



Annual Report

2021-2022

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Message from the Chair and CEO

During the year, Transmax continued its pursuit of strategic initiatives to ensure the long-term sustainability of the business. It was a year of milestones, with the opportunity to modernise the STREAMS platform being secured with the support of our owner, Department of Transport and Main Roads (TMR).

Transmax is proud of its history of product evolution and innovation and the years ahead will see the company deliver the most significant evolution of its successful STREAMS product. The development of STREAMS Next-Gen will remain our key strategic focus area over the project's three-to-four-year roadmap and enable the company to better meet the strategic needs of our important road agency customers through the provision of a modern Intelligent Transport System (ITS) platform.

As urbanisation and densification continues to shape our cities, how we facilitate the movement of people and goods will greatly impact a city's overall success in delivering healthy communities, vibrant places, jobs, and economic wellbeing. The vital work being undertaken on STREAMS will contribute to more liveable cities and benefit Australian communities as the company arms road agencies with a modernised ITS platform required to achieve effective mobility outcomes, and safer and more reliable road journeys. We remain committed to inspiring and supporting customers to successfully deliver the future of transportation, and we will be undertaking extensive engagement with our customers in

the year ahead as we build a platform that is responsive to their needs.

This pursuit is not without its challenges. Like many other technology companies in Australia, we are striving to recruit top tech talent in a fiercely competitive market. We are confident we can overcome this challenge. Transmax is all about its people and the success of the business is directly linked to our people's expertise, passion and steadfast commitment to providing quality ITS solutions for customers. The company has created an environment where our people can deliver on their full potential in an inclusive culture that respects everyone's contributions to business success, offers continuous learning and development opportunities, and competitive salaries. It is truly an exciting time to be a part of the Transmax team and the company looks forward to welcoming more than 50 new team members in the coming year to meet security standards and build the next generation of STREAMS.

The ITS industry and the solutions that stem out of it are going to play an instrumental role in solving existing and future transport challenges. Transmax is keen to capitalise on its investment in the modernisation of STREAMS to pursue the expected abundance of transport opportunities in broader transportation and mobility solutions over the coming decade. This includes further opportunities in the areas of Connected and Autonomous Vehicles (CAVI), such as being a partner in TMR's Ipswich Connected Vehicle Pilot, and Mobility as a

Service (MaaS), along with maximising value from transport through the delivery of a data platform that will provide rich data sets back to our customers to achieve effective mobility outcomes. In addition, a modernised STREAMS will enable TMR to utilise the contemporary tools needed to support successful transport network management to meet the demands of significant residential growth in Queensland as well as meeting the needs during the 2032 Olympics.

Similar to 2020-21, Transmax again achieved strong financial performance, with the company recording a profit after tax of \$1,007,088. As a profit-for-purpose organisation, Transmax is reinvesting these profits back into the continuous improvement of the product for the benefit of customers and Australian communities.

One of the most widespread and visible transportation challenges in the world is congestion. In the United States alone, people spend a combined 14.5 million hours every day stuck in traffic as they commute and transport goods. While our primary focus will always remain on our domestic customers, we are pleased that the trial of the company's STREAMS Smart Motorways solution in Denver, Colorado in 2021-22 has shown positive outcomes to date. Transmax has been advancing the product through Research & Development and it is wonderful that this unique solution can support another market to tackle the significant issue of congestion and improve the lives of people. In addition, we are in the planning stages for further trials of STREAMS Smart Motorways with two other American transportation departments.

In the year ahead, we will continue to look at future trends, predict how they may impact our work on the evolution of STREAMS, and strive for solutions with positive enduring impact for customers and communities.

We would like to thank and acknowledge our committed customers for continuing to support our business and partnering with us as we modernise the STREAMS platform over the coming years.




Kathryn Giudes
Chair, Non-Executive Director




Nikki Alder
Transmax CEO



About this report

The Transmax Annual Report 2021-22 provides an overview of the organisation, highlights from the reporting period, along with Financial Statements for the year ended 30 June 2022.

About Transmax

About Transmax

Transmax is a government-owned transport solutions provider of the ITS platform STREAMS. The company exists to improve people's quality of life and helps move millions of commuters around Australian road networks every day. The company partners with customers to deliver creative solutions that optimise transport networks and support safer and more reliable road journeys.

Transmax places its customers at the centre of everything it does and works collaboratively to ensure the company's ITS solutions meet customers' needs. The company provides STREAMS to more than 13 traffic management centres across Australia and manages more than 80,000 devices in Australia. Transmax offers customers systems engineering, software design and development, and a range of consulting and support services throughout the entire ITS lifecycle.

Transmax has more than 50 years of ITS experience and is committed to working with customers and

supporting them to realise the community benefits of optimising transport networks by providing smarter, more sustainable ITS solutions.

Transmax is an unlisted Australian company wholly owned by the Queensland Government Department of Transport and Main Roads. The company is registered under the Corporations Act 2001. Transmax's 100% shareholder is the Queensland Director-General for Transport and Main Roads.

As a government-controlled entity, Transmax supports other transport departments around Australia to achieve safer and more reliable road journeys for people in the communities they serve.

Transmax operates according to commercial principles including ASIC's OECD Principles of Corporate Governance and raises its own revenue.

Our Vision

Enabling future mobility through ITS.

Our Mission

We exist to improve people’s lives by providing industry-leading transport solutions.

Our Values

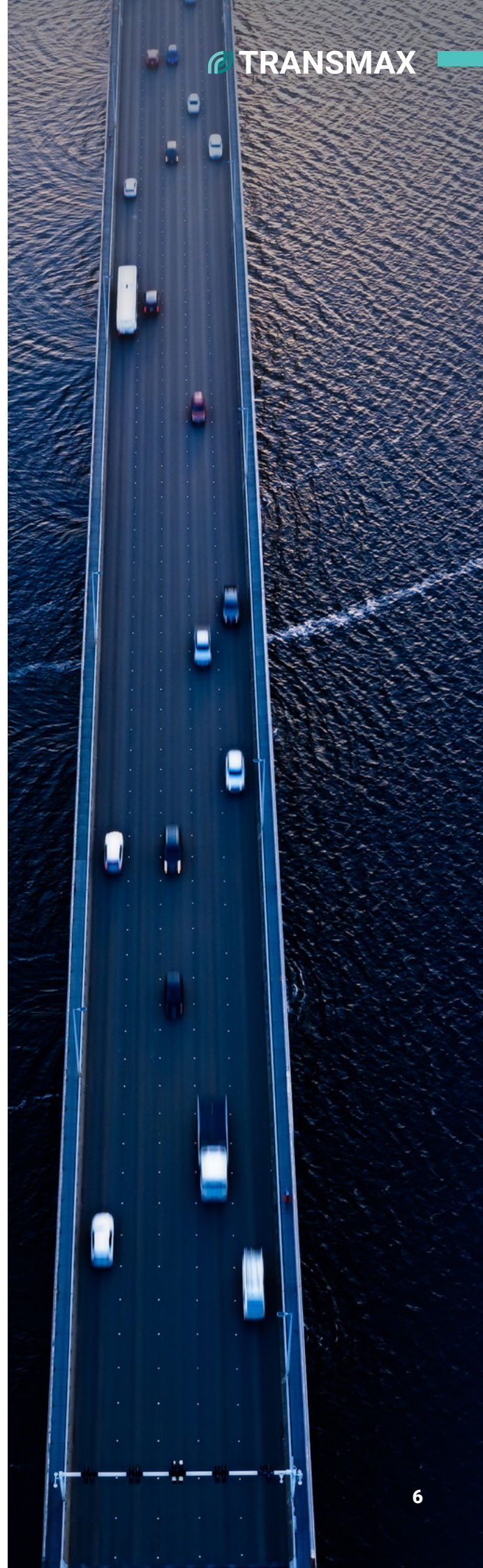
RESPECT and support others

ACCOUNTABLE for everything we do

INNOVATE create and inspire

EXCELLENCE is our aim

INTEGRITY drives our behaviour



Governance structure

BOARD OF DIRECTORS

The Board is responsible for the overall corporate governance of Transmax including determining its strategic direction, establishing goals for management and monitoring the achievement of these goals.



Kathryn Giudes
Chair, Non-Executive Director



Julianne Mitchell
Non-Executive Director



John Frazer
Non-Executive Director

BOARD REMUNERATION

Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair Non-Executive Director	Kathryn Giudes	9	\$56,270 pa	\$3,000 pa	\$59,269.86 *
Non-Executive Director	John Frazer	9	\$20,865 pa (from 11/2/2022) \$28,065 pa (1/7/2021 - 10/1/2022)	\$4,000 pa	\$29,545.05 **
Non-Executive Director	Julie Mitchell	9	Nil ***	N/A	Nil

* as Chair – Non-Executive Director and 1 sub-committee

** as Non-Executive Director and 1 sub-committee Chair

*** Queensland Government employee

SENIOR LEADERSHIP TEAM (SLT)

Transmax's senior leadership team comprises highly experienced professionals fully committed to building and investing in our people to enable us to support customers to successfully deliver the future of transportation.



Nikki Alder
Chief Executive Director



Lynette Sperling
Chief Operating Officer



Andrew Paynter
Chief Technology Officer



Chris Fullelove
Chief Services Officer



Todd Pursey
Chief Customer and
Commercial Officer



Paul Smith
Chief Strategy Officer

COMPANY ENTERTAINMENT

No corporate entertainment or hospitality events over the value of \$5,000 were held by Transmax during the 2021-22 financial year.

Strategic update

Strategic update

During the year, the SLT undertook further strategic business planning and finalised a new Strategic Plan for the company that sets the direction for a successful future for Transmax. The plan and its strategic initiatives focus on the pillars of business sustainability; engaged and capable people; customer focus; future growth; and innovation.

As part of this planning, the company developed a Statement of Corporate Intent for 2022-23, which sets out a set of guiding principles and goals that are consistent with Transmax's 2022-23 Corporate Plan.

Broadly, the company's strategic plan focusses on initiatives to:

- build business sustainability
- develop products that suit the future needs of customers and provide profitable growth for the company
- develop a cloud migration strategy for STREAMS core control capabilities
- improve our security and disaster recovery
- create commercial models for the future.



STREAMS Next-Gen Project

The key strategic focus area is the opportunity to modernise the STREAMS platform through progression of the STREAMS Next-Gen project. This project will enable Transmax to better meet the strategic needs of our road agency customers and deliver the anticipated future requirements of a modern ITS platform. The program of work over a three-to-four-year roadmap will see the development of a suite of strategic and tactical ITS products to be hosted on the STREAMS Next-Gen platform. These products will both reimagine and dramatically enhance existing ITS capabilities and deliver new ITS capabilities beyond those possible with the current generation of ITS industry offerings. These future capabilities will enable insights into multi-faceted community mobility, respond to emerging use cases across the ITS landscape, and facilitate the evolution from today's reactive and responsive ITS solutions to a whole new gamut of data-driven analytical, insightful, predictive, and proactive ITS solutions.

Building STREAMS Next-Gen will deliver greater value for customers and provide them with a platform ready for the future of transport management. In addition, STREAMS Next-Gen will deliver new levels of security, resilience, scalability, usability, and openness, allowing road agencies to solve transport management challenges through

the application of cutting-edge technology and new architecture designed to foster innovation.

Not only will Transmax utilise a thoroughly contemporary technology stack, accompanying tools and methodologies enable and empower new ways of collaborating with our customers that will result in shortened product enhancement and release cycles, more incremental and sustainable delivery of value, a fast-feedback loop with users, and a more agile approach to respond to customer needs.

Transmax will engage customers extensively as STREAMS Next-Gen is developed to ensure close alignment with customers' ITS platform requirements, architectures and environments. Existing customers will transition to the STREAMS Next-Gen platform via a side-by-side incremental transition strategy to progressively deliver product outcomes and value, while minimising transition risk.

The success of the project will support the long-term sustainability of the business.

The Operational Performance section of this report outlines roadmap progression and deliverables in 2021-22 for the STREAMS Next-Gen strategic initiative.

Transmax customers

Our customers



In Australia, Transmax provides STREAMS to road agencies and private road operators across Australia. Domestically, Transmax has customers in Queensland, Victoria, Western Australia, South Australia, Tasmania, Australian Capital Territory and the Northern Territory.

Internationally, Transmax provides STREAMS to the Colorado Department of Transportation (CDOT) as part of an ongoing trial of the company's STREAMS Smart Motorways product. The CDOT pilot, which commenced in November 2021, is a partnership between CDOT, Transmax, WSP and the Department of Transport, Victoria.

We place our customers at the centre of everything we do and work collaboratively with them to be their ITS supplier of choice.

Transmax offers customers systems engineering, software design and development, along with a range of consulting and support services throughout the entire ITS lifecycle.

Customers and communities are benefiting significantly from the use of STREAMS including reduced travel time and vehicle operating costs, improved safety, reduced operational costs, greater economic flow, reduced emissions, and the ability to accurately measure and compare performance of the road network.



DOMESTIC CUSTOMERS

Department of Transport and Main Roads
Queensland

Main Roads Western Australia (MRWA)
Western Australia

Roads ACT
Australian Capital Territory

Department of Transport
Victoria

Department of Infrastructure and Transport
South Australia

Department of State Growth
Tasmania

Department of Infrastructure, Planning and Logistics
Northern Territory

Transurban
Queensland

Ventia

Local Government Areas
Various Queensland councils

INTERNATIONAL

Colorado Department of Transportation (CDOT) and WSP

Operational performance

PROJECT HIGHLIGHTS 2021-22

STREAMS Next-Gen Project

This year saw the completion of the first tranche of a three-tranche program of works. The Department of Transport and Main Roads (TMR) and Transmax have together delivered key foundations for the new STREAMS platform as well as some early iterations of new products delivering situational awareness and disruption management capabilities. The next tranche of work will see a strong focus on re-imagining valuable capabilities from the existing STREAMS product suite on top of the new STREAMS platform.

STREAMS NEXT-GEN PLATFORM

Underpinning the applications and features delivered through STREAMS Next-Gen products is a thoroughly contemporary, cloud-native STREAMS Next-Gen platform.

The platform is an integrated collection of standard software product development frameworks, tools, technologies and shared services that make it easier, faster, and more cost effective to create, provide and maintain a powerful, consistent and coherent ITS product suite.

The following capabilities of the STREAMS Next-Gen platform have been added or enhanced during the 2021-22 financial year.

Platform Architecture

- Continued delivery of the STREAMS Next-Gen platform in alignment with established architecture principles and technology selections, independently reviewed and validated quarterly by an industry expert consultancy.

Cyber Security

- Development aligned with ISO-IEC 27001 specified in the STREAMS Next-Gen Platform Information Security Management System strategy.
- Undertaking of vulnerability assessments and penetration tests to validate security controls.
- Provision of secure product and software development practices training to all staff.

Reliability and Resilience

- Significant investment in product and software test automation and an associated technology framework to achieve high levels of coverage across unit, feature, integration, load/performance and reliability tests.
- Significant investment in product and software deployment automation utilising tools and methodologies.
- Achievement of very low (and in some cases, zero) downtime during platform upgrade, scheduled maintenance activities, or recovery from component outage.

Performance and Scalability

- Significant improvements to platform performance, scalability and elasticity under dynamic workloads.
- Ongoing operational cost analysis and optimisation to improve cost effectiveness.

Geospatial Capabilities

- Extensive customer consultation, industry research and product discovery to understand the needs and opportunities for the geospatial data management capabilities to be offered by the STREAMS Next-Gen Platform.
- Initial work in establishing tooling and processes to efficiently update geospatial datasets from trusted sources seamlessly into the platform.

Product Development Lifecycle Efficiency

- Improved metrics and associated product decision making derived from enhanced gathering of rich application usage metrics, application performance monitoring data, in-app feedback, and monitoring and alerting of platform status.



STREAMS Next-Gen products

In addition to STREAMS Next-Gen Platform enhancements and additions, our product teams progressed a number of STREAMS Next-Gen products that will be delivered through the project:

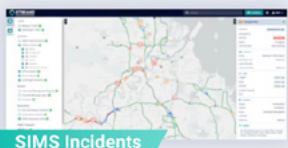


STREAMS COMMON OPERATIONAL VIEW

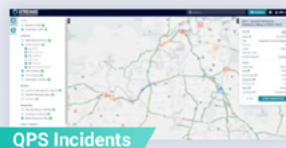
STREAMS Common Operational View is a multi-modal transport network situational awareness tool for transportation agency users who need to know the current state of the network and responses to abnormalities but aren't directly involved in managing disruptions. It provides an overview of network including major problems on the network, including information and insights about the impact and response to disruptions.

During the year, this product was further developed including:

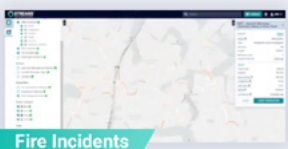
- Refinement to regional filtering and workflow refinements with a new potential incident list view released containing links to potential STREAMS Incident Management System (SIMS) incidents.
- Improvements to the filtering of the list view and notifications for new incidents to reduce awareness and decision time when responding to incident notifications from Queensland Police Service (QPS), Queensland Fire and Emergency Services (QFES), and Addinsight.
- Addition of a road steward layer to allow operators to easily identify the road steward for a region and camera locations and IDs to identify cameras to verify incidents.



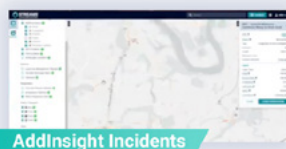
SIMS Incidents



QPS Incidents



Fire Incidents



AddInsight Incidents

STREAMS DISRUPTION MANAGEMENT

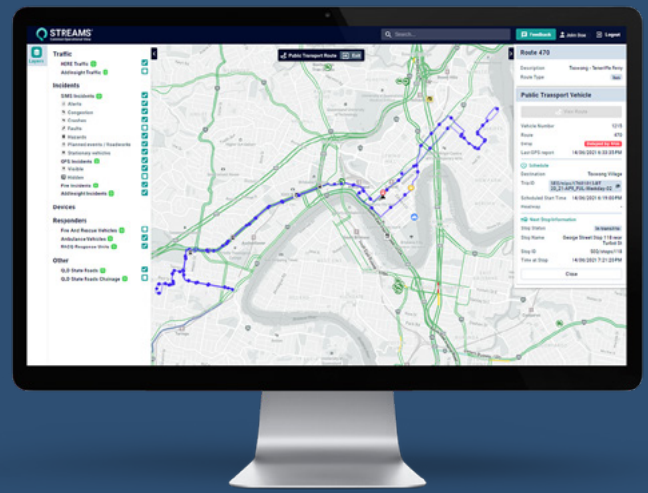
STREAMS Disruption Management helps transport agencies manage abnormal conditions through the disruption management lifecycle to reduce their impact on travellers. It supports the transport operations team to identify and respond to multi-modal network disruptions and logs all notifications, actions, and decisions.

It is anticipated STREAMS Common Operational View will be a mandatory addition to STREAMS Disruption Management due to necessary situational awareness it provides.



Progress on the product during the year included:

- Building the scaffolding required to develop more advanced features, including reports that contain information from both SIMS and STREAMS Disruption Management, and capability to link incidents.
- Prototyping more advanced features for future development including automatic detection of responder arrival/departure.



STREAMS DATA PLATFORM

The STREAMS Data Platform is a complete solution for ingesting, processing, analysing and presenting the data generated by STREAMS systems, processes and infrastructure. The data platform provides an essential capability in providing users with superior decision support and actionable insights concerning the transport network.

During the year, progress included:

- Discovery workshops and product strategy development
- Delivery of an initial Data Lake for TMR
- Development of a first slice of the data platform to power the analytics capability within the STREAMS Next-Gen suite of applications.

STREAMS CORE ITS CAPABILITIES

STREAMS Core ITS capabilities will allow the control and monitoring of a broad set of ITS devices across a road network. It will initially migrate functionality and devices from STREAMS Classic to the new STREAMS Next-Gen platform. STREAMS Core ITS will ensure the capabilities expected in an ITS control system are still available during the transition, regardless of which system is performing the underlying function.

The transition to the new platform will provide STREAMS users with a more modern and intuitive user interface to support their workflows whilst allowing new features to be rapidly developed and deployed. STREAMS Core ITS capabilities will provide other STREAMS product teams the ability to monitor and control devices.



During the year, progress on STREAMS Core ITS capabilities included:

- Completed draft C2C interface specification for the Driver Fatigue Management System project. Test environments were established and product discovery commenced. The C2C interface will be used to support the customer's Driver Fatigue Management System project.
- To support transition activities, planning has started for the communication of device requests between STREAMS Classic and the new STREAMS platform.



Queensland

Department of Transport and Main Roads

BRUCE HIGHWAY OPERATION IMPROVEMENT PROGRAM

As part of the Bruce Highway Operation Improvement Program, TMR approached Transmax to assist with improving the flood monitoring capabilities along the Bruce Highway. TMR is installing additional flood monitoring devices to better assess road conditions in real-time. In addition, Bluetooth (WTS) units are being installed with a spacing of approximately 10 km, along with other devices. Integration with STREAMS will enhance TMR's ability to view and respond to extreme weather events and other incidents by operational staff. The integration with STREAMS allows for

centralised monitoring of a large quantity of devices deployed in the field.

Transmax proposed the use of STREAMS schematics as a solution, to aid with visualising and monitoring the entire network of devices as well as supporting incident management through provision of device-related activation of STREAMS Alarm Manager.

Two types of schematics are being deployed as part of this project – overview and detailed.

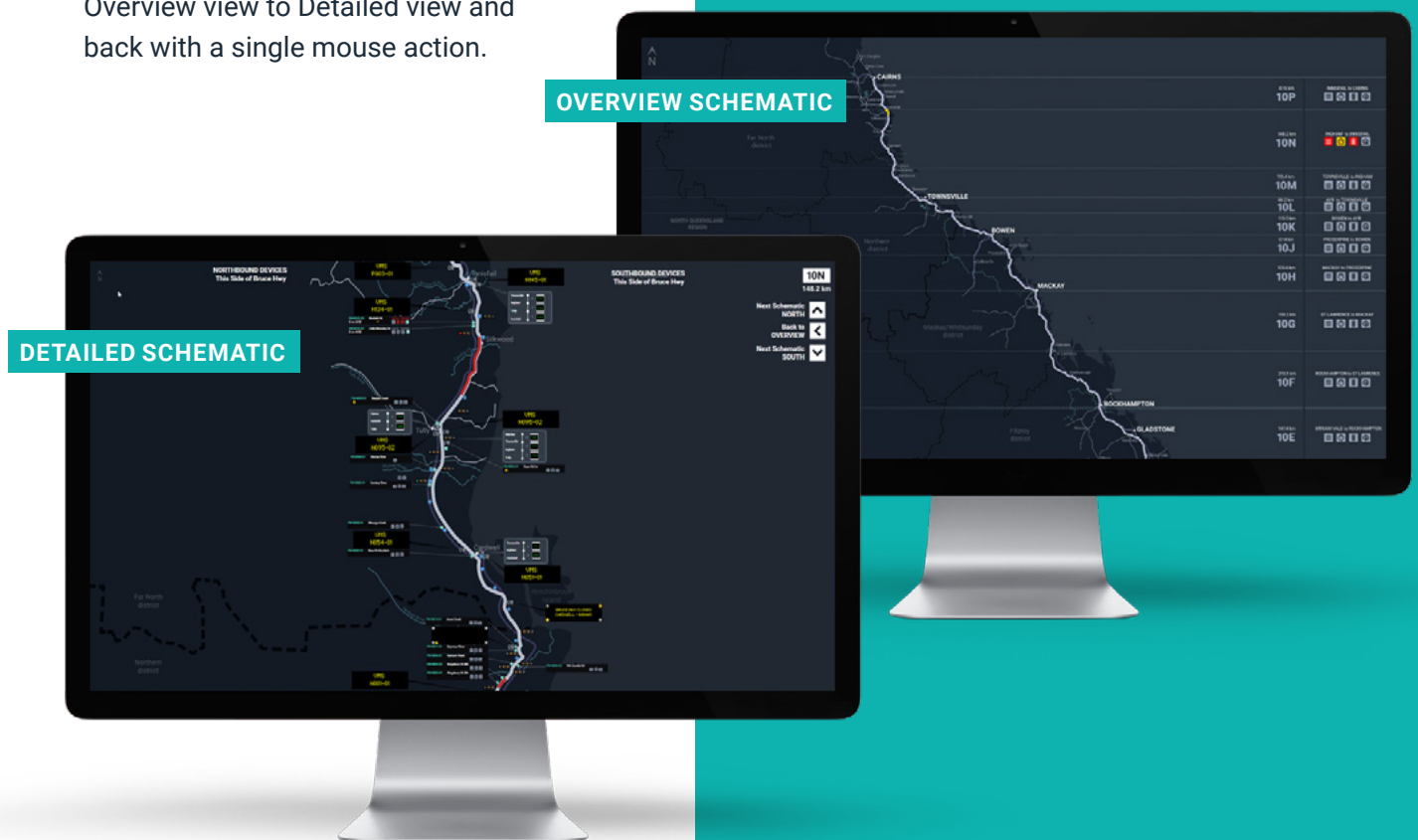


The overview schematics are what operators use routinely and are designed as a consolidation point for alarms. The overview schematics have all the alarms associated from a single detailed schematic consolidated into a single visual indicator. From the overview schematic visual indicators, traffic management centre (TMC) operators can launch the detailed schematic that shows the location, severity, and other available data from the site.

Operators can quickly navigate between the two schematics, changing from Overview view to Detailed view and back with a single mouse action.

This project commenced during the year and once complete, will see the delivery of:

- Three summary schematics
- Fourteen detailed schematics
- Creation of the system stimuli and strategies
- Templated response plans
- Configured devices in STREAMS
- Acceptance Testing methodology documentation
- Training in the newly implemented solution.



BHOIP overview and detailed schematics
(North Queensland – area between Cairns to Miriam Vale)

Expected outcomes for TMR from this project include:

- Improved alarm management workflow
- Better visual representation of operations

TMR CONSOLIDATION PROJECT

The Department of Transport and Main Roads (TMR) had previously utilised seven instances of STREAMS across Queensland to manage traffic on the Queensland road network. While this distributed approach has proven effective, TMR identified a number of significant benefits that could be realised through the consolidation of three regional systems to a new single system, Queensland Regional STREAMS, for the Northern, Far North and Fitzroy regions.

Transmax was engaged to undertake this work with TMR to consolidate the systems, including the creation of high-level solution documentation for the proposed system

architecture. This solution assisted with mapping the system design as a whole, which was crucial for a successful project.

The project was delivered in a few stages during the year and involved:

- **Consolidation preparation**
- **Platform changes**
- **Migration to iSeek Data Centre**
- **STREAMS Consolidation**
- **Post-consolidation clean-up activities**
- **Ongoing hosting**
- **Other services**



Customer benefits realised through the consolidation include:

- Creation of a single point of truth
- Simplification of operations where “borders” between management zones lay
- Improved road performance and resilience
- Decreased road management costs
- Decreased hardware costs

Other outcomes from the consolidated solution include:

- Support TMR’s vision of a single integrated transport network connecting everyone
- Reduced maintenance overhead due to the reduction of hardware platforms
- Improved resilience of regional system
- More efficient utilisation of hardware
- Reduced complexity related to cross-region project and operations
- Reduced overall effort and duration of STREAMS upgrades with less systems to upgrade
- Better cross-regional data access for reporting and automated strategies or responses
- Consistent system usage across regions.

Western Australia

Main Roads Western Australia

STREAMS ENHANCEMENTS – FIELD RESPONSE SPEEDS

As part of our motorway management solution, STREAMS Field Response rules trigger the propagation of a 40 km/hour speed limit onto the most upstream Lane Use Management System (LUMS) site after a Field Response (FR) event occurs.

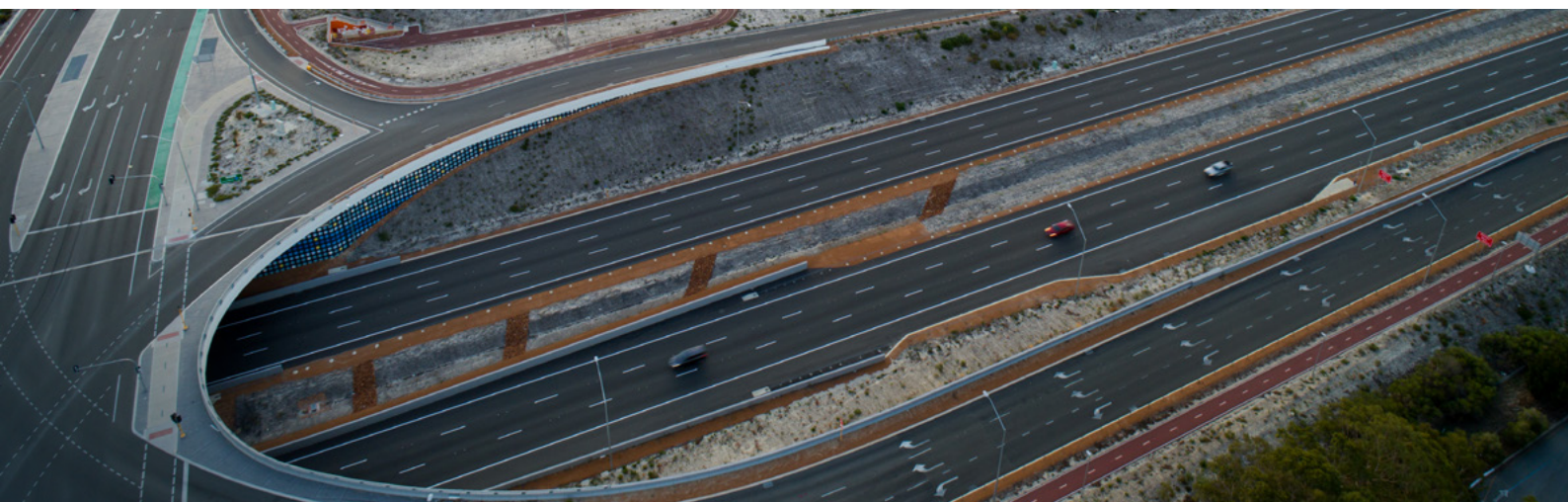
Our customer had encountered situations on their motorway where the desired speed for the most upstream LUMS should be a speed other than the default of 40 km/hour. This included incidents that did not affect the mainline and therefore did not require a speed drop to 40 km/hour, along with roadworks often not needing a speed drop to 40 km/hour on the freeway.

The customer approached Transmax to work on a solution so they could configure the

speed that is displayed to road users than the default 40km/h being applied in all scenarios.

After a series of workshops with MRWA, Transmax was contracted to develop the additional functionality in STREAMS, which supports a new field on the Traffic Event dialog when creating a traffic event that allows operators to specify the initial speed for all target LUMS. When the event is created and the FR is generated, this speed is used by the relevant FR rules to apply the initial speed to each target LUMS instead of the default. The upstream speeds are then automatically generated based on this initial speed.

This enhancement was successful and released to MRWA as part of a major release of STREAMS during the year.



Northern Territory

Northern Territory Government Department of Infrastructure, Planning and Logistics

HEAVY VEHICLE PRIORITY DISCOVERY



The Northern Territory Department of Infrastructure, Planning and Logistics (NT DIPL) is interested in establishing a vehicle priority solution along a defined route during off-peak hours for heavy vehicles associated with the Darwin Port. By providing intersection priority, NT DIPL intends to encourage these heavy vehicle operators to traverse the traffic network during off-peak times along a specified route reducing emissions, congestion, and damage to the road.

Transmax has previously implemented an Emergency Vehicle Priority (EVP) solution in Queensland through STREAMS by integrating with a third-party system that provides vehicle tracking, intervention request, and

route prediction data in a specifically defined format. STREAMS uses this data along with its EVP functionality to request the appropriate phase on upcoming intersections managed by STREAMS or SCATS® traffic control systems ahead of time cleaning any existing queues and providing emergency vehicles and light rail with green lights through to their destination.

As part of this discovery project, Transmax has been working with MicroConnect – who design and produce ITS hard and software – to investigate the possibility of MicroConnect producing a device that will track and communicate wirelessly a vehicle's location, speed and direction of travel along a route through the V Priority software. By integrating with MicroConnect's V Priority system to access vehicle tracking data in a format required by STREAMS, Transmax can potentially provide similar EVP functionality currently used in Queensland to provide heavy vehicle prioritisation for NT DIPL.

This project was completed during the year and involved a discovery into the heavy vehicle priority solution to develop an understanding of feasibility and outcomes of this solution based on system integration, requirements, technology, solution design and timeframes in order to produce a heavy vehicle priority pilot solution suitable for NT DIPL.

This involved

- Identifying and documenting functional and non-functional requirements across the involved parties
- Developing a preliminary system design
- Identifying detailed scope of work to develop and implement the solution
- Conducting a limited vehicle trial of the in-vehicle equipment functionality
- Identifying a roadmap of activities and developing a preliminary schedule
- Investigating delivery costs.

A trial of the solution is expected to be implemented in the 2022-23 financial year.

SECURITY CENTER IMPLEMENTATION

During the year, Transmax was contracted by DIPL to provide a new standalone Security Center production system. Transmax was responsible for procuring, planning and implementing the Security Center solution, which was installed in DIPL's Data Centre.

The project involved:

- Establishing connectivity and integration with NTG Data Centre environment
- Providing a Security Centre solution for operational handover that aligns with the customer's requirements
- Providing training and support to DIPL operators to utilise the Security Center system
- Provision of components for monitoring and alerting Transmax to faults with application servers and services
- Monitoring and support capability for Transmax to receive alerts in order to respond to system events
- Delivering a Security Center Solution to NT DIPL

The outcome of this project for our customer was a configured system ready for final operational use, including monitoring and control of STREAMS systems provided to DIPL.



Victoria

Department of Transport (DoT), Victoria

OPTIMAL REALITY – DESIGN AND PROOF OF CONCEPT IMPLEMENTATION

The Department of Transport, Victoria (DoT) is building an Optimal Reality (OR) application as part of its “Smarter Roads” program. The program provides a package of investments aimed at uplifting the ability of DoT to manage the road network and deliver an improved experience for users of the network.

Optimal Reality acts as a system enabler for proactive management of the transport network, by creating a technical solution that enables implementation of new capabilities, incorporating more enriched datasets whilst leveraging and augmenting the systems/data that are currently used.

The OR system aims to provide road users with more accurate and timely information to allow them to make more informed choices to complete their journeys. It provides real time traffic situation information that brings awareness of traffic conditions, allowing the Traffic Operation Centre (TOC) to apply appropriate and timely treatment(s) to maximise traffic flow, maximise the use of road spaces, and provide road users with the most up-to-date information to help them make informed journey choices.



There are requirements within the delivery of OR to integrate with DoT’s existing Genetec Security Center system. The two broad integration solutions between the OR system and Genetic Security Centre include Live CCTV and Panorama. The design and implementation of these solutions will be completed in across a number of stages and include proof-of-concept implementation and testing, and deployment.

Transmax was contracted by DoT to assist across all three stages to integrate their CCTV and Panorama solutions with the existing DoT Genetec Security Center system.

International

Colorado Department of Transportation and WSP

SMART 25 MANAGED MOTORWAYS PILOT PROGRAM

Transmax's STREAMS Smart Motorways solution is a sophisticated suite of motorway management tools that is enabling road operators to tackle congestion and make people's road journeys safer and more reliable. The solution is a comprehensive suite of algorithms that prevent flow breakdown and accidents before they happen. It also provides tools to respond to incidents, if they occur, to get people moving again. The solution coordinates variable speed signs, ramp signals, dynamic message signs, lane control, and travel time signs that respond in real time to whatever is happening on the motorway.

STREAMS Smart Motorways is being trialled by the Colorado Department of Transportation (CDOT) as part of a managed motorways Smart 25 pilot project along I-25 in the Denver metro area in partnership with Transmax, Department of Transport Victoria, and WSP. The aim of the pilot is to address recurring congestion and unreliability on this vital link between Denver's central business district and the Southeast Denver Tech Center.

During the year, the STREAMS Smart Motorways team focussed on supporting the CDOT Pilot from the data collection phase into the coordinated, adaptive ramp metering phase.



The CDOT trial soft go live commenced on 1 November 2021. Full operations, when three freeway to freeway ramp meters were activated on the I-225, E-470 Westbound and C-470 Eastbound, commenced on 2 March 2022. Transmax took over full support and optimisation activities from its Brisbane site from early May 2022. The CDOT trial includes 18 ramps metered along the I-25 in Denver, Colorado. During the trial period, Transmax established an in-house capability to provide optimisation activities and support for US customers. The trial is scheduled to complete on 29 July 2022.

The CDOT Pilot was a long-awaited trial for the Transmax team, with initial discussions and planning commencing around six years ago. It is the company's first foray into an international market, and there is significant international interest in this unique solution that is helping address the worldwide issue of congestion and helping to improve people's lives.

TRIAL OUTCOMES

We are pleased to report that the partnership involved in the trial have delivered positive results for CDOT.

Between January and March 2022, AM peak-period volumes increased by 20%, and PM peak-period volumes increased by over 40%. Despite the increase of corridor volumes, a comparison of baseline to full STREAMS Coordinated Adaptive Ramp Metering operations has provided some compelling results:

AM PEAK-PERIOD

Corridor-wide travel times have remained unchanged overall despite increases in volumes.

MIDDAY OFF-PEAK

Off-peak congestion during the midday has been effectively eliminated, with moderate improvement in travel time.

PM PEAK-PERIOD

- Corridor-wide travel times in the PM have improved by over 20%.
- Reliability (measured by a comparison of 95th percentile travel times) have improved by over 30%.
- The beginning of the PM peak has been delayed, and the overall severity of the PM peak reduced

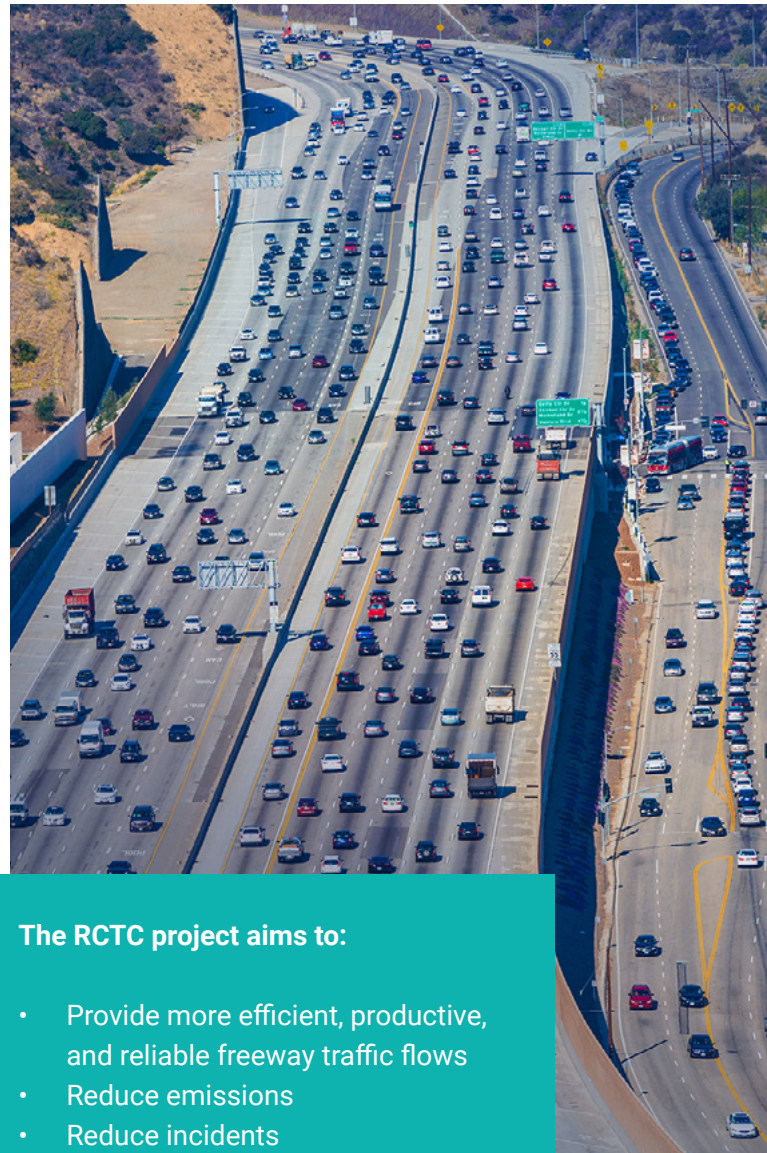
During all times of day, ramp queues have been able to be effectively managed without any impacts to adjacent arterials. Wait times averaged around two minutes and rarely exceeded four minutes.



CALIFORNIA

Transmax is currently in the planning stage with Riverside County Transportation Commission (RCTC) for an initial pilot. RCTC and the California Department of Transportation (Caltrans) will deploy the Smart Freeways pilot project involving four ramps on the I-15 northbound from the Riverside/San Diego County line to the I-15/I-215 junction in Temecula, California.

Transmax is reviewing the Concept of Operations documentation to ensure the freeway is designed to maximise the benefits afforded by STREAMS Coordinated Adaptive Ramp Metering capabilities, with design and implementation works planned to commence as early as August 2022. The project is scheduled to go-live at the beginning of 2024.



The pilot will involve trialling the following STREAMS capabilities over two years:

Coordinated Adaptive Ramp Metering
 Advisory Variable Speed Limits (VSL)
 Integration to Variable Message Signs (VMS)

The RCTC project aims to:

- Provide more efficient, productive, and reliable freeway traffic flows
- Reduce emissions
- Reduce incidents

In addition, Transmax is in discussions with Contra Costa Transportation Authority (CCTA). CCTA has established the INNOVATE 680 Program designed to achieve a connected corridor that would move people faster and better. STREAMS Coordinated Adaptive Ramp Metering capabilities will be one of six projects to help improve congestion on the I-680. The project is scheduled to go live in mid-2025 when CCTA will introduce an additional 11 ramps and another 17 ramps in 2026.

The CDOT Smart 25 project has created a lot of interest in the STREAMS product in North America, and the company is looking forward to working with another transportation agencies to support them to tackle congestion and make motorways safer using the company's STREAMS Smart Motorways solution.

Innovation and R&D

Innovation and R&D Highlight

STREAMS Smart Motorways: DASHBOARD

STREAMS Smart Motorways Dashboard
The STREAMS Smart Motorways dashboard provides transport network operators (and related users) with a suite of visualisations, analytics and insights into motorway on-ramp, bottleneck and mainline performance, delivered securely through leading-edge web application and cloud platform technologies.

These capabilities build on those provided by the motorway management service within the STREAMS ITS platform, with selected capabilities reimaged and modernised, and new capabilities developed in line with industry research and academic partnerships, making it easier to understand and optimise motorway performance. Powered by STREAMS Gateway, it has access to all the information in STREAMS that it may need.

During the year, the product team developed some new features to better support customers' use of the dashboard, along with some new product capabilities.

Our people

Our People

Overview

Transmax is all about its people, and we work as a team with common goals. Our company is driven forward by our people and our success is directly linked to our people's expertise, loyalty, entrepreneurial spirit, passion and a dedication to achieving the best outcomes for our customers.

A commitment to excellence and innovation and a customer-centric approach to everything we do characterises our company culture. We support our employees to deliver on their full potential with access to education assistance, and our remuneration is in line with the market.

Transmax has undergone significant transformational change over the past two years and we are always looking to improve our pathway to becoming an employer of choice and improve our cultural impact with employees and their day to day lives at Transmax.

During the year, we introduced a new Transmax Benefits Policy to support a more flexible, empowering and positive workplace environment for our people. Our aim of introducing this policy is to begin our journey to becoming a recognised Employer of Choice.



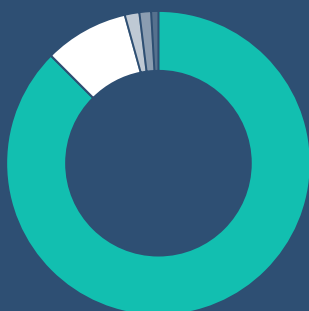
Breakdown of employees

As at 30 June 2022, Transmax employed a total of 144 people, representing a 14.28% positive growth on the previous year.

The increase was largely the result of planned and forecasted growth for STREAMS Next-Gen technologies within the Product Development group. This growth is expected to continue over the 2022-23 financial year across multiple business areas within Transmax.

EMPLOYEE BREAKDOWN

2021-2022



- Full time
- Part time
- Contractors/casual
- Inactive (maternity or long service leave)
- Graduate/training



Workplace model

Transmax operates out of one site in Brisbane, Queensland where the majority of employees are based.

The COVID pandemic highlighted that our employees were adaptable to a changing workplace and remote working proved a great success. We have listened to our employees and continue to offer a hybrid working model where employees still work remotely for some of the business week coupled with in-office days to collaborate with other teams. In addition, employees are offered more flexibility in remote working arrangements and the hours they choose to do their work.

	30 June 2021	30 June 2022
Full-time employees	114	131
Part-time employees	10	10
Contractors	2	2
Graduate/training	0	1
Inactive (maternity leave or long service leave)	2*	1*
Total	126	144

* included in full-time employees figure

Education and training

Transmax is committed to investing in our people and ensuring employees engage with learning and development opportunities to reach their full potential. This promotes a positive workplace and contributes to teams that are empowered to perform at their best.

In 2021-22, Transmax employees spent 7,761 hours engaging in education and professional development opportunities. During the year, the company introduced a new benefits policy that includes an increased provision of education assistance to employees. We expect an increase over the coming year for training requests and higher education assistance cases.

Health and wellbeing

Transmax is committed to the safety, health, and wellbeing of our staff during their tenure at Transmax and it will always be our highest priority.

The company acknowledges that an individual's mental health is vital and important to their ongoing wellbeing and developing their cognitive, emotional, and social health. Transmax offers employees access to an Employee Assistance

Age structure

Around 18.75% of all employees were younger than 30 (27), 65.27% were between 30-50 years old (94) and 15.97% were more than 50 years old (23).

This data highlights age diversity in the Transmax workplace. The company employs people in a diverse range of ages, which facilitates the sharing of knowledge and experience, and collaborating in complementary ways.

EMPLOYEE AGE STRUCTURE

2021-2022



Program (EAP), where employees can receive confidential advice around various situations or issues in life. All employees have access to the Transmax Mental Health Care Plan through our EAP provider.

In addition, the company offers all employees complimentary flu vaccinations each year, along with access to financial wellness programs.

Diversity

At Transmax, we appreciate the importance of creating an environment in which all of our employees feel valued, included and empowered. We recognise that each employee's unique experiences, perspectives and viewpoints are important to creating products that engage and inspire our customers.

We are committed to building a team of engaged and capable people and fostering leadership that is inclusive – embracing different cultures, ethnicities, genders and sexual orientation. We aim to create a workplace culture that inspires a culture of excellence, fosters growth and advancement,

attracts the best talent and creates a sense of pride in everything we do across our company.

In light of our commitment to improving diversity within our workplace, Transmax is in the process of forming a Diversity & Inclusion Council which will see our organisation actively challenge, continuously improve, recognise and celebrate a wider and more diverse range of global and local identities, observations, beliefs and day of significance for people. Transmax has become members with Diversity Council Australia to aid in our goal of becoming a nationally recognised Inclusive Employer.

This council will focus on improving our workplace and cultural initiatives to continue to shape us into an Employer of Choice.

Transmax continued compliance with mandatory annual reporting to the Workplace Gender Equality Agency (WGEA), and there have been no flagged non-compliances, warnings or improvement notices issued from the Agency regarding our total workforce metrics, remuneration, policies or strategies in use at Transmax.

Safety

There were no reportable safety incidents in 2021-22.



Financial Statements



Transmax Pty Ltd
ABN 59 099 487 573

Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

TRANSMAX PTY LTD

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FOR THE YEAR ENDED 30 JUNE 2022

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TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

The directors present their report together with the financial report of Transmax for the year ended 30 June 2022.

Directors

Kathryn Giudes (Chair – Non-executive director)

Kathryn Giudes was appointed as a non-executive director (Chair) to the Board of Transmax on 11 February 2019. Mrs. Giudes has a strong background in technology, sales and early stage start-up companies. Mrs. Giudes has more than two decades of experience designing, building and running large internet-based businesses. Prior to becoming a professional director, Mrs. Giudes was Senior Director of Xbox Games Marketplace as well as Microsoft Store online where she managed the profit and loss and global expansion in over 200 geographies with both having an annual revenue budget in the low billions of dollars. She has extensive technical and commercial experience in software and hardware solutions.

Kathryn holds a Bachelor of Science in International Marketing from Oregon State University and Associate of Science - Computer Science and Information Systems from Shoreline Community University. She is a member of the Australian Institute of Company Directors.

John Frazer (Non-executive director)

John Frazer was appointed as a non-executive director to the Board of Transmax on 11 February 2019. Mr. Frazer joins the Board with more than two decades of experience working for the Queensland Treasury Corporation. He has extensive experience in advising Ministers and the Government in matters relating to government-owned corporations and statutory bodies and brings high level finance and strategic skills through working across a diverse range of businesses.

He is currently a director of several government-owned entities including Queensland Treasury Holding Pty; Dalrymple Bay Coal Terminal Holdings Pty Ltd; Brisbane Ports Holding Pty Ltd; Queensland Airport Holdings (Mackay) Pty Ltd; and Queensland Airport Holdings (Cairns) Pty Ltd.

John holds a Bachelor of Commerce from the University of Queensland, is a Chartered Accountant, and has completed the Company Directors Course with the Australian Institute of Company Directors.

Julie Mitchell (Non-executive director)

Julie Mitchell was appointed as a non-executive director to the Board of Transmax on 11 February 2019. Julie is a Deputy Director-General of the Department of Transport and Main Roads. Ms. Mitchell has more than three decades of experience in civil engineering covering a broad range of transport-related senior civil engineering and leadership roles. In addition, Julie has significant organisational and technical leadership and development experience.

As Chief Engineer at the Department of Transport and Main Roads for eight years, Julie led and managed the Engineering and Technology Division comprising more than 340 staff. During her time in this role, Julie was responsible for driving a significant change agenda and reform to embed and drive customer focus, innovation, efficiency, technical relevance and responsiveness.

Julie holds a Master of Business Administration (University of Queensland), a Master of Environmental Management in Sustainable Development (University of Queensland), a Master of Engineering Science (University of Queensland), and a Bachelor of Engineering (Civil) – Hons (University of Queensland), and has completed the Company Directors Course with the Australian Institute of Company Directors. Julie is a Fellow of the Institution of Engineers Australia.

TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

Company Secretary

Peta Perring

Peta Perring was appointed to the role of Company Secretary for Transmax on 1 July 2020. Peta Perring is a corporate lawyer with over 20 years' experience gained in top tier private legal practices and in an in-house legal counsel and company secretary function. She has complementary skills, qualifications and experience in all aspects of corporate governance, board/management interface, communication and stakeholder engagement.

Peta has over 15 years' experience as a non-executive director of government and not-for-profit boards. These board roles draw on her strong legal, governance, strategic planning and risk management skills. Peta is a Fellow member of both the Australian Institute of Company Directors and the Governance Institute of Australia. She also holds post graduate and undergraduate degrees in law and business.

Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the company during the financial year are:

TABLE OF DIRECTORS' BOARD MEETINGS

Director	Board Meetings	
	No. of Meetings Attended	No. of Meetings Held
K Giudes (Chair)	9	9
J Frazer	9	9
J Mitchell	9	9

TABLE OF DIRECTORS' SUB-COMMITTEE MEETINGS

Director	Risk and Audit Committee Meeting	
	No. of Meetings Attended	No. of Meetings Held
J Frazer (Chair)	3	3
K Giudes	3	3
J Mitchell	3	3

Corporate Governance Statement

Transmax Pty Ltd (the Company) was created because of the Queensland Government's recognition of the value created in its investment in the STREAMS® Intelligent Transport System. In order for the value to be preserved and enhanced, it was necessary to develop a broader customer base. The government recognised that achieving long-run sustainability of the STREAMS system would ensure ongoing provision of skilled jobs.

This statement outlines the main corporate governance practices that were in place throughout the financial year.

TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

Board of Directors

The Board is responsible for the overall corporate governance of the Company including determining its strategic direction, establishing goals for management and monitoring the achievement of these goals. Where possible the Board follows a Charter and a Corporate Governance Framework. This framework was previously developed based on the 10 Principles of the ASX Corporate Governance Council.

Composition of the Board

The Chair and directors are appointed by the shareholder. The following persons held the Office of Director of the company during the financial year:

Kathryn Giudes – Chair - Non-Executive Director

John Frazer – Non-Executive Director

Julie Mitchell – Non-Executive Director

The directors provide a mix of strategic, financial, managerial and technical skills. The directors meet regularly throughout the year.

Details relating to all directors active during the financial year are set out in the Directors' Report.

Risk & Audit Committee

This committee was established in September 2013 as the Operations, Risk and Audit Committee, then replaced as the Risk and Audit Committee in November 2015. The committee aims to provide guidance and oversight of:

- ◆ corporate governance,
- ◆ internal control structures,
- ◆ risk management; and
- ◆ internal and external audit functions.

Committee members include:

- ◆ John Frazer – Chair - Non-Executive Director
- ◆ Julie Mitchell – Non-Executive Director
- ◆ Kathryn Giudes – Non-Executive Director

The external auditors and other company officers are invited to these meetings at the discretion of the committee. The committee meets quarterly unless otherwise required. The committee members' attendance record is disclosed in the Table of Directors' Sub-Committee Meetings on page 42.

TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

Internal control framework

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost-effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated a business planning and budget development process, resulting in an annual budget which is reviewed and approved by the directors. Monthly actual results are reported against budget and the Company's overall performance is monitored by the Board. As stated previously, the Risk & Audit Committee was established to assist this process.

The role of the shareholder

The Board of Directors aims to ensure that the shareholder of the Company, the Director-General of the Queensland Department of Transport and Main Roads, who is the shareholder on behalf of the State of Queensland, is informed of all major developments affecting the Company's state of affairs.

Independent professional advice and access to company information

Each director has the right of access to all relevant Company information and to the Company's executives and, subject to prior consultation with the Chair, may seek independent professional advice at the Company's expense. A copy of advice received by the director should be made available to all other members of the Board.

Directors' interests and benefits

No directors received or became entitled to receive any benefit as a result of a contract made by the Company with a director or with a firm of which a director is a member, or with an entity in which the director has a substantial financial interest. All directors' payments are included within the key management personnel disclosures note 22.

Indemnification and insurance of directors and officers

During the year Transmax Pty Ltd paid a premium of \$14,699.12 to insure the directors, secretary, and officers of the company. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities from conduct involving a wilful breach of duty by the officers or the improper use of their position or of information to gain advantage for themselves, or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other possibilities.

Directors' special responsibilities

Directors undertake many special responsibilities with respect to the Company other than the collective corporate responsibilities attributed to the Board of Directors as a whole, as outlined in the Company's Corporate Governance Manual. These include the involvement of directors in the Risk & Audit Committee.

TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

Principal activities

The principal activities of Transmax are the development, support, and distribution of the STREAMS® Intelligent Transport System (ITS) and related services. There have been no significant changes in the nature of those activities during the year.

Dividends

Dividends have not been declared or paid for the year ended 30 June 2022.

Significant changes to the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs that occurred during the financial year under review.

Corporate structure

Transmax Pty Ltd is a private company, limited by shares, incorporated, and operating in Queensland Australia. Transmax is 100% owned by the Queensland Department of Transport and Main Roads (TMR). The Director-General of TMR, is the sole shareholder.

Review of operations

The profit after income tax for the financial year was \$1,007,088 (2021: \$1,935,440).

General

Staff and contractor numbers have increased over the period, with a total full-time equivalent of 135 at 30 June 2022 (2021: 114).

Taxation

Transmax is subject to the National Taxation Equivalents Regime (NTER).

Events subsequent to financial position date

There are no events.

Likely developments

There are no likely developments to be disclosed.

Environmental regulation

The company is not subject to any significant environmental regulation in respect to its principal activities.

TRANSMAX PTY LTD

DIRECTORS' REPORT

30 JUNE 2022

Going concern basis

This report is made in accordance with a resolution of the directors. The Department of Transport and Main Roads has provided a letter of financial support. In forming the opinion that there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due, the directors have reviewed the statement of comprehensive income, statement of financial position, and statement of cash flows presented in this document. These have been prepared on the basis that Transmax is a going concern.

Transmax has performed well financially during 2022 due to the company's strong customer base and the ITS/transport industry not being significantly impacted by COVID-19 restrictions.

Risk management

The Company, in carrying out its business, maintains a risk management philosophy that appropriately:

- ◆ protects the wellbeing of the Company's workforce, the wider community in which it operates; and
- ◆ manages threats that could adversely impact on the Company's ability to meet its corporate objectives, its growth in shareholder value and its stewardship of company assets.

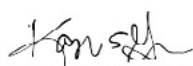
Proceedings on behalf of the company

There are no instances where a person has applied for leave of the court and or has brought or intervened in proceedings on behalf of the Company.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is included following the Directors' Report.

Signed in accordance with a resolution of the directors.



.....
Kathryn Giudes
Chair - Non-Executive Director

15 September 2022
Date



.....
John Frazer
Non-Executive Director

15 September 2022
Date

AUDITOR'S INDEPENDENCE DECLARATION


To the Directors of Transmax Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Transmax Pty Ltd for the financial year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



Vaughan Stemmett
as delegate of the Auditor-General

15 September 2022

Queensland Audit Office
Brisbane

TRANSMAX PTY LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue	2	28,730,129	25,894,312
Other income	3	51,761	185,042
Total revenue and other income		28,781,890	26,079,354
Employee benefit expenses	4	(17,262,224)	(15,268,117)
Raw materials and consumables	5	(4,288,112)	(2,905,768)
Depreciation and amortisation	10/11/12	(2,121,491)	(2,080,003)
Other expenses	6	(3,187,702)	(2,294,695)
Finance costs		(191,618)	(105,186)
Disposals and write offs	10/12	(821,215)	(1,034,926)
Profit/(loss) before tax for the year		909,528	2,390,659
Income tax (expense)/benefit	7(b)	97,560	(455,219)
Total profit/(loss) for the year		1,007,088	1,935,440
Other comprehensive income		-	-
Total comprehensive income/ (expense) for the year attributable to owners of the company		1,007,088	1,935,440

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies

TRANSMAX PTY LTD

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		12,623,460	11,050,882
Trade and other receivables	8	1,021,794	3,396,723
Contract assets	9	1,762,116	1,200,263
Prepayments		443,341	344,743
Inventories		239,426	101,923
TOTAL CURRENT ASSETS		16,090,137	16,094,534
NON-CURRENT ASSETS			
Deferred tax assets	7(d)	1,114,967	1,073,623
Property, plant & equipment	10	767,774	661,596
Right-of-use assets	11	12,057,015	5,588,394
Prepayments		24,790	57,486
Intangible assets	12	3,959,124	3,958,850
TOTAL NON-CURRENT ASSETS		17,923,670	11,339,949
TOTAL ASSETS		34,013,807	27,434,483
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	1,155,539	1,929,161
Accrued employee benefits	14	3,049,683	2,524,998
Current tax liabilities	7(f)	(273,271)	280,944
Provisions		437,236	192,321
Contract liabilities	15	317,304	958,403
Lease liability	11	920,197	899,858
TOTAL CURRENT LIABILITIES		5,606,688	6,785,685
NON CURRENT LIABILITIES			
Accrued employee benefits	14	191,749	212,147
Contract liabilities	15	17,752	45,747
Lease liability	11	11,950,135	5,314,015
Deferred tax liability	7(e)	948,656	785,150
TOTAL NON CURRENT LIABILITIES		13,108,292	6,357,059
TOTAL LIABILITIES		18,714,980	13,142,744
NET ASSETS		15,298,827	14,291,739
EQUITY			
Issued capital	16	5,601,062	5,601,062
Retained earnings	17	9,697,765	8,690,677
TOTAL EQUITY		15,298,827	14,291,739

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies

TRANSMAX PTY LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	Issued capital	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 July 2021	5,601,062	8,690,677	14,291,739
Net profit/(loss) for period	-	1,007,088	1,007,088
Balance at 30 June 2022	5,601,062	9,697,765	15,298,827

	Issued capital	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 July 2020	5,601,062	6,755,237	12,356,299
Net profit/(loss) for period	-	1,935,440	1,935,440
Balance at 30 June 2021	5,601,062	8,690,677	14,291,739

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies

TRANSMAX PTY LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers (inclusive of GST)		32,621,857	28,518,668
Payments to suppliers and employees (inclusive of GST)		(27,677,962)	(22,738,186)
Interest received		8,106	5,874
Gain/(Loss) on FX denominated transactions		5,934	(11,600)
Income tax (received) / paid		(334,493)	590,347
Net cash inflow from operating activities	25	<u>4,623,442</u>	<u>6,365,103</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property, plant and equipment		(550,156)	(461,963)
Payments for intangibles		(1,534,706)	(1,597,692)
Net cash (outflow) from investing activities		<u>(2,084,862)</u>	<u>(2,059,655)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of Leases		(966,002)	(939,875)
Net cash (outflow) from financing activities		<u>(966,002)</u>	<u>(939,875)</u>
Net increase in cash and cash equivalents		1,572,578	3,365,573
Cash and cash equivalents at beginning of year		11,050,882	7,685,309
Cash and cash equivalents at end of financial year		<u>12,623,460</u>	<u>11,050,882</u>

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies

The financial statements cover Transmax Pty Ltd as an individual entity.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of this report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Transmax Pty Ltd is a for-profit company limited by shares, incorporated and domiciled in Australia.

- i) **Historical Cost Convention**
The financial report has been prepared on an accruals basis and is based on historical costs unless otherwise stated.
- ii) **Comparatives**
Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

(b) Going Concern

The financial statements have been prepared on a going concern basis, which assumes Transmax will be able to pay its debts as and when they fall due. Transmax has recognised a net profit of \$1,007,088 for the year ended 30 June 2022. As at this date, current assets exceeded current liabilities by \$10,483,449. In addition, the Department of Transport and Main Roads has provided a letter of financial support.

(c) Rounding of amounts

The financial report is presented in Australian Dollars and the company is of a kind referred to in ASIC Legislative Instrument 2016/191. Amounts in the financial statements and Directors' Report have been rounded to the nearest dollar.

(d) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

- ◆ Plant and equipment – Note 1(i) and Note 10;
- ◆ Intangible assets – Note 1(j) and Note 12;
- ◆ Depreciation and amortisation – Note 1(i), Note 1(j), Note 10, Note 11 and Note 12;
- ◆ Accrued employee benefits – Note 1(p) and Note 14; and
- ◆ Accounts receivable – Note 1(k) and Note 8
- ◆ Revenue from contracts with customers - Note 1(g) and Note 2

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(e) New, revised or amended Accounting Standards and Interpretations

No new accounting standards applicable for the first time in 2021-22 had a material impact on the company.

(f) Income tax

Income tax on the statement of comprehensive income for the year comprises current and deferred taxes. Income tax will be recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it will be recognised in the statement of changes in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at reporting date, and any adjustments to tax payable in respect of previous years.

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

A deferred tax asset will be recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets will be reduced to the extent it is no longer probable that the related tax benefit will be realised.

The company is beneficially owned by the State of Queensland and has been subject to the National Taxation Equivalents Regime (NTER) from 1 July 2003. The liability to taxation under the NTER is calculated substantially on the basis of the *Income Tax Assessment Act 1936* (as amended) and the *Income Tax Assessment Act 1997* (ITAA). Accordingly, the company is exempt from Federal taxation pursuant to Section 24AM of the ITAA.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(g) Revenue

Transmax is a supplier of customised Intelligent Transport System (ITS) solutions through its ITS platform, STREAMS. Transmax works with its customers to develop solutions that meet customers' transport network management needs. Transmax offers customers systems engineering, software design and development, along with a range of consulting and support services throughout the entire ITS lifecycle.

STREAMS is a complete, integrated ITS solution supporting a comprehensive range of services and infrastructure, making it possible to run traffic signalling, incident response, motorway management and other traffic services from a single system.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which Transmax expects to be entitled in exchange for those goods or services.

Engineering and software services

Engineering and software services include revenues from software development, software assurance, technical support and consulting. These contracts are typically fixed price. Revenue is recognised over the period the performance obligation is satisfied, using the input method that best depicts the pattern of the transfer of control over time.

Equipment and licence revenue

Revenue from the sale of equipment and third-party licences is recognised at a point in time when the control of the equipment and third-party licences is transferred to the customer, generally on delivery of the equipment and third-party licences.

Unearned revenue

Unearned revenue is made up of the following three components:

1. Time and material projects: When amounts billed to a customer are more than the retail hours worked, it is included in unearned revenue.
2. Fixed price projects: When the amounts billed to a customer is more than the earned value to date, the difference is taken to unearned revenue.
3. Unearned grant income: The value of grant income related to research and development expenses capitalised.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which Transmax has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before Transmax transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when Transmax performs under the contract.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(h) Cash and cash equivalents

For the purposes of the Statement of Financial Position and Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Plant and Equipment

Acquisition of assets

Items of plant and equipment are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Items of subsequent recognition

Plant and equipment are stated at cost less accumulated depreciation and impairment.

Depreciation

All assets have limited useful lives and are depreciated using the straight line method over their estimated useful lives.

Depreciation rate methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

The depreciable amount of improvements to the leasehold building is allocated over the estimated useful life of the improvements or the unexpired period of the lease, whichever is shorter. The unexpired period of the lease includes any option period where the exercise of the option is probable. The residual value of all plant and equipment is zero.

For each class of depreciable plant and equipment the following periods are used as the estimated useful life:

<i>Class</i>	<i>Useful life</i>
Plant and Equipment	2-10 years
Leasehold improvements	7 years

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(j) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Intangible assets are tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. No impairment has been recognised for 2022 (2021: Nil).

Trademarks

Transmax has trademarks in both Australia and internationally. The fees for these have been capitalised as management believe there is probable future economic benefit attributable to trademarks. The approved trademarks have been amortised throughout the year.

Internally-developed software

Expenditure on research phase of projects to develop new customised software is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the recognition requirements as per AASB 138 *Intangible Assets*.

The cost of an internally-generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Work in progress intangibles

Work in progress intangibles include only those costs directly attributable to the development phase and are recognised following completion of technical feasibility. When the intangible asset is ready and in use it is transferred to internally developed software.

Amortisation

All intangible assets are amortised using the straight-line method over their useful lives. The residual value of all intangible assets is zero.

Amortisation rate methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

For each class of intangible assets the following periods are used as the estimated useful life:

<i>Intangible asset</i>	<i>Useful life</i>
Trademarks	10 years
Internally- developed software	5-7 years
Intangibles - work in progress	Not amortised
Other intangibles - software	2 years

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days from the invoice date and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Transmax holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Impairment of trade receivables and contract assets

Transmax applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

A provision matrix is used to assess the historical trend of its receivables to calculate historical loss rates, which are adjusted for forward-looking information. For 2021-2022, no additional allowance has been recognised as the impact of this provision is immaterial.

(l) Inventories

Raw materials and stores, work in progress and finished goods are valued at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the weighted average cost formula and include expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

(m) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the company. Trade creditors are normally settled within 30 days.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(n) Leases

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by Transmax.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities

Lease liabilities include the net present value of the following lease payments:

- ◆ Fixed payments (including in-substance fixed repayments), less any lease incentives receivable;
- ◆ Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- ◆ Amounts expected to be payable by the entity under residual value guarantees;
- ◆ The exercise price of a purchase option if the entity is reasonably certain to exercise that option; and
- ◆ payments of penalties for terminating the lease, if the lease term reflects the entity exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases that relate to building premises, Transmax's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, Transmax uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, making adjustments specific to the lease (e.g. term, country, currency and security).

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets

Right of use assets are measured at cost comprising the following:

- ◆ The amount of the initial measurement of the lease liability;
- ◆ Any lease payments made at or before the commencement date less any lease incentives received;
- ◆ Any initial direct costs; and
- ◆ Restoration costs.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1 Summary of Significant Accounting Policies (continued)

(o) Goods and services tax

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (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 are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO, is included as a current asset or current liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO, are classified as operating cash flows.

(p) Employee benefits

Provision is made for the Transmax liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at 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.

(q) Contract asset

Contract asset for fixed price projects is calculated as revenue taken less billed to date. Revenue taken is calculated based on percentage of completion of the contract value. Cost to completion is reforecast monthly. Time and material project work in progress (WIP) is the retail value of the hours worked and not yet billed. Fixed price and time and material WIP is reviewed monthly for impairment. WIP includes a provision for potential under recovery.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
2 Revenue		
Engineering and software services revenue	25,250,955	24,077,475
Equipment and licence revenue	3,479,174	1,816,837
Total	<u>28,730,129</u>	<u>25,894,312</u>
3 Other income		
Interest income	8,106	5,874
Grant income	37,720	190,768
Foreign currency gain / (loss)	5,935	(11,600)
Total	<u>51,761</u>	<u>185,042</u>
4 Employee benefit expenses		
Wages and salaries	14,264,789	12,367,580
Superannuation	1,648,999	1,458,300
Payroll tax	891,060	665,631
Workers compensation	17,764	22,479
Fringe benefit tax	115,386	44,659
Contractor labour	16,250	117,483
Redundancy expenses	42,338	454,908
Movement of annual leave	145,091	54,661
Movement of long service leave	120,547	82,416
Total	<u>17,262,224</u>	<u>15,268,117</u>
Employees (full-time equivalent)	135	114

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
5 Raw materials and consumables		
Engineering and software services expenses	2,940,011	1,371,383
Equipment and licence expenses	1,348,101	1,534,385
Total	<u>4,288,112</u>	<u>2,905,768</u>
6 Other expenses		
Administration expenses	2,069,127	1,229,140
IT expenses	782,161	786,323
Property and tenancy expenses	196,311	219,371
Accounting and tax fees	63,117	34,897
Audit fees*	76,986	24,964
Total	<u>3,187,702</u>	<u>2,294,695</u>

* Total audit fees quoted by the Queensland Audit Office relating to the 2021-22 financial statements are \$65,000 (2021: \$65,000)

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
7 Income tax expense/(benefit)		
(a) Income tax expense/(benefit)		
Current tax expense	164,045	280,944
Deferred tax expense/(benefit) relating to origination and reversal of temporary differences	(261,605)	174,275
Total income tax expense/(benefit) attributable to profit	(97,560)	455,219
(b) Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable		
Profit/(loss) from continuing operations before income tax expense	909,528	2,390,659
Tax at the rate of 25% (2021: 26%)	227,382	621,571
Research and development expenditure	(9,431)	(49,600)
Research and development tax offset	(429,839)	(729,365)
Non-deductible expenses	435	2,032
Adjustment to tax rate on opening deferred tax balances	11,093	14,125
Tax adjustments for prior periods	102,800	596,456
Income tax expense/(benefit)	(97,560)	455,219
(c) Deferred tax equivalent expense/(benefit) included in income tax equivalent expense comprises:		
Deferred tax assets opening balance	1,073,623	1,192,690
Increase/(decrease) in deferred tax assets	82,637	133,634
Adjustment relating to prior year	(41,293)	(252,701)
Deferred tax assets at 30 June	1,114,967	1,073,623
Deferred tax liability opening balance	785,150	729,943
Increase/(decrease) in deferred tax liability	(190,037)	(302,671)
Adjustment relating to prior year	353,543	357,878
Deferred tax liability at 30 June	948,656	785,150

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
7 Income tax expense/(benefit) (continued)		
(d) Proof of deferred tax assets		
Revenue received in advance	94,105	248,768
Trademarks	14,866	13,603
Employee benefits	640,573	585,872
Accrued expenses & provisions	150,354	62,755
Lease timing adjustments	203,329	162,625
Other timing adjustments	11,740	-
Net deferred tax assets at 30 June	1,114,967	1,073,623
(e) Proof of deferred tax liabilities		
Property, plant and equipment	173,829	154,642
Work in progress	440,552	312,093
Intellectual property	244,046	318,415
Prepayments	90,229	-
Net deferred tax liabilities at 30 June	948,656	785,150
(f) Reconciliation of current tax liability/(asset)		
Opening balance	280,944	(590,348)
Refunds/(payment) in the current year relating to the prior year	(280,944)	590,348
Current year instalments	(53,549)	-
Under/(Over) provision for tax in prior year	(280,944)	-
Provision for tax current year	61,222	280,944
Closing balance	(273,271)	280,944

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
8 Trade and other receivables		
Trade receivable	1,021,794	3,396,723
Total	<u>1,021,794</u>	<u>3,396,723</u>
9 Contract assets		
Time and material projects	129,324	138,536
Fixed price projects	1,632,792	1,061,727
Total	<u>1,762,116</u>	<u>1,200,263</u>
10 Property, plant & equipment		
Plant and equipment		
At Cost	2,858,585	2,557,862
Less: accumulated depreciation	(2,090,811)	(1,896,266)
Total property, plant & equipment	<u>767,774</u>	<u>661,596</u>
<i>Reconciliation</i>		
<i>The reconciliation of the carrying amount for plant and equipment is set out below:</i>		
Opening net book amount	661,596	604,017
Additions	550,156	461,963
Disposals and write-offs	(22,990)	(26,944)
Depreciation charge	(420,988)	(377,440)
Closing net book amount	<u>767,774</u>	<u>661,596</u>

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
11 Leases		
Right of use assets - buildings		
Opening balance at 1 July	5,588,394	6,386,659
Additions	7,434,987	-
Other adjustments	-	137,322
Depreciation charge	(966,366)	(935,587)
Closing balance at 30 June	<u>12,057,015</u>	<u>5,588,394</u>
Lease liabilities		
Current	920,197	899,858
Non-current	11,950,135	5,314,015
Total	<u>12,870,332</u>	<u>6,213,873</u>
Amounts recognised in profit or loss		
Interest expense on lease liabilities	187,473	101,057
Lease repayments	778,529	838,818
Total cash outflow for leases	<u>966,002</u>	<u>939,875</u>
Maturity analysis of future lease payments outstanding at the reporting date		
Future lease payments (undiscounted)		
Less than 1 year	943,736	985,768
Between 1 and 5 years	4,195,710	4,238,598
Over 5 years	9,971,066	1,285,160
Total future lease payments	<u>15,110,512</u>	<u>6,509,526</u>

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

12 Intangible assets	Trademarks	Other intangibles	Internally developed software	Work in progress	Total
	2022	2022	2022	2022	2022
	\$	\$	\$	\$	\$
At Cost	71,442	59,300	5,343,648	3,062,021	8,536,411
Less: Accumulated amortisation	(52,351)	(59,300)	(4,465,636)	-	(4,577,287)
	19,091	-	878,012	3,062,021	3,959,124
Reconciliation					
Opening Balance	26,235	-	2,405,300	1,527,315	3,958,850
Additions	-	-	-	1,534,706	1,534,706
Disposals	-	-	(800,295)	-	(800,295)
Transfers - Work in progress	-	-	-	-	-
Amortisation charge	(7,144)	-	(726,993)	-	(734,137)
Closing Balance	19,091	-	878,012	3,062,021	3,959,124

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

12 Intangible assets	Trademarks	Other intangibles	Internally developed software	Work in progress	Total
	2021	2021	2021	2021	2021
	\$	\$	\$	\$	\$
At Cost	71,442	59,300	6,552,872	1,527,315	8,210,929
Less: Accumulated amortisation	(45,207)	(59,300)	(4,147,572)	-	(4,252,079)
	26,235	-	2,405,300	1,527,315	3,958,850
Reconciliation					
Opening Balance	33,379	-	2,474,926	1,632,316	4,140,621
Additions	-	-	-	1,597,692	1,597,692
Disposals	-	-	(114)	(1,012,373)	(1,012,487)
Transfers - Work in progress	-	-	690,320	(690,320)	-
Amortisation charge	(7,144)	-	(759,832)	-	(766,976)
Closing Balance	26,235	-	2,405,300	1,527,315	3,958,850

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
13 Trade and other payables		
Trade payables	933,946	1,270,394
Accrued expenses	100,295	113,253
GST payable	121,298	485,514
Other payables	-	60,000
Total	<u>1,155,539</u>	<u>1,929,161</u>
14 Accrued employee benefits		
CURRENT		
Accrued annual leave & long service leave	2,370,544	2,041,206
Wages and salaries	679,139	483,792
Total	<u>3,049,683</u>	<u>2,524,998</u>
NON CURRENT		
Accrued long service leave	191,749	212,147
Total	<u>191,749</u>	<u>212,147</u>
15 Contract liabilities		
CURRENT		
Unearned income	317,304	958,403
Total	<u>317,304</u>	<u>958,403</u>
NON CURRENT		
Unearned income	17,752	45,747
Total	<u>17,752</u>	<u>45,747</u>
16 Contributed equity		
Ordinary shares - issued and fully paid	5,601,061	5,601,061
Special (control) shares - issued fully paid	1	1
Total	<u>5,601,062</u>	<u>5,601,062</u>
17 Retained profits		
Retained profits at beginning of year	8,690,677	6,755,237
Net profit/(loss)	1,007,088	1,935,440
Retained profits at end of year	<u>9,697,765</u>	<u>8,690,677</u>

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

18 Financial risk management

(a) Risk management of objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk and interest rate risk. The Company's management, in close cooperation with the Board of Directors, focuses to ensure the short to medium-term cash flows are secured by minimising the exposure to financially risky activities. The most significant financial risks applicable to the Company are described below.

(b) Credit risk exposure

Credit risk exposure represents the extent of credit related losses that the entity may be subject to on amounts to be exchanged under trade debtors and loans and advances from financial assets.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount of those assets net of any allowance for impairments as indicated in the statement of financial position.

(c) Interest rate risk	2022	2021
	\$	\$
Cash at bank	12,623,460	11,050,882
Interest rate	0.01%-0.33%	0.1%-0.6%

(d) Fair value measurements

Financial assets and liabilities are as follows:

- ◆ trade and other receivables
- ◆ cash and cash equivalents
- ◆ trade and other payables

The carrying amounts of these financial assets and liabilities are considered to be a reasonable approximation of fair value.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

(e) Liquidity risk

Liquidity risk refers to the ability of an entity to meet its obligations associated with financial liabilities. Transmax Pty Ltd manages liquidity risk by continuous monitoring of cashflow.

The Company reduces the exposure to liquidity risk by ensuring the company has sufficient funds available to meet employee and supplier obligations at all times. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

19 Contingent liabilities and contingent assets

In the opinion of the Directors, the Company did not have any contingent assets or liabilities at 30 June 2022 (30 June 2021: Nil)

20 Commitments

Capital Commitments

At 30 June 2022 the Company had capital commitments totalling \$47,763 (30 June 2021: \$82,723)

21 Economic dependency

The Company is dependent on Queensland Department of Transport and Main Roads for the majority of its revenue used for operations. At the date of this report, the Company has no reason to believe the dependence is at risk or likely to change significantly.

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

22 Key management personnel disclosures

	2022	2021
	\$	\$
Kathryn Giudes and John Frazer were paid as Non-Executive Directors of Transmax. Nikki Alder was paid as CEO of Transmax.		
Key management personnel compensation		
Short-term employee benefits	453,265	424,494
Post-employment benefits	34,663	35,278
Total	487,928	459,772

23 Subsequent events

There have been no events subsequent to the financial position date.

24 Transactions with related parties

As at 30 June 2022, financial statement items included the following amounts in relation to Queensland Department of Transport and Main Roads (the parent entity):

	2022	2021
	\$	\$
Sales and purchases transactions		
Sale of goods and services (exclusive of GST)	21,391,016	15,545,909
Outstanding balances arising from sales/purchases of goods and services		
Amounts receivable from related parties	6,460	2,972,336
Equity		
Contributed equity	5,601,062	5,601,062

TRANSMAX PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

**25 Reconciliation of profit after income tax to net cash used
in operating activities**

	2022	2021
	\$	\$
Profit/(loss) after income tax	1,007,088	1,935,440
Add adjustments for:		
- depreciation	1,387,354	1,313,027
- amortisation	734,137	766,976
- finance costs	187,473	101,057
- other gains/(losses)	22,990	26,943
- write-off of intangible assets	800,295	1,012,488
	<hr/>	<hr/>
	4,139,337	5,155,931
Change in assets and liabilities		
- (increase)/decrease in work in progress	(561,852)	(342,783)
- (increase)/decrease in prepayments	(65,903)	(70,407)
- (increase)/decrease in trade and other receivables	2,374,928	(291,478)
- (increase)/decrease in inventories	(137,504)	161,117
- (increase)/decrease in deferred tax assets	(41,344)	119,067
- increase/(decrease) in trade and other payables	(164,490)	195,534
- increase/(decrease) in accrued employee benefits	504,287	39,348
- increase/(decrease) in deferred tax liabilities	163,506	55,207
- increase/(decrease) in GST liabilities	(364,216)	336,639
- increase/(decrease) in unearned revenue	(669,092)	135,635
- increase/(decrease) in current tax liability	(554,215)	871,293
Net cash provided by operating activities	<hr/>	<hr/>
	4,623,442	6,365,103

26 Company details

The business address and registered office of Transmax Pty Ltd is:
143 Coronation Drive, Milton, QLD, 4064, Australia

TRANSMAX PTY LTD

DIRECTORS' DECLARATION

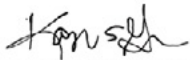
In the opinion of the directors of Transmax Pty Ltd:

- (a) The financial statements and notes set out on pages 48 to 72 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the financial position of the company as at 30 June 2022 and of its performance, for the financial year ended on that date, and
- (b) 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.

Kathryn Giudes

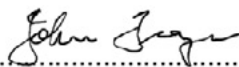
Chair - Non-Executive Director:


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Date: 15 September 2022

John Frazer

Non-Executive Director:


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Date: 15 September 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Transmax Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Transmax Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the *Corporations Regulations 2001* and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report).

Those charged with governance are responsible for the other information.

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

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

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

Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001*, the *Corporations Regulations 2001* and Australian Accounting Standards, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My 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 my 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for 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 company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my 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.

I communicate with the company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Vaughan Stemmett
as delegate of the Auditor-General

15 September 2022

Queensland Audit Office
Brisbane



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