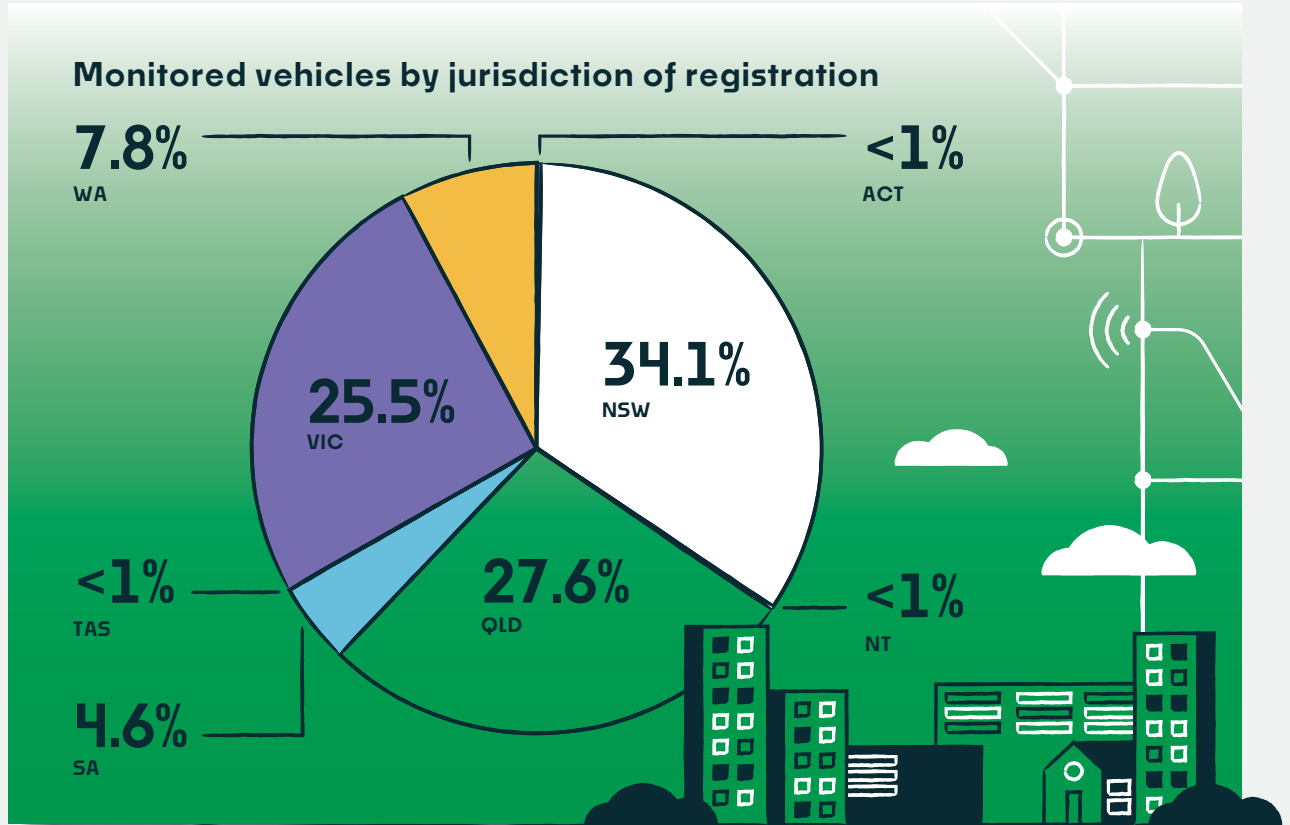
# 7,237

Type-approved OBM systems,  
all categories fitted to vehicles  
(all categories)

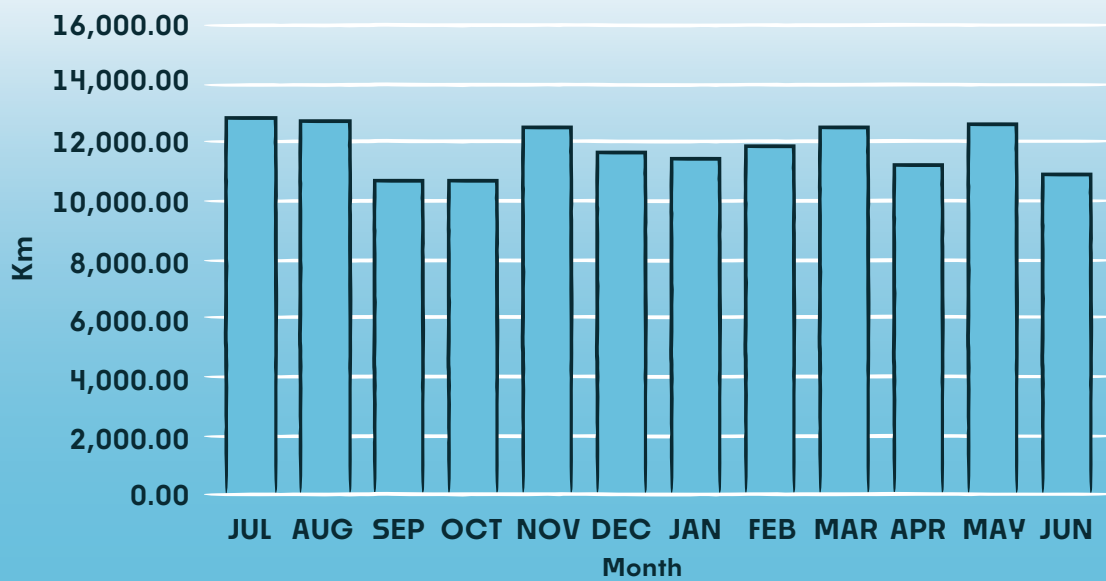
4,584 as at 30 June 2021



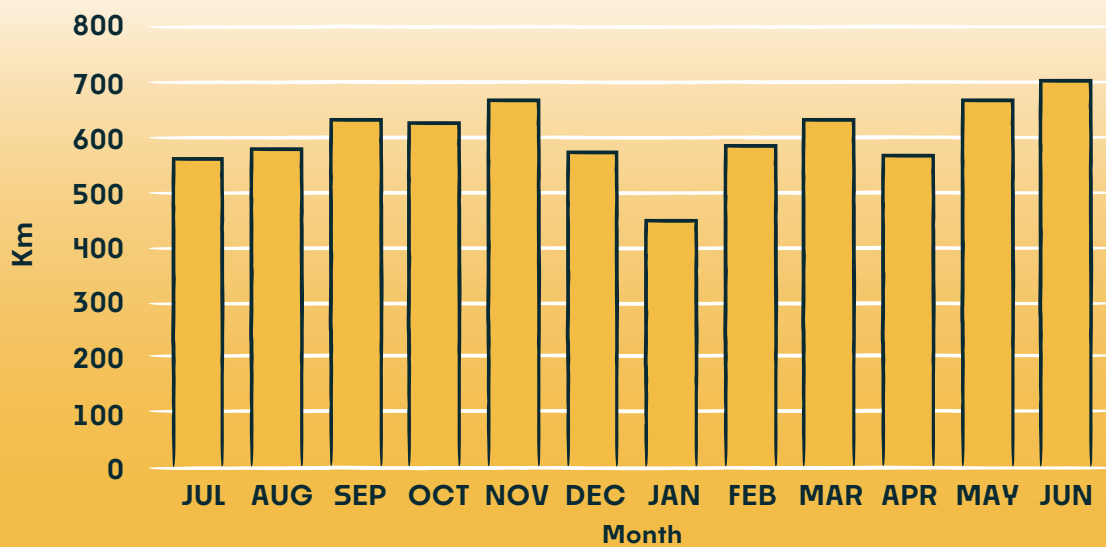
## Key metrics - Data



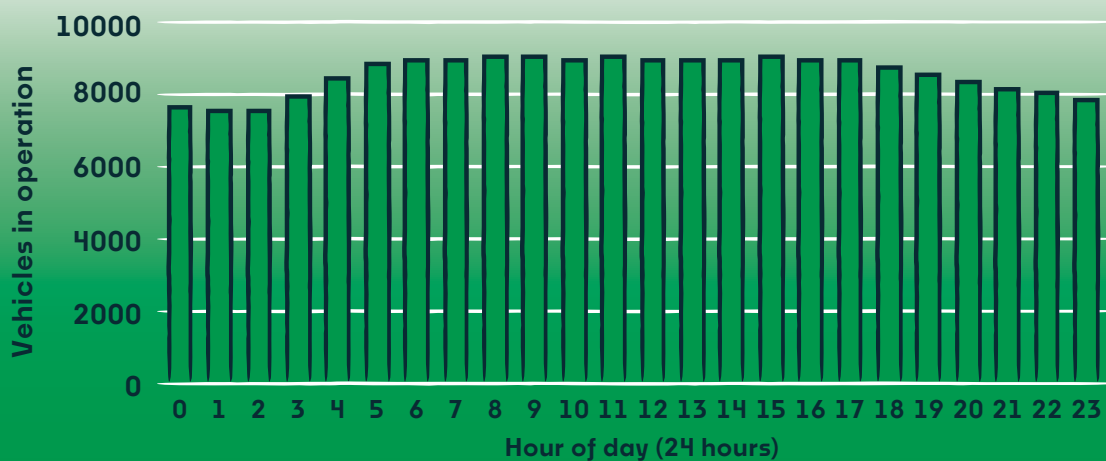
Average distance travelled per freight vehicle per month (km)



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



Vehicles active by hour of the day







**We continue  
to support road  
managers and policy  
makers to activate  
new productivity  
and safety schemes  
through the  
National Telematics  
Framework.**

# Achievements in road access arrangements

The use of applications and schemes continued to grow and evolve during 2021-22 in response to the emerging needs of authorities, providers and operators.

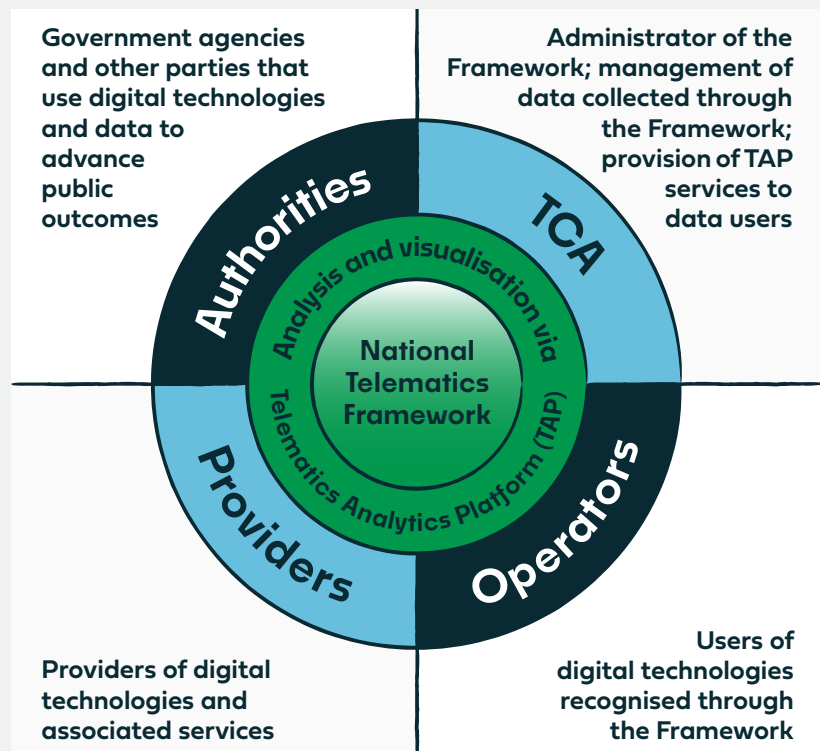
Through the Framework, we:

- enabled a national platform for the use of telematics and related intelligent technologies
- supported different applications across regulatory, contractual and commercial needs
- promoted different levels of assurance to support the diverse needs of our stakeholders
- continued to be outcome focussed and encouraged innovation.

There was significant growth in the use of the Framework during 2021-22, which catered to the evolving needs of stakeholders across the country.

In response the increasing expectations of stakeholders, we initiated a program of scheme expansion, to help meet policy objectives and provide supporting data analytics.

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



## Providers

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

### New type-approvals

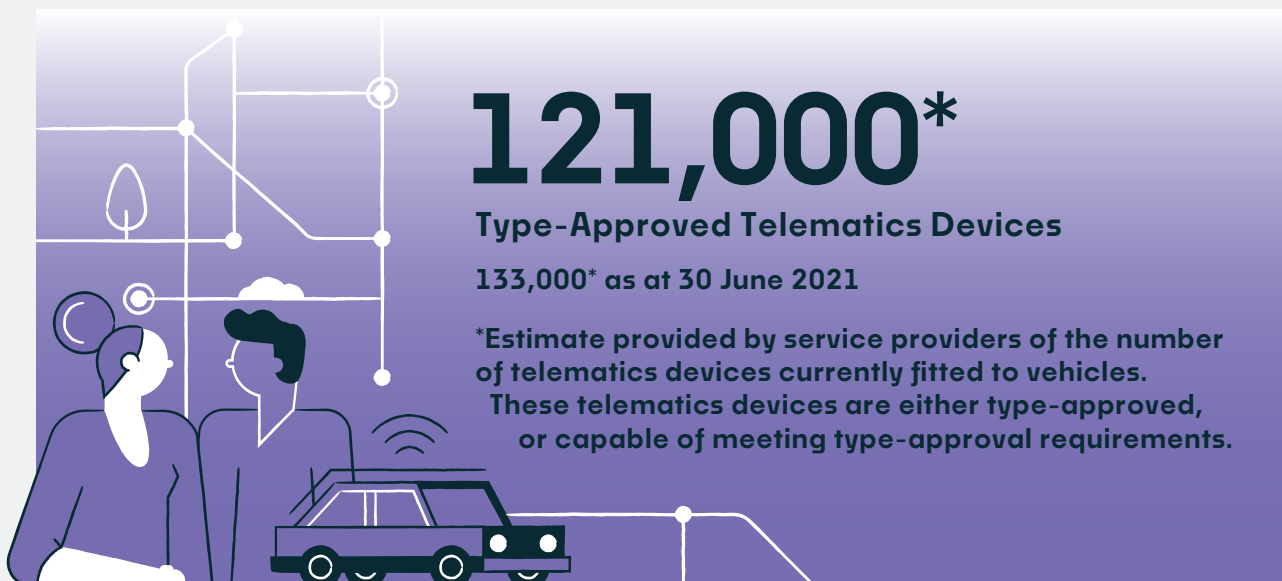
TCA welcomed a new OBM supplier, Integrated Vehicle Solutions (IVS), together with new Smart OBM systems from existing suppliers Right Weigh, Knorr-Bremse and E-Max who were already recognised through the Framework.

TCA also type-approved the latest generation telematics device from Teletrac Navman, which supports all levels of assurance offered through the Framework.

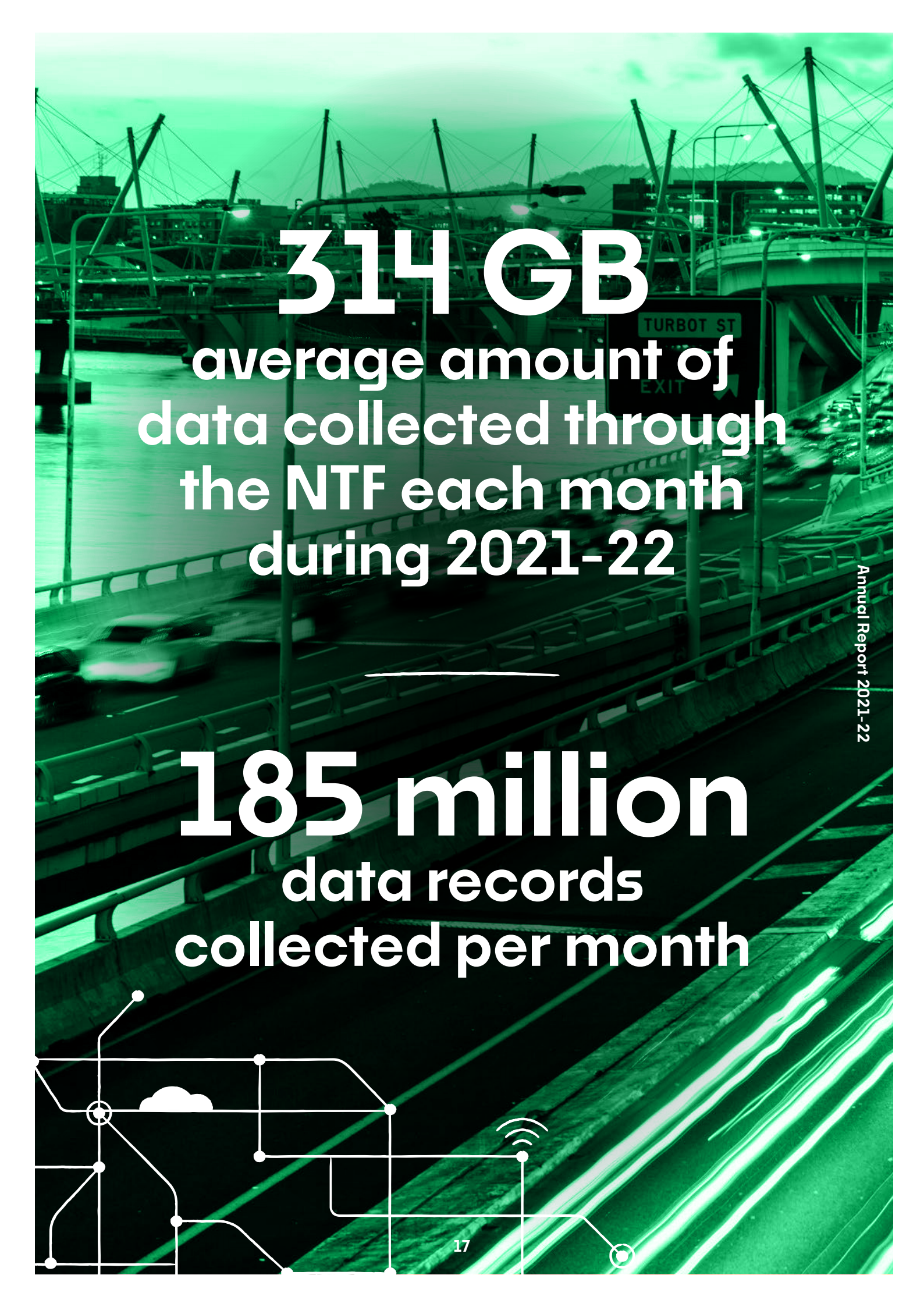
### New service providers

TCA saw four new providers who entered the Framework for the first time during 2021-22.

We welcomed Pacific Telematics, FleetLogix, DrivaLink and Netcorp as new registered service providers for RIM, while seeing existing service providers like V-DAQ expand their offerings to support Smart OBM.







**314 GB**  
average amount of  
data collected through  
the NTF each month  
during 2021-22

---

**185 million**  
data records  
collected per month



**The increasing  
number of parties  
now participating in  
the Framework puts  
it at the forefront of  
providing essential  
digital infrastructure  
to advance road  
transport management  
and reform.**

---

# Authorities

**We collaborate closely with transport authorities across all jurisdictions, and the role we play in servicing their needs.**

TCA has started conversations with several new authorities, including environmental protection authorities, port precinct managers, and government data analytics aggregators, with a view to expanding the public value of telematics analytics within the business rules and data access arrangements of the Framework.

## New road access arrangements

Road managers and policy makers have accelerated the introduction of new productivity and safety initiatives using applications of the National Telematics Framework.

Examples include:

### Road Infrastructure Management (RIM) Express

The RIM Express Scheme (road access arrangement) offers a speedy way of enrolling vehicles into the RIM application of the Framework.

It allows an Authority to monitor road use of eligible vehicles on Australian and New Zealand road networks for immediate, short-term monitoring of a vehicle (for a maximum duration of one month).

Under this arrangement, a technology provider need not already be registered to provide services through the National Telematics Framework.

The ability to enrol in this scheme from any state or territory in Australia or New Zealand is a new feature that will increasingly be used within the Framework.

### Telematics Monitoring Application (TMA)

Three new TMA schemes were introduced during 2021-22:

- **TMA Special Purpose Vehicle (SPV) Monitoring Schemes (Victoria):** This group of eight schemes allows special purpose vehicles, such as mobile cranes, concrete pump trucks and drill rigs, to be monitored under permit on approved routes of the Victorian road network. Due to the success of this scheme group, a similar set of schemes is being developed for the Department of Infrastructure and Transport, South Australia.
- **High Performance Freight Vehicles (HPFV) Monitoring Scheme:** At the request of the Department of Transport, Victoria, an additional HPFV scheme is now in place for eligible HPFV vehicles that do not need mass monitoring with a Smart OBM system.
- **TMA Victorian Road Train Monitoring Scheme:** This new scheme is administered by Department of Transport, Victoria, to enable access of road trains on approved routes of the Victorian road network.

## Achievements in Road Access Arrangements

### Other existing road access arrangements that have seen a significant growth during 2021-22:

#### Higher Mass Limits (HML)

An amended NSW access policy allowing the option of either IAP or TMA has led to significant growth in the number of vehicles in TMA for HML, rising from 259 to 834 vehicles during 2021-22.

Enrolments in existing IAP arrangements for HML also continue to grow strongly.

#### Farm Gate

Enrolments in the NSW Farm Gate scheme have grown from 11 to 123 vehicles during 2021-22.

The number of local governments involved in Farm Gate continues to grow, providing a broader network of higher productivity access on local roads.

Seeing this success, Victoria is investigating some form of RIM data sharing arrangement for improved livestock vehicle access.

### Smart OBM schemes

Several jurisdictions have introduced new schemes using Smart OBM systems, which allow improved road access for specific vehicle types.

More jurisdictions are moving to introduce schemes which use Smart OBM systems to support productivity and safety reforms.

Smart OBM data also helps with the formal gazetting 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](https://tca.gov.au/smart-obm).

## Data

### Telematics Analytics Platform (TAP)

TAP is TCA's primary user interface for a range of services that we offer, including providing data reporting to jurisdictions, local governments and other external stakeholders.

The roll-out of TAP to local governments in New South Wales, Victoria and Tasmania is progressing well. TAP is now available to Queensland, Northern Territory, ACT, Western Australia and South Australia to support improved road management decisions.

The first association, the Crane Industry Council of Australia (CICA), is now using TAP. Other peak bodies and associations have expressed interest in obtaining user access to TAP.

TAP is now capturing and visualising mass data for vehicles enrolled in schemes which use Smart OBM.

### Improving TAP access

We introduced a new style of TAP dashboard to all jurisdictions and local governments during 2021-22. The new dashboards offer improved usability, greater configurability, and the option to view (and export) data over multiple years.

Stakeholders continue to identify improvements and enhancements they would like to see in TAP, including the reporting of mass data, visualisation of legal network access, and road structure locations. We recognise the criticality of these demands and are working to develop a prioritised forward program of TAP enhancements.



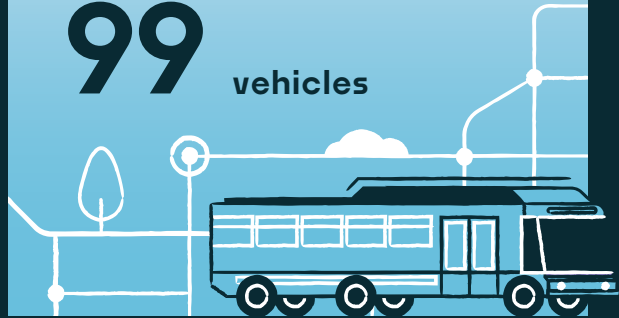
Oversize Overmass (OSOM) road access arrangements using RIM has seen an increase from 84 to

**108** vehicles



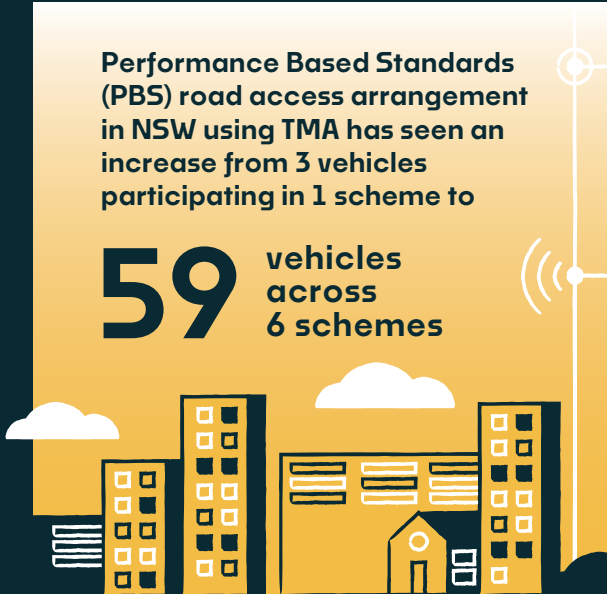
Safety, Productivity & Environment Construction Transport Scheme (SPECTS) road access arrangements using RIM has seen an increase from 71 to

**99** vehicles



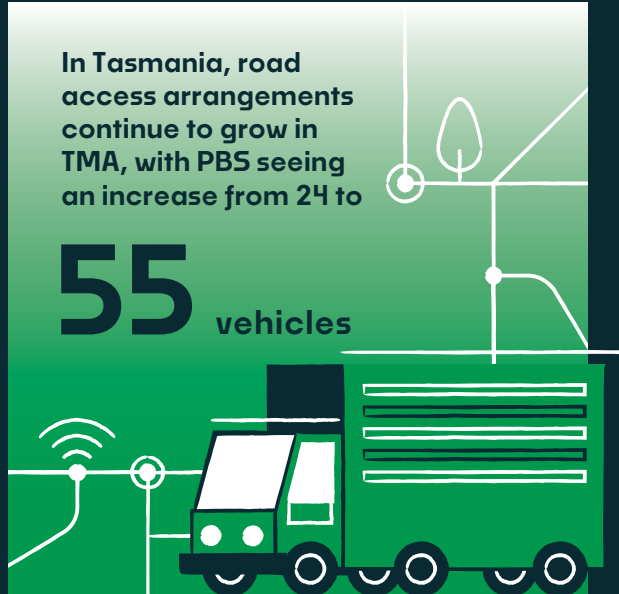
Performance Based Standards (PBS) road access arrangement in NSW using TMA has seen an increase from 3 vehicles participating in 1 scheme to

**59** vehicles across 6 schemes



In Tasmania, road access arrangements continue to grow in TMA, with PBS seeing an increase from 24 to

**55** vehicles



High Productivity Freight Vehicles (HPFVs) Monitoring access arrangement in Victoria using TMA has seen an increase from 1 vehicle to

**149** vehicles

with IAP enrolments climbing significantly to

**1,219** vehicles







**We are reducing  
the latency of reports  
and analysis made  
available through  
TAP, and working to  
support new-generation  
schemes with near  
real-time reporting.**

# Focus on strategic engagement and industry participation

## Engagement and participation

We were directly involved in numerous conferences, seminars and meetings to promote the availability of applications, schemes and services through the Framework to a broad cross-section of senior officials, government and industry stakeholders.

We continued to be responsive to the rapid growth in the use of applications, telematics devices and systems in the Framework, and were proactive in delivering timely promotional material to support new road access arrangements that formed a part of TCA's program of work for this financial year.

Enhancements to the TCA website ensure ongoing content refinement, use-friendliness and fitness for purpose in a swiftly evolving heavy vehicle transport industry.

## Refreshing our applications, hardware, systems and provider microsites

We launched new microsites with essential information for transport operators about:

- Applications of the Framework at [tca.gov.au/apps](https://tca.gov.au/apps)
- Hardware of the Framework at [tca.gov.au/hardware](https://tca.gov.au/hardware)
- Service providers at [tca.gov.au/service-providers](https://tca.gov.au/service-providers)
- 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](https://tca.gov.au/smart-obm).

## New stakeholder-focused information

Stakeholder-focused information included information on:

- Farm Gate Access – information brochure
- Smart OBM Information Sheet – Changes to HPFV arrangements in Victoria
- Accessing the Telematics Analytics Platform
- TAP Road Use Analytics and Reporting User Guide
- TAP Malfunction Management and Help Desk User Guide
- TAP IAP Data Analytics and Reporting User Guide.

## Presentations to stakeholders

Our engagement activities with members, industry associations and other stakeholders increased significantly in 2021-22.

These engagements included demonstrations of the new analytics capability of the Telematics Analytics Platform, illustrations of the use of telematics applications and road access arrangements in supporting improved safety and productivity, and ways to increase commercial transport operator safety and productivity using technologies.

We participated in a number of conferences and industry events in the post-COVID environment, and embraced the opportunity to meet and speak with transport operators, industry partners, telematics users, and government partners across the year.

# 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 also 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.

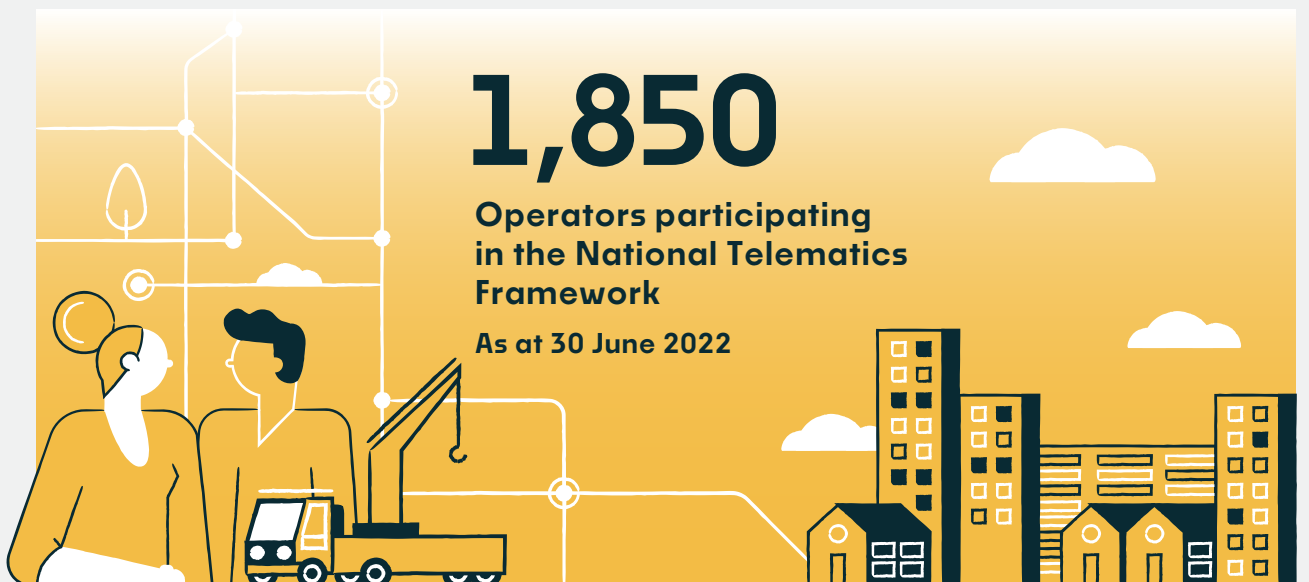
## NATA Accreditation

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

- Calibration of GPS Based Telematics Devices 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.





The background is a vibrant green abstract composition. It features a dense network of glowing, translucent lines and rectangular shapes that resemble a complex digital circuit or data flow. In the bottom right corner, there is a white line-art graphic of a circuit board. This graphic includes a cloud icon, a Wi-Fi signal icon, and several nodes connected by lines. The overall aesthetic is high-tech and futuristic.

**The scope of  
our services  
continues to evolve,  
comprising assurance,  
administration, analysis  
and reporting, and  
providing national,  
harmonised assurance  
for digital transport  
technologies  
and data.**

# Our People

**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 specialised and technical disciplines, including IT, data science, engineering, finance, human resources, communications and auditing. 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 policies for conditions of employment, recruitment, selection and induction, remuneration and benefits, performance and development, leave and other matters, that are regularly reviewed and updated to reflect best practice.

## Our safety

Further, the safety and amenity of the physical work environment is monitored and managed by a dedicated Office Manager, and a staff team of:

- First Aiders who attend regular and refresher training
- Occupational Health and Safety representatives – an active incident register,

together with a Work Health and Safety checklist is accessible on our staff intranet, and is annually reviewed.

## Our ICT

TCA implements state-of-the-art ICT technologies to ensure the highest standards of data availability, confidentiality and integrity, and to allow our staff to fulfil business-as-usual duties, while staying innovative even during uncertain and challenging times.

We are working towards a common harmonisation approach to ICT across Austroads and TCA.

To adapt to the new reality that the COVID-19 pandemic posed, TCA has boosted its audio-visual and conferencing capabilities and upgraded our ICT infrastructure and fleet of mobile devices.

We have revised our IT policies and procedures to minimise the risks of increased hours spent in work-from-home arrangements, and to uphold security when using business resources while offsite.

## Working from home arrangements

The enforced change to work practices that continued across 2021-22 because of the ongoing COVID-19 pandemic called for

a streamlining of workplace processes and systems.

All employees worked from home on a hybrid arrangement that supported staggered transition to business as usual, achieved through collaboration and coordination by the Corporate Operations division.

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.

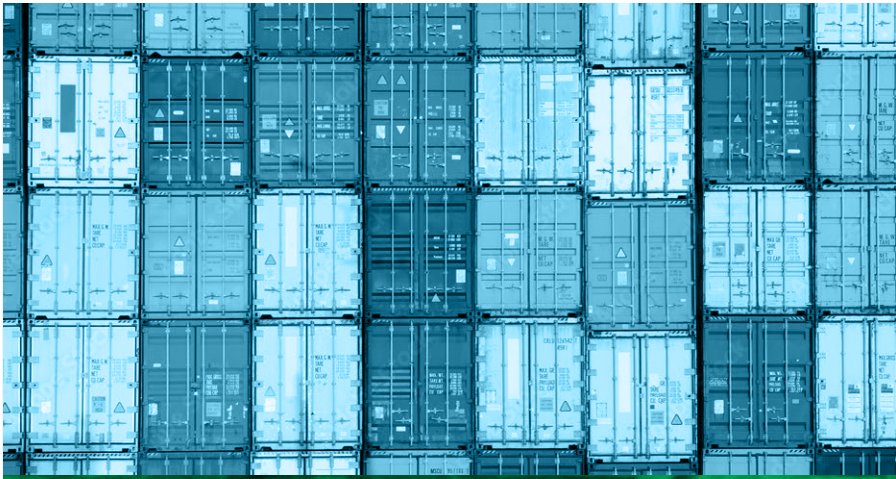
## Vaccinations

- In keeping with COVID safety procedures, and Phase D of the Victorian roadmap, it was a requirement for staff, in order to physically attend the office, to provide evidence that they were:
- fully vaccinated against COVID 19, or
- were booked for relevant vaccination, or
- had a medical exemption.

## Wellbeing program

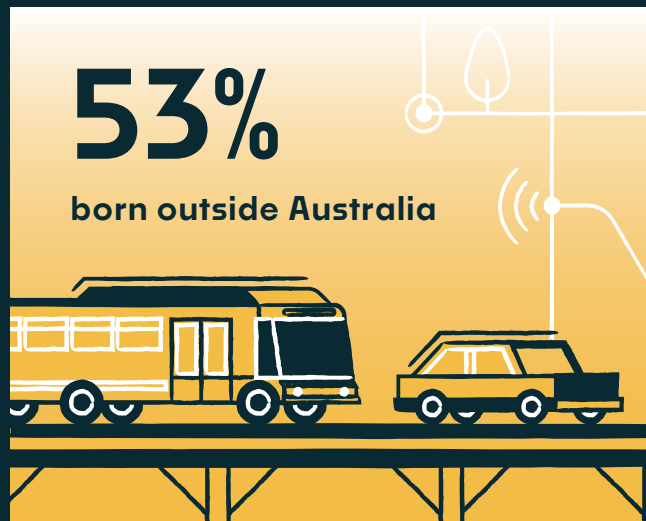
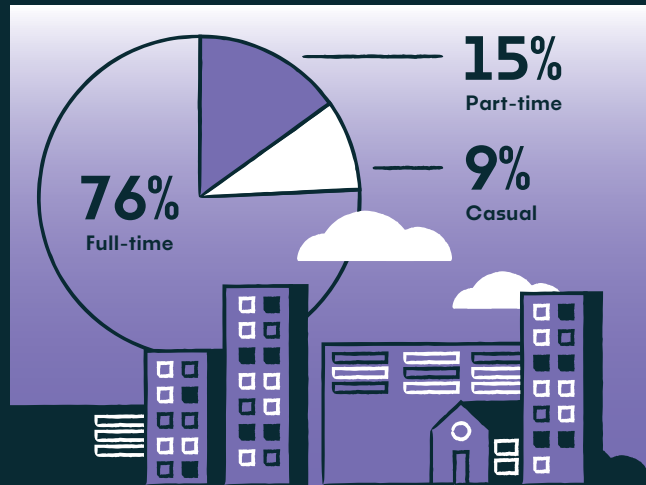
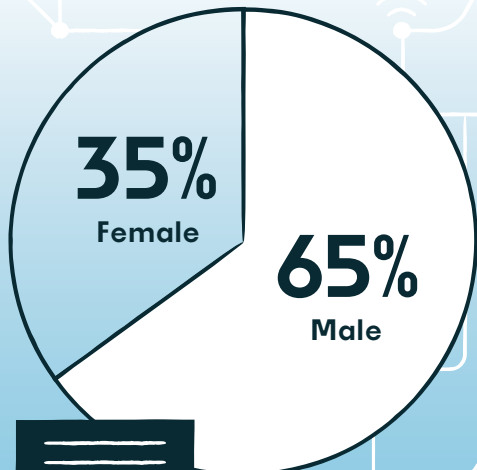
TCA offers all staff access to an employee assistance program for confidential help with mental health and wellbeing.





# Workforce Profile

Transport Certification Australia



## Skill set/capability profile:

IT, data science,  
engineering, finance,  
human resources,  
communications,  
auditing, strategy  
and implementation.



# Committees and Industry Participation

## Internal Committees

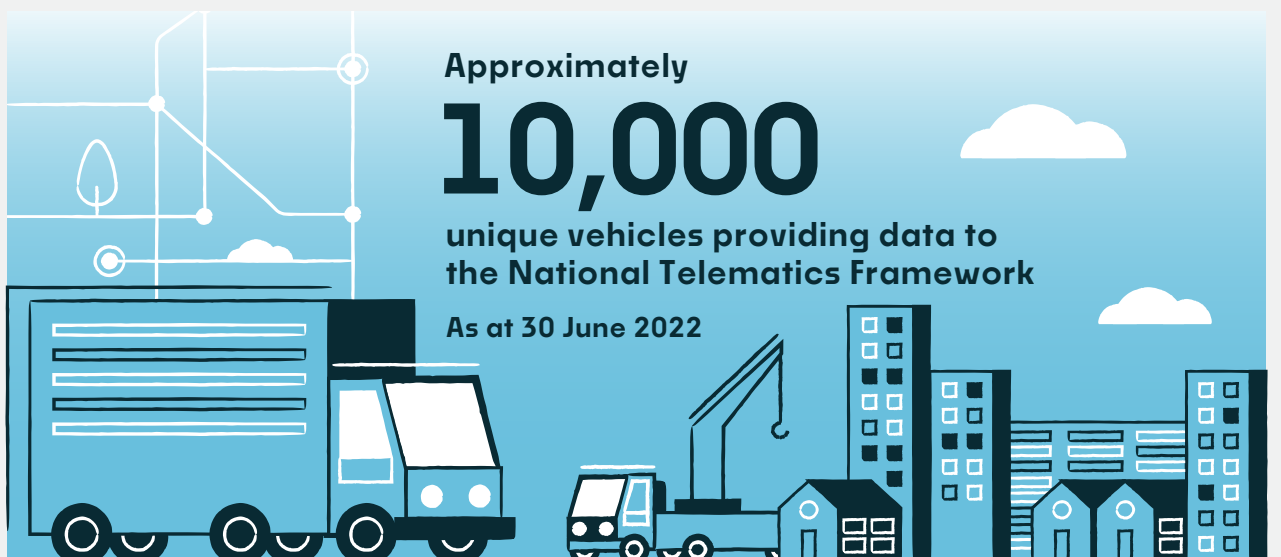
- Certification and Audit Committee
- Pricing Audit and Risk Committee

## TCA hosted the following groups:

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

## TCA participated in the following government and industry groups:

- Austroads Connected and Automated Vehicle Industry Reference Group
- Austroads Freight Task Force
- Austroads Future Vehicles and Technology Program
- Austroads Temporary Traffic Management Task Force
- National Transport Commission (NTC) Industry Advisory Group: Heavy Vehicle National Law (HVNL) Safety and Productivity Program
- Austroads Temporary Traffic Management Innovative Device and Solution Assessment (AITDSA) Panel
- National Transport Commission (NTC) Government access to vehicle-generated data working group
- Standards Australia IT-023 – Transport Information and Control Systems.





# Governance

**TCA was governed by a Board of Directors up to 30 June 2022.  
From 1 July 2022, the Austroads Board took over strategic oversight of the TCA business.**

The Board met four times, and had responsibility for providing clear policy and strategic direction. It also monitored TCA's performance against strategic objectives, annual work plan and budget.

## **TCA Board of Directors up to 30 June 2022**

### **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**

Infrastructure Commissioner, Department of Infrastructure, Planning and Logistics Northern Territory

### **Maree Bridger**

First Assistant Secretary Surface Transport Policy, Australian Government Department of Infrastructure, Transport, Regional Development, Communications and the Arts

### **Peter Woronzow**

Director General, Department of Transport 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

### **Praveen Reddy**

Executive Director Freight Victoria, Department of Transport Victoria.

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.



# Appendix

## Table of acronyms

Acronym	Description
CICA	Crane Industry Council of Australia
EGM	Executive General Manager
HML	Higher Mass Limit
HPFV	High Performance Freight Vehicles
IAP	Intelligent Access Program
ISC	Intelligent Speed Compliance
ISO	International Organization for Standardization
LBRCA	Livestock Bulk and Rural Carriers Association
NATA	National Association of Testing Authority
OBM	On-board mass systems
OSOM	Oversize Overmass
RIM	Road Infrastructure Management
SPECTS	Safety, Productivity & Environment Construction Transport Scheme
SPV	Special Purpose Vehicle
TAP	Telematics Analytics Platform
TCA	Transport Certification Australia
TIG	Telematics Industry Group
TMA	Telematics Monitoring Application

# Special Purpose Financial Report

for the financial year ended 30 June 2022

Transport Certification Australia

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# 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 2022.

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

- Dr Geoff Allan (Appointed 18 March 2022)
- Joseph Attanasio (Appointed 1 July 2022)
- Stuart Ballingall (Appointed 1 July 2022)
- Maree Bridger (Resigned 30 June 2022)
- James Corrigan (Resigned 30 June 2022)
- John Hardwick (Resigned 30 June 2022)
- Emma Kokar (Resigned 30 June 2022)
- Louise McCormick (Resigned 30 June 2022)
- Praveen Reddy (Appointed 19 September 2021; Resigned 30 June 2022)
- Neil Scales OBE (Resigned 30 June 2022)
- Robyn Seymour (Resigned 18 September 2021)
- Gary Swain (Resigned 30 June 2022)
- Peter Woronzow (Resigned 30 June 2022)

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

## Information on Directors

### Dr Geoff Allan

Geoff Allan is the Austroads Chief Executive. He was appointed to the board Transport Certification Australia in March 2022 and was appointed Managing Director in May 2022. Geoff is Vice-President of PIARC (World Road Association) as well as Chair of PIARC's Strategic Planning Commission. Geoff serves on the Council (Board) of the Centre for Professional Engineering Education (CPEE). Geoff has worked in a variety of executive roles in the Queensland Government and the National Transport Commission. Geoff has a bachelor's degree in town planning, a master's degree in Social Science and a PhD in public sector management.

### Gary Swain (to 30 June 2022)

Gary Swain is Deputy Secretary, Transport and Infrastructure Department of State Growth and Transport Commissioner for 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. Gary has more than 25 years experience, primarily in the infrastructure sectors of transport, electricity, natural gas and water and sewerage.

### Neil Scales OBE (to 30 June 2022)

ONC (Eng), HNC (EEng), BSc (Eng), C.Eng (UK), MSc (ContEng&CompSys), DMS, MBA, FIEAust CPEng, EngExec, NER APEC Engineer Int PE (Aus), Hon FLJMU, FIMechE, FIET, FICE, FCIT, FILT, FRSA, FIRTE, FSOE, RPEQ, MAICD, VFF

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. Neil was awarded the John Shaw Medal by Roads Australia in 2021. The John Shaw Medal honours an industry champion who has made a lasting contribution to Australia's roads.

## Directors' report (continued)

### Maree Bridger (to 30 June 2022)

**B.Ec, Executive MBA, CPA**

Maree Bridger is currently the Acting Chief Operating Officer, Department of Infrastructure, Transport Regional Development, Communications and the Arts. She was previously the First Assistant Secretary, Surface Transport Policy for the Department and in this role she was 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.

### James (Jim) Corrigan (to 30 June 2022)

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.

### John Hardwick (to 30 June 2022)

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, where he lead the division's first Strategic Asset Management Plan and the implementation of full battery electric vehicles into Sydney division's passenger fleet.

John has a background of over 30 years in asset management within the electricity and transport industries, is a passionate leader of organisational improvement in asset and operational risk management and has implemented world class asset management strategies and systems to manage risk and provide value for customers and communities.

John 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 and Living Asset Maturity. In 2018 John was awarded the MESA medal by the Asset Management Council. The MESA Medal is awarded to an individual who has personally contributed to the highest level to the advancement of the science and/or practice of asset management.

### Emma Kokar (to 30 June 2022)

**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 (to 30 June 2022)

**B.Eng-Civil Engineering, Dip. Project Management**

Louise McCormick is an Executive Engineer, Chartered Fellow and Senior Civil/Structural Engineer with over 20 years' experience in the public and private sectors. Louise was appointed Commissioner for Infrastructure NT in April 2022. Louise was awarded the John Shaw Medal by Roads Australia in 2022. The John Shaw Medal honours an industry champion who has made a lasting contribution to Australia's roads.

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. Louise 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.

### **Praveen Reddy (19 September 2021 to 30 June 2022)**

Praveen Reddy is the Executive Director, Freight Victoria within the Victorian Department of Transport. Praveen has broad experience in the public and private sectors in the areas of governance, business case preparation, information technology, human resources, budgetary and financial literacy and public policy development. Praveen is a graduate of the Australian Institute of Company Directors. Praveen has previously held senior roles in the public and private sectors including as the Chief Executive Officer of Periscope Corporation (a leading provider of governance, risk and compliance software), the Chief Officer Operations at the National Transport Commission and Director Technical Consulting at VicRoads. Praveen is also a member of other government and not for profit boards.

### **Robyn Seymour (to 18 September 2021)**

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 (to 30 June 2022)**

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

In November 2021, Peter Woronzow was appointed to the position of Director General – Department of Transport, which also sees him hold the concurrent roles of Chief Executive Officer of the Public Transport Authority and Commissioner of Main Roads. Peter had been undertaking the role since March 2020. 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. Prior to his appointment as Director General, Peter held the role of Managing Director Main Roads 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

## Special Purpose Financial Report

### Directors' report (continued)

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
Dr Geoffrey Allan	1	1
Maree Bridger	1	4
James Corrigan	2	4
John Hardwick	4	4
Emma Kokar	2	4
Louise McCormick	4	4
Praveen Reddy	3	3
Neil Scales	1	4
Robyn Seymour	-	1
Gary Swain	4	4
Peter Woronzow	-	4

Alternate Directors	Directors' Meetings	
	No. of Meetings Attended	No. of Meetings Eligible to Attend
Geoffrey Magoffin – Alternate Director for Neil Scales	1	2
Ken Marshall – Alternate Director for James Corrigan	1	1
Nicholas Papandonakis – Alternate Director for Louise McCormick	-	-
Desmond Snook – Alternate Director for Peter Woronzow	3	4
Michael Stapleton – Alternate Director for Neil Scales	-	-
Dennis Walsh – Alternate Director for Neil Scales	-	1

## 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 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.



## Directors' report (continued)

### 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 \$2,764,758 (2021: \$1,588,774). As at 30 June 2022, the company has net assets of \$8,261,161 (2021: \$5,496,403) including cash reserves of \$7,986,935 (2021: \$5,799,718).

Coronavirus (COVID-19) has not interrupted the rhythm of company's operational processes and governance functions during the year.

## 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 2022 the number of Members was 1 (2021: 1 member).

## Auditor's independence declaration

The auditor's independence declaration is included on page 39 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



Dr Geoff Allan  
Managing Director  
24 October 2022



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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 of Transport Certification Australia Limited for the year ended 30 June 2022, 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)*.

**S M Whiddett**  
Partner

**Pitcher Partners**  
Sydney

24 October 2022

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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# Directors' declaration

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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 41 to 55, 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 2022 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



**Dr Geoff Allan**  
Managing Director  
24 October 2022

# Statement of comprehensive income for the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue and other income	4	9,791,851	7,532,471
Advertising and promotional expenses		(37,996)	(49,570)
Employee benefits expenses		(4,209,003)	(3,888,855)
Depreciation	4	(344,349)	(372,576)
Meeting expenses		(1,376)	(1,670)
Travel and accommodation expenses		(68,985)	(37,513)
Dues and subscriptions expenses		(149,653)	(132,820)
Consulting expenses		(877,056)	(477,588)
Office expenses		(1,153,366)	(758,576)
Finance cost	8	(26,049)	(39,981)
Other expenses		(159,260)	(184,548)
<b>Surplus for the year</b>		<b>2,764,758</b>	<b>1,588,774</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>2,764,758</b>	<b>1,588,774</b>
Surplus attributable to member's of the entity		<b>2,764,758</b>	<b>1,588,774</b>
Total comprehensive surplus attributable to member's of the entity		<b>2,764,758</b>	<b>1,588,774</b>

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# Statement of financial position as at 30 June 2022

Transport Certification Australia

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	12(a)	7,986,935	5,799,718
Trade and other receivables	5	1,005,489	384,489
Other current assets	6	507,515	460,649
<b>Total current assets</b>		<b>9,499,939</b>	<b>6,644,856</b>
<b>Non-current assets</b>			
Plant and equipment	7	640,988	689,218
Right-of-use assets	8	263,832	482,176
<b>Total non-current assets</b>		<b>904,820</b>	<b>1,171,394</b>
<b>Total assets</b>		<b>10,404,759</b>	<b>7,816,250</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	577,031	311,995
Lease liabilities	8	317,418	291,118
Other current liabilities	11	417,681	595,859
Provisions	10	477,222	430,250
<b>Total current liabilities</b>		<b>1,789,352</b>	<b>1,629,222</b>
<b>Non-current liabilities</b>			
Lease liabilities	8	70,498	387,916
Provisions	10	283,748	302,709
<b>Total non-current liabilities</b>		<b>354,246</b>	<b>690,625</b>
<b>Total liabilities</b>		<b>2,143,598</b>	<b>2,319,847</b>
<b>Net assets</b>		<b>8,261,161</b>	<b>5,496,403</b>
<b>EQUITY</b>			
Accumulated surplus		8,261,161	5,496,403
<b>Total equity</b>		<b>8,261,161</b>	<b>5,496,403</b>



# Statement of changes in equity for the year ended 30 June 2022

	Accumulated Surplus \$	Total \$
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
Balance at 1 July 2021	5,496,403	5,496,403
Surplus for the year	2,764,758	2,764,758
Total comprehensive income for the year	-	-
Balance at 30 June 2022	8,261,161	8,261,161

# Statement of cash flows for the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from members, participants, service providers and stakeholders		10,085,201	8,613,159
Payments to suppliers and employees		(7,518,473)	(5,960,772)
Interest received		9,270	14,321
Interest paid - lease		(26,049)	(39,981)
Net cash provided by operating activities	12(b)	2,549,949	2,626,727
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(71,614)	(133,295)
Net cash used in investing activities		(71,614)	(133,295)
<b>Cash flows from financing activities</b>			
Payment of lease liabilities		(291,118)	(266,460)
Net cash used in financing activities		(291,118)	(266,460)
<b>Net increase in cash and cash equivalents</b>		2,187,217	2,226,972
<b>Cash and cash equivalents at the beginning of the financial year</b>		5,799,718	3,572,746
<b>Cash and cash equivalents at the end of the financial year</b>	12(a)	7,986,935	5,799,718

# 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 24 October 2022 by the directors of the company.

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

### Registered office

Level 6  
333 Queen Street  
Melbourne VIC 3000

### Principal place of business

Level 6  
333 Queen Street  
Melbourne VIC 3000

## 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 2022, 5 employees have been employed for 7 years of continuous service (2021: 6).

## 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.

## Notes to the financial statements (continued)

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 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

## Notes to the financial statements (continued)

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.

#### **p. Critical accounting estimates and judgements (continued)**

##### **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.

#### **q. 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.

## Notes to the financial statements (continued)

## 4. Surplus for the year

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

	2022 \$	2021 \$
<b>Revenue from contracts with customers</b>		
Application fees received from applicants	77,875	85,040
Operational fees	4,184,391	3,548,003
Other service fees	2,172,633	451,667
<b>Other revenue</b>		
Contributions received from members and participants	2,300,000	2,304,692
Contributions received from regulators	950,000	950,000
Major projects	82,500	127,000
<b>Other income</b>		
Interest income	12,588	12,669
Government subsidy – cashflow boost	-	50,000
Other revenue	11,864	3,400
	9,791,851	7,532,471
Depreciation	344,349	372,576

## 5. Trade and other receivables

	2022 \$	2021 \$
Trade receivables	1,005,489	384,489
	1,005,489	384,489

## 6. Other current assets

	2022 \$	2021 \$
Security deposits	71,928	71,928
Prepayments	60,491	65,120
Other	375,096	323,601
	507,515	460,649

## 7. Plant and equipment

	Work In Progress \$	Computers \$	Motor Vehicles \$	Furniture and fixtures \$	Plant and equipment \$	Total \$
<b>2022</b>						
At cost	9,679	910,985	52,769	575,899	634,010	2,183,342
Accumulated depreciation	-	(722,292)	(52,769)	(181,116)	(586,177)	(1,542,354)
Carrying amount at the end of the year	9,679	188,693	-	394,783	47,833	640,988
<b>2021</b>						
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

## 8. Leases

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

### a. Amounts recognised in the Statement of financial position:

	2022 \$	2021 \$
<b>Right of use assets</b>		
Opening balance at beginning of year	482,176	700,519
Depreciation charge for the year	(218,344)	(218,343)
Carrying amount at end of year	263,832	482,176
<b>Lease liabilities</b>		
Lease liabilities – current	317,418	291,118
Lease liabilities – non-current	70,498	387,916
	387,916	679,034



## Notes to the financial statements (continued)

**b. Amounts recognised in the Statement of comprehensive income:**

	2022 \$	2021 \$
Lease under AASB 16 – interest on lease liabilities	26,049	39,981
Depreciation expenses on right-of-use assets	218,344	218,343

**c. Amounts recognised of cash flows**

The total cash outflow for leases was \$317,167 (2021: \$306,441).

**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**

	2022 \$	2021 \$
Trade payables	130,406	160,515
Goods and services payable	88,971	61,035
Other payables	357,654	90,445
	577,031	311,995

**10. Provisions**

	2022 \$	2021 \$
<b>CURRENT</b>		
Employee benefits	477,222	430,250
	477,222	430,250
<b>NON-CURRENT</b>		
Employee benefits	283,748	302,709
	283,748	302,709

**11. Other current liabilities**

	2022 \$	2021 \$
Accrued expenses	168,014	96,526
Participant payment for services in advance	249,667	499,333
	417,681	595,859

## 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:

	2022 \$	2021 \$
Cash deposits with Bank	7,986,885	5,799,668
Petty cash	50	50
	7,986,935	5,799,718

### b. Reconciliation of surplus for the year to net cash flows from operating activities

Surplus for the year	2,764,758	1,588,774
Non-Cash items:		
Depreciation	344,349	372,576
Net loss on disposal of property and equipment	3,518	-
(Increase)/decrease in assets:		
Trade and other receivables	(621,000)	(63,859)
Other assets	(46,866)	(36,391)
Increase/(decrease) in liabilities:		
Trade and other payables	(40,756)	81,520
Provisions	28,011	200,236
Other liabilities	117,935	483,871
Net cash provided by operating activities	2,549,949	2,626,727

## 13. Remuneration of auditors

	2022 \$	2021 \$
Audit of the financial report	26,800	25,200
	26,800	25,200

## Notes to the financial statements (continued)

### 14. Events after the Reporting Date

No other matters or circumstances have arisen since 30 June 2022 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 2022 the number of Members was 1 (2021: 1 member).

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**Independent Auditor's Report  
To the Members of Transport Certification Australia Limited  
ABN 83 113 379 936**

**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 2022, 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 2022 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 3 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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*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 2022, 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 3 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.



**Independent Auditor's Report**  
**To the Members of Transport Certification Australia Limited**  
**ABN 83 113 379 936**



- 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.

**S M Whiddett**  
Partner

24 October 2022

**Pitcher Partners**  
Sydney



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