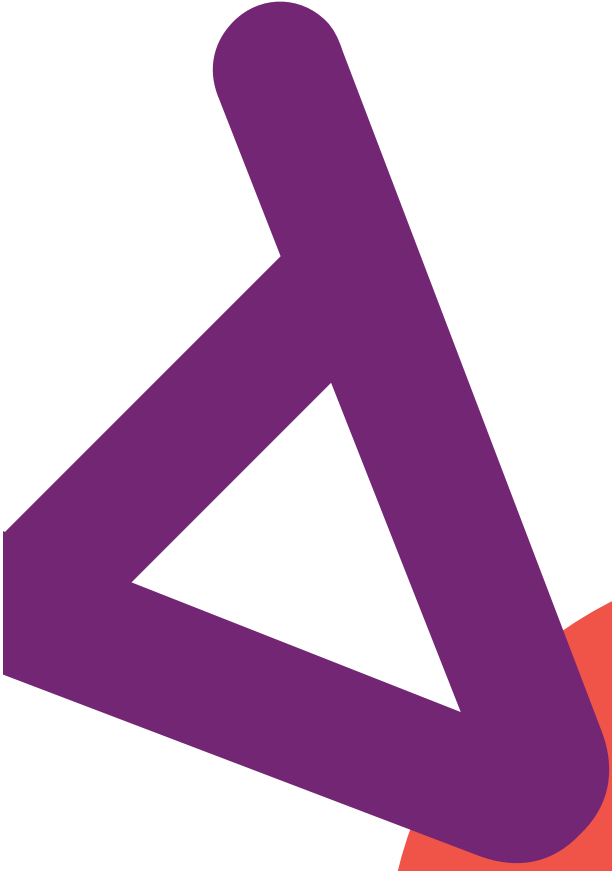
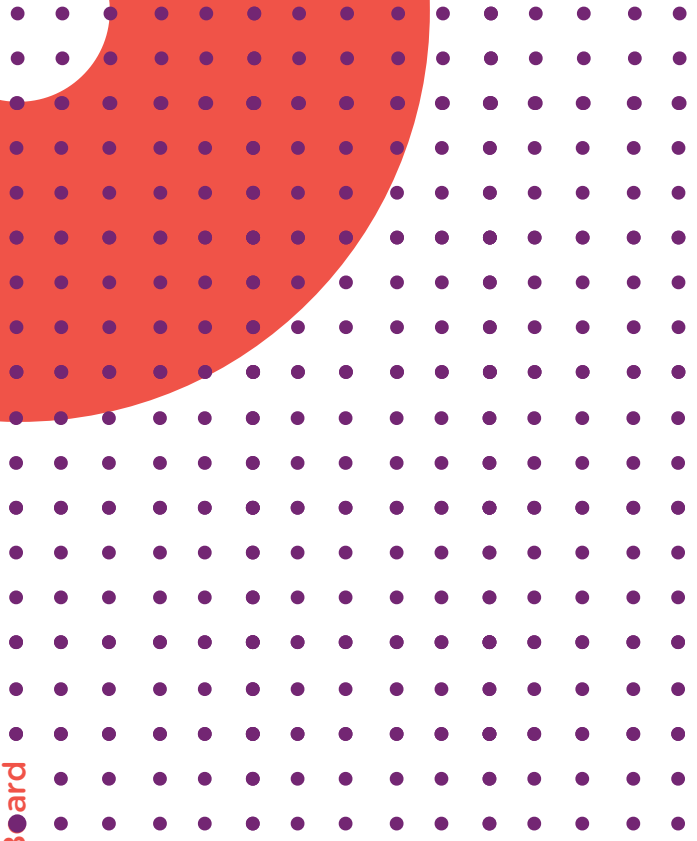


Annual Report
2016-2017



NSW
Architects
Registration
Board



NSW
Architects
Registration
Board

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Hours of business
9am to 5pm
Monday to Friday

Annual Report 2016-2017

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Aims and objectives

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 for registration as an architect;
- administers scholarships and awards;
- promotes a better understanding of architectural issues in the broader community.

Management and structure: Board Members

Board Members

The Board includes six members who are architects, and five members who are not architects:

Dr Deborah Dearing	Board President, architect appointed by the Minister (term commenced April 2017, as advised in June 2017)
Peter Poulet	NSW Government Architect and elected Deputy President
Shaun Carter	Immediate past president of the Australian Institute of Architects NSW Chapter (term commenced March 2016)
Prof Gerard Reinmuth	Architect representative from the University of Technology, Sydney (term commenced February 2017)
Sue Weatherley	Representing the views of local government in respect of the quality of building (term commenced September 2016)
Peter Salhani	Representing the views of home owners as consumers of architectural services (term commenced April 2017, as advised in June 2017)
Milly Brigden	Representing the view of the property industry (term commenced 19 November 2016)
Sarah Marshall	Representing the views of the building industry (term commenced April 2017, as advised in June 2017)
Matthew Curll	Legal practitioner (term commenced 19 November 2016)
Melonie Bayl-Smith	Elected architect member
Nigel Bell	Elected architect member

Board Staff

Timothy Horton	Registrar
Mae Cruz	Registration and Education Lead
Nadine Roberts	Finance and Compliance Lead
Debbie Wood	Accounts Clerk
Byron Kinnaird	Policy and Research
Gabrielle Shina	Legal Administrative Clerk

Board Meeting Attendances for Year Ending 30 June 2015

NAME	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
R THORP (A/M)	√	A	√	A	√	√	N/M	-	-	-	-	-	4
P POULET (ExO)	A	√	√	√	A	√	N/M	√	√	√	√	√	9
N BELL (E)	√	√	√	√	-	-	N/M	-	√	√	√	√	8
C LASSEN (A/S)	√	√	A	√	A	√	N/M	√	-	-	-	-	5
S ELMIR (A/M)	A	√	A	A	√	A	N/M	-	-	-	-	-	2
M CURLL (A/M)	√	√	√	√	A	√	N/M	√	√	√	√	√	10
M BRIGDEN (A/M)	√	√	A	√	√	√	N/M	√	√	√	√	√	10
P SALHANI (A/M)	√	A	√	√	√	√	N/M	√	-	-	-	√	7
S WEATHERLEY (A/M)	-	-	-	√	√	√	N/M	√	√	√	√	√	8
P SARLOS (E)	√	√	√	√	-	-	N/M	-	-	-	-	-	4
J AGIUS (ExO)	√	√	√	√	√	√	N/M	√	-	-	-	-	7
M BAYL SMITH (E)	-	-	-	-	-	-	N/M	√	√	√	√	√	5
G REINMUTH (A/S)	-	-	-	-	-	-	N/M	-	√	√	√	√	4
S CARTER (ExO)	-	-	-	-	-	-	N/M	-	√	√	√	√	4
D DEARING (A/M)	-	-	-	-	-	-	N/M	-	-	-	-	√	1
S MARSHALL (A/M)	-	-	-	-	-	-	N/M	-	-	-	-	√	1

E Elected *A/M* Appointed by Minister *LOA* Leave of Absence *N/M* No Meeting
ExO Ex Officio *A/S* Appointed by School *A* Absent

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 for the 2015/2016 period.

The Board meets on the third Wednesday of each month. In addition to monthly board meetings each member participates on one or more of the Board's Standing Committees or Work Groups to oversee projects.

Management and structure: Board Examiners, Assessors and Panel Members

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

Architectural Practice Examination Panel

T Alexander	B Giles	C Macdonald	M Sheldon
J Baker	G Gonzalez	L Manfredini	B Sonter
S Bathgate	L Gosling	I McCaig , <i>Convenor</i>	M Standley
M Bayl-Smith	P Gosling	B McDonald	R Stevens
M A Beattie	D Gosper	B McHarg	A Thomas
J Bilton	C Gunton	D McKendry-Hunt	M Thornton
R Blackmore	R Hawkins	P McLeod	A Tribe
M Boffa	M Heath	P McNevin	D Vander Breggen
P J Briggs	T Helyar	D Moon	D Wilson
G M Brock	D Holm	J Moorcroft	R Yuen
J Bilton	R Hudson	N Nicotra	
T Browne	E Insausti	E M Prineas	
M Bullen	J Jackson	R Ratcliffe	
R Cahill	S J Jamison	J F Rayner	
A Chistiakoff	M E Jones	P Reed	
L Cockburn	C M Jones	M Roberts	
J Cockings	A Kaplun	S Rofail	
R Costa	J Ladd-Hudson	D M Russell	
J Delohery	E Lee	J Ryan	
R Edgar	F Lewis	G Saborido	
J Ezer	K Loseby	J Sarkis	
P Fung	J Lukazcewicz	J Schneller	

Built Work Program of Assessment Panel

M Boffa	J Ladd-Hudson	D M Russell
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NSW Representatives to APAP

J Cockings	P Mould	P Poulet
C Lassen	R Neeson	M Pullinger
F Lewis	P O'Carrigan	P Reed
K Loseby	C Pidcock	D Van Der Breggen

Management and structure: Board Governance

NSW Architects Registration Board Governance Statement

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 and renewed on an annual basis. The Board has a Committee structure in place with defined responsibilities.

The Board's Workplace Health and Safety policy and procedures are updated in line with relevant legislative procedures every three years, and reviewed annually.

The Board maintains appropriate insurances including Workers' Compensation, Public Liability and Contents insurance and 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 backup system for IT records is in place and so is a Disaster Recovery Plan that is maintained by an external consultant. The Board maintains and updates the asset register on an annual basis.

Independent legal advice is sought as required, and accounting services are provided by Infosys as part of the *Govconnect* initiative. These services are provided as part of a Service Agreement. 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 as outlined in the Board's Delegations Framework. There is a financial delegation of \$5,000 in place in relation to expenditure by the Registrar without referral to the Board. Specific delegations are identified in the Board's Annual Corporate Plan. Recommendations and decisions are minuted at each Board meeting.

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 Memoranda, Board decisions and relevant policies, and is reviewed regularly to incorporate appropriate improvements proposed by staff.

Committees and workgroups

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. As at 30 June 2017 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.

According to the Act, the Complaints Committee must be constituted by 3 members of the Board, of whom:

- (a) one must be an Australian legal practitioner, and
- (b) one must be an architect, and
- (c) one must be a member who is neither an Australian legal practitioner nor an architect.

Finance and Risk Committee

In April 2017, the Finance and Risk Committee reviewed and endorsed updates to the Board's Risk Management Schedule, reviewed the 2017-2018 budget and corporate plan, and Financial Statements; recommending the above for adoption by the Board.

Members: Sue Weatherley (Chair), Peter Poulet and Dr Deborah Dearing.

Income

The Board is entirely funded by fees levied upon architects and architect corporations and firms and examination fees, and fines as determined by the Board as required by disciplinary procedures.

Fees collected fund the administration of the Board and include contingencies for legal costs, development of information for consumers and general administration. The Board has determined that at least nine months of operational funds should be kept in reserve. 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.

Management and activities: Registering Architects

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 Architectural Practice Examination (APE). These standards are agreed nationally by the Architects Accreditation Council of Australia (AACA) which is a company limited by Guarantee. The Members of the AACA include the Chair and Registrar of each Architect Registration Board in each State and Territory in Australia.

Approved academic qualifications

Four universities in New South Wales offer approved courses leading to the Master of Architecture degree, being the academic qualification prescribed by the Act. These courses are offered at the schools of architecture at the University of Newcastle; University of New South Wales, University of Sydney and the University of Technology, Sydney.

Academic courses from NSW universities are reviewed by the Australia and New Zealand Process for Accreditation of Architecture Programs, owned by the Architects Accreditation Council of Australia and the Australian Institute of Architects. Under this process, National Visiting Panels provide recommendations regarding the accreditation of qualifications to the Board for a maximum period of five years.

A review of the Australian and New Zealand Architecture Program Accreditation Procedure (ANZAPAP) was initiated in mid 2015 by the Australian Institute of Architects (AIA) and the Architects Accreditation Council of Australia (AACA). An initial round of stakeholder consultations was conducted in early 2016 and the Stage 1 Final Report was completed in June 2016. The ANZAPAP Development Group began work in September 2016 on the development of the Stage 1 Final Recommendations. A further round of Stakeholder Consultation was completed on 30 April 2017.

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 the AACA and administered by the State/Territory Registration Boards. In New South Wales 254 candidates were admitted to the examination and 179 were successful for the period 1 July 2016 to 30 June 2017. This represents an 70% success rate.

Mutual Recognition

The 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 annual registration fee. In the reporting year, 72 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, one (1) architect from New Zealand was admitted to the NSW Register under the terms of the TTMRA.

Built Work Program of Assessment (BWPrA)

The BWPrA is a program of assessment conducted by the Board for persons who do not have the tertiary academic qualification in architecture and who wish to apply for registration as an architect in NSW. The BWPrA is based on a person's ability to demonstrate defined competencies from a complex built project in Australia. Six (6) applications were received by the Board in the reporting year and two (2) candidates successfully completed the program.

In June 2017, the Board endorsed a project to promote greater awareness of the BWPrA pathway for launch in 2017-2018.

Management and activities: Status of the Review of the Architects Act (2010) and remake of the Architects Regulation (2017)

Review of the Architects Act

The Report of the Statutory Review of the Architects Act 2003 was received by Parliament in December 2010. However a Bill to formally amend the Act with amendments recommended in the Report remains still to be presented to Parliament.

The drafting of this Amendment Bill was originally pending the completion of the review into licensing in NSW conducted by the Independent Pricing and Regulatory Review (IPART). The IPART report *Reforming Licensing in NSW - Review of licence rationale and design* was released in September 2014.

IPART's recommendation on the registration of Architects in NSW was as follows;
At this time, we do not recommend abolishing architect registration in NSW. Instead, we support continued efforts towards the creation of a national register of architects and harmonisation of registration requirements.

During the 2016-2017 period, the status of the Bill to amend the Architects Act did not progress.

Remake of the Architects Regulation 2017

Work to remake the Architects Regulation (2012) was commenced in March 2016. A draft Architects Regulation and Regulatory Impact Statement was posted on www.nsw.gov.au/improving-nsw/have-your-say/ and on architects.nsw.gov.au on 2 June 2017. The Architects Regulation 2017 is scheduled to be enacted 1 September 2017.

Management and activities: Profile of architects registered in NSW

Profile of architects registered in NSW as of 16.10.2017

Number of registrants

2011	2012	2013	2014	2015	2016	2017
4289	4276	4064	4487	4762	4898	4984
Practising /Non-Practising						4118/866

New enrolments

2011	2012	2013	2014	2015	2016	2017
182	212	164	319	321	300	287

Qualification of New Registrants	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Qualified in NSW	106	84	193	167	159	146
Qualified in Interstate schools	12	10	21	36	23	35
National Program of Assessment	2	2	2	1	1	3
NZ/Singapore/HK graduates	11	3	11	8	9	1
Qualified from overseas schools	29	13	21	13	17	29
Mutual Recognition Australia	49	41	67	67	89	72
TTMRA (New Zealand)	1	5	4	1	2	1
Temporary Registration (NSW)	1	3	0	3	0	0
APEC Architect						0
Total	213	164	319	321	300	287

Location of Registrants

	NSW	ACT	NT	QLD	SA	TAS	VIC	WA	O'SEAS
Practising	3521	70	4	187	17	15	179	13	112
NonPrac	708	20	0	31	8	4	37	5	53

Age range	Full Registration				Non-Practising		
	M	F	%	Total	M	F	Total
90 +	1	0		1	7	0	7
80 to 89	12	2		14	65	3	68
70 to 79	205	4		209	251	21	272
60 to 69	663	85		748	190	26	216
50 to 59	708	223		931	54	26	80
40 to 49	743	364		1107	54	26	80
30 to 39	582	410		992	47	58	105
20 to 29	54	62		116	3	5	8
Total	2968	1150	27%	4118	671	195	866

Architect Corporations and Firms

Part 2 Division 2 Section 11 of the NSW Architects Act states that a company or business must have a nominated architect/s responsible for the provision of architectural services in order to be considered as an architect corporation or firm.

Corporations and firms are active if there is at least one nominated architect whose name appears on the current NSW Register of Architects. A corporation or firm that does not have a nominated architect is considered inactive until a new nomination is received by the Board.

In May 2017, the Board updated information to architects, and architect corporations and firms, on the roles and responsibilities expected of a Nominated Architect under the Act.

Corporations and Firms in NSW

Number of active Corporations/Firms as at 30 June 2017: 1382

National and International Connections

The Architects Accreditation Council of Australia

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 of the Architects Registration Board are ex-officio members of the AACA.

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 supporting a move towards common requirements in all jurisdictions for continuing registration.

The AACA reviews and ratifies the appointment of examiners and assessors and monitors 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, an applicant may apply for registration at a State or Territory registration Board.

A Registrars' Network comprises 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.

APEC Architect

Asia Pacific Economic Cooperation (APEC) is a cooperative association between 21 regional economies, founded to promote economic and technical cooperation in the Asia-Pacific region. APEC builds on WTO General Agreement on Trade and Services (GATS) principles for the progressive liberalisation of trade in services through the reduction of regulatory restrictions, leading to reciprocal agreements between member economies where appropriate.

The APEC Architect framework is a direct response to these commitments. Australia, along with a number of other APEC member economies, has agreed to participate in the APEC Architect framework. The aim of the framework is to facilitate the access of APEC Architects to independent practice within the Region.

Those economies who are participating in the framework are Australia, Canada, People's Republic of China, Hong Kong, China, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Republic of the Philippines, Singapore, Chinese Taipei, Thailand and United States of America.

A Central Council has been established by the participating economies. Each participating economy has established a Monitoring Committee to take responsibility for administration of the APEC Architect framework in that economy.

Overseas Architect Assessment

In 2015, a new pathway to registration was endorsed by all the Boards in Australia, the Overseas Architects Assessment Program (OAA). The OAA Program means that for architects who have the appropriate experience benchmarked against the relevant performance criteria in the National Standard of Competency for Architects and demonstrated through complex projects, there is now only one assessment process to be completed before applying for registration as an architect in the state or territory where they reside.

Eighteen (18) applications were received in the 2016-2017 period.

Locally Experience Practitioner Assessment

The pathway offers practitioners the opportunity to demonstrate professional competency to a panel of his or her peers as an alternative to sitting the Architectural Practice Examination (APE) for registration as an Architect. Applicants must demonstrate an applied understanding of the Performance Criteria from the National Standard of Competency for Architects (NCSA). Through submission of a portfolio of complex projects*, demonstration of appropriate experience and practice of architecture at executive level (principal decision maker), as well as capacity to exercise professional skill as an architectural practitioner in Australia, practitioners may be eligible to apply directly to the Architects Registration Board for registration as an Architect.

Seventeen (17) applications were received in the 2016-2017 period, with sixteen (16) registered after successful interview.

Protecting consumers

Complaints against the professional conduct of architects

Fifteen (15) new matters were received in this reporting period. The Board initiated ten (10) complaints, and did not proceed with seven (7) of these investigations following receipt of further information. Three (3) matters were carried over from the prior year. Two (2) matters were withdrawn by the complainant, prior to determination. Two (2) matters were determined as guilty of unsatisfactory professional conduct during the reporting period. Four (4) matters were determined as not guilty of unsatisfactory professional conduct during the reporting period. Three (3) matters remained under investigation after the 2016-2017 reporting period.

Complaint to NSW Ombudsman

During the reporting period, one (1) complaint was made by an architect to the NSW Ombudsman alleging that the Registrar made damaging comments about the architects conduct in providing general advice to a consumer. The Ombudsman commenced a preliminary inquiry.

Alternative dispute resolution

In the reporting year, the Board continued to develop an alternative dispute resolution (ADR) pathway for consumers, and their architects. The Board regularly receives calls from the public seeking advice on issues that may be currently unfolding on site, or at a critical phase where early intervention by an honest broker can assist.

The Board's existing Complaints process is an effective mechanism to discipline architects who are found to have acted unprofessionally or incompetently. However, the complaints process can take 4-8 months to resolve a determination, so developing a more responsive pathway is desirable to provide choice where resolution of the issue may deliver greater value to the consumer sooner, and avoid a complaint altogether.

The Board is permitted to engage in mediation or alternative dispute resolution to resolve a complaint. It is the Board observation that early intervention, timeliness and appropriate case management often assists in improved outcomes for all parties involved.

The Board monitors the timeliness of its enforcement procedures in the following ways;

- A *Triage Register* to document initial enquiries from consumers on the nature of their concerns/complaints and their rights under the Act including the right to make a formal complaint.

Seventy five (75) enquiries were logged on the Register. Five (5) of these proceeded to a complaint.

Seventy (70) complaints were avoided or resolved by early advice and action.

- o 15% of enquiries related to Design
- o 31% of enquiries related to Documentation
- o 7% of enquiries related to Project Management
- o 48% of enquiries related to Practice Management

- A *Mediation Register* records applications received for mediation, and the outcomes of the mediation undertaken. In the 2016-2017 year, one mediation occurred.

- A *Complaints Register* to complement the Register of Disciplinary Actions and to provide a means to measure the life cycle of the enforcement process.

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 must 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. Architects must maintain professional indemnity insurance appropriate to the services they provide and 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 building design services are based upon accurate information about the registration status of the service provider. *Working with an Architect* is a resource 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 online searchable database of architects and architect corporations is also used by the public to confirm the status of a person or corporation or firm.

The Board investigates reports of persons or entities illegally representing themselves or others as architects, and monitors classified advertising to check compliance with Section 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.

The Board commenced legal briefings to test Section 83 of the Architects Act *Liability of Directors and Managers of Corporations* in conjunction with the NSW Department of Planning.

No. of investigations	78
Complied	52
Ongoing	24
Not contactable	2

Informing the public

The Board has an obligation to provide general advice to the consumers of architectural services with respect to the ethics and standards of professional competence that are generally expected of architects. The Board uses plain English, common terms and contemporary communication platforms to ensure complex professional and regulatory processes are better understood to reduce the chance of misunderstanding later on.

ARB OPEN – 28 March

In March 2017, the Board launched 'ARB OPEN' - a 3 year project to create a more open platform for architecture. The project was at the centre of the Board's first 3-year Strategic Plan intended to provide strategic direction to projects and priorities that deliver on the objects of the Act. ARB Open provides a platform for the Board to implement projects designed to improve:

- Access to data held by the Board
- Information available to consumers, students, graduates and architects
- Engagement through new resources and information relevant to consumers
- Forecasting capacity to anticipate emerging trends and their implications

Construction costs – October 2016

In response to a rise in calls from consumers seeking general advice on an architect's duty to advise in relation to project costs, the Board engaged a Quantity Surveyor to provide advice on the activity in the sector. The resulting advice was published as a Circular on the Board's website, and shared through social media in October 2016.

Research and development - Managing Mental Health

The Board seeks to inform the public by understanding current and emerging issues in the sector. As a statutory authority, the Board aims to leverage evidence as the basis for communicating highly technical and specialist knowledge in a way that is accessible to a public audience. Where data or evidence is lacking, the Board seeks to partner in order to develop this area of knowledge.

Each year, the NSW Architects Registration Board receives a variety of applications from architects. It may be an application for an exemption from completing continuing professional development due to prolonged illness, surgery or personal circumstance. In some cases, applications are supported by a doctor's certificate. In a few cases, the applications relate to mental illness. In 2015-2016, the Board identified a lack of resources related to architects and mental health, and engaged with stakeholders to scope a literature review on the topic. In September 2016, the literature review was released via industry media *ArchitectureAU* in an article titled '*Managing Mental Health*'. The release was supported by a webpage added to the Board's website providing links and resources on the topic.

Digital platforms

The Board maintains a comprehensive web presence to ensure information and resources can be accessed at any time. A strong emphasis is placed on easily downloadable material in the form of pdf publications found on the website. The Board maintains the following digital platforms;

Board website:	803,767 page views
Facebook:	1,014 followers
Twitter (@ArchInsights):	2,664 followers
Soundcloud	2,076 listens
Instagram	1,347 followers
You Tube	10,292 views

Promoting architecture

The Board provides information to the NSW public in order to promote architectural issues in the community, and to ensure consumers of architectural services are informed so their rights can be better protected. To do this, the Board partners with industry, not for profit organisations and professional peak bodies to deliver public programs that inform, engage and educate, including;

Sydney Architecture Festival (SAF) 2016

The Sydney Architecture Festival is presented in October/November each year by the Board in partnership with key cultural institutions and event producers across the city in the annual celebration of architecture. The Festival included talks, exhibitions, tours and activities that are all focused on promoting a better understanding of architecture. In 2016/2017 the SAF website attracted 69,272 visits. Social media (Twitter) generated 1,148,311 impressions with the official Festival hash tag #SydArchFest, reaching 278,870 individual accounts.

Australia by Design

In 2016, the Board endorsed its support for a free-to-air TV program called *'Pushing the Boundaries'*, produced by MWC Media for Channel 10 and WIN TV in regional areas. The program aligns to the Board's objective to promote a better understanding of architecture in the community. The show was notable for its focus on architect-designed projects, with a broad jury drawn from industry. Since approving this involvement, the program was rebranded *'Australia by Design'*. The audience is expected to reach around 1,000,000 viewers. The Registrar acts as 'National Host'. The series is expected to air in 2017-2018.

MADE by the Opera House

In honour of the Opera House's 40th Birthday celebrations in October 2013, the Sydney Opera House Trust, Arup, Steensen Varming, NSW Architects Registration Board and The Bikuben Foundation agreed to support, fund and develop a 6-week student exchange programme in order to promote Australian and Danish relations through cross-disciplinary interaction between engineering, architecture and design (of the built environment) students.

This ten year programme commenced in 2014. In August 2016, the five Australian MADE winners to take part in the MADE program in Denmark in January 2017 included;

- Eleanor Gibson - Bachelor of Design in Architecture, University of Sydney
- James Hansen - Bachelor of Civil Engineering, University of New South Wales
- Jacob Levy - Bachelor of Engineering (Civil)/ Bachelor of Design in Architecture, University of Sydney
- Awkar Ruel - Bachelor of Design in Architecture / Bachelor of Creative Intelligence and Innovation, University of Technology Sydney
- Nicola Shear - Bachelor of Engineering (Civil) / Bachelor of Design in Architecture, University of Sydney.

Architect's Medallion

The Architect's Medallion is awarded annually by the Board to a graduate in architecture in NSW who has achieved distinction throughout the last two years of the Master of Architecture course. Four candidates were nominated by the respective Heads of the four schools of architecture in NSW, including;

- Jonathan Kibble (University of New South Wales)
- Georgia Forbes-Smith (University of Sydney)
- Michelle Vassiliou (University of Technology, Sydney)
- Brendan Boyle (University of Newcastle)

In March 2017, the 2017 Architects Medallion was awarded to Georgia Forbes-Smith, a graduate of the University of Sydney. The selection panel found that Georgia was a consistently high academic achiever, who made the Dean's List of Excellence two years running (2011, 2012) and was awarded the 1st Degree Graduate of the Year and Most Outstanding Student in Design and Professional Studies (2014) from the Australian Institute of Architects. She also secured an International Exchange Outbound Scholarship 2015, and an Innovation in Architectural Design Award in 2016.

NSW Graduating Students Exhibition

The Board is a major supporter of the graduating students' exhibitions in each of the four schools of architecture in NSW universities. The sum of \$5,000 was donated to each School.

Byera Hadley Travelling Scholarships (BHTS)

The Board has awarded the Byera Hadley Travelling Scholarships since 1951. The BHTS is bequeathed by the Estate of the late Byera Hadley. The Trust is managed by the Perpetual Limited and 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. Scholarships are open graduates of the four schools of architecture in New South Wales and those who are currently enrolled as students in an architecture course offered by the four schools of architecture in New South Wales.

The 2016 Byera Hadley Travelling Scholarships were awarded to:

Bobbie Bayley

Girt by sea, girth by desert

Nicole Larkin

Framing the wild edge: a survey of coastal pools in NSW and the formulation of strategies towards their integration along our changing coastline

Marshall Blecher

A survey of floating communities around the world

Robert Baron

Re-situating the Teatro Amazonas

Alex Jones

Renewing the block

William (Billy) Maynard

Detailed transformations: a study of construction detailing in contemporary adaptive re-use projects in Portugal and Spain

Sophie Solomon

Supermodel housing: long, thin and dense

Jed Long

Architecture of (im)permanence

Nicola Balch

To explore and find accessible ways of digitally mapping and measuring human engagement with public space

Eva Riestra

Curating Architecture: practices and strategies for Sydney

Statutory Obligations

Internal Audit and Risk Management Statement

The Board has an exemption from compliance with NSW Treasury Internal Audit and Risk Management Policy TPP15-03 due to its status as a small agency of government.

The NSW Architects Registration Board has internal risk management processes in place that are, in all material respects, compliant with the core requirements set out in Treasury Circular NSW TPP 15-03 *Internal Audit and Risk Management Policy*. 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.

Workplace Health Safety

Board staff undertook fire training, including building evacuation procedures and use of fire extinguishers training.

Government Information (Public Access) Act 2009

The Board provides information to the public in compliance with the Act. The GIPA Act applies to all NSW Government agencies, and encourages government agencies to release information proactively. The system makes it easier for individuals to access government and personal information from government agencies. A review of information proactively released under the GIPA Act was undertaken and the Board published a Publication Guide that contains a list of its information and guides already available on its website.

Accessing the Board's documents

Policies and publications can be accessed from the Board's website www.architects.nsw.gov.au or by contacting the Board's Registrar. Applications for access to documents under the provisions of the GIPA Act must be in writing, either on an application form or by letter, accompanied by the \$30 application fee and sent to the Registrar at Level 2, 156 Gloucester Street Sydney NSW 2000.

The Board had no applications for access to information to be applicable under the GIPA Act in the reporting year. The Board actively shares documents and decisions on the web, and via an active social media presence.

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 Interest Disclosures

There were no disclosures received from any officer of the Board. No reports were received in reference to corrupt conduct, mal-administration, government information and local government pecuniary contraventions.

Digital Information Security Annual Security Policy

The Board had an Information Security Management System in place during the reporting period which is materially consistent with the Core Requirements set out in the *Digital Information Security Policy for the NSW Public Sector*, and that reflected the 2013 version of ISO/IEC 27001 standard. Refer Annexure C - *Digital Information Security Annual Attestation Statement for the 2016-2017 Financial Year for the NSW Architects Registration Board*

Annual Reports (Statutory Bodies) Regulation 2015

In accordance with the Annual Reports (Statutory Bodies) Regulation 2015 (469), Clause 10(2)(a)

hard copies of the Annual Report are printed only for reporting obligations to government agencies. The Report is published on the Board's website.

Senior Executive reporting

The NSW Architects Registration Board does not employ any staff that would require reporting under the Senior Executive reporting requirements of Treasury Circular PSCC 2014-09.

Workforce diversity

As a small statutory body, the Board employs staff from across a range of backgrounds, age and gender. The Board is committed to the Government policy of workforce diversity, and ensures that this policy is observed in the recruitment and management of staff and dealings with the public. As of June 2017, the Board staff comprised;

- Tim Horton, Registrar
- Mae Cruz, Deputy Registrar, Examination and Scholarships
- Nadine Roberts, Finance and Compliance Lead (Part time)
- Debbie Wood, Finance and Administration Officer (Part time)
- Byron Kinnaird, Research and Policy Officer (Part time)
- Gabrielle Shina, Legal and Administration Officer (Casual)

Multicultural Policies and Services Program

In 2015, the Board supported a project titled '*Mashrabiya: a Glimpse into Sacred Arab Art and Architecture*' in collaboration with the Council for Australia-Arab Relations and the Bankstown Youth Development Service intended to build a bridge between arab and non-arab Australians through art and architecture.

A program designed to engage a diverse, multicultural audience was delivered in 2016-2017, with milestone events including:

- *Mashrabiya Exhibition Opening*, 7 July 2016 at the Penrith Library, 601 High Street Penrith including participation by Willurai Kirkbright, a multimedia and conceptual artist of Aboriginal descent; students of Interior Design TAFE Nepean Art and Design Centre, and participants from Muhammadi Welfare Association.
- *Architecture of faith and the city*, 20 July 2016 at the NSW Institute of Architects, 3 Manning St Potts Point NSW, including participation by Ms Anjali Roberts, Penrith Council; Ms Endriana Audisho, University of Technology Sydney, Mr Peter Mould, former NSW Government Architect
- *Exhibition opening*, 22 July 2016 at the Bankstown Arts Centre, 5 Olympic Pde Bankstown including participation by; Hussein Nabeel, a visual artist and Psychology major of Iraqi descent; Pamela Maldonado, an artist; Heather Nesbitt, Greater Sydney Commission, Social Commissioner; students of Joseph Banks High School in Revesby are in Year 9. The group was all female, and mostly Muslim.

Senior Board staff have met with the Council for Australia-Arab Relations to discuss ongoing collaboration in 2018-2019.

Disability Inclusion

In April 2016, the Board identified the need for reception facilities to comply with universal access requirements of AS1428. The installation of a complying reception counter is scheduled for the 2017-2018 reporting period.

Public Finance and Audit Regulation 2015 and Annual Reports Legislation: Reporting on Payment of Accounts

In accordance with Clause 13 of the Public Finance and Audit Regulation 2015, the Annual Reports Legislation and the NSW Treasury Circular (TC 11/12), the Board has a statutory obligation to report on the prompt payment of accounts, including disclosure of payment performance as outlined in Treasury Circular 11/21 January 2012, and the following information is provided in relation to payment of accounts:

Aged analysis at the end of each quarter

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
	\$	\$	\$	\$	\$
All suppliers					
September 2016	\$337,551.04	-	-	-	-
December 2016	\$437,548.17	-	-	-	-
March 2017	\$289,897.35	112.15	-	-	-
June 2017	\$332,068.89	-	-	-	-
Small business suppliers					
September 2016	\$70,204.14	-	-	-	-
December 2016	\$115,347.71	-	-	-	-
March 2017	\$28,626.63	-	-	-	-
June 2017	\$85,054.75	-	-	-	-

Accounts due or paid within each quarter (including refunds, overpayments, scholarship monies etc)

Measure	September 2016	December 2016	March 2017	June 2017
All suppliers				
Number of accounts due for payment	142	213	114	168
Number of accounts paid on time	142	213	113	168
Actual percentage of accounts paid on time (based on no. of accounts)	100%	100%	99.14%	100%
Dollar amount of accounts due for payment	\$337,551.04	\$437,548.17	\$290,009.50	\$332,068.89
Dollar amount of accounts paid on time	\$337,551.04	\$437,548.17	\$289,897.35	\$332,068.89
Actual percentage of accounts paid on time (based on \$)	100%	100%	99.96%	100%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

The payment made outside the payment terms was as a result of the office being closed over the Christmas period.

Accounts due or paid within each quarter (including refunds, overpayments, scholarship monies etc)

Measure	September 2016	December 2016	March 2017	June 2017
Small business suppliers				
Number of accounts due for payment	36	37	13	31
Number of accounts paid on time	36	37	13	31
Actual percentage of accounts paid on time	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$70,204.14	\$115,347.71	\$28,626.63	\$85,054.75
Dollar amount of accounts paid on time	\$70,204.14	\$115,347.71	\$28,626.63	\$85,054.75
Actual percentage of accounts paid on time (based on \$)	100%	100%	100%	100%
Number of payments for interest on overdue accounts	-	-	-	-
Interest paid on overdue accounts	-	-	-	-

Annual Reports (Statutory Bodies) Regulation 2015

In accordance with the Annual Reports (Statutory Bodies) Regulation 2015 (469), Clause 10(2) (a) the following information is provided in relation to the production of this Annual Report:

Hard copies of the Annual Report are printed only for reporting obligations to government agencies. The Report is published in the Board's website.



INDEPENDENT AUDITOR'S REPORT

NSW Architects Registration Board

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of NSW Architects Registration Board (the Board), which comprise the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Board as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Board in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

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 and the PF&A Act, and for such internal control as the members of the Board determine is necessary to enable the preparation and fair

presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board must assess the Board's ability to continue as a going concern except where the Board will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Board carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Nathan Carter
Director, Financial Services

11 October 2017
SYDNEY

NSW Architects Registration Board

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

STATEMENT BY BOARD MEMBERS

Under Section 41C of the *Public Finance and Audit Act 1983*, we state that, in our opinion:

- (a) The accompanying financial statements and notes thereto have been prepared in accordance with:
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions; and
 - applicable Australian Accounting Standards (which include Australian Accounting Interpretations).
- (b) The financial statements exhibit a true and fair view of the financial position and transactions of the Board for the year ended 30 June 2017;
- (c) At the date of this statement, we are not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Deborah Dearing
President



Peter Poulet
Deputy President

11 October 2017

NSW Architects Registration Board
Financial Statements
for the year ended 30 June 2017

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**NSW Architects Registration Board
Statement of comprehensive income
for the year ended 30 June 2017**

	Notes	Actual 30 June 2017 \$	Actual 30 June 2016 \$
Expenses excluding losses			
Operating expenses			
Employee related	2(a)	584,831	609,525
Other operating expenses	2(b)	629,308	533,715
Depreciation	2(c)	27,043	14,288
Grants and subsidies	2(d)	<u>20,250</u>	<u>21,199</u>
Total Expenses excluding losses		<u>1,261,432</u>	<u>1,178,727</u>
Revenue			
Fees	3(a)	1,217,239	1,189,453
Investment revenue	3(b)	24,200	38,547
Architects Accreditation Council of Australia Examination / Built Work Program of Assessment fees	3(c)	213,155	195,250
Other revenue	3(d)	<u>24,385</u>	<u>30,972</u>
Total Revenue		<u>1,478,979</u>	<u>1,454,222</u>
Net result		<u>217,547</u>	<u>275,495</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		<u>217,547</u>	<u>275,495</u>

The accompanying notes form part of these financial statements.

NSW Architects Registration Board
Statement of financial position
for the year ended 30 June 2017

	Actual 30 June 2017 \$	Actual 30 June 2016 \$
ASSETS		
Current Assets		
Cash and Cash Equivalents	4 2,492,792	2,247,944
Receivables	5 18,314	66,607
Other Financial Assets	6 43,406	43,406
Total Current Assets	<u>2,554,512</u>	<u>2,357,957</u>
Non-Current Assets		
Plant and Equipment		
Office Equipment	7 17,054	25,057
Office Fitout	7 20,438	23,227
Leasehold Improvements	7 3,722	14,280
Total Plant and Equipment	7 <u>41,214</u>	<u>62,564</u>
Total Non-Current assets	<u>41,214</u>	<u>62,564</u>
Total Assets	<u>2,595,726</u>	<u>2,420,521</u>
LIABILITIES		
Current Liabilities		
Payables	9 120,946	169,599
Provisions	10 143,741	137,347
Total Current Liabilities	<u>264,687</u>	<u>306,946</u>
Non-Current Liabilities		
Provisions	10 <u>14,197</u>	<u>14,280</u>
Total Non-Current Liabilities	<u>14,197</u>	<u>14,280</u>
Total Liabilities	<u>278,884</u>	<u>321,226</u>
Net Assets	<u>2,316,842</u>	<u>2,099,295</u>
EQUITY		
Accumulated Funds	<u>2,316,842</u>	<u>2,099,295</u>
Total Equity	<u>2,316,842</u>	<u>2,099,295</u>

The accompanying notes form part of these financial statements.

**NSW Architects Registration Board
Statement of changes in equity
for the year ended 30 June 2017**

	Accumu- lated Funds \$	Total \$
Balance at 1 July 2016	2,099,295	2,099,295
Net result for the year	<u>217,547</u>	<u>217,547</u>
Total other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>217,547</u>	<u>217,547</u>
Balance at 30 June 2017	<u>2,316,842</u>	<u>2,316,842</u>

	Accumu- lated Funds \$	Total \$
Balance at 1 July 2015	1,823,800	1,823,800
Net result for the year	<u>275,495</u>	<u>275,495</u>
Total other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>275,495</u>	<u>275,495</u>
Balance at 30 June 2016	<u>2,099,295</u>	<u>2,099,295</u>

The accompanying notes form part of these financial statements.

**NSW Architects Registration Board
Statement of cash flows
for the year ended 30 June 2017**

	Actual 2017	Actual 2016	
	\$	\$	
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Related	(604,639)	(578,469)	
Grants and Subsidies	(20,250)	(31,199)	
Other	(775,973)	(635,871)	
Byera Hadley Travelling Scholarships	(102,531)	(99,838)	
Total Payments	<u>(1,503,393)</u>	<u>(1,345,377)</u>	
Receipts			
Fees Received	1,639,061	1,544,128	
Interest Received	33,634	22,776	
Byera Hadley Travelling Scholarships	81,239	132,903	
Total Receipts	<u>1,753,934</u>	<u>1,699,807</u>	
NET CASH FLOWS FROM OPERATING ACTIVITIES	13 <u>250,541</u>	354,430	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Office Equipment	(5,693)	(22,967)	
Purchases of Investments	-	(1,075)	
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(5,693)</u>	<u>(24,042)</u>	
NET INCREASE IN CASH	244,848	330,388	
Opening cash and cash equivalents	<u>2,247,944</u>	<u>1,917,556</u>	
CLOSING CASH AND CASH EQUIVALENTS	4 <u>2,492,792</u>	<u>2,247,944</u>	

The accompanying notes form part of these financial statements.

1 Summary of Significant Accounting Policies

(a) Reporting entity

The NSW Architects Registration Board (the Board) is a NSW government entity which 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 is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

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.

These financial statements for the year ended 30 June 2017 have been authorised for issue by the Registrar on 11th October 2017.

(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 on an accrual basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2015*; and
- financial reporting directions mandated by the Treasurer.

Plant and equipment and financial assets at 'fair value through profit or loss' are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

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

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 currency.

(c) Statement of compliance

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

(d) Insurance

The Board's Workers Compensation Cover is with GIO Workers Compensation, agent for the NSW WorkCover Scheme. Professional Indemnity & Association Liability Insurance is 100% Underwritten at Lloyds through Planned Cover, and Business Insurance with Berkley Insurance Australia via Focus Underwriting through Planned Cover.

The expense (premium) is determined by the Fund Manager based on past claims experience.

1 Summary of Significant Accounting Policies (cont'd)

(e) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of an asset's cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(f) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. All revenues arise from operating activities consistent with core operations. Income 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 income are discussed below.

(i) Sale of goods and rendering of 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.

Accrued income has been recognised for identified registration fees monies that belong to the financial year but are received after 30 June.

(ii) Investment revenue

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

(g) Plant and equipment

(i) Acquisitions of plant and equipment

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

(ii) Capitalisation thresholds

Plant and equipment costing \$1,000 and above individually, or forming part of a network costing more than \$1,000 are capitalised.

(iii) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(iv) Depreciation of plant and equipment

Depreciation is provided on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Board.

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

1 Summary of Significant Accounting Policies (cont'd)

(g) *Plant and equipment (cont'd)*

Depreciation of plant and equipment (cont'd)

The following depreciation rates are used:

Depreciation Rates	30 June 2017	30 June 2016
	% Rate	% Rate
Personal Computers	25	25
Furniture	20	20
Major Software	20	20
Leasehold Improvements	Depreciated over the period of the lease	Depreciated over the period of the lease
Office Fit-out	10-25	10-25

(v) Revaluation of plant and equipment

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with *AASB 113 Fair Value Measurements and AASB 116 - Property Plant and Equipment*.

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. The Board has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

(vi) Impairment of plant and equipment

As a not-for-profit entity with no cash generating units, impairment under *AASB 136 Impairment of Assets* is unlikely to arise. As plant and equipment is carried at depreciated historical cost as a surrogate for fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically impairment is unlikely for not-for-profit entities given that *AASB 136* modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

(h) *Leases*

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased assets, and operating leases under which the lessor does not transfer substantially all the risks and rewards.

Where a non-current asset is acquired by means of a finance lease, at the commencement of the lease term, the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments, at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

1 Summary of Significant Accounting Policies (cont'd)

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in net result.

The Board determines the classification of its financial assets and liabilities after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

(i) Financial assets

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

• Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effect of discounting is immaterial.

• Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity that the entity has the positive intention and ability to hold to maturity are classified as 'held-to-maturity' investments. These financial assets are measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

The Board has placed funds in fixed term deposits with Westpac Banking Corporation. These deposits have average maturity of 448 days and interest rates of 1.5% to 2.6% per annum (2.5% to 3.9% in 2015/16).

• Impairment of financial assets

All financial assets, except those at fair value through profit and loss, are subject to an annual review for impairment. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

For certain categories of financial assets, such as trade receivables, the entity first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Assets are assessed for impairment on a collective basis if they were assessed not to be impaired individually.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

1 Summary of Significant Accounting Policies (cont'd)

(i) *Financial Instruments (cont'd)*

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as 'available-for-sale' must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

(ii) Financial liabilities

Financial liabilities are classified as either 'at fair value through profit or loss' or 'at amortised cost'.

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Payables represent liabilities for goods and services provided to the Board and other amounts. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

- Financial Guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The Board has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts as at 30 June 2017 and as at 30 June 2016. However, refer to Note 12 regarding disclosures on contingent liabilities.

(iii) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the entity transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the board has not transferred substantially all the risks and rewards, if the Board has not retained control.

Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of the Board's continuing involvement in the asset. In that case, the Board also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Board has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entity could be required to repay.

1 Summary of Significant Accounting Policies (cont'd)

(i) *Financial Instruments (cont'd)*

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(iv) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(j) *Payables*

These amounts represent liabilities for goods and services provided to the entity and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(k) *Employee benefits*

(a) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of an approach using nominal annual leave plus the annual leave on the nominal liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Board has assessed the actuarial advice based on the entity's circumstances and has determined that all annual leave is taken within 12 months so discounting is not applicable.

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.

(b) Long service leave and superannuation

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

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 Limited, Clearview Life Nominees P/L, Macquarie Super, Media Super, Uni Super and Sommer Dearing Super.

(c) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

(l) *Fair value hierarchy*

AASB 13 Fair Value Measurement hierarchy disclosure is not required as the Board's non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value.

1 Summary of Significant Accounting Policies (cont'd)

(m) *Equity*

(i) Accumulated Funds

The category 'Accumulated Funds' includes all current and prior period retained funds

(n) *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.

(o) *Changes in accounting policy, including new or revised Australian Accounting Standards*

(i) Effective for the first time in 2016-17

The accounting policies applied in 2016-17 are consistent with those of the previous financial year except as result of the AASB 124- Extended Related Party Disclosure to Not-for-Profit Entity that has been applied for the first time in year ending 30 June 2017.

(ii) Issued but not yet effective

NSW public sector entities are not permitted to early adopt new Australian Accounting Standards, unless Treasury determines otherwise.

The following new Australian Accounting Standards have not been applied and are not yet effective.

- AASB 9 Financial Instruments
- AASB 1058 Income of Not-for-profit Entities
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities
- AASB 16 Leases

Management has assessed the impact of these new standards and interpretations and determined they will not have a material impact on the Board's financial statements.

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

2 Expenses Excluding Losses

	30 June 2017 \$	30 June 2016 \$
(a) Employee related expenses		
Salaries and Wages (including annual leave)	513,422	530,391
Superannuation - defined contribution plans	59,318	56,467
Long Service Leave	8,277	20,545
Workers Compensation Insurance	3,814	2,122
	584,831	609,525
	30 June 2017 \$	30 June 2016 \$
(b) Other operating expenses include the following:		
Auditor's Remuneration - audit of the financial reports	18,340	16,800
Insurance	6,345	6,463
Computer Expenses	44,763	43,722
Corporate Services	22,880	13,600
Architects Accreditation Council of Australia Expenses	163,089	150,246
Operating Lease Rental Expense - minimum lease payments	114,332	109,437
Cleaning	4,301	4,301
Legal Costs	11,538	4,785
Advertising & Promotions	128,372	72,348
Postage and Freight	3,770	5,189
Bank Charges	7,674	9,743
Printing and Stationery	3,694	12,771
Travel	2,181	1,966
Boards Expenses	5,060	4,173
Telephone	3,700	3,112
Other	29,325	30,542
Election Costs	22,692	-
Governance Costs	31,953	10470
Byera Hadley Travelling Scholarships	(3,236)	13,426
Administrative Decisions Tribunal Expenses	-	110
Part 4 Discipline Expenses	4,617	224
Part 2 Div 2 s9/10 Discipline Expenses	(800)	14,506
Built Work Program of Assessment	3,600	4,200
Maintenance Expenses	1,118	1,581
	629,308	533,715
<i>* Reconciliation - Total Maintenance</i>		
Maintenance Expense - contracted labour and other (non-employee related), as above	1,118	1,581
Total Maintenance Expenses included in (a) + (b)	1,118	1,581
	30 June 2017 \$	30 June 2016 \$
(c) Depreciation expense		
Office Equipment	13,654	11,672
Office Fitout	3,371	2,616
Leasehold	10,018	-
	27,043	14,288

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

2 Expenses Excluding Losses (cont'd)

	30 June 2017 \$	30 June 2016 \$
(d) Grants and subsidies		
Research Grant	-	1,199
Others	<u>20,250</u>	<u>20,000</u>
	<u>20,250</u>	<u>21,199</u>

3 Revenue

	30 June 2017 \$	30 June 2016 \$
(a) Fees		
Annual Fees - Practising Architects	1,055,600	1,042,250
Annual Fees - Non-Practising Architects	33,950	35,060
Registration Fee - Practising Architects	36,100	24,299
Registration Fee - Non-Practising Architects	6,250	6,920
Restoration - Practising Architects	23,540	23,280
Restoration Fee - Non-Practising Architects	2,750	2,100
Corporation Listing Fees	5,700	3,720
Corporations Change of Details	1,715	1,609
Corporations Publication Fee	50,040	48,565
Recoveries	<u>1,594</u>	<u>1,650</u>
	<u>1,217,239</u>	<u>1,189,453</u>

	30 June 2017 \$	30 June 2016 \$
(b) Investment revenue		
Interest revenue from financial assets not at fair value through profit or loss	23,090	37,467
Interest on Deposits	<u>1,110</u>	<u>1,080</u>
	<u>24,200</u>	<u>38,547</u>

	30 June 2017 \$	30 June 2016 \$
(c) Architects Accreditation Council of Australia Examination / Built Work Program of Assessment fees		
Examination Fees	203,555	186,550
Assessment Fees	<u>9,600</u>	<u>8,700</u>
	<u>213,155</u>	<u>195,250</u>

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

3 Revenue (cont'd)

	30 June 2017	30 June 2016
	\$	\$
(d) Other revenue		
Printed Architects Register Purchases	5,910	5,265
Registration Certificate	23	23
Disciplinary Hearing Recovery	2,636	10,548
Byera Hadley Travelling Scholarships Promotion Monies Received	8,123	13,290
Postage Receipts	180	244
Other	7,513	1,602
	24,385	30,972

4 Current Assets - Cash and Cash Equivalents

	30 June 2017	30 June 2016
	\$	\$
Cash at bank and on hand	2,492,792	2,247,944
	2,492,792	2,247,944

For the purposes of the Statement of cash flows, cash and cash equivalents include cash at bank and cash on hand. Cash at bank comprises the Board's Cash Management and Trading bank accounts, Byera Hadley Travelling Scholarships (BHTS) fund and Sydney Architecture Festival (SAF) accounts.

Cash and cash equivalent assets recognised in the Statement of financial position are reconciled at the end of the financial year as shown in the Statement of cash flows as follows:

	30 June 2017	30 June 2016
	\$	\$
Cash and cash equivalents (per statement of financial position)	2,492,792	2,247,944
Closing cash and cash equivalents (per statement of cash flows)	2,492,792	2,247,944

5 Current Assets - Receivables

	30 June 2017	30 June 2016
	\$	\$
Current Receivables		
Goods and Services Tax recoverable from ATO	-	3,395
Interest Receivable	6,495	15,929
Others	-	35,103
Prepayments	11,819	12,180
	18,314	66,607

Details regarding credit risk, liquidity risk and market risk, including financial assets that are either past due or impaired, are disclosed in Note 14.

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

6 Current Assets - Other Financial Assets

	30 June 2017 \$	30 June 2016 \$
Financial Assets Held to Maturity	<u>43,406</u>	43,406
	<u>43,406</u>	<u>43,406</u>

Refer to Note 14 for further information regarding fair value measurement, credit risk, liquidity risk, and market risk arising from financial instruments.

7 Non-Current Assets - Plant and Equipment

	Office Equipment \$	Office Fitout \$	Leasehold Improvement \$	Total \$
At 1 July 2016 - fair value				
Gross Carrying Amount	150,618	191,152	14,280	356,050
Less Accumulated Depreciation	(125,561)	(167,925)	-	(293,486)
Net Carrying Amount	<u>25,057</u>	<u>23,227</u>	<u>14,280</u>	<u>62,564</u>
At 30 June 2017 - fair value				
Gross Carrying Amount	116,406	191,734	13,740	321,880
Less Accumulated depreciation	(99,352)	(171,296)	(10,018)	(280,666)
Net Carrying Amount	<u>17,054</u>	<u>20,438</u>	<u>3,722</u>	<u>41,214</u>

Reconciliation

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

	Office Equipment	Office Fitout Improvement	Leasehold Improvement	Total
Year ended 30 June 2017				
Net Carrying Amount at Start of Year	25,057	23,227	14,280	62,564
Additions	5,651	582	-	6,233
Disposal	-	-	(540)	(540)
Depreciation Expense	(13,654)	(3,371)	(10,018)	(27,043)
Net Carrying Amount at End of Year	<u>17,054</u>	<u>20,438</u>	<u>3,722</u>	<u>41,214</u>

Initial recognition of Leasehold improvement was incorrect which is corrected and it has been depreciated for the first time.

	Office Equipment	Office Fitout Improvement	Leasehold Improvement	Total
At 1 July 2015 - fair value				
Gross Carrying Amount	150,730	182,627	-	333,357
Less Accumulated Depreciation	(128,443)	(165,309)	-	(293,752)
Net Carrying Amount	<u>22,287</u>	<u>17,318</u>	<u>-</u>	<u>39,605</u>
At 30 June 2016 - fair value				
Gross Carrying Amount	150,618	191,152	14,280	356,050
Less Accumulated Depreciation	(125,561)	(167,925)	-	(293,486)
Net Carrying Amount	<u>25,057</u>	<u>23,227</u>	<u>14,280</u>	<u>62,564</u>

Reconciliation

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

	Office Equipment	Office Fitout Improvement	Leasehold Improvement	Total
Year ended 30 June 2016				
Net Carrying Amount at Start of Year	22,287	17,318	-	39,605
Additions	14,442	8,525	14,280	37,247
Depreciation Expense	(11,672)	(2,616)	-	(14,288)
Net Carrying Amount at End of Year	<u>25,057</u>	<u>23,227</u>	<u>14,280</u>	<u>62,564</u>

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

7 Non-Current Assets - Plant and Equipment (cont'd)

Management considers the market value of Office Equipment and Fitout to be fairly approximated by the written down value expressed above.

8 RESTRICTED ASSETS

	30 June 2017	30 June 2016
	\$	\$
Byera Hadley Travelling Scholarship Monies	58,723	80,015
Sydney Architecture Festival Account	<u>7,577</u>	<u>6,580</u>
	<u>66,300</u>	<u>86,595</u>

The above funds which are included in the total cash amount are restricted assets. Funds received for the Byera Hadley Travelling Scholarships are to be exclusively used to fund architects, students and graduates of architecture in NSW, to undertake further studies and research for the advancement of architecture. Funds received for Sydney Architecture Festival are to be solely used to cover any expense that is incurred for this yearly festival. These funds are not available for normal operational expenditure by the Board.

9 Current Liabilities - Payables

	30 June 2017	30 June 2016
	\$	\$
Payables		
Accrued salaries, wages and on-costs	2,002	25,965
Creditors	37,131	49,759
Scholarships *	58,723	80,015
Goods and Services Tax Payable to ATO	10,550	-
Audit Fees	<u>12,540</u>	<u>13,860</u>
	<u>120,946</u>	<u>169,599</u>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 14.

* 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. Perpetual Limited manages the fund and provides funding for promotion of the Scholarships. This money is not available for normal operational expenditure by the Board.

Reconciliation of BHTS liability:	30 June 2017	30 June 2016
	\$	\$
Opening Balance	80,015	46,950
Scholarship funding received from Trustee	<u>81,239</u>	<u>132,903</u>
Scholarship funds to be distributed	<u>161,254</u>	<u>179,853</u>
Payments made to scholarship recipients	<u>(102,531)</u>	<u>(99,838)</u>
Closing Balance	<u>58,723</u>	<u>80,015</u>

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

10 Current / Non-Current Liabilities - Provisions

	30 June 2017	30 June 2016
	\$	\$
Current		
Employee Benefits and Related On-Costs		
Annual Leave	27,377	26,832
Long Service Leave	116,364	110,515
Total Current Provisions	143,741	137,347
	30 June 2017	30 June 2016
	\$	\$
Non-Current		
Other Provisions		
Leasehold Obligations	14,197	14,280
Total Non-Current Provisions	14,197	14,280
Total Provisions	157,938	151,627

Leasehold obligation has been adjusted to reflect the Net Present Value.

Aggregate Employee Benefits and Related On-Costs

Provisions - Current	116,364	137,347
Annual Leave	27,377	26,832
Accrued Salaries, Wages and On-Costs (Note 9)	2,002	25,965
	145,743	190,144

Employee benefits expected to be settled no more than 12 months after the reporting date:

Annual Leave	27,377	26,832
Long Service Leave	58,182	8,551
	85,559	35,383

Employee benefits expected to be settled in more than 12 months of the reporting date:

Long Service Leave	58,182	101,964
	58,182	101,964

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

11 Commitments for Expenditure

(a) Operating Lease Commitments

	30 June 2017	30 June 2016
	\$	\$
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	133,263	128,263
Later than one year and not later than five years	155,618	287,574
Later than five years	-	-
Total (including GST)	288,881	415,837

Commitments above include input tax credits of approximately \$26,262 that are expected to be recovered from the Australian Taxation Office (ATO) (2016 \$37,803).

(b) Capital Commitments

The Board is not committed to any Capital expenditure as at 30 June 2017 (2016: nil).

12 Contingent Liabilities and Contingent Assets

The Board has a bank guarantee amount of \$27,728 in relation to an operating lease agreement for premises for the Board's use. At the reporting date, it is not probable that the Board will be required to settle the guarantee

13 Reconciliation of Cash Flows from Operating Activities to Net Result

	30 June 2017	30 June 2016
	\$	\$
Net cash used on operating activities	250,541	354,430
Depreciation	(27,043)	(14,288)
Decrease / (increase) in provisions	(6,311)	(18,088)
Increase / (decrease) in prepayments and other assets	(48,293)	17,311
Decrease / (increase) in creditors	48,653	(63,870)
Net result	217,547	275,495

14 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. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Board's principal financial instruments are 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.

(a) Financial Instrument Categories

Financial Assets	Note	Category	Carrying Amount 2017 \$	Carrying Amount 2016 \$
Class:				
Cash and cash equivalents	4	N/A	2,492,792	2,247,944
Receivables ¹	5	Loans and receivables at amortised cost	6,495	51,032
Other financial assets	6	Held-to-maturity (at amortised cost)	43,406	43,406
Financial Liabilities	Note	Category	Carrying Amount 2017 \$	Carrying Amount 2016 \$
Class:				
Payables ²	9	Payables (at amortised cost)	118,944	143,634

Notes:

1 Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7)

2 Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7)

(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, receivables and authority deposits. Cash comprises cash on hand and cash 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 nil due to the fact that the company is one of the four pillars of the Australian banking system and, as at 30 June 2017, has an AA minus 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.

14 Financial Instruments (cont'd)

The Board's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment or risk. During the current and prior years, there was no defaults or breaches on any loan payable. No assets have been pledged as collateral. Moreover, the major part of the Board's liabilities is the Byera Hadley Travelling Scholarships which the Board administers (refer to Note 9).

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 out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, 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. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Board may automatically pay the supplier simple interest. There was no interest paid during the year.

Maturity analysis and interest rate exposure of financial liabilities

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate (maturing less than 1 year)		Non-interest Bearing		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities										
Creditors	-	-	-	-	-	-	118,944	143,634	118,944	143,634
Total financial liabilities	-	-	-	-	-	-	118,944	143,634	118,944	143,634

Notes:

The amount disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Board can be required to pay.

(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 (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis for 2016. The analysis assumes that all other variables remain constant.

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2017

14 Financial Instruments (cont'd)

Interest Rate Risk

The Board is exposed to interest rate risk through its cash and term deposits 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 (based on official RBA interest rate volatility over the last five years). 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 is set out below:

		Impact of 1% Increase		Impact of 1% Decrease	
		Profit	Equity	Profit	Equity
2017					
<i>Financial Assets</i>					
Cash and Cash Equivalents	2,492,792	(24,927)	(24,927)	24,927	24,927
Other Financial Assets	43,406	(434)	(434)	434	434
Total	<u>2,536,198</u>	<u>(25,361)</u>	<u>(25,361)</u>	<u>25,361</u>	<u>25,361</u>
2016					
<i>Financial Assets</i>					
Cash and Cash Equivalents	2,247,944	(22,479)	(22,479)	22,479	22,479
Other Financial Assets	43,406	(434)	(434)	434	434
Total	<u>2,291,350</u>	<u>(22,913)</u>	<u>(22,913)</u>	<u>22,913</u>	<u>22,913</u>

(e) Fair Value Measurement

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

15 Related Party Disclosure

The entity's key management personnel compensation details for the year ending June 2017 are as follows:

	2017
	\$'000
Short term employee benefits:	
Salaries and Other Monetary Allowances	256,560
Other Long-Term Employee Benefits	-
Post-Employment Benefits	19,289
Termination Benefits	-
Total Remuneration	<u>275,849</u>

During the year, the Board did not enter into any transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

16 Events After the Reporting Period

There are no events subsequent to balance date which materially affect the financial statements.

End of audited financial statements

FINANCIAL MANAGEMENT

ANNEXURE B

INCOME BUDGET		BUDGET	BUDGET
Acct No	INCOME	2016-2017	2017-2018
ADMINISTRATION – DEPT 01			
4-1000	ENROLMENT FEE	36,300	37,500
4-1001	RE-REGISTRATION FEES	21,300	25,500
4-1002	ANNUAL REGISTRATION FEE FOR ARCHITECTS	982,500	1,000,000
4-1003	TEMPORARY REGISTRATION FOR O/SEAS ARCHITECTS	1,300	0
4-1004	REGISTRATION/RE-REGISTRATION INTERVIEW FEES	1,200	1,200
4-1006	REGISTRATION FEE FOR NON PRACTISING ARCHITECTS	6,000	6,000
4-1007	NON PRACTISING ARCHITECTS - ANNUAL REGISTRATION FEES	41,600	41,600
4-1009	NON PRACTISING ARCHITECTS RE-REGISTRATIONS	2,500	2,750
4-1100	LISTING OF "NOMINATED ARCHITECT"/PRACTICE REGISTRATION	3,000	3,600
4-1101	ANNUAL PUBLICATION FEE FOR NOMINATED ARCHITECT	50,040	45,120
4-1102	"NOMINATED ARCHITECT" CHANGE OF DETAILS FEE	1,715	1,400
4-1300	ARCHITECTS REGISTER PURCHASES	1,950	4,425
4-1302	CERTIFICATION TO THIRD PARTIES	156	0
4-1306/1303	MISCELLANEOUS RECEIPTS & REGISTRATION CERTIFICATE	0	0
4-1307	MERCHANT CHARGES	1,500	1,500
		1,151,061	1,170,595
AACA – DEPT 03			
4-3000	AACA AP EXAMINATION FEES	211,350	211,350
4-3001	AACA RAE/OQA ASSESSMENT FEES	1,600	0
4-3003	AACA MISCELLANEOUS RECEIPTS	0	0
4-3005	AACA LOCALLY EXPERIENCED PRACTITIONER (LEP) PATHWAY	17,000	8,500
4-3007	AACA OVERSEAS ARCHITECT ASSESSMENT FEES (OAA)	2,000	0
		231,950	219,850
BWPRA – DEPT 04			
4-3100	BWPRA	10,800	10,800
		10,800	10,800
DISCIPLINE – DEPT 05			
4-1700	FINES	8,000	8,000
4-1800	DISCIPLINARY HEARINGS RECOVERY	5,000	3,500
		13,000	11,500
OTHER INCOME – DEPT 02/07			
8-.2000-2004	INTEREST	20,000	25,000
8-1401	BHTS PROMOTION MONIES	8,180	12,500
8-.1600	CPD EVENT INCOME	7,500	5,000
8-1700	PROMOTIONS SALARY OFFSET (DoP)	47,858	0
		83,538	42,500
TOTAL		1,490,349	1,455,245

EXPENDITURE BUDGET

Acct No	EXPENDITURE	BUDGET 2016 – 2017	BUDGET 2017 – 2018
EMPLOYMENT – DEPT 01			
6-5000/5005	SALARIES AND CASUAL WAGES	483,000	420,000
6-5001	ANNUAL LEAVE	43,000	43,000
6-5003	SUPERANNUATION	62,000	55,000
6-5011	LONG SERVICE LEAVE	23,350	15,000
6-5012	EMPLOYEE ASSOCIATED EXPENSES	0	0
		611,350	533,000
STATUTORY – DEPT 07			
6-5402	BOARD MEMBERS HONORARIA	65,000	65,000
6-5401	ELECTION COSTS	22,000	0
6-8016	BOARD MEETING EXPENSES	5,000	2,000
6-5404	BOARD MISCELLANEOUS EXPENSES	2,000	3,500
		94,000	70,500
B W P R A - DEPT 04			
6-5350	BWPRA EXAMINERS FEES	4,800	6,000
6-5351	TRAVEL EXPENSES FOR EXAMINERS	1,000	1,000
6-5352	BWPRA ROOM HIRE/CATERING EXPENSES	2,000	500
6-8023	CABCHARGES	500	0
6-8020	COURIERS	1,000	0
		9,300	7,500
DISCIPLINE - DEPT 05			
6-5500	PART 4 DIV 4 LEGAL FEES/COMPLAINTS AGAINST ARCHITECTS	10,000	10,000
6-5501	PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE	15,000	20,000
6-5506	NCAT EXPENSES	7,500	5,000
6-5502	CATERING/ROOM HIRE EXPENSES	500	500
6-5503	COURT REPORTING AND TRANSCRIPTS	500	500
6-5504	ALTERNATIVE DISPUTE RESOLUTION	2,000	2,000
6-8027	POSTAGE	500	0
6-8020	COURIERS	500	0
6-8023	CABCHARGES	200	0
		36,700	38,000
DEPRECIATION			
6-5050-5054	DEPRECIATION	34,000	20,000
		34,000	20,000

Acct No	EXPENDITURE	BUDGET 2016 – 2017	BUDGET 2017 – 2018
EDUCATION, PRIZES AND GRANTS - DEPT 06			
6-5606	INDEPENDENT REVIEW PANEL (IRP)- SCHOOL INSPECTION	1,200	2,500
6-5607	BOARD CONTRIBUTION TO IRP EXPENSES	1,000	2,500
6-8023	CABCHARGES	120	0
6-8020	COURIERS	100	0
6-5808	RESEARCH GRANT	0	0
6-5654	RESEARCH GRANT ADVERTISING/ADMIN	100	0
6-5610	GRADUATING STUDENT EXHIBITIONS	20,000	20,000
6-5611	ARCHITECTS MEDALLION COSTS	5,000	10,000
		27,520	35,000
GENERAL EXPENSES - DEPT 01			
6-8011	ACCOUNTANT FEES	22,500	40,000
6-8012	AUDIT FEES	17,000	18,000
6-4100	BANK ADMINISTRATION FEES	15,000	20,000
6-5651	BOARD ADVERTISING	5,000	3,000
6-8020	COURIERS	500	1,700
6-8038	STAFF TRAINING	6,000	6,000
6-8022	STORAGE	3,000	4,000
6-8023	CABCHARGE	1,000	1,600
6-9021	STAFF AMENITIES	1,500	1,500
6-5700/5701	IT SYSTEMS	45,000	30,000
6-8024	ELECTRICITY	4,200	8,500
6-8025	INSURANCE D & O/OFFICE CONTENTS	8,800	9,000
6-8026	GENERAL LEGAL EXPENSES	8,000	5,000
6-8027	POSTAGE	5,000	2,000
6-8029	TELEPHONE/MOBILE	7,500	4,000
6-8031	WORKERS COMPENSATION	3,000	4,000
6-8032/8033	RENT/OFFICE SERVICES	133,000	130,000
6-8036	REPAIRS AND MAINTENANCE	15,000	27,500
6-8034	PHOTOCOPIER	5,300	4,500
6-6210-6244	REFUNDS	0	0
6-5703	GOVERNANCE COSTS	35,000	20,000
		341,300	340,300
BHTS – DEPT 02			
9-5614	BHTS ADVERTISING	500	0
9-8027/8023	BHTS POSTAGE COSTS/CABCHARGE COSTS	300	0
9-5609	BHTS BOARD COMMITTEE COSTS	1,000	1,000
9-5613	BHTS PRINTING COSTS	3,000	0
9-5608	BHTS PROMOTION	5,000	11,500
		9,800	12,500

Acct No	EXPENDITURE	BUDGET 2016 – 2017	BUDGET 2017 – 2018
PRINTING AND STATIONERY – DEPT 01			
6-8018	STATIONERY	5,000	2,500
6-5722	MAILOUT	2,000	1,000
6-5851	PRINTING BOARD	6,500	2,000
		13,500	5,500
A A C A - DEPT 03			
6-6000/6011- 6012	AACA - APE EXPENSES	140,500	142,000
6-6001	AACA – RAE/OQA EXPENSES	160	0
6-6002	AACA - PER CAPITA CONTRIBUTIONS	27,500	45,000
6-6009	AACA – MEETING EXPENSES	500	1,500
6-6004	AACA - NVP	4,000	10,000
6-6013	LOCALLY EXPERIENCED PRACTITIONER EXPENSES	12,000	6,000
6-6014	AACA OVERSEAS ARCHITECT ASSESSMENT	400	0
6-8020	COURIERS	200	0
6-8023	CABCHARGES	500	0
6-8027	POSTAGE	1,000	0
6-6245/6246	REFUNDS	0	0
		186,760	204,500
PROMOTIONS – DEPT 08			
9-8028	PROMOTIONS GENERAL	65,000	75,000
9-8020	COURIER	500	0
9-8023	CABCHARGES	800	0
9-5950	SYDNEY ARCHITECTURE FESTIVAL	80,000	81,300
9-5965	MADE – STUDENT INTERNSHIPS	12,000	13,000
9-5951	WORLD CAPITAL DESIGN BID	0	15,000
9-5965	CPD EVENT COSTS	3,500	3,500
		161,800	187,800
TOTAL		1,526,030	1,454,600

Annexure C - Digital Information Security Annual Attestation Statement for the 2016-2017 Financial Year for The NSW Architects Registration Board

I, Timothy Horton, Registrar, am of the opinion that the NSW Architects Registration Board had an Information Security Management System in place during the 2016-2017 financial year that is consistent with the Core Requirements set out in the NSW Government Digital Information Security Policy.

The controls in place to mitigate identified risks to the digital information and digital information systems of NSW Architects Registration Board are adequate.

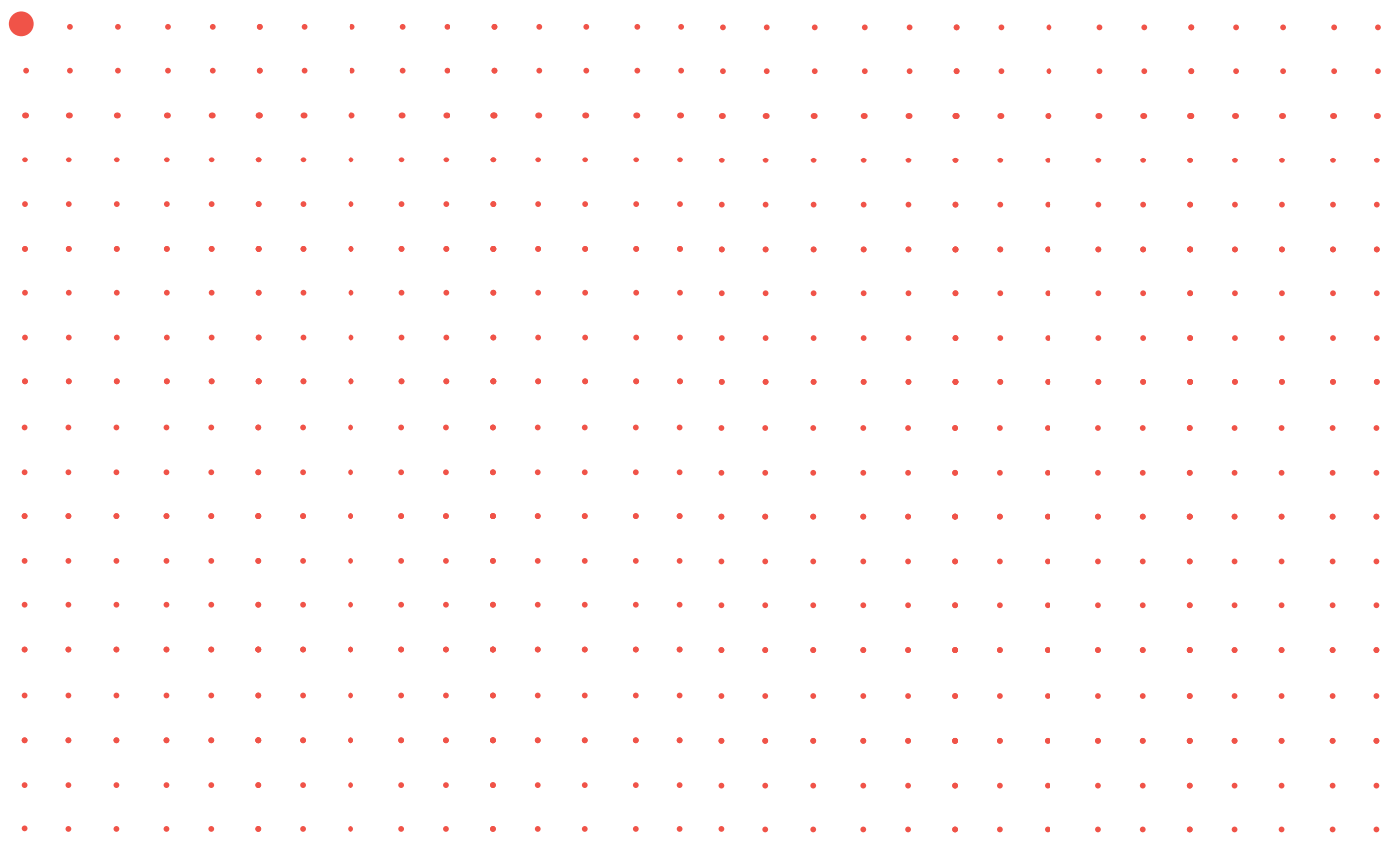
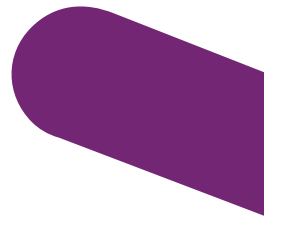
There is no agency under the control of the NSW Architects Registration Board which is required to develop an independent ISMS in accordance with the NSW Government Digital Information Security Policy.

The NSW Architects Registration Board has maintained compliance with ISO 27001 Information technology during the 2016-2017 financial year.









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