The Hon John Kobelke, MLA
Minister for Consumer and Employment Protection
20th Floor
197 St Georges Terrace
PERTH WA 6000

Dear Minister

On behalf of the Board I hereby submit the Annual Report for the period ending 31 December 2004.

The report, incorporating the Board's annual financial statements, is submitted in accordance with Section 23B of the *Painters' Registration Act 1961* and Section 96 of the *Freedom of Information Act 1992*.

The Audit has been prepared in accordance with Section 23A of the *Painters' Registration Act* 1961.

Yours sincerely

PAUL MARSH CHAIRMAN



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THE REGISTRAR'S REPORT

General Overview

2004 has been another year full of challenges. Despite representations to the Minister, discussions have continued regarding the transfer of Board staff to the Department of Consumer and Employment Protection (DOCEP).

As of 1 January 2005 consumers, and the painting and decorating industry, will experience the full affect of the introduction of the new State Administrative Tribunal (SAT). Along with the Painters' Registration Board, the SAT will take over most the disciplinary functions of dozens of self regulated statutory bodies.



The Board will no longer act as investigator, prosecutor, judge and jury when dealing with disciplinary matters. In matters of professional discipline, initial complaints and/or allegations of professional misconduct will continue to be investigated by the Board. If the Board decides that there is a case to answer the matter will be referred to the SAT which will determine any penalties based on evidence presented by the Board and the painter.

As is the case in most industries, the actions of a few unscrupulous individuals has the potential to tarnish the reputations of the many honest, hardworking and professional persons working in the trade. This year has been no exception with itinerant unregistered painters preying on the elderly and unwary. In some instances loss incurred by them has been up to \$15,000.

I am pleased to report that through the vigilance of our Inspectors, in collaboration with DOCEP, the major fraud squad, and local police a number of prosecutions have been initiated against some of those involved in these (itinerant gangs) for their often fraudulent and unscrupulous activities. In this way we have kept these situations to a minimum.

To re-establish the integrity of the industry it was pleasing to note that these activities were highlighted nationally on Channel 7 'Today Tonight'. As a result of these activities and others that have come to the attention of the Board it has placed a greater emphasis on compliance and other inspection services.

Electoral Act

In accordance with Section 175ZE of the *Electoral Act 1907*, I confirm that the Board did not incur expenditure for advertising, market research, polling, direct mail or media advertising during the 2004 reporting period.

NIGEL LILLEY REGISTRAR AND PRINCIPAL OFFICER



THE BOARD FOI/6

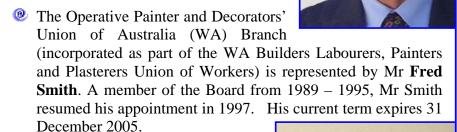
Section 7 of the *Painters' Registration Act* (the Act) provides that the Board consists of 5 part-time members, each nominated by the Minister and appointed by the Governor of Western

Australia. With the exception of the Chairman and the consumer representative, all members of the Board are selected from a list of nominations provided by peak industry Associations.

The current Chairman of the Painters' Registration Board, Mr Paul Marsh, is also the Chairman of the Builders' Registration Board and as such is required to be a legal practitioner. Mr

Marsh was first appointed in 1992. His current term expires 31 March 2006.

Mr Jim Gatt (Deputy Chairperson) represents the WA Chamber of Commerce and Industry (representing the Australian Paint Manufacturers Federation (WA Branch). Mr Gatt was first appointed in 1980. His current term expires 31 March 2006.



The Master Painters, Decorators and Signwriters' Association of Western Australia is represented by Mr Terry Parsons. Mr Parson's was first appointed in 2003. His current term expires 31 March 2005.

WA Consumers are represented by Ms Laureen Hackney. Ms Hackney was appointed in April 2004 following the resignation of Ms Karen Lang. Ms Hackney's current term expires 31 March 2007.

The Board wishes to thank Ms Lang for her dedication to addressing the needs of consumers during her appointment.









STAFF

FOI/5

Section 9 of the Act provides that the Board shall appoint a Registrar/Secretary who shall be the Registrar of the Builders' Registration Board of WA, and may appoint other officers as it considers necessary. The Buiders' Registration Board (BRB) has appointed a Deputy Registrar in addition. Both the Registrar and the Deputy Registrar spend part of their time on Painters' Registration Board duties

Generally, it is the Deputy Registrar, Vic Websdane, who acts as the Executive Officer for the PRB, servicing the Boards requirements.



Vic Websdane, Deputy Registrar

FOI/4

During 2004 the Board's Inspectorate continued to be staffed by

Senior Painting Inspector, David Anderson and Painting Inspectors Richard Hall and Greg Migro. These officers were supported by Registrations Officer Sonja Nolan and Registrations Assistant Kelly Baldam.

To meet some of the additional challenges identified in the painting and decorating industry the Inspectorate has intensified its activities in the area of compliance and investigation. During 2004 Painting Inspector Richard Hall's role has evolved to incorporate additional compliance, investigation, and surveillance activities plus follow-up actions relating to breaches of the Act. When recruitment activity to appoint a new Painting Inspector is complete in early 2005, it is anticipated that Inspector Hall will be able to play an increasing role in the identification of unregistered partnerships, companies and individuals. In December 2004 Registrations Assistant Kelly Baldam was seconded to the role of Finance Officer (Painter's) with the BRB, and her role was subsequently filled on a short term contract by Sarah Hayter.

The Inspectorate continues to provide an important service to the Board and registered painters. During 2004 team members provided telephone advice, conducted painting inspections, investigations and interviews, provided expert advice on technical issues, and assisted the Board and the Building

Disputes Tribunal with workmanship inquiries and hearings.

The Board continues to enjoy shared working arrangements with the BRB. Through this arrangement Registrations Manager, Noreen DeNicolis, is able to work closely with Painters Registration staff

ensuring that support continues to be provided for Board meetings and that the registration function is maintained.

PRB Staff

(L to R) Greg Migro, David Anderson and Richard Hall. (L to R) Sonja Nolan, Kelly Baldam and Noreen DeNicolis

As required, additional assistance is provided by BRB staff on a cost recovery basis.



CORPORATE INFORMATION

Strategic Objectives

FOI/2

The Board's strategic objectives are to ensure that:

- [®] the *Painters' Registration Act 1963* (the Act) is administered in a consistent, reasoned and lawful manner:
- @ the Act is administered in a financially responsible manner; and
- the Board's inquiries and prosecutions for offences against the Act are conducted in a consistent manner.

Role and Strategies

The Act covers all aspects of painting for the whole or part of a building or other structure, recognised by law as a fixture but not including floors, paths or driveways that are comprised of concrete or a similar substance. The Act does not cover sign writing, but it does include wall-paper hanging and the application of roof coating systems.

The Acts main objectives are to:

- maintain a register of suitably qualified, competent and experienced painters; and
- ensure that all consumers are provided with a means of recourse, via Board Inquiries, if painting work is found to be improper or unworkmanlike.

The Board is responsible for the registration of painters and during 2004 considered 256 requests. As part of their deliberations Board members consider whether an applicant can demonstrate a sufficient level of competence to operate in the industry.

The Board is self funded exclusively by the painting industry through the payment of annual registration and other fees.

Enabling Legislation and Legislation AdministeredFOI/3

The Board is established under the *Painters' Registration Act 1961* and administers this legislation.





Functions and Powers

FOI/5

The primary functions of the Board are to:

- provide for the registration of painters in the area specified within the Act and Rules;
- maintain a register of painters;
- provide training and education for painters by providing a course and examinations as prescribed by the Board;
- ensure adequate supervision of painting;
- receive complaints against painters in relation to work that is not carried out in a proper and workmanlike manner, and take such action as provided for by the Act;
- provide the means with which to prosecute persons who do not comply with the requirements of the Act or any lawful direction of the Board;
- receive fees and penalties from painters and apply them in or towards the payment of the remuneration and costs of carrying out the provisions of the Act.

Codes of Conduct and Ethics

All PRB staff are provided with a copy of the Public Sector Standards Commission (PSCC) Code of Ethics and are required to observe its principles.

Equal Employment Opportunity (EEO)

The Board maintains its commitment to promoting equal opportunity for all its employees and offers staff development opportunities, raises awareness during staff meetings, and provides general information as part of its staff induction program.

Three Staff Contact Officers, Painting Inspector Greg Migro, BRB General Enquiries Officer Phuong Do, and Building Inspector Ian Aitken have been appointed to these roles. They are the first point of contact for employees who wish to make an enquiry, talk about a concern, or who have a complaint relating to equity and access issues. All Staff Contact Officers have received training, through the Equal Opportunity Commission, in EEO Law and Contact Officer Responsibilities.

Public Sector Standards in Human Resource Management

During 2004 the Board complied with the Public Sector Standards in Human Resource Management. The processes carried out in relation to these Standards related to recruitment, selection and appointment, as well as performance management. There were no processes carried out in relation to the Standards for transfer, secondment, redeployment, termination, discipline, temporary deployment (acting) or grievance resolution.



In addition, there were no claims for breach of standards in relation to the processes carried out for recruitment, selection and appointment or for performance management.

Occupational Health and Safety

The Board and its staff continued to maintain a safe working environment during the year. To support this commitment, staff elections were held for the position/s of Occupational Health and Safety Officer in January 2004. Painting Inspector Greg Migro and Building Inspector Ray Smith were elected to these positions. Both these officers have subsequently completed the Occupational Health and Safety Delegate Training stipulated for these roles.

Disability Services

The Board continues to work within the constraints of the present accommodation at 18 Harvest Terrace, West Perth. The reception area is located on the ground floor, as are the Board's Inspectorate and Registrations staff. Temporary parking is provided in front of the building to enable wheelchair access.

Pamphlets and other written material is provided on request, and it is hoped that in the new reporting year the Board's website will be modified to enable easy downloading of a range of consumer and industry specific information.

Waste Recycling

The Board actively encourages all staff to recycle paper and other material. Paper collection bins are located throughout the building and a local contractor from the City of Perth provides a free service for most of the organisations recycling needs.

Freedom of Information

FOI/1

During 2004 the Board complied with the *Freedom of Information Act 1992* (FOI). All those seeking information from the Board were provided with prompt assistance and advice from Board staff regarding the application process.



FOI/8

Applicants were advised of the provisions of the FOI Act relating to both standard requests and requests for information that was not routinely available. Applicants were advised of the provisions of the Act, the application process, and relevant costs.

It is the Board's policy to acknowledge any FOI requests in writing, with the parties being notified of a decision within 45 days.

Further FOI Information is attached at Appendix B.

Applications and enquiries were directed to: Libby Buttfield, FOI Officer

Painters' Registration Board

18 Harvest Terrace WEST PERTH WA 6005 Phone: (08) 9476 1200 Facsimile: (08) 9476 1299

FOI Charges

The Board's scale of fees and charges for eligible information is set under the FOI Act Regulations. Apart from the application fee for non-personal information, charges are discretionary and are as follows:

@	Personal Information about the applicant	No fee
<u>@</u>	Application fee (for non-personal information)	\$30.00
@	Charge for time dealing with the application (per hour or pro-rata)	\$30.00
@	Access time supervised by staff (per hour or pro-rata)	\$30.00
@	Photocopying staff time (per hour or pro-rata)	\$30.00
@	Per photocopy	.20
@	Transcribing from tape, film or computer	Actual cost
@	Duplicating a tape, film or computer information	Actual cost
@	Delivery, packaging and postage	Actual cost

Deposits

@	Advance notice may be required based on the estimated charges	25%
@	Further advance deposit may be required to meet the charges for	75%
	dealing with applications	

For financially disadvantaged applicants, or those issued with prescribed pensioner concession cards, the charge payable is reduced by 25%.



Access Arrangements

Access to documents can be through inspection, by providing a copy of a document, an audio or video tape, computer disk, transcript of a recorded inquiry, shorthand, or an encoded document from which words can be reproduced. Transcripts are provided of taped hearings or inquiries.

Viewing Documents

Documents are available for viewing at the Board's office during normal working hours, with a fee charged for the supervised viewing of non-personal documents.

Notice of Decision FOI/7a

As soon as possible, but no later than 45 days after an application is received, applicants are provided with a notice of decision, which includes the following details:

- the date when the decision was made;
- the name and position of the officer that made the decision;
- if the document was an exempt document, the reasons for classifying the matter exempt, or the fact that access was given to an edited document; and
- information on the right to view and the procedures to be followed in exercising these rights.

Refusal of Access

Applicants who are dissatisfied with a decision of the Board's officer are entitled to ask for an internal review by the Registrar. Applications must be received in writing within 30 days of receipt of the notice for decision.

All applicants are notified of the outcome of the review within 15 days. Those who disagree with the result may also apply to the Information Commissioner for an external review, and the details will be passed on to applicants when the review decision is issued.

Freedom of Information Applications

No FOI applications were received during the reporting period.

The Act and Regulations

There were no amendments to the *Painters' Registration Act 1961* or the *Rules* during 2004.

Cultural Diversity and Language Services

Board employees are sympathetic to the cultural and linguistic needs of the painting industry, with some staff being multilingual. The Board is prepared to meet the cost of engaging the services of an interpreter as and when required.



Client Information

FOI/7a

The Board holds a number of publications that can be accessed. These include:

- Extracts from the Painters' Registration Act 1961
- Various prescribed forms for persons applying for registration, lodging complaints, FOI requests

Policy Statements

Registration Guidelines

Reasons for Decision

- Technical Guidelines
- Pamphlets including 'Resolving Painting Disputes' and 'Protecting Consumers and Painting Professionals'
- Newsletters 'Painting WA' and the 'PRB Update'
- Information is also available on the Board's website at www.prb.org.au

State Records Act 2000 - Recordkeeping Plan

Under the provisions of the *State Records Act 2000*, all government organisations were required to develop a Recordkeeping Plan for approval by the State Records Commission by 5 March 2004. The Board's Recordkeeping Plan was submitted before the 5 March deadline and was approved for a period of five years by the State Records Commission at its meeting on 22 April 2004. The Board wishes to acknowledge the work of BRB Senior Policy and Review Officer, Nikola Strehle, to ensure that this important outcome was achieved.

Compliance with the Board's Recordkeeping Plan has been promulgated throughout the organisation, and forms part of the induction for new staff. Training in the Board's recordkeeping systems and compliance with the Recordkeeping Plan is also carried out on a one-on-one basis.

The Board will evaluate the efficiency and effectiveness of its recordkeeping system not less than once every five years, and its recordkeeping training program from time to time.

Public Interest Disclosure Act 2003

The *Public Interest Disclosure Act 2003* (PID) facilitates the disclosure of public interest information, and provides protection for those making such disclosures and those who are the subject of disclosures. The Act requires the Board to report to the Commissioner for Public Sector Standards annually on the:

- number of disclosures made to the public authority under the Act;
- outcome of investigations conducted as a result of disclosures; and
- any action taken as a result of the investigation, and other prescribed matters.

The Board's nominated PID Officer, Disputes Manager, Mr Jim Dalton, reports that no disclosures were received during the reporting period.



State Ombudsman

The State Ombudsman has the jurisdiction to investigate complaints about the Board's administrative function.

There were no complaints received during the reporting period.



PROMOTING THE PRB

The Board actively promoted its activities during 2004. A regular fortnightly advertisement was placed in the general section of the West Australian throughout the vear. editorials appeared in a number of life style publications, and a major operation was launched in cooperation with the Department of Consumer and Employment Protection, to prevent a gang of itinerant painters harassing vulnerable members of the community. This action attracted considerable media attention both in metropolitan regional newspapers.



Painting Inspectors Greg Migro and Richard Hall visited the Geraldton, Kalgoorlie and Esperance regions during the year to conduct information sessions and painting inspections. In addition, Board staff also participated in a number of trade shows and community oriented expos including the Western Australian (Dulux) Painter's Expo, the Trade Painters Expo, the MBA Building Homestyle Show, the West Australian Spring Home Show, and WA On Show.

Pamphlets and Industry Specific Publications

FOI/7a

In 2004 the Board released the pamphlet 'Protecting Consumers and Painting Professionals' (which replaced 'Registration of Painters For Your Protection') to advise both consumers and painting professionals of the services provided by the Inspectorate. This publication is available free of charge.

The Board also promotes industry best practice by contributing to the following magazines and journals:

- The Master Painters Association Journal (Quarterly);
- Painting WA (The Boards Newsletter published 3 times a year); and
- PRB Update (The Board's annual round-up of information and events).

These publications provide information of general interest to the painting industry and incorporate technical painting data and specifications that are of particular interest/concern to the Board.

Statutory Forms

FOI/7a

Various prescribed forms are used by the Board for registration purposes and include applications for registration, and forms for lodging complaints or to lodge FOI requests. These are all provided at no cost.



Work has also commenced on the redesign of the Registration Application Form for Individuals. It is anticipated that this will be completed and released for use in the new year.

Website

The Board's website at www.prb.org.au continues to provide general access to Board publications including our Annual Reports, newsletters, application forms, details of Board members, technical reports, policy statements, guidelines and administrative procedures.

There is also a search facility to locate registered painters that can be accessed by using a name, suburb, postcode or registration number. Copies of this information can also be obtained from the Board's office.

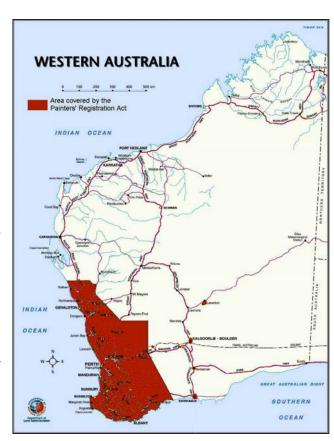
AREA OF JURISDICTION

By law all persons carrying out painting work or wall-paper hanging work in the Board's area of jurisdiction, with a value in excess of \$200, are required to be registered. Penalties apply for those that do not comply with this requirement.

The Board's area of jurisdiction covers the metropolitan region and most of the South West Land Division of the State, other than the Shires of Mukinbudin, Mt Marshall and Narembeen.

The South West Land Division extends from the Kalbarri area on the West Coast, through to the Hopetoun region on the South Coast. In addition, the Board's area includes specified townsites within the Shires of Coolgardie, Dundas, Esperance, Yilgarn, Laverton, Ravensthorpe and the City of Kalgoorlie/Boulder.

It has been proposed for some time that the Board extend its operation to the whole of the State. Further consideration will be given to this proposal when the Government has considered the outcome of a number of legislative reviews.





REGISTRATION

Who May Register

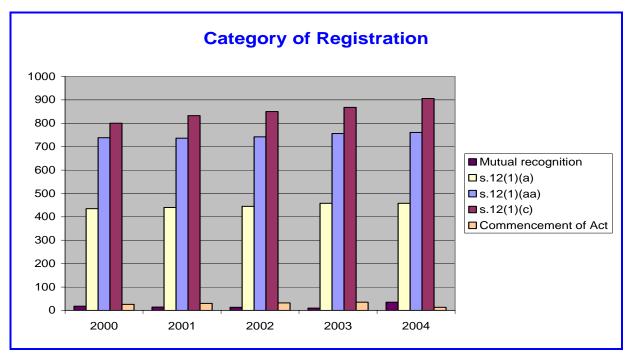
The *Painters' Registration Act* prescribes the criteria that must be met for registration. Section 12(1) states that:

A painter who applies to be registered under this Act is entitled to be so registered if and when he pays the prescribed fees for such registration and satisfies the Board that he has attained the age of 21 years and is of good character <u>and that he</u> —

- a) has completed the prescribed course of training and has passed the prescribed examination as laid down by the Board for persons (other than apprentices) who have had 5 years practical experience in the painting trade; or
- aa) has completed the prescribed course of training and has passed the prescribed examination as laid down under the Industrial Training Act 1975, for apprentices to the painting trade and has passed the prescribed additional examination laid down by the Board for those persons; or
- c) has attained a degree of proficiency as a painter which the Board considers is comparable with that ordinarily attained by persons who have completed a course of training, passed the examinations and worked as mentioned in paragraph (a).

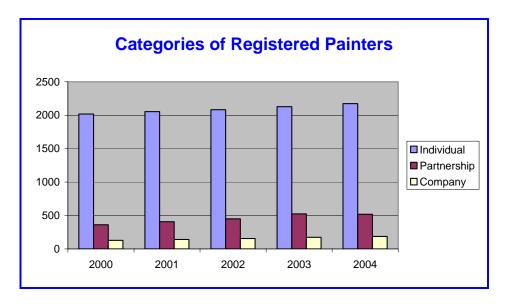
The Register of Painters

Under Section 10 of the Act the Board is required to maintain a Register of Painters that stipulates the number of registrations and the categories (by qualification) under which these applicants are registered. As illustrated in the following graph, the industry continues to enjoy a modest but steady increase in the total number of registered painters located across the State.





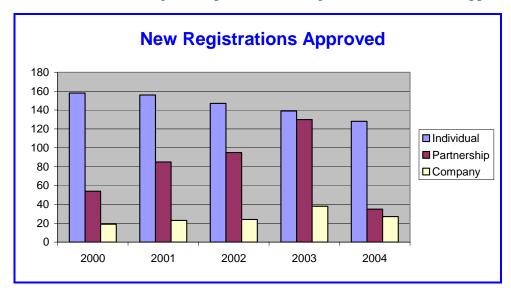
Section 14 of the Act enables a company, or other body corporate or partnership, to become registered.



Applications FOI/5

Under the Act (Section 4) any individual (other than a bona fide employee), partnership or company, that carries out painting work for a fee or charge valued in excess of \$200 within the Board's area of jurisdiction must be registered.

During the reporting period 254 new applications were processed for registration. Of these 220 were approved, 26 were refused and 8 applications were withdrawn. As at 31 December 2004 the Board had 2,877 registered painters in its register and a further 30 applications were pending.



As illustrated in the above graph, the number of new registrations has decreased from that reported in 2003. This decrease reflects:



- the affect of the Board's successful 2003 ABN exercise which identified a number of unregistered painting partnerships. As a result, the pool of partnerships operating in the field that require registration has decreased substantially;
- a change in attitude by the Australian Taxation Office, which has made husband and wife painting partnerships a less attractive option for tax relief purposes; and
- fewer resources were available to scan local newspaper advertisements for unregistered painters during the year.

APPLICATIONS FOR REGISTRATION - REJECTED					
	2000	2001	2002	2003	2004
Individual	9	21	19	18	26
Partnership	-	-	-	-	-
Company	1	-	-	-	-
TOTAL	10	21	19	18	26

FOI/7a

Registration applications are confidential documents that can be accessed by the applicant under FOI. They are not available for inspection, and copies can not be made, for any person other than the applicant.

Appeals – Refusal of Registration

Applicants whose registration is refused by the Board can appeal to a stipendiary magistrate and ask that the matter be heard by the Local Court. The Local Court has the authority to confirm, reverse or modify the Board's decision.

Two appeals were lodged in 2004.

Reasons for Refusing an Application

A painter whose application for registration is refused may request the Board provide written reasons for the refusal.

In 2004 one set of written reasons for decision was provided.

Terminations and Suspensions

The Painters' Registration Board compulsory annual fee falls due on 1 February each year. Registrations may be cancelled or suspended for non-payment, under Section 21 of the Act.

122 registered painters were removed from the Register during the reporting period for non-payment of the annual fee. Of these 83 had their registration cancelled for non-payment of the fee.

Mutual Recognition

The *Mutual Recognition (Western Australia) Act 1995* stipulates that a licensed painter from any Australian State or Territory has the right to apply for registration elsewhere in Australia.

During 2004 thirty five applicants received their registration under this provision.



EDUCATION

Painter's Registration Course

FOI/5

The Certificate IV in Painters' Registration is the Board's prescribed course of training under Section 12(1)(a) of the Act and is offered as both a full or part-time training option. It consists of three subjects:

Painter's Estimating

Business Management

Paint Technology

Both the training course and examinations are conducted on the Board's behalf by Thornlie TAFE, Great Southern College (Albany), and the Plumbing and Painting Skills Centre in Maylands. Although the course has been scheduled for review for some time, a delay in releasing the National Construction Training Package has meant that the progress made to date has been slow. The course has been rolled over into 2005 and funding has been secured for a full course review in the new year.

Additional Examinations

Board staff continue to conduct monthly examinations, known as Assessment Papers, for applicants applying for registration under Section 12(1)(aa) of the Act. That is, for persons who have completed an apprenticeship in the painting trade.

Those applying under Section 12(1)(c) of the Act (relating to experience) have the opportunity to sit these examinations or assessments as one means of satisfying the Board of their proficiency as a painter.

Trades Test

Applicants under Section 12(1)(a) of the Act are required to sit a Practical Trades Test as a part of the prescribed examinations. These are conducted by Swan TAFE and MPA Skills.

The Trades Test is currently being reviewed to ensure that the competencies demonstrated by applicants are relevant and meet Board requirements. It is anticipated that this review will be complete in the new year.

Applicants under Section 12(1)(c) of the Act often complete a trades test as one means of satisfying the Board of their trade skills.

Apprenticeship Awards

The Board was pleased to again recognise the high standard of apprentice training provided by both Swan TAFE (Thornlie) and the Plumbing and Painting Skills Centre (Maylands). The 2004 Swan TAFE Best Stage 3 Overall Painting and Decorating Apprentice and the 2004 MPA Apprentice of the Year was Justin Ruane. Pictured are Justin and his employer Doug Welsh of Doug Welsh and Son (painting contractors).





It is rare for a single apprentice to be awarded both prizes, and it is a testament to Justin's outstanding knowledge, exceptional hand skills, and his commitment to the painting industry that he has been recognised by both training institutions.

Master Painter's Association Awards for Excellence



The Board's support for the Master Painter's Association Awards for Excellence continued in 2004.

This year the overall winner for this prestigious, industry best practice award was Van Diddens Painting Service. Pictured at left are MPA President, Terry Parsons, William Van Didden (accepting on behalf of W and K Van Didden) and the PRB Chairman, Paul Marsh.

General Education for Industry

During the year Inspectorate staff conducted information sessions for TAFE students enrolled in the Certificate IV in Painter's Registration at Thornlie TAFE, as well as presenting awareness raising sessions for registered painters in the Geraldton, Kalgoorlie and Esperance regions.

Pictured at right, Painting Inspector Greg Migro is addressing registered painters regarding industry compliance.





PAINTING COMPLAINT INVESTIGATIONS

FOI/5

Section 16D of the *Painters' Registration Act 1961* provides that where the Board is not satisfied that any painting has not been carried out in a proper and workmanlike manner on any building or other structure, the Board may, by order in writing served on the person who carried out the painting work, order the painter to either remedy the work or pay the owner of the building such costs of having the work remedied by others.

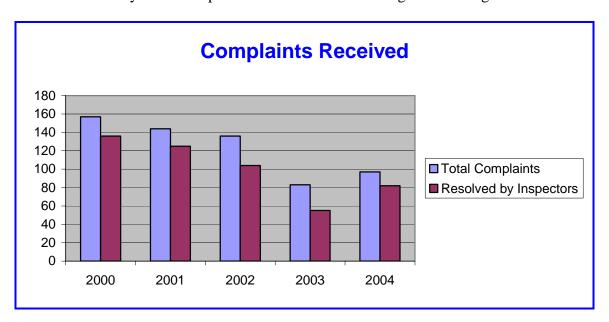
Prior to making the Order, the Board must give the painter notice of the allegations and afford an opportunity to respond at an Inquiry.

During 2004 the Board investigated 58 complaints for alleged unregistered painters carrying out painting work, some of which resulted in prosecutions under Section 4(1) of the Act.

Complaints

During the reporting period 97 formal complaints were received by the Board, an increase of 15% from the previous year. It is likely that this increase has been the result of a greater awareness of the Board's activities within the community generated through advertising, media releases, and participation in trade shows and consumer expos. It remains the Board's preference to resolve complaints as close to the source as possible. The Board's Inspectors facilitate this by providing a free expert evaluation of painting work subject to complaint. During 2004 this resulted in 82 of 97 formal complaints lodged with the Board being resolved without a formal Board hearing.

The remaining, 15 were dealt with by way of a formal Board hearing. This represents a 53% decrease in activity when compared to the number of hearings held during 2003.





Total Value Of Orders To Pay				
2000	2001	2002	2003	2004
\$45,064	\$37,343	\$62,476	\$31,589	\$47,056

Requests for Assistance

During the year Inspectorate staff dealt with 2,642 general telephone enquiries.

Of these 139 were from registered painters requesting that the Board undertake an inspection of their work to resolve a technical difficulty. This figure was slightly higher than the 133 requests for assistance received in 2003.

The Board's Inspectors provided reports about painting work in the absence of a formal complaint and on the request of the painter involved on 27 occasions during 2004. This represents a 26% increase over the same period last year. Although our staff were able to resolve most of these painting disputes on the spot, some requested that the Board's recommendations be placed in writing.

Random Site Inspections

During 2004 Inspectors continued to regularly patrol areas under the Board's jurisdiction, however the volume of random on-site inspections conducted this year decreased to 1,576 from the 1,693 reported in 2003. The reason for this decrease can be attributed to more opportunities being taken to visit regional areas to meet an identified need and increase the Board's presence in these outlying areas. This has been at the expense of more intensive metropolitan surveillance. It is anticipated that the appointment of an additional Painting Inspector in the new year will enable the volume of random site visits to increase in the coming year.

Random painting inspections are recognised as a valuable service provided by the Board. Feedback obtained during the Board's participation in Shows and Expos indicates that the industry values this activity as it ensures that illegal painting activity is kept to a minimum. These visits also assist Inspectorate staff to remain aware of the latest products, technology, and application techniques operating in the market place.

Building Disputes Tribunal

During 2004 the Board's Inspectors were asked to provide advice to the Building Disputes Tribunal (BDT) on 31 occasions, a 68% increase on the number of requests received in 2003. As the building boom continued across the State during 2004, the number of matters brought before the BDT also increased. Registered painters continue to report that some builders are providing painting specifications that do not meet industry standards. Should this be the case it is anticipated that the Board's Inspectors will have an increasing presence before the BDT in future years.

Disciplinary Inquiries

The Board did not conduct any new disciplinary inquiries under the provisions of Section 16 of the Act during 2004, but several matters are being monitored.



COMPLAINTS (PROSECUTIONS)

Prosecution Policy

The Board remains committed to open and accountable decision making and as such has clear staff guidelines regarding its prosecution policy. This policy is available for viewing at the Board's offices at 18 Harvest Terrace, West Perth, and can also be viewed on it's website at www.prb.org.au

Section 4(1) of the Act: Unregistered Painting

During the reporting period the Board conducted 10 prosecutions for unregistered painting.

Prosecutions Under Section 4(1)			
Name	Fine	Costs	
Bevan Francis	\$500.00	\$277.00	
Trevor Robinson	\$500.00	\$294.70	
Brian Amos	\$200.00	\$137.00	
Sean Young	\$400.00	\$274.00	
Peter Scott	\$200.00	\$294.70	
Dean Griechen	\$300.00	\$184.70	
Christopher Murphy	\$400.00	\$319.50	
Max Hogan	\$250.00	\$191.90	
Roderick Martin	\$300.00	\$278.00	
Glen Sabine	\$500.00	\$276.50	



FINANCIAL STATEMENTS

Section 23A of the Act requires that the accounts and financial statements of the Board shall be audited at the expense of the Board by an Auditor appointed by the Board, with prior approval of the Minister.

Rix Levy Fowler was appointed and approved to audit the 2004 Accounts.

Financial Statements, including the auditor's report for the year ended 31 December 2004, are appended to this report as Appendix 'A'.

REGISTRATION FEES

The Board is a self-funded statutory authority financed mainly from annual fees payable by registered painters and persons applying for registration.

The annual registration fees have remained unchanged since 1997 and are set at \$160 for individuals, \$100 for partnerships, and \$240 for companies.

The Board did seek a fee increase for 2005, but the Minister was not prepared to consider the Board's request, instead requiring submissions to be made through the Department of Treasury and Finance, as part of the Government's normal budgeting process for consolidated funded agencies.

PAUL MARSH

faul hard

CHAIRMAN

NIGEL LILLEY

SECRETARY/REGISTRAR





AUDITED FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2004



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STATEMENT BY REGISTRAR FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

In the opinion of the Registrar of the Board the financial report as set out on pages 3 to 12:

- 1. Presents fairly the financial position of the Painters' Registration Board as at 31 December 2004 and its performance for the 12 month period ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements.
- 2. The report has been properly prepared by a competent person.
- 3. a) The Board has kept such accounting records as to correctly record and explain the transactions and financial position of the Board.
 - b) The Board has kept its accounting records in such a manner as would enable true and fair accounts of the Board to be prepared from time to time.

At the date of this statement, there are reasonable grounds to believe that the Board can meet its debts as and when they fall due.

N LILLEY Registrar

Date this 16th day of February 2005.



CHARTERED BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT TO THE MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

Scope

We have audited the financial report, being a special purpose financial report comprising the Statement of Cash Flows, Statement of Financial Performance, Statement of Financial Position, and notes to and forming part of the Financial Statements of the Painters' Registration Board for the financial year ended 31 December 2004. The Members of the Board are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of Section 23(1) of the Painters' Registration Act 1961 (as amended). We have conducted an independent audit of this financial report in order to express an opinion on it to the Minister. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Painters' Registration Act 1961 (as amended). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 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 its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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 the requirements of section 23(1) of the Painters' Registration Act 1961 (as amended) and the accounting policies described in Note 1 to the financial statements, the financial position of Painters' Registration Board as at 31 December 2004 and the results of its operations for the year then ended

RIX LEVY FOWLER

Rix Levy Fowler

CHARTERED BUSINESS ADVISORS

DATED at PERTH this 16th day of February 2005

George Lazarou

PARTNER

Partners:

Phillip Rix FCA Ranko Matic CA George Lazarou CA Jon Carcich CA

Services:

Accounting Audit & Assurance Business Financing Business Reviews Corporate Secretarial Financial Planning IT Solutions Superannuation Taxation Planning

Postal Address:

PO Box 44 West Perth WA 6872

Business Address:

Level 1, 12 Kings Park Road, West Perth WA 6005

Ph: (08) 9226 4500 Fx: (08) 9226 4300



STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

	Notes	2004 \$	2003 \$
Income			
Annual registration fees		445,187	433,835
Application fees		23,335	27,410
Certificate fees		1,920	2,920
Interest on investments		41,884	34,114
Publication and photocopy sales		36	51
Prosecutions recoveries		10,104	10,241
Other income		5	245
Total Income		522,471	508,816
Expenditure			
Administrative expenses		114,000	112,500
Advertising and promotion		14,683	12,256
Annual leave		11,410	12,758
Audit		2,565	2,465
Awards		0	5,091
Bad debts expense		1,873	13,187
Bank charges		3,343	3,347
Board members' fees		14,851	25,931
Consultant's fees		408	155
Debt recovery services		108	62
Depreciation		15,015	14,948
Doubtful debts		0	(5,163)
Examinations and assessments		11,618	0
Fringe benefits tax		3,243	3,992
Insurance premiums		4,369	4,711
Legal expenses		14,173	2,095
Long service leave		3,024	(937)
(Profit)/Loss on motor vehicle sales		0	(1,965)
Motor vehicle expenses		13,798	11,801
Other expenses		364	1,124
Postage and courier charges		1,517	991
Printing and stationery		10,833	16,347
Publications		1,074	853
Salaries – administration		82,422	52,016



STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

Notes	2004 \$	2003 \$
	156,173	155,786
	0	1,991
	1,068	1,286
	33,117	35,280
	2,338	1,787
	1,637	2,030
	519,024	486,725
	3,447	22,090
	Notes	\$ 156,173 0 1,068 33,117 2,338 1,637 519,024



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2004

	Notes	31 December 2004 \$	31 December 2003 \$
Current assets			
Cash		699,181	638,132
Interest accrued		4,568	1,191
Receivables	2	9,678	6,943
Prepayments		2,231	2,138
Total current assets		715,658	648,404
Non-current assets			
Property, plant & equipment	3	59,159	74,174
Total non-current assets		59,159	
TOTAL ASSETS		774,817	722,578
		=========	=========
Current liabilities			
Payables/Accrued Expenses		47,292	12,678
Trust Account		780	280
Registration fees in advance		320	0
Provision for Board Superannuation		5,924	7,000
Provision for employee entitlements		63,914	49,480
Total Liabilities		118,230	69,438
NET ASSETS			
THE TROOP IS		656,587	653,140
BOARD FUNDS & RESERVES			
Balance at the beginning of the year		653,140	631,050
Operating Surplus		3,447	22,090
TOTAL BOARD FUNDS &			
RESERVES		656,587	653,140



STATEMENT OF CASH FLOWS

FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

	Notes	12 months to 31 December 2004	12 months to 31 December 2003
		\$	\$
Cash flows from operating activities		4=0.040	4.00 0.00
Receipts from Registered Painters		470,948	463,975
Prosecution recovery		10,398	4,426
Payments to suppliers and employees		(459,662)	(440,219)
Interest received		38,508	33,602
Other income		356	575
	5 (1)		(2.260
N. 1.01 11.11 11 11.11	5(b)	60,548	62,360
Net cash flow provided by operating activities			
Cash flows from investing activities Payments on purchase of plant and equipment		(0)	(21,409)
		(0)	(24, 400)
Net cash used in investing activities		(0)	(21,409)
Cash flows from financing activities		(0)	(0)
Repayment of related party borrowings		(0)	(0)
Net cash used in financing activities		(0)	(0)
Net increase in cash held		60,548	40,951
Cash at the beginning of the financial year		638,633	597,682
Cash at the beginning of the financial year		030,033	377,002
Cash at the end of the financial year	5(a)	699,181	638,633



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

NOTE 1 ACCOUNTING METHODS AND POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Board under the Painters' Registration Act 1961 (as amended). The Members of the Board have determined that the Board is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Painters' Registration Act 1961 (as amended) and the following Australian Accounting Standards:

AASB 1002	Events Occurring After Reporting Date
AASB 1018	Statement of Financial Performance
AASB 1026	Statement of Cash Flows
AASB 1031	Materiality

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which, unless otherwise stated, are consistent with the previous year, have been adopted in the preparation of this financial report:

(a) Depreciation

Depreciation is calculated on the diminishing value basis in order to write the assets off over their useful economic life. The rates of depreciation used for each class of assets are:

Class of Asset	<u>Depreciation Rate</u>	
Office furniture, fittings and equipment	15%-20%	
Motor vehicles	20%	



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

(b) Income tax

No provision for income tax is necessary as the organisation is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Employee Entitlements

A liability for annual and long service leave is recognised in respect of services provided up to balance date. No material liability exists for sick leave.

NOTE 2 RECEIVABLES

	\$	\$
Registration fees	2,414	2,920
Prosecutions	10,785	11,078
	13,199	13,998
Less: Provision for doubtful debts	(8,068)	(8,068)
-		
	5,131	5,930
Net GST refundable	4,547	1,013
	9,678	6,943

31 December 2004 31December 2004



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 DECEMBER 2004 TO 31 DECEMBER 2004

NOTE 3 PROPERTY, PLANT & EQUIPMENT

	31 December 2004 \$	31 December 2003 \$
Office furniture, fittings and equipment – Cost	1,736	1,736
Less: Accumulated depreciation	(951)	(754)
	785	982
Motor vehicles – Cost Less: Accumulated depreciation	81,007 (22,633)	81,007 (7,815)
	58,374	73,192
Total property, plant and equipment	59,159 	74,174



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

NOTE 4 ADMINISTRATION EXPENSES

Administration expenses relates to charges from the Builders' Registration Board of WA for the use of premises, staff and equipment provided and financed by the Builders' Registration Board of WA, and consists of the following:

	31 December	31 December
	2004	2003
	\$	\$
Office expenses	9,000	8,900
Postage	1,000	1,000
Printing and stationery	1,500	1,500
Machine hire	2,800	2,800
Rent	13,700	13,500
Repairs and maintenance	300	300
Salary – Administration	80,300	79,200
Telephone	3,600	3,500
Motor vehicle expenses	1,800	1,800
	114,000	112,500

The recharge was reviewed in 2003 and an annual recharge of \$114,000 was applied from 1 July 2003.



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

NOTE 5 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts, and short term money market balances. Cash at the end of the financial year is reconciled to the related items in the balance sheet as follows:

	31 December 2004 \$	31 December 2003 \$
Cash on hand	550	550
Cash at bank – General Account	101,756	69,993
Cash on short term deposits	596,875	568,090
	699,181	638,633

(b) Reconciliation of net cash flow from operating activities to operating surplus

	31 December 2004 \$	31 December 2003 \$
Operating surplus for the period	3,447	22,090
Non cash flows in operating surplus:		
- (profit)/loss on sale of motor vehicles	0	(1,965)
- depreciation	15,015	14,948
- bad debts and doubtful debts	0	8,025
- provision for board superannuation	(1,076)	7,000
Net movement in assets and liabilities:		
- (increase)/decrease in receivables	(2,732)	(6,242)
- (increase)/decrease in prepayments	(92)	4,637
- (increase)/decrease in accrued interest	(3,374)	(512)
-increase/(decrease) in sundry creditors	(3,575)	(2,093)
-increase/(decrease) in accrued expenses	38,181	4,652
-increase/(decrease) in fees in advance	320	0
-increase/(decrease) in provision for employee entitlements	14,434	11,820
Net cash provided by operating activities	60,548	62,360



NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE PERIOD 1 JANUARY 2004 TO 31 DECEMBER 2004

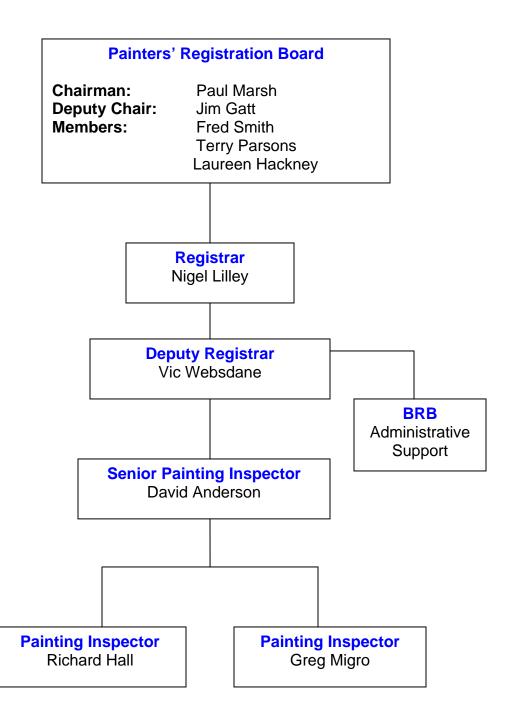
NOTE 6 THE IMPACT OF ADOPTING INTERNATIONAL ACCOUNTING STANDARDS

This financial report has been prepared in accordance with the requirements of the Australian Accounting Standards cited in Note 1. For the next reporting period AASB1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' (IFRS) will be applicable. AASB1 requires an opening balance sheet as at 1 January 2004 and the restatement of the financial statements for the reporting period to 31 December 2004 on the IFRS basis. These financial statements will be presented as comparatives in the first annual financial report prepared on an IFRS basis for the period ending 31 December AASB 1047 'Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards' requires financial reports for the periods ending on or after 31 December 2004 to disclose how the transition to Australian standards is being managed and the key differences in accounting policies that are expected to arise. The Board will review in 2005 the impact on its accounting policies of adopting Australian equivalents to IFRS in order to be prepared for the required presentation of its 2005 financial reports.



APPENDIX B

ORGANISATIONAL STRUCTURE





Appendix C

INFORMATION STATEMENT FREEDOM OF INFORMATION INDEX

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