

**THE ARCHITECTS BOARD OF
WESTERN AUSTRALIA**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2006**

DRY KIRKNESS
Chartered Accountants
West Perth

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

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THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

STATEMENT BY THE BOARD

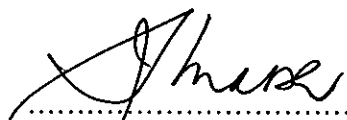
In the opinion of the Board, the financial statements as set out on pages 3 to 15

1. present fairly the financial position of the Architects Board of Western Australia as at 30 June 2006 and the results and cash flows of the Board for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements.
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.

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



.....
BRIAN WRIGHT
Chairman



.....
JANINE MARSH
Treasurer



.....
MARY-EILEEN SCANLAN
Registrar

Dated this 5th day of September 2006.



DRY KIRKNESS
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INDEPENDENT AUDITORS' REPORT

The Members ARCHITECTS BOARD OF WESTERN AUSTRALIA

Scope

We have audited the financial statements of the Architects Board of Western Australia for year ended 30 June 2006 as set out on pages 3 to 14. The members of the Board are responsible for the financial statements. We have conducted an independent audit of the financial statements in order to express an opinion on them to the members.

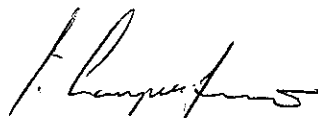
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial 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 statements are 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 statements are position, the results of its operations and its cash flows.

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

Audit opinion

In our opinion, the financial statements present fairly in accordance with Accounting Standards and other mandatory professional reporting requirements the financial position of The Architects Board of Western Australia as at 30 June 2006 and the results of its operations and its cash flows for the year then ended.


DRY KIRKNESS
Chartered Accountants


J LAMPRELL JARRETT
Partner

Dated: 5 September 2006
West Perth WA

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**BALANCE SHEET
AS AT 30 JUNE 2006**

	NOTES	2006 \$	2005 \$
CURRENT ASSETS			
Cash and cash equivalents	4	370,164	381,966
Receivables		1,364	3,039
TOTAL CURRENT ASSETS		<u>371,528</u>	<u>385,005</u>
NON-CURRENT ASSETS			
Plant & Equipment	5	5,095	3,870
TOTAL ASSETS		<u>376,623</u>	<u>388,875</u>
CURRENT LIABILITIES			
Payable	6	105,562	124,140
Provisions	7	15,236	7,473
TOTAL LIABILITIES		<u>120,798</u>	<u>131,613</u>
NET ASSETS		<u>\$ 255,825</u>	<u>\$ 257,262</u>
EQUITY			
Members' funds		255,825	257,262
TOTAL EQUITY		<u>\$ 255,825</u>	<u>\$ 257,262</u>

The accompanying notes form part of these accounts.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	NOTES	12 months 2006 \$	6 months 2005 \$
Revenues from ordinary activities	2	269,787	133,678
Employee expenses		(129,109)	(43,291)
Depreciation and amortisation expenses		(1,882)	(583)
Other expenses from ordinary activities		(140,233)	(72,328)
Net Surplus/(deficit) from ordinary activities	3	<u>\$ (1,437)</u>	<u>\$ 17,476</u>

The accompanying notes form part of these accounts.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006**

	Accumulated Funds
	\$
Balance at 1 July 2004	239,786
Surplus/(Deficit) attributable to members (6 months)	17,476

Balance at 30 June 2005	257,262
Surplus/(Deficit) attributable to members (12 months)	(1,437)

Balance at 30 June 2006	\$ 255,825
	=====

The accompanying notes form part of these accounts.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006**

	NOTE	12 months 2006 \$	6 months 2005 \$
		Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities:			
Receipts from registered architects		243,348	227,853
Interest Received		17,334	9,500
Payments to employees		(129,144)	(62,933)
Payments to suppliers		(140,233)	(59,742)
		-----	-----
Net cash provided by (used in) operating activities	9b	(8,695)	114,678
		-----	-----
Cash flows from investing activities			
Purchase of plant and equipment		(3,107)	-
		-----	-----
Net cash used in investing activities		(3,107)	-
		-----	-----
Net increase (decrease) in cash held		(11,802)	114,678
Cash at the beginning of the financial period		381,966	267,288
		-----	-----
Cash at the end of the financial period	9a	\$ 370,164	\$ 381,966
		=====	=====

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Architects Act 1987 as amended.

The financial report covers The Architects Board of Western Australia as an individual entity. The Architects Board of Western Australia is a body corporate established by act of the Parliament of Western Australia.

The financial report complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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.

The following is a summary of the material accounting policies adopted by the Board in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Valuation of Plant and Equipment

Plant and equipment has been brought to account at cost less any accumulated depreciation and impairment losses.

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

b) Depreciation of Plant and Equipment

Depreciation is calculated on a diminishing value basis to amortise the net cost of each asset during its expected useful life. Profits and losses on disposal of plant and equipment are taken into account in determining the profit for the year.

The depreciation rates used for each class of depreciable asset are;

<u>Class</u>	<u>Rate</u>
Office Furniture & Equipment	15-30%

c) Income Tax

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

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Provision for Employee Entitlements

Provision is made for the Board's liability for employee benefits arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

e) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

f) Revenue Recognition

The board recognises revenue as it is earned. All revenue is stated net of the amount of goods and services tax (GST).

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

h) Adoption of Australian Equivalents to International Financial Reporting Standards (IFRS)

All reporting entities and those entities which prepare general purpose financial statements are required to adopt Australian equivalents to International Financial Reporting Standards (AIFRS) for periods commencing on or after 1 January 2005. These are the first financial statements of the Architects Board of Western Australia to be prepared in accordance with AIFRS. There has been no material financial impact on the results or state of affairs of the Board as a result of the introduction of AIFRS.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	12 months	6 months
	2006	2005
	\$	\$
2. REVENUE		
Operating activities		
- Subscriptions	203,230	108,345
- Sale of publications	4,855	2,993
- Examination fees	23,450	9,550
- Registration fees	5,195	2,290
- other revenue	2,223	1,000
- Fines and recovered costs	13,500	-
	-----	-----
	252,453	124,178
Non-operating activities		
- Interest received	17,334	9,500
	-----	-----
TOTAL REVENUE	\$ 269,787	\$ 133,678
	=====	=====

3. SURPLUS FROM ORDINARY ACTIVITIES

Surplus/ (deficit) from ordinary activities has been determined after.

Expenses

Depreciation of plant and equipment	1,882	583
Remuneration of auditor		
- Audit	2,360	2,550
- Other services (taxation advice)	325	336
	-----	-----
Total remuneration	2,685	2,886
	-----	-----
Rental expense on operating lease	16,214	7,537

	12 months	6 months
	2006	2005
	\$	\$
4. CASH AND CASH EQUIVALENTS		
Cash on hand	205	205
Cash at bank	90,589	28,543
Term Deposit – BankWest	279,370	353,218
	-----	-----
	\$ 370,164	\$ 381,966
	-----	-----

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	12 months 2006 \$	6 months 2005 \$
5. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment -- at cost	23,501	23,501
Less accumulated depreciation	(21,769)	(20,450)
	1,732	3,051
Office Equipment -- at cost	5,672	2,565
Less accumulated depreciation	(2,309)	(1,746)
	3,363	819
	\$ 5,095	\$ 3,870

(a) Movements in carry amounts

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

	Plant & Equipment	Office Equipment	Total
Balance at beginning of period	3,051	819	3,870
Additions		3,107	3,107
Depreciation Expense	(518)	(1,364)	(1,882)
Transfers	(801)	801	
Carrying amount at the end of period	1,732	3,363	5,095

6. PAYABLES

Creditors	12,667	20,465
Subscriptions in advance	92,895	103,675
	\$ 105,562	\$ 124,140

7. PROVISIONS

Provision for annual leave	8,333	1,838
Provision for Long service leave	6,903	5,635
	\$ 15,236	\$ 7,473
Number of Employees at balance date	3	2

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

12 months	6 months
2006	2005
\$	\$

8. KEY MANAGEMENT PERSONNEL AND RELATED PARTY INFORMATION

During the year the Architects Board of Western Australia has been governed by two boards, one for the period up to 16 November and one from that date to 30 June. The Architects Act 2004 was proclaimed on 15 November 2005, taking effect from 16 November 2005, resulting in two periods of governance.

The Board members for the year ended 30 June 2006 are listed below.

The Board meets regularly on a monthly basis (except January). The following table records the attendance of members at meetings held during the financial period.

**Board members to 15 November 2005,
under Architects Act 1987**

Meetings Held While A Board Member	Meetings Attended
---	------------------------------

**Elected by members
(6 Members)**

D Brown	1	-
B Wright	5	5
R Mollet	5	5
S Ivanovich	5	5
G Summerhayes	5	5
B Callow	5	5

**Governors Appointment
(3 Members)**

J Marsh	5	5
F Pitman	5	4
B Wilkins	1	-

**RAIA Nominee
(1 Member)**

P Wellington	5	3
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THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

**8. KEY MANAGEMENT PERSONNEL AND
RELATED PARTY INFORMATION (continued)**

Board members from 16 November 2005, after proclamation of Architect Act 2004	Meetings Held While A Board Member	Meetings Attended
Elected by the Members (4 Members)		
S Bodycoat	6	6
R Mollett	6	4
B Klopper	6	6
B Callow	6	6
Governors' appointments (4 Members)		
D Annear	6	6
F Pitman	6	5
A Ciffolilli	6	6
J McBain	6	6
RAIA Nominee (2 Members)		
J Marsh	6	5
B Wright	6	6
	12 months	6 months
	2006	2005
	\$	\$
Total emoluments received or due and receivable by the Board Members	\$ 13,200	\$ 2,600

Board members are entitled to receive attendance fees for attending board meetings as follows:

From 16 November 2005

Ordinary members	\$ 160	½ day	\$ 240	full day
Chairperson	\$ 230	½ day	\$ 350	full day

Prior to 16 November 2005

\$ 100 per meeting

The Registrar is Ms M E Scanlon, who has acted in this position throughout the year. The salary of the Registrar is set by the Board having regard to current market rates.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

	12 months	6 months
	2006	2005
	\$	\$
9. CASH FLOW INFORMATION		
a) Reconciliation of Cash		
Cash at Bank	90,589	28,543
Cash on Hand	205	205
Cash on Deposit	279,370	353,218
	-----	-----
	\$ 370,164	\$ 381,966
	-----	-----
b) Reconciliation of net cash provided by operating activities to excess of income over expenditure		
Surplus / (Deficit) of income over expenditure	(1,437)	17,476
Depreciation	1,882	583
(Increase)/Decrease in sundry debtors	1,675	(359)
Increase/(Decrease) in provision for employee entitlements	7,763	(19,642)
Increase/(Decrease) in sundry creditors	(18,578)	116,620
	-----	-----
Net cash provided by operating activities	<u><u>(\$ 8,695)</u></u>	<u><u>\$ 114,678</u></u>

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

10. FINANCIAL INSTRUMENTS

a) Interest Rate Risk

The Board's exposure to interest rate risk, which is the risk, that a financial instruments value will fluctuate as a result of changes in market interest rates, is considered minimal. The only financial asset subject to fluctuations in interest rate is the cash balance. The weighted average interest rate for cash is a fixed rate of 4.95% (2005 5.07%).

b) Net Fair Values

The aggregate net fair values of financial assets and liabilities both recognised and unrecognised, at balance date, are as follows;

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**NOTES TO THE AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

10. FINANCIAL INSTRUMENTS (continued)

Total carrying amount as per balance sheet

	12 months	6 months
	2006	2005
	\$	\$
Financial assets		
Cash	370,164	381,966
Receivables	-	3,039
	-----	-----
Total financial assets	\$ 370,164	\$ 385,005
	-----	-----
Financial liabilities		
Payables	105,562	124,140
	-----	-----
	\$ 105,562	\$ 124,140
	=====	=====

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities;

- Cash and cash equivalents: The carrying amount approximates fair value because of their short term maturity.
- Receivables and payables: The carrying amount approximates fair value.

b) Credit Risk Exposures

The Board's maximum exposures to credit risks at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

11. BOARD DETAILS

The principal place of business is Upper Plaza Level QV1, Perth.
The average number of employees during the period was 3.

12. CONTINGENT LIABILITIES

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

13. SEGMENT REPORTING

The board operates as the statutory registration authority for architects in Western Australia.

THE ARCHITECTS BOARD OF WESTERN AUSTRALIA

**DETAILED STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2006**

	12 months	6 months
	2006	2005
INCOME	\$	\$
Subscriptions - Members	160,380	87,665
- Company	36,988	19,690
- Firms	990	990
Prior Year Subscriptions	4,872	-
Registration Fees	3,850	2,290
Other fee income	1,345	
Examination Fees - APE	23,450	18,050
AACA Books	4,855	2,073
Interest Received	17,334	9,500
Fines and recovered costs	13,500	-
Sundry Income	2,223	1,920
	<hr/>	<hr/>
	269,787	133,678
	<hr/>	<hr/>
 EXPENDITURE		
AACA Books	6,000	1,500
AACA Levy	6,516	5,429
Accounting Fees	325	336
Audit Fees	2,360	2,550
Advertising & promotions	5,074	1,574
Bank Charges	3,317	2,348
Board Members meeting fees	13,200	2,200
Consultants Fees	9,023	13,900
Depreciation	1,882	583
Examination Fees - APE	15,832	3,018
Insurance	1,274	-
Legal Fees	14,231	1,653
Postage/Courier	4,052	3,940
Prizes	5,540	7,133
Provision for employee entitlements	7,763	(19,642)
Rent and electricity	17,820	7,537
Salary Costs	121,346	62,933
Stationary	15,562	5,601
Sundry Expenses	4,891	5,339
Telephone/internet	5,841	3,910
Meetings/Travel/Car Parking	9,375	4,360
	<hr/>	<hr/>
	271,224	116,202
	<hr/>	<hr/>
Surplus/(deficit) of income over expenditure		
Transferred to accumulated funds	(\$ 1,437)	\$ 17,476
	<hr/> <hr/>	<hr/> <hr/>