



ANNUAL REPORT
2009 - 2010

NSW Architects Registration Board

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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 in the broader community.

As of 30 June 2010 there are 4,168 architects in NSW (3475 in the practising category and 693 in the non-practising category) and 1,304 architect corporations and firms.

2009 Sydney Architecture Festival

The Sydney Architecture Festival was held on Monday 6 October 2009, World Architecture Day. The Festival events focussed around Customs House, Circular Quay, and included architectural tours, talks, exhibitions, activities for kids, and other activities aimed at increasing the public's understanding of architecture. The Festival is presented by the Australian Architecture Association, the Australian Institute of Architects, and the NSW Architects Registration Board supported by the City of Sydney.

Architecture insights website

The Board's website www.architectureinsights.com.au, developed in line with the Board's objective to promote an understanding of architectural issues in the community, was launched in February 2010. The website connects the general public, students, architects and others with information about architecture and events and fosters partnerships, collaborations and debate about architecture and the built environment in NSW.

Professional development for teachers of the built environment in the early years of high school

The teaching materials *Spacewise* was developed as a result of a partnership between the NSW Department of Education and Training and the Board. The materials were piloted in schools in the second half of 2009 and professional development workshops for teachers focused on the *Spacewise* teaching materials were held around the State in the first half of 2010. *Spacewise* is now available for all teachers in NSW to access through the NSW Department of Education Training's website or architectureinsights.com.au.

2010 Board Research Grant

The 2010 Research Grant has been awarded to Trina Day to undertake research into alternative housing types that promote adaptive reuse of existing houses to accommodate increased population in Sydney's suburbs. Trina's research into the potential for existing housing stock to be reconfigured to accommodate more than one 'family-unit' holds possibilities for a number of models to increase population density within the existing residential building stock in Sydney.

Regional Forum Sustainable architecture – lessons from the past

A Public Forum presented by the NSW Architects Registration Board in partnership with Wagga Wagga City Council and hosted by the Museum of the Riverina, Wagga Wagga on 30 June 2010. The forum, which explored how energy-efficient strategies that were practised in traditional rural architecture are reappearing in contemporary sustainable architecture, coincided with the Wagga season of the *Built for the Bush Exhibition* curated by the Historic Houses Trust and supported by the Board. Speakers included Architect Peter Stutchbury, Peter Mould, NSW Government Architect and Ian Innes from the NSW Historic Houses Trust.

Review of the Architects Act

The review of the Architects Act by the Minister for Commerce was not complete by the 30 June 2010. The termination date of the Architects Regulation has been extended until 1 September 2011.

NSW Architects Registration Board

The Board includes six architects and five members who are not architects. Richard Thorp is appointed by the Minister for Commerce as his architect nominee, and is President of the NSW Architects Registration Board. Together with Richard Thorp, the architects on the Board include:

Ingrid Pearson, elected architect member

Peter Sarlos, elected architect member

Deborah Dearing, immediate past president of the Australian Institute of Architects NSW Chapter

Peter Armstrong, University of Sydney academic architect representative

Peter Mould, *ex-officio*, NSW Government Architect, and elected Deputy President

Ministerial appointees

Michael Bampton, legal practitioner and partner of the legal firm Henry Davis York – expertise in building and construction law.

Tristram Carfrae, leading structural designer with Arup - expertise in the building industry.

Angelo Tsirekas, Mayor of Canada Bay Council - knowledge and awareness of views of local government in respect of the quality of building.

Kerry Robinson, from Landcom, expertise in the property industry.

Mark Wakely, a journalist and writer - public interest in architectural matters and represents the views of home owners as consumers of architectural services.

In addition to monthly Board meetings, each member participates on one or more of the Board's Standing Committees or Work Groups established to oversee projects.

Board Meeting Attendances for Financial Year Ended 30/6/10

NAME	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	TOTAL
R THORP (A/M)	✓	✓	LOA	N/M	✓	LOA	N/M	✓	✓	✓	✓	✓	8/10
M BAMPTON (A/M)	✓	✓	LOA	N/M	LOA	✓	N/M	LOA	✓	✓	✓	✓	7/10
P ARMSTRONG (A/S)	LOA	✓	✓	N/M	✓	✓	N/M	✓	✓	✓	✓	✓	9/10
T CARFRAE (A/M)	LOA	✓	✓	N/M	✓	✓	N/M	✓	✓	✓	✓	✓	9/10
D DEARING (EX-O)	LOA	✓	✓	N/M	✓	✓	N/M	✓	✓	✓	✓	✓	9/10
A TSIREKAS (A/M)		✓	LOA	N/M	✓	✓	N/M	✓	✓	✓	✓	LOA	7/9
P MOULD (EX-O)	✓	✓	✓	N/M	✓	✓	N/M	✓	✓		✓	✓	9/10
I PEARSON (E)	✓	LOA	✓	N/M	✓	✓	N/M	✓	✓	✓	✓	✓	9/10
K ROBINSON (A/M)	✓	✓	✓	N/M	✓	✓	N/M	✓	✓	✓	✓	LOA	9/10
P SARLOS (E)	✓	✓	✓	N/M	LOA	✓	N/M	LOA	✓	✓	LOA	LOA	6/10
M WAKELY (A/M)	LOA	✓	✓	N/M	LOA	LOA	N/M	✓	✓	✓	LOA	✓	6/10
H LOCHHEAD (deputy for P Mould)										✓			1/1

Notes: LOA Leave Of Absence A/M Appointed By Minister
A/S Appointed By School E Elected
EX-O Ex-Officio N/M No Meeting

An honorarium is paid to each Board member for their board and other related committee work. These fees are in line with the policies established by the Premier's Office.

Board Examiners and Assessors

The Board draws upon the services of architects to serve as examiners and assessors for the Architects Accreditation Council of Australia Architectural Practice Examination, the 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

T Alexander	D Gosper	M Raad
P Atkin	C Griffiths	J Rayner
J Baker	C Gunton	P Reed
M Bayl-Smith	R Hawkins	M Roberts
M Beattie	T Helyar	S Rofail
G Bensen	D Holm	D Russell
R Blackmore	R Hudson	J Ryan
M Boffa	E Insausti	B Scott
P Brennan	E Jansen	J Schneller
P Briggs	M Jones	M Sheldon
G Brock	A Kaplun	M Shoolman
S Chand	J Ladd-Hudson	B Sonter
A Chistiakoff	F Lewis	M Standley
S Cheong	M Levy	R Stevens
J Cockings	L Lim	A Thomas
R Costa	J Lukaszewicz	M Thornton
J Delohery	D Mayes	A Tribe
R Edgar	I McCaig (State Convenor)	D Vander Breggen
G Evans	B McDonald	H Warren
P Fung	M McGrane	H Webster
P Gallagher	P McNevin	D Wilson
A Gamkrelidze	J Moorcroft	J Wuhrer
M Gaston	J Mazaraki	V Yanchenko
R Gerner	N Nicotra	R Yuen
C Goodwin	S O'Neill	
L Gosling	E Prineas	

NSW Review of Academic Equivalence

P Bardsley	C Griffiths	P O'Carrigan
A Boddy	J Ladd-Hudson	J Poiner
P Briggs	S Morgan	M Pullinger
	K Orr	H Webster

Built Work Program of Assessment

J Ladd-Hudson
D Russell
D van der Breggen
K Orr

Board Governance

The work of the Board derives from the objectives and functions of the Board included in the Act. There are specific Board delegations outlined in the Act. The operational priorities are identified in the Corporate Plan which is reviewed annually. The Board has a Committee structure in place with defined responsibilities. The Board has in place a Risk Management Plan which is reviewed and updated by the Board twice per year. The Board's OH&S policy and procedures are reviewed regularly in line with relevant legislative procedures.

The Board maintains appropriate insurances including Workers' Compensation, Public Liability and Contents insurances, Association Liability insurance for the protection of Board Members. These insurances are reviewed annually to ensure appropriate cover.

The Board contracts the services of external consultants to maintain plant (the separate air conditioning system) and IT equipment and software. A back up system for IT records is in place and so is a Disaster Recovery Plan that is maintained by our external consultant. The Board maintains and updates annually the asset register.

Independent legal advice is sought as required and accounting services are provided on a consultancy basis by the Finance section of the Department of Service, Technology and Administration. Other professional advice is sought on an as needs basis.

Authority for making decisions rests with the Board unless specifically delegated to a Committee or the Registrar. There is a financial delegation of \$5,000 in place in relation to expenditure by the Registrar without referral to the Board. Specification delegations arise out of Board recommendations and decisions minuted at each Board meeting.

Committees and workgroups

The Board has established a number of Committees to guide the operations of the Board.

Under the provisions of S 62 (1) of the Architects Act *The Board may establish Committees to assist it in connection of any of its functions. And (2) It does not matter that any or all of the members of the committee are not members of the Board. [Note: this provision does not apply to Complaint Committees established by the Board]*

Board Committees are supported by the Registrar and staff as appropriate. Generally the Registrar attends all Committee meetings unless otherwise agreed by the Committee. As at 30 June 2010 the following Committees were in operation:

Complaints Committee

The Complaints Committee oversees the statutory obligations imposed upon the Board relating to disciplinary complaints against the conduct of architects, and complaints about individuals, corporations and firms representing themselves to be architects.

Members: Michael Bampton (chair), Tristram Carfrae, Peter Sarlos, Angelo Tsirekas, Ingrid Pearson, Kerry Robinson, Richard Thorp.

Finance and Remuneration Committee

The Finance and Remuneration Committee oversees the financial management and reporting functions to the Board and advises the Board on issues relating to the Registrar's remuneration.

Members: Richard Thorp (Chair), Michael Bampton, Kerry Robinson and Peter Mould.

Work Group to oversee the Board's response to the Architects Act

Committee was formed to oversee the Board's contribution to the review of the Act which according to the legislative timeframe should have been completed by the end of 2009.

Members: Michael Bampton (Chair), Richard Thorp, Kerry Robinson, Peter Mould, Peter Sarlos

The Board also establishes Work Groups from time to time to oversee the work of specific projects.

Income

The Board is entirely funded by fees levied upon architects and architect corporations and firms and examination fees. The annual registration fee is \$200. There is a one off listing fee of \$60 and an annual voluntary publication fee of \$120 for corporations and firms listing the architect/s responsible for the provision of architectural services. The current fees charged by the Board are in line with those 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 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*. The Board has determined that at least nine months of operational funds should be kept in reserve.

Board Financial Management Framework

The Board *Financial Management Framework* outlines the Board’s financial policies and procedures for handling all financial matters in the Board. The Framework is updated regularly to reflect Government policies, Directives and Memorandums, Board decisions and relevant policies, and is reviewed regularly to incorporate appropriate improvements proposed by staff.

Information for architects, consumers and the public

The Board’s website is the primary means of communicating with the public and the profession. The site is regularly updated to reflect legislative and policy changes and has been revamped to include a search facility and other general improvements to the functionality of the site.

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 and electronic formats.

The Board publishes Information Sheets and Circulars of Information on the following responsibilities of the Board:

- The Architecture Practice Examination
- The Built Work Program of Assessment
- Illegal representation as an architect
- Complaints against Architects
- CPD for Architects

The leaflet *Working with an Architect* is an important source of information for consumers, and is also available in hard copy and electronic formats.

Also published are the procedures for applying for registration and/or re-registration as an architect, student awards, and the Byera Hadley Travelling Scholarships.

Application forms for all Board processes are published together with “how to apply” information.

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.

Statutory Obligations

The Board is aware of Government policy of commitment to equal employment opportunity, 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 integrates the Community Relations Priorities Statement into the Board's recruitment processes.

The Board also acts 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 as an 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.

Internal Audit and Risk Management Statement

The NSW Architects Registration Board has internal audit and risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*.

The Audit and Risk Committee for the Board is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

- Mr Peter Whitehead, Independent Chair
(period of appointment from 1 September 2009 to 31 August 2012)
- Ms Carolyn Burlew, Independent Member
(period of appointment from 1 September 2009 to 31 August 2011)
- Dr Gul Izmir, Independent Member
(period of appointment from 8 October 2009 to 7 October 2011)
- Ms Anne Skewes, Non-independent member
(period of appointment from 24 March 2010 to 23 March 2013)
- Mr Michael Silk, Non-independent member
(period of appointment from 24 March 2010 to 23 March 2013)

These processes provide a level of assurance that enables the senior management of NSW Architects Registration Board to understand, manage and satisfactorily control risk exposures.

Freedom of Information Act 1989- S 14 (2)

Freedom 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 and the Register of Disciplinary Actions.

There have been no requests for information under FOI for this year. The Government Information (Public Access) Act (GIPA) came into force on 1 July 2010. The Board will update its information about the provision of information to the public to comply with the provision of GIPA by 31 October 2010.

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.

Public Finance and Audit Regulation 2005 and Annual Reports Legislation — Reporting on Payment of Accounts

In accordance with Clause 15 of the Public Finance and Audit Regulation 2005, 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 06/26 December 2006, 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 2009	228,294.02	-	-	-	-
December 2009	271,118.15	-	-	-	-
March 2010	202,251.80	-	-	-	-
June 2010	209,246.17	-	-	-	-

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

QUARTER	TOTAL ACCOUNTS PAID ON TIME			TOTAL AMOUNT PAID \$
	TARGET %	ACTUAL %	\$	
September 2009	100	100	244,814.02	244,814.02
December 2009	100	100	304,903.15	304,903.15
March 2010	100	100	240,018.30	240,018.30
June 2010	100	100	233,905.17	233,905.17

Annual Reports (Statutory Bodies) Regulation 2005

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

1. Number of copies printed – 100
2. Average cost of producing each copy - \$44

Annual reports are published in the Board's website.

National and International Connections The Architects Accreditation Council of Australia

The Architects Accreditation Council of Australia (AACA) is 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. The President and Registrar are members of AACA. The Registrar is currently a Director of the AACA Executive.

Key priorities of the AACA include overseeing the review of the process undertaken to determine the Academic Equivalence of Overseas Qualifications for the purpose of registration and identifying a strategy to move towards common requirements in all jurisdictions for continuing registration. A Registrars' Network comprising the Registrars from the State and Territory Registration Boards from around Australia shares information and facilitates, within the constraints of respective State and Territory legislation, streamlining administrative procedures that must be followed by architects and architect corporations across Australia.

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.

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-years of study 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.

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 Master of Architecture degree, being the academic qualification prescribed by the Act.

Academic courses from NSW universities, receive annual visits from a joint Australian Institute of Architects and Registration Board Visiting Panels. Additionally, National Visiting Panels recommend continuing accreditation of qualifications to the Board for a maximum period of five years and provide advice and recommendations on the standard and conduct of the courses.

In 2009, the University of Technology, Sydney received the National Visiting Panel and was granted accreditation for a maximum period of five years.

Architectural Practice Examination (APE)

The final qualification for registration as an architect in NSW is the successful completion of the Architectural Practice Examination, established by AACA and administered by the State/Territory Registration Boards. In New South Wales 186 candidates were admitted to the examination and 161 were successful for the period 1 July 2009 to 30 June 2010.

Mutual Recognition

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, 57 interstate architects were admitted to the NSW Register under the terms of the Mutual Recognition Act.

Trans Tasman Mutual Recognition Agreement (TTMRA)

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 3 architects from New Zealand were admitted to the NSW Register under the terms of the TTMRA.

Built Work Program of Assessment (BWPrA)

There were no applications in 2009-10

NSW Register of Architects

PROFILE OF ARCHITECTS IN NSW AS AT 30 JUNE 2010

Number of registrants									
2005	2006	2007	2008	2009	2010				
3622	3748	3769	3907	4000	4168				
Ratio between practising and non-practising					3475 / 693				
New enrolments									
203	207	215	244	203					
Location of registrants as of 30.6.10 (Practising and Non-Practising)									
	NSW	ACT	Q	V	SA	WA	TAS	NT	O'SEAS
Prac	2991	54	147	131	20	14	8	4	106
NonPrac	588	7	23	22	6	5	1	0	41
Total	3579	61	170	153	26	19	9	4	147
Total Registered Architects in NSW who are active as at 30.06.2010					4168				

Age range of registrants	Full Registration				Non-Practising		
	M	F	% of F	Total	M	F	Total
90 +	0	0		0	2	0	2
80 to 89	9	0		9	58	3	61
70 to 79	122	5		127	137	10	147
60 to 69	632	34		666	232	21	253
50 to 59	866	125		991	77	18	95
40 to 49	654	236		890	35	34	69
30 to 39	442	300		742	19	46	65
20 to 29	25	25		50	0	1	1
Total	2750	725	26%	3475	560	133	693
Overall Total							4168

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 \$60, and to be included in the List of Architect Corporations or Firms available on the Board's website an additional annual fee of \$120 is payable. Sole traders are not required under the Act to list a nominated architect with the Board.

Since September 2004 the Board has listed 1566 architect corporations and firms of which 1304 remain active at 30 June 2010.

Corporations and Firms in NSW with nominated architects listed to date	
Number of Corp/Firms listed since 09/04	1566
Number of active Corp/Firms as at 30.06.10	1304

Complaints against the professional conduct of architects

There were four matters received in previous reporting years that held over into the current year. One matter is ongoing. One matter was dismissed, and in three matters the Architect was found guilty of unsatisfactory professional conduct.

Jason Blake Registration Number 6485

Pursuant to section 43 (4) of the Architects Act 2003 the Board finds the Architect Jason Blake guilty of unsatisfactory professional conduct in that he has as follows:

- I. Breached the requirements of the NSW Architects Act in failing to provide his client with a copy of the NSW Architects Code of Professional Conduct (Code).
- II. Breached the requirements of the Act by Requesting payment of a deposit in an amount which exceeded the requirements of the Code.
- III. Breached the requirements of the Act by failing to provide architectural services with reasonable promptness and in accordance with agreed times or in a reasonable time as required by the Code.

Further, pursuant to 43 (4) (a), the Board orders that the Architect be cautioned; and pursuant to section 43 (4) (e) of the Architects Act 2003 orders that the Architect be required to file within 3 months of the date of this decision taking effect, a statutory declaration to the Board reporting on the following matters: compliance with the NSW Architects Code of Professional Conduct; strategies put into place to improve record keeping; strategies put in place to improve communication with clients.

Colin Irwin Registration Number 4302

That pursuant to section 43(4) of the Architects Act 2003 the Board finds the Architect Colin Irwin guilty of unsatisfactory professional conduct. Specifically he breached the following components of the NSW Respondents Code of Professional Conduct:

Part 2 General Practice Standards 4 Provision of Architectural standards generally

(1) *in providing Architectural services, an Architect should:*

(a) *act with integrity and reasonable care, and (b) provide the services:*

(1) *in a manner that (at the time the service is being provided) is widely accepted in Australia by per professional opinion as competent professional Architectural practice*

(2) *an Architect should provide Architectural services to a client:*

(a) *with reasonable promptness, and (b) in accordance with any agreed time program or in a reasonable time as far as is permitted by the provision of instructions to the Architect by the client.*

Part 3 Standards concerning dealings with clients

- (1) *an Architect should provide sufficient relevant information with reasonable promptness to enable a client or prospective client to make an informed decision in relation to the provision of Architectural services.*
- (2) *in particular, the Architect should take all reasonable steps to:*
 - (a) *ensure that all information and material provided is truthful, accurate and unambiguous and relevant to the client's interests.*
- (4) *an Architect should advise a client on the likelihood of achieving the client's stated objectives having regard to the client's stated budget and time requirements for the Architectural services concerned.*

Pursuant to S 43(4) (e) of the Act, the Board orders that the Architect attend an appropriate practice management course; and that within three months of the completion of that management course report on the steps put in place to further improve the management of his practice.

Phillip Pratt Registration Number 4799

Pursuant to section 43(4) of the Architects Act 2003 the Board finds the Architect Phillip Pratt guilty of unsatisfactory professional conduct in that the design process did not have sufficient checks in place to ensure that the construction budget was in line with the original budget cited in the Fee Proposal document agreed between the parties.

Further that he failed to communicate with the client about the possibility of the budget being exceeded throughout the design process.

Pursuant to S 43(4) (e) of the Act, The Board orders that the Architect file within three months of the date of this decision taking effect, a statutory declaration to the Board reporting on the following matters:

- I. Strategies put in place to ensure sufficient checks are put in place throughout the design process to monitor budget against the original budget agreed.
- II. Strategies put in place to improve communication with clients.

Denis Magoffin Registration Number 2307

Pursuant to section 43 (4) of the Act the Board finds Denis Magoffin guilty of unsatisfactory professional conduct and orders that prior to the Board considering an application for restoration to the NSW Register of Architects Denis Magoffin submits a statutory declaration to the Board reporting on the measures put in place to improve his architectural practice.

Richard Barraclough Registration Number 5616

Pursuant to section 43 (4) of the Act the Board found the Architect guilty of unsatisfactory professional conduct and ordered that the Architect be issued with a caution in respect of his failure to have a client agreement in place before commencing to provide the architectural service concerned.

Phillipe Goriaux and Insite Architecture & Design (Newcastle) Pty Ltd

Registration Number 5512

Pursuant to section 43 (3) of the Act the Board finds the Architect guilty of professional misconduct. The Board referred this matter to the Administrative Decisions Tribunal for a disciplinary finding. The Tribunal found that Mr Goriaux's conduct constitutes professional misconduct under S 32 (a) of the Act. The Tribunal ordered that Mr Goriaux should not be permitted to apply for re-registration as an architect until a period of two years from the date of this decision has elapsed.

Twenty complaints against architects were received in the reporting year 2009/10. Thirteen matters are ongoing, and five matters were dismissed. In two matters the architect was found guilty of unsatisfactory professional conduct and the decisions recorded on the Register of Disciplinary Action maintained by the Board and available to the public in the Consumer section of the Board's website.

Richard Barraclough Registration Number 5616

Pursuant to section 43 (4) of the Act the Board finds Richard Barraclough guilty of unsatisfactory professional conduct. and orders that prior to the Board considering an application for restoration to the NSW Register of Architects Richard Barraclough submits a statutory declaration to the Board reporting on:

- I. Compliance with the NSW Architects Code of Professional Conduct
- II. The instigation of a quality management plan to ensure documents comply with the retainer
- III. The development and implementation of strategies put in place to improve communication with clients.

Stephen Ledger Registration Number 4662

Pursuant to section 43(4) of the Architects Act 2003 the Board finds Stephen Ledger guilty of unsatisfactory professional conduct.

Further, that pursuant to section 43(4)(e) of the Act, the Board orders that the Architect is required to file by 13 December 2010 a statutory declaration to the Board reporting on the following matters:

- I. Strategies he has implemented to ensure sufficient checks are put in place throughout the design process to monitor a budget against the original budget agreed between himself and a client.
- II. Strategies he has implemented to improve his communication with clients.

Offences relating to the practice of architecture Section 9 and 10 of the Act

The use of the title 'architect' is protected by the Architects Act 2003, and can only be used by persons who are on the NSW Register of Architects. If 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 professional qualifications, completed a period of practical experience in architecture and have passed the Architectural Practice Examination before applying to be enrolled 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.

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 on providers of design services are based upon accurate information about the registration status of the service provider. The pamphlet *Working with an Architect* is published by the Board to guide consumers on the architects' roles and obligations to their clients, and vice versa, the role of the clients to assist the realisation of their project. The Board's on line searchable database of architect and architect corporations is also used by the public to confirm the status of a person or corporation or firm.

In addition the Board follows up reports of persons or firms reportedly representing themselves or others as architects, and monitors classified advertising to check compliance with S 9 and 10 of the Architects Act. In cases where a potential breach is identified, the individual or entity is given the opportunity to remedy the matter. Where the representation isn't remedied, the Board may take action against the individual or entity in the Local Court.

In the reporting year 36 complaints were received alleging breaches of S 9 and 10 of the Act. Of these, in 9 cases no further action was required; in 22 cases the matter was closed because the respondent complied with the Act, and 5 matters are ongoing.

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 Heads of the four schools of architecture in NSW.

The 2009 Architects Medallion was awarded to Thomas Richard Cole, a graduate of the University of New South Wales.

The Board is a major supporter of the graduating students' exhibitions in each of the four schools of architecture in universities in NSW.

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 www.architectureinsights.com.au.

Scholarships are open to graduates of the four schools of architecture in New South Wales and those who are currently enrolled as students in a course offered by of the four schools of architecture in New South Wales.

The Board awarded the following scholarships in 2009:

Student Category

Robert Beson

University of Technology, Sydney

Project: Relational Geometries: Custom Fabrication and Assembly of Digital Architecture

Graduate Category

Melonie Bayl-Smith

Project: The Future of Construction Education

Caroline Pidcock

Project: The Architecture of Zero Emission Housing

Marcus Trimble

Project: The Transformative Potential of the Monolithic

Thomas Cole

The Politics of Memory

David Burdon

The Architecture of City: Venice & Shanghai

Amanda Clarke

Architecture that tells a story

Michael Smith

Individual Buildings making a global difference: the Venice Architecture Biennale 2010



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

NSW Architects Registration Board

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the NSW Architects Registration Board (the Board), which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Board as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

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

The Board's Responsibility for the Financial Statements

The members of the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statement based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board's preparation and fair presentation of the financial statements 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 Board's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board as well as evaluating the overall presentation of the financial statements.

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

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.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A 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 of New South Wales are not compromised in their role by the possibility of losing clients or income.



Heather Watson
Director, Financial Audit Services

20 October 2010
SYDNEY

STATEMENT BY MEMBERS OF THE BOARD

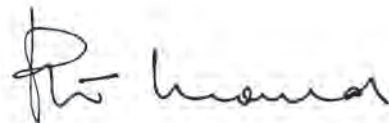
Pursuant to Section 41C (1B) & (1C) of the Public Finance and Audit Act, 1983, and in accordance with the resolution of the members of the NSW Architects Registration Board, we declare on behalf of the Board that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the NSW Architects Registration Board as at 30 June, 2010 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 Regulation 2010, 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.



Richard Thorp
President



Peter Mould
Vice President

20 October 2010

NSW ARCHITECTS REGISTRATION BOARD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 \$	2009 \$
Revenue			
Fees	1(e)(i), 2	872,620	791,705
Architects Accreditation Council - Examination Fees etc	1(e)(i), 3	142,586	156,693
Interest	1(e)(ii), 4	38,088	51,811
Other Income	1(e)(i), 5	20,964	49,227
TOTAL REVENUE		1,074,258	1,049,436
Expenses			
Employee Related Expenses	6	392,268	350,997
Board Members Honoraria		25,149	21,535
Architects Accreditation Council Expenses		113,455	123,602
Rent		89,477	79,684
Computer Related Expenses		36,951	27,214
Advertising/Promotions		114,590	87,581
Printing and Stationery		16,487	35,698
Depreciation	1(f)(iv), 9	28,811	32,581
Audit Fees		11,900	11,900
General Expenses	7	144,410	138,493
Grants		10,082	10,909
TOTAL EXPENSES		983,580	920,194
SURPLUS/(DEFICIT) FOR THE YEAR		90,678	129,242
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		90,678	129,242

The accompanying notes form part of these financial statements.

NSW ARCHITECTS REGISTRATION BOARD

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2010

	Notes	2010 \$	2009 \$
Current Assets			
Cash and cash equivalents	8(a), 12	391,529	429,250
Receivables	8(b), 12	21,194	12,769
Other Financial Assets	8(c), 12	1,088,546	885,808
Total Current Assets		1,501,269	1,327,827
Non-Current Assets			
Plant and Equipment	1(f)(i)-(v), 9	102,662	120,928
Total Non-Current Assets		102,662	120,928
Total Assets		1,603,931	1,448,755
Current Liabilities			
Payables	1(g)(i), 10, 12	150,384	109,582
Employee Provisions	1(g)(ii)-(iii), 11	102,186	83,313
Total Current Liabilities		252,570	192,895
Non-Current Liabilities			
Employee Provisions	1(g)(ii)-(iii), 11	16,109	11,286
Total Non-Current Liabilities		16,109	11,286
Total Liabilities		268,679	204,181
Net Assets		1,335,252	1,244,574
Equity			
Retained Earnings		1,335,252	1,244,574
Total Equity		1,335,252	1,244,574

The accompanying notes form part of these financial statements.

NSW ARCHITECTS REGISTRATION BOARD

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 Inflows (Outflows) \$	2009 Inflows (Outflows) \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		1,248,493	1,133,061
Cash payments in the course of operations		(1,072,828)	(967,434)
Interest Received		28,418	51,666
Net payment from/(to) ATO for GST		(28,520)	(20,383)
Net cash provided by operating activities	15	175,563	196,910
Cash Flows from Investing Activities			
Payment for property, plant and equipment		(10,545)	(24,813)
Other Financial Assets		(202,739)	(50,208)
Net cash provided by/(used in) investing activities		(213,284)	(75,021)
Net Increase/(Decrease) in Cash		(37,721)	121,889
Cash and cash equivalents at beginning of financial year		429,250	307,361
Cash and cash equivalents at end of financial year	8(a),12(a)	391,529	429,250

The accompanying notes form part of these financial statements.

NSW ARCHITECTS REGISTRATION BOARD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 \$	2009 \$
Balance as at 1 July 2009		1,244,574	1,115,332
Surplus/(Deficit) for the Year		90,678	129,242
Other Comprehensive Income		-	-
Total Comprehensive Income For the Year		90,678	129,242
Balance as at 30 June 2010		1,335,252	1,244,574

The accompanying notes form part of these financial statements.

NSW ARCHITECTS REGISTRATION BOARD

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010

1. SUMMARY 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. Effective from 30 June 2004, the Board and its functions operated under the Architects Act 2003.

The Board's role is protecting consumers of architectural services by ensuring that architects provide services to the public in a professional and competent manner, disciplining architects who have acted unprofessionally or incompetently, accrediting architectural qualifications for the purpose of registration, informing the public about the qualifications and competence of individuals or organisations holding themselves out as architects and promoting a better understanding of architectural issues in the community. The Board is a not-for-profit entity.

The financial statements for the year ended 30 June 2010 have been authorised for issue by the Board on 20 October 2010.

(b) Basis of Preparation

The Board has kept proper accounts and records for all of its operations as required under Section 41(1) of the Public Finance and Audit Act 1983.

The Board's financial statements are general purpose financial statements and have been prepared in accordance with applicable Australian Accounting Standards (which include Australian Accounting Interpretations) and the requirements of the Public Finance and Audit Act 1983, and Regulations and the Treasurer's Directions.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial report

The Statement of Comprehensive Income and the Statement of Financial Position have been prepared on an accrual and historical cost basis, unless otherwise stated.

The Statement of Cash Flows 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.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) 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. Receivables and payables are stated inclusive of GST.

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

(e) Income Recognition

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 using the effective interest method as set out in *AASB 139 Financial Instruments: Recognition and Measurement*.

(f) Assets

(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.

(ii) Capitalisation Threshold

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

(iii) 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 07-01).

(iv) 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:

• Personal Computers	25%
• Furniture	20%
• Major Software	20%
• Office Fitout	10%

(v) Impairments of Assets

At each reporting date, the Board reviews the carrying values of its 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

(vi) 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 Statement of Comprehensive Income in the periods in which they are included.

(vii) 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. An allowance 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.

(viii) Other Financial Assets

Financial Assets Held to Maturity

The Board has placed funds in fixed term deposits with Westpac Banking Corporation. These deposits have an average maturity of 235 days and interest rates of 3.8% to 6.0% per annum (3.8% to 8.1% in 2008/09).

(g) Liabilities

(i) 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.

(ii) 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.

(iii) Long Service Leave

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.

(iv) 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.

(h) New Australian Accounting Standards Issued But Not Effective

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative. NSW Treasury has mandated not to early adopt any of the new standards/interpretation as per Treasury Circular TC10/8. As such, these new standards/interpretation have not been early adopted by the Board. It is considered that the implementation of these Standards will not have any material impact on NSW Architects Registration Board financial results.

(i) Comparative Information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

2. FEES

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

	2010	2009
	\$	\$
Annual Fee - Practising Architects	721,935	630,580
Annual Fee - Non-Practising Architects	23,280	20,920
Registration Fee - Practising Architects	24,420	24,900
Registration Fee - Non-Practising Architects	4,000	3,600
Restoration Fee - Practising Architects	11,700	16,350
Restoration Fee - Non-Practising Architects	1,000	2,560
Corporations Listing Fee	5,280	4,080
Corporations Publication Fee	79,080	87,000
Corporations Change of Details	1,925	1,715
	<u>872,620</u>	<u>791,705</u>

3. ARCHITECTS ACCREDITATION COUNCIL EXAMINATION / BWPRA FEES ETC

	2010	2009
	\$	\$
Examination Fees	127,200	132,550
Assessment Fees	10,650	11,700
Sales - Publications	4,736	12,443
	<u>142,586</u>	<u>156,693</u>

4. INTEREST INCOME

	2010	2009
	\$	\$
Interest on Bank Account	285	1,295
Interest on Deposits	37,803	50,516
	<u>38,088</u>	<u>51,811</u>

5. OTHER INCOME

	2010	2009
	\$	\$
Printed Architects Register Purchases	3,311	4,010
Architects Card	39	49
Certification to Third Party	36	63
Registration Certificate	114	159
Architects Code of Professional Conduct	427	1,075
Disciplinary Hearing Recovery	1,857	208
Sydney Architecture Festival Promotions	-	34,300
BHTS Promotion Monies Received	13,500	5,900
Continuing Professional Education Listing Fees	-	582
Postage Receipts	545	1,113
Other	1,135	1,768
	<u>20,964</u>	<u>49,227</u>

6. EMPLOYEE RELATED EXPENSES

The Employee Related Expenses include the following

	2010	2009
	\$	\$
Salaries	305,195	267,917
Annual Leave	29,068	27,214
Long Service Leave	19,251	19,122
Superannuation	38,754	36,744
	<u>392,268</u>	<u>350,997</u>

7. GENERAL EXPENSES

The general expenses include the following:

	2010	2009
	\$	\$
Postage	11,573	11,656
Telephone	6,119	6,828
Office services	4,477	3,980
Legal expenses	11,711	2,556
Part 4 Discipline Expenses	5,129	28,646
Part 2 Div 2 S9/10 Discipline Expenses	2,500	105
Administrative Decisions Tribunal Expenses	6,660	3,000
Prizes	20,000	-
Fees for Service	7,100	10,265
Board Expenses	18,656	11,407
Bank Charges	16,890	17,891
Insurances (inc Workers Compensation)	7,628	6,962
Other Ongoing expenses**	25,967	35,197
	<u>144,410</u>	<u>138,493</u>

** Ongoing Expenses

Major other ongoing expenses includes Medallion Costs (\$5,000), Photocopier (\$4,558), Annual School Visit Program (\$3,618), Staff Amenities (\$2,944), Electricity (\$2,720), and Cab Charges (\$2,626).

8. CURRENT ASSETS

(a) Cash and cash equivalents

Cash comprises cash on hand and at bank. Interest was earned on bank balances at an effective rate of approximately 0.45% per annum (1.15% in 2008/09). 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 10.

	2010	2009
	\$	\$
Cash at Bank and on Hand	<u>391,529</u>	<u>429,250</u>

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank and cash on hand. Cash and cash equivalents recognised in the Statement of Financial Position are reconciled at the end of financial year as shown to the Statement of Cash Flows as follows:

2010	2009
-------------	-------------

	<u>\$</u>	<u>\$</u>
Cash and cash equivalents (per Statement of Financial Position)	391,529	429,250
Closing Cash and Cash Equivalents (per Statement of Cash Flows)	<u>391,529</u>	<u>429,250</u>

(b) Receivables

	2010	2009
	\$	\$
General Prepayments	10,076	10,606
Interest Receivable	9,816	145
GST Receivable	1,302	2,018
	<u>21,194</u>	<u>12,769</u>

(c) Other Financial Assets

	2010	2009
	\$	\$
Financial Assets Held to Maturity		
Short Term Deposits	<u>1,088,546</u>	<u>885,808</u>

9. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Office Equipment \$	Office Fitout \$	Total \$
At 1 July 2009			
At Gross Carrying Amount	109,822	157,661	267,483
Accumulated depreciation	(72,520)	(74,035)	(146,555)
Net Carrying Amount	<u>37,302</u>	<u>83,626</u>	<u>120,928</u>
At 30 June 2010			
At Gross Carrying Amount	112,776	157,661	270,437
Accumulated depreciation	(77,974)	(89,801)	(167,775)
Net Carrying Amount	<u>34,802</u>	<u>67,860</u>	<u>102,662</u>

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 \$
Year ended 30 June 2010			
Net carrying amount at start of year	37,302	83,626	120,928
Additions	10,545	-	10,545
Depreciation expense	(13,045)	(15,766)	(28,811)
Net carrying amount at end of year	<u>34,802</u>	<u>67,860</u>	<u>102,662</u>

	Office Equipment \$	Office Fitout \$	Total \$
At 1 July 2008			
At Gross Carrying Amount	91,201	157,662	248,863
Accumulated depreciation	(61,896)	(58,270)	(120,166)
Net Carrying Amount	<u>29,305</u>	<u>99,392</u>	<u>128,697</u>
At 30 June 2009			
At Gross Carrying Amount	109,822	157,661	267,483
Accumulated depreciation	(72,520)	(74,035)	(146,555)
Net Carrying Amount	<u>37,302</u>	<u>83,626</u>	<u>120,928</u>

Reconciliation

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

	Office Equipment \$	Office Fitout \$	Total \$
Year ended 30 June 2009			
Net carrying amount at start of year	29,305	99,392	128,697
Additions	24,812	-	24,812
Depreciation expense	(16,815)	(15,766)	(32,581)
Net carrying amount at end of year	<u>37,302</u>	<u>83,626</u>	<u>120,928</u>

Management considers the Fair Value of Office Equipment and Fitout to be approximated by the Written Down Value expressed above.

10. PAYABLES

A dissection of Payables comprise:

	2010 \$	2009 \$
Scholarships*	112,050	85,500
Audit Fees	11,900	6,490
Other	26,434	17,592
	<u>150,384</u>	<u>109,582</u>

* Byera Hadley Travelling Scholarships

The NSW Architects Registration Board administers trust funds provided annually under the provisions of the bequest from the late Byera Hadley. This money is not available for normal operational expenditure by the Board.

Reconciliation of BHTS liability:

Opening Balance 01/07/2009	\$ 85,500
plus: Scholarship funding received from Trustee	\$135,000**
plus: Scholarship funding recovered	<u>\$ 3,000</u>
Scholarship Available	\$223,500
Less: Payments made to scholarship recipients	\$111,450
BHTS liability as at 30/06/2010	<u>\$112,050</u>

** The Trust Company Ltd also provides funding for promotion of the Scholarships (see Note 5 – BHTS Promotions Money Received)

11. PROVISION FOR ANNUAL LEAVE AND LONG SERVICE LEAVE

Aggregate employee benefits and related on costs

	2010	2009
	\$	\$
Current Provisions		
- Annual Leave	21,363	16,566
- Long Service Leave	80,823	66,747
Total Current Provisions	<u>102,186</u>	<u>83,313</u>
Non-Current Provisions		
- Long Service Leave	16,109	11,286
Total Non-Current Provisions	<u>16,109</u>	<u>11,286</u>
Total Employee Provisions	<u>118,295</u>	<u>94,599</u>
Employee benefits expected to be settled within 12 months of the reporting date:		
- Annual Leave	21,363	
- Long Service Leave	-	
	<u>21,363</u>	
Employee benefits expected to be settled in more than 12 months from the reporting date:		
- Annual Leave	-	
- Long Service Leave	96,932	
	<u>96,932</u>	

12. FINANCIAL INSTRUMENTS

The Board's principal financial instruments are outlined below. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Board's main risks arising from financial instruments are outlined below, together with the Board's objectives, policies and processes for measuring and managing risk.

The Board's principal financial instrument is Held to Maturity term deposits, along with cash at bank. The main purpose of these financial instruments is to finance the Board's operations.

The Board has various other financial instruments such as receivables and creditors, which arise directly from its operations.

The Board's main risks arising from financial instruments are outlined below. Further quantitative and qualitative disclosures are included throughout this financial report.

(a) Financial Instrument Categories

Financial Assets	Note	Category	Consolidated	
			2010 \$	2009 \$
			Carrying Amount	Carrying Amount
Cash and cash equivalents	8(a)	Not applicable	391,529	429,250
Receivables	8(b)	Receivables are made up of accrued interest, general prepayments, and GST Receivable	21,194	12,769
Other Financial Assets	8(c)	Loans and receivable (at amortised cost)	1,088,546	885,808
Payables	10	Payables are made up of BHTS to be paid out, Audit Fees and financial liabilities incurred from the Board's operations	150,384	109,582

(b) Credit Risk

Credit risk arises when there is the possibility of the Board's debtors defaulting on their contractual obligations, resulting in a financial loss to the Board. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Board, including cash and receivables. Cash comprises cash on hand and at bank. Receivables comprise GST Receivables, interest accrued and general prepayments. No collateral is held by the Board. The Board has not granted any financial guarantees.

The Board's credit risk exposure is limited mainly to Westpac Banking Corporation. This risk is assessed to be almost nil due to the fact that the company is one of the four pillars of the Australian banking system and, as at the 30 June 2010, has an AA credit rating.

(c) Liquidity Risk

Liquidity risk is the risk that the Board will be unable to meet its payment obligations when they fall due. The Board's objective is to maintain sufficient funds in its operating account to ensure it is able to meet its debts as and when they become due and payable. The Board manages liquidity risk by maintaining adequate reserves and banking facilities by monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment or risk. During the current and prior years, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. Moreover, the major part of the Board's liabilities is the Byera Hadley Travelling Scholarships (BHTS) which the Board administers (refer to Note 10).

Other 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 out in Treasurer's Direction 219.01. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Board has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Board operates and the time frame for the assessment (ie until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the Balance Sheet date. The analysis is performed on the same basis for 2010. The analysis assumes that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and liabilities. The Board is exposed to interest rate risk through its cash and term deposit accounts. The interest rate risk is minimal due to longer term deposits taken. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Board's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following tables:

Exposure to Interest Rate Risk

	S'000				
	Carrying Amount	Profit -1%	Equity -1%	Profit 1%	Equity 1%
2010					
<i>Financial Assets</i>					
Cash and cash equivalents	391,529	(3,915)	(3,915)	3,915	3,915
Financial assets Held to Maturity	1,088,546	(10,885)	(10,885)	10,885	10,885
2009					
<i>Financial Assets</i>					
Cash and cash equivalents	429,250	(4,293)	(4,293)	4,293	4,293
Financial assets Held to Maturity	885,808	(8,858)	(8,858)	8,858	8,858

Weighted average interest rate by maturity periods

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate (maturing less than 1 year)		Non-interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Financial assets										
Cash on hand and at bank	0.07%	0.01%	391,529	429,250	-	-	-	-	391,529	429,250
Receivables	-	-	-	-	-	-	21,194	12,769	21,194	12,769
Other Financial Assets	5.14%	3.99%	-	-	1,088,546	885,808	-	-	1,088,546	885,808
Total financial assets	-	-	391,529	429,250	1,088,546	885,808	21,194	12,769	1,501,269	1,327,827
Financial liabilities										
Trade Creditors	-	-	-	-	-	-	150,384	109,582	150,384	109,582
Total financial liabilities	-	-	-	-	-	-	150,384	109,582	150,384	109,582

(e) Fair Value

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the Balance Sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

	2010 \$'000 Carrying Amount	2010 \$'000 Fair Value	2009 \$'000 Carrying Amount	2009 \$'000 Fair Value
Financial Assets				
Cash and Cash equivalent	391,529	391,529	429,250	429,250
Receivables	21,194	21,194	12,769	12,769
Short-term Deposits	1,088,546	1,088,546	885,808	885,808
Financial Liabilities				
Payables	(150,384)	(150,384)	(109,582)	(109,582)
	1,350,885	1,350,885	1,218,245	1,218,245

The Board uses the following hierarchy for disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Derived from quoted prices in active markets for identical assets/liabilities
- Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly
- Level 3 - Derived from valuation techniques that for the asset/liability not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	2010 Total \$'000
Financial Assets				
Cash and Cash equivalent	391,529	-	-	391,529
Receivables	21,194	-	-	21,194
Short-term Deposits	1,088,546	-	-	1,088,546
Financial Liabilities				
Payables	(150,384)	-	-	(150,384)
	1,350,885	-	-	1,350,885

13. CONTINGENT LIABILITIES

At the date of this report, the Board has no known contingent liabilities.

14. COMMITMENTS FOR EXPENDITURE

Lease Commitments

The Board is contracted to an operating lease agreement for premises for the Board's use. The Board entered a lease agreement starting 1 August 2009, with 49 months remaining as at 30 June 2010. Rent is payable one month in advance. Recurrent outgoings including cleaning, electricity, rates, and public liability insurance are the responsibility of the Board. 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:

	2010	2009
	\$	\$
Not later than 1 year	85,232	11,638
Later than 1 year and not greater than 5 years	278,235	2,513
	<u>363,467</u>	<u>14,151</u>
Lease Commitments and GST		
Operating Lease excluding GST	330,425	12,865
GST on Operating Lease	33,042	1,286
	<u>363,467</u>	<u>14,151</u>

Capital Commitments

The Board is not committed to any Capital Expenditure as at 30 June 2010.

Other Expenditure Commitments

The Board has no Other Expenditure Commitments as at 30 June 2010.

15. STATEMENT OF CASH FLOWS

Reconciliation of Net Cash provided by Operating Activities to Net Surplus/(Deficit)

	2010	2009
	\$	\$
Surplus for the Year	90,678	129,242
Depreciation	28,811	32,581
Increase/(Decrease) in Payables	40,802	19,921
(Increase)/Decrease in Accounts Receivable	(8,424)	8,815
Increase/(Decrease) in Provisions	23,696	6,351
Net Cash Provided by Operating Activities	<u>175,563</u>	<u>196,910</u>

16. AFTER BALANCE DAY EVENTS

The NSW Architects Registration Board is not aware of any other circumstances that occurred after balance date that would render particulars included in the financial statements to be misleading.

END OF FINANCIAL STATEMENTS

FINANCIAL MANAGEMENT

INCOME BUDGET

ACCT NO	INCOME	BUDGET 2009-2010	BUDGET 2010-2011
ADMINISTRATION – DEPT 01			
4-1000	ENROLMENT FEE	24,000	7,500
4-1001	RE-REGISTRATION FEES	19,500	19,500
4-1002	ANNUAL REGISTRATION FEE FOR ARCHITECTS	684,000	716,000
4-1003	TEMPORARY REGISTRATION FOR O/SEAS ARCHITECTS	0	3,000
4-1006	REGISTRATION FEE FOR NON PRACTISING ARCHITECTS	4,000	4,000
4-1007	NON PRACTISING ARCHITECTS - ANNUAL REGISTRATION FEES	24,000	24,800
4-1009	NON PRACTISING ARCHITECTS RE-REGISTRATIONS	1,460	1,440
4-1100	LISTING OF "NOMINATED ARCHITECT"/PRACTICE REGISTRATION	4,200	4,800
4-1101	ANNUAL PUBLICATION FEE FOR NOMINATED ARCHITECT	102,000	102,000
4-1102	"NOMINATED ARCHITECT" CHANGE OF DETAILS FEE	1,715	1,715
4-1300	ARCHITECTS REGISTER PURCHASES	4,500	4,500
4-1301-02	ARCHITECTS CARD/CERTIFICATION TO THIRD PARTIES	156	156
4-1303-04	CODE OF CONDUCT & REGISTRATION CERTIFICATE	2,500	1,875
4-1306	MISCELLANEOUS RECEIPT – BOARD	0	0
		872,031	891,286
AACA – DEPT 03			
4-3000	AACA - AP EXAMINATION FEES	151,200	150,000
4-3001	AACA - RAE ASSESSMENT FEES	10,500	12,250
4-3002	AACA - SALES, DOCUMENTS	13,750	0
4-3003	AACA MISC RECEIPTS	0	0
		175,450	162,250
BWPRA – DEPT 04			
4-3100	BWPRA	7,800	7,800
		7,800	7,800
OTHER – DEPT 02/07			
8-.2000-04	INTEREST	30,000	40,000
8-1401	BHTS PROMOTION MONIES	7,000	13,500
		37,000	53,500
TOTAL		1,092,281	1,114,836

EXPENDITURE BUDGET

Acct No	EXPENDITURE	BUDGET 2009 – 2010	BUDGET 2010 – 2011
EMPLOYMENT – DEPT 01			
6-5000/05	SALARIES AND CASUAL WAGES	290,454	306,800
6-5001	ANNUAL LEAVE	23,372	24,307
6-5003	SUPERANNUATION	36,971	38,450
6-5011	LONG SERVICE LEAVE	10,000	11,000
6-5652	ADVERTISING ADMIN/RECRUITMENT	0	0
	WEB CONTRACTOR	0	30,000
		360,797	410,557
STATUTORY – DEPT 07			
6-5402	BOARD MEMBERS HONORARIA	32,000	24,892
6-5401	ELECTION COSTS	0	18,000
6-5403	OTHER STATUTORY COSTS	6,000	0
		38,000	42,892
B W P R A - DEPT 04			
6-5350	BWPRA EXAMINERS FEES	3,750	3,750
6-5653	ADVERTISING BWPRA	500	500
6-5351	TRAVEL EXPENSES FOR EXAMINERS	1,000	1,000
6-5352	BWPRA ROOM HIRE/CATERING EXPENSES	500	500
6-8023	CABCHARGES	500	500
6-8020	COURIERS	500	500
		6,750	6,750
DISCIPLINE - DEPT 05			
6-5500	PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS	30,000	30,000
6-5506	ADT EXPENSES	25,000	20,000
6-5501	PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE	5,000	5,000
6-5502	CATERING/ROOM HIRE EXPENSES	500	500
6-5503	COURT REPORTING AND TRANSCRIPTS	5,000	5,000
6-5504	COMMITTEE OF INQUIRY SITTING FEES	3,000	3,000
6-8027	POSTAGE	500	600
6-8020	COURIERS	300	400
6-8023	CABCHARGES	200	200
		69,500	64,700
DEPRECIATION			
6-5050-54	DEPRECIATION	27,000	27,000
		27,000	27,000

Acct No	EXPENDITURE	BUDGET 2009 – 2010	BUDGET 2010 – 2011
EDUCATION, PRIZES AND GRANTS - DEPT 06			
6-5606	STATE VISITING PANEL - SCHOOL INSPECTION	2,000	2,000
6-5607	BOARD CONTRIBUTION TO STATE VISITING PANEL EXPENSES	2,000	2,000
6-8023	CABCHARGES	200	200
6-8020	COURIERS	200	200
6-5808	RESEARCH GRANT	10,000	10,000
6-5654	RESEARCH GRANT ADVERTISING	1,000	0
6-5609	RESEARCH GRANT ADMINISTRATION COSTS	0	0
6-5610	BOARD ANNUAL EXHIBITIONS	20,000	20,000
6-5611	ARCHITECTS MEDALLION COSTS	5,000	5,000
		40,400	39,400
GENERAL EXPENSES - DEPT 01			
6-8011	ACCOUNTANT FEES	8,000	9,000
6-8012	AUDIT FEES	12,000	14,000
6-4100	BANK ADMINISTRATION FEES	15,000	18,000
6-8016	BOARD MEETING EXPENSES	3,000	2,000
6-8017	BOARD FUNCTIONS/BOARD MISC EXPENSES	17,000	12,000
6-5651	YELLOW PAGES LISTING/ADVERT	1,500	1,500
6-8020	COURIERS	600	700
6-8021	STAFF AMENITIES/STAFF TRAINING	5,000	5,000
6-8022	STORAGE	1,500	1,800
6-8023	CABCHARGE	1,000	1,000
6-5700-01	COMPUTER/SYSTEMS MAINTENANCE	15,000	30,000
6-8024	ELECTRICITY	1,800	2,800
6-8025	INSURANCE D & O/OFFICE CONTENTS	13,000	8,000
6-8026	GENERAL LEGAL EXPENSES	5,000	5,000
6-8027	POSTAGE	8,000	8,000
6-8028	WEBSITE MAINTENANCE	6,000	21,000
6-8029-30	TELEPHONE/INTERNET/MOBILE	12,500	12,500
6-8031	WORKERS COMPENSATION	2,000	2,000
6-8032-33	RENT/OFFICE SERVICES	101,000	104,030
6-8036	REPAIRS AND MAINTENANCE	12,000	20,000
6-8034	PHOTOCOPIER	5,300	5,300
6-6210-42	REFUNDS	0	0
	GOVERNANCE COSTS	0	20,000
	REVIEW OF BOARD LOOK/BRANDING	0	10,000
	REVIEW/UPDATE IT SYSTEMS	0	50,000
		246,200	363,630
BHTS – DEPT 02			
9-5608	BHTS ADVERTISING/MISC. EXPENSES	1,000	1,000
9-8027/8023	BHTS POSTAGE COSTS/CABCHARGE COSTS	200	200
9-5609	BHTS BOARD COMMITTEE COSTS	500	500
9-5614	BHTS ANNUAL CEREMONY COSTS	3,000	3,000
9-5613	BHTS ROOM HIRE/CATERING COSTS	500	500
	BHTS PROMOTION	0	10,000
		5,200	15,200

Acct No	EXPENDITURE	BUDGET 2009 – 2010	BUDGET 2010 – 2011
PRINTING AND STATIONERY – DEPT 01			
6-8018	STATIONERY	5,500	5,000
6-5722	MAILOUT	8,000	6,000
6-5851	PRINTING BOARD	8,000	4,000
6-5853	ARCHITECTS CARDS	4,000	3,000
		25,500	18,000
A A C A - DEPT 03			
6-6000/6011- 12	AACA - APE EXPENSES	92,000	93,000
6-6001	AACA - RAE EXPENSES	10,000	10,000
6-6002	AACA - PER CAPITA CONTRIBUTIONS	20,000	20,000
6-6009	AACA - CONVENORS MEETING	500	500
6-6004	AACA - NVP	6,000	4,000
6-6006	AACA - PURCHASES FROM AACA	14,000	0
6-8020	COURIERS	1,000	1,000
6-8023	CABCHARGES	400	400
6-8027	POSTAGE	1,500	1,000
6245-46	REFUNDS	0	0
		145,400	129,900
PROMOTIONS – DEPT 08			
9-8028	PROMOTIONS GENERAL	90,000	120,000
9-8020	COURIER	0	500
9-8023	CABCHARGES	0	1,000
9-5959	REDUCING CARBON EMISSIONS GUIDELINES/WEBSITE	0	1,000
9-5950	SYDNEY ARCHITECTURE FESTIVAL	15,000	15,000
9-5951	ARCHITECTURE INSIGHTS WEBSITE	0	30,000
9-5958	BOARD CONSULTANTS	0	0
	PARTNERSHIP PROJECT WITH HISTORIC HOUSES TRUST	0	20,000
	SUPPORT DANISH EXHIBITION BUILDING SUSTAINABLE COMMUNITIES	0	20,000
		105,000	207,500
TOTAL		1,069,747	1,325,529

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