# ANNUAL REPORT 2005 - 2006

NSW Architects Registration Board

# ANNUAL REPORT 2005 - 2006

NSW Architects Registration Board

# CONTENTS

THE YEAR AT A GLANCE	3
NSW ARCHITECTS REGISTRATION BOARD MEMBERS	4
MANAGEMENT AND OPERATIONS	6
THE NSW REGISTER OF ARCHITECTS	10
NSW ARCHITECT CORPORATIONS AND FIRMS	11
COMPLAINTS AGAINST THE PROFESSIONAL CONDUCT OF ARCHITECTS	11
OFFENCES RELATING TO THE PRACTICE OF ARCHITECTURE	12
SCHOLARSHIPS AND AWARDS	13
AUDITED FINANCIAL STATEMENTS	15
FINANCIAL MANAGEMENT	35

### NSW Architects Registration Board Level 2, 156 Gloucester Street Sydney NSW 2000

T 02 9241 4033 F 02 9241 6144 mail@architects.nsw.gov.au www.architects.nsw.gov.au

Hours of business 9am to 5pm Monday to Friday

# THE YEAR AT A GLANCE

### NSW ARCHITECTS REGISTRATION BOARD

The NSW Architects Registration Board administers the Architects Act 2003, the legislation regulating architects in NSW. The Board's key role is to protect consumers of architectural services. The Board

- maintains an accurate Register of Architects and a List of Architect Corporations and Firms
- · operates a fair, effective, and open procedure for investigating and hearing complaints
- sanctions architects who breach the Architects Act and individuals or firms who represent themselves as an architect when they are not entitled to do so
- · conducts examinations
- administers scholarships and awards
- promotes a better understanding of architectural issues and the built environment in the broader community.

### ARCHITECTS AND CONTINUING PROFESSIONAL EDUCATION

For the first time architects had to report on their Continuing Professional Education (CPE) activities at annual renewal of registration at 31 March 2006. Five percent of architects were asked to provide their CPE records as part of the random audit of activities conducted by the Board. The compliance rate was approximately 90% - an excellent result in the first year of CPE being a mandatory requirement for annual registration as an architect.

### PROMOTING EXCELLENCE IN CLIENT SERVICES

The Board has established the Client Service Excellence Award to encourage excellence in the professional services offered by architects, and to promote a better understanding of architectural issues in the community.

The Award provides an opportunity for satisfied clients to win recognition for their architect's service. The selection criteria are focused on common areas of uncertainty and complaint by consumers about architectural services; communication, understanding the processes and management of contracts. The Client Service Excellence Award is open to all architects registered in New South Wales. However, the project cannot exceed \$4 million and is limited to projects completed in the last two years in NSW. The winner of the inaugural award will be announced on 29 November 2006.

### WORKING WITH AN ARCHITECT: A GUIDE FOR CONSUMERS

Working With An Architect - A Guide For Consumers outlines typical architectural services and an architect's role and responsibilities, as well as outlining the client's role in the architect-client relationship and advice on choosing an architect. Working With An Architect - A Guide For Consumers can be downloaded from the Board's website or contact the Board to request a free copy.

#### 2006 RESEARCH GRANT

The 2006 research project funded by the NSW Architects Registration Board seeks to explore understanding of the built environment in years 5 - 8 in NSW public schools. It is being coordinated by FBE**Out**There!, a community engagement unit based in the Faculty of the Built Environment at the University of New South Wales. The project will gain insights into the *thinking and understanding of school students in the middle years of schooling (years 5 - 8) about the built environment; and the extent to which an understanding about the design process influences their attitudes to the built environment.* It will provide a snapshot to inform directions for curriculum development and support in the topic area of the built environment, and be of value to educators when developing resources and strategies for schools students in the middle years of schooling. It is also envisaged that this research project will contribute more broadly to an understanding of community attitudes to the built environment. The Research will be completed by 31 December 2006.

# **NSW ARCHITECTS REGISTRATION BOARD MEMBERS**

The Board includes six architects and five members who are not architects. The architects on the Board are:

Louise Cox AM and Ingrid Pearson, elected by architects on the NSW Register for a two year period until December 2006.

**Caroline Pidcock**, immediate past president of the Royal Australian Institute of Architects NSW Chapter. Caroline's term expires in April 2007.

**Kerry London** from the University of Newcastle is the academic architect representative and has been appointed until December 2006. This representative role on the Board is rotated in turn through the academic institutions in NSW that provide architecture degrees – the University of Sydney, the University of NSW, the University of Technology and the University of Newcastle.

**Richard Thorp** is the architect appointed by the Minister until 2010, and is also the President of the Board. Richard is the managing director of FJMT Architects.

Of the members appointed by the Minister for Commerce, John Della Bosca, four are individuals knowledgeable about the architectural profession and who have particular interest in, respectively, the views of the building industry; the property development sector; local government; and home owners. One is a legal practitioner with expertise in building and construction law. These Ministerial appointments were for a two year period coming to an end in October 2006.

Michael Bampton - legal practitioner - is a partner of the legal firm Henry Davis York.

Tristram Carfrae - from the building industry - is a leading structural designer with Arup. Tristram is also Deputy President of the Board.

**Sarah McCarthy** - from the property industry - has worked with some of the leading property development and construction companies in Australia and in Asia.

George Newhouse - representing local government views - is a solicitor and Deputy Mayor of Waverley Council.

Mark Wakely - representing consumer views and public interest - is a journalist and writer.

### BOARD COMMITTEES

In addition to monthly Board meetings, each member participates on one or more of the Board's Standing Committees:

- Budget and Finance Committee: Richard Thorp, Michael Bampton
- Complaints Committee: Michael Bampton, Tristram Carfrae, Ingrid Pearson, George Newhouse
- Communication and Events Committee: Mark Wakely, Caroline Pidcock, Sarah McCarthy, Peter Mould
- Education Committee: Louise Cox, Kerry London, Mark Wakely.

Members also serve on working groups and committees such as the Registration Working Group, Local Government Work Group, architecture schools accreditation panels, and selection panels for scholarships and awards.

### BOARD MEETING ATTENDANCES FOR FINANCIAL YEAR ENDED 30/6/06

NAME	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
r thorp (A/M)	1	1	1	1	1	N/M	N/M	1	AP	1	1	1	9/10
M BAMPTON (A/M)	1	1	1	1	1	N/M	N/M	1	1	AP	1	1	9/10
T CARFRAE (A/M)	AP	1	AP	AP	1	N/M	N/M	AP	1	1	1	AP	5/10
L COX (E)	1	1	AP	1	AP	N/M	N/M	AP	1	1	1	1	7/10
P MOULD (EX-O)	1	1	1	1	1	N/M	N/M	1	1	1	1	1	10/10
K LONDON (A/S)	1	1	1	1	1	N/M	N/M	1	1	1	1	1	10/10
S MCCARTHY (A/M)	1	AP	А	1	1	N/M	N/M	AP	1	1	AP	AP	5/10
<u>G NEWHOUSE (A/M)</u>	AP	1	1	AP	1	N/M	N/M	А	1	1	AP	AP	5/10
I PEARSON (E)	1	1	1	1	1	N/M	N/M	1	1	1	1	1	10/10
<u>C PIDCOCK (EX-O)</u>	1	AP	1	1	1	N/M	N/M	1	1	1	1	1	9/10
M WAKELY (A/M)	1	AP	AP	1	1	N/M	N/M	A	1	1	1	AP	6/10
NOTES: E - ELECTED		/	4- ABSENT		NM - NC	MEETING			EX -0 - EX	OFFICIO			

A/M - APPOINTED BY MINISTER AP - APOLOGY LA - LEAVE OF ABSENCE

ex -0 - ex officio A/s - appointed by school

An honorarium is paid to Board members for their service on the Board and related committee work. These fees are in line with the policies established by the Premier's Office

### BOARD EXAMINERS

The Board draws upon the services of architects to serve as examiners for the Architects Accreditation Council of Australia Architecture Practice Examination, the Architects Accreditation Council of Australia Review of Academic Equivalence for the assessment of architectural qualifications gained overseas, and the NSW Built Work Program of Assessment. Fees are paid to examiners assessing candidates for these purposes.

### ARCHITECTURAL PRACTICE EXAMINATION PANEL

P M Atkin	P J Cook	R P Gordon	J Ladd-Hudson	I M Pearson	D vander Breggen
T Alexander	J Delohery	L Gosling	M P Levy	N Nicotra	G Walker
J Baker	R Edgar	D Gosper	C Love	S O'Neill	H N Warren
J Bilmon	C J Elliott	C Griffiths	D Mayes	M Roberts	H Webster
D Mayes	G N Evans	P Hardiman	I McCaig (State Convenor)	J Ryan	J Wuhrer
J Baker	P Gallagher	R Hawkins	B McDonald	D Russell	D R Wyllie
M Boffa	A Gamkrelidze	G Heine	M McGrane	G Saborido	V Yanchenko
P J Briggs	M Gaston	R Hudson	B Meyer	M Sheldon	
A Colville	R Gerner	M Krawcynski	J Newlin-Mazaraki	M Shoolman	
A Chistiakoff	C Goodwin	E Jansen	S Nelson	M Standley	

### NSW REVIEW OF ACADEMIC EQUIVALENCE PANEL

A Boddy	D L Gilling	J Ladd-Hudson	P O'Carrigan	R S Sheldon
P Briggs	C Griffiths	S D Morgan	J Poiner	H Webster
E C Daniels	J R Kell	K Orr	M Pullinger	

### BWPRA ASSESSMENT PANEL

J Ladd-Hudson D Russell

D vander Breggen

# MANAGEMENT AND OPERATIONS

The Board's office is located at Level 2, 156 Gloucester Street Sydney and is open from 9am to 5pm Monday to Friday.

#### **Contact details**

Postal address: NSW Architects Registration Board Level 2, 156 Gloucester Street Sydney 2000 T: 02 9241 4033 F: 02 9241 6144 E: mail@architects.nsw.gov.au W: www.architects.nsw.gov.au

The Board is administered by the Registrar, Deputy Registrar and Administrative Assistant/Bookkeeper, with part-time casual staff when required. Regular financial reporting to the Board together with day to day monitoring, provides checks and balances to ensure that an effective system of responsible financial management is in place.

The Board records carefully maintained over the past seventy years form an invaluable archive and research materials for researchers and academics.

#### INCOME

The Board is entirely funded by annual registration fees levied upon architects, together with admission and restoration fees. The annual registration fee of \$150 remains unchanged. There is a one off listing fee of \$50 and an annual publication fee of \$100 for corporations and firms listing the architect/s responsible for the provision of architectural services. The current fees charged by the Board are generally in line with fees payable by registrants in other State and Territory jurisdictions around Australia.

Fees collected fund the administration of the Board and include contingencies for legal costs, development of information for consumers and general administration. The Board is a not-for-profit organisation and as such administers any reserves in the "Architects Fund" to meet the fourth objective identified in the Architects Act 2003 – to promote a better understanding of architectural issues in the community.

#### INFORMATION FOR ARCHITECTS, CONSUMERS AND THE PUBLIC

The Board's website is the primary means of communicating with the public and the profession and the site is regularly updated to reflect legislative and policy changes.

The Board's staff regularly receives requests for assistance from members of the general public and other architects concerning the status of persons (and corporations and firms) whom they either propose to engage, or have already engaged, in the provision of architectural services. The searchable databases containing the NSW Register of Architects and the List of Architect Corporations and Firms are available on the Board's website and are published each year in hard copy form.

The Board publishes Information Sheets available electronically and in hard copy on topics including *Complaints against Architects*, *Illegal* representation as an Architect, the Architectural Practice Examination, and Continuing Professional Education for Architects. The leaflet Working with an architect: a guide for consumers is an important source of information for consumers, and is also available in hard copy and electronic formats.

A bi-monthly e-newsletter is sent to architects and architect corporations and firms highlighting important issues and updates on matters of interest for architects and the general public. All newsletters can be downloaded from the Board's website.

The Board supports the built environment prize in the Minister's Young Designers Awards aimed at high school students of design and technology, and continues its support of the Sydney Writers Festival. This year the Board organised the forum *Writing the house* - architects and writers discussing writing about the Opera House. This forum was recorded and replayed on ABC radio's By Design program. The Board's 2006 Research Grant Report which explores an understanding of the built environment of students in years 5 - 8 in NSW public schools is currently underway.

# NATIONAL AND INTERNATIONAL CONNECTIONS: THE ARCHITECTS ACCREDITATION COUNCIL OF AUSTRALIA

The Architects Accreditation Council of Australia (AACA) is recognised as the national organisation responsible for establishing, coordinating and advocating national standards for the registration of architects in Australia and for the recognition of Australian architects overseas by the relevant Registration Authorities.

AACA is constituted of nominees from each of all the State and Territory Architects' Registration Boards in Australia. It is not a Registration Authority and can only make recommendations to the various Boards. The decision for the registration of architects lies solely with the Boards. The President and Registrar are councillors of AACA. The Registrar is Secretary of the AACA Executive.

The AACA reviews and ratifies the appointment of examiners, assessors and monitors for the Review of Academic Equivalence (RAE), Architectural Practice Examination (APE) and the National Program of Assessment (NPrA).

AACA also facilitates the examination of professional practice throughout Australia. On satisfactory completion of the APE, AACA issues a certificate that may be used by a State/Territory Board, in addition to their respective legislative requirements, as the basis for determining eligibility for registration.

#### FREEDOM OF INFORMATION ACT 1989 - (S.14(2)

Documents held by the Board and available for inspection include the Register of Architects, the List of NSW Architects Corporations and Firms, the Annual Report, Board newsletters, information on registration, accreditation, examination and disciplinary procedures.

There have been no requests for information under FOI for this year.

#### COMMUNITY RELATIONS COMMISSION (CRC)

The Board has a statutory obligation to develop and implement a Community Relations Priorities Statement program. This involves the integration of the Program into the Board's recruitment processes.

The Board has three full time staff members: a Deputy Registrar, who has been in the Board's employ for 20 years, and an Administrative Assistant, who has served for 14 years, a full time Registrar and two casual staff members.

The Board is aware of Government policy of commitment to equal employment opportunity, occupational health and safety and the Principles of Cultural Diversity and ensures that these principles are observed in the recruitment and management of staff and dealings with the public.

The Board has a role to play acting on behalf of the Architects Accreditation Council of Australia, in assisting migrant architects to be assimilated into the professional environment in New South Wales. This process is facilitated through viva voce interviews with a view to accreditation of overseas gained qualifications in terms of equivalence with Australian academic qualifications, and setting of examinations in architectural practice, both being legal prerequisites to registration and through this, use of the controlled title 'architect'. The success rate of applicants is relatively high, indicating that the principles of cultural diversity as espoused by the Commission are generally being met in this area of the Board's responsibility.

The Board keeps under review the Ethnic Affairs Priorities Statement (EAPS) and takes account of the requirement of the Community Relations Commission when developing future objectives and strategies.

#### PRIVACY REPORT

The Board collects information about architects for the purposes of registration as allowed under the provisions of the Architects Act 2003. In doing so, the Board complies with the Privacy and Personal Information Protection Act. There have been no requests for privacy reviews in the reporting year.

### ANNUAL REPORTS (STATUTORY BODIES) REGULATION 1995

In accordance with the Annual Reports (Statutory Bodies) Regulation 1995 (368), Clause 8(2)(c) the following information is provided in relation to the production of this Annual Report:

- I. Number of copies printed 200
- 2. Average cost of producing each copy \$25.00

# PUBLIC FINANCE AND AUDIT REGULATION 2000 AND ANNUAL REPORTS LEGISLATION - REPORTING ON PAYMENT OF ACCOUNTS

In accordance with Clause 18 of the Public Finance and Audit Regulation 2000, the Annual Reports Legislation and the NSW Treasurer's Directions (TD 219.01), the Board has a statutory obligation to report on the prompt payment of accounts, including disclosure of payment performance as outlined in Treasury Circular 01/12 June 2001, and the following information is provided in relation to payment of accounts:

# Aged analysis at the end of each quarter - does not include refunds for overpayment of roll fees etc and Scholarship monies distributed by the Board on behalf of Trustees

QUARTER	CURRENT (i.e. within due date) \$	Less than 30 days overdue \$	Between 30 and 60 days overdue \$	Between 60 and 90 days overdue \$	More than 90 days overdue \$
September 2005	150,546.51				
December 2005	209,264.54				
March 2006	124,346.21	85.04			
June 2006	208,101.95				

#### Accounts paid on time within each quarter (including refunds, overpayments, scholarship monies etc)

QUARTER	т	TOTAL AMOUNT PAID		
	TARGET %	ACTUAL %	\$	\$
September 2005	100	100	164,392.01	164,392.01
December 2005	100	100	252,339.54	252,339.54
March 2006	100	99.94	127,165.67	127,250.71
June 2006	100	100	243,145.95	243,145.95

# **REGISTRATION AS AN ARCHITECT IN NSW**

#### QUALIFICATIONS FOR ADMISSION TO THE REGISTER

Uniform minimum standards of education and training have been adopted by all States and Territories in Australia for registration as an architect. These are the five-year Bachelor of Architecture degree from an Australian university or its equivalent, an approved period of practical experience and successful completion of the AACA Architectural Practice Examination (APE). These standards are agreed nationally by the AACA which is constituted of representatives from each registration board in Australia, being nominating bodies to this forum.

### APPROVED ACADEMIC QUALIFICATIONS

In New South Wales the schools of architecture of the Universities of Newcastle, New South Wales, Sydney and the University of Technology, Sydney, offer approved courses leading to the Bachelor of Architecture degree, being the academic qualification prescribed by the Act. These courses, in common with all the Australian approved courses of architecture, receive regular visits of inspection from a joint RAIA and Registration Board Visiting Panel. The National Visiting Panels recommend continuing recognition of the qualification to the Boards and the Royal Australian Institute of Architects for a maximum period of five years and provide advice and recommendations on the standard and conduct of the courses.

Annual visits of inspection were made to the Universities of New South Wales, Newcastle, Sydney and the University of Technology, Sydney.

### ASSESSMENT OF OVERSEAS QUALIFICATIONS

The Architects Accreditation Council of Australia (AACA) has responsibility for the overall policy and administration of assessment of persons with overseas architectural qualifications who wish to obtain professional recognition in Australia. After preliminary investigation of the qualifications of these applicants they are referred to the appropriate State/Territory Registration Board for a further interview by the Review of Academic Equivalence Panel. The Panel makes its recommendation to AACA for endorsement.

In the past twelve months the Board interviewed 35 applicants with overseas qualifications and 34 were given equivalence.

### ARCHITECTURAL PRACTICE EXAMINATION (APE)

The final qualification for registration as an architect in NSW is the successful completion of the Architectural Practice Examination, set and administered by AACA in coordination with the State/Territory Registration Boards. In New South Wales 212 candidates were admitted to the examination and 157 were successful in this reporting year.

### MUTUAL RECOGNITION ACT

Providing a registrant is in good standing, this Act facilitates freedom of movement of architects registered in other States and Territories of Australia between the respective jurisdictions. The Board normally approves an applicant for registration in New South Wales on completion of the prescribed application form and payment of the applicable fee. In the reporting year, 44 interstate architects were admitted to the NSW Register under the terms of the Mutual Recognition Act.

#### TRANS TASMAN MUTUAL RECOGNITION AGREEMENT

As a result of the Federal Government's passage of legislation mirroring that of the New Zealand Government, the TTMRA allows mutual recognition of registration between Australia and New Zealand. In the reporting year 2 architects from New Zealand were admitted to the NSW Register under the terms of the TTMRA.

### ADMISSION TO THE REGISTER BY PERSONS WITHOUT FORMAL QUALIFICATIONS -BUILT WORK PROGRAM OF ASSESSMENT

The Board has introduced an alternate path to acquiring academic equivalence, allowing certain persons without formal architectural qualifications to seek admission to the Register. This process is known as the Built Work Program of Assessment (BWPrA).

Applicants are required to submit a portfolio of two built projects — a complex building and a building of moderate complexity — undertaken over a ten year period to demonstrate competency in architectural design based on the National Competency Standards in Architecture.

Successful candidates in the BWPrA are required to also pass the Architectural Practice Examination before applying to the Board for registration as an architect.

In 2005-2006, 3 applicants were admitted to the BWPrA. Out of 6 who applied for Stage 2 assessment, 3 candidates were successful.

### NSW REGISTER OF ARCHITECTS

In 2005/6 205 Architects were admitted to the Register. Of these; III qualified in New South Wales, 22 from interstate schools and New Zealand, 26 were graduates from architectural schools overseas, 2 under the TTMRA Act and 44 under the Mutual Recognition Act. (201 are currently registered, 4 have not renewed their registration for 2006).

NUMBER OF	REGISTRANTS					
2001	2002	2003	2004	2005	2006	
3515	3620	3622	3694	3632	3748	(Full Registration 3149) (Non-Practising 599)
NEW ENROLMENTS						
36	140	143	183	203	207	(Full Registration 205) (Non-Practising 2)

LOCATION OF REGISTRANTS AS OF 30.6.06								
NSW	ACT	Q	V	SA	WA	TAS	NT	O'SEAS
3258	64	165	134	22	12	8	I	120
2712 / 527	54 / 8	145 / 15	110/15	17 / 5	11/0	7 / 1	0/1	93 / 27

Note: Italicised figures refer to full registration/non-practising numbers.

AGE OF REGISTRANTS	FULL REGIS	STRATION		NON-PRACTISING		
	м	F	TOTAL	м	F	TOTAL
Between 70 to 90 years old	82	2	84	160	10	170
60 to 70 years old	498	25	523	201	20	221
50 to 60 years old	971	93	1064	93	19	112
40 to 50 years old	659	174	833	34	17	51
30 to 40 years old	377	208	585	10	29	39
Below 30 years old	25	20	45	I	I	2
Unknown age	12	3	15	4	-	4
			3149			599
DIVISION OF THE REGISTER	MALE			FEMALE		
Full Registration	2624	2624				
Non Practising	502			97		
ARCHITECT CORPORATIONS AND FIRMS						
Number of active Architect Corporations/Firms Listed since 09/04				1136		

NSW Architects Registration Board 2005 - 2006

# **ARCHITECT CORPORATIONS AND FIRMS**

Under the Architects Act an architect corporation or firm must ensure that at all times there is at least one architect listed with the Board as the responsible, or *nominated* architect for the provision of architectural services. Corporations and firms may comprise one architect or many. The one off listing fee is \$50, and to be included in the List of Architect Corporations or Firms available on the Board's website an additional annual fee of \$100 is payable. Sole traders are not required under the Act to list a nominated architect with the Board.

At 30 June 2006, the Board listed 1136 architect corporations and firms.

# COMPLAINTS AGAINST THE PROFESSIONAL CONDUCT OF ARCHITECTS

Six complaints against architect that were received in the 2004/5 reporting year were held over into the current year. Of these matters:

- one matter was withdrawn by the complainant and the Board took no further action
- two matters were dismissed under the provisions of S 37 (1) as lacking in merit
- one matter was dismissed under the provisions of S 37 (4) of the Architects Act and the Board issued a caution to the architect against whom the complaint was made in respect of the matter complained of
- the architect was found to be guilty of unsatisfactory professional conduct. The architect is exercising his right of appeal in the Administrative Decisions Tribunal.

In October 2004, under the provisions of the 1921 Architects Act, the Board had found Architect John Hamilton Doyle guilty of 'guilty of improper conduct in a professional respect', pursuant to sections:

17(2)(i) by making a misrepresentation in connection with the design of a building;

17(2)(g) by breaching the terms of his contract of engagement in the design of a building.

The Board issued a reprimand and the Architect was fined 2 penalty points (\$220) the maximum penalty under the provisions of the 1921 Architects Act.

The Architect applied to the Administrative Decisions Tribunal for a review of the Board's Decision. The Tribunal affirmed that the Architect was guilty of misconduct in a professional respect. The Tribunal found 17(2) (i) proven but considered it a minor matter not warranting a disciplinary order. The Tribunal saw the contravention of 17(2) (g) as serious and that the disciplinary orders were appropriate for the misconduct identified.

Five complaints against architects were received in 2005/6. Of these matters:

- one matter was withdrawn by the complainant and the Board took no further action
- one matter was dismissed under the provisions of S 37 (4) of the Architects Act and the Board issued a caution to the architect against whom the complaint was made in respect of the matter complained of
- three matters are ongoing.

# **OFFENCES RELATING TO THE PRACTICE OF ARCHITECTURE**

The use of the title 'architect' is protected by the Architects Act 2003, and may only be used by persons who are on the NSW Register of Architects. If the architectural services are provided by a corporation or firm, then the entity must have nominated at least one person who is responsible for the architectural services provided. This person or persons (known as the 'nominated architect/s') must be on the NSW Register of Architects.

Architects have a professional qualification, have completed specific practical experience and passed the Board's practice examination before applying to be included on the NSW Register. Architects are bound by the NSW Architects Code of Professional Conduct (Architect Regulation 2004). Architects must maintain professional indemnity insurance appropriate to the services they provide and, as a condition of annual renewal of registration, must undertake a minimum of 20 hours of continuing professional education in each year.

Many of the initial enquiries from consumers wishing to complain about services provided by an architect are from consumers who think that they are using an 'architect' but are in fact not. The Board has no jurisdiction over investigating the conduct of persons providing design services if they are not architects.

The Board expresses no view about the quality of design services provided by architects and others, but endeavours to ensure that consumers' choices about providers of design services are based upon accurate information about the registration status of the service provider. The Board does this through information for consumers such as *Working with an Architect: A guide for consumers*. In addition, the Board continues to monitor the Architects listing in the Yellow Pages directories as well as other classified advertising throughout New South Wales.

While the Board focuses on education and awareness raising as the key strategy in consumer awareness and protection matters, the increased provisions for sanctions against illegal representation in the Architects Act 2003 have assisted in ensuring that the public is aware of the seriousness of such activities. In the reporting year 18 respondents provided undertakings to cease and desist from illegally using the title or descriptor architect.

In May 2006 the Board successfully prosecuted Peter Gillett in the Local Courts for repeatedly illegally represented himself as an architect despite numerous opportunities afforded him by the Board to desist. Mr Gillett was fined \$4,000 and the Board was awarded \$2,000 in costs.

In May 2006 Board Office of the Ombudsman requested a response to a complaint about advice provided by the Registrar in relation to a proposed advertisement in the Architects category of the Yellow Pages along the lines of I am not an architect – see my advertisement in the Building Design section. The response to the Ombudsmen confirmed the Board's view that the Board is acting in accordance with the intent of the legislation and provisions of Sections 9 and 10 of the Act when it advises that only architects should advertise in the Architects category. The Ombudsman subsequently advised the complainant that there was not an adequate basis to take any further action on the complaint.

# SCHOLARSHIPS AND AWARDS

### ARCHITECT'S MEDALLION

The Architect's Medallion is awarded annually by the Board to a graduate in architecture in this State who has achieved distinction throughout the last two years of the Bachelor of Architecture course. Four candidates were nominated by the respective Head of each of the four schools of architecture in NSW.

The 2005 Architects Medallion was awarded to Amelia Sage Holliday of the University of New South Wales.

### BOARD'S ANNUAL PRIZE

The Board's Annual Prizes were awarded to the best graduates from each of the New South Wales schools of architecture and to outstanding students from undergraduate years:

#### University of Technology, Sydney

Year I	Hana Hannemann
Year 2	Jonathan Lynch
Year 3	Georgia McGregor
Graduand	Benjamin Guthrie

#### University of NSW

Year I	Thomas Petty
Year 2	Michelle Chau
Year 3	Carol Peterson
Year 4	Stephen Pratt
Graduand	Amelia Sage Holliday

#### University of Sydney

year l	Genevieve Blanchett
Year 2	Peter Christensen
Year 3	Edmund Spencer
Year 4	Drew Williamson
Graduand	Elizabeth Bowra

#### University of Newcastle

Year I	Shaun Purcell
Year 2	Si Yin Tan
Year 3	Justine Newby
Year 4	Andrew Donaldson
Graduand	Bathumalai Khrisnan

### BYERA HADLEY TRAVELLING SCHOLARSHIPS (BHTS)

The Byera Hadley Travelling Scholarships (BHTS) bequeathed by the Estate of the late Byera Hadley, are administered by the NSW Architects Registration Board, to enable winners to undertake "*a course of study, research or other activity approved by the Board as contributing to the advancement of architecture*". The Board incurs nominal costs in administering and promoting the Scholarships and has accepted this obligation as an important component of its role in promoting the discussion of architecture in the community. The Board publishes synopses of previous winners' reports on the website. Reports of BHTS Scholarships are available for perusal by contacting the Board's office.

The Scholarships are open to registered architects who are graduates of the four schools of architecture in New South Wales, currently enrolled students and recent graduates.

### THE BOARD AWARDED \$63,000 IN BHTS FUNDS THIS YEAR. THE WINNERS OF THE 2005 BHTS WERE:

Registered Architect Category (\$20,000) Angelo Candalepas Architectural Travels

Registered Architect Category (\$10,000 each) Jason Hugh Prior Studies of the Built Sexual Environment and

Philip Oliver Nobis The Role of Berlin in the Origins of Modern Architecture

Recent Graduate Category (\$5,500 each)

Matthew Bennett A study of Architectural Education at the Harvard Graduate School of Design and James Gardiner Freefab - Freeform Fabrication Applied to Systems Architecture

Student Category (\$4,000 each) Joshua Morrin, University of Sydney Contemporary Architecture: Re-imagining the City and Sonya Redman, University of NSW Community participation and Belinda Smith, University of Technology, Sydney Architecture Serving Humanity – digital technology, mass customization and its potential application in the manufacture of shelter for displaced communities

# AUDITED FINANCIAL STATEMENTS 2005 - 2006



GPO BOX 12 Sydney NSW 2001

### INDEPENDENT AUDIT REPORT

### NSW Architects Registration Board

To Members of the New South Wales Parliament

### Audit Opinion

In my opinion, the financial report of the NSW Architects Registration Board (the Board):

- presents fairly the Board's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 41B of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

My opinion should be read in conjunction with the rest of this report.

#### Scope

### The Financial Report and Board's Responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for the Board, for the year ended 30 June 2006.

The members of the Board are responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

### Audit Approach

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Board members had not fulfilled their reporting obligations.

My opinion does *not* provide assurance:

- about the future viability of the Board,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

#### Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.

in alucia

M P Abood, CPA Director, Financial Audit Services

SYDNEY 10 October 2006

### STATEMENT BY MEMBERS OF THE BOARD

Pursuant to Section 41C (1B) & (1C) of the Public Finance and Audit Act, 1983, and in accordance with the resolution of the members of the Board of Architects of New South Wales, we declare on behalf of the Board that in our opinion:

- 1. The accompanying financial statements exhibit a true and fair view of the financial position of the Board of Architects of New South Wales as at 30 June, 2006 and transactions for the year then ended.
- 2. The Statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Public Finance and Audit (General) Regulation 2005, and the Treasurer's Directions.

We further declare that we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

ion

K. Doy a

Kate Doyle REGISTRAR

Richard Thorp PRESIDENT

6 October 2006

### INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

FOR THE YEAR ENDED 30	JUNE 2006		
	Notes	2006 \$	2005 \$
<b>Revenues</b> Fees Architects Accreditation Council - Examination Fees etc Interest Other Income	I(c)(i), 2 I(c)(i),3 I(e)(i)(iii),I(c) (ii),4 5	647,801 152,170 30,096 33,093 863,160	685,057 160,101 23,574 33,632 902,364
Expenses Salaries and Associated Expenses Board Members Honoraria Architects Accreditation Council - Examination, Expenses, Contributions, etc Printing and Stationery		228,618 31,604 140,178 25,301	238,906 19,551 126,315 37,308
Superannuation Depreciation Prizes Auditing Fees	l (g) l (d),8	21,931 29,696 5,500 8,000	22,25 I 22,869 6,250 7,720
Annual Leave Expense Long Service Leave Expense General Expenses Grants	10(a) 10(b) 6	21,981 6,515 224,082 10,000	18,938 6,125 290,922 10,909
Net Profit	-	753,406 109,754	808,064 94,300

### BALANCE SHEET AS AT 30 JUNE 2006

	Notes	2006 \$	2005 \$
Current Assets			
Cash and cash equivalents	l (e)(i)	418,649	196,277
Receivables	l (e)(ii)	15,961	17,820
Other Financial Assets	l (e)(iii),7	380,104	475,334
Other		2,991	I,746
Total Current Assets	-	817,705	691,177
Non-Current Assets			
Plant and Equipment	I (i),8	167,381	191,784
Total Non-Current Assets	-	167,381	191,784
Total Assets		985,086	882,96 I
Current Liabilities			
Payables	l (e)(iv),9	105,197	119,739
Short-Term Provisions	I(f),I0(a)(b)	72,190	65,278
Total Current Liabilities	-	177,387	185,016
Non-Current Liabilities			
Total Non-Current Liabilities	-	-	-
Total Liabilities	-	177,387	185,016
Net Assets		807,699	697,945
Equity			
Retained Earnings	15	807,699	697,945
Total Equity		807,699	697,945

# CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 Inflows (Outflows) \$	2005 Inflows (Outflows) \$	
Cash Flows from Operating Activities Cash receipts in the course of operations Cash payments in the course of operations Interest Received Net cash provided by operating activities	ІЗ(b)	866,584 (764,325) 30,177 132,436	901,604 (825,683) 31,178 107,099	
Cash Flows from Investing Activities Payment for property, plant and equipment Other Financial Assets Net cash provided by/(used in) investing activities		(5,294) 95,230 89,936	(195,065) 146,686 (48,379)	
Net Increase in Cash		222,372	58,720	
Cash and cash equivalents at beginning of financial year	I 3(a)	196,277	I 37,557	
Cash and cash equivalents at end of financial year	<b>I</b> 3(a)	418,649	196,277	

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006			
	Notes	2006 \$	<b>2005</b> \$
Total Income and Expense Recognised Directly in Equity		-	
Net Profit for the year	15	109,754	94,300
Total Income & Expense Recognised For the Year		109,754	94,300
Effect of Changes in Accounting Policy and Correction of Errors		-	-

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

# FOR THE YEAR ENDED 30 JUNE 2006

# I. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

## (a) **Reporting Entity**

The NSW Architects Registration Board is prescribed as a statutory body under Schedule 2 of the Public Finance and Audit Act 1983.

The Architects Act was passed in 1921 "to provide for the registration and to regulate the practice of Architects; and for purposes connected herewith". The NSW Architects Registration Board was established in the same year under the provisions of the Architects Act to administer the Act.

The Board operated under the Architects Act 1921 until 29 June 2004. Effective from 30 June 2004, the Board and its functions are now governed by the Architects Act 2003. The name of the Board has changed to NSW Architects Registration Board under the new legislation. The new Board is taken to be a continuation of the same legal entity as the former Board.

The primary function of the Board is to determine and maintain the standards required for registration as an architect and to publish a roll of those who have met these standards so that the community may be informed and protected in its selection of providers of architectural services. The Board is a not-for-profit entity.

The financial report for the year ended  $30^{th}$  June 2006 was authorised for issue by the Board on 6 October 2006.

## (b) **Basis of Preparation**

The Board has kept proper accounts and records for all of its operations as required under Section 4I(I) of the Public Finance and Audit Act 1983.

The Board's financial report is a general purpose financial report and has been prepared in accordance with applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS)), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group (UIG) Interpretations and the requirements of the Public Finance and Audit Act 1983, and Regulations and the Treasurer's Directions.

In the absence of a specific accounting standard, other authoritative pronouncement of the AASB of UIG Interpretations, the hierarchy of other pronouncements as outlined in AASB 108 "Accounting Policies" is considered.

The Income Statement and Balance Sheet have been prepared on an accrual and historical cost basis.

The Cash Flow Statement has been prepared on a cash basis using the direct method, and includes all receipts and payments made during the year.

The activities of the entity are exempt from income taxation.

All amounts are expressed in Australian dollars.

## Statement of compliance to AEIFRS

The financial report, comprising the financial statements and notes, complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AEIFRS).

This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly.

In accordance with AASB I First-time Adoption of Australian Equivalents to International Financial Reporting Standards and Treasury Mandates, the date of transition to AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement has been deferred to I July 2005. As a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005.

Reconciliations of AEIFRS equity and profit for 30 June 2005 to the balances reported in the 30 June 2005 financial report are detailed in note 13.

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the NSW Architects Registration Board. The following is a list of these standards:

- AASB 7 Financial Instruments: Disclosure (issued August 2005)
- AASB 119 Employee Benefits (issued December 2004)
- AASB 2004-3 Amendments to Australian Accounting Standards (issued Dec. 2004)
- AASB 2005-1 Amendments to Australian Accounting Standards (issued May 2005)
- AASB 2005-5 Amendments to Australian Accounting Standards (issued June. 2005)
- AASB 2005-9 Amendments to Australian Accounting Standards (issued Sept. 2005)
- AASB 2005-10 Amendments to Australian Accounting Standards (issued Sept. 2005)
- AASB 2006-1 Amendments to Australian Accounting Standards (issued Jan. 2006)

The initial application of these standards will have no impact on the financial results of the NSW Architects Registration Board. The Standards are operative for annual reporting periods beginning on or after I January 2006.

## (c) Revenue Recognition Policy

All revenues arise from operating activities consistent with core operations. Revenue is recognised when the Board has control of the good or a right to receive, it is probable that the economic benefits will flow to the Board and the amount of revenue can be measured reliably. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

i) Sale of Goods and Services

Revenue is derived mainly from the levying of annual registration and examination fees. These charges are recognised as revenue when the Board obtains control of the assets that result from them.

ii) Investment Income

Interest revenue is recognised as it accrues. Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement.

# (d) Depreciation and Amortisation

Depreciation is provided on a straight line basis for all depreciable assets to allocate their costs over their estimated useful lives.

The following depreciation rates are used:

٠	Personal Computers	25%
٠	Furniture	20%
•	Office Fitout	10%

In accordance with AASB 5 Assets Held For Sale are not depreciated.

## (e) Financial Instruments

Financial instruments give rise to positions that are financial assets or liabilities (or equity instruments) to either the Board or its counterparties. These include Cash at Bank, Accounts Receivable, Investments and Payables. Classes of instruments are recorded at cost and are carried at net fair value.

i) Cash and cash equivalents

Cash comprises cash on hand and at bank. Interest was earned on bank balances at an effective rate of approximately 4.1% per annum (4.71% in 2004/05). The rate of interest varies depending upon the bank balances. The monies held on behalf of the BHTS are included in this balance, although they are not for use by the Board. See Note 9.

ii) Receivables

Sundry debtors are recognised as amounts receivable at balance date. Collectability is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. A provision for doubtful debts is raised when some doubt as to collection exists. The credit risk is the carrying amount (net of any provisions for doubtful debts). No interest is earned on sundry debtors. The carrying amount approximates net fair value.

iii) Other Financial Assets Financial Assets Available for sale

The Board has placed funds in fixed term deposits with Westpac Banking Corporation. These deposits have an average maturity of 156 days and effective interest rates of 5.3% to 5.55% per annum (4. 5% to 5.56% in 2004/05).

# iv) Payables

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was applied during the year.

# (f) Employee Entitlements

Liabilities for wages, salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of fringe benefits tax and workers' compensation insurance premiums, which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

Long service leave is measured on a nominal basis. The nominal method is based on the remuneration rates at year-end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

## (g) Superannuation

The Board does not have a deferred liability in respect of contributions for employees' superannuation. Benefits derived by members of the superannuation fund are entirely dependent on the contributions made during their working life. The liability of the Board is discharged by payments to MLC Ltd, Harris Doyle Superannuation Pty Ltd, Mercer Portfolio (SA) Superannuation, REST Fund and ANZ Life Superannuation.

# (h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian 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 the expense.

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

# (i) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions controlled by the Board. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition. Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Plant and equipment costing \$1,000 and above individually are capitalised.

# (j) Revaluation of Physical Non Current Assets

For all Plant and Equipment, the Board uses depreciated historical cost as a surrogate for fair value. These assets have short useful lives. This policy is consistent with the "Guidelines for the valuation of Physical Non Current Assets at Fair Value" (TPP 05-03).

## (k) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor retains all such risks and benefits.

Operating lease payments are charged to the Income Statement in the periods in which they are included.

# 2. FEES

Fees include annual registation fee, fee for listing Nominated Architects and Annual Publication fee.

	2006	2005
	\$	\$
Annual Architects Registration Fee	412,421	425,332
Enrolment Fee Non-Practising Architects	4,990	l 6,970
Enrolment Fees	53,895	49,865
Re-Registration of Architects Fee	66,635	46,600
Annual Registration Fee Non-Practising Architects	14,935	300
Non Practising Re-Registration Fee	385	-
Listing - Nominated Architects	7,650	51,800
Annual Publication Listing	85,000	93,700
Nominated Architect Change Details	I,890	490
	647,801	685,057

# 3. ARCHITECTS ACCREDITATION COUNCIL EXAMINATION FEES ETC

	2006 \$	2005 \$
Examination Fees	121,850	104,350
Assessment Fees	I 3,000	34,180
Sales	17,320	21,571
	152,170	160,101

# 4. INTEREST INCOME

	2006	2005
	\$	\$
Interest on Bank Account	4,797	3,379
Interest on Deposits	25,299	20,195
	30,096	23,574

# 5. OTHER INCOME

	2006	2005
	\$	\$
Sale of Architectural Roll	6,720	5,872
Architects Card	5	10
Certification to Third Party	71	204
Registration Certificate	45	8,115
Architects Code of Professional Conduct	2,125	4,075
Disciplinary Hearing Recovery	7,600	5,600
BHTS Administration Fees Received	7,000	-
CPE Assessment Fees	2,773	-
Other	6,754	9,756
	33,093	33,632

## 6. GENERAL EXPENSES

The general expenses included the following:

	2006 \$	2005 \$
Postage	11,839	6,396
Computer costs	l 6,365	20,906
Advertising	7,647	10,572
Office services	2,921	5,098
Legal expenses	3,471	4,138
Part 4 Discipline Expenses	25,908	19,972
Part 2 Div 2 S9/10 Discipline Expenses	5,947	5,804
BWPRA General Expenses	I,552	16,108
Fees for Service	22,705	26,156
Website Maintenance	2,614	2,151
Public Exhibitions/ Talks PR	-	2,446
Rent and Carparking - minimum lease payments	70,009	64,432
GST Expenses*	-	5,669
Other	13,600	34,402
Ongoing expenses**	39,504	46,672
	224,082	290,922

\* GST Expenses

GST expenses relates to GST not recouped from the Australian Taxation Office during the transition from the Architects Act 1921 and the Architects Act 2003. During 2004/2005 exemptions from Division 81 Determination were not available as they had not been approved by the NSW Treasury. Therefore in 2004/2005 this expense was absorbed by the Board. As expected, during 2005/06 Treasury provided official confirmation that the S81 Determination exemption applied and GST was be recoverable from the ATO.

\*\* Ongoing Expenses

This expenditure comprises Bank Charges (05/06 \$12,062, 04/05 \$13,089), Electricity (05/06 \$1,527, 04/05 \$1,106). Board Expenses (05/06 \$5,533, 04/05 \$7,445), Insurances (including Workers Compensation) (05/06 \$9,195, 04/05 \$12,862), Staff Amenities (05/06 \$1,024, 04/05 \$1,216), Storage (05/06 \$1,065, 04/05 \$1,968), Photocopier (05/06 \$1,502, 04/05 \$0) and Telephone (05/06 \$7,596, 04/05 \$8,986).

NSW Architects Registration Board 2005 - 2006

# 7. OTHER FINANCIAL ASSETS

Financial Assets Available for Sale	2006	2005
	\$	\$
Short Term Deposits	380,104	475,334

# 8. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

# Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Office Equipment \$	Office Fitout \$	Total \$
At I July 2005 At Fair Value Less Accumulated (total) depreciation and	136,572	157,662	294,234
impairment	(91,479)	(10,971)	(102,450)
Net Carrying Amount	45,093	146,691	191,784
At 30 June 2006 At Fair Value Accumulated depreciation and impairment	104,346	157,662	262,008
	(67,890)	(26,737)	(94,627)
Net Carrying Amount	36,456	130,925	67,381
	Office Equipment \$	Office Fitout \$	Total \$
At I July 2004	T	Ţ	Ŧ
At Fair Value	110,033	33,760	143,793
Less Accumulated depreciation and impairment	(90,445)	(33,760)	(124,205)
Net Carrying Amount	19,588	0	19,588
At 30 June 2005 At Fair Value Accumulated depreciation and impairment Net Carrying Amount	136,572 (91,479) 45,093	157,662 (10,971) 146,691	294,234 (102,450) 191,784
, .	Office	Office	
	Equipment \$	Fitout \$	Total \$
Year ended 30 June 2006 Net carrying amount at start of year Additions Depreciation expense	45,093 5,293 (13,930)	146,691 (15,766)	191,784 5,293 (29,696)
Other – Asset Disposal Nil Consideration		(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	· · · ·
	(37,519)		(37,519) 37,519
– Carrying Value – Accumulated Dep'n	37,519		

	Office Equipment \$	Office Fitout \$	Total \$
Year ended 30 June 2005	-	-	-
Net carrying amount at start of year	19,588	0	19,588
Additions	37,403	157,662	195,065
Depreciation expense	(11,898)	(10,971)	(22.869)
Net carrying amount at end of year	45,093	146,691	191,784

Management considers the Market Value of Office Equipment to be fairly approximated by the Written Down Value expressed above.

#### 9. **PAYABLES**

A dissection of Payables comprise:

	2006	2005
	\$	\$
Scholarships*	57,442	99,500
Audit Fees	8,000	7,720
Other	39,755	12,519
	105,197	119,739

\*

<u>Byera Hadley Travelling Scholarships and Promotion Funding</u> The NSW Architects Registration Board administers trust funds provided annually under the provisions of the bequest from the late Byera Hadley. The Trust Company of Australia manages the fund and provide funding for promotion of the Scholarships. This money is not available for normal operational expenditure by the Board.

Reconciliation of BHTS liability:

Opening Balance 01/07/2005 plus: Scholarship funding received from Trustee	\$99,500 <u>\$63,000</u>
less: Payments made to scholarship recipients	\$162,500 \$95,000
less: Reversal of 2005 receivable accrual	<u>\$10,058</u>
BHTS liabilty as at 30/06/2006	<u>\$57,442</u>

#### **PROVISION FOR ANNUAL LEAVE AND LONG SERVICE LEAVE** 10.

Aggregate employee benefits and related on costs

	2006	2005
	\$	\$
Provisions - Current	72,190	65,277
	72,190	65,277

The movements in provisions for the year were:

# (a) **Provision for Annual Leave**

	2006 \$	2005 \$
Balance beginning of year	11,228	6,957
Provided during the year	21,981	18,938
Payments made during the year	(21,583)	(14,667)
Balance end of the year	11,626	11,228

----

----

# (b) **Provision for Long Service Leave**

	2006	2005
	\$	\$
Balance beginning of year	54,049	47,924
Provided during the year	6,515	6,125
Payments made during the year	-	-
Balance end of the year	60,564	54,049

# **II. CONTINGENT LIABILITIES**

As at 30 June 2006, the Board has no known contingent liabilities.

# 12. COMMITMENTS FOR EXPENDITURE

## Lease Commitments

The Board is contracted to one rental agreement for business equipment, classified as an operating lease. Lease payments are charged as a periodic expense. The Board is also contracted to an operating lease agreement for premises for the Board's use, with three years remaining. Rent is payable in advance. Recurrent outgoings including cleaning, electricity, rates, and public liability insurance is the responsibility of the Board and all repairs and maintenance of a structural or capital nature is the responsibility of the lessor. Commitments in relation to non-cancelable operating leases are payable as follows:

Expenditure contracted for at year end, but not provided for:

	2006 \$	2005 \$
Not later than I year Later than I year and not greater than 5 years	79,051 166,718	74,743 224,229
Later than I year and not greater than 5 years	245,769	298,972
Lease Ccommitments and GST		
Operating Lease excluding GST GST on Operating Lease	223,427 22,342	271,793 27,179
GST on Operating Lease	245,769	298,972

# 13. CASH FLOW STATEMENT

# (a) Reconciliation of Cash

For Cash Flow Statement purposes, cash and cash equivalents comprises Cash and Deposits as follows:

	2006 \$	2005 \$
Cash and cash equivalents	418,649	196,277
	418,649	196,277

# (b) Reconciliation of Net Cash provided by Operating Activities to Net Profit / (Loss)

	2006 \$	2005 \$
Net Profit / (Loss))	109,754	94,300
Depreciation	29,696	22,869
Increase/(Decrease) in Payables	(14,542)	(23,311)
(Increase)/Decrease in Accounts Receivable	615	2,845
Increase/(Decrease) in Provisions	6,913	10,396
Operating Activities	132,436	107,099

# 14. IMPACT OF ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AEIFRS)

The NSW Architect Registration Board has applied the AEIFRS for the first time in the 2005/06 financial report. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of options it has mandated for the NSW public sector. The impacts of adopting AEIFRS on total equity and profit / (loss) as reported under previous AGAAP are shown below. There are no material impacts on the NSW Architect Registration Board's financial statements.

## Reconciliation of equity under existing Standards (AGAAP) to equity under AEIFRS:

	Note	30 June 2005 \$	l July 2004 \$
Total equity under AGAAP		697,945	603,645
Total equity under AEIFRS	-	697,945	603,645

Reconciliation of profit / (loss) under existing Standards (AGAAP) to equity under AEIFRS:

Year ended 30 June 2005	Note	30 June 2005 \$
Profit / (Loss) under AGAAP		94,300
Total profit / (loss) under AEIFRS		94,300

# 15. CHANGES IN EQUITY

	2006 \$	2005 \$
Retained earnings at the beginning of the year Changes in Equity - other than transactions with	697,945	603,645
owners as owners	-	-
Profit / (Loss) for the year	109,754	94,300
Retained Earnings at year end	807,699	697,945

# END OF AUDITED FINANCIAL STATEMENTS

# FINANCIAL MANAGEMENT

INCOME BUDGET

ACCT NO	INCOME	BUDGET 2005-2006	BUDGET 2006-2007
01.1000	ENROLMENT FEE	46,500	49,500
01.1001	RE-REGISTRATION FEES	18,000	39,000
01.1002	REGISTRATION FEE FOR ARCHITECTS	450,000	450,000
01.1003	TEMPORARY REGISTRATION FOR O/SEAS ARCHITECTS	0	0
01.1006	REGISTRATION FEE FOR NON PRACTISING ARCHITECTS	0	3,500
01.1007	NON PRACTISING ARCHITECTS - ANNUAL REGISTRATION FEES	17,500	19,600
01.1009	NON PRACTISING ARCHITECTS RE-REGISTRATIONS	0	0
01.1100	LISTING OF "NOMINATED ARCHITECT"/PRACTICE REGISTRATION	2,500	4,000
01.1101	ANNUAL PUBLICATION LISTING FEE FOR NOMINATED ARCHITECT	90,000	85,000
01.1102	"NOMINATED ARCHITECT" CHANGE OF DETAILS FEE	1,050	1,400
01.1300	PRINTED ARCHITECTS REGISTER PURCHASES	3,600	9,900
01.1301-02	ARCHITECTS CARD/CERTIFICATION TO THIRD PARTIES	300	300
05.1800	DISCIPLINARY HEARINGS RECOVERY	0	0
02.1400	BHTS SCHOLARSHIP MONIES RECEIVED	0	0
02.1401	BHTS PROMOTION MONIES	7,000	7,000
01.1600	MISCELLANEOUS RECEIPT - POSTAGE	0	0
01.1601/ 1303-1304	MISCELLANEOUS RECEIPT/ CODE OF CONDUCT & REGISTRATION CERTIFICATE	2,500	3,500
01.2000-04	INTEREST	18,500	30,000
03.3000	AACA - AP EXAMINATION FEES	100,750	117,000
03.1600-01	MISC RECEIPTS POSTAGE/OTHER	0	0
03.3001	AACA - RAE ASSESSMENT FEES	6,250	8,100
03.3002	AACA - SALES, DOCUMENTS	20,000	16,800
04.3100	BWPRA	20,400	9,000
07.1950	CPE ASSESSMENT FEE	0	600
TOTAL		804,850	854,200

ACCT NO	EXPENDITURE	BUDGET 2005-2006	BUDGET 2006-200
SALARIES, H	ONORARIA AND SUPERANNUATION – DEPT 01		
5000/05	SALARIES AND CASUAL WAGES	240,000	250,000
5001	ANNUAL LEAVE	16,500	18,500
5003/04	SUPERANNUATION	30,000	33,000
5009 5010	EMPLOYMENT CONSULTANT MATERNITY LEAVE	0 0	0 7.000
5652	ADVERTISING ADMIN/RECRUITMENT	0	0,000
5100	BOARD MEMBERS HONORARIA	40,000	35,000
		326,500	343,500
ACT ROMU	LGATION, ELECTION AND PUBLICT TALKS – DEPT 01/07		
5400	ACT PROMULGATION	0	0
5401	ELECTION COSTS	0	12,000
7102	PUBLIC EXHIBITION/TALKS PROGRAM	9,850	10,000
5656	ADVERTISING	0	0
5602	STATIONERY	0	0
5803	POSTAGE	0	0
5660 5723	CABCHARGE - CPE CPE CONSULTANTS	0 0	0
7501	CPE LISTED ACTIVITY REFUNDS	0	0
		9,850	22,000
BWPRA-	DEPT 04		
5350	BWPRA EXAMINERS FEES	16,500	8,250
5653		500	500
5351 5352	TRAVEL EXPENSES FOR EXAMINERS BWPRA ROOM HIRE/CATERING EXPENSES	2,000 500	1,000 500
JJJZ	CABCHARGES		
5660		500	
5660 5620	COURIERS	500 500	500 500
			500
5620	COURIERS	500	500 500
5620 CONDUCT	Couriers AND COMPLAINTS - DEPT 05	500 20,500	500 500 11,250
5620 CONDUCT 5500	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS	500 <b>20,500</b> 32,000	500 500 11,250 25,000
5620 CONDUCT 5500 5502	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES	500 <b>20,500</b> 32,000 0	500 500 <b>11,250</b> 25,000 10,000
5620 CONDUCT 5500 5502 5501	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE	500 20,500 32,000 0 4,000	500 500 <b>11,250</b> 25,000 10,000 5,000
5620 CONDUCT 5500 5502 5501 5605	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES	500 <b>20,500</b> 32,000 0	500 500 <b>11,250</b> 25,000 10,000
5620 CONDUCT 5500 5502 5501 5605 5502	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING	500 20,500 32,000 0 4,000 3,000	500 500 <b>11,250</b> 25,000 10,000 5,000 0
5620 CONDUCT 5500 5502 5501 5605 5502 5503	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING CATERING/ROOM HIRE EXPENSES	500 20,500 32,000 0 4,000 3,000 500	500 500 11,250 25,000 10,000 5,000 0 500
5620 CONDUCT 5500 5502 5501 5605 5502 5503 5504 5803	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING CATERING/ROOM HIRE EXPENSES COURT REPORTING AND TRANSCRIPTS COMMITTEE OF INQUIRY SITTING FEES POSTAGE	500 20,500 32,000 0 4,000 3,000 5,000 5,000 5,000 1,000	500 500 11,250 25,000 10,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000
5620 CONDUCT 5500 5502 5501 5605 5502 5503 5504 5803 5504 5803 5620	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING CATERING/ROOM HIRE EXPENSES COURT REPORTING AND TRANSCRIPTS COMMITTEE OF INQUIRY SITTING FEES POSTAGE COURIERS	500 20,500 32,000 0 4,000 3,000 5,000 5,000 5,000 1,000 500	500 500 11,250 25,000 10,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000
5620 CONDUCT 5500 5502 5501 5605 5502 5503 5504 5803 5504 5803 5620 5660	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING CATERING/ROOM HIRE EXPENSES COURT REPORTING AND TRANSCRIPTS COMMITTEE OF INQUIRY SITTING FEES POSTAGE COURIERS CABCHARGES	500 20,500 32,000 0 4,000 3,000 5,000 5,000 5,000 1,000 500 500 500	500 500 11,250 25,000 10,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000
5620 CONDUCT 5500 5502 5501 5605 5502 5503 5504 5803 5504 5803 5620	COURIERS AND COMPLAINTS - DEPT 05 PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS ADT EXPENSES PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE TRAINING ON COMPLAINTS HANDLING CATERING/ROOM HIRE EXPENSES COURT REPORTING AND TRANSCRIPTS COMMITTEE OF INQUIRY SITTING FEES POSTAGE COURIERS	500 20,500 32,000 0 4,000 3,000 5,000 5,000 5,000 1,000 500	500 500 11,250 25,000 10,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000 5,000

ACCT NO	EXPENDITURE	BUDGET	BUDGET
		2005-2006	2006-200

### EDUCATION, BHTS, PRIZES AND GRANTS - DEPT 02/06

5606	SVP - SCHOOL INSPECTION	3,000	2.000
7106	BOARD CONTRIBUTION TO SVP EXPENSES	2,000	2,000
5608	BHTS ADVERTISING/MISC. EXPENSES	,	,
		1,000	1,000
7005	BHTS BOARD COMMITTEE COSTS	500	500
5660	CABCHARGES	500	500
5611	BHTS POSTAGE COSTS/EDUCATION POSTAGE COSTS	500	300
5612	BHTS STATIONERY	500	0
5620	COURIERS	500	500
5613	BHTS ANNUAL CEREMONY COSTS	2,000	3,500
5850	PRINTING BHTS PROMOTION MATERIAL	0	0
5804	BHTS WEBSITE MAINTENANCE	0	0
7006	BHTS ROOM HIRE/CATERING COSTS	0	0
7000	RESEARCH GRANT	6,000	10,000
5654	RESEARCH GRANT ADVERTISING	0	0
5655	RESEARCH GRANT BOARD COMMITTEE COSTS	500	500
5656	RESEARCH GRANT ADMINISTRATION COSTS	0	0
7002	BOARD ANNUAL PRIZES	6,000	6,000
7100	INFORMATION AND PROMOTION	150	0
7005	ARCHITECTS MEDALLION COSTS	0	0
		23,150	26,800

### GENERAL EXPENSES - DEPT 01

		213,000	215,200
6210-30	REFUNDS	0	0
5902	PHOTOCOPIER	4,000	8,400
	OTHER STATUATORY COSTS	6,000	6,000
904	REPAIRS AND MAINTENANCE	3,000	2,500
900/01	RENT/ CARPARK / OFFICE SERVICES	72,000	76,500
820	WORKERS COMPENSATION	2,000	3,000
806/07	TELEPHONE / INTERNET/MOBILE	14,000	10,000
805	WEBSITE MAINTENANCE	8,000	6,000
803	POSTAGE	12,000	12,000
802	GENERAL LEGAL EXPENSES	3,000	3,500
801	INSURANCE D & O/ OFFICE CONTENTS	13,000	13,000
800	ELECTRICITY	1,500	1,600
700/01	COMPUTER/SYSTEMS MAINTENANCE	16,000	15,000
660	CABCHARGE	1,500	1,200
640	TORAGE	1,000	1,000
630	STAFF AMENITIES	1,500	1,500
620	COURIERS	1,000	1,000
651	YELLOW PAGES LISTING/ADVERT	5,000	2,500
607	BOARD PROMOTION OF ARCHITECTURE	10,000	15,000
601	BOARD FUNCTIONS/BOARD MISC EXPENSES	7,000	7,000
600	BOARD MEETING EXPENSES	1,500	1,500
100	BANK ADMINISTRATION FEES	18,000 12,000	15,000 12,000

# CAPITAL EXPENDITURE - DEPT 01

5550/55	NEW PREMISES/FURNITURE	0	0
8000	NEW PRINTER	0	0
		0	0

ACCT NO	EXPENDITURE	BUDGET	BUDGE
		2005-2006	2006-20
PRINTING AI	ND STATIONERY - DEPT 01		
5602	STATIONERY	7,000	7,000
5851	PRINTING BOARD	5,000	10,000
5852	PRINTING NEWSLETTER	2,000	0
5853	PRINTING ARCHITECTS CARDS	5,000	5,000
		19,000	22,000
A A C A - DE	EPT 03		
6011/12	AACA - APE EXPENSES	75,000	85,000
6001/15	AACA - RAE EXPENSES	6,000	6,500
6002	AACA - PER CAPITA CONTRIBUTIONS	17,000	18,000
6009	AACA - CONVENORS MEETING	1,500	1,500
6004	AACA - NVP	5,000	3,000
6005	AACA - COUNCIL MEETING EXPENSES	2,000	2,000
6006	AACA - PURCHASES FROM AACA	18,000	16,000
5620	COURIERS	500	750
5660	CABCHARGES	500	500
5803	POSTAGE	0	500
6013/14	REFUNDS	0	0
6007	MISCELLANEOUS EXPENSES	0	0
6020	MISCELLANEOUS REFUNDS	0	0
		125,500	133,750
CONSULTAN	NTS - DEPT 01		
5720	DESIGN/LAYOUT EXPENSES	0	0
5721	COMMUNICATIONS	0	0
5722	MAILOUT/PRINTING	8,500	9,000
		8,500	9,000
TOTAL		800,500	835,500

LEVEL 2, 156 GLOUCESTER STREET SYDNEY NSW 2000 T +61 2 9241 4033 F +61 2 9241 6144 W www.architects.nsw.gov.au