

HAIRDRESSERS REGISTRATION BOARD

OF

WESTERN AUSTRALIA

ANNUAL REPORT

and

FINANCIAL STATEMENTS

2003

**THE HAIRDRESSERS REGISTRATION BOARD OF
WESTERN AUSTRALIA**

ANNUAL REPORT

2003

**TO THE HONOURABLE JOHN KOBELKE MLA
MINISTER FOR CONSUMER AND
EMPLOYMENT PROTECTION; TRAINING**

Dear Minister

In accordance with Section 14C (1) of the Hairdressers Registration Act 1946, I submit to you a report on the proceedings of the Board for the year ending 31st December 2003.

Ms Jackie Me Kiernan
CHAIRPERSON

30 June 2004

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1. BOARD MEMBERSHIP

Appointments to the Board are provided for under the provisions of Section 5 of the Hairdressers Registration Act. This section identifies the various bodies from which nominations to the Board are drawn, and the criteria against which persons are selected.

The Governor appoints the Chairperson, who has no pecuniary interest in hairdressing.

The Governor appoints four other persons, one nominated by the Master Hairdressers Association, one nominated by the Master Ladies Hairdressers Association and two nominated by the Hairdressers and Wigmakers Employees' Union of Workers. Each of those persons shall be a person who has had at least three years experience either as a principal or as an employee (other than an apprentice) in any business in the practice of hairdressing.

On 4 March 2003 the Governor appointed the following persons to the Board for the period ending 31 December 2005.

BOARD MEMBERS (to 31 December 2003)

Mrs. Jackie McKiernan
Chairperson

Ms. Sandra McKnight *Deputy*
Chairperson

Ms. Gloria RIDOLFO
Member nominated by the Master Hairdressers Association of WA.

Mr. Leslie MARSHALL
Member nominated by the Master Ladies Hairdressers Association of WA.

Ms. Norma ROBERTS
Member nominated by the Hairdressers and Wigmakers Employees Union of Workers.

Mr. Davide GENOVESE
Member nominated by the Hairdressers and Wigmakers Employees Union of Workers.

DEPUTY MEMBERS (to 31 December 2003)

Mr B Berger	Deputy to Mr L Marshall
Mr T Viljoen	Deputy to Ms G Ridolfo
Ms W Murphy	Deputy to Mr D Genovese
Ms C Treacy	Deputy to Ms N Roberts

2. BOARD STAFF

Mr Les Marshall	A/Registrar 14/04/2003 appointed Registrar 10/11/2003
Mr Geoff Roberts	A/Registrar 11/11/2002 to 10/04/2003
Mr C Maiolo	Inspector (commenced 18/6/2001 to 05/03/2003)
Ms J Clarke	Inspector (commenced 18/6/2001)
Ms V Jamerzuk	Customer Liaison Officer (commenced 12/6/2001 to 26/11/2003)
Mr V McGough	Administration Officer (commenced 19/3/2001) Ms P
Richardson	Customer Liaison Officer (commenced 1/12/2003)

3. BOARD AUDITORS

Lyons Waddell Pty. Ltd. Level 9, 231
Adelaide Terrace
PERTH WA 6000

4. MEETINGS OF THE BOARD

The Board met on 13 occasions during the period 1 January 2003 to 31 December 2003.

5. STRATEGIC DIRECTIONS PLAN

On 18 June 2001 the Board launched its Strategic Directions Plan for the period 2001 to 2004. The plan, which was developed in conjunction with input from the hairdressing industry, set the strategic direction of the Board over the next three years.

It identified a number of strategies to address three key objectives that the Board wished to achieve over the three-year period. Those objectives are:

- To have the Hairdressers Registration Act 1946 amended to reflect the operations of the Hairdressers Registration Board and the hairdressing industry in a modern society.
- To ensure that all practicing qualified hairdressers in Western Australia are registered under the Hairdressers Registration Act 1946.
- To improve the public standing and the professionalism of the hairdressing industry.

6. CODE OF PRACTICE FOR OCCUPATIONAL SAFETY AND HEALTH IN THE HAIRDRESSING INDUSTRY

During the year, with assistance of an occupational safety and health consultant, the Board continued to progress the development of a code of practice for the hairdressing industry on occupational safety and health.

The code, which will be an easy to understand guide, will assist hairdressers to be aware of their obligations, give guidance about how to manage hazards that may occur in the workplace and provide information about the hazards they may be likely to confront in their daily business.

It is now planned that the code will be completed and implemented by the end of 2004.

7. CONSUMER COMPLAINTS

In June 2001, the Board implemented a complaints management system for dealing with consumer complaints against hairdressers that established formalised complaint handling processes and procedures. Subsequently, the Board took over responsibility for investigating hairdressing consumer complaints from the then Ministry of Fair Trading. In addition, the Board produced and has distributed to members of the hairdressing industry a complaints handling guide that assists hairdressers in dealing with consumer complaints and sets out the rights and obligations of hairdressers.

During the period from January 2003 to 31 December 2003, the Board handled 64 complaints from consumers in relation to the provision of hairdressing services. Of those complaints all were resolved through conciliation between the consumer and the trader, and all have been finalised.

8. INSPECTIONS

From January 2002 the Board employed two full time inspectors to conduct salon inspections to ensure compliance with the Hairdressers Registration Act 1946. One Inspector resigned on 5/3/03 and was not replaced.

The role of Inspectors also includes handling consumer complaints and providing advisory support to hairdressers in the areas of occupational safety and health regulations.

From 1 January 2003 until 31 December 2003, the HRB conducted approximately 1,786 inspections, consisting of 1,482 salon inspections in the metropolitan area, 61 salons inspections in the country area and a further 243 inspections which include home based salons, mobile hairdressers, Community Centres, Retirement Villages and Aged Care Centres.

9. REGISTRATIONS

As at 31 December 2003 there were 5243 hairdressers registered with the Board. This is an increase of 345 on the previous year.

Whilst the increase is minimal it would appear to be primarily attributable to the presence of the Board's Industry Inspector/s visiting salons and other hairdressing workplaces to establish for the protection of consumers that the people practicing hairdressing are qualified and registered with the Board.

The hairdressers were registered in the following classes:

Men's Limited	39
Men's Inclusive	206
Ladies' Limited	22
Ladies' Inclusive	1887
Ladies' Limited/ Men's Limited	2
Men's Inclusive/ Ladies' Limited	51
Ladies' Inclusive/Men's Limited	668
Combined Hairdresser	2368

A table of the number of hairdressers registered in each classification of hairdressing is attached at Annexure 1.

10. BOARD EXAMINATIONS

Regulation 12 of the Hairdressers Registration Regulations 1965 provides that for the purpose of satisfying itself as to the qualifications of any applicant for registration, the Board may require any applicant to undertake a theoretical, practical or oral examination in any class or classes of hairdressing. This provision is applied where an applicant has outside of Western Australia completed an appropriate course of training of a like standard as that prescribed in Western Australia.

During 2003, 78 candidates undertook the Board's theory assessment. The results of the assessments were:

First Assessment	49 Competent
	17 Not yet competent
Second Assessment	10 Competent
	2 Not yet competent

During 2003, 85 candidates undertook the Board's practical assessment. The results of the assessments were:

First Assessment	55 Competent 17 Not yet competent
Second Assessment	11 Competent 1 Not yet competent
Third Assessment	1 Competent 0 Not yet competent

11. FINANCES

In accordance with Section 14 of the Hairdressers Registration Act 1946 a copy of the audited Financial Statements is attached at Annexure 2.

12. SECTION 175ZE OF THE ELECTORAL ACT 1907

During the year the amount of expenditure incurred by the Board was nil for the following:

- a) Advertising agencies
- b) Market research organisations
- c) Polling organisations
- d) Direct mail organisations
- e) Media advertising organisations.

13. CONCLUSION

The operations of the Board during 2003 were influenced by many factors. During this time there were two different Acting Registrars and, from March to December, staff numbers were reduced by one FTE. These factors put considerable pressure on the Board's resources. As a result of this pressure the Strategic Direction's Plan saw minimal progress.

With the current Board and new strategies adopted by the Board in line with the 2001-2004 strategic directions plan, the Board is anticipating a very productive year for 2004. The Board will continue working towards ensuring that the outcomes identified in the plan are achieved and that the long-term benefits derived as a result of the plan are utilized to further the education and promotion of the hairdressing industry

REGISTERED HAIRDRESSERS

CLASS	PRINCIPALS						EMPLOYEES						TOTAL					
	1998	1999	2000	2001	2002	2003	1998	1999	2000	2001	2002	2003	1998	1999	2000	2001	2002	2003
Men's Limited	100	90	23	24	25	25	40	35	15	18	18	14	140	125	38	42	43	39
Men's Inclusive	65	70	111	121	138	147	44	48	65	67	62	59	109	118	176	188	200	206
Ladies' Limited	1	5	5	7	9	7	1	5	6	15	15	15	2	10	11	22	24	22
Ladies' Inclusive	1285	1184	1106	1121	1195	1268	877	793	708	705	637	619	2162	1977	1814	1826	1832	1887
Ladies' Limited and Men's Limited	1	1	1	1	0	1	5	2	2	2	2	1	6	3	3	3	2	2
Men's Inclusive and Ladies' Limited	37	34	37	38	40	41	4	5	7	10	10	10	41	39	44	48	50	51
Ladies' Inclusive and Men's Limited	485	481	458	450	475	498	214	193	191	192	172	170	699	674	649	642	647	668
Combined (Men's Inclusive & Ladies')	882	988	974	1051	1231	1474	603	704	705	904	869	894	1485	1692	1679	1955	2100	2368
Total	2856	2853	2715	2813	3113	3461	1788	1785	1699	1913	1785	1782	4644	4638	4414	4726	4898	5243

**THE HAIRDRESSERS'
REGISTRATION BOARD**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2003**

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INDEPENDENT AUDIT REPORT
TO THE
THE HAIRDRESSERS' REGISTRATION BOARD
OF WESTERN AUSTRALIA

Scope

We have audited the financial report of The Hairdressers' Registration Board of Western Australia for the year ended 31 December 2003 as set out on pages 1 to 14. The Members of the Board are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on them to the members.

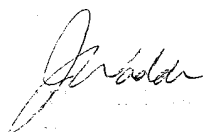
The financial report has been prepared for distribution to members of the Board for the purpose of fulfilling the Board's accountability requirements under the Hairdressers Registration Act 1946-1975.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the Board's financial position and performance as represented by the results of its operations and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional requirements the financial position of the Hairdressers' Registration Board of Western Australia as at 31 December 2003, and the results of its operations and its cash flows for the year then ended.



JOHN WADDELL
Partner

Perth, WA

Dated this 4th day of June 2004.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003	2002
		\$	\$
Revenues from ordinary activities	2	426,615	219,263
Borrowing cost expense	3	-	(3,935)
Employee expenses		254,743	(211,199)
Depreciation and amortisation expenses	3	-	(35,280)
Other expenses from ordinary activities		<u>152,170</u>	<u>(141,470)</u>
Net Profit/loss from ordinary activities attributable to the Board		<u>19,782</u>	<u>(172,621)</u>
Total changes in equity of the Board		<u>19,782</u>	<u>(172,621)</u>

The accompanying notes form part of these financial statements.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2003

ABN: 96 069 148 908

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2003

	Note	2003	2002
		\$	\$
CURRENT ASSETS			
Cash assets	12	116,787	126,563
Receivables	4	-	9,037
Other assets	5	-	251
TOTAL CURRENT ASSETS		<u>116,787</u>	<u>135,851</u>
NON CURRENT ASSETS			
Plant and equipment	6	68,503	59,264
TOTAL NON-CURRENT ASSETS		<u>68,503</u>	<u>59,264</u>
TOTAL ASSETS		<u>185,290</u>	<u>195,115</u>
CURRENT LIABILITIES			
Payables	7	2,397	41,751
Interest-bearing liabilities		-	-
Provisions	9	28,219	9,445
TOTAL CURRENT LIABILITIES		<u>30,616</u>	<u>51,196</u>
NON-CURRENT LIABILITIES			
Interest-bearing liabilities		-	-
Provisions	9	-	9,027
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>9,027</u>
TOTAL LIABILITIES		<u>30,616</u>	<u>60,223</u>
NET ASSETS		<u>154,674</u>	<u>134,892</u>
EQUITY			
Retained profits	10	154,674	134,892
TOTAL EQUITY		<u>154,674</u>	<u>134,892</u>

The accompanying notes from part of these financial statements.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 \$	2002 \$
Cash Flows from Operating Activities			
Receipts from operations		413,643	214,490
Payments to suppliers		(368,390)	(342,423)
Borrowing costs		-	(3,935)
Interest received		6,448	10,053
Net cash used in operating activities	12(b)	<u>51,701</u>	<u>(121,815)</u>
Cash Flows from Investing Activities			
Payment for plant and equipment		(26,980)	(650)
Proceeds from sale of plant and equipment		-	39,881
Net cash provided by (used in) investing activities		<u>(26,980)</u>	<u>39,231</u>
Cash flows from Financing Activities			
Repayment of liabilities		<u>(34,497)</u>	<u>(57,622)</u>
Net cash used in financing activities		<u>(34,497)</u>	<u>(57,622)</u>
Net decrease in cash held		<u>(9,776)</u>	<u>(140,206)</u>
Cash at beginning of the financial year		<u>126,563</u>	<u>266,769</u>
Cash at end of the financial year	12(a)	<u><u>116,787</u></u>	<u><u>126,563</u></u>

The accompanying notes form part of these financial statements.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

Note 1: Statement of Significant Accounting Policies

- i) The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report covers the Hairdressers Registration Board as an individual entity. The Hairdressers' Registration Board is a body constituted under the Hairdressers' Registration Act of 1946, and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

- ii) Change in Accounting Policies.

The accounting policies adopted by the Board in the preparation of the financial report are consistent with those in the previous year.

The following is a summary of the material accounting policies adopted by the Board in the preparation of the financial statements.

a) **Income Tax**

The board is exempt from income tax under the provisions of the Income Tax Assessment Act (1997).

b) **Plant and equipment**

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

The carrying amount of plant and equipment is reviewed annual by the Board to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount.

Depreciation

The depreciable amount of all fixed assets are depreciated over their useful lives of the assets to the Board commencing from the time the asset is held ready to use. Leasehold improvements are depreciated over 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 assets are:

- Office Equipment 15.00% reducing balance
- Motor Vehicles 22.50% reducing balance
- Computer Equipment 20.00% reducing balance
- Leasehold Improvements Over the period of the lease

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

Note 1: Statement of Significant Accounting Policies (Cont.)

c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over the estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d) Revenue

Revenue from the registration of hairdressers' is recognised upon the receipt of funds.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

e) Employee Entitlements

Provision is made for the Board's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Long service leave is vesting to employees after seven years service. The Board's policy is not to provide for long service leave for individual employees until they have reached four years service with the Board.

Contributions are made by the Board to employee superannuation fund and are charged as expense when incurred.

f) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, measured net of bank overdrafts.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

Note 1: Statement of Significant Accounting Policies (Cont.)

	2003	2002
	\$	\$
<u>Note 2: Revenue</u>		
Operating activities:		
- hairdresser's registrations	334,732	202,061
- interest received from other persons	6,448	10,053
- rental revenue	-	7,149
- Government vehicle scheme	4,314	-
- Wages reimbursement	77,938	-
- Prior year audit adjustments	2,290	-
- Insurance recoveries received	973	-
	<hr/> 426,695	<hr/> 219,263
Non-Operating activities:		
- Proceeds on sale of non-current assets	<hr/> -	<hr/> -
Total Revenue	<hr/> <hr/> 426,695	<hr/> <hr/> 219,263
<u>Note 3: Loss from ordinary activities</u>		
Loss from ordinary activities has been determined after:		
a) Expenses:		
Borrowing costs – other persons	-	3,935
Depreciation of property, plant and equipment	12,498	35,280
Remuneration of auditor:		
- Audit or review services	5,815	8,250
Rental on operating leases:		
- minimum lease payments rent	52,600	62,155
- minimum lease payments cars	16,977	-
Bad debts	3,653	2,593
	<hr/> -	<hr/> -
b) Revenue and net gains:		
Net gain/(loss) on disposal of property, plant and equipment	-	(2,931)
	<hr/> -	<hr/> (2,931)
<u>Note 4: Receivables</u>		
<u>Current</u>		
Trade debtors	-	3,625
GST receivable	-	5,412
	<hr/> -	<hr/> 9,037
<u>Note 5: Other Assets</u>		
Prepayments	-	251
	<hr/> -	<hr/> 251

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003	2002
	\$	\$
<u>Note 6: Property, Plant and Equipment</u>		
Leasehold Improvements		
At cost	55,490	55,490
Less accumulated depreciation	<u>(44,956)</u>	<u>(35,867)</u>
	10,534	19,623
At the beginning of the 2002 financial year the total life of the lease was revised downwards from 10 to 5 years due to the decision that the lease would not be renewed		
Motor Vehicles		
At cost	-	-
Less accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
Plant and Equipment		
At cost	156,986	130,011
Less accumulated depreciation	<u>(99,017)</u>	<u>(90,370)</u>
	<u>57,969</u>	<u>39,641</u>
	<u>68,503</u>	<u>59,264</u>

a) Movements in carrying amounts

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

	Leasehold Improvements	Motor Vehicles	Plant & Equipment	Total
	\$	\$	\$	\$
Carrying amount at the beginning of financial year	19,623	-	39,641	59,264
Additions	-	-	26,980	26,980
Less disposals	-	-	-	-
Less depreciation expense	(4,515)	-	(7,983)	(12,498)
Depreciation eliminated on disposal	-	-	-	-
Prior year depreciation adjustments	<u>(4,574)</u>	<u>-</u>	<u>(669)</u>	<u>(5,243)</u>
Carrying amount at the end of the financial year	<u>10,534</u>	<u>-</u>	<u>57,969</u>	<u>68,503</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 \$	2002 \$
<u>Note 7: Payables</u>		
Current		
Trade creditors	-	16,349
Other creditors and accruals	-	25,402
GST collected	559	-
Superannuation liability	1,558	-
PAYG withholding	280	-
	<u>2,397</u>	<u>41,751</u>
<u>Note 8: Interest Bearing Liabilities</u>		
Current		
Lease liability	<u>-</u>	<u>-</u>
Non-Current		
Lease liability	<u>-</u>	<u>-</u>
<u>Note 9: Provisions</u>		
Current		
Employee entitlements	<u>28,219</u>	<u>9,445</u>
Non-Current		
Employee entitlements	<u>-</u>	<u>9,027</u>
Number of full-time employees at year end	<u>5</u>	<u>4</u>
<u>Note 10: Retained profits</u>		
Retained profits at beginning of the financial year	134,892	307,513
Net profit/(loss) attributable to the Board	<u>19,782</u>	<u>(172,621)</u>
Retained profits at the end of the financial year	<u>154,674</u>	<u>134,892</u>
<u>Note 11: Capital and Leasing Commitments</u>		
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable:-		
- not later than one year	49,292	43,400
- later than one year but not longer than five years	<u>-</u>	<u>-</u>
	<u>49,292</u>	<u>43,400</u>

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

NOTES FOR THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003	2002
	\$	\$
<u>Note 11: Capital and Leasing Commitments (cont'd)</u>		
Cancellable operating lease contracted for but not capitalised in the financial statements		
Payable:-		
No later than one year	17,233	18,199
Later than one year but no longer than five years	17,233	16,682
	<hr/>	<hr/>
	34,466	34,881
	<hr/> <hr/>	<hr/> <hr/>

The vehicle lease commenced on the 5th of December 2002 for a term of 3 years. Payments are paid monthly in arrears.

Note 12: 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 the related items in the statement of financial position as follows:

Cash on hand	35	823
Cash at bank	116,752	125,740
	<hr/>	<hr/>
	116,787	126,563
	<hr/> <hr/>	<hr/> <hr/>

(b) Reconciliation of Cash Flow from Operations with loss from Ordinary activities

Profit/(Loss) from ordinary activities after income tax	19,782	(177,195)
Non-cash flows in accumulated surplus from ordinary activities		
Net gain on disposal of plant and equipment	-	2,931
Depreciation	12,498	39,854
Changes to provisions	9,746	(7,768)
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	3,625	3,364
Increase/(Decrease) in trade creditors and accruals	6,050	16,999
	<hr/>	<hr/>
Cash flows from operations	51,701	(121,815)
	<hr/> <hr/>	<hr/> <hr/>

THE HAIRDRESSERS' REGISTRATION

BOARD ABN: 96 069 148 908

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

NOTE 13: Financial Instruments

(a) Interest Rate Risk

The exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities is as follows:

	Weighted Ave Effective Interest Rate		Fixed Interest Rate Maturing Effective				Non-Interest Bearing	
			Within Year		1 to 5 Years			
	% 2003	% 2002	\$ 2003	\$ 2002	\$ 2003	\$ 2002	\$ 2003	\$ 2002
Cash	4.15	4.15	116,752	125,740				823
Trade Debtors	-							9,288
Total Financial Assets			116,752	125,750				10,111
Pavables	-						2,397	16,349
Borrowings								
Total Financial Liabilities								16,349

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial report.

(c) Net Fair Values

The net fair value of financial assets and financial liabilities approximate the values disclosed in the statement of financial position and in the notes to the financial statements.

Note 14: Segment Reporting

The Hairdressers' Registration Board operates within one industry segment being the registration of hairdressers, and in one geographical segment being Western Australia.

Note 15: Corporate Details

The principal place of business is:

Hairdressers Registration Board
288 Stirling Street
PERTH WA 6000

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board the financial report as set out on pages 1 to 10:

1. Presents fairly the financial position of the Hairdressers Registration Board as at 31 December 2003 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Hairdresser's Registration Board will be able to pay its debts as and when they fall due.

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

Chairperson

Registrar

Dated this day of 2004.

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

PRIVATE INFORMATION FOR THE MEMBERS

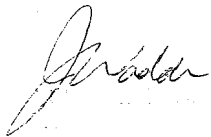
ON THE FINANCIAL STATEMENTS

DISCLAIMER

The additional financial data presented on the following page is in accordance with the books and records of the Hairdresser's Registration Board ("our client") which have been subjected to the auditing procedures applied in our statutory audit of the Board for the year ended 31 December 2003.

It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given.

Dated this 4th day of June 2004.



**Lyons Waddell Pty Ltd
Chartered Accountants**

**John Waddell
Partner**

Perth, WA

THE HAIRDRESSERS' REGISTRATION BOARD

ABN: 96 069 148 908

OPERATING STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 \$	2002 \$
Operating Revenues		
Registration fees – Principals	178,937	134,663
Registration fees – Employees	67,106	57,311
Examination fees	-	3,336
Certificate fees	46,138	2,858
Suspension fees/fines	1,155	441
Transfer fees	2,455	1,040
Reinstatement fees	14,200	512
Interest received	6,448	10,053
Sub-Lease of premises	-	7,149
Application fee	24,581	-
Wages reimbursement – Tim Brand	77,938	-
Government vehicle scheme	4,314	-
Prior year audit adjustments	2,290	-
Insurance recoveries	973	-
Miscellaneous Income	161	1,900
	<hr/> 426,695	<hr/> 219,263
Operating Expenses		
Advertising	911	849
Audit fees	5,815	8,250
Bad Debts	3,625	2,593
Bank fees	5,112	5,536
Board members fees	3,653	4,562
Cleaning	1,740	-
Code of Practice	-	7,750
Courier charges	491	-
Depreciation	12,498	35,820
Document management	-	1,380
Electricity	2,802	4,591
Examination expenses	2,750	1,325
General expenses	754	11,053
Insurance	4,747	3,761
Interest Expense on Borrowings	-	3,935
Internet expenses	487	-
Legal fees	1,372	2,717
Maintenance	513	2,447
Meeting expenses	1,037	-
Motor vehicle expenses	1,031	2,642
Petty cash expenditure	1,758	-
Postage	6,009	5,741
Printing and stationery	7,261	4,723
Professional fees	1,671	2,095
Provision for employee entitlements	9,746	-
Publications	128	-
Record storage	652	-
Rent, outgoings and taxes	52,600	60,639
Salaries	242,416	188,586
Software development	639	1,062
Staff amenities/training	220	-
Superannuation	12,327	18,051
Telephone	4,436	5,550
Travel and entertainment/mileage	735	1,890
Loss on sale of assets	-	3,360

Motor Vehicle lease payments	<u>16,977</u>	<u>1,516</u>
Total Cost of Services	<u>406,913</u>	<u>391,884</u>
Changes in Net Assets Resulting from Operations	<u>19,782</u>	<u>(172,621)</u>