



Architects Board of Western Australia

Annual Report

July 2019 – June 2020

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Introduction

The Architects Board of Western Australia (Board) administers the *Architects Act 2004* (Act), the legislation that regulates architects in Western Australia. The Board's key role is to protect consumers of architectural services.

The Board manages the registration process for architects and issues licences to corporations. As part of the registration process, the Board accredits architectural courses from Western Australian universities and conducts the Architectural Practice Examination. The Board also monitors the correct use of the word "architect" (and associated words) and investigates any contraventions of the Act. The Board has a role in disciplining architects if they have acted unprofessionally or breached the Act. It also has a public awareness role that complements its consumer protection functions.

This report is prepared for submission to the Minister for Commerce and Industrial Relations, in accordance with the provisions of section 28 of the Act.

Review of the *Architects Act 2004*

The Board was advised on 20 September 2012 by the Minister for Commerce at that time, Simon O'Brien, that the Building Commission would be commencing a review of the Act in November 2012, in accordance with section 81 of the Act.

The Building Commission released its Consultation Regulatory Impact Statement (CRIS) regarding the statutory review of the Act on 27 February 2015. The CRIS was the first major stage of the regulatory impact assessment process.

The Board's response to the CRIS was submitted to the Building Commission on 22 May 2015.

A draft Decision Regulatory Impact Statement, incorporating analysis of all submissions in response to the CRIS and outlining the recommendations of the review and the Government's preferred options for implementation was released by the Government in October 2018.

A final report of the review was then approved by the Minister for Commerce, John Quigley, and tabled in Parliament on 12 March 2019, in accordance with section 81 of the Act.

The Government is now in the process of drafting amendments to the legislation in order to give effect to the recommended changes.

Architects Board of Western Australia - Board Members and Board Meetings

The Board consists of 10 members. Four members are appointed by the Minister as consumer representatives, two members are appointed by the Minister on the nomination of professional architectural bodies, and four members are elected by architects. The Board meets once a month, excluding December. In addition to monthly Board meetings, members also participate on sub-committees, as required. Board members are paid sitting fees as determined by the Department of Premier and Cabinet.

Board members during the year are listed below:

David Ashton is a consumer representative Board member, appointed in October 2017. David has held senior commercial, operational and general management positions across a range of industry sectors including construction, asset and facilities management, government and not-for-profit. He also has experience in the areas of governance, risk and compliance, procurement, business and strategic planning and health, safety, environment and quality management systems. He is a former elected member and Deputy Mayor of the Town of Victoria Park and is currently Principal Consultant of business management and bespoke advisory firm, Corporate Supremacy.

Neil Cownie is an architect Board member who was elected to the Board in 2015. Neil has been a practising architect since 1994 and started his own architectural practice in 2009, specialising in residential, commercial, hospitality, interior design and urban planning projects. He is also a member of the Australian Institute of Architects.

Ali Devellerez is an architect Board member who was elected to the Board in 2018. Ali has been a practising architect for over 15 years and is currently Project Director with the North Metropolitan Health Service. Ali has worked as a sole practitioner, a director of a medium-size architectural practice and an associate of a large commercial practice. She is also a community representative on the WAPC Central Perth Planning Committee and a Board member of St Catherine's College UWA.

Karen Dill-Macky is a consumer representative Board member, appointed to the Board in 2018. Karen is a chartered accountant who has been a partner at Ernst & Young since 2008 where she provides advice to property developers, resource servicing companies, government and offshore clients. She has more than 20 years tax consulting experience in industry and professional firms in both Australia and the United Kingdom. She currently specialises in indirect taxes in Australia including GST, fuel taxes and custom duties across several industries including Oil & Gas, Mining and cashflow management.

Judith Hogben is a consumer representative Board member, appointed in October 2017. Judith was trained as a psychologist and has held many senior positions in the government and community sectors. Her roles have included CEO of the Centre for Cerebral Palsy/Ability Centre and President, COTA (WA). She was also awarded the WA Telstra Business Women Award for Business Innovation in 2014.

Dr Sharon Ivey is a consumer representative on the Board, appointed by the Minister for Commerce in 2014. She practised as a commercial litigation solicitor in Perth for over 25 years until February 2014, working in various national and WA commercial law firms. Sharon also served as a Ministerial appointee to the Consumer Product Safety Committee (WA) for over 14 years. She holds a PhD in Comparative Literature from the University of California, Berkeley and an LLB (Hons) from the Australian National University, Canberra.

Dr Francesco Mancini was nominated as a Board member by Curtin University and was appointed to the Board by the Minister for Commerce in 2018. He is an Italian architect and Senior Lecturer at Curtin University where he currently serves as the Deputy Head at the School of Design and Built Environment. Prior to joining Curtin in 2015, Francesco taught and researched at the Department of Architecture at the University of Roma Tre for 14 years. As a registered architect he has practised in many countries and has also served as a design advisor for the city of Rome. He holds a PhD from the University of Florence on the work of eminent architect Peter Eisenman.

Isla McRobbie was nominated as a Board member by the Australian Institute of Architects and was appointed to the Board by the Minister for Commerce in 2011. She

was elected as Chair of the Board from July 2019. Isla was a practising architect for 10 years before becoming a lawyer in 2001. She practices in the building, construction and infrastructure sectors and is currently a partner at law firm Jackson McDonald.

Leigh Robinson is an architect Board member and was elected to the Board in 2013. He has been a practising registered architect since 1983 and is a Director of Taylor Robinson Chaney Broderick. Leigh was made a Fellow of the Australian Institute of Architects in 1999. He is also a committee member of the Association of Consulting Architects – a position held since 2014.

Dr John Taylor is an architect Board member, elected to the Board in 2008 and Chair of the Board from July 2014 to June 2019. John is an examiner for the Architectural Practice Examination. He has been practising as an architect for over 30 years and established his own practice in 1990. John holds a Masters degree in the conservation of historic buildings from the University of York in England, a PhD from UWA, and is a Fellow of the Australian Institute of Architects. John retired as a Board member in June 2020.

Board Meeting Attendances for Financial Year ended 30 June 2020

Name	Jul	Aug	Sep	Oct	Nov	Jan	Feb	Mar	Apr	May	Jun	Total
D Ashton	√	√	√	√	√	√	√	√	√	√	√	11/11
N Cowrie	√	Ap	√	√	√	√	√	√	√	√	Ap	9/11
A Devellerez	Ap	√	√	√	√	√	√	√	√	√	√	10/11
K Dill-Macky	√	√	√	√	LA	√	√	√	√	√	√	10/11
J Hogben	√	√	√	√	√	√	√	√	√	Ap	√	10/11
S Ivey	√	√	√	√	Ap	√	√	√	√	√	Ap	9/11
F Mancini	√	√	√	√	√	√	√	√	√	√	√	11/11
I McRobbie	√	√	√	√	√	√	√	√	√	√	√	11/11
L Robinson	√	√	√	√	√	√	√	√	√	√	√	11/11
J Taylor	√	√	√	√	LA	LA	√	√	√	√	√	9/11

Ap - apology

LA – leave of absence

Board Sub-Committees

The Board currently has two standing sub-committees, as follows:

Policy Committee – this committee is charged with developing, and regularly reviewing and updating, the many and varied policies that enable the Board to discharge its duties under the *Architects Act 2004*. As Board policies require regular review, the Policy Committee generally meets several times a year to review and update a number of existing Board policies on each occasion. It also meets whenever considered necessary by the Board to review and update Board Information Sheets and to draft new policies required by the Board.

Continuing Professional Development (CPD) Committee – this committee is responsible for all things related to the Board's requirement to ensure that all architects maintain an appropriate level of knowledge, skill and competence. The Board's preferred method for architects to establish this level is through the achievement of 20 CPD points per year. Each year, the Board randomly audits 5% of practising architects to ensure they are fulfilling their CPD requirements. The CPD Committee makes recommendations to the Board with regard to architects who do not appear to have fulfilled their requirements. It is also responsible for developing, maintaining and updating the Board's CPD framework and assessing the levels of qualification and experience of candidates seeking restoration to the practising division of the register.

In addition to the standing committees outlined above, new committees are regularly established by the Board to deal with matters as they arise. Examples of such committees include:

Governance Committee – this committee was established to assist the Board in its governance role with a particular focus on external audits and financial reporting, risk management and governance generally.

Graduate Award Judging Panels – there are two Graduate Awards presented each year (one to a UWA graduate and one to a Curtin graduate) so two new judging panels are established each year.

Architects Act 2004 Review Committee – this committee was responsible for compiling the Board's submission in response to the CRIS and will continue to be responsible for all work related to the on-going review of the Act, such as liaising with the Government regarding the drafting of amendments to the legislation.

Architect Registration in Western Australia

Natural Persons

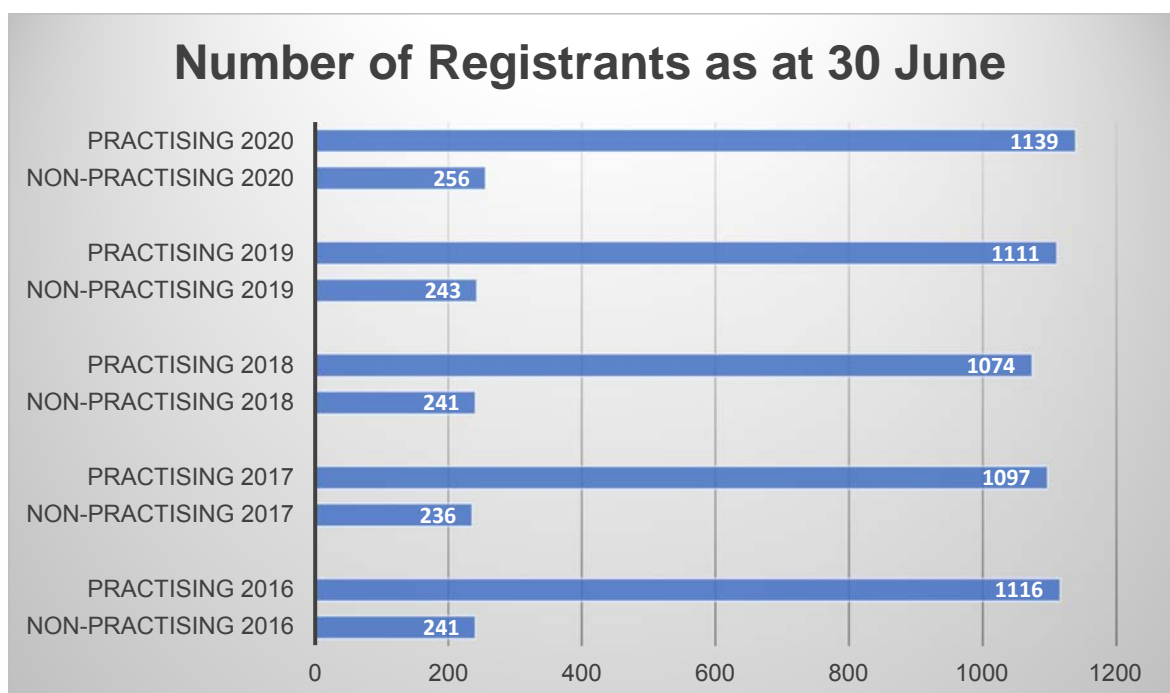
There are two divisions of the register - division 1 for registered persons who are currently practising architecture, and division 2 for registered persons who are not currently practising architecture in Western Australia.

On 30 June 2019, 1354 architects were on the register, of which 1111 were practising architects and 243 were non-practising architects. At the end of the reporting period, there were 1395 architects on the register. The following alterations were made to the register:

Details	Division 1 Practising	Division 2 Non- practising	Total
Registered architects at 30 June 2019	1111	243	1354
Deletions due to resignation, removal for non-payment or deceased	- 38	- 23	- 61
Movement between divisions 1 & 2	- 38	- 12	- 50
	+ 12	+ 38	+ 50
New registrations and re-registrations	+ 92	+ 10	+ 102
Registered architects at 30 June 2020	1139	256	1395

Of the 1395 registered architects, 332 are female and 1063 are male. The number of registered architects increased by 41 during the reporting period.

A graph illustrating the change in number of natural persons registered by the Board, in both the practising and non-practising divisions, over the preceding five years is set out below.



Corporations

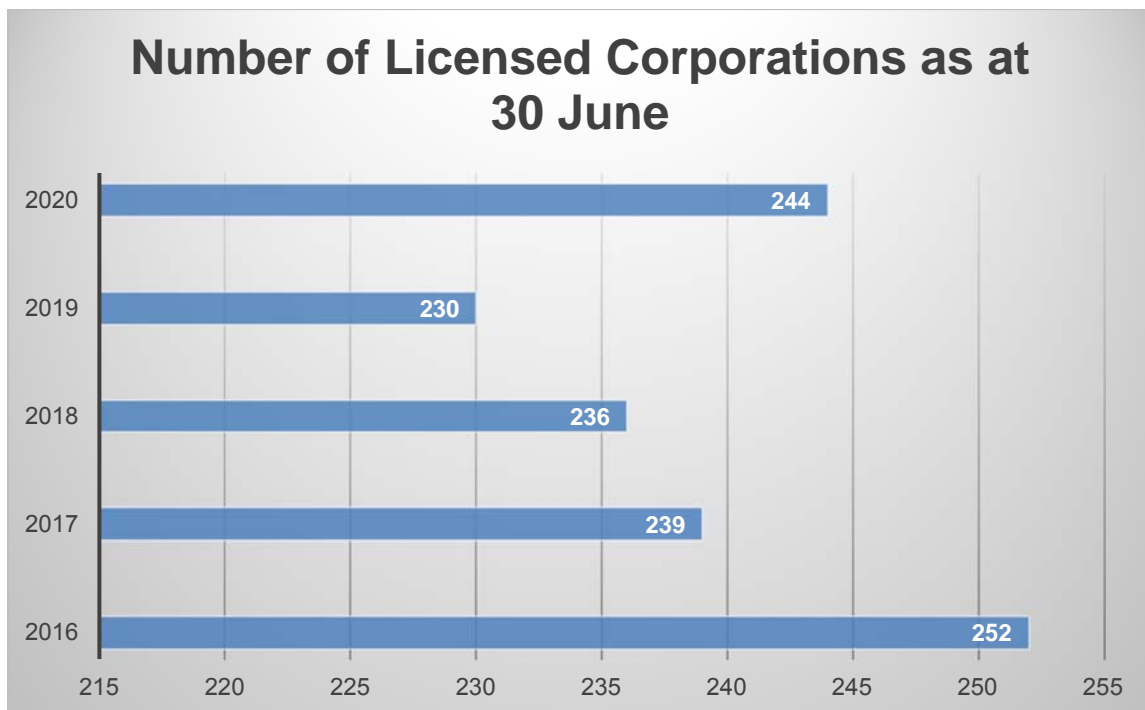
Under the Act, the Board may grant a licence to a corporation which confers, on the licensee, the right to practise architecture in Western Australia under the title of “architect”. Licensed corporations are required to ensure all architectural work is done under the direct control and supervision of at least one registered person who is an officer, or employee, of the corporation.

On 30 June 2019, 230 licensed corporations were on the register. At the end of the reporting period, there were 244 licensed corporations on the register. The following alterations were made to the register:

Details	Number
Licensed corporations at 30 June 2019	230
Ceased operations or removal for non-payment	- 12
New licences and restored licences	+ 26
Licensed corporations at 30 June 2020	244

The number of licensed corporations increased by 14 during the reporting period.

A graph illustrating the change in number of corporations licensed by the Board over the preceding five years is set out below.



Registration Requirements

Uniform standards of education and experience have been adopted by all States and Territories in Australia for registration as an architect. These are currently a five-year Masters of Architecture degree from an accredited Australian university (or approved equivalent), an approved period of practical experience and successful completion of the Architectural Practice Examination.

Accredited Academic Qualifications

A national system of accreditation of architectural education programs has been adopted by all registration authorities in Australia. The accreditation of each architecture program was previously carried out on a five-yearly basis, interspersed with interim visits to the schools of architecture to ensure that the standard of graduates was acceptable to registration authorities. A new accreditation procedure called the Architecture Program Accreditation Procedure (APAP), which is co-ordinated by the Architects Accreditation Council of Australia (AACAA), took effect from 1 January 2018. Assessment for accreditation now occurs through the conduct of an Accreditation Review Panel (ARP) composed of practising architects and academics, which then makes a recommendation on whether, and for how long, a program should be accredited. During their period of accreditation, all programs are then monitored via Annual Reporting which is also co-ordinated by the AACAA.

In WA, two schools of architecture, being Curtin University (providing both a traditional and an on-line program) and the University of Western Australia currently offer accredited programs for the purposes of registration.

In 2014, Curtin University's traditional Master of Architecture program was accredited until 2017, subject to annual interim panel visits. The last interim panel visit occurred in October 2016 and the Board accepted the interim panel's report. A national visiting panel accreditation assessment occurred in October 2017. The Board accepted the report of the national visiting panel and accredited the traditional Master of Architecture program for 3 years, until 31 December 2020. An ARP was scheduled to take place for this program in October 2020 but, as a result of the COVID-19 pandemic, the accreditation for all currently accredited architectural education programs across Australia was extended for 12 months and the ARP for this program was re-scheduled for October 2021.

Curtin University's on-line Master of Architecture program was subject to an initial preliminary assessment panel (PAP) visit in September 2014. A further PAP visit occurred in November 2015 and an ARP accreditation assessment occurred in October 2018. The Board accepted the report of the ARP and accredited the on-line Master of Architecture program for 5 years, until 31 December 2023. This accreditation has now been extended until 31 December 2024 as a result of the COVID-19 pandemic.

As the University of Western Australia was implementing a new Master of Architecture program, the Board agreed to extend the existing program accreditation for a further two years until 31 December 2016. An accreditation visit for the new program was undertaken in September 2016. The Board accepted the report of the national visiting panel and accredited the new Master of Architecture program for 5 years, until 31 December 2021. This accreditation has now been extended until 31 December 2022 as a result of the COVID-19 pandemic.

Due to the impacts of the COVID-19 pandemic, Provider Annual Reports for each of the three programs accredited in WA were deferred and were not provided during the reporting period.

In 2019, the University of Notre Dame introduced a Master of Architecture program which is not currently accredited. In March 2019, the Board received notice from the APAP Secretariat that Notre Dame will be seeking an initial ARP for its Master of Architecture program in 2020. This ARP will take place, as planned, in November 2020.

Equivalence of Qualifications

As a national system of accreditation of architectural education courses is used throughout Australia, and under licence in New Zealand, the Board considers that courses that have been accredited under the national system by that jurisdiction's registration authority are equivalent to a qualification that has been accredited by the Board.

The Board's preferred method of establishing the academic equivalence of qualifications obtained overseas is through the Overseas Qualification Assessment (OQA) process. The OQA assesses overseas qualifications through an interview process in which the interviewers examine the content of the course leading to the candidate's qualification and a portfolio of their work to determine the extent to which the candidate meets the competencies required of a current Australian accredited architecture course.

The outcome of the OQA process is a recommendation by the AACA as to the equivalence, or not, of a qualification. The Board considers the AACA's recommendation in making its decision about equivalence.

During the reporting period, three candidates applied for the Board's determination on the equivalence of their qualifications following completion of an OQA process. The Board determined that all three candidates held a qualification that, in the opinion of the Board, was equivalent to an architectural education course that has been accredited by the Board under section 10(c) of the Act and had satisfied the requirements of regulation 12(a)(ii) of the *Architects Regulations 2005* (Regulations).

Standard of Practice

People who do not have a formal qualification in architecture, or have a qualification that has been assessed as not being equivalent to an accredited qualification but have substantial skill and experience in the architectural profession, may be eligible for registration if they have attained an acceptable standard in the practice of architecture.

The Board's preferred method of establishing whether an applicant who does not have a professional qualification has attained an acceptable standard in the practice of architecture is through the National Program of Assessment (NPrA) process which is conducted by the AACA. The NPrA is conducted annually and applicants are required to complete a complex architectural project in the form of a report and companion drawings. The outcome of the NPrA is a recommendation by the AACA as to whether the applicant has fulfilled the requirements of the NPrA. The Board considers the AACA's recommendation in making its decision about a person's standard of practice of architecture.

During the reporting period, four candidates applied for the Board's determination on their standard of practice following completion of the NPrA. The Board determined that all four candidates had attained an acceptable standard in relation to the practice of architecture and had satisfied the requirements of regulation 12(a)(iii) of the Regulations.

Architectural Practice Examination

The final requirement for registration in Western Australia is the successful completion of the Architectural Practice Examination (APE). One round of examinations was conducted during the reporting year in August/October 2019 however the second round, which was scheduled for April/May 2020, had to be postponed due to the COVID-19 pandemic. A total of 45 candidates were admitted to the examination, of which 39 were successful.

The Board uses registered architects as examiners for the APE. The Board would like to thank the following architects, who were examiners for the oral interviews and Sally Matthews (the Board's State Convenor) for the APE.

Simon Bodycoat	Terry Holton	Michael Spight
Gavin Broom	Garry Lawrence	Kerie Tang
Michelle Chew	Laurence Lim	John Taylor
Jennifer Ching	Lara Mackintosh	Cynthia Teng
Caroline Di Costa	Carolyn Marshall	Simon Venturi
Lynette Gardiner	John Monger	Dean Wood
Kate Hislop	Sally Matthews	Brian Wright

Architects Accreditation Council of Australia

The AACA is recognised as the national organisation responsible for establishing, coordinating and advocating national standards for the registration of architects in Australia and for the recognition of Australian architects overseas by relevant registration authorities.

The AACA also co-ordinates the accreditation of architecture programs through the APAP.

The AACA is constituted of nominees from each of the State and Territory Architect Registration Boards in Australia. It is not a registration authority and can only make recommendations to the Boards. The Chairperson and Registrar are members of the AACA.

Awards and Prizes

Architects Board Award

The objective of the Architects Board Award is to recognise architects registered in Western Australia whose attitudes and personal contributions to the profession and community have enhanced public confidence in the standing of the profession and/or promoted public awareness of the profession.

The Board Award is not intended to recognise the successful career of an architect, achievement in building design or academic excellence. Rather, it is awarded to recognise special endeavours outside of those considered to be the normal business activities of an architect, which may otherwise go unrecognised.

The recipient of the Architects Board Award in 2020 was Dean Wood.

Dean commenced his architectural education in Cape Town, continued in Zimbabwe and completed his final two years of study in London. He was first registered as an architect in 1985 and commenced his full-time architectural career in a boutique practice in England where he gained invaluable experience and mentoring from his employers. Dean highly values the enormous benefits he gained from the generosity of the architects he worked with during his student years, and early in his career, and has worked hard to provide the same and give back to the generations that have followed him.

For over a decade, Dean has been an invaluable voluntary contributor to various associations and committees, such as the AIA Education sub-committee, and has thereby helped to advance the practice, and professionalism, of architecture in Australia. He has also participated as a member on a number of accreditation panels and regularly acts as an APE assessor, thereby contributing to the education and registration of future generations of architects.

Dean has also spent time in an architectural teaching role and is heartened to see the enthusiasm of students eager to enter the profession of architecture. Dean believes that it is incumbent upon all practising architects to assist the passage of such students to registration and, in time, senior roles in the profession.

Dean's personal contribution to the profession exemplifies the special endeavours outside of those considered to be the normal business activities of an architect that the Board Award is designed to celebrate.

Education Prizes

The Board sponsors two student prizes - one for Curtin University and one for the University of Western Australia. The Architects Board Graduate Award rewards the excellence of a top performing final year student from each University who, in the opinion of the Faculty and Board, is most likely to benefit from travel or further study. Each prize is valued at \$6,000.

The recipients of the 2019 Architects Board Graduate Awards were Hannah Jia-En Tan (Curtin University) and Sharon Hughes (University of Western Australia).

Complaints and Offences

Complaints

The Board did not receive any new complaints during the reporting period.

With respect to the two on-going complaints received by the Board during the 2017/2018 reporting period, the Board decided to take no further action with regard to one of those complaints. The remaining complaint is on-going.

One matter from the 2014/15 reporting period continues to be deferred as legal processes between the parties are still on-going.

Another matter from the 2016/2017 reporting period, which had been deferred due to on-going legal processes, was revived in 2018/2019. The Board decided to take no further action with regard to that complaint.

Offences

Pursuant to the Act, only persons registered, or corporations licensed, by the Board may use a “restricted word” such as “architect”, “architects”, “architectural” or “architecture” as part of their title or description. Similarly, only a registered person or licensed corporation may hold themselves out as an architect or in any way imply that they are an architect.

During 2019/20, a total of 14 individuals or organisations were advised that they were in contravention of the Act by holding themselves out to be architects or offering architectural services.

Emerging Issues and Workload Forecast

Emerging Issues

Despite the COVID-19 pandemic, registration levels remain relatively stable with a small increase in both the number of natural persons registered by the Board and the number of architectural corporations licensed by the Board.

The number of female architects in Western Australia continues to remain relatively low. Since the introduction of the Board’s revised pathways for reinstatement to the practising division of the register after a period of absence (to, amongst other things, address the issue of architects returning to practice after a period of maternity leave) the percentage of female architects has risen slightly from 22% to 24% of natural persons registered by the Board.

Workload Forecast

It is difficult to forecast the workload for the Board for the next 12 months with any accuracy. There are no Western Australian educational programs scheduled for accreditation during that time and, based on current registration levels and the fact that (despite the COVID-19 pandemic) there is no indication that registration levels will change significantly, the Board does not anticipate any significant change in the demand on its resources in the 2020/21 reporting period.

Board Operations

The Board continues to look for operational improvement and efficiency where appropriate. In the 2019/20 reporting period, the Board has continued to focus on improving its operational capacity through revision of its Systems Management, including further development of the Board's new database to streamline the audit of Continuing Professional Development records for architects.

In response to the impacts of the COVID-19 pandemic, the Board also introduced virtual meetings, virtual AACA assessments and the capacity for staff to work from home, where required.

For the first time in its history, the Annual Board Award was also presented virtually at the online Australian Institute of Architects' Annual Architecture Awards ceremony.

Administration

Staff

Registrar	Lisa Edwards
Administration Officer	Olivia Merredew

Contact Details

Architects Board of WA
33 Broadway
NEDLANDS WA 6009

T: (08) 9287 9920
E: info@architectsboard.org.au
W: www.architectsboard.org.au

Disclosures and Legal Compliance

Board Remuneration

The remuneration received by Board members during the reporting period is listed below.

Position	Name	Period of Membership	Board Meetings	Other Board Activities	AACA Attendances
Chair	Isla McRobbie	12 months	\$4,620		
Deputy Chair	Leigh Robinson	12 months	\$3,124		
Member	David Ashton	12 months	\$3,124		
Member	Neil Cownie	12 months	\$2,556		
Member	Ali Devellerez	12 months	\$2,840		
Member	Karen Dill-Macky	12 months	\$2,840		
Member	Judith Hogben	12 months	\$2,840		
Member	Sharon Ivey	12 months	\$2,556	\$852	
Member	Francesco Mancini	12 months	\$3,124		
Member	John Taylor	12 months	\$2,556	\$1,136	
Sub-totals:			\$30,180	\$1,988	
TOTAL:					\$32,168

Advertising

In accordance with section 175ZE of the *Electoral Act 1907*, the Board incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2019/20 was \$1,075.40.
2. The expenditure was incurred in the following areas:
 - Emailing of Board Newsletter through Mail Chimp - \$283.54;
 - Design of Board Newsletter/Emails by Turner Design - \$555;
 - WE Transfer subscription for emails to profession - \$170.26; and
 - Telstra White Pages Advertising - \$66.60.

Compliance with Public Sector Standards and Ethical Codes

The Public Sector Commission requires the following information to be reported under section 31 of the *Public Sector Management Act 1994*.

No compliance issues concerning the public sector standards, the Public Sector Commission's Code of Ethics or the Board's Code of Conduct arose during the reporting period 1 July 2019 to 30 June 2020.

Record Keeping Plans

At its meeting on 24 October 2017, the State Records Commission approved the continuation of the Board's amended Record Keeping Plan and Retention and Disposal Schedule.

All administrative staff have undertaken Record Keeping Awareness Training.

All new Board staff are briefed individually about the record keeping procedures of the Board and their record keeping roles and responsibilities on commencement of their employment.

Occupational Safety and Health

The Board is committed to having a workplace that is free of work-related injuries and diseases, and will assist injured workers to return to work as soon as medically appropriate.

The Board reviewed its occupational safety and health (OSH) policy in 2015 and adopted an amended policy on 16 June 2015. The policy will next be reviewed in the 2020/2021 reporting period. The OSH policy has been communicated directly with all staff members by the Registrar.

As the Board is a small organisation, any OSH issues are discussed with all staff members and resolved in an appropriate manner. All staff participate in an annual workplace hazard inspection and self-evaluation of OSH management systems.

The Board's current injury management policy was adopted on 2 July 2013 and will be reviewed in the 2020/2021 reporting period. The Board has a documented injury management system in place, including return to work programs, in accordance with the *Workers' Compensation and Injury Management Act 1981*. The policy and documented procedures have been communicated directly with all staff.

The Board's report of annual performance for 2019/20 is summarised below.

Measure	Actual Results		Results Against Target	
	2018-19	2019-20	Target	Comment on result
Number of fatalities	0	0	0	Achieved target
Lost time injury and/or disease incidence rate	0	0	0	Achieved target
Lost time injury and/or disease severity rate	0	0	0	Achieved target
Percentage of injured workers returned to work: (i) within 13 weeks (ii) within 26 weeks	n/a	n/a	80%	Achieved target - no workers were injured
Percentage of managers trained in occupational safety, health and injury management responsibilities	0%	0%	80%	Below target

Audited Financial Statements 2019-20

Architects Board of Western Australia

ABN: 79 638 751 988

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Architects Board of Western Australia


ABN: 79 638 751 988


Statement by the Board


In the opinion of the Board the financial report as set out on pages 5 to 21:

1. Presents fairly, the financial position of the Architects Board of Western Australia as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements; and
2. At the date of this statement, there are reasonable grounds to believe that the Architects Board of Western Australia will be able to pay its debts as and when they fall due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Chairperson 
Isla McRobbie

Deputy Chairperson 
Charles Leigh Robinson

Registrar 
Lisa Edwards

Dated 20 October 2020

INDEPENDENT AUDITOR'S REPORT

To the members of Architects Board of Western Australia

Opinion

We have audited the financial report of the Architects Board of Western Australia (the 'entity'), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Architects Board of Western Australia as at 30 June 2020 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Architects Act 2004*.

Basis for Opinion

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

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

Emphasis of Matter - COVID-19 Developments

We draw attention to Note 16 (Events Occurring After the Reporting Date), in the financial report, which describes events subsequent to year end and specifically the possible effects of the future implications of COVID-19 pandemic on Architects Board of Western Australia's future financial position and performance. As set out in Note 16, no adjustments have been made to the financial statements as at 30 June 2020 for the impacts of COVID-19 pandemic. Our opinion is not modified in respect of this matter.

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Architects Act 2004* and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Date: 20th October 2020
West Perth
Western Australia



DRY KIRKNESS



B ROTHMAN
Partner

Architects Board of Western Australia

ABN: 79 638 751 988

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	5	541,710	465,046
Consultant fees		(17,970)	(35,071)
Depreciation and amortisation expense	6	(17,574)	(8,336)
Employee benefits expense		(247,085)	(226,040)
Examination fees		(52,686)	(52,622)
Legal fees		(17,075)	(12,894)
Prizes, certificates and board awards		(12,305)	(20,290)
Other expenses from ordinary activities	14	(95,383)	(100,079)
Surplus before income tax		81,632	9,714
Income tax expense	3(a)	-	-
Surplus for the year		81,632	9,714
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		81,632	9,714

The entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Architects Board of Western Australia

ABN: 79 638 751 988

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	738,639	666,116
Trade and other receivables	8	36,481	-
Other assets		5,238	1,577
TOTAL CURRENT ASSETS		<u>780,358</u>	<u>667,693</u>
NON-CURRENT ASSETS			
Plant and equipment	9	28,068	42,025
TOTAL NON-CURRENT ASSETS		<u>28,068</u>	<u>42,025</u>
TOTAL ASSETS		<u>808,426</u>	<u>709,718</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	11,666	13,771
Employee benefits	11	28,188	15,996
TOTAL CURRENT LIABILITIES		<u>39,854</u>	<u>29,767</u>
NON-CURRENT LIABILITIES			
Employee benefits	11	18,433	11,444
TOTAL NON-CURRENT LIABILITIES		<u>18,433</u>	<u>11,444</u>
TOTAL LIABILITIES		<u>58,287</u>	<u>41,211</u>
NET ASSETS		<u>750,139</u>	<u>668,507</u>
EQUITY			
Accumulated funds		<u>750,139</u>	<u>668,507</u>
TOTAL EQUITY		<u>750,139</u>	<u>668,507</u>

The entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

Architects Board of Western Australia

ABN: 79 638 751 988

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Accumulated funds	Total
	\$	\$
Balance at 1 July 2019	668,507	668,507
Surplus attributable to the entity	81,632	81,632
Balance at 30 June 2020	750,139	750,139

2019

	Accumulated funds	Total
	\$	\$
Balance at 1 July 2018	658,793	658,793
Surplus attributable to the entity	9,714	9,714
Balance at 30 June 2019	668,507	668,507

The entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Architects Board of Western Australia

ABN: 79 638 751 988

Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	477,104	452,704
Interest received	5,462	12,342
Payments to suppliers	(220,746)	(214,557)
Payments to employees	(208,343)	(215,166)
Other receipts	22,663	-
Net cash provided by operating activities	15(b) <u>76,140</u>	<u>35,323</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(3,617)</u>	(44,657)
Net cash used in investing activities	<u>(3,617)</u>	(44,657)
Net (decrease)/increase in cash and cash equivalents held	72,523	(9,334)
Cash and cash equivalents at beginning of year	<u>666,116</u>	675,450
Cash and cash equivalents at end of financial year	15(a) <u><u>738,639</u></u>	<u>666,116</u>

The entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Basis of Preparation

Architects Board of Western Australia (the 'Entity') applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the requirements of the Architects Act 2004. The Architects Board of Western Australia is a body corporate established by an act of Parliament of Western Australia and is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cashflow information, have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 New standards and amendments to AASB that are mandatorily effective for the current year

The entity has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2019.

AASB 16 *Leases*

AASB 15 *Revenue from Contracts with Customers*

AASB 1058 *Income of Not-for-Profit Entities*

Leases - Adoption of AASB 16

The entity has adopted AASB 16 *Leases* using the modified retrospective method of adoption with the initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained profits as at 1 July 2019, and the comparative information for 2019 was not restated and continues to be reported under AASB 117 and related interpretations.

New definition of a lease

Under AASB 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

The Board has assessed that there is no material difference in the result of the entity between applying AASB 117 and AASB 16 as the entity only has rental expenses relating to short term leases.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 New standards and amendments to AASB that are mandatorily effective for the current year (continued)

Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-Profit Entities

AASB 15 and its amendments replace AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related interpretations. They are applied, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under AASB 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in AASB 15 provide a more structured approach for measuring and recognising revenue.

The entity has applied AASB 15 and AASB 1058 using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118 *Revenue* and AASB 1004 *Contributions*. The entity has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application. The adoption of these standards has not caused any material impact on the financial statements of the entity.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Board considers that the entity's operations are exempt from income tax under the provision of section 50-25 of the Income Tax Assessment Act (1997) as amended. Accordingly, no provision for tax is included in the financial statements.

(b) Plant and Equipment

Each class of plant and equipment is carried at cost, less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised in either profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3(d) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(b) Plant and Equipment (continued)

Depreciation

The depreciable amount of office furniture and equipment is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office Equipment	10 - 33%
Leasehold Improvements	5 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amounts. These gains and losses are recognised in profit or loss in the period in which they occur.

(c) Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially on the date that the entity becomes party to the contractual provisions of the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs (except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately).

Classification and subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the entity classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(c) Financial instruments (continued)

- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the entity changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

(i) *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The entity has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the entity renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

(ii) *Financial liabilities*

The entity measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the entity comprise trade payables.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(c) Financial instruments (continued)

Derecognition

Derecognition relates to the removal of previously recognised financial asset or financial liability from the statement of financial position.

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred. All of the following criteria need to be satisfied for the derecognition of a financial assets:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities are derecognised where the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(d) Impairment of assets

At the end of each reporting date, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(f) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of the creditors and payables is deemed to reflect their fair value.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(g) Employee benefits

Short-term employee benefits

Provision is made for the entity's obligation for short-term employee benefits. Short term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employee renders the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The entity's obligations for long-term employee benefits are presented as non-current liabilities in the statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least another 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(h) Revenue and other income

The Entity has applied AASB 15 *Revenue from Contracts with Customers* ("AASB 15") and AASB 1058 *Income of Not-for-Profit Entities* ("AASB 1058") using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019 where applicable. Therefore, the comparative information has not been restated and continues to be presented under AASB 118 *Revenue* and AASB 1004 *Contributions*. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the entity.

For current year (applicable after 1 July 2019)

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(h) Revenue and other income (continued)

Generally the timing of the payment for the rendering of service corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Rendering of services

Revenue in relation to rendering of service for an examination is recognised at a point in time when the given performance obligation is met.

Member's registration and licensing period runs from 1 July to 30 June each year and are recognised over time as this is when the performance obligation is met, and when members receive and consume the benefits of the services as the entity provides them. The revenue recognition model is based on the time elapsed output method.

A receivable in relation to these services is recognised when a bill has been issued, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Interest revenue

Interest revenue is recognised using the effective interest method.

For comparative year (applicable before 1 July 2019)

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from rendering of a service including members' registration fees and examinations is recognised upon the delivery of the service to the customers.

Income received in advance in relation to prepaid renewal of registration fees is carried forward as a liability until expiration, at which point it is recognised as revenue.

Interest is recognised using the effective interest method, which, for floating rate financial assets is the rate inherent in the instrument.

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

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies (continued)

(i) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(j) Comparative Amounts

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

4 Critical Accounting Estimates and Judgments

The Board make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - useful lives of plant and equipment

As described in Note 3(b), the entity reviews the estimated useful lives of plant and equipment at the end of each annual reporting period.

Key judgments - performance obligations under AASB 15

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

Key judgments - employee benefits

For the purpose of measurement, AASB119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the entity believes that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Revenue and Other Income

	2020	2019
Note	\$	\$
Operating activities:		
- Natural person fees	315,411	301,712
- Corporation fees	115,238	108,524
- Examination fees	44,594	40,928
- Other revenue	1,861	1,540
	<u>477,104</u>	<u>452,704</u>
Non-operating activities:		
- Interest income	5,462	12,342
- Government subsidies - COVID-19	59,144	-
Total Revenue	<u><u>541,710</u></u>	<u><u>465,046</u></u>

6 Result for the Year

The result for the year includes the following specific expenses

Depreciation of plant and equipment	17,574	8,336
Rental expense and outgoings on operating expenses	-	17,168
Short-term lease expense and outgoings	18,978	-

7 Cash and cash equivalents

Cash at bank and in hand	466,263	126,461
Short-term bank deposits	272,376	539,655
	<u>738,639</u>	<u>666,116</u>

12

8 Trade and Other Receivables

CURRENT

Other receivables	36,481	-
	<u>36,481</u>	<u>-</u>

12

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Plant and equipment

	2020	2019
	\$	\$
Office furniture and equipment		
At cost	34,390	30,773
Accumulated depreciation	(29,017)	(25,507)
Total office furniture and equipment	<u>5,373</u>	<u>5,266</u>
Leasehold Improvements		
At cost	81,944	81,944
Accumulated depreciation	(59,249)	(45,185)
Total leasehold improvements	<u>22,695</u>	<u>36,759</u>
Total property, plant and equipment	<u>28,068</u>	<u>42,025</u>

(a) Movements in Carrying Amounts

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

	Office Furniture and Equipment	Leasehold Improvements	Total
	\$	\$	\$
Balance at the beginning of year	5,266	36,759	42,025
Additions	3,617	-	3,617
Depreciation expense	(3,510)	(14,064)	(17,574)
Balance at the end of the year	<u>5,373</u>	<u>22,695</u>	<u>28,068</u>

10 Trade and other payables

	Note		
CURRENT			
Trade payables	12	6,618	10,598
GST/PAYG payable		5,048	3,173
		<u>11,666</u>	<u>13,771</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Architects Board of Western Australia

ABN: 79 638 751 988

Notes to the Financial Statements

For the Year Ended 30 June 2020

11 Employee Benefits

	2020	2019
	\$	\$
CURRENT		
Provision for employee benefits	28,188	15,996
	<u>28,188</u>	<u>15,996</u>
NON-CURRENT		
Provision for long service leave	18,433	11,444
	<u>18,433</u>	<u>11,444</u>

Provision for employee benefits represents amounts accrued for sick leave, annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been disclosed in Note 3(g) to this report.

12 Financial Risk Management

The entity's financial instruments consist mainly of cash at bank, short-term deposits, receivables and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note		
Financial Assets			
Cash and cash equivalents	7	738,639	666,116
Trade and other receivables	8	36,481	-
Total financial assets at amortised cost		<u>775,120</u>	<u>666,116</u>
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	10	6,618	10,598
Total financial liabilities		<u>6,618</u>	<u>10,598</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2020

13 Contingencies

The entity incurs legal costs from time to time in connection with its function of investigating complaints and in some cases, conducting disciplinary proceedings. These amounts vary from case to case, and it is not possible to quantify any future amounts payable.

14 Related Party Information

Board members are entitled to receive fees for attendance at Board meetings:

	2020	2019
	\$	\$
Attendance fees received by Board members	<u>30,180</u>	<u>28,488</u>

Some Board members are employed within or as directors of entities influenced by the regulatory activities of the entity, and as such these members pay registration fees.

No other related party transactions exist that require disclosure.

15 Cash Flow Information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>738,639</u>	666,116
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(b) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net surplus to net cash provided by operating activities:

Surplus for the year	81,632	9,714
Non-cash flows in surplus:		
- depreciation	17,574	8,336
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(36,481)	4,572
- (increase)/decrease in other assets	(5,238)	-
- (increase)/decrease in prepayments	1,577	(25)
- increase/(decrease) in trade and other payables	(2,105)	6,837
- increase/(decrease) in employee benefits	19,181	5,889
Cashflow from operations	<u>76,140</u>	<u>35,323</u>

(c) The entity has no credit standby or financing facilities in place.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

16 Events Occurring After the Reporting Date

The financial report was authorised for issue on 20 October 2020 by the Board.

In March 2020, Australia was affected by the COVID-19 pandemic. The financial effect on the entity has been reflected in this financial report. At the date of this report, it is not possible to predict or reliably estimate the potential impact of COVID-19, however the Board will continue to monitor the situation going forward.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

17 Entity Details

The principal place of business is:
33 Broadway, Nedlands Western Australia 6009

18 Segment Reporting

The entity operates as a statutory registration authority for architects in Western Australia.