

**ANNUAL
REPORT**

**'20
21**

Industry's partner in co-regulation.



This report covers RISSB's overall performance for 2020-21.

This and earlier Annual Reports are on our website at www.rissb.com.au/publications/

We welcome feedback to help us improve our reporting. Comments can be sent to info@rissb.com.au.

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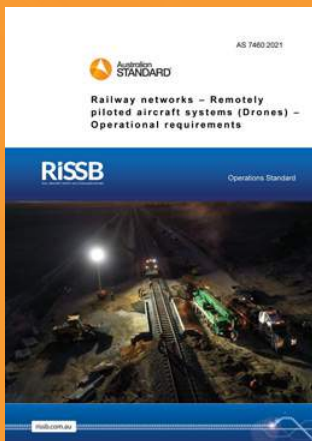


image courtesy of Lycopodium

CHAIR'S OVERVIEW

Over the past three years, RISSB has continued its evolution as the Standards Development Organisation (SDO) for the rail industry in Australia and New Zealand. As industry's partner in co-regulation, RISSB works across many sectors driving safety and productivity and encouraging harmonisation.

RISSB continues to develop relevant, useful and high-quality Standards, Codes of Practice, Guidelines and Rules, and this year commenced the development of the first ever light rail Standard and reached industry agreement on the first of what will be many national rules.

“RISSB WILL CONTINUE TO WORK HAND IN HAND WITH INDUSTRY AS IT DEVELOPS AND IMPLEMENTS WHAT WE ARE KNOWN FOR.”

In 2020/21 RISSB, buoyed by strong stakeholder feedback through our regular customer surveys and other feedback mechanisms, focused on three key initiatives.

Firstly, RISSB has taken strong steps forward in engaging with our

stakeholders. We meet regularly with Governments and organisations such as ONRSR, ARA, FORG and ATSB. We have improved our communication efforts with CEOs and COOs as well as technical leaders. And we continue to facilitate industry groups and work with technical associations to further the rail agenda.

Secondly, we are on a journey to deliver better value for money to our members. We have decreased our fees and increased our benefits. We created a resource hub, Grand Central, just for our members and introduced the MasterClass webinar series that we hope has inspired many during lockdown. We hosted the largest ever RISSB Safety Conference and we smoothed our onboarding process, delivering new onboarding webinars for our members as well as a quarterly Ask RISSB Q&A forum.

Thirdly, the customer survey told RISSB very clearly to be bolder and a stronger leader. We have listened. We created a Major Projects portfolio, addressing the big issues challenging industry. RISSB is a key contributor to the National





Rail Action Plan (NRAP) and is actively involved in all key initiatives. RISSB now manages the Australian Level Crossing Assessment Model (ALCAM), which broadens our data and risk capabilities.

RISSB DELIVERING FOR INDUSTRY

RISSB members continue to benefit from the shared expertise, networking opportunities, and product development involvement, of a membership base that:

- + Manages over 80% of Australia's rail network

- + Has a combined rail fleet of more than 45,000 items of rollingstock
- + Directly employs upwards of 50,000 people in rail operating activities.

RISSB continues to increase value for our members. We have lowered fees and increased benefits for members, with continued membership growth in FY2020/21. This reflects the increased understanding of RISSB's role and profile across industry and government, and recognition of the value that RISSB continues to add to industry through product development, and safety and productivity leadership.

In FY2020/21 RISSB:

- + Grew membership by nearly 60% to 114
- + Lowered fees for all membership classes, a two-year decrease excluding the once-off COVID fee reduction, of between 13% and up to 24% depending on membership class
- + Provided a library of more than 220 publications for industry

- + Continued to develop ARRM as a safety tool for industry, with hazard data now exceeding 250,000 occurrences, and member usage continuing to increase by 20% per annum, with 61 organisations currently using this valuable tool
- + Increased data and risk management tools with the inclusion of ALCAM and the Culture Hub Survey in RISSB's portfolio
- + Commenced a new portfolio of Major Projects and completed seven projects.

RISSB continues to improve product efficiency and investment, delivering more products and services at a lower cost for members.

The RISSB Board continues to drive RISSB forward as it takes the next steps in its evolution.

We have engaged Governments to examine options to ensure RISSB is financially stable. We are delivering a range of brand new and revitalised training courses, we are exploring ways to support technology and innovation and we are introducing new services to support and assist industry.

RISSB will continue to work hand in hand with industry as it develops and implements what we are known for – high quality products and services that reflect our role as industry's partner in co-regulation.

DAVID GEORGE
Chair



CEO'S REPORT

2020/21 has been a year of unprecedented growth for RISSB. Growth in our products and our services. Growth in our engagement with industry and governments. Growth in the way we do things. Growth in RISSB as a dynamic and driven organisation.

I would like to highlight three areas of growth.

PRODUCTS

RISSB has now published more than 220 publications. Our library of Standards, Codes of Practice, Guidelines and Rules is supplemented by a range of research papers and useful tools that we have worked hand in hand with industry to create. These resources relate to topics such as SPADs, and other issues such as track worker safety.

RISSB is also progressing a range of major projects tackling industry-nominated key issues. This has included, for the first time, RISSB publishing a "white paper." Focused on train horns, this paper explored many aspects of train horns from an environmental perspective. In 2021, RISSB plans to work with industry to develop a Code of Practice in relation to the use of train horns.

RISSB has also expanded its suite of safety and risk tools with the addition of the Culture Hub Survey and ALCAM. Our Australian Rail Risk Model (ARRM) continues to rise in popularity. Over the past year this critical risk and decision-making tool saw a 21% increase in usage.

RISSB has also demonstrated industry leadership through its involvement in the National Rail Action Plan, co-chairing the Harmonisation and Common Standards Working Group, with the Department of Transport (Victoria), to help drive national harmonisation, moving the rail industry towards technical and operational consistency, improving safety, lowering costs and enhancing productivity. In the next 12 months a number of Standards relating to rolling stock will be developed for national application and to support local suppliers.

SERVICES

In the past 12 months, there have been two RISSB Rail Safety Conferences (one fully virtual and one hybrid)

with record attendance at both. We offered the most successful Horizons Program to date with 65 participants attending the six month professional development program. We offered 34 RISSB MasterClass webinars which attracted more than 8,000 views, and we launched RISSB Conversations - four podcasts of interviews with extraordinary transport leaders.

During 2020/21, RISSB laid the foundation for a suite of training programs to be offered in FY2021/22 with short courses and our traditional classroom courses being converted to a blended format.

We also launched Grand Central, an online resource hub for industry offering access to a dedicated online forum, recorded MasterClass webinars and the latest aggregated industry news from around the world. This year, we offered All Aboard and Ask RISSB – two regular engagement options for members who want to know what RISSB is doing in more detail.

“2020/21 HAS BEEN A YEAR OF UNPRECEDENTED GROWTH FOR RISSB. GROWTH IN OUR PRODUCTS AND OUR SERVICES.”

MEMBERSHIP

In 2020/21, RISSB lowered its membership fees including providing a one-off COVID reduction. It is clear our members are valuing RISSB more and more. In 2020/21 RISSB membership grew by nearly 60%, from 72 to 114, our largest one-year growth. In the past year we have added international manufacturers, global engineering companies, light rail operators and various consultancies to our membership base.

The value of RISSB's products and services was confirmed in a take-up survey which showed that over 90% of respondents use RISSB products in some way and 100% utilise RISSB's services.

We are engaging with our members and industry more and more. It has been a pleasure to meet with many CEOs and technical leaders.

ACKNOWLEDGEMENTS

I would like to formally acknowledge the Board of Directors who generously give their time and expertise to RISSB, our management team who once again provided leadership to industry, and our small team who carried on during what can be described as dynamic times.

I have served as RISSB's Chair and Chief Executive Officer for some time now and was delighted to accept the position of Chief Executive Officer allowing me to continue in my RISSB leadership role driving interoperability and harmonisation.

Following my appointment as CEO, I stepped down as RISSB's Chair. This role has been taken over by industry veteran David George. David has been on the RISSB Board for many years and has held senior rail leadership roles in three countries as well as serving on several boards, including TasRail and Queensland Rail. So, I'm delighted to be working with David to position RISSB for more growth and success.



I'd like to thank everyone who has contributed to the development of an industry publication or who has helped us deliver a critical project.

Thank you to the RISSB team and for all the work you have done. It has been inspirational.

Industry has asked RISSB to continue to show leadership in rail safety, driving safety and productivity through collaboration, harmonisation and relevant product development and we've stepped up. RISSB's role in a period of growth has helped the rail industry better its risk management practices and improve its safety performance.

With industry behind us, we are confident that we will meet your needs and surpass your expectations as industry's partner in co-regulation..

DEBORAH SPRING
Chief Executive Officer

RISSB'S STRATEGIC PLAN 2017 - 2022

The Strategic Plan 2017 - 2022 continues to guide the strategic focus of the company.

MISSION AND VISION

RISSB's Mission is:

Working in partnership to create a safe, efficient and effective Rail Industry.

RISSB's Vision is:

To be the trusted leaders in the rail safety co-regulatory environment, providing products and services that enhance safety and efficiency.

STRATEGIC PILLARS

The six strategic pillars help RISSB to achieve its Mission and Vision, as well as the business objectives in the Constitution over the planning period to 2022. These pillars are underpinned by detailed action plans and objective measurements.

Strategic Pillar 1: Industry Safety and Productivity

We will develop products and services that improve and promote:

- + Harmonisation for economies of scale which lead to productivity gains; improved safety and performance; and reduced risk.
- + Interoperability between networks and modes where required.

Strategic Pillar 2: Technology and Innovation

We will develop an agile and flexible framework with Industry to identify emerging technologies and systems, including automation, requiring RISSB products and services to support timely and safe implementation.

Strategic Pillar 3: Value Add

We will create value adding products and services that promote safety, productivity and harmonisation within the rail industry.

Strategic Pillar 4: Transparent and Collaborative Processes

We will communicate transparently to Members, Governments and other Stakeholders the processes for engagement in the strategic planning, product selection and development of our products and services.

Strategic Pillar 5: Stakeholder Engagement and Promotion

We will collaborate and engage with Members, Governments and other Stakeholders to strengthen relationships, build partnerships and ensure that the roles and responsibilities of RISSB are understood.

Strategic Pillar 6: Leadership

We will reinforce our leadership role in the co-regulatory model to improve safety and productivity within the Industry.





FY2020-21 HIGHLIGHTS

↑ 60%

increase in membership across all classes. RISSB now has more than **125 members.**



RISSB took over the **stewardship of ALCAM** in the first half of 2021.

220+

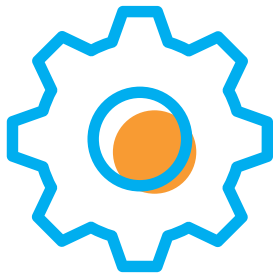
Delivered **16 Standards, Codes of Practice and Guidelines** this financial year.

16 major projects

Established Major Projects portfolio and **delivered 7 of 16 major projects** addressing key industry issues.

21% increased in **ARRM** usage.

↑ 21%

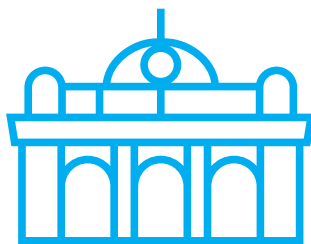


Attracted **65** of industry's **young achievers** to **Horizons Program 3.0** (a record number of participants).

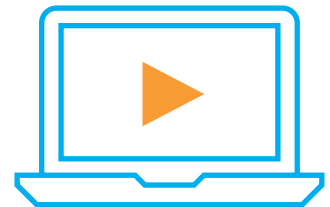


Horizons

Launched an online dedicated resource hub for industry – **Grand Central**.



Held **30 MasterClass webinars** which accrued more than 8,000 views.



Revamped training activities and course curriculum introducing blended learning and **adding 4 online courses**.

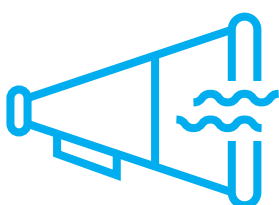
Received a **record number of attendees** at RISSB's **21st Rail Safety Conference** in October 2020 and held another Rail Safety Conference in May 2021.



Launched the **Culture Hub Survey** instrument and supported the early adopters.



Within the Major Projects portfolio, **delivered a range of track worker safety projects** including a joint ONRSR/ACRI project focusing on technology solutions and released a train whistle noise white paper.



Developed the first harmonised network rule, AHNR 2007 Network Communications.



A take-up survey shows that over **90% of respondents use RISSB products** in some way and **100% utilise RISSB's services**.

PUBLICATIONS & MAJOR PROJECTS

RISSB Standards, Codes of Practice, Rules and Guidelines form the Australian Code of Practice (the Code). Together with associated documents, the Code complements every Australian rail transport operator's safety management system. These systems are recognised by the Office of the National Rail Safety Regulator (ONRSR) in the accreditation of rail operators. The documents published by RISSB provide guidance on how to comply with obligations under Rail Safety National Law and how to achieve uniformity and work towards the harmonisation of national rail infrastructure and operations.

In FY 2020/21, RISSB delivered 16 publications which address some of industry's most pressing issues and help manage its greatest risks.

RISSB continues to maintain its good standing as the Standards Development Organisation for the Australian rail industry and successfully completed an accreditation audit in December 2020. The audit resulted in reaffirmation of our accreditation and is testament to the robust processes we have in place to maintain the integrity and quality of our publications.

In March 2021, we offered the Priority Planning Process (PPP) for the second time. A high number of submissions were received, and the refined process resulted in a more targeted work plan which will deliver quantifiable benefits to industry. The PPP is vitally important to RISSB, and we will continue to develop and refine how we gather information to ensure we are centring our actions on those activities that will deliver the greatest benefit to all stakeholders.

In 2020, RISSB advised that it had developed a two-year prioritised work plan which focusses RISSB's

activity on key industry interests. The consultation conducted during the recent PPP confirmed that our work plan is creating a more harmonised industry and informing our national interoperability work.

The publication of the National Rules Framework set the scene for the national harmonisation of operational rule books. In the past year RISSB has built on that framework by collaborating with industry to develop rule books that will be delivered by RISSB's Major Projects Portfolio.

MAJOR PROJECTS

As was reported in RISSB's last Annual Report, 2020 saw the introduction of RISSB's Major Projects portfolio; a significant body of work supplementing RISSB's more traditional work plan enabling us to better meet railway business imperatives. In FY2020/21, our inaugural year, this portfolio was tremendously successful spanning seven thematic areas and delivering seven key projects and progressing others.

1 Track worker safety

Our industry's number one priority, in FY2020/21 saw delivery of a short, online refresher course for Protection Officer communications; guidance material on planning works to reduce worker risks; and a collaborative research project with ONRSR and ACRI exploring engineering solution options. Work continues on safety culture, and when all of these are brought together and combined with other related RISSB projects (e.g. around safety critical communications and national rules) this makes a powerful suite of tools that help protect our frontline workers.

2 National Rules

Building on past work on the Australian Network Rules and Procedures (ANRP), as well as the National Rules Framework, we are very proud that we produced Australia's first network rule for national application – AHNR 2007 Communication rule. Produced under the auspices of the cross-industry National Rules Industry Reference Group, this rule supports common, high-quality communications around our industry and will be adopted verbatim in a rolling program across Australia's largest rail transport operators as represented on that group.

CASE STUDY

AS 7703 RAILWAY SIGNALLING - POWER SUPPLIES

RISSB's efforts towards achieving national harmonisation was most recently evidenced through the publication of AS 7703 Railway signalling - Power supplies. This Standard, through collaboration with industry, is now referred to in legislation and reflects the rail industry's commitment to working together and developing publications which can be used by rail operators in Australia. Through our work plan RISSB will continue to seek similar opportunities to produce publications of the highest quality which deliver value to our stakeholders.

“RISSB DELIVERED 16 PUBLICATIONS.”

3 National Rolling Stock Register

After an extensive consultation with industry, and exploration of issues / possible solutions, last financial year saw us work through a very worthy field of agencies and identify the preferred supplier to deliver this project. This work dovetails into the National Rail Action Plan and will be delivered in 2021 / 22.

4 Train Control Interoperability

RISSB’s production of an “Interoperability Impact Plan” (building on RISSB’s previous work Assessment of Interoperability Issues from the Proposed Introduction of New Train

Control Systems) explores options for maintaining interoperability across an expanding and increasingly interconnected national rail system, and has been an instrumental input to the National Rail Action Plan.

5 Noise

The publication of RISSB’s papers Train Whistles – Understanding the Risks and Opportunities to all Stakeholders, and Good Practice for the Management of Wheel Squeal are informing railways in helping to manage these complex and long-standing issues. The Train Whistles (horns) paper has spawned an industry Code of Practice for 2021 / 22.

6 Technology Benefit Realisation

There are several pieces of work underway to help the railway innovate more effectively, and take advantage of developments in the supply chain whilst

making the railway a more accessible market for suppliers.

7 The National Rail Action Plan (NRAP)

The NRAP is “an agreed set of actions that will be undertaken by the Commonwealth, state and territory governments and key members of the rail industry.” While advancing the NRAP’s skills/competencies and interoperability agendas, RISSB has also developed and launched NRAP’s significant 3-year harmonisation plan.



SAFETY DATA AND RISK ANALYSIS MODELS

Since 2017, the Australian Rail Risk Model (ARRM) has been updated five times and has analysed around a quarter of a million railway occurrences (in generating objective, quantitative risk information for users) modelling risk across more than 100 hazardous events. During the past year, ARRM users have grown by 21%.

The creation of the role of the Safety and Risk Systems Manager in the year prior has meant that during 2020/21 the railway had greater support in accessing and interpreting the model than ever before, helping people maximise the true value of the model.

In 2020/21 we also completed the transition of the ALCAM over to RISSB from VicTrack. We're very proud to be providing stewardship for this important industry tool and supporting a national approach to risk management at level crossings. ALCAM and the Level Crossing Management (LXM) System will still be overseen by a cross-industry committee and a technical subcommittee, and we will be working hard with them to leverage RISSB's extensive expertise and experience collaborating with industry to grow and develop ALCAM and the LXM.

“DURING THE PAST YEAR, ARRM USERS HAVE GROWN BY 21%. ”

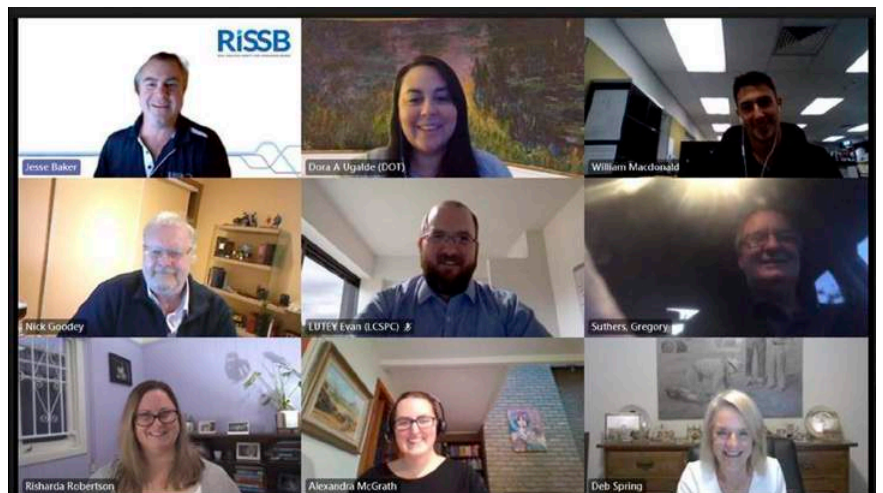
The Culture Hub survey (formerly known as the Occupational Culture Work Health and Safety survey) was launched at RISSB's first all virtual Rail Safety Conference in October 2020.

This robust tool was the product of a significant research project for the Cooperative Research Centre (CRC) for Rail Innovation and has already helped several large rail organisations understand their organisational culture. Approximately 10,000 surveys have been administered to date.

The next steps for RISSB will be to build guidance material around the tool and conduct industry-wide benchmarking so that we can all leverage the learnings to affect improvements.

The combination of all of these powerful tools proves that RISSB is providing industry with unrivalled safety and risk intelligence. There are further ideas in the offing and we hope to expand our safety data and risk capabilities to grow the value of this centralised railway nerve centre.

RISSB and the ALCAM Committee mark ALCAM's transition to RISSB



TRAINING

Over the past 12 months RISSB has laid the foundation for the launch of a significant range of training courses - from short, online courses (Learning Express) to multi-day blended or face to face courses – in the latter half of 2021. Such courses include:

- + Introduction to Rail Safety
 - + Rail Safety Worker Obligations
 - + Fundamentals of Risk Management
 - + Apply Safety Critical Communications in the Rail Environment
 - + Safety Critical Communications for Protection Officers
 - + Investigate Rail Safety Incidents.
 - + Undertake a Derailment Investigation
- Apply Safety Critical Communications in the Rail Environment, Undertake a Derailment Investigation and Investigate

“DURING 2021/22 FURTHER COURSES WILL BE DEVELOPED AND MADE AVAILABLE. RISSB IS ENGAGING INDUSTRY IN CHOOSING COURSES TO DEVELOP AS WELL AS TESTING COURSES PRE-RELEASE.”

Rail Safety Incidents are accredited courses and have been offered previously by RISSB. They have been reviewed and converted to a blended format to make them more accessible for remote workers.

During 2021/22 further courses will be developed and made available.

RISSB is engaging industry in choosing courses to develop as well as testing courses pre-release.

RISSB will also work with industry to introduce the National Track Safety Induction Course (NTSI) across Australia.

The collage displays seven course brochures from RISSB. Each brochure includes the following information:

- Course Title:** Introduction to Rail Safety, Safety Critical Communications for Protection Officers, Rail Safety Worker Obligations, Fundamentals of Risk Management, Apply Safety Critical Communications in the Rail Environment, Investigate Rail Safety Incidents, Undertake a Derailment Investigation.
- Format:** Online, Face to Face / Blended Learning.
- Investment:** Details on course fees and what is included.
- Learning Objectives:** A list of skills and knowledge participants will gain.
- Who Should Attend:** Target audience for the course.
- Course Duration:** Length of the course.
- What You Receive Upon Course Completion:** Certificates and other resources.
- How the Course Will Be Delivered:** Details on the course structure and delivery method.
- Enrollment/Registration:** Information on how to sign up.

EVENTS, PROGRAMS AND INDUSTRY CO-ORDINATION

Although there was an overwhelming preference to meet face to face, this year's RISSB business meetings, programs, conferences and events were either postponed due to COVID-19 or held virtually to give people an opportunity to discuss important safety and risk matters online.

EVENTS AND PROGRAMS

The RISSB Safety Conference was offered twice within 12 months – as a fully virtual conference in October 2020 and as a hybrid event in May 2021. A record number of people attended the fully virtual conference and around 180 registered for the hybrid conference, with 100 delegates attending the face to face component in Sydney.

RISSB offered the third Horizons Program (H3.0) between February 2021

and August 2021. With 65 participants, this proved to be the largest program ever held. Nearly 40 rail organisations nominated young professionals for the program which included five forums and 19 webinars (including seven that were exclusively for the Horizons Program).

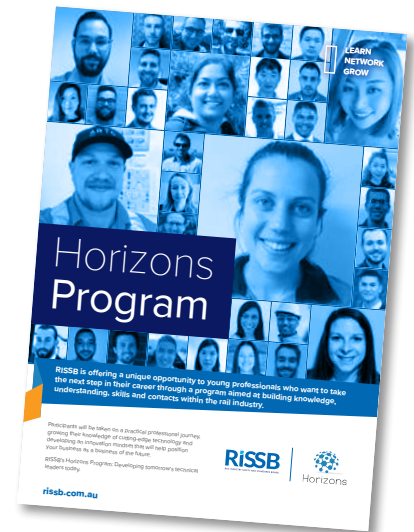
The program offered participants the opportunity to:

- + Hear from 25 CEOs or Chairs of organisations
- + Listen to over 80 presentations
- + Engage in 16 workshops
- + Interact and network.

Feedback continues to be very positive.

INDUSTRY CO-ORDINATION

RISSB continued to facilitate a number of industry meetings including:



1 Safety Managers Group (SMG)

This is the peak industry safety group which has been managed by RISSB for many years. The meetings



“NEARLY 40 RAIL ORGANISATIONS NOMINATED YOUNG PROFESSIONALS FOR THE PROGRAM WHICH INCLUDED FIVE FORUMS AND 19 WEBINARS.”

generally bring together all major safety organisations (RISSB, TrackSAFE, ATSB, ARA and ONRSR) and significant safety issues are discussed and resolved, and best practice shared. Far from letting COVID get in the way, the SMG has gone virtual and continues to deliver great value to industry.

2 National Track Worker Safety Forum (NTSWF)

After a short break this forum is now back and continuing its focus on improving track worker safety through the sharing of industry good practice, technology adoption and the harmonisation of work site practices. Invitation to attend is open to all industry and is targeted at industry experts interested in the operational, occupational and rail safety disciplines within the Australasian rail industry.



3 Chief Medical Officers Council (CMOC)

This group brings together the Chief Medical Officers from major rail companies and is focused on the National Standard for Health Assessment of Rail Safety Workers, Authorised Health Professionals and a range of other medical matters.

4 SPAD/LRTAE Group

This group brings together both heavy and light rail with the aim of developing guidance material and undertaking research to minimise SPADs and LRTAEs.

5 Human Factors Managers Group (HFMG)

This group brings together Human Factor Managers and is working on key HF projects including the development of a “quick reference tool” for the rail industry to utilise when documenting HF Requirements for Project Contract / Scope / Technical Requirements.



GOVERNANCE

The RISSB Board is committed to good governance and oversees a robust program to strengthen the operations of the company and forge an enduring high performance culture. RISSB's Constitution, policies and procedures provide a governance structure that is responsive to our members and stakeholders, giving them the opportunity to participate in our decision-making processes.

The current RISSB Board comprises an Independent Chair, two Independent Directors, and four Industry Directors who represent the four sectors of the rail industry. The Independent Chair and Independent Directors are nominated by the Board and endorsed by Members at the Annual General Meeting (AGM). The Industry Directors are nominated by Members from their sector and elected by all members at the AGM. All Directors serve a three-year term and may be re-elected for a second or third term.

To reflect the national focus of RISSB's activities the Board has sought to encourage nominations from across Australia thereby ensuring the interests of all Members and stakeholders are adequately represented. As a consequence, RISSB currently has Directors based in Melbourne, Sydney, Brisbane and Adelaide.

Information on the skills and experience of each of the Directors is provided in the Directors' Report.

ROLE AND RESPONSIBILITIES OF DIRECTORS

Subject to the Corporations Act and the RISSB Constitution, the Board controls and manages the affairs of the company in the interests of all Members and stakeholders, recognising RISSB's fundamental role in supporting the Australian rail industry.

Directors have an obligation to avoid situations where there is a real or substantial possibility of conflict between personal interests and those of RISSB.

Independent Directors must not hold any office of profit nor have any direct pecuniary interest in an institution or body that performs, or may perform during the person's tenure, services to RISSB. Also, an Independent Director must not be a person who (in the opinion of the Board) holds any office of profit or has any direct and substantial pecuniary interest with a railway industry participant that could materially interfere with (or could reasonably be perceived to materially interfere with) the exercise of their independent judgment.

Industry Directors being employees of railway or railway related organisations, must take great care to ensure they satisfy this duty notwithstanding the requirements of their employment. Industry Directors represent and advocate on behalf of their Industry sector in relation to Board deliberations,

but must be careful to declare and manage any potential conflicts of interest.

On appointment, all new Directors receive an information pack outlining their fiduciary duties and responsibilities including an overview of RISSB, its structure and operations. New Directors also attend a formal induction meeting with the Chair and Chief Executive Officer which is documented in an exchange of letters signed by the Chair and the new Director.

OPERATION OF THE BOARD

The Board recognises that it is accountable to Members for the performance of the organisation and has put in place a governance program to ensure that the company delivers on its mission and objectives as set out in the Constitution and Strategic Plan.

The Board has adopted a Board Manual detailing its functions and responsibilities, which it reviews regularly. Matters specifically reserved to the Board are set out in the Manual. The Board also conducts regular reviews of RISSB's policies and delegations of authority which cover the full scope of RISSB's operations to ensure they continue to reflect best practice.

The Board has a program of five scheduled meetings per year and these are usually held in the major capital

BOARD OF DIRECTORS



David George
Independent Chair (from 1 July 2021)
Independent Director (until 1 July 2021)
Member – Audit & Risk Committee



Deborah Spring
Chief Executive Officer (from 1 July 2021)
Independent Chair and Chief Executive Officer (until 1 July 2021)
Member – Remuneration & People Committee



Tim Kuypers
Independent Director
Chair – Audit & Risk Committee



Kate Bowman
Industry Director, Freight Operations
Chair - Remuneration & People Committee
Pacific National Pty Ltd



Scott Cornish
Industry Director, Passenger Operations
Member – Audit & Risk Committee
Queensland Rail Limited



Kylie Gallasch
Industry Director Network Managers/Owners
Member – Remuneration & People Committee
Australian Rail Track Corporation Limited



Mark Carling
Industry Director, Suppliers and Contractors
Member – Remuneration & People Committee
Kellogg Brown & Root Pty Ltd

cities on a rotational basis. This provides the opportunity for Directors to meet with our Members and stakeholders to better understand the issues of concern and to build stronger relationships. Unfortunately, in 2020-21 this program has been curtailed due to the COVID-19 pandemic and the Board has met remotely by videoconference on most occasions. The Board also convenes special meetings and out of session to address specific issues that may arise between scheduled Board meetings. There were seven meetings of the Board during the 2020-21 financial year and the details of Directors attendance at those meetings is set out in the Directors Report. Details on Directors attendance at Committee meetings is also included.

Each Board meeting agenda includes any statutory matters, governance and management reports, which include operational and strategic risks, major projects and operational reviews. At each meeting the Board also considers the approval of RISSB products for publication which is the final step in the development process. Importantly, Directors also meet in-camera without management at the beginning of all Board meetings to consider governance and other issues.

COMMITTEES

In order to achieve the company's objectives, the Board has established two standing Committees: the Audit & Risk Committee and the Remuneration & People Committee. Each of these Committees meets regularly and has



“ON 1ST JULY 2021 DEBORAH STEPPED DOWN AS RISSB CHAIR AND WAS FORMALLY APPOINTED AS CEO. DAVID GEORGE WAS APPOINTED INDEPENDENT CHAIR ON THE SAME DATE.”

a Charter which sets out their role and terms of reference. The Chair of each of these Committees reports to the Board on the work of the Committee at each Board meeting.

AUDIT & RISK COMMITTEE

The purpose of the Audit & Risk Committee is to advise and assist the Board to fulfil its responsibilities to Members on matters relating to the management of finance and risk. This includes oversight of RISSB's financial management and reporting, as well as the development of financial policies and delegations of authority. Importantly the Audit & Risk Committee has oversight of RISSB's risk management processes, including the monitoring of changes in circumstance which could increase risk or vary the impact of existing risks on RISSB's risk profile.

REMUNERATION & PEOPLE COMMITTEE

The role of the Remuneration & People Committee is to advise and assist the Board to fulfil its responsibilities to Members on matters relating to the remuneration of the Independent Chair, Independent Directors, Chief Executive Officer and RISSB staff. It also advises the Board on RISSB's human resource policies, succession planning and culture. In undertaking its responsibilities, the Committee seeks to ensure that RISSB's remuneration and incentive policies, human resource practices and performance indicators are aligned to the Board's vision, values and overall business objectives and represent sound industry practice.

RISK MANAGEMENT

Risk management is a key aspect of RISSB's governance arrangements. RISSB has a Risk Management Policy, Framework and Risk Register which include formal processes to update the Board through the Audit & Risk Committee. The policy, framework and management program are used throughout the organisation. The goal of RISSB's risk management processes and structures is to maximise opportunities to achieve RISSB's objectives and goals without exposing the organisation to unnecessary risk. In addition, the Board considers strategic and major operational risks as part of its regular meeting agenda.

CHIEF EXECUTIVE OFFICER (CEO)

The CEO is appointed by the Board and is responsible for the management of RISSB in accordance with the approved strategy, business plans, policies, and delegated authority framework. Normally the CEO and the Chair negotiate a performance agreement annually which sets out the KPIs and other outcomes the CEO is expected to achieve with regular performance reviews throughout the year. However, as these roles were combined in FY2020-21 the Board assumed this responsibility. Importantly, the CEO is responsible for ensuring that the Board receives the strategic options, policy initiatives, and financial and operational performance information necessary for the Board to fulfill its role on behalf of RISSB Members.

Following the resignation of the previous CEO in May 2019 the



Board looked to strengthen RISSB’s management capabilities by initiating a comprehensive recruitment process for the new CEO. Throughout this period and until 1 July 2021 Deborah Spring undertook the role of Executive Chair and CEO with the full support and appreciation of the Board. On 1st July 2021 Deborah stepped down as RISSB Chair and was formally appointed as CEO. David George was appointed Independent Chair on the same date.

COMPANY SECRETARY

All Directors have access to the Company Secretary who is appointed by the Board. The Company Secretary is accountable to the Board, through the Chair, on all RISSB governance matters. The Company Secretary attends all Board and Committee meetings.

The Board may invite other members of the management team and guests to attend Board or Committee meetings at its discretion.

GOVERNANCE REVIEW

The Board conducts an annual review of its performance which extends to its Committees and individual Directors as part of RISSB’s commitment to continuous improvement. Moreover, to supplement this, the Board will schedule an independent review every three or four years, engaging external consultants to undertake this important task. The next independent review has been scheduled for later in 2021. The Board also has an annual calendar system which sets out the Board and Committee work program for the year ahead and the dates for key management deliverables.

In the last year the Board has again focused on RISSB’s role in Australia’s rail industry with an emphasis on delivering value to RISSB Members and ensuring that it has the governance structures in place to drive performance and accountability. As part of that process the Board continually reviews progress achieved against the Strategic Plan 2017 – 2022 to ensure the expectations

Image courtesy of Downer Group

of Members and stakeholders are being met.

This work is continuing, with the Board focussed on delivering greater value to Members through a range of initiatives including an expanded Major Projects portfolio, enhanced training program, the launch of RISSB Technical Services, improved membership benefits and a further reduction in annual membership fees.

RISSB MEMBERS AS AT 23 SEPTEMBER 2021

MEMBER NAME	CLASS					
		Emerald Tourist Railway Board	D		Rail Projects Victoria	D
Aakira Medical Services	Associate	Ergonomie Australia Pty Ltd	E		Rail Safety People Pty Ltd	Associate
Abbott Risk Consulting Limited	D	Evergreen Generation Pty Ltd	Associate		Rail Safety Systems Pty Ltd	E
ABT Railway Ministerial Corporation	D	Electronics Pty Ltd	D		Rail, Tram and Bus Union - National Office	D
ADA Engineering Pty Ltd	Associate	Frazer-Nash Consultancy Limited	D		RGB Assurance Pty Ltd	D
Adelaide Metro Operations Pty Ltd	D	Freightquip Pty Ltd	D		Ricardo Rail Australia Pty Ltd	C
Aldridge ITS Pty Ltd	E	Gold Creek Engineers Australia	Associate		RM Consulting Services	Associate
Arc Infrastructure Pty Ltd	3	Great Southern Rail Limited	C		RoadRailPort	Associate
ARUP Pty Ltd	C	Holistic Systems and Assurance Pty Ltd	Associate		Roy Hill Infrastructure Pty Ltd	C
Ascribe Engineering Pty Ltd	Associate	Holland LP	D		Royal Melbourne Institute of Technology	Associate
Aurecon Australasia Pty Ltd	C	IISRI - Deakin University	Associate		Salcef Group SpA	C
Aurizon Holdings Limited	1	Institute of Railway Technology - Monash	Associate		SCT Logistics	B
AusSafe Consulting Pty Ltd	Associate	Institution of Railway Signal Engineers Australia	Associate		SMART Infrastructure Facility - UOW	Associate
Australian Rail Track Corporation Ltd	1	JU Design Pty Ltd	Associate		SNC-Lavalin Rail & Transit Pty Ltd	C
Australian Sugar Milling Council Pty Ltd	Associate	JVAT	E		SteamRanger Heritage Railway	Associate
Avantgard Pty Ltd	Associate	Kellogg Brown & Root Pty Ltd	C		Strategic Connections Group	E
Azeta Group Pty Ltd	Associate	Keolis Downer Adelaide Pty Ltd	B		Suburban Rail Loop Authority	D
BG&E Pty Ltd	D	Key Source Rail Pty Ltd	D		Summit Consulting Australia	Associate
BHP Billiton Iron Ore	A	Kinnect Pty Ltd	E		Swietelsky Rail (Australia) Pty Ltd	C
Black Ice Systems Pty Ltd	Associate	KiwiRail	B		Sydney Trains	1
Bravo Foxtrot Pty Ltd	Associate	K&H Ainsworth Engineering Pty Ltd	D		Systemiq Group Pty Ltd	Associate
Brimble Rail Pty Ltd	D	Laing O'Rourke Australia Construction Pty Ltd	A		Systra Scott Lister Australia Pty Ltd	D
Bronici Consulting Pty Ltd	Associate	Liebherr-Australia Pty Ltd	D		Tasmanian Railway Pty Limited	B
Burchard Consulting Pty Ltd	Associate	LINX Rail Pty Ltd	D		Taylor Airey Pty Ltd	E
Buy 2 Give Pty Ltd	Associate	Love Learning Solutions	Associate		Tehnika Pty Ltd	E
Calibre Professional Services Pty Ltd	E	Lycopodium Infrastructure Pty Ltd	D		The Pilbara Infrastructure Pty Ltd	B
Canberra Metro Operations Pty Ltd	D	Manildra Flour Mills Pty Ltd	E		Theta International	Associate
Carmichael Rail Network Pty Ltd	C	Marling Group	Associate		Torque Enterprises Pty Ltd	E
Centre for Excellence in Rail Training Pty Ltd	Associate	Metro Trains Melbourne Pty Ltd	1		Training Ahead Australia Pty Ltd	Associate
Centre for Railway Engineering - CQU	Associate	Metro Trains Sydney Pty Ltd	B		Transdev Australasia Pty Ltd	C
Certifer Australia Pty Ltd	D	Mid West Ports Authority	D		Transport Canberra and City Services	C
Cold Forged Products Pty Ltd	D	Mott MacDonald Australia Pty Ltd	C		Transport for New South Wales	1
Competency Australia Pty Ltd	Associate	NGR Project Company Pty Ltd	D		UGL Pty Limited	A
Consolidated Land and Rail Australia Pty Ltd	E	Nova Systems Consulting Pty Ltd	D		Transport Heritage NSW Limited	D
CPB Contractors Pty Ltd	B	One Rail Australia Pty Ltd (formerly G&WA)	2		Unipart Group Australia Pty Ltd	C
Cumarsaid Pty Ltd	Associate	Pacific National Pty Ltd	1		V/Line Pty Limited	2
Dakar Risk Management Services Pty Ltd	Associate	Pilbara Iron Pty Ltd (Rio Tinto Iron Ore)	A		VicTrack	D
David Newport T/A Lochiel	Associate	Pichi Richi Railway Preservation Society Inc.	Associate		Zig Zag Railway Co-operative Ltd	Associate
Deakin University Library	Associate	Plan Safe Pty Ltd	E			
Department of Infrastructure & Transport SA	A	Plasser Australia Pty Ltd	C			
Department of Transport VIC	A	Public Transport Authority of Western Australia	3			
Distilled Consulting Pty Ltd	Associate	Qube Logistics (Rail) Pty Ltd	B			
Don River Railway	Associate	Queensland Rail Limited	1			
Downer EDI Rail	A	Rail Confidence Pty Ltd	Associate			

FINANCIAL STATEMENTS AND REPORTS

FOR THE YEAR ENDED 30 JUNE 2021

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**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465**

DIRECTORS' REPORT

Your Directors present their report on the operations of the company for the financial year ended 30 June 2021.

RISSB Ownership

RISSB is a company limited by guarantee and owned by its funding members. At the date of this report there are 125 members of RISSB, and a list of current members is included in this report.

Directors

The Directors in office at any time during or since the end of the financial year are:

Name	Date Appointed / Ceased
David Harry George (Chair)	Appointed 1 July 2015; (appointed Chair 1 July 2021)
Deborah Ann Spring (CEO)	Appointed 1 July 2015 (resigned as Chair 1 July 2021)
Kate Angharad Bowman	Appointed 4 July 2017
Timothy John Kuypers	Appointed 20 April 2018
Scott Cornish	Appointed 16 May 2019
Kylie Ann Gallasch	Appointed 2 December 2019
Mark Peter Carling	Appointed 12 November 2020

Objectives

The objects of RISSB are set out in RISSB's Constitution which can be found on its website at www.rissb.com.au These are to:

- (a) develop, manage and promote a suite of standards, rules, guidance materials and other documents, including the ACOP and ANRP, to assist the rail industry to manage rail safety, improve efficiency and achieve safety outcomes through standardisation, interoperability and harmonisation;
- (b) develop a risk model for the Australian rail operating environment that is based on data and other inputs that will help drive safety improvements by guiding prioritisation of standards development and regulatory activity; and for use by the rail industry participants in directing their approach to safety management;
- (c) provide independent technical advice; and
- (d) undertake initiatives to support the rail industry's role in the co-regulatory model for rail safety in Australia.

Strategy for Achieving the Objectives

RISSB's Strategic Plan 2017-2022, an overview of which appears earlier in this report, is available on the RISSB website at www.rissb.com.au, and details the strategic objectives and tactics that will be pursued to deliver these objectives.

In essence:

- RISSB draws on subject matter experts within the Rail Industry and Governments to develop its products.
- Harmonisation, interoperability and safety are pursued through RISSB Development Groups and Standing Committees, and the resulting products are reported to the RISSB Board at its regular meetings or out-of-session and approved for publication.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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DIRECTORS' REPORT

- RISSB successfully delivered the Australian Rail Risk Model (ARRM) in November 2017 thereby satisfying one of the key objectives of the company. Take-up and usage of ARRM has steadily increased each year. This supports RISSB's strategy to embed ARRM in the rail industry and focus on developing the model further to provide finer resolution on safety risk and add new functionality. RISSB has also expanded its safety data and risk analysis models with the inclusion of the Culture Survey Hub, enabling organisations to assess their safety culture, and taking over support of the Australian Level Crossing Assessment Model (ALCAM).
- RISSB continues to provide independent technical advice including offering training courses, events, programs, conferences, webinars and podcasts for the benefit of its members. It also co-ordinates meetings of key industry groups including the Safety Mangers Group, SPAD Group, Human Factors Managers Group, the Chief Medical Officers Council and the National Track Worker Safety Forum. In February 2021, RISSB introduced Technical Services to provide in-depth technical knowledge to its members in areas such as safety management systems, rail safety risk management and investigations.

Results of the Operations for the Year

A review of the results from the operations of the company for the financial year are contained in the Chair & CEO Reports and the reports on RISSB's activities set out earlier in this report.

Information on Directors

David George, Independent Chair	<p>David George has extensive experience in the rail industry having held executive positions in the UK, Australian and New Zealand railways. He was Chief Executive of the Co-operative Research Centre (CRC) for Rail Innovation (2007-2014), Vice Chair, International Railway Research Board (2007-2013) and Chief Executive of ONTRACK /New Zealand Rail Corporation (2004 – 2007). Prior to this he headed up Queensland Rail's coal and freight businesses and was also Director of European Business (freight) for British Rail in the run-up to the opening of the Channel Tunnel. David has been an independent Director of TasRail (including Chair of the Safety Committee) and a member of the Queensland Rail Board (including Chair of the People and Safety Committee).</p> <p>David has more recently worked on assignments which include a World Bank funded consultancy providing advice to Indian Railways on the heavy haul capabilities needed to run the new Dedicated Freight Corridors being built in India.</p> <p>David has an MA in Metallurgy and Science of Materials from Oxford University.</p> <p>David was appointed an Independent Director of RISSB in 2015 and Independent Chair on 1 July 2021. He is also a member of the Audit & Risk Committee.</p>
Deborah Spring, Independent Director and CEO	<p>Debbie Spring has broad experience gained as a senior executive in businesses operating in Australia and overseas. These include energy, manufacturing, petrochemicals, rail, and general logistics. Debbie's expertise is in implementing major business transformation programs in large, complex, capital intensive, highly regulated and unionised industries. As a professional Director with over 15 years of experience, Debbie has held a number of Chair and Director positions on private companies, government entities and not-for-profit organisations in environment, education and logistics including chairing or membership of sub-committees responsible for finance, audit and risk, remuneration and culture and operations.</p> <p>Debbie's Board positions have included V/Line Corporation, Ambulance Victoria,</p>

**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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DIRECTORS' REPORT

	<p>Federation University of Australia, Mount Hotham Resort Management Board (Chair), and the Donric Group (Chair).</p> <p>Debbie has a Bachelor of Science in Mechanical Engineering from Union College, a Master of Science in Mechanical Engineering from Rensselaer Polytechnic Institute and a Master in Business Administration from Harvard Business School. She is a licensed professional engineer and a FAICD. Debbie was appointed an Independent Director of RISSB in 2015 and Chair in November 2016 and is a member of the Remuneration & People Committee. From June 2019 until June 2021 Debbie was Executive Chair and CEO of RISSB and on 1 July 2021 Debbie was formally appointed Chief Executive Officer while continuing as an Independent Director.</p>
<p>Kate Bowman, Industry Director – Freight Operations</p>	<p>Kate Bowman is the Chief Corporate Services Officer, Group General Counsel and Company Secretary at Pacific National leading a multi-disciplinary team across a range of areas including legal, company secretarial, corporate governance and ESG, government relations and external affairs, internal communications, human resources and workplace relations, organisation development and talent and workers compensation. Kate is passionate about developing high performing teams and delivering commercial, focussed and high quality services to businesses to drive them forward. Kate has 15 years' experience in transport and logistics in senior management roles, leading teams across multi disciplines and has extensive experience working in regulated industries, including rail and ports. Kate is also a director on a number of not-for-profit and industry Boards.</p> <p>Prior to Pacific National, Kate was at Asciano and Patrick and began her career at Clayton Utz. Kate holds a L.L.B. (Hons) and a B. Economics (Social Science) from the University of Sydney. Kate was appointed to the RISSB Board in July 2017 and is also the Chair of the Remuneration & People Committee.</p>
<p>Timothy Kuypers, Independent Director</p>	<p>Tim Kuypers has over thirty years' experience as a regulatory and safety professional in UK, Europe and Australia. Tim is currently a Special Advisor at HoustonKemp Economists and Principal of Walbrook Partners, a rail safety consulting firm. He is an independent member on Metro Trains Melbourne's Board Safety Committee and a Director and Chair of the Finance and Audit Committee for TROG Cancer Research. Tim's previous executive roles have included senior positions at Asciano, (former owner of Pacific National and Patrick Stevedores) Telstra, Cable & Wireless and OfTel. Tim was a Director and Chair of the Public Finance Committee for TrackSAFE, a charity which aims to reduce death on the railways through suicide and trespass and support train drivers suffering traumatic incidents.</p> <p>Tim has a PhD in Economics from University College London, a Diploma in Accounting and Finance from the ACCA and is a GAICD. Tim was previously an Industry Director of RISSB representing the Freight Sector until 2016. He was appointed an Independent Director of RISSB in April 2018 and is also Chair of the Audit & Risk Committee.</p>

**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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DIRECTORS' REPORT

<p>Scott Cornish, Industry Director – Passenger Operations</p>	<p>Scott Cornish is Executive General Manager Safety, Risk and Assurance at Queensland Rail and is responsible for workplace health and safety, rail safety assurance and risk and compliance activities across the enterprise. Scott has over 30 years' global experience in the energy, transport and logistics industries holding senior management roles focussed on operations, health, safety and environment, risk management, security and the community.</p> <p>Scott is a highly experienced leader with an outstanding track record of implementing innovative strategies and initiatives that deliver safety outcomes in high risk operating businesses. Scott was appointed to the RISSB Board in May 2019 and is a member of the Audit & Risk Committee.</p>
<p>Kylie Gallasch, Industry Director – Network Managers/Owners</p>	<p>Kylie Gallasch is a highly-engaged Group Executive with more than 20 years rail experience, an expansive portfolio, and a strong line-of-sight to customer outcomes. She is a strategic, empathetic people manager who, as ARTC's Chief Financial Officer, currently leads the Finance, Procurement, Fleet & Supply division. Her most recent previous role included responsibility for engineering services; risk, safety & environment and systems & technology management.</p> <p>Kylie is a Fellow of CPA Australia, has completed the AICD Company Directors Course and currently serves as a Director of Minda - a South Australian-based non-profit that empowers people with intellectual disability to reach their aspirations while maximising their independence. Kylie was elected to the RISSB Board in December 2019 and is a member of the Remuneration & People Committee.</p>
<p>Mark Carling, Industry Director – Suppliers & Contractors</p>	<p>Mark Carling is the Director of Strategy and New Business for KBR Infrastructure Services. Mark leads strategic development and strategy deployment for Infrastructure Services and is also responsible for the development of new lines of business. Previously, Mark was the Director of Transport (North) for KBR.</p> <p>Prior to joining KBR Mark held executive roles as Regional Director of Consulting and Advisory for SNC-Lavalin Atkins in Australasia and South East Asia and prior to that as Regional Managing Director for both Survitec Group and Faiveley Transport, multi-national organisations with activities in Australia and the broader APAC region.</p> <p>Mark is a Fellow of the Institute of Mechanical Engineers, a Fellow and Engineering Executive of Engineers Australia and a Graduate of the Australian Institute of Company Directors. Mark was elected to the RISSB Board in November 2020 and previously served on the Board between February 2019 and February 2020. Mark is a member of the Remuneration & People Committee.</p>

**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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DIRECTORS' REPORT

Directors attendance at Meetings of the Board held during the Financial Year

Director	Meetings Eligible to Attend	Number Attended
David George	7	7
Deborah Spring	7	7
Timothy Kuypers	7	7
Kate Bowman	7	6
Scott Cornish	7	7
Kylie Gallasch	7	6
Mark Carling	5	5

Directors attendance at Meetings of Committees held during the Financial Year

Director	Audit & Risk		Remuneration & People	
	Meetings Eligible to Attend	Number Attended	Meetings Eligible to Attend	Number Attended
David George	4	4	-	-
Deborah Spring	4	4	4	4
Tim Kuypers	4	4	-	-
Scott Cornish	4	4	-	-
Kate Bowman	-	-	4	4
Kylie Gallasch	-	-	4	4

Contributions on Winding up

In the event of the company being wound up, members (serving and within one year of ceasing to be a member) are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up based on 125 current members is \$1,250.

**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465**

DIRECTORS' REPORT

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Signed by two directors in accordance with a resolution of the Board of Directors:



David George



Timothy Kuypers

Dated: 23 September 2021



accountants + auditors

Brisbane
GPO Box 1087
Brisbane Qld 4001 Australia

Gold Coast
GPO Box 1087
Brisbane Qld 4001 Australia

Banyo
PO Box 80
Banyo Qld 4014 Australia

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF RAIL INDUSTRY SAFETY AND
STANDARDS BOARD (RISSB) LIMITED**

e: info@mgisq.com.au
w: www.mgisq.com.au
t: +61 7 3002 4800

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Rail Industry Safety and Standards Board (RISSB) Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

MGI Audit Pty Ltd

S C Greene
Director

23 September 2021

Brisbane

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
Revenue from ordinary activities	3(a)	3,823,719	5,718,641
Depreciation and amortisation expenses		(130,792)	(194,057)
Employee benefits expenses	3(b)	(2,358,065)	(1,988,483)
Consultancy & project costs		(708,722)	(926,115)
Events & training		(95,902)	(221,294)
Other expenses from ordinary activities	3(c)	(1,201,469)	(1,313,719)
Surplus from ordinary activities		<u>(671,231)</u>	<u>1,074,973</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(671,231)</u>	<u>1,074,973</u>
Surplus attributable to members of the entity		<u>(671,231)</u>	<u>1,074,973</u>
Total comprehensive income attributable to members of the entity		<u>(671,231)</u>	<u>1,074,973</u>

The accompanying notes form part of these financial statements.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	4	4,938,594	5,026,627
Trade & other receivables	5	691,272	359,040
Other assets	6	239,974	104,607
TOTAL CURRENT ASSETS		5,869,840	5,490,274
NON-CURRENT ASSETS			
Property, plant and equipment	7	455,437	132,999
Intangible assets	8	135,025	-
TOTAL NON-CURRENT ASSETS		590,462	132,999
TOTAL ASSETS		6,460,302	5,623,273
CURRENT LIABILITIES			
Trade & other payables	9	1,296,010	439,645
Unearned Revenue		248,056	-
Other provisions	10	-	24,251
Employee provisions	11	243,828	140,375
Lease Liability	12	93,078	58,765
TOTAL CURRENT LIABILITIES		1,880,972	663,036
NON-CURRENT LIABILITIES			
Employee Provisions	11	33,359	32,672
Lease Liability	12	345,321	55,684
TOTAL NON-CURRENT LIABILITIES		378,680	88,356
TOTAL LIABILITIES		2,259,652	751,392
NET ASSETS		4,200,650	4,871,881
EQUITY			
Retained Surplus		3,200,650	3,871,881
Special Reserve	17	1,000,000	1,000,000
TOTAL EQUITY		4,200,650	4,871,881

The accompanying notes form part of these financial statements.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Retained Earnings \$	Special Reserve \$	Total Equity \$
Balance at 1 July 2019	2,796,908	1,000,000	3,796,908
Net surplus for the year	1,074,973	-	1,074,973
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Balance at 30 June 2020	3,871,881	1,000,000	4,871,881
Balance at 1 July 2020	3,871,881	1,000,000	4,871,881
Net deficit for the year	(671,231)	-	(671,231)
Other comprehensive income	-	-	-
Total comprehensive income	-	-	-
Balance at 30 June 2021	3,200,650	1,000,000	4,200,650

The accompanying notes form part of these financial statements.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		3,839,516	5,836,450
Initial receipt of funds from ALCAM		745,096	-
Payments for ALCAM programs		(50,347)	-
Payments to suppliers and employees		(4,314,608)	(4,418,749)
Interest received		26,925	52,569
Net cash provided by operating activities		<u>246,582</u>	<u>1,470,270</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(99,510)	-
Payment for intangible assets		(135,025)	-
Net cash used in investing activities		<u>(234,535)</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of AASB 16 lease liabilities		(100,080)	(77,436)
Net cash used in investing activities		<u>(100,080)</u>	<u>(77,436)</u>
Net increase in cash held		(88,033)	1,392,834
Cash at beginning of financial year		<u>5,026,627</u>	<u>3,633,793</u>
Cash at end of financial year		<u>4,938,594</u>	<u>5,026,627</u>

The accompanying notes form part of these financial statements.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is limited by guarantee, incorporated and domiciled in Australia for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

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

(a) Income Tax

No provision for income tax has been raised as the company has self-assessed itself to be exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than six months and net of bank overdrafts.

(c) Revenue

In order for a transaction to be accounted for under *AASB 15*, it must represent an agreement between two or more parties that creates enforceable rights and obligations and also contains performance obligation(s); being a promise to transfer to the customer a good or service. *AASB 1058* applies to transactions of not-for-profit entities where the consideration to acquire an asset (including cash) is significantly less than fair value principally to enable the entity to further its objectives.

Revenue comprises revenue from MOU funding income, membership fees, project income, interest income and other income. A summary of revenue is shown in Note 3(a).

Revenue is recognised when an agreement between the Company and one or more parties creates enforceable rights and obligations and also contains performance obligation(s); being a promise to transfer to the customer a good or service. Details of the activity-specific recognition criteria are described below.

MOU Funding

MOU Funding are recognised as revenue when the performance obligation inherent within each funding agreement is satisfied. Recognition of the funding as revenue is deferred until those conditions are satisfied.

Revenue from a funding that is not subject to performance obligations is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a funding may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. Where the company receives a contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Revenue (Continued)

Membership fees

Membership fees income is recognised when the company completes the performance obligations within the agreement and the amount can be measured reliably.

Project Income

Project income is recognised upon the delivery of the agreed performance obligations and project services to the customers.

Interest income

Interest revenue is recognised as it accrues using the effective interest rate method, which for financial assets is the rate inherent in the investment.

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

(d) Property, Plant and Equipment

Each class of property plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and equipment

Plant and equipment is measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates and useful lives used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates/useful lives	Depreciation basis
Office Equipment	10 – 40 %	Straight Line
Office Furniture & Fittings	20 %	Straight Line
Office Fit Out	33 %	Straight Line

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(f) Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

(g) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the company.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Employee Benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries and non-monetary benefits. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The company's liabilities for annual leave and long service leave are included in non-current provisions as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur. The company presents employee benefit obligations as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

(i) Financial Instruments

Initial recognition and measurement (continued)

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and Subsequent Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (Continued)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as long-term deposits.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(j) for further discussion on the determination of impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Instruments (continued)

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the company's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The company's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company's designated a financial liability at fair value through profit or loss.

Classification and measurement of financial liabilities (continued)

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Impairment

The company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument

Derecognition

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

(j) Impairment of Assets

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

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Intangibles

Recognition of other intangible assets

All intangible assets that meet the criteria of *AASB 138 Intangible Assets* are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values are compared to their recoverable amount to review for impairment, and useful lives are reviewed at each reporting date to confirm their estimate.

Subsequent expenditures on intangible assets are assessed in accordance with *AASB 138 Intangible Assets*, and either capitalised if considered a development asset or expensed if considered research expenditure. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

Class of Intangible asset	Amortisation rates/useful lives	Amortisation basis
Training Courses	33 %	Straight Line

(l) Leases

The Entity as lessee

At inception of a contract, the company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that RISSB can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

(n) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset, based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
ABN 58 105 001 465**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) New, Amended and Future Accounting Standards Impacting the Company

New and Amended Accounting Standards

Initial adoption of AASB 2020-04 COVID-19 – Related Rent Concessions

AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19- Related Rent Concessions amends AASB 16 by providing a practical expedient that permits lessees to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and, if certain conditions are met, account for those rent concessions as if they were not lease modifications. This standard has not materially impacted the company.

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

AASB 2018-6 amends and narrows the definition of a business specified in AASB 3 Business Combinations, simplifying the determination of whether a transaction should be accounted for as a business combination or an asset acquisition. Entities may also perform a calculation and elect to treat certain acquisitions as acquisitions of assets.

The standards listed above did not have any impact on the amounts recognised in prior or current periods and are not expected to significantly affect future periods.

Future Accounting Standards

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

This Standard sets out a new, separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053. This Standard has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework from 1 July 2021.

Whilst the company has not completed a formal assessment of this standard, it is only estimated to impact disclosure requirements in the 2022 financial year.

(q) Funds Held in Trust

During the financial year, the Company agreed to manage the funds held in trust for the Australian Level Crossing Assessment Model ('ALCAM'). The opening balance of the funds received was \$745,096, which was recorded as restricted cash funds with an equal and opposite liability (ALCAM funds held in trust).

The movements for revenue and expenditure have been included within the operating cash flows and revenue and expenditure in the statement of profit or loss of the Company, but separately disclosed.

NOTE 2: ECONOMIC DEPENDENCE

Economic dependence exists where the normal trading activities of a company depends upon a significant volume of business. The Rail Industry Safety and Standards Board (RISSB) Limited is dependent on funding received from rail industry participants to carry out its normal activities

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities has been determined after:		
(a) Revenue		
Membership fees	1,795,816	2,715,277
MOU funding	1,632,000	1,632,000
Interest income	26,925	52,569
Project income	214,911	1,117,289
Other income	154,067	201,506
Total Income*	3,823,719	5,718,641
<i>*Income embedded in RISSB's operations relating to ALCAM totalled \$73,657</i>		
(b) Employee benefits expenses		
Salaries & employment costs	2,177,031	1,830,039
Superannuation	181,034	158,444
Total Employee Benefits expenses	2,358,065	1,988,483
(c) Other expenses from ordinary activities		
Rent and outgoings	5,150	55,622
Office and administration costs	112,360	115,018
Advertising & marketing	51,421	69,733
Board expenses	129,513	195,714
Professional fees	334,761	256,823
IT costs	37,840	30,016
Interest expense – AASB 16 Leases	26,039	13,801
Travel and accommodation	67,102	173,654
Website costs	51,993	56,047
Other expenses	385,290	347,291
Total Expenses*	1,201,469	1,313,719
<i>*expenses embedded in RISSB's operations relating to ALCAM totalled \$54,904</i>		
NOTE 4: CASH & CASH EQUIVALENTS		
General Fund	4,253,345	5,026,627
ALCAM funds – restricted funds	685,249	-
	4,938,594	5,026,627
NOTE 5: TRADE & OTHER RECEIVABLES		
Trade debtors	691,272	359,040
NOTE 6: OTHER ASSETS		
CURRENT		
Accrued revenue	27,965	7,550
Prepayments	89,744	49,126
Security deposit	122,265	47,931
	239,974	104,607

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
NOTE 7: PROPERTY, PLANT AND EQUIPMENT	\$	\$
PLANT AND EQUIPMENT		
Office equipment - at cost	127,779	120,879
Less accumulated depreciation	(120,543)	(113,355)
	7,236	7,524
Office furniture & fittings - at cost	41,916	40,335
Less accumulated depreciation	(33,875)	(29,252)
	8,041	11,083
Lease fitout	20,719	81,634
Less accumulated depreciation	(3,440)	(79,412)
	17,279	2,222
Right of Use Asset	507,458	276,031
Less accumulated depreciation	(84,577)	(163,861)
	422,881	112,170
Total property, plant and equipment	455,437	132,999

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Office equipment	Office furniture & fittings	Lease Fitout	Right of Use Asset	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	7,524	11,083	2,222	112,170	132,999
Additions	6,900	1,581	91,029	507,458	606,968
Disposals	-	-	(70,310)	(83,428)	(153,738)
Depreciation expense	(7,188)	(4,623)	(5,662)	(113,319)	(130,792)
Carrying amount at end of year	7,236	8,041	17,279	422,881	455,437

NOTE 8: INTANGIBLE ASSET

Intangible Asset - at cost	135,025	-
Less accumulated depreciation	-	-
	135,025	-

Movement in the carrying amounts for each class of Intangible Assets for the year ended to 30 June 2021:

Opening	-	-
Add: Additions	135,025	-
Less: Disposals	-	-
Less: amortisation expense	-	-
Balance at the end of the year	135,025	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 9: TRADE & OTHER PAYABLES	2021	2020
CURRENT	\$	\$
Trade creditors and accruals	332,659	223,597
Sundry creditors	278,102	216,048
ALCAM funds held in trust – restricted funds	685,249	-
	<u>1,296,010</u>	<u>439,645</u>

NOTE 10: OTHER PROVISIONS

Make good provision	-	<u>24,251</u>
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A make good provision was recognised in the prior year for the operating lease at Suite 401, 580 Collins Street, Melbourne and Level 4 15 Astor Terrace, Spring Hill for the estimated cost of the making good of the premises. The company moved into a new lease in the 2021 financial year at Suite 6A, Level 6, 200 Creek Street Brisbane, which does not contain a make good provision, therefore no such provision has been raised.

NOTE 11: EMPLOYEE PROVISIONS

CURRENT		
Provision for annual leave	187,670	108,265
Provision for long service leave (current)	<u>56,158</u>	<u>32,110</u>
	<u>243,828</u>	<u>140,375</u>
NON-CURRENT		
Provision for long service leave (Non-Current)	<u>33,359</u>	<u>32,672</u>
	33,359	32,672

NOTE 12: LEASES

The movement in the right of use asset is documented at note 7(a). The associated lease liabilities are presented in the statement of financial position as follows:

Lease liabilities – AASB 16

Current	93,078	58,765
Non-Current	345,321	55,684
Total Leases	<u>438,399</u>	<u>114,449</u>

NOTE 13: CAPITAL COMMITMENTS

RISSB had no capital commitments at 30 June 2021 (30 June 2020: \$nil)

NOTE 14: CONTINGENT LIABILITIES

As at the 30 June 2021, the Company had one ongoing legal matter. Whilst the Directors are of the opinion that the matter is fully defensible based on the particulars of the case, there is still a possibility of an outflow of economic resources on the Company. As at the reporting date, an estimate of any potential liability was not able to be reliably estimated.

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 15: AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

NOTE 16: RELATED PARTY TRANSACTIONS**Key Management Personnel**

Key Management Personnel of the company are the Board of Directors and Chief Executive Officer. Key Management Personnel remuneration was as follows:

	2021	2020
	\$	\$
Key Management Personnel Remuneration	361,102	235,514
Total Key Management Personnel Compensation	<u>361,102</u>	<u>235,514</u>

Except for the key management personnel transactions noted above, there were no additional related party transactions in the 2021 financial year (30 June 2020: \$nil).

NOTE 17: RESERVE

A special reserve has been set up by the Company to segregate general operating reserves from funds to cover the company's future liabilities. The following is the movement in the 2019/20 and 2020/21 financial years of this reserve.

Special Reserve

Opening balance	1,000,000	1,000,000
Transfer from retained earnings	-	-
Closing special reserve balance	<u>1,000,000</u>	<u>1,000,000</u>

NOTE 18: FINANCIAL RISK MANAGEMENT**Financial assets**

Financial assets at amortised cost:

cash and cash equivalents – General fund	4,253,345	5,026,627
cash and cash equivalents – Restricted fund	685,249	
trade and other receivables	691,272	359,040

Total financial assets

<u>5,629,866</u>	<u>5,385,667</u>
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Financial liabilities

Financial liabilities at amortised cost:

trade and other payables – general operations	571,948	439,645
trade and other payables – ALCAM Fund held in trust	685,249	
Lease liabilities	438,399	114,449

Total financial liabilities

<u>1,695,596</u>	<u>554,094</u>
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NOTE 19: COMPANY DETAILS

The registered office of the company is:

Rail Industry Safety and Standards Board Limited
Level 6, 200 Creek Street
Brisbane QLD 4000

RAIL INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED
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DIRECTORS' REPORT

DIRECTORS' DECLARATION

The directors of the company declare that

1. The financial statements and notes, as set out on pages 8 to 23 are in accordance with the *Corporations Act 2001* including:
 - (a) complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Corporations Regulation 2001*; and
 - (b) giving a true and fair view of the financial position of the company as at 30 June 2021 and of its performance for the financial year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director



Director

Dated: 23 September 2021

Dated: 23 September 2021



accountants + auditors

Brisbane
GPO Box 1087
Brisbane Qld 4001 Australia

Gold Coast
GPO Box 1087
Brisbane Qld 4001 Australia

Banyo
PO Box 80
Banyo Qld 4014 Australia

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAIL
INDUSTRY SAFETY AND STANDARDS BOARD (RISSB) LIMITED**

e: info@mgisq.com.au
w: www.mgisq.com.au
t: +61 7 3002 4800

Opinion

We have audited the financial report of the Rail Industry Safety and Standards Board (RISSB) Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the Rail Industry Safety and Standards Board (RISSB) Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidated the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal omissions, misrepresentations, or the override of internal control.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibility for the Audit of the Financial Report (Continued)

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

MGI Audit Pty Ltd



S C Greene
Director

Brisbane
23 September 2021



RiSSB

RAIL INDUSTRY SAFETY AND STANDARDS BOARD

E: info@rissb.com.au

P: PO Box 518

Spring Hill QLD 4004

rissb.com.au

