

Annual Report
2015 2016

NSW
Architects
Registration
Board



NSW
Architects
Registration
Board

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Hours of business
9am to 5pm
Monday to Friday

Annual Report 2015-2016

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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

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

Richard Thorp AM	Board President, architect appointed by the Minister
Peter Poulet	NSW Government Architect and elected Deputy President
Joe Agius	immediate past president of the Australian Institute of Architects NSW Chapter (term commenced March 2015)
Dr Catherine Lassen	architect representative from the University of Sydney (term commenced January 2015)
Sue Weatherley	representing the views of local government in respect of the quality of building (term expired April 2016)
Peter Salhani	representing the views of home owners as consumers of architectural services
Milly Brigden	representing the view of the property industry
Sam Elmir	representing the views of the building industry
Matthew Curll	legal practitioner
Peter Sarlos	elected architect member
Nigel Bell	elected architect member

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)	√	LOA	√	LOA	√	√	N/M	LOA	√	√	√	√	
P POULET (ExO)	√	√	√	√	A	√	N/M	√	√	√	√	A	
N BELL (E)	√	A	√	√	√	√	N/M	√	√	A	√	√	
C LASSEN (A/S)	√	√	√	√	√	A	N/M	-	-	√	√	A	
S ELMIR (A/M)	A	√	√	√	√	A	N/M	√	√	A	√	√	
M CURLL (A/M)	√	√	LOA	√	√	√	N/M	√	√	√	√	A	
M BRIGDEN (A/M)	√	√	√	√	√	√	N/M	A	√	√	√	√	
P SALHANI (A/M)	√	√	√	A	√	A	N/M	√	√	√	√	√	
S WEATHERLEY (A/M)	√	√	√	√	A	A	N/M	√	√	A	A	√	
P SARLOS (E)	-	-	-	-	√	√	N/M	√	√	A	√	A	
J AGIUS (ExO)	-	-	-	-	-	-	N/M	-	√	√	√	√	

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

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

NSW Review of Academic Equivalence Panel

P Bardsley	C Griffiths	M Pullinger	H Webster
A Boddy	J Ladd-Hudson	G Reinmuth	
M Bayl Smith	S Morgan	S Rofail	
P Briggs	P O'Carrigan	M Thornton	

Built Work Program of Assessment Panel

M Boffa	J Ladd-Hudson	M McDonald
D M Russell	D Vander Breggen	

NSW Representatives to APAP

P Armstrong	P Gallagher	R Neeson	M Pullinger
G Bell	C Lassen	K Orr	P Reed
A Boddy	H Lochhead	P O'Carrigan	D Vander Breggen
V L Cox	S Morgan	P Poulet	
T Finney	P Mould	C Pidcock	

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 as appropriate 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. In 2015, these procedures were subject to audit by the Internal Audit Bureau.

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. Specification 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 2016 the following Committees were in operation;

Complaints Committee

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

Members: Matthew Curl (Chair), Milly Brigden, Nigel Bell, Joe Agius, Peter Sarlos, Sam Elmir.

Finance and Risk Committee

In April 2016, the Finance and Risk Committee endorsed changes to the committee's Terms of Reference to incorporate oversight of Workplace Health and Safety. In April 2016, the term of the Chair of the Committee, Sue Weatherley, expired. As at 30 June 2016, the position has not been filled.

Members: Sue Weatherley (Chair), Richard Thorp and Peter Poulet.

Income

The Board is entirely funded by fees levied upon architects and architect corporations and firms and examination fees.

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 Universities of Newcastle, New South Wales, Sydney and the University of Technology,

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.

Architectural Practice Examination (APE)

The final qualification for registration as an architect in NSW is the successful completion of the Architectural Practice Examination, established by AACA and administered by the State/Territory Registration Boards. In New South Wales 248 candidates were admitted to the examination and 203 were successful for the period 1 July 2015 to 30 June 2016. This represents an 81% 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, 89 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, two (2) architects from New Zealand were 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.

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

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 2015-2016 periods, the status of the Bill to amend the Architects Act did not progress.

Management and activities: Profile of architects registered in NSW

Profile of architects registered in NSW as of 10.08.2016

Number of registrants

	2011	2012	2013	2014	2015	2016
	4289	4276	4064	4487	4762	4898
	Practising /Non-Practising					4016 / 882

New enrolments

	2011	2012	2013	2014	2015	2016
	182	213	164	319	321	300

Qualification of New Registrants	2011-2012	2012 - 2013	2013 - 2014	2014-2015	2015-2016
Qualified in NSW	106	84	193	169	159
Qualified in Interstate schools	12	10	21	36	23
National Program of Assessment	2	2	2	1	1
NZ/Singapore/HK graduates	11	3	11	8	9
Qualified from overseas schools	29	13	21	13	17
Mutual Recognition (Interstate)	49	41	67	89	89
TTMRA (New Zealand)	1	5	4	1	2
Temporary Registration (NSW)	1	3	0	4	0
APEC Architect	2	2			0
Total	213	164	319	321	300

Location of Registrants

	NSW	ACT	NT	QLD	SA	TAS	VIC	WA	O'SEAS
Prac	3418	51	4	188	21	14	178	12	130
NonPrac	711	10	1	36	7	2	40	4	71

Age range	Full Registration				Non-Practising		
	M	F	%	Total	M	F	Total
90 +	1	0		1	16	1	17
80 to 89	40	2		42	105	7	112
70 to 79	326	13		339	278	26	304
60 to 69	763	117		880	151	20	171
50 to 59	705	244		949	49	32	81
40 to 49	693	384		1077	58	62	120
30 to 39	420	298		718	35	41	76
20 to 29	2	8		10	0	1	1
Total	2950	1066	26%	4016	692	190	882

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.

Corporations and Firms in NSW

Number of active Corporations/Firms as at 30 June 2016: 1352

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 members of the AACA. The President of the Board, Richard Thorp AM, is currently the President 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.

Protecting consumers

Complaints against the professional conduct of architects

Nine (9) new matters were received in this reporting period. A further six (6) were carried over from the prior year. Five (5) matters were determined as not guilty of unsatisfactory professional conduct during the reporting period. Two (2) matters were dismissed prior to investigation. Three (3) matters were withdrawn by the complainant. In five (5) matters the architect was found guilty of unsatisfactory professional conduct. Two (2) matters remained under investigation after the 2015-2016 reporting period.

Pietro Lufi

Pursuant to Section 43 (4)(a) of the Act the Board finds the Architect's failure to maintain his registration while representing as an architect to meet the test of unsatisfactory professional conduct. It is the Board's view that this is likely to have been an oversight given the architect's role as primary care giver to family members who relied upon the architect during this time.

Pursuant to Section 43 (6), the Board dismisses the complaint against the architect for failing to provide advice to the complainant that resulted in unforeseen costs to the complainant.

Matthew Holt

In the Board's view, the evidence illustrates repeated attempts to assist Mr Holt to provide suitable evidence in the required format for consideration by the Board. Mr Holt has unfortunately not availed himself of the repeated opportunity, even after reminders and a written warning.

The architect failed to comply with his obligations pursuant to Part 5 Section s17(2) of the Architects Regulations 2012.

Pursuant to Section 43 (4)(a) the Board finds that the Architect guilty of unsatisfactory professional conduct. The Architect is cautioned for failing in his professional duty to provide satisfactory evidence to the Board to demonstrate the maintenance and improvement of the architect's skills and knowledge.

Pursuant to Section 43 (4)(g) the Architect is ordered to pay a fine of 5 penalty points (\$550).

Furio Valich

Pursuant to Section 43 (4)(a) the Board finds that the Architect guilty of unsatisfactory professional conduct. The Architect is cautioned for failing in his professional duty to provide satisfactory evidence to the Board to demonstrate the maintenance and improvement of the architect's skills and knowledge.

Pursuant to Section 43 (4)(g) the Architect is ordered to pay a fine of 10 penalty points (\$1,100).

Scott Weston

Pursuant to Section 43 (4) of the Act the Board finds the architect guilty of unsatisfactory professional conduct.

While the technical competence and standard of work of the architect is acknowledged, the architect failed to act with integrity or fairness. The architect failed to provide information that was truthful, accurate, unambiguous and relevant to the client's interests. The architect sought to receive payments and other inducements while deliberately concealing this fact from the client.

Pursuant to s43 (4)(a), the Board reprimands the architect and, pursuant to s43 (4)(e), the Board orders that the architect report to the Board for a twelve month period commencing on the date of this determination to certify the terms of all payments agreed, including agreements already in place with clients where a payments will be received within the said 12 month period, that no payments or other inducements are included in a contractor's price for a building contract that the architect is engaged to administer.

Pursuant to s43 (4)(g) the Board orders that the architect pay a fine of an amount of 10 penalty points.

Joseph Wyman

Pursuant to s43 (4) of the Act, the Board finds the architect guilty of unsatisfactory professional conduct for breaching Parts 3(6)(2)(b), 3(6)(3)(b) and 3(6)(4) and of Part 6(18) of the Code in the following respects:

While the Board acknowledges the architect provided continual service in the context of numerous revisions, modifications and additions, the architect failed to prepare a client architect agreement that complied with the requirements of the NSW Architects Code of Professional Conduct.

The architect did not take sufficient steps, or gain the necessary approval from the complainant for changes in scope to be charged as additional work in breach of Part 3 (6)(3). Further, in spite of the complainant relying on the architect for advice on the likelihood of achieving the client's stated objective related to the cost of the architectural service associated with substantial renovations to a home, the architect did not take all reasonable steps to provide the complainant with information that clearly identified the implications of various decisions that were made throughout the project.

The architect failed to promote dispute resolution as required by the Code, and failed to prepare a client architect agreement that complied with the Code.

Pursuant to s43 (4)(a) the Board reprimands the architect for the above breaches of the Code.

Pursuant to s43 (4)(b) the Board orders that the architect should refund a sum of \$3,153.50 to the complainant which comprises the sum expended on legal costs related to invoices in dispute, and a sum of work undertaken without prior approval.

Towards 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.

Fifty seven (57) enquiries were logged on the Register. Six (6) of these proceeded to a complaint. Fifty one (51) complaints were avoided or resolved by early advice and action.

- o 19% of enquiries related to Design
- o 23% of enquiries related to Documentation
- o 9% of enquiries related to Project Management
- o 49% of enquiries related to Practice Management

- 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 Regulation 2012). 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 proceedings against one (1) individual in the Local Court in the reporting period.

Timothy Treleaven

On 16 December 2015, Magistrate Geoffrey Bradd found building designer, Timothy Treleaven guilty of illegally representing himself as an architect. He was convicted of breaching the Architects Act and was fined \$3,500. Following the conviction, the Board agreed Mr Treleaven would pay the \$3,400 in settlement of costs.

No. of investigations	131
Complied	115
Ongoing	14
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.

Video - Getting on the same page sooner: the NSW Architects Code of Professional Conduct

S61 (i) of the Architects Act prescribes the functions of the Board to include the provision of advice to consumers of architectural services with respect to the ethics and standards of professional competence that are generally expected of architects. Consistent with this responsibility, the Board commissioned a short video to raise awareness of the NSW Architects Code of Conduct which serves as a guide for competence and conduct. Greater awareness can help homeowners and their architect can get on the same page sooner. The video was promoted on the Board's Twitter account @ArchitectureInsights and resulted in 23,097 views and 519 engagements.

Research and development

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. In 2015-2016, the Board undertook the following;

Measuring Up: the architecture of innovation

In 2014, the Board engaged UTS School of Architecture and School of Business to jointly research the relationship between architectural enterprise and Australia's innovation economy. The completed research was released in June 2016 and is hosted on the Board's website. Online industry media carried articles on the release; including ArchitectureAU and Architecture and Design. As a result of the work, entitled 'Measuring Up: innovation and the value add of architecture', UTS and the Board successfully bid to host the 9th Association of Architecture Schools of Australasia conference in October 2016.

Architects and mental health: a literature review

As a result of information obtained by the Board from architects experiencing mental illness, and affecting their capacity to deliver architectural services, the Board commissioned Prof John Mendoza and Assoc Prof Lee Stickells to complete a literature review on architects and mental health which was completed in June 2016.

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:	362,958 page views during the reporting period
Facebook:	826 followers
Twitter (@ArchInsights):	2,187 followers

The Board aims to continue to increase its public engagement through social media and web resources in the 2016/2017 year, including a free podcast channel on Soundcloud.

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 the Australian Institute of Architects (NSW Chapter), key cultural institutions and event producers across the city in the annual celebration of architecture. The Festival includes talks, exhibitions, tours and kids activities are all focused on promoting an understanding of architecture. In 2015/2016 the SAF website attracted 69,272 visits between 26 September and 3 October (an increase of 10,272 on the previous year). Social media (Twitter) generated 1,148,311 impressions with the official Festival hash tag #SydArchFest, reaching 278,870 individual accounts.

Architects Outback

Architects Outback is a pilot program supported by the NSW Country Division of the Australian Institute of Architects that aims to provide access to architects in Country and Outback NSW for towns and communities that don't currently benefit from the services of permanent architects. The program was developed by architects Cameron Anderson and Alexandra Murray. The program ran from the 7th - 10th of March 2016 and visited the towns of Coonabarabran, Coonamble, Wagett and Bourke. The initiative was conceived as a pilot which, if successful, has the potential to be made permanent and be deployed in other regional and outback areas of NSW.

Data from the Register of Architects shows that around 2% of architects practice outside a 90 minute commute zone of the centre of Sydney and Newcastle. The Board provided \$2,000 in support of this initiative to encourage access to architectural services in regional areas. The Board also partnered with ABC Radio National to ensure that journalist and broadcaster, Janne Ryan, was present for part of the time. Radio National's 'Blueprint for Living' aired a 16 minute program on Sunday 19 March 2016.

Architects Outback distributed the Board's 'Working with your architect' brochure, and delivered a short film of the program as part of the funding agreement with the Board.

Mashrabiya: a glimpse into Sacred Arab Art and Architecture

The aim of this project is to explore our understanding and relationship to sacred spaces in our environment as community members; to shed light on the historic and contemporary design of sacred spaces in the Arab world; and to build our knowledge and skill in designing and adapting these principles for the design of sacred spaces in the current Australian context.

Mashrabiya is funded by the Council of Arab-Australian Relations (CAAR). The CAAR aims to 'promote between the peoples of Australia and the Arab world mutual interests and a greater understanding and acceptance of each other's cultures, values, beliefs and diversity'.

The broader goals of the project (CAAR's goals) are to create conditions for productive partnerships and trade, and to promote cultural understanding and awareness for mutual value between Australia and the Arab world.

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 2015, the five Australian MADE winners to take part in the MADE program in Denmark in January 2016 included;

- Adriana Prasnicky - Bachelor of Design, University of New South Wales
- Callum Coombe - Bachelor of Design in Architecture, University of Sydney
- Lachlan Finn - Master of Architecture, University of Sydney
- Dierdre Mair - Bachelor of Design in Architecture/Bachelor of Civil Engineering, University of Sydney
- Andrew Weetman - Bachelor of Civil Engineering with Architecture, University of New South Wales

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. The 2015 Architects Medallion was awarded to Zoey Chen, a graduate of the University of Technology, Sydney, and presented at the 2015 Sydney Architecture Festival.

In 2016, the awarding of the Architect's Medallion was scheduled to coincide with the start of the new academic year. This meant that two Medallions were awarded in the 2015-2016 reporting period. The 2016 Architects Medallion was awarded to Chloe Yuen, a graduate of the University of Technology, Sydney.

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.

GA200+. Supporting the bicentenary of the Office of the Government Architect

In 2015, the Board identified that 2016 was an important milestone in Australian architecture, marking the 200th anniversary of the appointment of the first Colonial Architect, Francis Greenway by Gov Lachlan Macquarie in 1816. The Board endorsed financial and human resources to support this bicentenary. A Memorandum of Understanding was signed by the Government Architect and President of the Board in April 2016 to develop a program of events to be delivered throughout 2016.

Byera Hadley Travelling Scholarships (BHTS)

The Board has awarded the Byera Hadley Travelling Scholarships for sixty five years. 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 scholars include; Casey Bryant, Nicholas Papas, Alison Huynh, Adam Swinburn, Samantha Moafi, Belqis Yousofzay, Jemima Retallack, Glenn Harper, Thomas Rubenach. Their respective projects include;

Casey Bryant

The Policies of Architecture of Combined Aged-Care /Child Care Programs in Northern Europe

Nicholas Papas

Sanitation Matters: A study of Australian architects and their role in sustainable sanitation projects in the Asia Pacific

Alison Huynh

Provocation: Creativity and Diversity in Urban Housing”

Adam Swinburn

Vertical Schools: Strategising the spatial configuration of a new vertical typology to facilitate education in urban centres

Samaneh Moafi

Housing the Subjects of Tomorrow

Belqis Yousofzay

Development of guidelines for Australian Architects in designing new or adapting/expanding existing galleries and museums and to familiarize them with international standards of practice when working with artworks, curators and artists.

Jemima Retallack

All together now: Approaches to home ownership in the face of the housing affordability crisis

Glenn Harper

The Brutalist Project - Sydney: To survey aspirations of a period of architectural history and to share this with a wider non-architectural audience

Thomas Rubenach

Compact Living: Benchmarking the Liveability of Micro-Housing for the Sydney Housing Marker

Katharine FIFE

Emerging Regionalism: Catalunya, The Nordic Region and Central Japan

Ana Subotic, Tye McBride, Tiffany Liew

The Play Lane: A Playful Look at *The Pool* from Concept to Realisation - Venice Biennale 2016

Felicity Cain

Architecture and Spatial Justice in our Cities: Urban Affairs Association (UAA) and to study the work of Architect Teddy Cruz

Kieran Richards

Curitiba, Brazil: Sustainable Urbanism - A Case Study of Architectural Affects

Statutory Obligations

Internal Audit and Risk Management Statement

The Board currently utilises a risk based audit plan. 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 audit and 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

In November 2015, the Board engaged IAB to undertake an internal audit of Workplace Health and Safety. The scope and objective of the audit was to determine the effectiveness of internal WHS management system controls at ARB in order to ensure compliance with the following legislation and standards:

- Work Health & Safety Act 2011 and associated regulations and codes of practice
- Workers Compensation Act 1987
- Workplace Injury Management Act 1998
- Workers Compensation Amendment Act (2012), and
- Australian & New Zealand Standard for Occupational Health & Safety Management Systems (AS/NZS4801:2001).

As a result of the WHS Audit, the Board commissioned *Work Health Safety Matters* to conduct a workplace review and ergonomic workstation review for staff.

Accessing Information from the NSW Architects Registration Board

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 deemed one (1) application for access to information to be applicable under the GIPA Act in the reporting year. Information was requested by a complainant in relation to a complaint lodged with the Board in 2009.

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 3 - *Digital Information Security Annual Attestation Statement for the 2014-2015 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) the following information is provided in relation to the production of this Annual Report:

No hard copies of the Annual Report are printed. The Report is published in 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 2016, the Board staff comprised;

- Tim Horton, Registrar
- Mae Cruz, Deputy Registrar, Examination and Scholarships
- Nadine Roberts, Finance and Compliance Lead (Part time)
- Siobhan Abdurahman, Projects and Communications (Part time)
- Diana Snape, Projects and Communications Lead
- Debbie Wood, Finance and Administration Officer (Part time)
- Gabrielle Shina, Legal and Administration Officer (Casual)

Disability Inclusion

In April 2016, the Board identified the need for reception facilities to comply with universal access requirements of AS1428. A priority for the 2016-2017 year is the design and fabrication of a complying reception counter.

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 2015	\$267,631.69	-	-	-	-
December 2015	\$401,045.71	-	-	-	-
March 2016	\$253,627.00	493.77	-	-	-
June 2016	\$422,578.83	-	-	-	-
Small business suppliers					
September 2015	\$67,991.95	-	-	-	-
December 2015	\$89,235.66	-	-	-	-
March 2016	\$22,581.44	-	-	-	-
June 2016	\$99,527.73	-	-	-	-

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

Measure	September 2015	December 2015	March 2016	June 2016
All suppliers				
Number of accounts due for payment	136	228	116	210
Number of accounts paid on time	136	228	115	210
Actual percentage of accounts paid on time (based on no. of accounts)	100%	100%	99.14%	100%
Dollar amount of accounts due for payment	\$267,631.69	\$401,045.71	\$254,120.77	\$422,578.83
Dollar amount of accounts paid on time	\$267,631.69	\$401,045.71	\$253,627.00	\$422,578.83
Actual percentage of accounts paid on time (based on \$)	100%	100%	99.81%	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 2015	December 2015	March 2016	June 2016
Small business suppliers				
Number of accounts due for payment	28	49	20	34
Number of accounts paid on time	28	49	20	34
Actual percentage of accounts paid on time	100%	100%	100%	100%
Dollar amount of accounts due for payment	\$67,991.95	\$89,235.66	\$22,581.44	\$99,527.73
Dollar amount of accounts paid on time	\$67,991.95	\$89,235.66	\$22,581.44	\$99,527.73
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:

No hard copies of the Annual Report are printed. 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 2016, 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 2016, 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 those standards are further 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 auditor independence requirements of:

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

I have also fulfilled my other ethical responsibilities in accordance with the Code.

The PF&A Act further 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, but precluding the provision of 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 preparing financial statements that give a true and fair view 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 of financial statements that give a true and fair view and 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 unless the Board will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must include, disclosing, as applicable, matters related to going concern and 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.

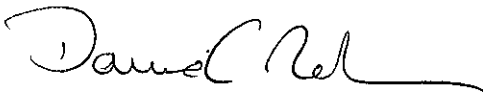
Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate,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

A further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>.

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.



David Nolan
Director, Financial Audit Services

5 October 2016
SYDNEY

NSW Architects Registration Board

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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 2016;
- (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.



Richard Thorp
President



Peter Poulet
Deputy President

4 October 2016

NSW Architects Registration Board

Financial Statements

for the year ended 30 June 2016

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**NSW Architects Registration Board
Statement of comprehensive income
for the year ended 30 June 2016**

	Notes	Actual 30 June 2016 \$	Actual 30 June 2015 \$
Expenses excluding losses			
Operating expenses			
Employee related	2(a)	609,525	530,918
Other operating expenses	2(b)	533,715	555,425
Depreciation	2(c)	14,288	19,072
Grants and subsidies	2(d)	<u>21,199</u>	30,000
Total Expenses excluding losses		<u>1,178,727</u>	1,135,415
Revenue			
Fees	3(a)	1,189,453	1,066,005
Investment revenue	3(b)	38,547	40,506
Architects Accreditation Council of Australia Examination / Built Work Program of Assessment fees	3(c)	195,250	191,568
Other revenue	3(d)	<u>30,972</u>	52,257
Total Revenue		<u>1,454,222</u>	1,350,336
Net result		<u>275,495</u>	214,921
Other comprehensive income		<u>-</u>	-
TOTAL COMPREHENSIVE INCOME		<u>275,495</u>	214,921

The accompanying notes form part of these financial statements.

NSW Architects Registration Board
Statement of financial position
For the year ended 30 June 2016

	Notes	Actual 30 June 2016 \$	Actual 30 June 2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	2,247,944	1,917,556
Receivables	5	66,607	49,296
Other financial assets	6	43,406	42,331
Total Current Assets		<u>2,357,957</u>	<u>2,009,183</u>
Non-Current Assets			
Plant and equipment	7		
Office Equipment	7	25,057	22,287
Office Fitout	7	23,227	17,318
Leasehold Improvements	7	14,280	-
Total plant and equipment	7	<u>62,564</u>	<u>39,605</u>
Total Non-Current assets		<u>62,564</u>	<u>39,605</u>
Total Assets		<u>2,420,521</u>	<u>2,048,788</u>
LIABILITIES			
Current Liabilities			
Payables	8	169,599	105,729
Provisions	9	137,347	111,398
Total Current Liabilities		<u>306,946</u>	<u>217,127</u>
Non-Current Liabilities			
Provisions	9	14,280	7,861
Total Non-Current Liabilities		<u>14,280</u>	<u>7,861</u>
Total Liabilities		<u>321,226</u>	<u>224,988</u>
Net Assets		<u>2,099,295</u>	<u>1,823,800</u>
EQUITY			
Accumulated funds		<u>2,099,295</u>	<u>1,823,800</u>
Total Equity		<u>2,099,295</u>	<u>1,823,800</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 2016**

	Accumulated 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>

	Accumulated Funds \$	Total \$
Balance at 1 July 2014	1,608,879	1,608,879
Net result for the year	<u>214,921</u>	<u>214,921</u>
Total other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>214,921</u>	<u>214,921</u>
Balance at 30 June 2015	<u>1,823,800</u>	<u>1,823,800</u>

The accompanying notes form part of these financial statements.

**NSW Architects Registration Board
Statement of cash flows
for the year ended 30 June 2016**

	Actual 2016	Actual 2015
Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Employee related	(578,469)	(516,390)
Grants and subsidies	(31,199)	(20,000)
Other	(635,871)	(662,861)
Byera Hadley Travelling Scholarships	(99,838)	(87,900)
Total Payments	<u>(1,345,377)</u>	<u>(1,287,151)</u>
Receipts		
Fees received	1,544,128	1,417,038
Interest received	22,776	53,673
Byera Hadley Travelling Scholarships	132,903	104,100
Total Receipts	<u>1,699,807</u>	<u>1,574,811</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	12 <u>354,430</u>	<u>287,660</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	-	810,968
Purchases of office equipment	(22,967)	(1,007)
Purchases of investments	(1,075)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(24,042)</u>	<u>809,961</u>
NET INCREASE IN CASH	330,388	1,097,621
Opening cash and cash equivalents	<u>1,917,556</u>	<u>819,935</u>
CLOSING CASH AND CASH EQUIVALENTS	4 <u>2,247,944</u>	<u>1,917,556</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 2016 have been authorised for issue by the Registrar on 4 October 2016.

(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 Regulation 2015*; and
- Treasurer's Directions

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 held with 100% Underwritten at Lloyds through Planned Cover, and Business Insurance with QBE Insurance (Australia) Limited through Planned Cover.

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

(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.

1 Summary of Significant Accounting Policies (cont'd)

(e) Accounting for the Goods and Services Tax (GST) (cont'd)

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) Assets

(i) Acquisitions of assets

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) 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 13 Fair Value Measurement*, 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.

(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.

1 Summary of Significant Accounting Policies (cont'd)

(g) *Assets (cont'd)*

The following depreciation rates are used:

Depreciation Rates	30 June 2016 % Rate
Personal Computers	25
Furniture	20
Major Software	20
Office Fit-out	10-25

(v) 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.

(vi) 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.

(vii) Leased assets

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.

(viii) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets 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, less an allowance for any impairment of receivables. Any 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 where the effect of discounting is immaterial.

(ix) Other financial assets

Financial Assets Held to Maturity

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'. These investments are measured at amortised cost using the effective interest method. 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 an average maturity of 448 days and interest rates of 2.5% to 3.6% per annum (2.5% to 3.9% in 2014/15).

1 Summary of Significant Accounting Policies (cont'd)

(g) *Assets (cont'd)*

(x) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

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 effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

(h) *Liabilities*

(i) 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. Shortterm payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Employee benefits and other provisions

(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

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.

(c) Superannuation

The Board does not have a deferred liability in respect of contributions for employees' superannuation. Benefits derived by members of the superannuation fund are entirely dependent on the contributions made during their working life. The liability of the Board is discharged by payments to MLC Ltd, Connelly Temple Public Superannuation Fund, Clearview Life Nominees P/L, Sun Super and Media Super.

(d) 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

1 Summary of Significant Accounting Policies (cont'd)

(i) *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.

(j) *Equity*

(i) *Accumulated Funds*

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

(k) *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.

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

(i) *Effective for the first time in 2015-16*

The accounting policies applied in 2015-16 are consistent with those of the previous financial year except for the following standards adopted for the first time in 2015-16. The impact of these Standards in the period of initial application is not material.

- AASB 2014-4 regarding acceptable methods of depreciation and amortisation (operative 1 Jan 2016)
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle (operative 1 Jan 2016)
- AASB 2015-3 regarding materiality (operative 1 July 2015)

(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 (NSW TC 16/02).

- AASB 9 and AASB 2014-7 regarding financial instruments
- AASB 15 AASB 2014-5 and AASB 2015-8 regarding Revenue from Contracts with Customers
- AASB 1057 and AASB 2015-9 Application of Australian Accounting Standards
- AASB 2014-4 regarding acceptable methods of depreciation and amortisation
- AASB 2014-9 regarding equity method in separate financial statements
- AASB 2015-1 regarding annual improvements to Australian Accounting Standards 2012-2014 cycle
- AASB 2015-2 regarding amendments to AASB 101 (disclosure initiative)
- AASB 2015-5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception
- AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities
- AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities

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 2016

2 Expenses Excluding Losses

	30 June 2016 \$	30 June 2015 \$
(a) Employee related expenses		
Salaries and wages (including annual leave)	530,391	472,219
Superannuation - defined contribution plans	56,467	50,577
Long service leave	20,545	6,227
Workers compensation insurance	2,122	1,895
	609,525	530,918
(b) Other operating expenses include the following:		
Auditor's remuneration - audit of the financial statements	16,800	16,400
Insurance	6,463	6,377
Computer expenses	43,722	50,939
Corporate services	13,600	15,750
Architects Accreditation Council of Australia expenses	150,246	145,360
Operating lease rental expense - minimum lease payments	109,437	105,673
Cleaning	4,301	4,256
Legal costs	4,785	9,618
Advertising & promotions	72,348	84,036
Postage and freight	5,189	7,537
Bank charges	9,743	8,527
Printing and stationery	12,771	8,642
Travel	1,966	1,782
Boards expenses	4,173	10,534
Telephone	3,112	3,675
Other	41,012	50,801
Byera Hadley Travelling Scholarships	13,426	9,933
Administrative Decisions Tribunal expenses	110	-
Part 4 Discipline expenses	224	2,400
Part 2 Div 2 s9/10 Discipline expenses	14,506	3,497
Built Work Program of Assessment	4,200	7,500
Maintenance expenses	1,581	2,188
	533,715	555,425
<i>* Reconciliation - Total maintenance</i>		
Maintenance expense - contracted labour and other (non-employee related), as above	1,581	2,188
Total maintenance expenses included in Note 2(b)	1,581	2,188
(c) Depreciation expense		
Office Equipment	11,672	11,779
Office Fitout	2,616	7,293
	14,288	19,072
(d) Grants and subsidies		
Research Grant	1,199	10,000
Others	20,000	20,000
	21,199	30,000

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2016

3 Revenue

	30 June 2016 \$	30 June 2015 \$
(a) Fees		
Annual Fees - Practising Architects	1,042,250	921,620
Annual Fees - Non-Practising Architects	35,060	27,280
Registration Fee - Practising Architects	24,299	31,440
Registration Fee - Non-Practising Architects	6,920	5,160
Re-Registration - Practising Architects	23,280	18,890
Re-Registration - Non-Practising Architects	2,100	2,720
Corporation Listing Fees	3,720	3,600
Corporations Change of Details	1,609	1,435
Corporations Publication Fee	48,565	51,550
Recoveries	1,650	2,310
	1,189,453	1,066,005
(b) Investment revenue		
Interest revenue from financial assets not at fair value through profit or loss	37,467	15,068
Interest on Deposits	1,080	25,438
	38,547	40,506
(c) Architects Accreditation Council of Australia Examination / Built Work Program of Assessment fees		
Examination Fees	186,550	176,315
Assessment Fees	8,700	15,100
AACA - Miscellaneous receipts	-	153
	195,250	191,568
(d) Other revenue		
Printed Architects Register Purchases	5,265	7,930
Registration Certificate	23	91
Disciplinary Hearing Recovery	10,548	1,588
Byera Hadley Travelling Scholarships Promotion Monies Received	13,290	10,410
Postage Receipts	244	8,371
Other	1,602	23,867
	30,972	52,257

4 Current Assets - Cash and Cash Equivalents

Cash at bank and on hand	2,247,944	1,917,556
	2,247,944	1,917,556

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:

Cash and cash equivalents (per statement of financial position)	2,247,944	1,917,556
Closing cash and cash equivalents (per statement of cash flows)	2,247,944	1,917,556

NSW Architects Registration Board
Notes to the financial statements
for the year ended 30 June 2016

5 Current Assets – Receivables

	30 June 2016 \$	30 June 2015 \$
Current Receivables		
Goods and Services Tax recoverable from ATO	3,395	2,794
Interest Receivable	15,929	158
Others	35,103	32,540
Prepayments	12,180	13,804
	66,607	49,296

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

6 Current Assets - Other Financial Assets

Financial Assets Held to Maturity	43,406	42,331
	43,406	42,331

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 2015 - fair value				
Gross carrying amount	150,730	182,627	-	333,357
Less: Accumulated Depreciation	(128,443)	(165,309)	-	(293,752)
Net carrying amount	22,287	17,318	-	39,605
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	25,057	23,227	14,280	62,564

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.

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	25,057	23,227	14,280	62,564

At 1 July 2014 - fair value

Gross carrying amount	149,723	182,627	-	332,350
Less: Accumulated Depreciation	(116,664)	(158,016)	-	(274,680)
Net carrying amount	33,059	24,611	-	57,670

At 30 June 2015 - fair value

Gross carrying amount	150,730	182,627	-	333,357
Less: Accumulated Depreciation	(128,443)	(165,309)	-	(293,752)
Net carrying amount	22,287	17,318	-	39,605

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

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	Leasehold Improvement	Total
Year ended 30 June 2015				
Net carrying amount at start of year	33,059	24,611	-	57,670
Additions	1,007	-	-	1,007
Depreciation expense	<u>(11,779)</u>	<u>(7,293)</u>	-	<u>(19,072)</u>
Net carrying amount at end of year	<u>22,287</u>	<u>17,318</u>	-	<u>39,605</u>

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 2016 \$	30 June 2015 \$
Byera Hadley Travelling Scholarship Monies	80,015	46,950
Sydney Architecture Festival account	<u>6,580</u>	<u>-</u>
	<u>86,595</u>	<u>46,950</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

Payables

Accrued salaries, wages and on-costs	25,965	12,997
Creditors	49,759	35,112
Scholarships *	80,015	46,950
Audit Fees	<u>13,860</u>	<u>10,670</u>
	<u>169,599</u>	<u>105,729</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.

9 Current Liabilities – Payables (cont'd)

Reconciliation of BHTS liability:

Opening Balance 01/07/2015	\$ 46,950
Add: Scholarship funding received from Trustee	<u>\$ 132,903</u>
Scholarship funds to be distributed	<u>\$ 179,853</u>
Less: Payments made to scholarship recipients	\$ 99,838
BHTS liability as at 30/06/2016	<u>\$ 80,015</u>

10 Current / Non-Current Liabilities - Provisions

	30 June 2016 \$	30 June 2015 \$
Current		
Employee benefits and related on-costs		
Annual leave	26,832	20,998
Long service leave	<u>110,515</u>	<u>90,400</u>
Total current provisions	<u>137,347</u>	<u>111,398</u>
Non-current		
Employee benefits and related on-costs		
Long service leave	<u>-</u>	<u>7,861</u>
Other provisions		
Leasehold Obligations	<u>14,280</u>	<u>-</u>
Total non-current provisions	<u>14,280</u>	<u>7,861</u>
Total provisions	<u>151,627</u>	<u>119,259</u>
Aggregate employee benefits and related on-costs		
Provisions - current	137,347	111,398
Provisions - non-current	-	7,861
Accrued salaries, wages and on-costs (Note 9)	<u>25,965</u>	<u>12,997</u>
	<u>163,312</u>	<u>132,256</u>
Employee benefits expected to be settled no more than 12 months after the reporting date:		
Annual leave	26,832	20,998
Long Service Leave	<u>8,551</u>	<u>7,861</u>
	<u>35,383</u>	<u>28,859</u>
Employee benefits expected to be settled in more than 12 months of the reporting date:		
Long Service Leave	<u>101,964</u>	<u>90,400</u>
	<u>101,964</u>	<u>90,400</u>

11 Commitments for Expenditure

(a) Operating Lease Commitments

	30 June	30 June
	2016	2015
	\$	\$
Future non-cancellable operating lease rentals not provided for and payable:		
Not later than one year	128,263	109,474
Later than one year and not later than five years	287,574	358,147
Later than five years	-	-
Total (including GST)	<u>402,637</u>	<u>467,621</u>

Commitments above include input tax credits of approximately \$37,803 that are expected to be recovered from the Australian Taxation Office (ATO) (2015 \$42,511).

(b) Capital Commitments

The Board is not committed to any Capital expenditure as at 30 June 2016 (2015: 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

Net cash used on operating activities	354,430	287,660
Depreciation	(14,288)	(19,072)
Decrease / (increase) in provisions	(18,088)	(10,260)
Increase / (decrease) in prepayments and other assets	17,311	(15,797)
Decrease / (increase) in creditors	<u>(63,870)</u>	<u>(27,610)</u>
Net result	<u>275,495</u>	<u>214,921</u>

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.

14 Financial Instruments (cont'd)

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
Class:			2016	2015
			\$	\$
Cash and cash equivalents	4	N/A	2,247,944	1,917,556
Receivables ¹	5	Loans and receivables at amortised cost	51,032	32,698
Other financial assets	6	Held-to-maturity (at amortised cost)	43,406	42,331
Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
Class:			2016	2015
			\$	\$
Payables ²	8	Payables are made up of Byera Hadley Travelling Scholarships to be paid out, Audit Fees and financial liabilities incurred from the Board's operations	143,634	98,461

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 2016, 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.

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.

14 Financial Instruments (cont'd)

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 Head of 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	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities										
Creditors	-	-	-	-	-	-	143,634	98,461	143,634	98,461
Total financial liabilities	-	-	-	-	-	-	143,634	98,461	143,634	98,461

Notes:

The amounts 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 variables 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 2015. The analysis assumes that all other variables remain constant.

(e) 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
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	2,291,350	(22,913)	(22,913)	22,913	22,913
2015					
<i>Financial assets</i>					
Cash and cash equivalents	1,917,556	(19,176)	(19,176)	19,176	19,176
Other financial assets	42,331	(423)	(423)	423	423
Total	1,959,887	(19,599)	(19,599)	19,599	19,599

14 Financial Instruments (cont'd)

(f) Fair value compared to carrying amount

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 Events after the Reporting Period

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

End of audited financial statements

FINANCIAL MANAGEMENT

ANNEXURE B

INCOME BUDGET

Acct No	INCOME	BUDGET 2015-2016	BUDGET 2016-2017
ADMINISTRATION – DEPT 01			
4-1000	ENROLMENT FEE	35,700	36,300
4-1001	RE-REGISTRATION FEES	21,300	21,300
4-1002	ANNUAL REGISTRATION FEE FOR ARCHITECTS	814,000	982,500
4-1003	TEMPORARY REGISTRATION FOR O/SEAS ARCHITECTS	4,960	1,300
4-1004	REGISTRATION/RE-REGISTRATION INTERVIEW FEES	0	1,200
4-1006	REGISTRATION FEE FOR NON PRACTISING ARCHITECTS	4,800	6,000
4-1007	NON PRACTISING ARCHITECTS- ANNUAL REGISTRATION FEES	32,000	41,600
4-1009	NON PRACTISING ARCHITECTS REREGISTRATIONS	2,000	2,500
4-1100	LISTING OF "NOMINATED ARCHITECT"/PRACTICE REGISTRATION	3,000	3,000
4-1101	ANNUAL PUBLICATION FEE FOR NOMINATED ARCHITECT	60,000	50,040
4-1102	"NOMINATED ARCHITECT" CHANGE OF DETAILS FEE	1,715	1,715
4-1300	ARCHITECTS REGISTER PURCHASES	1,950	1,950
4-1302	CERTIFICATION TO THIRD PARTIES	156	156
4-1306/1303	MISCELLANEOUS RECEIPTS & REGISTRATION CERTIFICATE	0	0
4-1307	MERCHANT CHARGES	1,500	1,500
		983,081	1,151,061
AACA – DEPT 03			
4-3000	AACA AP EXAMINATION FEES	174,900	211,350
4-3001	AACA RAE/OQA ASSESSMENT FEES	1,400	1,600
4-3003	AACA MISCELLANEOUS RECEIPTS	0	0
4-3005	AACA LOCALLY EXPERIENCED PRACTITIONER (LEP) PATHWAY	0	17,000
4-3007	AACA OVERSEAS ARCHITECT ASSESSMENT FEES (OAA)	0	2,000
		176,300	231,950
BWPRA – DEPT 04			
4-3100	BWPRA	15,000	10,800
		15,000	10,800
DISCIPLINE – DEPT 05			
4-1700	FINES	5,000	8,000
4-1800	DISCIPLINARY HEARINGS RECOVERY	5,000	5,000
		10,000	13,000
OTHER INCOME – DEPT 02/07			
8-.2000-2004	INTEREST	30,000	20,000
8-1401	BHTS PROMOTION MONIES	11,000	8,180
8-.1600	CPD EVENT INCOME	0	7,500
8-1700	PROMOTIONS SALARY OFFSET (DoP)	0	47,858
		41,000	83,538
TOTAL		1,225,381	1,490,349

EXPENDITURE BUDGET

Acct No	EXPENDITURE	BUDGET 2015 – 2016	BUDGET 2016 – 2017
EMPLOYMENT – DEPT 01			
6-5000/5005	SALARIES AND CASUAL WAGES	404,750	483,000
6-5001	ANNUAL LEAVE	40,000	43,000
6-5003	SUPERANNUATION	55,000	62,000
6-5011	LONG SERVICE LEAVE	23,350	23,350
6-5012	EMPLOYEE ASSOCIATED EXPENSES	4,650	0
		527,750	611,350
STATUTORY – DEPT 07			
6-5402	BOARD MEMBERS HONORARIA	65,000	65,000
6-5401	ELECTION COSTS	0	22,000
6-8016	BOARD MEETING EXPENSES	2,000	5,000
6-5404	BOARD MISCELLANEOUS EXPENSES	3,000	2,000
		70,000	94,000
B W P R A - DEPT 04			
6-5350	BWPRA EXA MINERS FEES	15,000	4,800
6-5351	TRAVEL EXPENSES FOR EXAMINERS	1,000	1,000
6-5352	BWPRA ROOM HIRE/CATERING EXPENSES	500	2,000
6-8023	CABCHARGES	500	500
6-8020	COURIERS	1,000	1,000
		18,000	9,300
DISCIPLINE - DEPT 05			
6-5500	PART 4 DIV 4 LEG AL FEES/COMPLAINTS AGAINST ARCHITECTS	10,000	10,000
6-5501	PART 2, DIV 2 S9/10 LEGAL FEES/ILLEGAL USE OF TITLE	15,000	15,000
6-5506	NCAT EXPENSES	7,500	7,500
6-5502	CATERING/ROOM HIRE EXPENSES	500	500
6-5503	COURT REPORTING AND TRANSCRIPTS	0	500
6-5504	ALTERNATIVE DISPUTE RESOLUTION	5,000	2,000
6-8027	POSTAGE	500	500
6-8020	COURIERS	500	500
6-8023	CABCHARGES	200	200
		39,200	36,700
DEPRECIATION			
6-5050-5054	DEPRECIATION	34,000	34,000
		34,000	34,000

Acct No	EXPENDITURE	BUDGET 2015 – 2016	BUDGET 2016 – 2017
EDUCATION, PRIZES AND GRANTS - DEPT 06			
6-5606	INDEPENDENT REVIEW PANEL (IRP)- SCHOOL INSPECTION	1,000	1,200
6-5607	BOARD CONTRIBUTION TO IRP EXPENSES	1,000	1,000
6-8023	CABCHARGES	100	120
6-8020	COURIERS	100	100
6-5808	RESEARCH GRANT	15,000	0
6-5654	RESEARCH GRANT ADVERTISING /ADMIN	100	100
6-5610	GRADUATING STUDENT EXHIBITIONS	20,000	20,000
6-5611	ARCHITECTS MEDALLION COSTS	5,000	5,000
		42,300	27,520
GENERAL EXPENSES - DEPT 01			
6-8011	ACCOUNTANT FEES	15,750	22,500
6-8012	AUDIT FEES	17,000	17,000
6-4100	BANK ADMINISTRATION FEES	20,000	15,000
6-5651	BOARD ADVERTISING	2,500	5,000
6-8020	COURIERS	500	500
6-8038	STAFF TRAINING	6,000	6,000
6-8022	STORAGE	2,000	3,000
6-8023	CABCHARGE	1,000	1,000
6-9021	STAFF AMENITIES	1,000	1,500
6-5700/5701	IT SYSTEMS	45,000	45,000
6-8024	ELECTRICITY	4,200	4,200
6-8025	INSURANCE D & O/OFFICE CONTENTS	8,500	8,800
6-8026	GENERAL LEGAL EXPENSES	8,000	8,000
6-8027	POSTAGE	5,000	5,000
6-8029	TELEPHONE/MOBILE	7,500	7,500
6-8031	WORKERS COMPENSATION	3,000	3,000
6-8032/8033	RENT/OFFICE SERVICES	130,000	133,000
6-8036	REPAIRS AND MAINTENANCE	20,000	15,000
6-8034	PHOTOCOPIER	5,300	5,300
6-6210-6244	REFUNDS	0	0
6-5703	GOVERNANCE COSTS	10,000	35,000
		312,250	341,300
BHTS – DEPT 02			
9-5614	BHTS ADVERTISING	500	500
9-8027/8023	BHTS POSTAGE COSTS/CABCHARGE COSTS	200	300
9-5609	BHTS BOARD COMMITTEE COSTS	1,000	1,000
9-5613	BHTS PRINTING COSTS	3,000	3,000
9-5608	BHTS PROMOTION	5,000	5,000
		9,700	9,800

Acct No	EXPENDITURE	BUDGET 2015 – 2016	BUDGET 2016 – 2017
PRINTING AND STATIONERY – DEPT 01			
6-8018	STATIONERY	5,000	5,000
6-5722	MAILOUT	2,000	2,000
6-5851	PRINTING BOARD	5,000	6,500
		12,000	13,500
A A C A - DEPT 03			
6-6000/6011-			
6012	AACA - APE EXPENSES	100,000	140,500
6-6001	AACA – RAE/OQA EXPENSES	7,500	160
6-6002	AACA - PER CAPITA CONTRIBUTIONS	26,000	27,500
6-6009	AACA – MEETING EXPENSES	500	500
6-6004	AACA - NVP	4,000	4,000
6-6013	LOCALLY EXPERIENCED PRACTITIONER EXPENS ES	0	12,000
6-6014	AACA OVERSEAS ARCHITECT ASSESSMENT	0	400
6-8020	COURIERS	200	200
6-8023	CABCHARGES	500	500
6-8027	POSTAGE	1,000	1,000
6-6245/6246	REFUNDS	0	0
		139,700	186,760
PROMOTIONS – DEPT 08			
9-8028	PROMOTIONS GENERAL	42,500	65,000
9-8020	COURIER	500	500
9-8023	CABCHARGES	800	800
9-5950	SYDNEY ARCHITECTURE FESTIVAL	20,000	80,000
9-5965	MADE – STUDENT INTERNSHIPS	10,000	12,000
9-5965	CPD EVENT COSTS	0	3,500
		73,800	161,800
TOTAL		1,278,700	1,526,030

**Digital Information Security Annual Attestation Statement for the 2015-2016
Financial Year for the NSW Architects Registration Board**

I, Timothy Horton, am of the opinion that NSW Architects Registration Board had an Information Security Management System in place during the financial year being reported on which is materially consistent with the Core Requirements set out in the *Digital Information Security Policy for the NSW Public Sector*, with the exception that an Information Security Policy is being prepared for Board approval in the 2015/2016 year to reflect the implementation towards 2013 version of ISO/IEC 27001 standard.

I, Timothy Horton, am of the opinion that the security controls in place to mitigate identified risks to the digital information and digital information systems of NSW Architects Registration Board are adequate for the foreseeable future.

I, Timothy Horton, am of the opinion that, where necessary in accordance with the *Digital Information Security Policy for the NSW Public Sector*, the NSW Architects Registration Board certified compliance with the new 2013 version of *ISO/IEC 27001 Information technology - Security techniques - Information security management systems - Requirements* is not required.

