



BOARD OF ARCHITECTS  
OF QUEENSLAND

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**REPORT**  
**of the**  
**BOARD OF ARCHITECTS OF QUEENSLAND**  
**1 July 2014 to 30 June 2015**

Further copies of this report are available by contacting the Board on (07) 3224 4482, or on the Board's website at [www.boaq.qld.gov.au](http://www.boaq.qld.gov.au).

Board of Architects of Queensland Annual Report 2014/15.  
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## Letter of compliance

The Honourable Leeanne Enoch, MP  
Minister for Housing and Public Works and Minister for Science and Innovation  
Level 7, 80 George Street  
BRISBANE QLD 4000

10 September 2015

Dear Minister

I am pleased to present the Annual Report 2014-2015 and financial statements for the Board of Architects of Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be found at page 12 of this annual report or accessed at [www.boaq.qld.gov.au](http://www.boaq.qld.gov.au)

Yours faithfully

A handwritten signature in black ink, appearing to read 'S M Savage', written in a cursive style.

S M Savage  
Chairperson

# **PART A**

## **COMMUNICATION OBJECTIVE**

This Annual Report provides information about the Board of Architects of Queensland's financial and non-financial performance for 2014/15.

This report has been prepared for the Minister to submit to Parliament. It has also been prepared to meet the needs of stakeholders including the commonwealth and local governments, industry and business associations, community groups, and also staff.

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty understanding this annual report, you can contact us on (07) 3224 4482 and an interpreter will be arranged to effectively communicate the report to you.

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## STATEMENT OF AFFAIRS

The Board of Architects of Queensland is a statutory authority constituted under the *Architects Act 2002* (the Act). The Act commenced operation on 1 January 2003 and superseded the *Architects Act 1985*. Amendments to the Act contained in the *Architects Amendment Act 2010* received assent and commenced on 21 April 2010.

The main objects of the Act are:

- a) to protect the public by ensuring architectural services of an architect are provided in a professional and competent way; and
- b) to maintain public confidence in the standard of services provided by architects; and
- c) to uphold the standards of practice of architects.

The main objects are primarily achieved by:

- a) providing for the registration of individuals as architects under this Act; and
- b) providing for the monitoring and enforcement of compliance with this Act; and
- c) imposing obligations on persons about the practice of architecture; and
- d) establishing the Board of Architects of Queensland.

The Board was first constituted under the *Architects Act 1928*. A review of the Act was undertaken and a new Act was brought into force in 1985. Subsequently, as a result of a "Review of Legislation Regulating the Architectural Profession, Inquiry Report No. 13, 4 August 2000" conducted by the Commonwealth Productivity Commission, a further review of the Act was undertaken by the Department of Public Works resulting in the *Architects Act 2002*.

## Structure

The Board consists of a chairperson and six members. There is a Registrar of the Board who is responsible for managing the administrative affairs of the Board.

## Functions and Powers

The *Architects Act 2002* as amended on 21 April 2010 empowers the Board to:

- assess applications made to it;
- register individuals who are eligible for registration and issue certificates of registration;
- conduct, or authorise, investigations about the professional conduct of architects and contraventions of the Act;
- keep the register;
- advise the Minister for Housing and Public Works about the operation of the Act in its application to the practice of architecture;
- arrange or approve examinations in the practice of architecture for the purpose of registration under this Act;
- advance education in architecture and professional standards of architects;
- perform other functions given to the Board under the *Architects Act 2002* or any other Act; and
- perform a function incidental to one of the above functions.

## How Functions Affect the Community

The functions of the Board of Architects of Queensland affect the community in that no persons other than persons who hold the prescribed qualifications and competencies may attain registration and consequently use the title "architect" and hold themselves out to be architects or registered architects. Persons holding themselves out to the public to be offering architectural services using a practising architect must comply with the

requirements of the Act for the protection of the public.

### **Arrangements for Public Participation**

The *Architects Act 2002* provides procedures for the public to lay complaints against architects or persons holding themselves out to be architects who are not registered with the Board.

Public participation is sought in any review of the Act by the Board, prior to any recommendations being made to the Government.

### **Categories of Documents**

The Board maintains the following categories of documents:

- personal registration files on natural persons;
- forms and information on businesses using the term “architect” or “registered architect”;
- register of architects;
- documents lodged in respect of complaints against architects;
- documents lodged in respect of allegations relating to offences committed under the Act; and
- general files.

All of the above documents are subject to the requirements of the *Public Records Act 2002* and the *Information Privacy Act 2009* copies of which may be accessed from [www.legislation.qld.gov.au](http://www.legislation.qld.gov.au).

### **Access to Documents**

Facilities for examining accessible documents and obtaining copies of those documents are available from the Board’s office at *The Mansions*, 40 George Street, Brisbane.

### **Right to Information Act 2009 (RTI) Procedures and Contact Point**

The Registrar of the Board is the contact person for RTI matters and is available to assist applicants to submit an application to comply with the Act. One application was received during the year.

Applications should be addressed to:

Registrar  
Board of Architects of Queensland  
PO Box 15343  
City East Qld 4002

or delivered in person to:

Registrar  
Board of Architects of Queensland  
*The Mansions*  
40 George Street  
Brisbane Qld 4000

### **Amendments to the Act**

The *Architects Act 2002* was amended during the 2009 – 2010 financial year with the main objectives being to:

- introduce a simplified registration scheme which adopts procedures approved by the Architects Accreditation Council of Australia (AACA) and which have been adopted by architects’ registration boards in the Australian States and Territories;
- broaden the fitness to practise provisions in respect of health assessments of architects and the provision of criminal history reports by the Commissioner of Police;
- permit a registered architect to register as a non-practising architect in circumstances where they do not intend to practise; and
- introduce a range of miscellaneous amendments in relation to matters such as the powers of the Board in the registration process, restoration

of registration, staffing of the Board, disciplinary and penalty provisions and disciplinary provisions relating to formerly registered architects.

- make Continuing Professional Development (CPD) a requirement of continuing registration in respect of the process of renewal or restoration of registration.

### **Continuing Registration Requirements**

A program for CPD compliance is currently being administered by the Board to comply with Continuing Registration Requirements. A random audit of practising architects commenced in September 2012 and has continued each year since.

### **Code of Practice**

The Board's Code of Practice was approved under Regulation on 9 June 2005 and was last reviewed on 16 April 2014. It may be accessed from the Board's website:

[www.boaq.qld.gov.au](http://www.boaq.qld.gov.au)

### **Performance Agreement**

The Board entered into an agreement with the Minister pursuant to section 99 of the Act, identifying the Board's strategic direction for the 2014/2015 financial year and the two following years.

### **Risk Management**

The Board has established a risk management program consistent with the principles set out in AS/NZS ISO 31000:2009. Risk management is addressed as part of the annual strategic planning session usually held July of each year.

## **MATTERS TO BE INCLUDED IN THE ANNUAL REPORT**

Pursuant to section 107 of the Act the Board advises:

- (a) no ministerial direction was given to the Board under section 98(1) of the Act during the year;
- (b) the Board's activities during the year were consistent with its performance agreement; and
- (c) details in respect of disciplinary matters or offences under the Act may be found at page 9.

## **THE BOARD**

The *Architects Act 2002* provides for a Board membership of seven. Six of those members are nominated by the Minister for Housing and Public Works. One is elected by practising architects.

The Members from 1 July 2014 to 30 June 2015 were:

Professor S Savage (Chairperson)  
*(academic representative from a prescribed school of architecture)*

Mr R Kirk (Deputy Chairperson)  
*(representative of Queensland Chapter of the Australian Institute of Architects)*

Ms T Dennis to 31 December 2014 *(an architect who resides and undertakes architectural services in regional Queensland).*

Mr M Blucher from 1 January 2015 *(an architect who resides and undertakes architectural services in regional Queensland).*

Ms J Whitehead to 31 December 2014 *(lawyer with at least 10 years experience in Building & Construction Industry)*

Mr C Douglas from 1 January 2015 *(lawyer with at least 10 years experience in Building & Construction Industry)*

Mr P Bidwell *(person who is not an architect)*

Mr B Medek (*elected member*).

Mr G Smith from 7 August 2014 (*person who has at least 10 years experience as a construction contractor in Building & Construction Industry*).

This Board met 10 times during the period from 1 July 2014 to 30 June 2015. The number of meetings attended and total remuneration received by these members are as follows:

S Savage	10	\$2,325.00
J Whitehead	5	\$873.00
B Medek	9	\$1,873.00
T Dennis	5	\$873.00
R Kirk	3	\$1,567.00
G Smith	6	\$1,400.00
M Blucher	5	\$1,000.00
C Douglas	4	\$1,000.00
P Bidwell	7	\$1,873.00

There has been no overseas travel undertaken by Board members on behalf of the Board during the year.

## **MACHINERY OF GOVERNMENT CHANGES**

There were no machinery of government changes that affected the operation of the Board during the reporting period.

## **BUSINESS**

The Business of the Board is managed by the Registrar, Mr Denis Bergin who is assisted by an Assistant Registrar and an Administration Officer.

## **FINANCE**

The Board is a non-profit, self-funded Statutory Authority which operates in accordance with the *Architects Act 2002*.

The audited annual financial statements of the Board have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009*, relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements.

## **REGISTRATION**

The Board considered 118 applications from individuals seeking registration as architects, all of which were approved. A further 19 individuals were restored following previous removal from the register.

The number of individuals registered as architects in Queensland at 30 June 2015 was 2725.

## **ARCHITECTURAL BUSINESSES**

The approval of architectural companies ceased with the introduction of the *Architects Act 2002*.

On 1 July 2003, amendments to the Act commenced which allowed architectural companies to use the word “architect” or “architectural services” in their title or names without thereby offending against the Act if they provided to the Board an approved notice pursuant to the amendments. Further amendment to the Act in 2010 provided for all architectural businesses to use the notice.

Over 500 businesses have lodged relevant notices with the Board under the amendments. The notices disclose details of the businesses’ offices and architects responsible for the architectural services offered.

Amendments to the Act effective 21 April 2010 contain new provisions under section 141(A) which had previously only related to companies but now have been expanded to include all businesses.

## **EXAMINATIONS**

The Board conducts the Architectural Practice Examination (APE) on behalf of the Architects Accreditation Council of Australia (AACA). This examination currently qualifies candidates for registration pursuant to the *Architects Act 2002*.

The APE is a three part examination which provides an Australia wide, uniform format for registration of architects based on the AACA national competency standards. The second part of the APE, the national written examination paper, is prepared by the AACA and the same paper is sat at the same time and day in each State and Territory. The Board is responsible for the appointment of a State Convenor to represent the Board in the preparation and conduct of the APE. Mr Ian Hamilton was appointed to this position in August 2011.

In September 2014, 47 candidates applied for Parts 1 & 2 of the Architectural Practice Examination. 47 candidates sat the National Examination Paper (NEP) and 39 were successful. 48 candidates applied for the Part 3 oral examination of whom 43 were successful.

In April 2015, 49 candidates applied for admission to Parts 1 & 2 of the APE. 49 candidates sat the National Examination Paper (NEP) and 47 were successful. 53 candidates applied for the Part 3 oral examination of whom 44 were successful.

The Board records its appreciation to members of the profession for their assistance in the conduct of these examinations.

## **BREACHES OF THE ACT**

### **Complaints against Architects**

Two matters were carried over from the previous financial year. One architect was reprimanded under s.73(2)(c) of the Act. In the other complaint, the Board decided not to

undertake an investigation on the basis that the complaint did not disclose any grounds upon which it was reasonably open to the Board to conclude that a ground for disciplinary action might be established against the architect.

A further seven complaints were received during the course of the financial year. The Board decided in one case not to undertake an investigation on the basis that the complaint did not disclose any grounds upon which it was reasonably open to the Board to conclude that a ground for disciplinary action might be established against the architect. In five complaints the Board concluded that the complaint did not satisfy s.37 of the Act and that it therefore did not have jurisdiction to consider the complaints.

### **Part 7 Offences under the Act**

Part 7 of the *Architects Act 2002* creates various offences which the Board is responsible to enforce.

Part 7 of the *Architects Act 2002* makes it an offence for a person to use the term “architect” or “registered architect” or hold themselves out to be an architect unless registered pursuant to the Act. Only individuals may be registered. Part 7 sets out various requirements which a person must follow in order to offer architectural services to the public from a place.

The Board received twenty-nine complaints during the course of the financial year concerning potential breaches of Part 7 of the Act by persons other than architects.

The Board decided to send warning letters to twenty-three parties identified in the complaints, advising of the provisions of Part 7 of the Act; and decided no offence under the Act had been committed by the remaining six.

Complaints made under Part 7 of the Act are generally in respect of persons allegedly holding themselves out to be architects. To assist the public in understanding the role and responsibilities of an architect, the Board commissioned the preparation of a brochure to inform the public of the benefits of engaging an architect. The brochure has been widely distributed across the State, to members of the public and the profession.

### **REVIEW OF BOARD DECISIONS BY THE QUEENSLAND CIVIL AND ADMINISTRATIVE TRIBUNAL (QCAT)**

One application was made to the QCAT.

### **ACCREDITATION OF ARCHITECTURAL SCHOOLS**

Only qualifications in architecture recognised by AACA or deemed equivalent by AACA meet the requirement for eligibility for registration under the Act.

The Board maintains a role in the accreditation of fully accredited courses of architecture offered by the University of Queensland and the Queensland University of Technology. During the year, representatives of the Board participated in State and National Visiting Panels.

National Visiting Panels assessments for two new schools of architecture at Griffith University and Bond University occurred during the year taking the number of accredited courses to four. Griffith University was accredited in October 2014 and Bond University in April 2015.

### **BOARD STUDENT PRIZES**

The awarding of prizes in recognition of students' academic achievement in the courses in architecture at the University of Queensland and the Queensland University of Technology has long been a tradition of the Board, this year being the 75th such

occasion. For the first time a prize was also awarded at Griffith University.

The recipients of this year's prizes are:

The University of Queensland  
Amy Learmonth

Queensland University of Technology  
Moein Shahin

Griffith University  
Jacqueline Robertson

### **ARCHITECTS ACCREDITATION COUNCIL OF AUSTRALIA (AACA)**

The Architects Accreditation Council of Australia (AACA), consisting of representatives of all Australian Architects Registration Boards, provides a forum for the discussion of matters of common interest, particularly the various aspects of registration and architectural education.

AACA also provides the services of a national assessment panel in architecture which provisionally assesses the academic qualifications of overseas persons as to their equivalence with accepted Australian standards. State and Territory committees on behalf of AACA confirm these assessments by interview of candidates.

The Board continues to provide updated information to the AACA national listing of registered architects across all jurisdictions within Australia.

AACA meets annually and the Board's representation is maintained by the Chairperson and the Registrar.

Also, the AACA remains pro-actively committed to the national recognition of registered architects. The Board of Directors of AACA supports the adoption of a proposed national registration model based upon

modification of current mutual recognition arrangements.

The Board will continue to enter into dialogue with AACA and the other State and Territory Boards on the issue of national recognition of registration of architects. Harmonisation will continue across a broad range of practices and procedures affecting architectural jurisdictions.

## **GENERAL**

The Board places on record its appreciation for assistance received from the officers of various Government Departments, AACA, other Statutory Authorities, and in particular the Department of Housing and Public Works.

### **Publication of the Annual Report**

An electronic copy of the Annual Report is available on the Board's website at [www.boaq.qld.gov.au](http://www.boaq.qld.gov.au)

## COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference (page number)
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister</li> </ul>	ARRs – section 8	2
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 10.1	4
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 10.2	1
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	Queensland Government Language Services Policy ARRs – section 10.3	3
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 10.4	1
	<ul style="list-style-type: none"> <li>Information Licencing</li> </ul>	<i>QGEA – Information Licencing</i> ARRs – section 10.5	1
General Information	<ul style="list-style-type: none"> <li>Introductory Information</li> </ul>	ARRs – section 11.1	5
	<ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>	ARRs – section 11.2	5
	<ul style="list-style-type: none"> <li>Operating environment</li> </ul>	ARRs – section 11.3	5-8
	<ul style="list-style-type: none"> <li>Machinery of government changes</li> </ul>	ARRs – section 11.4	8
Non-financial performance	<ul style="list-style-type: none"> <li>Government's objectives for the community</li> </ul>	ARRs – section 12.1	5
	<ul style="list-style-type: none"> <li>Other whole-of-government plans/specific initiatives</li> </ul>	ARRs – section 12.2	N/A
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 12.3	8-9
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 12.4	8-9
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 13.1	Refer to Part B – Financial Statements
Governance – management and structure	<ul style="list-style-type: none"> <li>Organisation structure</li> </ul>	ARRs – section 14.1	5
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 14.2	8
	<ul style="list-style-type: none"> <li>Government bodies (statutory bodies and other entities)</li> </ul>	ARRs – section 14.3	N/A
	<ul style="list-style-type: none"> <li>Public Sector Ethics Act 1994</li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.4	Refer to Department of Housing and Public Works
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 15.1	7
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 15.2	Nil
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 15.3	Nil
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 15.4	Nil
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 15.5	6

Summary of requirement		Basis for requirement	Annual report reference (page number)
Governance – human resources	<ul style="list-style-type: none"> <li>Workforce planning and performance</li> </ul>	ARRs – section 16.1	Refer to Department of Housing and Public Works
	<ul style="list-style-type: none"> <li>Early retirement, redundancy and retrenchment</li> </ul>	Directive no. 11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	
Open Data	<ul style="list-style-type: none"> <li>Consultancies</li> </ul>	ARRs – section 17 ARRs – section 34.1	
	<ul style="list-style-type: none"> <li>Overseas travel</li> </ul>	ARRs – section 17 ARRs - section 34.2	
	<ul style="list-style-type: none"> <li>Queensland Language Services Policy</li> </ul>	ARRs – section 17 ARRs – section 34.3	
	<ul style="list-style-type: none"> <li>Government bodies</li> </ul>	ARRs – section 17 ARRs – section 34.4	
Financial Statements	<ul style="list-style-type: none"> <li>Certification of financial statements</li> </ul>	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	
	<ul style="list-style-type: none"> <li>Independent Auditors Report</li> </ul>	FAA – section 62 FPMS – section 50 ARRs – section 18.2	
	<ul style="list-style-type: none"> <li>Remuneration disclosures</li> </ul>	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	

FAA – *Financial Accountability Act 2009*

FPMS - *Financial and Performance Management Standard 2009*

ARRs – *Annual report requirements for Queensland Government agencies*

BOARD OF ARCHITECTS OF QUEENSLAND

FINANCIAL STATEMENTS

30 JUNE 2015

# BOARD OF ARCHITECTS OF QUEENSLAND FINANCIAL STATEMENTS 2014-15

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## **General Information**

These financial statements cover Board of Architects of Queensland.

Board of Architects of Queensland is a Queensland Government Statutory Body established under the *Architects Act 2002*.

The head office and principal place of business of the Board is:

Level 1, The Mansions  
40 George Street  
Brisbane QLD 4000

A description of the nature of the Board's operations and its principal activities is included in the notes to the financial statements.

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

**BOARD OF ARCHITECTS OF QUEENSLAND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	2014 \$
<b>Income from Continuing Operations</b>			
Fees and Other Receipts	2	540,449	513,702
Interest Revenue		15,313	15,418
Penalties and Costs		2,620	-
Other Revenue		326	656
		558,708	529,776
<b>Expenses from Continuing Operations</b>			
Employee Expenses	3	261,387	259,404
Administration Expenses	4	202,468	190,733
Examination Expenses		59,971	50,243
Board Member Expenses		25,516	24,840
		549,342	525,220
<b>Operating Result from Continuing Operations</b>			
		9,366	4,556
<b>Other Comprehensive Income</b>			
		-	-
<b>Total Comprehensive Income</b>			
		9,366	4,556

The above financial statement should be read in conjunction with the accompanying notes.

BOARD OF ARCHITECTS OF QUEENSLAND

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Notes	2015 \$	2014 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	5	635,004	591,360
Trade and Other Receivables	6	10,529	19,331
Prepayments	7	15,678	19,179
<b>Total Current Assets</b>		<u>661,211</u>	<u>629,870</u>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	8	-	1,055
<b>Total Non Current Assets</b>		<u>-</u>	<u>1,055</u>
<b>Total Assets</b>		<u><u>661,211</u></u>	<u><u>630,925</u></u>
<b>Current Liabilities</b>			
Trade and Other Payables	9	52,355	52,742
Unearned Revenue		430,782	414,193
Accrued Employee Benefits	10	7,109	6,672
<b>Total Current Liabilities</b>		<u>490,246</u>	<u>473,607</u>
<b>Non Current Liabilities</b>			
Accrued Employee Benefits	10	39,919	35,638
<b>Total Non Current Liabilities</b>		<u>39,919</u>	<u>35,638</u>
<b>Total Liabilities</b>		<u><u>530,165</u></u>	<u><u>509,245</u></u>
<b>NET ASSETS</b>		<u><u>131,046</u></u>	<u><u>121,680</u></u>
<b>EQUITY</b>			
Accumulated Surplus		131,046	121,680
<b>TOTAL EQUITY</b>		<u><u>131,046</u></u>	<u><u>121,680</u></u>

The above financial statement should be read in conjunction with the accompanying notes.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	\$
		<b>Accumulated Surplus</b>
<b>Balance as at 1 July 2013</b>		117,124
Operating Result from Continuing Operations		4,556
Other Comprehensive Income		-
Total Comprehensive Income / (Loss)		<u>4,556</u>
<b>Balance as at 30 June 2014</b>		<u>121,680</u>
<b>Balance as at 1 July 2014</b>		121,680
Operating Result from Continuing Operations		9,366
Other Comprehensive Income		-
Total Comprehensive Income / (Loss)		<u>9,366</u>
<b>Balance as at 30 June 2015</b>		<u>131,046</u>

The above financial statement should be read in conjunction with the accompanying notes.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 \$	2014 \$
<b>Cash Flows from Operating Activities</b>			
<i>Inflows:</i>			
Fees and Other Receipts		540,449	541,272
Penalties and Costs		2,620	4,720
Interest Revenue		15,313	15,418
<i>Outflows:</i>			
Employee Expenses		(197,788)	(226,020)
Superannuation		(39,236)	(23,711)
Board Member Expenses		(22,664)	(25,215)
Examination Expenses		(60,322)	(49,652)
Administrative Expenses		(164,621)	(194,721)
Investigations/Hearings/Legal Expenses		(30,107)	(35,701)
<b>Net Cash from Operating Activities</b>	11	<u>43,644</u>	<u>6,390</u>
<b>Cash Flows from Investing Activities</b>			
<i>Outflows:</i>			
Other Investing Activities		-	-
<b>Net Cash from Investing Activities</b>		<u>-</u>	<u>-</u>
<b>Cash Flows from Financing Activities</b>			
<i>Outflows:</i>			
Other Financing Activities		-	-
<b>Net Cash from Financing Activities</b>		<u>-</u>	<u>-</u>
Net Movement in Cash		43,644	6,390
Cash at the beginning of the financial year		<u>591,360</u>	<u>584,970</u>
<b>Cash at the end of the financial year</b>	5	<u><u>635,004</u></u>	<u><u>591,360</u></u>

The above financial statement should be read in conjunction with the accompanying notes.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**Objectives of the Board**

Note 1	Summary of Significant Accounting Policies
Note 2	Fees and Other Receipts
Note 3	Employee Expenses
Note 4	Administrative Expenses
Note 5	Cash and Cash Equivalents
Note 6	Trade and Other Receivables
Note 7	Prepayments
Note 8	Property, Plant and Equipment
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Note 10	Accrued Employee Benefits
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Note 12	Contingent Assets and Liabilities
Note 13	Events Occurring after Reporting Date
Note 14	Commitments for Expenditure
Note 15	Financial Risk Management

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**Objectives of the Board**

The objectives of Board of Architects of Queensland are to protect the public by ensuring architectural services of an architect are provided in a professional and competent way, to maintain public confidence in the standard of services provided by architects and to uphold the standards of practice of architects.

**1. Summary of Significant Accounting Policies**

*(a) Statement of Compliance*

Board of Architects of Queensland has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the year ending 30 June 2015, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, Board of Architects has applied those requirements applicable to not-for-profit entities, as the Board is not-for-profit Statutory Body. Except where stated, the historical cost convention is used.

*(b) The Reporting Entity*

The financial report covers Board of Architects of Queensland as an individual entity.

*(c) Revenue Recognition*

Revenue from renewal fees is recognised on an accrual basis.

Under *Architects Act 2002*, the registration period finishes at 30 June each year. Registrants who do not renew their registration are removed from the Board's register.

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

*(d) Cash and Cash Equivalents*

For financial reporting purposes, cash includes all cash at bank, on hand and deposits at call with financial institutions.

*(e) Receivables*

Receivables are recognised at the amounts due at the time of sale or service delivery. The collectability of receivables is assessed periodically with an allowance being made for impairment.

*(f) Acquisition of Assets*

Cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Summary of Significant Accounting Policies (continued)**

*(g) Impairment of Non-Current Assets*

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Board determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is reported as an impairment loss.

*(h) Property, Plant and Equipment*

All items of plant and equipment with a cost or other value in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

*(i) Depreciation of Property, Plant and Equipment*

Property, plant and equipment have been recorded in the financial report at cost less accumulated depreciation. Depreciation on all property, plant and equipment has been calculated on a straight-line basis so as to allocate the cost of each asset progressively over its estimated useful life to the Board.

For each class of depreciable asset the following depreciation rates are used:

<b>Class</b>	<b>Rate</b>
Plant and Equipment	
- Computer Equipment	33%

*(j) Taxation*

The Board is a State Body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax. The Board's income from fees is exempt from Goods and Services Tax (GST) in accordance with Division 81 Written Determination. Input tax credits receivable and GST payable on income from sources other than fees from/to the Australian Tax Office are recognised.

**BOARD OF ARCHITECTS OF QUEENSLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Summary of Significant Accounting Policies (continued)**

*(k) 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

*(l) Trade and Other Payables*

Trade creditors are recognised upon receipt of the goods and services ordered at the agreed purchase price. The amounts are non-interest bearing and are normally paid within the terms stated on the creditor's invoice.

*(m) Employee Benefits*

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Payroll tax and worker's compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

*Wages, Salaries and Sick Leave*

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

*Employee Benefits*

Provision is made for the Board's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employees may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**BOARD OF ARCHITECTS OF QUEENSLAND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Summary of Significant Accounting Policies (continued)**

*Superannuation*

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable. The department's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-Government basis and reported in those financial statements prepared pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

*Key Management Personnel and Remuneration*

Key management personnel and remuneration disclosures are made in accordance with section 5 of the *Financial Reporting Requirements for Queensland Government Agencies* issued by Queensland Treasury. Refer to Note 3 for the disclosures on Executive Remuneration.

The Registrar is employed by the Board on a full-time basis. However, this position is paid by the Department of Housing and Public Works (therefore, all benefits are recognised in the Department of Housing and Public Works' financial statements), with all positions being reimbursed by the Board on a quarterly basis.

*(n) Prepayments and Insurance*

Professional Indemnity Insurance and Insurance for Directors and Officers is paid annually in advance in April each year. The pre-paid component is recorded as a current asset. Postage is also pre-paid and the credit remaining from postage unspent is recorded as a current asset.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Summary of Significant Accounting Policies (continued)**

*(o) Financial Instruments*

*Initial Recognition and Measurement*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Board becomes party to the contractual provisions of the financial instrument.

*Classification and subsequent measurement*

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The Board does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Board holds no financial assets classified at fair value through profit and loss.

*(p) Rounding and Comparatives*

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest dollar.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

*(q) Going Concern*

This financial report has been prepared on a going concern basis and the Board will be able to meet its debts as and when they fall due.

*(r) Provisions*

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

*(s) Leases*

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

*(t) Critical Accounting Estimates and Judgements*

The Board evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**1. Summary of Significant Accounting Policies (continued)**

*(u) Unearned Revenue*

Annual Renewal Fees received during April, May and June 2015 for the registration year commencing 1 July 2015 are recognised as Unearned Revenue in 2015-16.

*(v) New and Revised Accounting Standards*

The Board did not voluntarily change any of its accounting policies during 2014-15.

The Board applies Australian Accounting Standards and Interpretations in accordance with their respective commencement dates. At the date of authorisation of the financial statements, the new or amended Australian Accounting Standards applicable to the Board with future commencement dates are set out below.

· AASB 9 *Financial Instruments (December 2010)* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]

Due to the nature of the Board's activities, these standard changes will not have a significant impact on Board of Architects of Queensland's financial statements.

All other Australian Accounting Standards and Interpretations with future commencement dates are not applicable to the Board's activities.

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>2. Fees and Other Receipts</b>		
Application Fees	28,851	24,830
Registration Fees	16,743	14,089
Restoration and Processing Fees	3,012	6,246
Renewal Fees	414,193	399,442
Examination Fees	77,650	69,095
<b>Total</b>	<u>540,449</u>	<u>513,702</u>

<b>3. Employee Expenses</b>		
Wages	115,503	127,683
Reimbursement of Registrar's Salary and Expenses	127,686	116,944
Superannuation	13,003	14,033
Long Service Leave	4,281	6,638
Annual Leave	437	(6,638)
Other	477	444
<b>Total</b>	<u>261,387</u>	<u>259,404</u>

**Executive Remuneration 1 July 2014 – 30 June 2015**

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$	Non-Monetary Benefits \$	\$	\$	\$	\$
Registrar	113,241		2,159	12,770		128,170
<b>Total Remuneration</b>	<b>113,241</b>		<b>2,159</b>	<b>12,770</b>		<b>128,170</b>

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**3. Employee Expenses (continued)**

**Executive Remuneration 1 July 2013 – 30 June 2014**

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$	Non-Monetary Benefits \$	\$	\$	\$	\$
Registrar	79,450	-	3,385	12,496	-	95,420
<b>Total Remuneration</b>	<b>79,450</b>	<b>-</b>	<b>3,385</b>	<b>12,496</b>	<b>-</b>	<b>95,420</b>

	2015	2014
Number of employees including both full-time employees and part-time employees measured on a full time equivalent basis	2	2
Number of Board members paid wages during the year:	6	6

The names of current Board members are:

Prof Susan Savage (Chair)	Paul Bidwell	Bruce Medek
Richard Kirk		

Board members appointed during the year are:

Miles Blucher	Gilbert Smith	Christopher Douglas
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Board Members that have retired during the year are:

Julie Whitehead	Tania Dennis
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**Key Management Personnel**

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2014-15.

Position	Responsibilities	Current incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Denis Bergin	The Registrar is responsible for managing the business requirements of the Board. This includes keeping a register of Architects.	PO6 Public Service Act 1996	Appointed June 2006

BOARD OF ARCHITECTS OF QUEENSLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
<b>4. Administrative Expenses</b>		
Accounting	5,045	5,450
Audit Fees	6,500	5,300
Advertising	7,790	2,522
Bank Charges	4,920	4,340
Accommodation Expenses	47,828	41,699
Archiving Fees	1,607	1,623
Depreciation	1,055	2,312
Telephone	3,082	2,597
Printing and Stationery	5,278	12,199
Postage and Couriers	5,630	4,734
Investigations, Hearings, Legals	29,786	30,080
Insurance	5,245	5,191
Legislation Workshops	6,810	1,928
Office Systems (includes computer maintenance)	23,298	38,065
Online Registration	21,312	10,944
Memberships (AACA)	27,282	21,747
<b>Total</b>	<u>202,468</u>	<u>190,733</u>
<b>5. Cash and Cash Equivalents</b>		
Cash at bank	29,722	33,959
Petty Cash	200	200
Franking Machine	-	644
QTC Investment Account	605,082	556,557
<b>Total</b>	<u>635,004</u>	<u>591,360</u>
<b>6. Trade and Other Receivables</b>		
Trade Receivables	36,423	39,320
Allowance for Impairment	(35,350)	(35,350)
Net Receivables	1,073	3,970
GST Receivables	9,456	15,361
<b>Total</b>	<u>10,529</u>	<u>19,331</u>
<b>7. Prepayments</b>		
Prepaid Insurance	4,490	4,204
Other Prepayments	11,188	14,975
<b>Total</b>	<u>15,678</u>	<u>19,179</u>

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>8. Property, Plant and Equipment</b>		
Computer Equipment	6,937	6,937
Accumulated Depreciation - Computer Equipment	(6,937)	(5,882)
<b>Total</b>	<u>-</u>	<u>1,055</u>
<b>Total Property, Plant and Equipment</b>	<u>-</u>	<u>1,055</u>

**Movements Schedule**

**Computer Equipment**

Carrying amount at 1 July	1,055	3,367
Acquisitions	-	-
Depreciation	(1,055)	(2,312)
Carrying amount at 30 June	<u>-</u>	<u>1,055</u>

**9. Trade and Other Payables**

Trade Creditors	1,435	30,731
Accrued Expenses	45,629	9,815
Franking Machine	177	-
Other Payable	5,114	12,197
<b>Total</b>	<u>52,355</u>	<u>52,742</u>

**10. Accrued Employee Benefits**

Wages Outstanding		
Annual Leave Payable	7,109	6,672
Long Service Leave Payable	39,919	35,638
<b>Total</b>	<u>47,028</u>	<u>42,310</u>

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

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

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

No liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

BOARD OF ARCHITECTS OF QUEENSLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
<b>11. Reconciliation of Operating Result to Net Cash from Operating Activities</b>		
Operating Result	9,366	4,556
Depreciation	1,055	2,312
Changes in Assets and Liabilities		
Decrease (increase) in Receivables	8,802	1,562
Decrease (increase) in Prepayments	3,502	(8,597)
Increase (decrease) in Trade & Other Payables	6,464	(5,105)
Increase (decrease) in Unearned Revenue	16,590	15,556
Increase (decrease) in Accrued Employee Benefits	(2,135)	(3,894)
<b>Net cash from operating activities</b>	43,644	6,390

**12. Contingent Assets and Liabilities**

There are no contingent assets or liabilities at balance date.

**13. Events Occurring after Reporting Date**

There are no events occurring after the balance date that materially affect the financial statements at 30 June 2015.

**14. Commitments for Expenditure**

The Board had no capital commitments of a material nature at 30 June 2015.

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

	2015	2014
	\$	\$
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-
<b>Total</b>	-	-

Currently the Board is leasing the business premises on a month by month basis, with rent payable monthly in advance. Given that there is no obligation under this agreement, no amounts have been disclosed as operating leases for the year ended 30 June 2015.

BOARD OF ARCHITECTS OF QUEENSLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

15. Financial Risk Management

Categorisation of Financial Instruments

The Board's financial instruments consist mainly of deposits with financial institutions, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Category	Note	2015 \$	2014 \$
<b>Financial assets</b>			
Cash and cash equivalents	5	635,004	591,361
Receivables	6	10,529	19,331
Total		<u>645,533</u>	<u>610,692</u>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost:			
Payables	9	<u>52,355</u>	<u>52,742</u>
Total		<u>52,355</u>	<u>52,742</u>

Risk Management Strategy

The Board's overall risk management strategy is designed to meet its financial targets, whilst minimising potential effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include the credit risk policies and future cash flow requirements.

The Board did not have any derivative instruments at 30 June 2015.

**Specific Financial Risk Exposures and Management**

The main risks the Board is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk.

**(a) Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Board. The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowances for impairment.

The following table represents the Board's maximum exposure to credit risk based on contractual amounts net of any allowances:

Maximum Exposure to Credit Risk	2015 \$	2014 \$
<b>Financial Assets</b>		
Receivables	<u>10,529</u>	<u>19,331</u>
Total	<u>10,529</u>	<u>19,331</u>

**BOARD OF ARCHITECTS OF QUEENSLAND**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2015**

**15. Financial Risk Management (continued)**

**Risk Management Strategy (continued)**

**(a) Credit Risk (continued)**

No collateral is held as security and no credit enhancements relate to financial assets held by the Board.

The Board manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Board invests in secure assets, and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The method for calculating any allowance for impairment is based on past experience, current and expected changes in economic conditions and changes in client credit ratings.

Impairment loss expense on trade receivables for the current year is nil. There have been no court orders requiring repayment during the 2015 year.

The Board has impaired all assets that are past due. Ageing of impaired financial assets is disclosed in the following tables:

**Individually Impaired Financial Assets**

2015	Overdue				
	Less than 30 days	30 days +	60 days +	90 days +	Total
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Trade Receivables	-	-	-	36,423	<b>36,423</b>
Allowance for Impairment	-	-	-	(35,350)	<b>(35,350)</b>
	-	-	-	<b>1,073</b>	<b>1,073</b>

**Individually Impaired Financial Assets**

2014	Overdue				
	Less than 30 days	30 days +	60 days +	90 days +	Total
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Trade Receivables	-	-	-	39,320	<b>39,320</b>
Allowance for Impairment	-	-	-	(35,350)	<b>(35,350)</b>
	-	-	-	<b>3,970</b>	<b>3,970</b>

**Movements in the Allowance for Impairment**

	2015	2014
	\$	\$
Balance at 1 July	35,350	35,350
Increase / (decrease) in allowance recognised in operating result	-	-
<b>Balance at 30 June</b>	<b>35,350</b>	<b>35,350</b>

BOARD OF ARCHITECTS OF QUEENSLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

15. Financial Risk Management (Continued)

Risk Management Strategy (continued)

(b) Liquidity risk

The Board manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Board has sufficient funds available to meet employee and supplier obligations at all times. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following tables sets out the liquidity risk of financial liabilities held by the Board. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to the payment of the principal amount outstanding at balance date.

	2015	2014
	\$	\$
<b>Financial liabilities</b>		
<b>Payables</b>		
Less than 1 year	52,355	52,742
<b>Total</b>	<u>52,355</u>	<u>52,742</u>
<b>Total financial liabilities</b>		
Less than 1 year	52,355	52,742
<b>Total</b>	<u>52,355</u>	<u>52,742</u>

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates.

	\$	\$
<b>Cash and cash equivalents</b>		
Less than 1 year	29,922	34,804
<b>Total</b>	<u>29,922</u>	<u>34,804</u>
<b>Short-term investments</b>		
Less than 1 year	605,082	556,557
<b>Total</b>	<u>605,082</u>	<u>556,557</u>
<b>Total financial assets</b>		
Less than 1 year	635,004	591,361
<b>Total</b>	<u>635,004</u>	<u>591,361</u>

BOARD OF ARCHITECTS OF QUEENSLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

15. Financial Risk Management (Continued)

Risk Management Strategy (continued)

(c) Interest rate risk

Interest rate sensitivity analysis

The following interest rate sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss if interest rates would change by +/-1% from the year-end rates applicable to the Board's financial assets and liabilities.

Exposure to interest rate risk arises on cash and cash equivalents recognised at reporting date whereby a future change in interest rates will affect future cash flows.

	2015	2014
	\$	\$
<b>Financial instruments</b>		
Cash and cash equivalents	29,922	34,804
Short-term investments	605,082	556,557
Interest rate risk:		
-1% - Profit	(6,350)	(5,914)
-1% - Equity	(6,350)	(5,914)
+1% - Profit	6,350	5,914
+1% - Equity	6,350	5,914

(d) Fair value

Cash, cash equivalents, receivables and payables are short-term in nature and their carrying value approximating their fair values so are not disclosed separately. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

## CERTIFICATE OF BOARD OF ARCHITECTS OF QUEENSLAND

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements.

In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) The statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Board of Architects of Queensland for the financial year ended 30 June 2015 and of the financial position of the Board at the end of that year.
- c) These assertions are based on an appropriate system of internal controls of risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Professor Susan M Savage  
Chairperson

Dated this 20<sup>th</sup> day of August, 2015.



Denis Bergin  
Registrar

## INDEPENDENT AUDITOR'S REPORT

To the Board of Board of Architects of Queensland

### Report on the Financial Report

I have audited the accompanying financial report of Board of Architects of Queensland, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chairperson and the Registrar.

#### *The Board's Responsibility for the Financial Report*

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct and audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- a) I have received all the information and explanations which I have required; and
- b) In my opinion –
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material aspects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Board of Architects of Queensland for the financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

### **Other Matters – Electronic Presentation of the Audited Financial Report**

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D R ADAMS FCPA  
as Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane