

Annual Report  
2020—21



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Data provided in this report is correct as of September 2021. The publication of the ARBV Annual Report 2020–21 complies with requirements under the Financial Reporting Direction 30D regarding its design, use of colour and images, standard sizing, paper stocks and other publishing requirements.

# Contents

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|            |  |
|------------|--|
| <b>04</b>  | <b>Responsible Body Declaration</b>          |
| <b>05</b>  | <b>Our Purpose</b>                           |
| <b>06</b>  | <b>Chairperson Report</b>                    |
| <b>08</b>  | <b>CEO/Registrar Report</b>                  |
| <b>10</b>  | <b>About the ARBV</b>                        |
| <b>19</b>  | <b>Report of Operations</b>                  |
| <b>47</b>  | <b>Financial Report</b>                      |
|            | <b>Appendices</b>                            |
| <b>87</b>  | <b>Appendix 1: Governance and Compliance</b> |
| <b>101</b> | <b>Appendix 2: Workforce Data</b>            |
| <b>103</b> | <b>Appendix 3: Disclosure Index</b>          |

# Responsible Body Declaration

21 September 2021

The Hon. Richard Wynne, MP  
Minister for Planning  
8 Nicholson Street  
East Melbourne, VIC 3002

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Dear Minister,

I am pleased to submit the 2020-21 Architects Registration Board of Victoria Annual Report in accordance with the Financial Management Act 1994 and the Architects Act 1991.

Yours faithfully,

  
**Dr Giorgio Marfella**

Chairperson  
Architects Registration Board of Victoria

# Our Purpose

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**To protect the community interest and instil confidence in the regulation, integrity, and delivery of architectural services in Victoria.**

# Chairperson Report



**Dr Giorgio Marfella,**  
Chairperson



I am pleased to present the Annual Report of the Architects Registration Board of Victoria (ARBV) for the 2020-21 financial year.

The 2020-21 year was a period of hard work and achievements, culminating in June 2021 with the ARBV completing a cycle of strategic and organisational initiatives and delivering key performance measures set out in the Statement of Expectations (SOE) for 2019-2021, issued in August 2019 by the Minister for Planning, The Hon. Richard Wynne.

The ARBV has continued to strengthen its position as a contemporary and trusted regulator. Today, the ARBV is in a strong position to act with timeliness in its decision-making and communications, effectively apply risk-based regulatory strategies in the delivery of its operations, as well as respond to current and emerging compliance issues. The ARBV has produced educative guidance material and information to support regulated entities to comply with their obligations, worked co-operatively with other regulators, engaged with its stakeholders, and remained accountable and transparent as a financially sound and independent public entity.

This Annual Report outlines in detail the fulfilment of these achievements.

Undeterred by the disruptions of the global pandemic, the ARBV never lost sight of the performance measures in the Ministerial SOE and used its best efforts to fulfil them. Working and engaging remotely all year, staff continued to carry out their duties supporting the ARBV to effectively and efficiently perform its statutory function to administer the Architects Act 1991 (Vic) and the Architects Regulations 2015. The ARBV has also continued to engage daily with all its registered architects through its newly launched website and several communication channels.

While critical activities continued as business-as-usual in a coronavirus (COVID-19) context, the Board and senior staff worked to revise and refine ARBV's comprehensive regulatory framework. This work saw the release of a suite of Regulatory Strategy documents in June 2021 that frame the principles, priorities, and procedures necessary to guide a risk-based approach to the regulation of the profession of architecture.

The complexity of the contemporary built environment demands that regulators discern general trends and patterns emerging from individual cases. Awareness of this need led the Board to review and enhance both the static and dynamic risk assessments in the Regulatory Strategy and develop a new proactive campaign, which will be informed and refined by data collected about current and emerging risks.

The new Customer Relationship Management system (CRM) will be critical for implementing future proactive initiatives. The ARBV commissioned this capital investment in digital infrastructure, launching it with great effort from all staff within the short period of six months. The CRM provides a more user-friendly interface for architects in their dealings with the ARBV and a more robust and efficient IT platform for staff. Over the medium and long term, the CRM will be a valuable instrument to elicit data and research concerning the regulation of the profession in Victoria.

The 2020-21 year was also notable for two milestones related to professional education. For the first time, all Victorian architects were required to complete a mandatory declaration that they complied with Continuing Professional Development (CPD) obligations. The benefits and imperatives of continual professional education are unquestionable.

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Committing to undertake CPD is a social responsibility, is consistent with the national framework and will provide more confidence and reassurance to the public about the competence of architects.

The second milestone relevant to professional education was the development of a set of ARBV Guidelines under Regulation 7 of the Architects Regulations 2015 on professional conduct and practice for architects. The Guidelines are a new resource for Victorian architects published on the ARBV website, complementing a large body of existing resources and materials available. The Guidelines underline matters of professional conduct and guide architects on best practice and obligations they must comply with under the Architects Act 1991 (Vic) and Architects Regulations 2015 (including the Victorian Architects Code of Professional Conduct).

The ARBV continues to work closely with the Department of Environment, Land, Water and Planning, the Victorian Building Authority and numerous industry and representative bodies and has been working towards establishing an Industry and Consumer Forum, for the purpose of gathering insights, perspectives and ultimately intelligence from multiple stakeholders. Enduring channels of constructive dialogue and engagement are always open

with key representatives of the architectural profession, such as the Australian Institute of Architects, the Association of Consulting Architects, ArchiTeam Co, the Office of the Victorian Government Architect, the Architects Accreditation Council of Australia, and the Registration Boards of other states and territories.

The achievements completed and ongoing activities progressed in this busy period cannot be attributed to any one individual. Rather, they reflect the collective effort of the entire organisation. Progress and developments at the ARBV in 2020-21, completed or ongoing as an enduring legacy, also represent the fruit of the service of colleagues who completed their terms of office on the Board during this period, including former Chairperson, Karen Alcock, who led the ARBV with admirable energy and flawless dedication, and committed Board members Stuart Brown, Catherine Duggan and David Islip.

I wish to acknowledge with appreciation the work and leadership of all the ARBV staff, including the Interim Registrar, Allan Bawden, who filled the leadership position until the role was permanently filled with the appointment of our current Chief Executive Officer and Registrar, Dr Glenice Fox. The appointment of Dr Fox has brought a stimulating atmosphere to the organisation.

Her leadership inspires trust and confidence in the ability of the ARBV to continue growing over the long-term, starting with the implementation of a new set of performance measures set out in the Ministerial Statement of Expectations for 2021-23.

# Chief Executive Officer/ Registrar Report



**Dr Glenice Fox,**  
CEO/Registrar



I am pleased to introduce the Architects Registration Board of Victoria (ARBV) report of operations for the year ended 30 June 2021.

The 2020-21 year was very busy and productive for the ARBV's Board and small team of staff.

From July 2020 to June 2021, the ARBV conducted two APE sessions and one postponed APE session involving more than 400 candidates, granted registration or approval to 403 architects, companies and partnerships and managed the registration for over 9,000 regulated entities, including 6,228 renewals and 193 requests to change class of registration. The ARBV also initiated a total of 131 investigations relating to professional conduct and prohibited conduct, referred two matters for inquiry to the Architects Tribunal, and responded to one application to the Victorian Civil and Administrative Tribunal for review of a determination by the Board.

In addition, the ARBV completed several significant strategic and operational initiatives in line with its ongoing focus on achieving a best practice approach to regulation of architects and a commitment to being a strong and effective regulator.

Underpinning everything is the ARBV's purpose to protect the community interest and instil

confidence in the regulation, integrity and delivery of architectural services in Victoria. The regulatory regime for architects administered by the ARBV embeds many key features to enhance regulatory outcomes – effective practitioner registration to hold architects to high professional standards and to scrutinise the risk of non-compliance, a broad and robust competency framework to ensure architects have relevant practical experience, and a well-established disciplinary process to address unprofessional conduct. Over the past two years, ARBV has invested significant time, resources and effort in enhancing its regulatory approach to ensure that it is targeted and risk-based and minimises regulatory burden while maximising protection for consumers of architectural services.

Implementing the performance improvements set out in the Ministerial Statement of Expectations (SOE) for 2019-21 continued to be a strong driver in setting the ARBV's strategic and operational agenda and priorities. Other drivers were the key priorities in the Business Plan and an ongoing focus on achieving the key strategies in the three-year Corporate Plan for 2019-22.

To ensure that it keeps pace with sectoral changes, and recognising the emergence of systemic risks, the ARBV revised its risk-based

Regulatory Strategy, and developed a new risk profiling framework, which will enhance the application of a risk-based approach to regulation. A proactive strategic plan was also developed to focus on key current risks and includes engagement with consumers, particularly in compliance areas where the risk of non-compliance has been assessed as relatively high. To measure the success of its regulatory performance, the ARBV also developed a performance monitoring framework, to ensure that it continuously improves as a regulator.

To facilitate the successful delivery of the Regulatory Strategy and the Corporate Plan, the ARBV has reviewed its staffing model and organisational structure. A realigned organisational structure was approved in June 2021 and will come into operation in 2021-22.

In response to the SOE and to improve regulatory outcomes, several other initiatives were implemented in 2020-21 including a Customer Relationship Management system (CRM) to digitise key business processes and improve data analytics; and a new more user-friendly website integrated with the CRM. The ARBV also developed guidance material for use by architects and consumers, co-operated with co-regulators to



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share information and insights, led the National Registrars Forum and implemented a communications and stakeholder engagement strategy.

In 2020-21, the ARBV refreshed processes, procedures and policies to implement amendments to the Architects Act 1991 (Vic), which took effect from July 2020. These amendments strengthened the ARBV's powers to regulate the professional conduct of architects and thereby protect the public. The new powers included the introduction of the fit and proper person test, the requirement for architects to comply with continuing professional development requirements and introduction of a number of grounds on which the Board may immediately suspend the registration of regulated entities. Powers to gather information were also expanded.

At the end of the reporting period, the ARBV's financial resources remained sound. As a self-funded regulator, the ARBV relies almost entirely on the revenue it receives from registration fees to fund its operations. Registration fees have not substantively increased since 2013. To implement its Regulatory Strategy, including launching its proactive strategic plan in 2021-22, and respond to the performance objectives set out in the SOE for 2021-23, an increase in revenue may be required. The ARBV will work

with its responsible portfolio agency, Department of Environment, Land, Water and Planning to assess the need to implement a review of fees.

Ongoing reform of the building and construction industry, both within Victoria and nationally, may impact on the regulatory environment for architects. At the close of the reporting period, the independent Expert Panel tasked by the Victorian Government with conducting a comprehensive review of Victoria's building regulatory system, was preparing a final report and recommendations to the Minister for Planning. It is anticipated that the Panel's recommendations will be released in 2021-22. The coronavirus (COVID-19) pandemic is also likely to have impacts for the architectural profession and its activities, although the full extent of those impacts and implications for the regulatory environment are still difficult to gauge.

During the reporting year, the term of office of five Board members expired and at the close of 2020-21, several appointments were still pending. I wish to thank both Karen Alcock and Dr Giorgio Marfella for their leadership and commitment in the role of Chairperson, and all members of the Board for the support extended to me since my appointment.

In closing, I wish to acknowledge Allan Bawden's contribution to the ARBV stepping into the role of interim CEO/Registrar for many months and ensuring the organisation remained focused on achieving its strategic and operational priorities. I also extend a particular thank you to the ARBV's small and dedicated team of staff for their excellent contributions to ARBV's work in the 2020-21 year.

# About the ARBV

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## Establishment and Role

Established in 1923 the ARBV is a self-funded Victorian public sector entity.

The Architects Act 1991 (Vic) (the Act) establishes the framework for the regulation of architects in Victoria and has as its purposes:

- to provide for the registration of architects
- to provide for the approval of partnerships and companies providing architectural services
- to regulate the professional conduct of architects
- to provide a procedure for handling complaints against architects
- to regulate the use of the terms “architect”, “architectural services”, “architectural design services” and “architectural design”
- to establish the Architects Registration Board of Victoria.

## Accountability

The ARBV is accountable to the Minister for Planning, who is accountable to Parliament and the community for the performance of the ARBV. The Minister for Planning also establishes key governance and performance priorities for the ARBV through a Statement of Expectations. In overseeing the performance of the ARBV, the Minister for Planning is supported by the Department of Environment, Land, Water and Planning.

## Functions

The ARBV’s statutory functions include:

- assessing and determining applications for registration from individuals and applications for approval from partnerships and companies
- suspending and cancelling registrations or approvals and revoking suspensions where required
- regulating the professional conduct of architects, approved partnerships and approved companies
- preparing guidelines on professional conduct and practice for architects, approved partnerships and approved companies

- publishing information relating to the operation of the ARBV and the Act
- together with the Architects Accreditation Council of Australia (AACA), administering the Architectural Practice Examination, the most common pathway to registration
- accrediting architectural programs of study within Victoria, in accordance with the established Architecture Program Accreditation Procedure in Australia and New Zealand administered by the AACA and in doing so, determining qualifications required for registration under the Act
- investigating and bringing proceedings for offences against the Act
- carrying out any other powers and functions which are given to it by the Act or which are necessary to implement the Act.

# About the ARBV

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## Our Purpose

To protect the community interest and instil confidence in the regulation, integrity and delivery of architectural services in Victoria.

## Our Values

The ARBV operates in accordance with the Victorian Public Sector

Values of:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- Human Rights

## Our Success Measures

- A capable, compliant and informed profession
- A community that understands the role of architects and the ARBV
- A modern, trusted and connected regulator
- A regulatory framework that drives strong outcomes

# Our Regulatory Approach

Over the past two years, the ARBV has made significant changes to its regulatory strategy, policies, procedures and organisational structure to ensure it meets its obligations as a contemporary regulator. The ARBV began laying the groundwork for a best-practice approach to regulation in 2018 when its Regulatory Strategy was first developed. The Regulatory Strategy embeds a risk-based approach to regulation and enables the ARBV to target its resources at the compliance areas and issues that pose the greatest risk to the public, while minimising undue regulatory intrusion and burden. In 2020-21, the ARBV continued to build on and enhance its regulatory approach to keep pace with sectoral changes, including the emergence of systemic risks. Central to this development was the revision and refinement of the Regulatory Strategy, including the establishment of a proactive strategic plan, a performance monitoring framework and risk profiling criteria for regulated entities.

## Regulatory objectives

In overseeing the regulatory framework, the ARBV aims to:

- promote and maintain high standards of professional conduct and practice
- restrict who can represent themselves as architects

- ensure only suitably qualified entities are registered and approved
- ensure compliance with insurance requirements
- maintain professional accountability of architects
- support architects to fulfil their duties and to engender confidence in and respect for the profession
- encourage and support voluntary compliance.

The ARBV conducts proactive and reactive regulatory activity.

## Proactive regulatory activity

Proactive regulatory activity is undertaken on the ARBV's own initiative to encourage compliance and detect and/or deter non-compliance.

The ARBV's proactive strategic plan was developed in 2020-21 as part of the revision and refinement of its Regulatory Strategy. It will be launched in 2021-22 and refreshed on an annual basis. The proactive strategic plan assists with early identification of emerging compliance issues and challenges that regulated entities may face in complying with the regulatory framework.

Proactive activities include:

- educating regulated entities by providing educational materials to assist them to understand and meet their obligations without coercion or sanction by the ARBV
- engaging with regulated entities including at industry meetings, stakeholder events and in one-on-one discussions with groups of regulated entities or individual regulated entities to discuss compliance issues and encourage voluntary compliance
- monitoring of a compliance issue, regulated entity or group of regulated entities based on information received or on its own compliance intelligence
- carrying out audits of regulated entities, including through surveys and questionnaires to, for example, seek information about their compliance with certain obligations
- investigating matters identified through analysis of data and through liaison with relevant stakeholders to determine whether or not non-compliance has occurred.

# Our Regulatory Approach

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## Reactive regulatory activity

The ARBV undertakes reactive regulatory activity to respond to instances of actual or possible non-compliance. It can result from:

- complaints made to the ARBV by another regulator, client or user of architectural services, or other member of the public
- detection of non-compliance through other activities undertaken by the ARBV, including proactive regulatory activity.

The ARBV's risk-based approach is used to determine the appropriate response to instances of non-compliance.

The ARBV's reactive regulatory activity may include:

- education and engagement
- informal advice or warning
- formal warning
- referral to the Architects Tribunal where it has concerns about an architect's fitness to practise and/or professional conduct
- other regulatory action to mitigate risk, such as suspending or cancelling registration or approval
- institution of prosecution proceedings.

# Board and CEO/Registrar

## Board

The ARBV Board is responsible for statutory decision-making under powers conferred by the Architects Act 1991 (Vic) (the Act) and the Architects Regulations 2015. The ARBV Board also provides leadership, strategic guidance and policy direction in addition to overseeing implementation of policies and initiatives.

In accordance with section 47 of the Act, the Board comprises up to ten members appointed on a representative basis with the Chairperson and Deputy Chairperson elected by the members.

The Board is assisted by committees and working groups. It is also responsible for constituting the independent Architects Tribunal to conduct inquiries concerning architects and their fitness to practise or professional conduct. The Act prohibits a person being concurrently a member of the ARBV Board and the Architects Tribunal.

The Board membership of the ARBV at 30 June 2021 was as follows:

- **Karen Alcock** FRAIA (B.Arch, UMelb) (Chairperson until 25 May 2021)  
Representative of architects by election in accordance with the procedures set out in the Architect Regulations 2015.  
Term of appointment: 26 November 2019 to 30 June 2021.
- **Dr Giorgio Marfella**, PhD, M.Arch, RAIA (Chairperson from 25 May 2021)  
Representative of architects nominated by Councils of approved schools of architecture.  
Term of appointment: 26 November 2019 to 30 June 2021.
- **Richard Salter**, B.Eng. (Hons), B.Sc. (Deputy Chairperson)  
Representative of Professional Building Industry Organisations nominated by the Housing Industry Association (Vic).  
Terms of appointment: 25 September 2018 to 24 September 2020 and 6 October 2020 to 30 June 2023.
- **Bruce Allen**, B.Arch., M.Arch., M.B.A., LFRAIA  
Representative of architects by election in accordance with the procedures set out in the Architect Regulations 2015.  
Term of appointment: 26 November 2019 to 30 June 2021.
- **Catherine Duggan**, B.Arch (Hons), B.EnvDes, RAIA  
Representative of architects nominated by the Royal Australian Institute of Architects.  
Term of appointment: 26 November 2019 to 30 June 2021.
- **Jenny Gretgrix**, B.Eng (Hons)  
Representative of professional building industry organisations nominated by the Housing Industry Association (Victoria).  
Term of appointment: 6 October 2020 to 30 June 2023.

## Board and CEO/Registrar

Directors whose term expired before 30 June 2021 or who resigned during 2020-21 were:

- **David Islip**, B.Arch (Hons)  
B.P.D. Urban Design (Hons)  
FRAIA GAICD  
Practising Senior Government Architect nominated by the Office of Victorian Government Architect (Vic).  
Terms of appointment: several terms from 16 July 2013 until 21 July 2020 (date of resignation).
- **Stuart Brown**, B. Tech (Building Surveying)  
Representative of the Institute of Engineers, Institute of Surveyors, Institute of Quantity Surveyors and Royal Australian Planning Institute.  
Term of appointment: commenced on 18 June 2019 and expired on 17 June 2021.

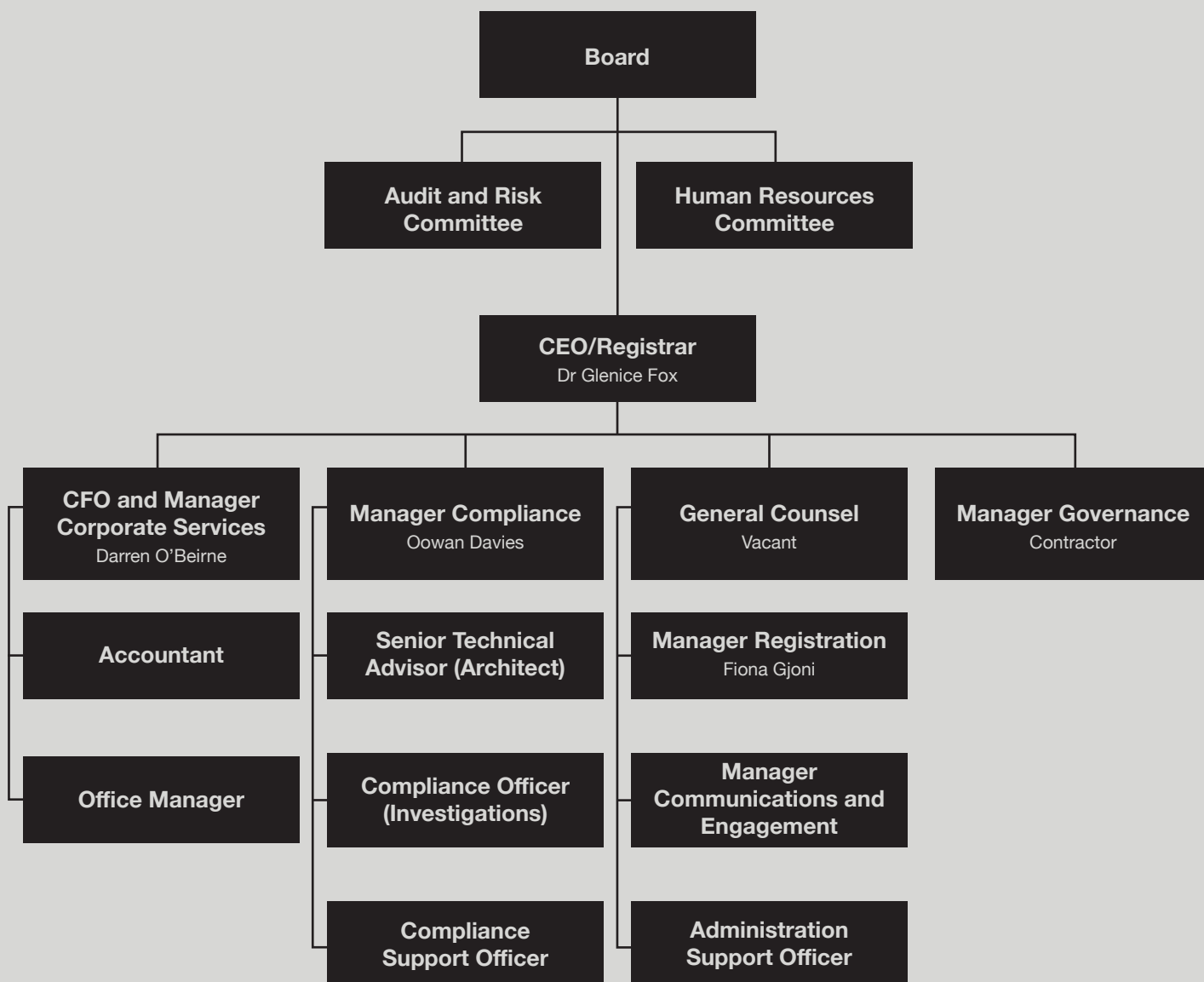
### CEO/Registrar

The Board appoints a Registrar to deliver the operations of the organisation in accordance with the agreed strategy. Allan Bawden was appointed as the Interim Registrar in June 2020 and continued in the role until February 2021. Dr Glenice Fox, SJD, LLB, BA, Grad Cert in Dispute Resolution was appointed CEO/Registrar on an interim basis in February 2021 and was formally appointed to the role in March 2021.

# Our Organisational Structure

Notes:

1. A realigned organisation structure was approved in June 2021 which will be implemented in 2021-22.
2. Human Resources became a discrete function in April 2021.
3. See Nature and Range of Services Provided on next page for description of functional areas.





# Nature and Range of Services Provided

## Finance and Corporate Services

### *Finance*

Includes ensuring accurate, transparent and timely management of financial information including management of revenue from applications, registration and examination fees together with strong financial management of budgeted expenditure.

### *Risk Management, Auditing and Legal Compliance*

Responsible for establishing effective systems and controls for financial management and performance and sustainability of the ARBV, including internal control, risk management, auditing and meeting legal compliance requirements.

### *Business Services*

Encompasses building and facilities management, sustainable procurement, information services, and office administration.

### *Human Resources*

Includes payroll services, compliance with key governance obligations, industrial and employee relations, workforce planning, capability development, organisational culture and occupational health and safety and employee wellbeing.

In April 2021, a Human Resources professional was engaged on a part-time basis by the ARBV, and Human Resources became a discrete function separate from Finance and Corporate Services.

### **Registration**

Responsible for registration-related activities including assessing and determining applications for registration. Such applications may include applicants seeking registration for the first time, architects seeking to change their class of registration, architects seeking registration with the ARBV via mutual recognition, and architects seeking to renew their registration.

The function oversees suspensions and cancellations of registration and revocations of suspension. The function is also responsible for maintaining the Register of Architects, supporting the AACA in its administration of the Architectural Practice Examination (APE) and other pre-registration pathways, and assisting the administration of accreditation. It also provides secretariat support to the National Registrars Forum.

This function has been significantly involved in the implementation of the Customer Relationship Management system (CRM) and will be responsible for the CRM once it is fully implemented.

## Compliance

The Compliance function is responsible for administering compliance obligations set out in the Architects Act 1991 (Vic). The ARBV receives complaints and identifies instances of non-compliance based on intelligence and information sharing. The Compliance team maintains collaborative relationships with other regulators and stakeholders. The ARBV seeks to identify and act upon possible non-compliance as early as possible and provide preventative guidance to architects.

## Legal Services

Provides legal, regulatory and policy services and advises on legal matters and may represent the ARBV in proceedings. The function coordinates administrative support for the Architects Tribunal in relation to disciplinary proceedings. It also manages freedom of information (FOI) and privacy matters, including the assessment of FOI requests in accordance with the Freedom of Information Act 1982 (Vic) and guidelines issued by the FOI Commissioner. The function also supports implementation of Victorian Government policy and assists other divisions to bring into operation the various regulatory requirements.

# Nature and Range of Services Provided

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## Governance

Ensures the necessary mechanisms, frameworks, processes, policies and procedures are in place to meet the organisational, statutory and whole of government compliance and accountability requirements and facilitates the effective and efficient operation of the Board and its committees.

## Communications and Engagement

Responsible for communications and engagement including, public relations, issues management, stakeholder relations, corporate communications (publications and external messaging) and digital presence.

## ARBV relationship with Architects Accreditation Council of Australia

The Architects Accreditation Council of Australia (AACCA) is a not-for-profit, incorporated company limited by guarantee which establishes national standards in the practice of architecture and provides services to the state and territory architect registration boards.

Its membership comprises persons nominated by the architects registration boards in each state or territory, including the ARBV.

The AACCA's role is to:

- consult with key organisations to develop, maintain and promote the National Standard of Competency for Architects, which sets the benchmark competency against which an applicant for registration as an architect in Australia is measured
- develop and provide competency-based assessment programs to determine eligibility for registration as an architect in Australia
- administer the Architectural Practice Examination (APE) on behalf of the architect registration boards
- administer the Architecture Accreditation Procedure in Australia and New Zealand on behalf of the architect registration boards
- facilitate international mutual recognition agreements regarding architectural education and registration as an architect in Australia
- assess overseas qualifications for architects seeking to register as an architect in Australia.

Funding for the AACCA is derived from a general levy paid by each of the states based on the number of practising architects in their respective registers together with a share of costs for the AACCA managed Architecture Program Accreditation Procedures.

# Report of Operations

The Report of Operations for 2020–21 provides general information about the ARBV and its activities, achievements and strategic direction.

## Registration

**315**

new architect registrants with numbers decreased from the previous year, which is likely a flow on from the ongoing coronavirus (COVID-19) environment

**8,108**

architects registered (practising and non-practising)

**193**

requests from architects for change of class (practising and non-practising) has remained steady, which is attributed to correct classification messaging and coronavirus (COVID-19) impacts

**418**

graduates registered for the Architectural Practice Examination

**403**

registration related applications processed and completed

**88**

new company registrations processed and completed

**14**

Financial Hardship Applications seeking assistance through deferral on the payment of 2021-22 renewal fees received

**82%**

of architects' 2020-21 renewal fees were paid by the 1 July 2021 due date

# Report of Operations

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## Compliance

**67**

professional conduct investigations initiated comprising both reactive and proactive investigations

**2**

professional conduct matters referred to the Architects Tribunal for inquiry

**1**

inquiry completed by the Architects Tribunal resulting in adverse findings

**63**

professional conduct investigations completed and not referred for inquiry

**14**

professional conduct investigations completed and not referred for inquiry, but written advice provided

**64**

prohibited conduct investigations initiated

# Q1

## July

- Legislative amendments to Architects Act 1991 (Vic) came into operation
- 2020 ARBV Forward Plan endorsed by Board
- Practice Examination (APE) Part 1 – Logbook and Statement of Practical Experience
- National Registrars Forum meeting

## August

- APE Part 2 – National Examination Paper conducted remotely (included candidates for the postponed April NEP)

## September

- National Registrars Forum meeting

# Q2

## October

- APE Part 3 – Examination conducted by remote interview
- ARBV's 2019-20 Annual Report reported to Parliament

## November

- Architects Accreditation Council of Australia (AACA) Annual General Meeting
- National meeting of architects registration boards
- ARBV Registrar re-appointed as Chair of the National Architect Registration Boards Registrars' Group
- National Registrars Forum meeting
- APE Part 3 interviews for session 1 and 2 held remotely

## December

- Board approved final two options for new leasehold

# Q3

## January

- Recruitment for the CEO/Registrar commenced
- Provider engaged to deliver Customer Relationship Management system (CRM)

## February

- A plan for the revision of the Regulatory Strategy was agreed and the review commenced
- APE Part 1 – Logbook and Statement of Practical Experience

## March

- Dr Glenice Fox appointed as CEO/Registrar
- ARBV moved out of its premises at 372 Albert Street, East Melbourne
- Election notice published in gazette for candidate nomination for Board election
- ARBV provided a response to the AACA for the review of National Standard of Competency for Architects (NSCA)

# Q4

## April

- National Registrars Forum meeting
- Board approved updated Community and Engagement Strategy
- Lease of new premises at Level 10, 533 Little Lonsdale Street, Melbourne commenced
- Election process completed to nominate two architects for appointment by the Governor in Council on the recommendation of the Minister as members of the Board
- Board Strategy Day held and attended by Board members and Leadership team
- APE Part 2 – National Examination Paper conducted remotely

## May

- New CRM and ARBV Portal launched
- New website launched integrated with the CRM sharing the Victorian Government Single Digital Presence platform
- Two workshops about the Victorian Building System Review conducted by the Expert Panel
- The ARBV's response to the Framework for Reform of the Building System submitted

## June

- Full suite of Regulatory Strategy documents, including a Proactive Strategic Plan and Performance Monitoring Framework and adoption of risk profiling methodology approved
- Realigned organisational structure approved by the Board for implementation in 2021-22
- 2021-2022 Business Plan and Delivery Plan approved by the Board
- Revised Board Induction Manual approved by the Board
- APE Part 1 – Logbook and Statement of Practical Experience
- APE Part 3 – Examination conducted by remote interview

In 2020-21, the ARBV continued to enhance the delivery of its core functions and implemented several initiatives to improve regulatory outcomes and deliver its purpose to protect the community interest and instil confidence in the regulation, integrity and delivery of architectural services in Victoria.

Despite the coronavirus (COVID-19) restrictions and working remotely, ARBV's dedicated and capable team of staff worked with the Board on a very busy program of work focused on achieving best practice regulation, with several ongoing projects and key initiatives finalised or close to finalisation.

Priority areas focused on by ARBV in 2020-21 included:

- revising the risk-based Regulatory Strategy and regulatory objectives underpinning the strategy and developing a proactive strategic plan, performance monitoring framework and risk profiling framework
- embracing digital processes and improved data analytics by implementing a fit for purpose Customer Relationship Management system (CRM) operational for 2021-22 annual renewal of registration
- launching a new more user-friendly website integrated with the CRM sharing the Victorian Government Single Digital Presence platform
- developing guidance material for use by architects and consumers available on the website
- providing leadership of the National Registrars Forum and co-operating with co-regulators to share information and insights
- building on relationships with key stakeholders and Government
- supporting Government improvement initiatives and participating in consultation processes exploring sectoral reforms
- developing policies, processes and procedures to support delivery of core services
- establishing a dedicated human resources function
- workforce planning and assessing resources to ensure the organisational structure will enable ARBV to deliver its regulatory responsibilities and meet its obligations as a contemporary regulator
- building improved and effective communications with consumers and architects
- enhancing financial systems, processes and reporting and approach to risk management
- improving Board systems and processes
- working on relocating the office premises due to the redevelopment of the old site, ensuring appropriate facilities for staff and those attending for examinations, disciplinary hearings and other business.

The above focus by ARBV ensured that the expectations contained in the Ministerial Statement of Expectations for 2019-2021 relating to key governance and performance priorities were largely met, despite the challenges created by coronavirus (COVID-19).

## Compliance

The ARBV compliance function exercises the regulatory powers of the Architects Act 1991 (Vic) (the Act) to protect the public interest. The Act enables the ARBV to investigate matters on its own initiative or on the complaint of any person.

The ARBV continues to increase its ability to generate and process information to develop actionable intelligence which informs its proactive activities to enable greater focus on higher risk matters and initiate early and timely regulatory responses. Sharing of information and insights with related co-regulatory bodies, in accordance with privacy principles and information sharing requirements, remains a key part of the regulatory strategy.

Central to the ARBV's data and intelligence capabilities is the newly introduced CRM that enables more enduring and accessible data and record management, as well as the ability to identify trends and emerging issues with significantly greater efficiency.

### Professional Conduct of Architects

Architects must demonstrate conduct that is professional. This includes but is not limited to fulfilling the obligations detailed in the 'Victorian Architects Code of Professional Conduct' (contained within the Architects Regulations 2015).

The Code sets out requirements architects must comply with relating to:

- standards of conduct
- skills and knowledge
- approval of documents
- contracts and agreements with clients
- administering a building contract for a client
- professional fees and costs
- provision of information to clients
- retaining documents and record keeping
- maintaining confidentiality of client information
- disclosing conflicts of interest, referrals, and endorsements
- engendering confidence in and respect for the profession
- maintaining standards and integrity of the profession.

Following investigation, the ARBV may determine that an Architects Tribunal inquiry should be held into an architect's professional conduct and/or fitness to practise. If the Tribunal finds allegations against an architect proven, it may make determinations against the architect that include cautions, reprimands, mandatory further education, registration conditions, and suspension or cancellation of registration. The ARBV is required to enforce any determinations made by the Tribunal.

The Act provides that:

- a person whose interests are affected by an ARBV determination not to refer an architect's conduct or fitness to practise for inquiry may apply to the Victorian Civil and Administrative Tribunal for a review of that determination
- an architect may apply to the Victorian Civil and Administrative Tribunal for a review of an Architects Tribunal determination concerning them.

### Prohibited Conduct

To be an architect, a person must be registered with the ARBV. The education and experience required for registration, coupled with the professional conduct obligations and the need to have compliant professional indemnity insurance cover, contribute towards the public being protected and being able to have confidence in the profession.

If a person or body is not registered with the ARBV, they are not an architect in Victoria. If a person or body represents themselves or allows themselves to be represented as an architect, they are in breach of the Act's prohibited conduct provisions.

Breaches of the Act's prohibited conduct provisions may be prosecuted in the Magistrates Court of Victoria by the ARBV.



# Compliance Activity Statistics

| Professional Conduct of Architects                                      | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21          |
|---|---------|---------|---------|---------|------------------|
| Investigations initiated  | 14      | 10      | 30      | 77      | 67               |
| Reactive (complaints)   |         |         | 27      | 63      | 63               |
| Proactive (initiated by ARBV)   |         |         | 3       | 14      | 4 <sup>(2)</sup> |
| Investigations completed – not referred for inquiry                     |         |         | 6       | 33      | 63               |
| Investigations completed – not referred for inquiry, but written advice |         |         |         |         | 14               |

## Notes:

1. Where no values are shown this indicates the category was not previously reported.
2. Numbers of proactive (initiated by ARBV) professional conduct matters in 2020-21 were expected to be low as ARBV was still developing a proactive strategic plan that is consistent with the statutory framework.

# Compliance Activity Statistics

| Professional Conduct of Architects      | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------|---------|---------|---------|---------|
| Matters referred to Architects Tribunal | 4       | 3       | 6       | 4       | 2       |

## Notes:

1. For the 2016/17 to 2017/18 reporting periods, outcomes reported reflect only matters referred to the Tribunal in response to complaints (reactive).
2. 2018-19 and 2019-20 reporting reflects matters referred to the Tribunal in response to complaints (reactive) and investigations of a reactive (complaints) and proactive nature (ARBV initiated).

| Professional Conduct of Architects      | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------|---------|---------|---------|---------|
| Architects Tribunal Inquiries Completed | 2       | 2       | 6       | 6       | 1       |

# Compliance Activity Statistics

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## Prohibited Conduct

The Act prohibits representations as an architect by people or bodies who are not architects and enables the ARBV to investigate potential offences and to initiate proceedings in the Magistrates Court of Victoria.

As a consumer protection mechanism, the Act's prohibited conduct provisions ensure the public can have confidence in an architect's:

- qualifications, skills, and experience
- regulatory requirements
- professional indemnity insurance cover.

During the 2020-21 reporting period 64 potential breaches were investigated.

# Compliance Activity Statistics

| Prohibited Conduct  | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21           |
|---|---------|---------|---------|---------|-------------------|
| Investigations initiated  | 72      | 86      | 79      | 73      | 64 <sup>(3)</sup> |
| Investigations in which prohibited conduct was not identified                                 |         |         |         |         | 29                |
| Investigations in which prohibited conduct was identified, compliance was able to be achieved |         |         |         |         | 32                |
| Investigations referred for prosecution advice  | 12      | 8       | 4       | 4       | 0                 |
| Prosecutions initiated  |         |         | 1       | 0       | 0                 |
| Completed prosecutions  | 8       | 5       | 1       | 0       | 0                 |

## Notes:

1. Prosecutions initiated were first reported on in 2018-19.
2. Where no values are shown this indicates the category was not previously reported.
3. 61 investigations were completed, though some were initiated prior to 2020-21. Some cases initiated in 2020-21 remained open at the end of 2020-21

# Compliance

## Activity Statistics

### Tribunal

Professional conduct and/or fitness to practise inquiries are conducted by the Architects Tribunal which is independent of the Board. A Tribunal is constituted as required, from a panel of suitably qualified people appointed by the Minister and approved by the Governor in Council.

An Architects Tribunal is constituted as follows:

- one panel member who is a practising architect
- one panel member who is not an architect
- one panel member who is a representative of consumer interests.

At least one member of a Tribunal is to be a person with legal experience and knowledge.

If the Architects Tribunal finds allegations against an architect proven, it makes determinations regarding penalty and costs.

The ARBV is required to enforce the determinations made by the Tribunal.

Number of new cases referred to the Tribunal for inquiry in 2020-21 – 2

Number of inquiries finalised in 2020-21 – 1

### Compliance with Professional Indemnity Insurance requirements

Section 8B and 8C of the Act require practising architects to be covered by professional indemnity insurance that complies with requirements set out in the Architects Insurance Ministerial Order of February 2020. The Board audits compliance with this requirement and suspends the registration of architects who fail to comply. The newly introduced CRM will enable more efficient auditing of compliance with insurance obligations.

# Registration

Registration is an important regulatory requirement that controls entry to the profession and provides assurance to consumers that architects possess a high standard of education and experience, adhere to prescribed standards of professional practice and hold professional indemnity insurance.

## Qualifications for registration

The fit and proper person (FPP) requirements for registration (first introduced in July 2020) have been integrated into the registration process. Registrants are now required to answer questions related to their fitness to practice. ARBV has also introduced an enduring declaration at renewal for registrants to provide details of changes in their registration related to the FPP requirements contained in section 10A of the Architects Act 1991 (Vic) (the Act).

FPP is determined during the granting of registration process and can help to provide initial insights into the risk profiling of a regulated entity. This initial understanding of risk profiles provides useful information to inform education and monitoring of newly regulated entities.

To be eligible for registration as an architect, a person must have been engaged for not less than two years in practical architectural work and attained a standard of professional practice satisfactory to the ARBV. The legislation makes provision for

the Architectural Practice Examination (APE) for this purpose, being the APE administered by the architect registration boards in collaboration with the AACA. The APE has been adopted by all Australian state and territory architect registration boards, providing for national consistency in pre-registration examination.

The APE is the most common pathway to registration and is held twice in each calendar year. The other pathways to registration are administered by the AACA and include the Experienced Practitioner Assessment (EPA) – for both overseas experienced and locally experienced individuals and overseas mutual recognition (APEC and US architects).

While continuing to deliver registration business as usual services as described above, the emphasis in 2020-21, consistent with the overall organisational strategy, has been to deliver enhancements to the registration function. This has included:

- Assist in the implementation of a Customer Relationship Management system (CRM) and a new website sharing the Victorian Government Single Digital Presence platform.

- Reviewing and developing policies and procedures as part of the implementation of the regulatory strategy and to ensure they meet legislative requirements.
- Collaborating with the AACA and other architect registration boards to implement improvements to relevant registration and examination procedures and processes.
- Working to ensure that registration pathways remain nationally consistent.
- Reviewing and improving record management for registrant records.
- Managing the Continuing Professional Development (CPD) process, including the implementation of the mandatory CPD declaration.
- Improving communications regarding the registration renewal process and the overall regulatory framework.
- Contributing to content for the revised ARBV Update provided periodically through the year to registrants.
- Assist with the accreditation processes administered by the AACA.

# Registration

## APE held remotely

Due to coronavirus (COVID-19) impacts, the ARBV worked to assist the AACA to move the APE examinations to online platforms. In October and November, the ARBV held over 300 Part 3 interviews online. This involved creating new procedures and processes for the interviews, and ensuring the interviews were conducted in a timely manner.

## APE Examiner Panel

The recruitment process for the APE examiner panel, was finalised in mid-2020. The panel consists of 74 Architects with a range of experience. Training for the examiners took place in September 2020 remotely. Examiners were provided with information and guidance about conducting the examination, including

how to conduct an examination in an online setting.

## ARBV Conferring Ceremony

The ARBV Certificate Conferring Ceremony (CCC) is typically held as an annual event to acknowledge newly registered architects in Victoria. Due to coronavirus (COVID-19) the 2020 CCC was postponed and resumption of CCC's remain uncertain in the current environment.

## Payment of Annual Fees

The ARBV has continued to improve communications about the renewal process to promote compliance by registrants with the 1 July date for payment of prescribed annual fees. The introduction of the CRM and the timing of the release by Government of the increase in fee units for 2021 delayed the commencement of the

registration renewal period. With a shorter renewal period and the ongoing impacts of coronavirus (COVID-19), ARBV observed an increase in non-payment of annual fees compared to 2019-20, with 266 registrants not having paid by the due date.

Where the prescribed fee is not paid by the due date (which may be extended in agreed circumstances, e.g. through the Financial Hardship Policy) ARBV may initiate steps to suspend the registration of the regulated entity. If a regulated entity continues to fail to pay without a reasonable excuse, a recommendation may be made to the Board to suspend their registration.

## Numbers of suspensions since 2018-19

## Number of Suspensions

## % of Total Registrants

Suspensions relating to non-payment of 2018-19 annual fees

332

6.3%

Suspensions relating to non-payment of 2019-20 annual fees

78

1.4%

Suspensions relating to non-payment of 2020-21 annual fees

45

0.93%

# Registration and Architectural Practice Examination Statistics

| <b>New Registrants</b>                | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Architect Registrations               | 304            | 322            | 403            | 347            | 315            |
| Company Approvals                     | 73             | 81             | 75             | 102            | 87             |
| Partnership Approvals                 |                |                | 0              | 3              | 0              |
| <b>Changing of Registration Class</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> |
| Practising to Non-Practising          |                |                | 50             | 135            | 121            |
| Non-Practising to Practising          |                |                | 55             | 82             | 72             |

## Notes:

1. Partnerships were previously combined with companies for reporting purposes.
2. Changing of Registration Class was first reported on in 2018-19.



# Registration and Architectural Practice Examination Statistics

| Total Architects on Register at 30 June | 2016-17     | 2017-18     | 2018-19     | 2019-20     | 2020-21     |
|---|-------------|-------------|-------------|-------------|-------------|
| Practising                              | 4046        | 4380        | 4633        | 4822        | 5025        |
| Non-Practising                          | 1141        | 1214        | 1868        | 2005        | 3083        |
| <b>Total</b>                            | <b>5187</b> | <b>5594</b> | <b>6501</b> | <b>6827</b> | <b>8108</b> |

## Notes:

1. Increase in Non-Practising between 2017-18 and 2018-19 results from the inclusion of previously non-reported architects e.g. retired. The Act does not provide for resignation or removal from the register other than through suspension or cancellation.
2. Total numbers do not include cancelled or suspended registrations at 30 June.
3. The increase in non-practising registrations for 2020-21 is due to the implementation of the CRM data migration, as historically some registrants had been placed in an inactive status not the non-practising class.

| Total Companies and Partnerships on Register at 30 June | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---------|---------|---------|---------|---------|
| Companies   | 1001    | 1043    | 1046    | 1112    | 1176    |
| Partnerships  |         |         | 26      | 27      | 27      |

## Notes:

1. Partnerships were previously combined with companies for reporting purposes.

# Registration and Architectural Practice Examination Statistics

| Architectural Practice Examination | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|------------------------------------|---------|---------|---------|---------|---------|
| Number of Candidates               | 248     | 361     | 351     | 430     | 418     |
| Successful Candidates              | 224     | 318     | 222     | 183     | 373     |
| Unsuccessful Candidates            | 24      | 43      | 129     | 24      | 45      |

## Notes:

1. Due to coronavirus (COVID-19) only one APE session was completed in the financial year 2019-20 which has impacted outcomes.

| Suspension of registration/ approvals at 30 June | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|--|---------|---------|---------|---------|---------|
| Architects Suspended                             |         |         | 474     | 472     | 438     |
| Companies Suspended                              |         |         | 257     | 251     | 250     |
| Partnerships Suspended                           |         |         | 16      | 15      | 16      |

## Notes:

1. Suspensions were not previously reported prior to 2018-19.

## Finance and Corporate Services

The ARBV launched its new website and implemented a new fit for purpose Customer Relationship Management system (CRM) which provides significant improvements in delivering the ARBV's core regulatory functions, service delivery, data analysis and sovereignty of data held onshore. The managed information technology (IT) provider has delivered improved service, better value for money and provided employment for persons in Australia.

In addition to the above initiatives, the Finance and Corporate Services function continued to provide service delivery for a range of internal and external stakeholders. In 2020-21, ARBV continued to improve core operational policies and procedures. It also worked to achieve financial procurement efficiencies as well as improving risk management and heightening risk awareness more broadly. Information security and document management have also been areas of focus.

The ARBV continued to strengthen its governance and risk oversight by conducting an internal audit program to identify improvements and promote best practice.

Further improvements are being delivered in the following areas:

### Customer Relationship Management system (CRM)

The CRM system has been implemented and moved into a warranty period and business as usual phase after year end. The CRM provides considerable improvements in self-service, workflow management, reporting, auditability and data sovereignty.

### New Website

The ARBV launched a new more user-friendly website which is integrated with the new CRM. This simplifies navigating and using our services, makes it easier for regulated entities to complete transactions, and provides consumers and architects with guidance and educational materials that drive improved regulatory outcomes. The website shares the Victorian Government Single Digital Presence platform, increasing ARBV's profile and visibility to consumers and architects as a statutory authority regulator.

## Human Resources

A new Australian owned and operated payroll and HR Management System, which provides significantly improved functionality has been purchased and implemented. In addition to a payroll function, the new system includes modules for management of learning and development, annual performance planning and review and the capacity to capture other core human resources processes on a single system.

In April 2021, a Human Resources professional was engaged on a part-time basis by the ARBV, and Human Resources became a discrete function separate from Finance and Corporate Services.

The ARBV concluded a new Enterprise Agreement which aligns to the Victorian Public Service Agreement's terms and conditions. This agreement was approved by the Fair Work Commission in May 2021 and will be in place for three years.

## Finance System

More thorough and timely reconciliations and reviews have been a focus in 2020-21. This included enhanced vendor master file security reviews as well as integration of customer integration between the new CRM and the finance system.

## Risk

Further improvements to risk management based on the Board approved revised Risk Management Policy and Framework, included updating risk registers, controls and treatments. The ARBV developed a Protective Data Security Plan aligned to the Victorian Protective Data Security Framework.

## Governance

Improving Board systems and processes were a focus in 2020-21 as well as continued enhancement of ARBV's governance frameworks to better meet whole of government accountabilities including compliance and reporting obligations.

The Board election pursuant to section 47(2)(c) of the Architects Act 1991 (Vic) for architect nominated candidates was concluded in April 2021. The results of the election for the nominated architects were published in the Victorian Government Gazette (G18 6 May 2021) and provided to the Minister for Planning and the Minister's portfolio agency DELWP. The process for appointment of Board members, including architects nominated for appointment by election, is managed by DELWP which is responsible for undertaking requisite probity and suitability checks and making a recommendation to the Minister.

The appointment of Board members had not been finalised at the end of the reporting period.

## Legal Services

The focus for Legal Services in 2020-21 included:

- development and implementation of significant legislative and regulatory changes
- revisions to the Professional Indemnity Insurance framework applied to the architectural profession in response to the cladding issues and the insurance markets response
- introduction of new guidance material for panel members of the Architects Tribunal, providing them with information on the administrative framework and operation of the Tribunal
- revision of the Regulatory Strategy including the reformulation of the regulatory objectives underpinning the strategy and the development of the proactive strategic plan and performance monitoring framework
- assistance to Architects Tribunal on inquiries and oversight of prosecutions

- oversight of application for review in the Victorian Civil and Administrative Tribunal
- review of processes in place between ARBV and the Architects Tribunal
- development of a revised privacy policy and collection statement.

# Transparency and Accountability

## Corporate Plan

The ARBV's three-year Corporate Plan 2019–22 endorsed by the Board in May 2019, provided the guidance for the resulting Business Plan for 2019-20 approved by the Board in June 2019. The ARBV continued working in 2020-21 to achieve the key initiatives and projects identified in the Business Plan for 2019-20. The Corporate Plan established a roadmap for the future in providing a clear guide for its activities and continually building on its work during the duration of the Plan.

The Plan is built on the ARBV's:

### Long Term Outcomes

- A capable, compliant and informed profession.
- A community that understands the role of architects and the ARBV.
- A modern, trusted and connected regulator.
- A regulatory framework that drives strong outcomes.

## Key Strategies

- Build a high performing, focused and sustainable organisation.
- Implement effective systems and processes.
- Undertake effective communications and stakeholder engagement.
- Deliver and implement an effective regulatory strategy.
- Drive improvements to the regulatory framework while optimising use of the existing framework.

As part of the Corporate Planning process, indicators of success to achieving the long-term outcomes have been developed and incorporated in the published plan. Those outcomes will be delivered and measured through the identified strategies and actions over the three-year life of the Plan.

### Statement of Expectations

The revised Statement of Expectations (SOE) framework, issued by the Minister for Planning in August 2019 for the period to June 2021, included the following performance improvements and targeted outcomes.

## SOE framework

### SOE Performance Improvements and Targeted Outcomes

### SOE Target

### ARBV Progress

#### Improved timeliness

Simplifying and improving timeliness of services by providing a client focused digitally enabled system to replace paper-based lodgements and interactions with the ARBV staff.

By 30 June 2021

- (a) a client focussed digitally enabled systems is successfully implemented and is operating effectively.
- (b) reporting on timeliness of service is published in ARBV annual report and website.

#### Completed

A fit for purpose Customer Relationship Management System (CRM) has been implemented and was operating effectively for renewals of registration for 2021-22.

Reporting on timeliness of service to commence in 2021-22 following implementation of CRM and launch of ARBV's new website in May 2021.

# SOE framework

## SOE Performance Improvements and Targeted Outcomes

## SOE Target

## ARBV Progress

### Risk-based strategies

- Development of a public facing risk-based and evidence-led regulatory strategy
- Key regulatory outcomes are published in the ARBV annual report.

By 31 July 2019 the risk based regulatory strategy is published on the ARBV website.

By 30 June 2021 the risk based regulatory strategy is being applied to improve compliance through:

- development of risk profiles as predictors for likelihood of non-compliance
- focused strategies addressing the current major and emerging key compliance issues
- development of improved data analytics in:
  - > identifying emerging trends and tailoring of services;
  - > better targeting of areas of non-compliance of most need and effect.

### Completed

Projects completed in 2020-21 include:

- Revision of the Regulatory Strategy
- Statement of Regulatory Approach updated in line with the revised strategy and published on the ARBV website
- Proactive Strategic Plan developed for implementation in 2021-22
- Performance Monitoring Framework developed for implementation in 2021-22
- Operations Manual updated to support revised regulatory strategy.
- Risk Profiling Framework developed for implementation in 2020-21

The above focused strategies, together with improved data analytics and the CRM, will enable the ARBV to address emerging compliance issues and tailor services to better target higher risk areas of non-compliance.

## SOE framework

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### SOE Performance Improvements and Targeted Outcomes

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### SOE Target

### ARBV Progress

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#### Compliance-related assistance and advice

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Activities to support regulated entities' compliance, including the development of guidance, education and support.

By 31 December 2020 guidance material to support regulated entities with their compliance obligations has been reviewed, updated and made available on ARBV's website.

#### **Completed**

Guidelines are available on ARBV's website and communicated to registrants.

Guidance material, education and support will continue to be developed as part of the Proactive Strategic Plan.

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#### Cooperation among regulators

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Establishment of information sharing agreements with key co-regulatory bodies.

By 30 June 2021 information sharing agreements with key co-regulatory bodies to be established.

Information sharing agreement is in place with VBA.

The ARBV notes that work is planned by DELWP in relation to information sharing between building system entities and the department. That work is expected to assist ARBV in progressing information sharing agreements underway with other regulatory agencies.

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## SOE framework

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### SOE Performance Improvements and Targeted Outcomes

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### SOE Target

### ARBV Progress

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#### Stakeholder Consultation & Engagement

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Development and implementation of a communications and stakeholder engagement strategy

By 31 December 2019 implementation of a communications and stakeholder engagement strategy has commenced with a view to full implementation by 31 December 2020.

#### **Completed**

ARBV revised its 2019 communication and stakeholder engagement strategy in 2020-21 and the updated strategy was approved by the Board in April 2021.

Establishment of a regulatory forum for regulators of Australian architects in other jurisdictions

By 30 June 2021 the jurisdictional regulatory forum will be operating with a view to sharing information and learning to improve consistency in regulatory activities nationally and within jurisdictions.

#### **Completed**

Forum meets on a quarterly basis.

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## SOE framework

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### SOE Performance Improvements and Targeted Outcomes

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### SOE Target

### ARBV Progress

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#### Accountability & Transparency

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Establishment of an industry and consumer forum to provide feedback and guidance on the delivery of the regulatory strategy.

By 30 June 2021 the industry and consumer forum will be in operation effectively and its findings used to inform the ARBV's regulatory activities and a review of the effectiveness of the ARBV's regulatory strategy.

While considerable work was undertaken to establish Terms of Reference for the forum, the ongoing coronavirus (COVID-19) pandemic led the ARBV to revise the format of the forum in early 2021. The forum has been revised to incorporate a wider range of strategies to obtain feedback from a broad cross-section of stakeholders. This includes surveys and other targeted communications the ARBV has been working on.

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## Sector and Legislative Reform

### Victorian Building System Review

Following work undertaken by the Victorian Cladding Taskforce highlighting a need for reforms in the building sector, the Victorian Government announced in December 2019 the establishment of an independent Expert Panel to conduct a comprehensive review of Victoria's building regulatory system. The Expert Panel's work has been conducted in parallel with work being undertaken by the Australian Building Codes Board to develop a framework for implementation of the findings of the Building Confidence Report (2018).

On 7 April 2021, the Expert Panel released for consultation its discussion paper containing a Framework for Reform for modernising Victoria's building system. As the Expert Panel proposed several significant reforms, including changes to the regulatory regime that governs architects, the ARBV thoroughly considered the Panel's proposals and provided a written submission in response. At the same time ARBV communicated its interest in participating in the reform process as it evolves. The written response was supplemented by ARBV's responses to relevant questions posed by the Expert Panel. The ARBV also participated in two workshops with building sector regulators and the Expert Panel in May 2021.

### Automatic Mutual Recognition

In August 2020, the Australian Government announced that the commonwealth, and state and territory governments had agreed to introduce a uniform scheme for the Automatic Mutual Recognition (AMR) of occupational registrations. On July 2021, commonwealth, state and territory governments introduced AMR to streamline long-standing mutual recognition arrangements and improve occupational mobility by removing additional fees and paperwork and making it easier and less expensive for registered professionals to operate in multiple jurisdictions. While AMR commenced in Victoria on 1 July 2021, the Victorian Government decided to delay several occupations from the start of AMR, including architects.

The ARBV has worked with DELWP in relation to legislative amendments to the Architects Act 1991 (Vic) to facilitate AMR and ensure intended safeguards operate. The ARBV has also met regularly with the Architects Accreditation Council of Australia (AACA) and interstate architect registration boards to discuss the introduction of AMR and how information can best be shared in a timely manner between jurisdictions.

To promote its readiness for AMR for architects and mitigate against risks, the ARBV has sought to engage with other regulators to share insights and resources.

### Amendments to the Architects Act 1991

Proclamation of the Building and Environment Protection Legislation Amendment Act 2020 (Vic) took effect on 28 July 2020, bringing into operation changes to the Architects Act 1991 (Vic) designed to improve the regulatory regime in the building and construction sector and modernise and strengthen the Architects Registration Board of Victoria.

These changes were implemented to ensure the ARBV could effectively carry out its regulatory strategy, build a stronger profession and meet community expectations.

Key amendments to the Act included:

- substituting a 'fit and proper person' (FPP) test for the 'good character' test
- introducing a power to require the production of information or documents
- introducing a power of immediate suspension of registration
- introducing a head of power to mandate continuing professional development (CPD) for architects.

## Sector and Legislative Reform

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The Act also incorporated a number of other amendments including extending the term of Board members appointment from two, to up to three years, repealing the provision that restricts replacement ARBV Board members from holding office only for the rest of the term of appointment of the member whose place he or she fills and changing suspensions of registration relating to Professional Indemnity Insurance (PII) by including PII grounds as a basis for immediate suspension, pending inquiry.

In 2020-21 the ARBV updated processes, procedures and forms to incorporate new requirements (e.g. FPP test and CPD) and monitor compliance, this encompassed incorporating those requirements in the CRM and on the new website. Embedding and monitoring such requirements builds a stronger profession, enhancing community confidence. The ARBV has also worked on gaining a clear understanding of the extent of its power to require production of information or documents to ensure the exercise of the power is consistent with the statutory framework. Consistent with the amendments, appointments to the ARBV Board will be made for three years increasing continuity and the capacity of Board members to make an effective contribution during their term of office.

# A Snapshot of Key Activities

In addition to sector and legislative reforms, ARBV has been involved in progressing several key regulatory and operational activities in 2020-21 as already referred to in this report. Key activities have included:

## CRM and Website

The ARBV embraced digital processes and improved data analytics by implementing a Customer Relationship Management system (CRM) that was operational for 2021-22 annual renewal of registration. Central to the ARBV's data and intelligence capabilities the CRM enables more enduring and accessible data and record management, as well as the ability to identify trends and emerging issues with significantly greater efficiency. The CRM also provides considerable improvements in terms of user self-service, workflow management, reporting, auditability and data sovereignty.

ARBV also launched a new more user-friendly website integrated with the CRM. This new website simplifies navigating and using our services, makes it easier for regulated entities to complete transactions, and provides consumers and architects with guidance and educational materials which drives improved regulatory outcomes. The website shares the Victorian Government Single Digital Presence platform, increasing ARBV's profile and visibility

to consumers and architects as a statutory authority regulator.

## Regulatory Strategy and Development of Proactive Strategic Plan, Performance Monitoring Framework and Risk Profiling

Over recent years the ARBV has made significant changes to its regulatory strategy, policies and procedures to ensure it meets its obligations as a contemporary regulator. The Regulatory Strategy embeds a risk-based approach to regulation and enables the ARBV to target its resources at the compliance areas and issues that pose the greatest risk to the public, while minimising undue regulatory intrusion and burden. In 2020-21, the ARBV continued to build on and enhance its regulatory approach to keep pace with sectoral changes, including the emergence of systemic risks. Central to this development was the revision and refinement of the Regulatory Strategy, including the establishment of a proactive strategic plan, a performance monitoring framework and risk profiling criteria for regulated entities.

## Guidelines for architects

In 2020-21, the ARBV continued to develop guidance material for use by architects which can also assist consumers. These Architect Guidelines are made available on the ARBV website. Guidance material has been developed in relation to the following:

- Classes of registration
- Client-architect agreements
- Conflicts of interest
- Informing and agreeing on client access to project material
- Obligations to inform client
- Professional fees and costs

## National Registrars Forum

The National Registrars Forum was initiated in April 2019 and brought together cross-jurisdictional regulators to share best practice, better understand risk and to work towards a nationally consistent approach to the regulation and oversight of the architectural profession.

At meetings of the National Registrars Forum in 2020-21 matters discussed included:

- information sharing arrangements between architect registration boards
- APE review, including the revising the pathways to registration

## A Snapshot of Key Activities

- the revision of the National Standard of Competency (NSCA)
- the continued transition for the APE to online platforms for the delivery of the program
- the automatic mutual recognition scheme.

The ARBV anticipates that staff will be able to move in and commence working from the new premises in late 2021, but this will depend on the status of coronavirus (COVID-19) restrictions at that time.

### Review of organisational structure

A dedicated human resources function was established by ARBV in 2020-21. An important task of the function was to assess staffing resources and undertake workforce planning to ensure the ARBV is effectively structured in 2021-22 to deliver its regulatory responsibilities and meets its obligations as a contemporary regulator. A realigned organisation structure was approved by the ARBV Board at its June 2021 meeting and will come into operation in 2021-2022.

### Office relocation

Due to the redevelopment of the site where its previous office was located, ARBV had to search for and secure new premises in 2020-21, to ensure appropriate facilities for staff and for those attending for examinations, disciplinary hearings and other business. A lease commenced in April 2021 for new premises at Level 10, 533 Little Lonsdale Street, Melbourne and arrangements for fit out works to be completed were in progress at the end of the reporting period.

# Architects Registration Board of Victoria Financial Management Compliance Attestation Statement

21 September 2021

I, Dr Giorgio Marfella, on behalf of the Board, certify that the Architects Registration Board of Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions of the Minister for Finance under the Financial Management Act 1994 and Instructions.



**Dr Giorgio Marfella**

Chairperson  
Architects Registration Board of Victoria  
Date signed: 21 September 2021

# 2020-21 Financial Year Review

## Financial performance and business review

In 2020-2021, the ARBV recorded a net surplus of \$67,851 which was a \$238,562 improvement on the net deficit of \$170,711 in 2019-2020.

Revenue increased by \$316,577 due primarily to applications and registration income increasing by \$161,661 and examination income increasing by \$169,465, the latter being a result of:

- coronavirus (COVID-19) impacts, which forced examinations planned for 2019-2020 to be rescheduled to 2020-2021,
- exam fee increases to recover cost increases for externally facilitated exams, and
- an increase to the number of exam participants.

Expenditure increased by \$78,015 which included:

- employee expense increases of \$105,390, including Enterprise Agreement back payments, recruitment and training and reinstatement of payroll tax post coronavirus (COVID-19) relief programs

- professional (consulting) services increases of \$102,688 including:
  - procurement, tendering and implementation support for a new Customer Relationship Management system (CRM)
  - assistance with the revision of ARBV's Regulatory Strategy
- examination increases of \$32,485 reflecting an increase in exam participants
- depreciation increases of \$22,381 due primarily to depreciation on the Right of Use building lease.

Offsetting these increases, were reductions totalling \$179,068 compared to 2019-2020 for legal services, administration (including information technology) and occupancy expenses.

## Financial position

Net assets increased to \$1,348,654 as a result of the net surplus for the year.

Total assets increased by \$545,735 and total liabilities increased by \$477,930 relative to 2019-2020. A Right of Use asset for the lease of new premises is recognised at \$619,218 and is offset on the liabilities side of the balance sheet by a lease liability of \$620,650.

Cash is lower by \$239,812 largely reflecting the \$180,089 increase in intangible assets (CRM and website), the net cash outflow of \$40,326 from operating activities and the purchase of minor plant and equipment totalling \$19,352.

Income received in advance (fees) reduced by \$200,595 due primarily to implementing a new CRM resulting in a delay in the yearly renewal process.

The annual financial statements have been prepared using the going concern basis of accounting.



## ARBV five-year financial summary

| ARBV five-year financial summary         | 2021             | 2020             | 2019             | 2018             | 2017             |
|--|------------------|------------------|------------------|------------------|------------------|
| Total income from transactions           | 2,501,132        | 2,184,555        | 2,477,596        | 2,124,263        | 1,975,946        |
| Total expenses from transactions         | 2,433,281        | 2,355,266        | 2,379,098        | 2,066,187        | 1,805,602        |
| Sponsorships and donations (1)           | 0                | 5,000            | 25,782           | 61,000           | 70,000           |
| Net result for the period                | 67,851           | (170,711)        | 98,498           | 58,220           | 171,000          |
| Net cash flows from operating activities | -40,326          | 476,231          | 144,208          | 303,439          | 152,876          |
| <b>Total assets</b>                      | <b>3,915,471</b> | <b>3,369,736</b> | <b>2,934,365</b> | <b>2,786,808</b> | <b>2,494,405</b> |
| <b>Total liabilities</b>                 | <b>2,566,817</b> | <b>2,088,887</b> | <b>1,482,805</b> | <b>1,433,746</b> | <b>1,199,563</b> |

### Notes:

1. Sponsorships and donations are included in the net result for the period.

# Financial Statements

## Architects Registration Board of Victoria - Financial Statements

### How this report is structured

The Architects Registration Board of Victoria (ARBV) has presented its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about the ARBV's stewardship of resources entrusted to it.

|   |    |
|---|----|
| Financial statements  | 50 |
| Declaration in the financial statements                               | 51 |
| Independent auditor's report  | 52 |
| Comprehensive operating statement                                     | 54 |
| Balance sheet   | 55 |
| Statement of changes in equity  | 56 |
| Cash flow statement   | 57 |
| Notes to the financial statements                                     | 58 |
| <b>1. About this report</b>   | 58 |
| <b>2. Funding delivery of our services</b>                            | 59 |
| 2.1 Summary of Income that funds the delivery of our services         | 59 |
| <b>3. The cost of delivering services</b>                             | 60 |
| 3.1 Expenses incurred in delivery of services                         | 60 |
| 3.2 Administration expenses   | 63 |
| <b>4. Key assets available to support output delivery</b>             | 64 |
| 4.1 Plant and equipment   | 64 |
| 4.2 Right of Use assets   | 65 |
| 4.3 Intangible assets   | 66 |
| <b>5. Other assets and liabilities</b>                                | 67 |
| 5.1 Receivables   | 67 |
| 5.2 Income received in advance  | 68 |
| 5.3 Payables  | 68 |
| <b>6. How we financed our operations</b>                              | 69 |
| 6.1 Cash flow information and balances                                | 69 |
| 6.2 Lease liabilities   | 69 |
| 6.3 Commitments for expenditure                                       | 71 |
| <b>7. Risks, contingencies and valuation judgements</b>               | 70 |
| 7.1 Financial instruments specific disclosures                        | 70 |
| 7.2 Contingent assets and liabilities                                 | 79 |
| <b>8. Other disclosures</b>   | 80 |
| 8.1 Other economic flows included in net result                       | 80 |
| 8.2 Responsible persons   | 81 |
| 8.3 Remuneration of executives  | 82 |
| 8.4 Related parties   | 82 |
| 8.5 Remuneration of auditors  | 83 |
| 8.6 Subsequent events   | 83 |
| 8.7 Australian accounting standards issued that are not yet effective | 83 |
| 8.8 Glossary of technical terms                                       | 84 |
| 8.9 Style conventions   | 85 |

# Financial Statements

## Declaration in the financial statements

The attached financial statements for the Architects Registration Board of Victoria (ARBV) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the ARBV at 30 June 2021.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on the 1 September, 2021



D. O'Beirne  
Chief Finance Officer  
ARBV

Melbourne  
Date 1 September 2021



G. Fox  
Chief Executive Officer  
ARBV

Melbourne  
Date 1 September 2021



G. Marfella  
Chairperson of the Board  
ARBV

Melbourne  
Date 1 September 2021



Victorian Auditor-General's Office

## Independent Auditor's Report

To the Board of the Architects Registration Board of Victoria

|  |   |
|--|---|
| <b>Opinion</b>   | <p>I have audited the financial report of the Architects Registration Board of Victoria (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2021</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p> |
| <b>Basis for Opinion</b>                                 | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>.</p> <p>My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>                       |
| <b>Board's responsibilities for the financial report</b> | <p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>  |

Level 31 / 35 Collins Street, Melbourne Vic 3000  
 T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

MELBOURNE  
6 September 2021



Paul Martin  
as delegate for the Auditor-General of Victoria

# Financial Statements

## Comprehensive operating statement for the financial year ended 30 June 2021

|   | Notes | 2021             | 2020             |
|---|-------|------------------|------------------|
|   |       | \$               | \$               |
| <b>Continuing operations</b>                                |       |                  |                  |
| <b>Income from transactions</b>                             |       |                  |                  |
| Revenue from continuing operations                          | 2.1   | 2,501,132        | 2,184,555        |
| <b>Total income from transactions</b>                       |       | <b>2,501,132</b> | <b>2,184,555</b> |
| <b>Expenses from transactions</b>                           |       |                  |                  |
| Application for registration                                |       | 29               | 6,585            |
| Annual registration   |       | 2,452            | 1,395            |
| Employee expenses   | 3.1.1 | 1,503,559        | 1,398,169        |
| Professional services                                       |       | 197,116          | 94,428           |
| Legal and tribunal  |       | 196,020          | 253,462          |
| Administration  | 3.2   | 191,484          | 259,409          |
| Examinations  |       | 186,402          | 153,917          |
| Occupancy   |       | 111,312          | 165,013          |
| Interest Expense  | 6.2.2 | 4,638            | 0                |
| Depreciation  | 4.1.2 | 40,269           | 17,888           |
| Sponsorships and donations                                  |       | 0                | 5,000            |
| <b>Total expenses from transactions</b>                     |       | <b>2,433,281</b> | <b>2,355,266</b> |
| <b>Net result from transactions (net operating balance)</b> |       | <b>67,851</b>    | <b>(170,711)</b> |
| <b>Other economic flows included in net result</b>          |       |                  |                  |
| Other gains/(losses) from other economic flows              |       | -                | -                |
| <b>Comprehensive result</b>                                 |       | <b>67,851</b>    | <b>(170,711)</b> |

The accompanying notes form part of these financial statements.

# Financial Statements

## Balance sheet

as at 30 June 2021

|                                   | Notes | 2021             | 2020             |
|-----------------------------------|-------|------------------|------------------|
|                                   |       | \$               | \$               |
| <b>Assets</b>                     |       |                  |                  |
| <b>Financial assets</b>           |       |                  |                  |
| Cash and deposits                 | 6.1   | 2,924,182        | 3,163,994        |
| Receivables                       | 5.1   | 62,492           | 80,743           |
| <b>Total financial assets</b>     |       | <b>2,986,674</b> | <b>3,244,737</b> |
| <b>Non-financial assets</b>       |       |                  |                  |
| Prepayments                       | 5.2   | 35,315           | 34,551           |
| Plant and equipment               | 4.1   | 61,414           | 57,687           |
| Right of Use asset                | 4.2   | 619,218          |                  |
| Intangible assets                 | 4.3   | 212,850          | 32,761           |
| <b>Total non-financial assets</b> |       | <b>928,797</b>   | <b>124,999</b>   |
| <b>Total assets</b>               |       | <b>3,915,471</b> | <b>3,369,736</b> |
| <b>Liabilities</b>                |       |                  |                  |
| Employee-related provisions       | 3.1.2 | 113,452          | 78,566           |
| Income received in advance        | 5.2   | 1,618,808        | 1,819,403        |
| Payables                          | 5.3   | 213,907          | 190,918          |
| Lease liability                   | 6.2   | 620,650          |                  |
| <b>Total liabilities</b>          |       | <b>2,566,817</b> | <b>2,088,887</b> |
| <b>Net assets</b>                 |       | <b>1,348,654</b> | <b>1,280,849</b> |
| <b>Equity</b>                     |       |                  |                  |
| Contributed capital               |       | 221,718          | 221,718          |
| Accumulated surplus               |       | 1,126,936        | 1,059,131        |
| <b>Net worth</b>                  |       | <b>1,348,654</b> | <b>1,280,849</b> |

The accompanying notes form part of these financial statements.

# Financial Statements

## Statement of changes in equity for the financial year ended 30 June 2021

|                                | <i>Accumulated<br/>Surplus</i> | <i>Contributed<br/>Capital</i> | <i>Total</i>     |
|--------------------------------|--------------------------------|--------------------------------|------------------|
|                                | \$                             | \$                             | \$               |
| Balance at 1 July 2019         | 1,229,841                      | 221,718                        | 1,451,559        |
| Net result for the year        | (170,711)                      | -                              | (170,711)        |
| <b>Balance at 30 June 2020</b> | <b>1,059,130</b>               | <b>221,718</b>                 | <b>1,280,848</b> |
| Net result for the year        | 67,851                         | -                              | 67,851           |
| <b>Balance at 30 June 2021</b> | <b>1,126,981</b>               | <b>221,718</b>                 | <b>1,348,699</b> |

The statement of changes in equity should be read in conjunction with the notes to the financial statements.



# Financial Statements

## Cash Flow Statement

for the financial year ended 30 June 2021

|   | Notes        | 2021                  | 2020                  |
|---|--------------|-----------------------|-----------------------|
|   |              | \$                    | \$                    |
|   |              | Inflows<br>(Outflows) | Inflows<br>(Outflows) |
| <b>Cash flows from operating activities</b>                 |              |                       |                       |
| Receipts:   |              |                       |                       |
| Interest  |              | 9,672                 | 13,172                |
| Receipts from subscribers and sundry Income                 |              | 2,417,314             | 2,815,918             |
| <b>Total receipts</b>                                       |              | <b>2,426,986</b>      | <b>2,829,090</b>      |
| Payments:   |              |                       |                       |
| Payments to suppliers and employees                         |              | (2,467,312)           | (2,352,860)           |
| <b>Total payments</b>                                       |              | <b>(2,467,312)</b>    | <b>(2,352,860)</b>    |
| <b>Net cash flows from operating activities</b>             | <b>6.1.2</b> | <b>(40,326)</b>       | <b>476,231</b>        |
| <b>Cash flows from investing activities:</b>                |              |                       |                       |
| Payments for plant & equipment                              |              | (19,352)              | (28,150)              |
| Payments for intangible assets                              |              | (180,134)             | (32,761)              |
| <b>Net cash flows from / (used in) investing activities</b> |              | <b>(199,486)</b>      | <b>(60,911)</b>       |
| Net increase (decrease) in cash and cash equivalents        |              | (239,812)             | 415,320               |
| Cash and cash equivalents at beginning of financial year    |              | 3,163,994             | 2,748,674             |
| <b>Cash and cash equivalents at end of financial year</b>   | <b>6.1</b>   | <b>2,924,182</b>      | <b>3,163,994</b>      |

The accompanying notes form part of these financial statements.

## Notes to the financial statements

### 1. About this Report

The financial statements cover the ARBV as an individual reporting entity. The ARBV is a self funded statutory authority established by *the Architects Act 1991*. Its principal address is:

The Architects Registration Board of Victoria  
Level 10, 533 Little Lonsdale Street  
Melbourne VIC 3000

A description of the nature of the ARBV's operations and its principal activities is included in the ARBV overview, which does not form part of these financial statements.

### Basis of preparation

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Judgements, estimates and assumptions are required to be made about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates.

These financial statements are presented in Australian dollars, and prepared in accordance with the historical cost convention.

All amounts in the financial statements have been rounded to the nearest \$1 unless otherwise stated.

### Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA) and applicable Australian Accounting Standards (AAS) including Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 8.8.

These annual financial statements were authorised for issue by the ARBV Chairman, Chief Executive Officer and Chief Financial Officer on behalf of the Board of the ARBV on 1 September 2021.

### Changes in accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

The following standard has been adopted by ARBV: none in 2020-21

## 2. FUNDING DELIVERY OF OUR SERVICES

The Architects Registration Board of Victoria (ARBV) has as its primary objectives the registration of architects and approval of architectural companies/partnerships, investigation of complaints against architects, provision of Tribunal inquiry into professional conduct and accreditation of architecture courses.

Income is generated from the following sources and is used to deliver ARBV's objectives.

### 2.1 Summary of Income that funds the delivery of our services

|                                       | 2021             | 2020             |
|---------------------------------------|------------------|------------------|
|                                       | \$               | \$               |
| <b>Income</b>                         |                  |                  |
| Revenue from fees:                    |                  |                  |
| Annual registration                   | 2,066,938        | 1,902,979        |
| Application and revocation            | 82,224           | 84,521           |
| Revenue from examinations:            |                  |                  |
| Examination                           | 310,555          | 141,090          |
| Interest received:                    |                  |                  |
| Interest on bank deposits             | 9,672            | 13,172           |
| Sundry income                         | 3,274            | 3,637            |
| Legal fees recovery                   | 28,469           | 39,156           |
| <b>Total income from transactions</b> | <b>2,501,132</b> | <b>2,184,555</b> |

#### Revenue from Contracts with Customers

Revenue from fees and examinations are recognised under AASB15 Revenue from Contracts with Customers. The ARBV charges an annual fee for registration of Architects and is recognised in the year that the renewal is due. There are also examination fees which are recognised when the service is provided. In the instance where annual registration fees are paid in advance then this revenue is recognised as unearned revenue.

#### Interest

Interest income includes interest received on bank term deposits. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Interest income on investments and cash holdings are recognised as they accrue.

### 3. The Cost of Delivering Services

This section provides an account of the expenses incurred by the Architects Registration Board of Victoria in delivering services. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

#### Structure

3.1 Expenses incurred in delivery of services

3.1.1 Employee and contractor expenses

3.2 Administration expenses

#### 3.1 Expenses incurred in delivery of services

|   |       | 2021             | 2020             |
|---|-------|------------------|------------------|
| Application for registration            |       | 29               | 6,585            |
| Annual registration                     |       | 2,452            | 1,395            |
| Employee expenses                       | 3.1.1 | 1,503,559        | 1,398,169        |
| Professional services                   |       | 197,116          | 94,428           |
| Legal and tribunal                      |       | 196,020          | 253,462          |
| Administration                          | 3.2   | 191,484          | 259,409          |
| Registration examinations               |       | 186,402          | 153,917          |
| Occupancy                               |       | 111,312          | 165,013          |
| Interest expense                        |       | 4,638            | 0                |
| Sponsorships and donations              |       | 0                | 5,000            |
| <b>Total expenses from transactions</b> |       | <b>2,393,012</b> | <b>2,337,378</b> |

Expenses from transactions are recognised as they are incurred and are reported in the financial year to which they relate.

# Financial Statements

## 3.1.1 Employee benefits in the comprehensive operating statement

|                                | 2021             | 2020             |
|--------------------------------|------------------|------------------|
|                                | \$               | \$               |
| Employee expenses              | 1,389,147        | 1,281,163        |
| Superannuation 3.1.2           | 114,412          | 117,006          |
| <b>Total employee expenses</b> | <b>1,503,559</b> | <b>1,398,169</b> |

Employee expenses include all costs related to employment (other than superannuation which is accounted for separately) including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is the employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period. The ARBV does not have a defined benefit plan.

## 3.1.2 Employee-related provisions in the balance sheet

|   | 2021           | 2020          |
|---|----------------|---------------|
|   | \$             | \$            |
| <b>Current provisions</b>                                 |                |               |
| Employee benefits – annual leave:                         |                |               |
| Unconditional and expected to settle within 12 months (i) | 73,209         | 47,724        |
| Unconditional and expected to settle after 12 months      |                |               |
| Employee benefits – long service leave:                   |                |               |
| Unconditional and expected to be settled within 12 months |                | 13,473        |
| Unconditional and expected to settle after 12 months      |                |               |
| Provisions related to employee benefit on-cost:           |                |               |
| Unconditional and expected to be settled within 12 months | 7,325          | 6,123         |
| Unconditional and expected to settle after 12 months      |                |               |
| <b>Total current provisions</b>                           | <b>80,534</b>  | <b>67,320</b> |
| <b>Non-current provisions</b>                             |                |               |
| Employee benefits   | 29,924         | 10,223        |
| Employee benefits on costs                                | 2,994          | 1,023         |
| <b>Total non-current provisions</b>                       | <b>32,918</b>  | <b>11,246</b> |
| <b>Total provisions</b>                                   | <b>113,452</b> | <b>78,566</b> |

### Reconciliation of movement in on-cost provision

|                                  |                |
|----------------------------------|----------------|
| Opening balance                  | 78,566         |
| Additional provisions recognised | 143,195        |
| Amounts utilised during period   | -108,309       |
| <b>Closing balance</b>           | <b>113,452</b> |

|             |         |
|-------------|---------|
| Current     | 106,127 |
| Non Current | 7,325   |

### Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries and annual leave and long service leave for services rendered to the reporting date.

## **(i) Wages and salaries and annual leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Liabilities for wages and salaries (including non-monetary benefits, annual leave, accumulating sick leave and on-costs) are recognised as part of the employee benefit provision as current liabilities.

Liabilities for salaries and annual leave are all recognised in the provision for employee benefits as 'current liabilities' as per AASB 119 Employee Benefits.

## **(ii) Long service leave**

Long Service Leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL (representing seven or more years of continuous service) is disclosed as a current liability even where the ARBV does not expect to settle the liability within 12 months. The ARBV does not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

• Undiscounted value – the component the ARBV expects to wholly settle within 12 months; or

• Present value – the component the ARBV does not expect to wholly settle within 12 months.

Conditional long service leave is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current long service liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised in the operating statement.

## **(iii) Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. The ARBV recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## **(iv) Employee benefits on-costs**

Employee benefits on-costs such as workers compensation and superannuation are recognised separately from the provision for employee benefits.

# Financial Statements

## 3.1.3 Superannuation

| Fund  | Paid Contribution for the Year |                | Contribution outstanding at year |               |
|---|--------------------------------|----------------|----------------------------------|---------------|
|   | 2021                           | 2020           | 2021                             | 2020          |
|   | \$                             | \$             | \$                               | \$            |
| <b>Defined contribution plans</b>           |                                |                |                                  |               |
| Allan Bawden Superannuation Fund            | 8,029                          |                |                                  |               |
| AMP   |                                | 110            |                                  |               |
| Australian Super                            | 38,419                         | 31,449         | 598                              | 5,092         |
| BT Super                                    | 2,902                          |                | 174                              |               |
| Colonial First State                        | 1,090                          |                |                                  | 342           |
| Construction & Building unions              |                                | 2,063          |                                  | 154           |
| Chemhouse Staff superannuation fund         |                                |                |                                  | 88            |
| D & G Fox Family Superannuation Fund        | 9,342                          |                | 338                              |               |
| Esssuper                                    |                                | 88             |                                  | 154           |
| Future Super                                | 5,038                          | 3,090          | 117                              | 496           |
| Hesta                                       | 7,078                          |                |                                  |               |
| Larrikin superannuation fund                |                                | 44             |                                  |               |
| Macquarie super manager                     |                                | 154            |                                  |               |
| Pssap fund                                  |                                | 16,206         |                                  | 1,044         |
| Qsuper                                      | 7,905                          | 7,455          | 126                              | 1,609         |
| Rest industry super                         |                                | 5,357          |                                  |               |
| Salt Super Fund                             | 282                            |                |                                  |               |
| Schwarz Superannuation Fund                 | 130                            |                |                                  |               |
| Sunsuper superannuation fund                | 4,745                          | 2,262          |                                  | 367           |
| Telstra Superannuation Scheme               | 4,666                          |                | 143                              |               |
| The Trustee for Redaqua Holdings Super Fund | 45                             |                |                                  |               |
| Unisuper                                    | 1,765                          | 9,298          |                                  | 1,263         |
| Vicsuper futuresaver                        | 26,690                         | 25,718         | 460                              | 3,218         |
| Vision super                                | 44                             | 1,221          |                                  | 322           |
|   | <b>118,170</b>                 | <b>104,513</b> | <b>1,955</b>                     | <b>14,149</b> |

## 3.2 Administration expenses

Administration expenses comprise

|                                       | 2021           | 2020           |
|---------------------------------------|----------------|----------------|
|                                       | \$             | \$             |
| Finance and bank charges              | 22,391         | 27,263         |
| Advertising                           | 10,871         | 10,327         |
| Travel and accommodation              | 132            | 8,048          |
| Awards                                | 4,000          | 3,000          |
| Service and maintain office equipment | 0              | 2,275          |
| IT and computer services              | 83,827         | 125,368        |
| Other expenses                        | 1,835          | 6,584          |
| Subscriptions                         | 66,219         | 68,483         |
| Postage                               | 2,209          | 8,061          |
| <b>Total administration expenses</b>  | <b>191,484</b> | <b>259,409</b> |

# Financial Statements

## 4. Key Assets available to support output delivery

The ARBV controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the ARBV to be utilised for service delivery.

### Structure

- 4.1 Plant and equipment
  - 4.1.1 Reconciliation of movements in carrying values of infrastructure, property, plant and equipment
  - 4.1.2 Depreciation and impairment
- 4.2 Right of Use Assets
- 4.3 Intangible assets

### 4.1 Plant and equipment

|                                | 2021          | 2020          |
|--------------------------------|---------------|---------------|
|                                | \$            | \$            |
| Office equipment at cost       | 127,217       | 122,934       |
| Accumulated depreciation       | (73,137)      | (65,247)      |
|                                | <b>54,080</b> | <b>57,687</b> |
| Leasehold improvements at cost | 43,289        | 35,955        |
| Accumulated depreciation       | (35,955)      | (35,955)      |
|                                | <b>7,334</b>  |               |
|                                | <b>61,414</b> | <b>57,687</b> |

These assets are all classified as public administration fixed assets

#### 4.1.1 Movements in carrying amounts

| 2021                   | Office<br>Equipment | Leasehold<br>Improvements | Total         |
|------------------------|---------------------|---------------------------|---------------|
|                        | \$                  | \$                        | \$            |
| Opening balance        | 57,687              | -                         | 57,687        |
| Additions              | 12,018              | 7,334                     | 19,352        |
| Disposals              | (2,510)             | -                         | (2,510)       |
| Depreciation           | (13,114)            | -                         | (13,114)      |
| <b>Closing balance</b> | <b>54,080</b>       | <b>7,334</b>              | <b>61,414</b> |

| 2020                   | Office<br>Equipment | Leasehold<br>Improvements | Total         |
|------------------------|---------------------|---------------------------|---------------|
|                        | \$                  | \$                        | \$            |
| Opening balance        | 46,065              | 1,360                     | 47,425        |
| Additions              | 28,150              | -                         | 28,150        |
| Disposals              | -                   | -                         | -             |
| Depreciation           | (16,528)            | (1,360)                   | (17,888)      |
| <b>Closing balance</b> | <b>57,687</b>       |                           | <b>57,687</b> |

#### 4.1.2 Depreciation, Amortisation and Impairment

All plant and equipment with finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

Leasehold improvements are depreciated over the period of the lease using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

The following are typical estimated useful lives for the different asset classes for current and prior years.



# Financial Statements

| Asset class            | Useful life  |
|------------------------|--------------|
| Computers              | 3 years      |
| Furniture and Fittings | 5 – 13 years |
| Intangible Assets      | 5 years      |
| Leasehold improvements | 5 years      |

#### 4.1.2 Aggregate depreciation recognised as an expense during the year

|                                | 2021          | 2020          |
|--------------------------------|---------------|---------------|
|                                | \$            | \$            |
| Office equipment at cost       | 15,624        | 16,528        |
| Right-Of-Use Asset             | 24,645        |               |
| Leasehold improvements at cost |               | 1,360         |
|                                | <b>40,269</b> | <b>17,888</b> |

#### 4.2 Right-of-Use Assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, and are also subject to revaluations. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

##### 4.2.1 Carrying value of Right-Of-Use Asset

|  | 2021           | 2020 |
|--|----------------|------|
| Leased building                            | 643,863        |      |
| Accumulated depreciation                   | (24,645)       |      |
| <b>Net carrying amount leased building</b> | <b>619,218</b> |      |

##### 4.2.2 Total right-of-use assets: buildings, plant, equipment and vehicles.

|                               | Gross carrying amount | Accumulated depreciation | Net carrying amount | Gross carrying amount | Accumulated depreciation | Net carrying amount |
|-------------------------------|-----------------------|--------------------------|---------------------|-----------------------|--------------------------|---------------------|
|                               | 2021                  | 2021                     | 2021                | 2020                  | 2020                     | 2020                |
| Buildings at fair value       | 643,863               | -24,645                  | 619,218             |                       |                          |                     |
| Plant, equipment and vehicles |                       |                          |                     |                       |                          |                     |
| Infrastructure at fair value  |                       |                          |                     |                       |                          |                     |
| <b>Net carrying amount</b>    | <b>643,863</b>        | <b>- 24,645</b>          | <b>619,218</b>      |                       |                          |                     |

|  | Buildings      | Plant, equipment and vehicles at fair value | Infrastructure at fair value |
|--|----------------|---|------------------------------|
| Opening balance – 1 July 2020                |                |   |                              |
| Additions                                    | 643,863        |   |                              |
| Disposals                                    |                |   |                              |
| Depreciation                                 | (24,645)       |   |                              |
| <b>Closing balance – 30 June 2021</b>        | <b>619,218</b> |   |                              |
| Opening balance – 1 July 2019 <sup>(a)</sup> |                |   |                              |
| Additions                                    |                |   |                              |
| Disposals                                    |                |   |                              |
| Depreciation                                 |                |   |                              |
| <b>Closing balance – 30 June 2020</b>        |                |   |                              |

## Right-of-use asset acquired by lessees – Initial measurement

The ARBV recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

## Right-of-use asset – Subsequent measurement

The ARBV depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

## 4.3 Intangible Assets

|  |                |               | Total          |               |
|--|----------------|---------------|----------------|---------------|
|  | 2021           | 2020          | 2021           | 2020          |
| <b>Gross carrying amount</b>                                 |                |               |                |               |
| Opening balance  | 32,761         |               | 32,761         |               |
| Additions  | 180,134        | 32,761        | 180,134        | 32,761        |
| Additions from internal development                          |                |               |                |               |
| Acquisitions from business combinations                      |                |               |                |               |
| Disposals or classified as held for sale                     |                |               |                |               |
| <b>Closing balance</b>                                       | <b>212,895</b> | <b>32,761</b> | <b>212,895</b> | <b>32,761</b> |
| <b>Accumulated depreciation, amortisation and impairment</b> |                |               |                |               |
| <b>Opening balance</b>                                       |                |               |                |               |
| Amortisation of intangible produced assets                   |                |               |                |               |
| Amortisation of intangible non produced assets               |                |               |                |               |
| Acquisitions from business combinations                      |                |               |                |               |
| Disposals or classified as held for sale                     |                |               |                |               |
| Impairment losses charged to net result                      |                |               |                |               |
| Reversals of impairment losses charged to net result         |                |               |                |               |
| <b>Closing balance</b>                                       |                |               |                |               |
| <b>Net book value at end of financial year</b>               | <b>212,895</b> | <b>32,761</b> | <b>212,895</b> | <b>32,761</b> |

## Initial recognition

**Purchased intangible assets** are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An intangible asset of \$32,761 for the ARBV's website redevelopment has been recognised at 30 June 2020 and \$6,300 in 2020-21 as well as \$159,247 for a Customer Relationship Management (CRM) implementation and \$11,392 for Protective Marking and Multi Factor Authentication security software.

## Subsequent measurement

Intangible produced assets with finite useful lives, are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between three and five years.

# Financial Statements

## 5. Other Assets and Liabilities

This section sets out those assets and liabilities that arose from the ARBV's controlled operations.

Structure

5.1 Receivables

5.2 Annual registration fees received in advance

5.2a Other non financial assets

5.3 Payables

### 5.1 Receivables

|                          | 2021          | 2020          |
|--------------------------|---------------|---------------|
|                          | \$            | \$            |
| <b>Contractual</b>       |               |               |
| Security Deposit Bond    |               | 77,757        |
| Trade Receivables        | 55,987        |               |
|                          | <b>55,987</b> | <b>77,757</b> |
| <b>Statutory</b>         |               |               |
| GST Receivable           | 6,505         | 2,986         |
|                          | <b>6,505</b>  | <b>2,986</b>  |
| <b>Total Receivables</b> | <b>62,492</b> | <b>80,743</b> |

#### Receivables consist of:

- contractual receivables such as debtors in relation to goods and services and accrued investment income; and
- statutory receivables such as GST input tax credits recoverable.

Contractual receivables are classified as financial instruments and categorised as financial assets at amortised cost (refer to Note 7.1 Financial Instruments for recognition and measurement). Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are subject to impairment testing as described below. An expected credit loss is recognised when there is objective evidence that the debts may not be collected, and bad debts are written off when identified.

#### Ageing analysis of contractual financial assets

2021

|   | Carrying Amount | Not past due and not impaired | Less than 1 month | Past due but not impaired |
|---|-----------------|-------------------------------|-------------------|---------------------------|
|   | \$              | \$                            | \$                | \$                        |
| <b>Investments and other contractual financial assets</b> |                 |                               |                   |                           |
| Trade Receivables   | 55,987          | 55,987                        |                   |                           |
| <b>Total</b>  |                 |                               | -                 | -                         |

2020

|   | Carrying Amount | Not past due and not impaired | Less than 1 month | Past due but not impaired |
|---|-----------------|-------------------------------|-------------------|---------------------------|
|   | \$              | \$                            | \$                | \$                        |
| <b>Investments and other contractual financial assets</b> |                 |                               |                   |                           |
| Security Deposit bond                                     | 77,757          | 77,757                        |                   |                           |
| <b>Total</b>  | <b>77,757</b>   | <b>77,757</b>                 | -                 | -                         |

# Financial Statements

## 5.2 Income received in advance

|   | 2021             | 2020             |
|---|------------------|------------------|
| Registration fees                       | \$               | \$               |
| Practising architect                    | 1,159,329        | 1,273,699        |
| Company                                 | 357,060          | 446,818          |
| Partnership                             | 7,139            | 8,516            |
| <b>Sub Total</b>                        | <b>1,523,528</b> | <b>1,729,033</b> |
| Examination fees                        | 95,280           | 90,370           |
| <b>Total income received in advance</b> | <b>1,618,808</b> | <b>1,819,403</b> |

Registration fees received relating to the subsequent year are recognised at year-end as annual registration fees in advance.

## 5.2a Other non-financial assets

### Prepayments

Other non-financial assets include prepayments which represent payments in advance of receipt of

|             | 2020   | 2019   |
|-------------|--------|--------|
|             | \$     | \$     |
| Prepayments | 35,315 | 34,551 |

## 5.3 Payables

|                       | 2021           | 2020           |
|-----------------------|----------------|----------------|
|                       | \$             | \$             |
| <b>Contractual</b>    |                |                |
| Accrued expenses      | 100,013        | 39,341         |
| Creditors             | 64,628         | 104,468        |
| Other                 | -              | -              |
|                       | <b>164,641</b> | <b>143,809</b> |
| <b>Statutory</b>      |                |                |
| PAYG liability        | 49,266         | 33,343         |
| Superannuation        | -              | 14,149         |
| FBT and GST payable   | -              | (383)          |
|                       | <b>49,266</b>  | <b>47,109</b>  |
| <b>Total Payables</b> | <b>213,907</b> | <b>190,918</b> |

### Payables consist of:

- contractual payables, such as accounts payable and fees received in advance. Accounts payable represent
  - statutory payables, such as goods and services tax, fringe benefits tax and PAYG withholding tax.
- Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised Terms of settlement are generally 30 days from date of invoice.

### Maturity Analysis of contractual liabilities

| 2021                  | Maturity Dates  |                |                   |            |
|-----------------------|-----------------|----------------|-------------------|------------|
|                       | Carrying Amount | Nominal Amount | Less than 1 month | 1-3 months |
|                       | \$              | \$             | \$                | \$         |
| <b>Payables</b>       |                 |                |                   |            |
| Supplies and services | 64,628          | 64,628         | 64,628            | -          |
| Other Payables        | 100,013         | 100,013        | 100,013           | -          |
| <b>Total</b>          | <b>164,641</b>  | <b>164,641</b> | <b>164,641</b>    | <b>-</b>   |
| 2020                  | Maturity Dates  |                |                   |            |
|                       | Carrying Amount | Nominal Amount | Less than 1 month | 1-3 months |
|                       | \$              | \$             | \$                | \$         |
| <b>Payables</b>       |                 |                |                   |            |
| Supplies and services | 104,468         | 104,468        | 104,468           | -          |
| Other Payables        | 39,341          | 39,341         | 39,341            | -          |
| <b>Total</b>          | <b>143,809</b>  | <b>143,809</b> | <b>143,809</b>    | <b>-</b>   |

## 6. How We Financed our Operations

This section provides information on the sources of finance utilised by the ARBV during its operations, along with other information related to financing activities of the ARBV.

This section includes disclosures of balances that are financial instruments (such as cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

### Structure

6.1 Cash flow information and balances

6.2 Lease Liabilities

#### 6.1 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

|  | 2021             | 2020             |
|--|------------------|------------------|
|  | \$               | \$               |
| Total cash and deposits disclosed in balance sheet | 2,924,182        | 3,163,994        |
| <b>Total Cash and cash equivalents</b>             | <b>2,924,182</b> | <b>3,163,994</b> |

#### 6.1.2 Reconciliation of net result for the year to net cash flows provided (used) in operating activities

|   | 2021            | 2020           |
|---|-----------------|----------------|
|   | \$              | \$             |
| Operating result for the period                                     | 67,851          | (170,711)      |
| Add non-cashflows   |                 |                |
| Depreciation  | 14,635          | 17,888         |
| Loss on disposal of non-financial assets                            | 2,421           | -              |
| <b>Changes in Assets &amp; Liabilities</b>                          |                 |                |
| (Increase)/decrease in current receivables                          | 18,251          | 39,571         |
| (Increase)/decrease in prepayments                                  | (764)           | (16,599)       |
| (Decrease)/increase in current payables                             | 22,989          | 51,505         |
| (Decrease)/increase in annual registration fees received in advance | (200,595)       | 509,392        |
| (Decrease)/increase in provisions                                   | 34,886          | 45,186         |
| <b>Net cash flows provided (used) by operating activities</b>       | <b>(40,326)</b> | <b>476,232</b> |

#### 6.2 Leases liabilities

##### The ARBV leasing activities

The ARBV leases a building at 533 Little Lonsdale St. Melbourne. The lease expires in April 2024 with an option of a further two years. The lease is fixed for years one and three and is subject to an annual increase of 3.5% in years two and four.

##### 6.2.1 Right-of-use

Right-of-use Assets are presented in note 4.2

## 6.2.2 Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

|   | 2021          | 2020     |
|---|---------------|----------|
|   | \$            | \$       |
| Interest expense on lease liabilities                                   | 4,638         | 0        |
| Depreciation charge related to right-of-use assets                      | 24,645        | 0        |
| <b>Total amount recognised in the Comprehensive operating statement</b> | <b>29,283</b> | <b>0</b> |

## 6.2.3 Amounts recognised in the Statement of Cashflows

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2021 relating to leases.

|                               |        |   |
|-------------------------------|--------|---|
| Total cash outflow for leases | 29,283 | 0 |
|-------------------------------|--------|---|

For any new contracts entered into, the ARBV considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the ARBV assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the ARBV and for which the supplier does not have substantive substitution rights;
- Whether the ARBV has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the ARBV has the right to direct the use of the identified asset throughout the period of use; and
- Whether the ARBV has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

### Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

### Recognition and measurement of leases as a lessee

#### Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the ARBV incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

### **Lease Liability – subsequent measurement**

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

### **Short-term leases and leases of low-value assets**

The ARBV has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

### **Below market/Peppercorn lease**

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the ARBV to further its objectives, are initially and subsequently measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

### **Presentation of right-of-use assets and lease liabilities**

The ARBV presents right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

### **6.3 Commitment for Expenditure**

There were no commitments at balance date.

## 7. Risks, Contingencies and Valuation Judgements

### Introduction

The ARBV is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the ARBV related mainly to fair value determination.

### Structure

- 7.1 Financial Instruments
- 7.2 Contingent Assets and Liabilities
- 7.3 Fair Value Determination

### 7.1 Financial Instruments specific disclosures

#### Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the ARBV's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 9 Financial Instruments. For example, statutory receivables do not meet the definition of financial instruments as they do not arise under contract.

#### Categories of financial assets

##### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the ARBV to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The ARBV recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables);
- term deposits; and
- certain debt securities.

##### Financial assets at fair value through other comprehensive income

Debt investments are measured at fair value through other comprehensive income if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the ARBV to achieve its objective both by collecting the contractual cash flows and by selling the financial assets, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and the ARBV has irrevocably elected at initial recognition to recognise in this category. These assets are initially recognised at fair value with subsequent change in fair value in other comprehensive income. Upon disposal of these debt instruments, any related balance in the fair value reserve is reclassified to profit or loss.

However, upon disposal of these equity instruments, any related balance in fair value reserve is reclassified to retained earnings. The ARBV recognises certain unlisted equity instruments within this category.



## Financial assets at fair value through net result

Equity instruments that are held for trading as well as derivative instruments are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

However, as an exception to those rules above, the ARBV may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The ARBV recognises listed equity securities as mandatorily measured at fair value through net result and designated all of its managed investment schemes as well as certain five-year government bonds as fair value through net result.

## Categories of financial liabilities

Financial assets and liabilities at fair value through net result are categorised as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through net result on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows unless the changes in fair value relate to changes in the ARBV's own credit risk. In this case, the portion of the change attributable to changes in the ARBV's own credit risk is recognised in other comprehensive income with no subsequent recycling to net result when the financial liability is derecognised. The ARBV recognises some debt securities that are held for trading in this category and designated certain debt securities as fair value through net result in this category.

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The ARBV recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

**Derivative financial instruments** are classified as held for trading financial assets and liabilities. They are initially recognised at fair value on the date on which a derivative contract is entered into. Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Any gains or losses arising from changes in the fair value of derivatives after initial recognition are recognised in the consolidated comprehensive operating statement as an 'other economic flow' included in the net result.

**Offsetting financial instruments:** Financial instrument assets and liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the ARBV concerned has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the ARBV does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

**Derecognition of financial assets:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the ARBV retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the ARBV has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

# Financial Statements

Where the ARBV has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the ARBV's continuing involvement in the asset.  
 Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the ARBV's business model for managing its financial assets has changed such that its previous model would no longer apply.

However, the ARBV is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government ARBVs are required to apply the PMF under the Standing Directions 2018 under the FMA.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

#### Impairment of financial assets

At the end of each reporting period, the ARBV assesses whether there is objective evidence that a financial Receivables are assessed for expected credit loss on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for expected credit loss are classified as other economic flows in the net result.

#### (a) Financial risk management objectives and policies

The ARBV's principal financial instruments comprise:

- cash assets;
- term deposits;
- receivables (excluding statutory receivables); and
- payables (excluding statutory payables).

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 1 of the financial statements.

#### Categorisation of financial instruments

|  | Note | Carrying<br>Amount<br>2021 | Carrying<br>Amount<br>2020 |
|--|------|----------------------------|----------------------------|
|  |      | \$                         | \$                         |
| <b>Contractual Financial Assets</b>            |      |                            |                            |
| Cash and deposits                              | 6.1  | 2,924,179                  | 3,163,991                  |
| Receivables                                    | 5.1  | 55,987                     | 77,757                     |
| Term Deposits                                  | 4.2  | -                          | 0                          |
| <b>Total Contractual Financial Assets</b>      |      | <b>2,980,166</b>           | <b>3,241,748</b>           |
| <b>Financial Contractual Liabilities</b>       |      |                            |                            |
| Payables                                       | 5.3  | 164,641                    | 143,809                    |
| <b>Total Contractual Financial Liabilities</b> |      | <b>164,641</b>             | <b>143,809</b>             |

# Financial Statements

## (b) Interest rate risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, 2021

|  | Carrying Amount  | Fixed Interest Rate | Variable Interest Rate | Non Interest Bearing |
|--|------------------|---------------------|------------------------|----------------------|
|  | \$               | \$                  | \$                     | \$                   |
| <b>Contractual Financial Assets</b>                  |                  |                     |                        |                      |
| Cash and deposits                                    | 2,924,179        | -                   | 2,924,179              | 0                    |
| Receivables  | 55,987           | -                   | 0                      | 55,987               |
| Term Deposits  | -                | -                   | -                      | -                    |
| <b>Total Contractual Financial Assets</b>            | <b>2,980,166</b> | <b>-</b>            | <b>2,924,179</b>       | <b>55,987</b>        |
| Weighted Average Interest Rate                       |                  | 0.56%               | 0.22%                  | 0%                   |
| <b>Contractual Financial Liabilities</b>             |                  |                     |                        |                      |
| Payables   | 164,641          | -                   | -                      | 164,641              |
| <b>Total Contractual Financial Liabilities</b>       | <b>164,641</b>   | <b>-</b>            | <b>-</b>               | <b>164,641</b>       |
| Weighted Average Interest Rate                       |                  | 0%                  | 0%                     | 0%                   |
| <b>Net Contractual Financial Assets/ Liabilities</b> | <b>2,815,525</b> | <b>0</b>            | <b>2,924,179</b>       | <b>-108,654</b>      |
| <b>2020</b>  |                  |                     |                        |                      |
|  | Carrying Amount  | Fixed Interest Rate | Variable Interest Rate | Non Interest Bearing |
|  | \$               | \$                  | \$                     | \$                   |
| <b>Contractual Financial Assets</b>                  |                  |                     |                        |                      |
| Cash and deposits                                    | 3,163,991        | -                   | 3,163,841              | 150                  |
| Receivables  | 77,757           | -                   | 77,757                 | -                    |
| Term Deposits  | -                | -                   | -                      | -                    |
| <b>Total Contractual Financial Assets</b>            | <b>3,241,748</b> | <b>0</b>            | <b>3,241,598</b>       | <b>150</b>           |
| Weighted Average Interest Rate                       |                  | 0%                  | 0.55%                  | 0%                   |
| <b>Contractual Financial Liabilities</b>             |                  |                     |                        |                      |
| Payables   | 143,809          | -                   | -                      | 143,809              |
| <b>Total Contractual Financial Liabilities</b>       | <b>143,809</b>   | <b>-</b>            | <b>-</b>               | <b>143,809</b>       |
| Weighted Average Interest Rate                       |                  | 0%                  | 0%                     | 0%                   |
| <b>Net Contractual Financial Assets/ Liabilities</b> | <b>3,097,939</b> | <b>0</b>            | <b>3,241,598</b>       | <b>-143,659</b>      |

# Financial Statements

## Contractual receivables at amortised cost

| 2021   | Current   | Less than 1mth | 1-3mths | 3mths to a year | 1-5yrs | Total     |
|--|-----------|----------------|---------|-----------------|--------|-----------|
| Expected loss rate                               | 0%        | 4%             | 15%     | 50%             | 100%   |           |
| Gross carrying amount of contractual receivables | 2,980,166 |                |         |                 |        | 2,980,166 |
| <b>Loss allowance</b>                            | <b>0</b>  |                |         |                 |        | <b>0</b>  |

## Contractual receivables at amortised cost

| 2020   | Current   | Less than 1mth | 1-3mths | 3mths to a year | 1-5yrs | Total     |
|--|-----------|----------------|---------|-----------------|--------|-----------|
| Expected loss rate                               | 0%        | 4%             | 15%     | 50%             | 100%   |           |
| Gross carrying amount of contractual receivables | 3,241,748 |                |         |                 |        | 3,241,748 |
| <b>Loss allowance</b>                            | <b>0</b>  |                |         |                 |        | <b>0</b>  |

## Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

|   | 2021     | 2020     |
|---|----------|----------|
| Balance at beginning of the year  |          |          |
| Opening Loss Allowance  | 0        | 0        |
| Transfers in / acquired outputs   |          |          |
| Transfers out / disposed outputs  |          |          |
| AASB 7.35(b) Modification of contractual cash flows on financial assets ...       |          |          |
| Increase in provision recognised in the net result                                |          |          |
| Reversal of provision of receivables written off during the year as uncollectible |          |          |
| Reversal of unused provision recognised in the net result                         |          |          |
| <b>Balance at end of the year</b>   | <b>0</b> | <b>0</b> |

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

## Statutory receivables and debt investments at amortised cost

The ARBV's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments. Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. No loss allowance has been recognised.

# Financial Statements

## (c) Credit risk

Credit risk arises from the contractual financial assets of the ARBV, which comprise cash and deposits and non statutory receivables. The ARBV's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the ARBV. Credit risk is measured at fair value and is monitored on a regular basis.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Balance Sheet. Credit risk is minimal as the main debtor is a security deposit held with the Macquarie Bank for the leased premises.

### Credit quality of contractual financial assets that are neither past due nor impaired

|   | Other<br>(min triple B<br>credit rating) | Other<br>(not rated) | Total            |
|---|--|----------------------|------------------|
|   | \$                                       | \$                   | \$               |
| <b>2021</b>                               |  |                      |                  |
| Cash and deposits                         | 2,924,179                                | -                    | 2,924,179        |
| <b>Total contractual financial assets</b> | <b>2,924,179</b>                         | <b>-</b>             | <b>2,924,179</b> |
| <b>2020</b>                               |  |                      |                  |
| Cash and deposits                         | 3,163,631                                | 360                  | 3,163,991        |
| Security deposit bond                     | -  | 77,757               | 77,757           |
| <b>Total contractual financial assets</b> | <b>3,163,631</b>                         | <b>78,117</b>        | <b>3,241,748</b> |

### Ageing analysis of contractual financial assets

| <b>2021</b>   |                    |                                     |                      |                              |
|---|--------------------|-------------------------------------|----------------------|------------------------------|
|   | Carrying<br>Amount | Not past due<br>and not<br>impaired | Less than<br>1 month | Past due but<br>not Impaired |
|   | \$                 | \$                                  | \$                   | \$                           |
| <b>Investments and other contractual financial assets</b> |                    |                                     |                      |                              |
| Security Deposit bond                                     | -                  | -                                   | -                    | -                            |
| <b>Total</b>  | <b>-</b>           | <b>-</b>                            | <b>-</b>             | <b>-</b>                     |
| <b>2020</b>   |                    |                                     |                      |                              |
|   | Carrying<br>Amount | Not past due<br>and not<br>impaired | Less than<br>1 month | Past due but<br>not Impaired |
|   | \$                 | \$                                  | \$                   | \$                           |
| <b>Investments and other contractual financial assets</b> |                    |                                     |                      |                              |
| Security Deposit bond                                     | 77,757             | 77,757                              | -                    | -                            |
| <b>Total</b>  | <b>77,757</b>      | <b>77,757</b>                       | <b>-</b>             | <b>-</b>                     |

# Financial Statements

## (d) Risks and mitigation

The risks associated with the ARBV's main financial instruments and our policies for minimising these risks are detailed below.

### Market risk

Market risk is the risk that the fair value or future cash flows of the ARBV's financial instruments will fluctuate because of changes in market prices. The only market risk to which the ARBV is exposed is interest rate risk.

### Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The ARBV is not exposed to any material interest rate risk.

### (e) Liquidity risk

Liquidity risk is the risk that the ARBV would be unable to meet its financial obligations as and when they fall due. The ARBV settles financial obligations within 30 days.

## Maturity Analysis of contractual liabilities

| 2021                  | Carrying Amount | Nominal Amount | Maturity Dates    |            |
|-----------------------|-----------------|----------------|-------------------|------------|
|                       |                 |                | Less than 1 month | 1-3 months |
|                       | \$              | \$             | \$                | \$         |
| <b>Payables</b>       |                 |                |                   |            |
| Supplies and services | 64,628          | 64,628         | 64,628            | -          |
| Other Payables        | 100,013         | 100,013        | 100,013           | -          |
| <b>Total</b>          | <b>164,641</b>  | <b>164,641</b> | <b>164,641</b>    | <b>-</b>   |

| 2020                  | Carrying Amount | Nominal Amount | Maturity Dates    |            |
|-----------------------|-----------------|----------------|-------------------|------------|
|                       |                 |                | Less than 1 month | 1-3 months |
|                       | \$              | \$             | \$                | \$         |
| <b>Payables</b>       |                 |                |                   |            |
| Supplies and services | 104,468         | 104,468        | 104,468           | -          |
| Other Payables        | 39,341          | 39,341         | 39,341            | -          |
| <b>Total</b>          | <b>143,809</b>  | <b>143,809</b> | <b>143,809</b>    | <b>-</b>   |

## (f) Interest rate risk sensitivity

|                                     | Carrying amount | Interest rate                          |  |
|-------------------------------------|-----------------|--|--|
|                                     |                 | 100 basis points                       | +100 basis points                      |
|                                     |                 | Available for sale revaluation surplus | Available for sale revaluation surplus |
|                                     |                 | Net result                             | Net result                             |
| <b>2021</b>                         |                 |  |  |
| <b>Contractual financial assets</b> | <b>\$</b>       |  | <b>\$</b>                              |
| Cash and deposits <sup>(i)</sup>    | 2,924,179.00    | -29,241.79                             | 29,241.79                              |
| <b>Total impact</b>                 |                 | <b>-29,241.79</b>                      | <b>29,241.79</b>                       |
| <b>2020</b>                         |                 |  |  |
| <b>Contractual financial assets</b> |                 |  |  |
| Cash and deposits <sup>(i)</sup>    | 3,163,991.00    | -31,639.91                             | 31,639.91                              |
| <b>Total impact</b>                 |                 | <b>-31,639.91</b>                      | <b>31,639.91</b>                       |

Notes:

# Financial Statements

(i) Cash and deposits includes no deposits that are exposed to floating rates movements. Sensitivities to these movements are calculated as follows:

- 2021:  $\$2,924,182 \times 0.01 = \$29,242$ ; and  $\$2,924,182 \times 0.01 = \$29,242$ ; and
- 2020:  $\$3,163,991 \times 0.01 = \$31,640$ ; and  $\$3,163,991 \times 0.01 = \$31,640$

## 7.2 Contingent assets and liabilities

As at 30 June 2021 there were no contingent assets and contingent liabilities in existence (2020 nil).

## 7.3 Fair value determination

The ARBV considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full. The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts:

| Financial Instruments              | Carrying amount  |                  | Fair value       |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | 2021             | 2020             | 2021             | 2020             |
|                                    | \$               | \$               | \$               | \$               |
| <b>Financial Assets</b>            |                  |                  |                  |                  |
| Cash and deposits                  | 2,924,179        | 3,163,991        | 2,924,179        | 3,163,991        |
| Receivables                        | 55,987           | 77,757           | 55,987           | 77,757           |
| <b>Total Financial Assets</b>      | <b>2,980,166</b> | <b>3,241,748</b> | <b>2,980,166</b> | <b>3,241,748</b> |
| <b>Financial Liabilities</b>       |                  |                  |                  |                  |
| Payables                           | 164,641          | 143,809          | 164,641          | 143,809          |
| <b>Total Financial Liabilities</b> | <b>164,641</b>   | <b>143,809</b>   | <b>164,641</b>   | <b>143,809</b>   |

## 8. Other Disclosures

### Introduction

This section includes additional material disclosures required by accounting standards, for the understanding of this financial report.

- 8.1 Other economic flows included in net result
- 8.2 Responsible Persons
- 8.3 Remuneration of Executives
- 8.4 Related Parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Australian accounting standards issued that are not yet effective
- 8.8 Glossary of technical terms
- 8.9 Style conventions

### 8.1 Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non financial physical and intangible assets;
- fair value changes of financial instruments and agricultural assets; and
- depletion of natural assets (non produced) from their use or removal.

#### Other economic flows other comprehensive income

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows other comprehensive income include:

- a. Changes in physical asset revaluation surplus;
- b. Share of net movement in revaluation surplus of associates and joint ventures; and
- c. Gains and losses on remeasuring available-for-sale financial assets;

### 8.1 Other economic flows included in net result

|   | 2021 | 2020 |
|---|------|------|
| <b>Other gains/(losses) from other economic flows</b>                             | \$   | \$   |
| Net gain/(loss) arising from revaluation of long service liability <sup>(i)</sup> | -    |      |
| <b>Total other gains/(losses) from other economic flows</b>                       | -    |      |

(i) Revaluation gain/(loss) due to changes in inflation factors and discount rates



# Financial Statements

## 8.2 Responsible Persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994 (FMA), the following disclosures are made regarding responsible persons for the reporting period.

| Title                    | Name                       | Period of Appointment            |
|--------------------------|----------------------------|----------------------------------|
| Minister for Planning    | The Hon Richard Wynne, MLA | (1 July 2020 to 30 June 2021)    |
| Chairperson              | Ms Karen Alcock            | (1 July 2020 to 25 May 2021)     |
| Chairperson              | Dr Giorgio Marfella        | (26 May 2021 to 30 June 2021)    |
| ARBV member              | Ms Karen Alcock            | (26 May 2021 to 30 June 2021)    |
| ARBV member              | Dr Giorgio Marfella        | (1 July 2020 to 25 May 2021)     |
| Deputy Chairperson       | Mr Richard Salter          | (1 July 2020 to 30 June 2021)    |
| ARBV member              | Mr David Islip             | (1 July 2020 to 21 July 2020)    |
| ARBV member              | Ms Catherine Duggan        | (1 July 2020 to 30 June 2021)    |
| ARBV member              | Mr Bruce Allen             | (1 July 2020 to 30 June 2021)    |
| ARBV member              | Ms Jenny Gretgrix          | (6 October 2020 to 30 June 2021) |
| ARBV member              | Mr Stuart Brown            | (1 July 2020 to 30 June 2021)    |
| ARBV Accountable Officer | Mr Allan Bawden            | (1 July 2020 to 8 Feb 2021)      |
| ARBV Accountable Officer | Dr Glenice Fox             | (9 Feb 2021 to 30 June 2021)     |

The number of responsible persons are shown in their relevant income bands.

| Income Band                                  | Total Remuneration |                  |
|--|--------------------|------------------|
|  | 2021               | 2020             |
| \$0- \$9,999 (Board Members)                 | 7                  | 11               |
| \$10,000- \$19,999 (Board Members)           | 2                  |                  |
| \$20,000- \$29,999 (Board Members)           |                    | 1                |
| <b>Total number of Board members</b>         | <b>9</b>           | <b>12</b>        |
| \$160,000 - \$179,999 (Accountable Officer)  |                    | 1                |
| \$180,000 - \$189,999 (Accountable Officer)  | 1                  |                  |
| <b>Total annualised employee equivalents</b> | <b>1</b>           | <b>1</b>         |
| <b>Total remuneration</b>                    | <b>\$257,204</b>   | <b>\$286,468</b> |

The table includes those that receive no remuneration in the band \$0-\$9,999

# Financial Statements

## 8.3 Remuneration of Executives

Other than the Responsible persons detailed in Note 8.2 there are no other executives requiring this disclosure.

## 8.4 Related Parties

The ARBV is a self-funding Statutory Authority in the State of Victoria.

All related party transactions have been entered into on an arm's length basis.

In the prior year Bruce Allen received payments from the ARBV for activities other than board fees as follows:

|               | 2021 | 2020  |
|---------------|------|-------|
|               | \$   | \$    |
| Examiner fees |      | 1,400 |

### Significant transactions with government-related entities

During the year there were no related party transactions with government related entities.

Related parties of the ARBV include all key management personnel (KMP) and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over), and all cabinet ministers and their close family members.

The KMP's of the ARBV is the same as listed in 8.3 Responsible Persons.

| Compensation of KMP               | 2021           | 2020           |
|-----------------------------------|----------------|----------------|
|                                   | \$             | \$             |
| Short term employee benefits      | 219,494        | 239,761        |
| Post-employment benefits          | 23,829         | 16,657         |
| Other long-term employee benefits | 13,880         | 14,821         |
| Termination benefits              |                | -              |
| <b>Total</b>                      | <b>257,204</b> | <b>271,239</b> |

Compensation for the Minister is not included in this table

### Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the Public Administration Act 2004 and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Related party transactions with the members of the ARBV and their related parties, which occurred during the normal course of business, apart from remuneration of Board directors which is disclosed in Note 8.3 above:

Bruce Allen, Board member received payments from the ARBV for activities other than board fees as follows:

|               | 2021 | 2020  |
|---------------|------|-------|
|               | \$   | \$    |
| Examiner fees |      | 1,400 |

The ARBV has prepared the related party disclosures for the year based on reasonable enquiries made by management in relation to the portfolio ministers and their related parties and the information available to the organisation.

## 8.5 Remuneration of auditors

|   | 2021   | 2020   |
|---|--------|--------|
|   | \$     | \$     |
| <b>Victorian Auditor-General's Office</b> |        |        |
| External audit services                   | 25,000 | 15,800 |
| <b>H L Mann Judd</b>                      |        |        |
| Internal audit services                   | 15,840 | 24,300 |

## 8.6 Subsequent events

### Events Occurring after the reporting date

The COVID-19 pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated by the entity at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the entity. At the date of the annual report an estimate of the future effects of the COVID-19 pandemic on the entity cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in the future financial years. As at 30 June 2021 there were no subsequent events.

## 8.7 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to the ARBV Financial Statements. The ARBV is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

### AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. It applies to reporting periods beginning on or after 1 January 2020 with earlier application permitted. The ARBV has not earlier adopted the Standard.

The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.

The ARBV is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

### AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued ED 301 Classification of Liabilities as Current or Non-Current – Deferral of Effective Date with the intention to defer the application by 1 year to periods beginning on or after 1 January 2023. The ARBV will not early adopted the Standard.

The ARBV is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the ARBV's reporting.

## 8.8 Glossary of technical terms

### Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and

### Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable

### Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

### Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and defined contribution superannuation plans.

### Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### Financial liability

A financial liability is any liability that is:

(a) A contractual obligation:

- (i) to deliver cash or another financial asset to another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially

(b) A contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

### Financial statements

A complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

### Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

### Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

### Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to ARBV policies.

### Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes plant and equipment.

## **Other economic flows included in net result**

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non financial physical and intangible assets;
- fair value changes of financial instruments; and
- depletion of natural assets (non produced) from their use or removal.

## **Other economic flows – other comprehensive income**

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows other comprehensive income include:

- (a) changes in physical asset revaluation surplus;
- (b) share of net movement in revaluation surplus of associates and joint ventures; and
- (c) gains and losses on remeasuring available for sale financial assets;

## **Payables**

Includes accounts payable, grants and taxes.

## **Receivables**

Includes amounts owing to the ARBV through accounts receivable, accrued investment income, and interest receivable.

## **Sales of goods and services**

Refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services.

## **Supplies and services**

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the ARBV.

## **Transactions**

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the ARBV.

## **8.9 Style conventions**

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

# Appendices

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**Appendix 1: Governance and Compliance**

**Appendix 2: Workforce Data**

**Appendix 3: Disclosure Index**

# Appendix 1:

## Governance and Compliance

### ARBV Board

The ARBV Board is established under section 47 of the Architects Act 1991 (Vic) and can have up to 10 members, each of whom is appointed by the Governor in Council on a representative basis.

The Board sets the strategic framework for the achievement of the ARBV's objectives and the execution of its functions. The Board does this by overseeing strategic planning, policy development, auditing and compliance, prudent financial management, fostering stakeholder relationships and reviewing management performance. The Board is also responsible for exercising decision-making powers under the Architects Act 1991 (Vic) and the Architects Regulations 2015. Management of the operations and administration of the ARBV is delegated by the Board to the Registrar.

### Board Committees

The Board is supported by two committees:

#### **Audit and Risk Committee**

The purpose of the Audit and Risk Committee is to assist the Board to fulfil its statutory oversight responsibilities relating to the Financial Management Act 1994 (Vic) (FMA) and associated Standing

Directions 2018 issued by the Assisted Treasurer under Section 8 of the FMA. Members of the Audit and Risk Committee are reviewed and appointed annually by the Board in accordance with the Committee's Charter.

Meetings are held at least four times a year, and at other times on request of a committee member or the internal or external auditor. The Committee's key responsibilities are to:

- assist the Board in reviewing the effectiveness of the ARBV's internal control environment, covering effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations
- review the annual financial statements and make a recommendation to the Board as to whether to adopt the statements reviewing information in the report of operations on financial management, performance and sustainability
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with external auditors

- maintain effective communication with external auditors, consider recommendations made by internal and external auditors, and review the implementation of actions to resolve issues raised
- oversee the effective operation of the risk management framework.

Members of the Audit and Risk Committee as at 30 June 2021 were: Mark Anderson (Independent Chair), Karen Alcock and Dr Giorgio Marfella. Stuart Brown was a member of the Committee until his ARBV Board term of office expired 17 June 2021.

#### **Human Resources Committee**

The purpose of the Human Resources Committee is to assist the Board to fulfil its obligations relating to human resource and remuneration policy and related matters and for the management of the Registrar's contract and performance review consistent with the policies of the Government's Remuneration Tribunal.

Members of the Human Resources Committee at 30 June 2021 were Karen Alcock, Richard Salter and Catherine Duggan.

## Governance and Compliance: Board and Committee Meeting Attendances

Number of meetings attended/eligible  
to attend in 2020-21

| Name                                   | Board | Audit & Risk | Human Resources | Notes                                    |
|--|-------|--------------|-----------------|--|
| Karen Alcock (Chairperson)             | 14/14 | 4/4          | 3/3             |  |
| Richard Salter (Deputy<br>Chairperson) | 14/14 |              | 3/3             |  |
| Stuart Brown                           | 14/14 | 4/4          |                 |  |
| Dr Giorgio Marfella                    | 14/14 | 3/3          |                 |  |
| Bruce Allen                            | 14/14 |              |                 |  |
| Catherine Duggan                       | 14/14 |              | 3/3             |  |
| Jenny Gretgrix                         | 5/10  |              |                 |  |
| David Islip                            | 2/2   |              |                 | David Islip resigned<br>on 21 July 2020. |
| Mark Anderson Independent<br>Chair ARC |       | 4/4          |                 |  |



# Governance and Compliance:

## Compliance

This section includes disclosures required by the Financial Management Act 1994 (Vic), the Architects Act 1991 (Vic), the Public Interest Disclosure Act 2012 (Vic), Disability Act 2006 (Vic) and the Freedom of Information Act 1982 (Vic). It also includes voluntary disclosure of additional regulatory compliance information.

### **Manner of establishment and Responsible Minister**

The ARBV is established under the Architects Act 1991 (Vic). The Responsible Minister for the period from 1 July 2020 to 30 June 2021 was the Hon. Richard Wynne MP, Minister for Planning.

### **Accountability of the ARBV**

Pursuant to section 46 of the Architects Act 1991 (Vic), the ARBV is required to exercise its powers and perform its duties under the Act.

Additionally, the ARBV is required to advise the Minister on the carrying out of its functions under the Act and on any other matter referred to it by the Minister and is subject to any specific written directions given by the Minister.

The ARBV is required under the Public Administration Act 2004 (Vic) to:

- Inform the Responsible Minister and the portfolio Secretary (Department Environment, Land, Water and Planning) of known major risks (significant or emerging) to the effective operation of the ARBV and of the risk management systems that it has in place to address those risks.
- Provide the Responsible Minister, unless prohibited from doing so by or under any law, with any information relating to the ARBV or its operations as he or she requests.

### **Ministerial Directions**

No Ministerial Directions were given during the reporting year 2020-21.

### **ARBV's powers and duties**

The ARBV's powers and duties are found in section 46 of the Architects Act 1991 (Vic).

### **Subsequent events**

The coronavirus (COVID-19) pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated by the entity at the reporting date. In the event the coronavirus (COVID-19) pandemic impacts are more severe or prolonged than anticipated, this may have further impacts on the entity.

In assessing the impacts of coronavirus (COVID-19) on ARBV as a going concern, VAGO concluded that due to the nature of ARBV's operations, coronavirus (COVID-19) represented an insignificant impact on ARBV.

As at the date of signing, there were no subsequent events after balance date expected to have a material effect on the financial statements of ARBV that are not otherwise disclosed in the financial statements and notes.

### **Significant changes or factors affecting performance**

There were no significant changes or factors affecting ARBV's performance during the reporting period. Remote working by staff and other measures allowed ARBV to operate without significant impacts on its performance.

# Governance and Compliance: Compliance

## Access to information

The ARBV discloses information online and via printed publications. It also provides information services in person and/or by phone, annual report and website.

| Major Committees          | Purpose   | Extent of Purpose Achieved  |
|---------------------------|---|---|
| National Registrars Forum | The Forum has been established to provide an avenue for Registrars from each of the jurisdictions to lend their expertise, experience and guidance in support of advancing the regulation and oversight of the architectural profession nationally, especially in achieving national consistency wherever possible. | The forum has achieved its purpose in: <ol style="list-style-type: none"> <li>1. Driving national consistency around practice in relation to registration and compliance matters.</li> <li>2. Providing a national forum to discuss key operational risks and strategic opportunities.</li> </ol> |

## Government Advertising Expenditure

There were no advertising campaigns with a media spend of \$100,000 or greater.

| Disclosure of ICT Expenditure     | ICT Expenditure relating to projects to create or enhance ICT capabilities in 2020-2021 |                         |                     |
|-----------------------------------|---|-------------------------|---------------------|
|                                   | Non-business as usual ICT expenditure   | Operational expenditure | Capital expenditure |
| Business as usual ICT expenditure |   |                         |                     |
| \$66,823                          | \$192,119   | \$15,180                | \$176,939           |

# **Governance and Compliance: Asset Management Accountability Framework (AMAF) maturity assessment**

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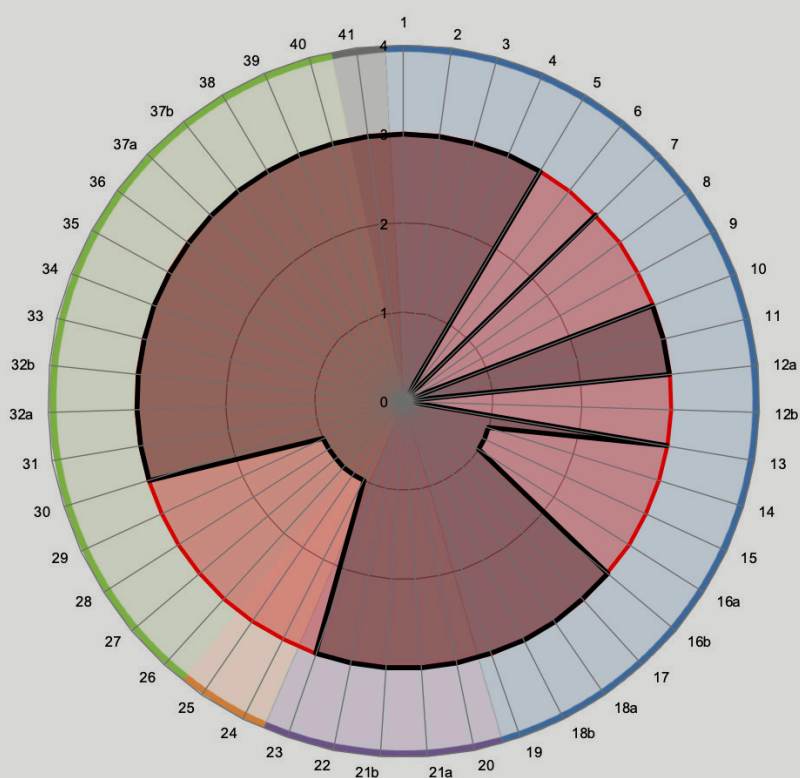
The following summarises the ARBV's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.

The ARBV's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

# Governance and Compliance: Asset Management Accountability Framework (AMAF) maturity assessment

## Compliance and maturity rating tool

Asset management maturity



| Status         | Scale |
|----------------|-------|
| Not Applicable | N/A   |
| Innocence      | 0     |
| Awareness      | 1     |
| Developing     | 2     |
| Competence     | 3     |
| Optimising     | 4     |
| Unassessed     | U/A   |

|                |  |
|----------------|--|
| <b>Target</b>  |  |
| <b>Overall</b> |  |

## Requirements

### Leadership and Accountability (requirements 1-19)

The ARBV has met or exceeded its target maturity level under most requirements within this category. The ARBV did not comply with some requirements in the areas of allocating asset management responsibility and other requirements. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the ARBV's maturity rating in these areas.

### Planning (requirements 20-23)

The ARBV has met or exceeded its target maturity level in this category.

### Acquisition (requirements 24 and 25)

The ARBV has not met its target maturity level in this category. The ARBV did not comply with some requirements in the areas of creating a procurement strategy and outlining risks in procurement as it has a minimal asset base and is in the process of developing these policies.

### Operation (requirements 26-40)

The ARBV has met or exceeded its target maturity level under most requirements within this category. The ARBV did not comply with some requirements in the areas of monitoring

and preventative action and information management. The ARBV is developing a plan for improvement to establish processes to proactively identify potential asset performance failures and identify options for preventive action.

### Disposal (requirement 41)

The ARBV has met its target maturity level in this category.

# Governance and Compliance

## Disclosure of Major Contracts

The ARBV did not enter into any major contracts during 2020-21. A major contract is a contract entered into during the reporting period valued at \$10m or more.

## Public Sector Values and Employment Principles

The ARBV has embedded the employment principles as set out in section 8 of the Public Administration Act 2004 (Vic) (PAA) into its Human Resources Policies and Procedures Manual. The manual's employment policies and practices are consistent with the principles e.g. merit and equity with regards to selection processes to ensure that applicants are assessed and evaluated fairly and equitably based on key selection criteria and other accountabilities without discrimination.

The ARBV has adopted and published for the purposes of its Corporate Plan for 2019 to 2022, the Victorian Public Sector Values of:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- Human Rights

## Workforce Data

Appendix 2 provides details of the 2020-21 workforce data for the ARBV.

## Occupational Health & Safety

The goal of the ARBV's occupational health and safety (OH&S) policy is to ensure all staff (and others accessing the ARBV's premises) remain safe and healthy at work with a continued commitment to OH&S compliance, active risks and hazards assessment and control.

The ARBV's OH&S management system which is aimed at enhancing safety performance and ensuring safe systems of work requires an annual review (or more frequently if required e.g. office changes) of the identified hazards and safety risks and the procedures for dealing with the identified risks. A focus on mental wellbeing is also part of the ARBV's strategy.

The ARBV's target for 2020-21 was for zero OH&S incidents leading to claims which was achieved. No incidents, hazards or near misses were reported during the 2020-21 year.

Based on the 2020-21 claims experience and increased remuneration associated with additional staffing, the ARBV's premium rate for 2021-22 is 0.5631%. This is below the applicable State Government Administration industry classification premium rate of 0.5790%, which is 2.74% better than the industry average.

## Freedom of Information Act 1982

The Freedom of Information Act 1982 (Vic) (the Act) allows the public a right of access to documents held by the ARBV. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by the ARBV. This comprises documents both created by the ARBV or supplied to the ARBV by an external organisation or individual. Information about the type of material produced by the ARBV is available on the ARBV's website under its Part II Information Statement.

The Act allows the ARBV to refuse access, either fully or partially, to certain documents or information.

Examples of documents that may not be accessed include but not limited

to cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to the ARBV in-confidence.

The Act allows for 30 days of Freedom of Information (FOI) processing times. However, when external consultation is required under subsections 29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the time frame for deciding a request.

If an applicant is not satisfied by a decision made by the ARBV, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

## Making a request

FOI requests can be lodged in writing to the ARBV via email or post. An application fee of \$30.10 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

Access to documents can also be obtained through a written request to the ARBV as detailed in section 17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of the ARBV should be addressed to:

ARBV Registrar  
Level 10, 533 Little Lonsdale Street  
Melbourne 3000  
or registrar@arbv.vic.gov.au

## FOI statistics/timeliness

During 2020-21, the ARBV received three FOI applications, the details of which are as follows:

- one application received was a personal request
- one application received was a non-personal request
- one request was granted access in full within the requirements of section 21 of the Act
- one request was withdrawn, as the applicant was able to access the information via a certified extract of the register (see Regulation 19 of the Architects Regulations 2015).

One request remains the subject of a VCAT appeal.

## Further information

Further information regarding the operation and scope of FOI can be obtained from the Act; regulations made under the Act; and [ovic.vic.gov.au](http://ovic.vic.gov.au). The ARBV's Part II statement can be found on the ARBV website.

## Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The ARBV continues to comply with the requirements on competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

# Governance and Compliance

## Public Interest Disclosures Act 2012 (Vic)

The Public Interest Disclosures Act 2012 (Vic) encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The ARBV does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The ARBV will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

## Reporting procedures

You can make a public interest disclosure about the ARBV or its board members, officers or employees by contacting IBAC:

Level 1, North Tower, 459 Collins Street  
Melbourne, VIC 3000  
Mail: IBAC, GPO Box 24234,  
Melbourne Victoria 3001  
Phone: 1300 735 135  
Internet: [www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)  
Email: See the website above  
for the secure email disclosure  
process, which also provides  
for anonymous disclosures.

The ARBV is not able to receive public interest disclosures.

The ARBV has established procedures for the protection of persons from detrimental action in reprisal for making a public interest disclosure about the ARBV, its board members, officers or employees. You can access the ARBV's procedures on its website at: [www.arbv.vic.gov.au](http://www.arbv.vic.gov.au)

## Additional information available on request

In compliance with the requirements of the Standing Directions 2018 of the Minister for Finance, details in respect of the items listed below, where applicable to the ARBV, have been retained and are available on request, subject to the provisions of the Freedom of Information Act 1982 (Vic):

- a) details of publications produced by the ARBV about itself, and how these can be obtained
- b) details of major promotional, public relations and marketing activities undertaken by the ARBV to develop community awareness of the entity and its services
- c) details of changes in prices, fees, charges, rates and levies charged
- d) a statement on industrial relations within ARBV
- e) details of all consultancies and contractors, including consultants/contractors engaged, services provided, and expenditure committed for each engagement.

The information is available on request from:

ARBV Registrar  
Level 10, 533 Little Lonsdale Street  
Melbourne 3000  
or [registrar@arbv.vic.gov.au](mailto:registrar@arbv.vic.gov.au)

## Additional information included in Annual Report

Details in respect of the following items have been included in the ARBV's annual report, on the pages indicated below:

- a) a list of the ARBV's major committees, the purposes of each committee, and the extent to which the purposes have been achieved (on page 90)

# Governance and Compliance

- b) statements of completion of declarations of pecuniary interests by relevant officers (on page 97)
- c) assessments and measures undertaken to improve the occupational health and safety of employees (on page 93)

## Information that is not applicable to the ARBV

The following information is not relevant to the ARBV for the reasons set out below:

- a) declaration of shares held by senior officers (no shares have ever been issued in the ARBV)
- b) details of overseas visits undertaken (no ARBV board members or senior executives took overseas work-related trips)
- c) details of any major external reviews carried out on the ARBV (no major external reviews undertaken)
- d) details of major research and development activities undertaken by the ARBV (no major research and development activities undertaken).

## Building Act 1993

The ARBV does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the Building Act 1993 (Vic).

## Local Jobs First Act 2003

The Local Jobs First Act 2003 (Vic) introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Job first policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

No procurements initiated by the ARBV in 2020-21 were assessed as falling within the Local Jobs First Policy.

## Disability Act 2006

The Disability Act 2006 (Vic) reaffirms and strengthens the rights of people with a disability and recognises this requires support across the government sector and within the community.

Absolutely everyone: State disability plan for 2017-2020 is the Victorian Government's framework for enabling people with disability to participate and contribute to the social, economic and civic life of their community. Over time the government will consider ways to align disability action plans to the state plan.

The ARBV has a Disability Action Plan in place approved by the Board. Consistent with the plan the ARBV's Human Resources policies e.g. Workplace Health and Safety and Equal Opportunity recognise and seek to address the rights and needs of people with disabilities.

This is exemplified by an organisational disability employment strategy where the ARBV will make reasonable adjustments for a person with a disability to ensure an inclusive and disability equitable workplace. Those adjustments include where:

- a person with a disability who applies for a job, is offered employment, or is an employee, and requires the adjustments in order to participate in the recruitment process or perform the genuine and reasonable requirements of the job
- it is necessary to ensure employees with a disability can work safely and productively
- flexibility in the working arrangements is required for example where employee is the carer of a child under 18 with a disability.



# Governance and Compliance

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## Environmental and Social impacts

The ARBV is committed to reducing its environmental footprint and promoting awareness and participation amongst its employees. The use of recycled paper together with the emphasis on electronic document management and a “paperlite” approach is reducing paper and storage. Wastepaper is binned for recycling and used printer cartridges are disposed of via Planet Ark.

The ARBV uses a not-for-profit service provider who help job seekers to find work with inclusive employers who recognise and value diversity. This service includes cleaners who use environmentally safe products.

The ARBV will continue to also invest in green deposits which are deposits issued by the provider to invest in environmentally beneficial projects and initiatives.

## Declarations of pecuniary interests

All ARBV officers exercising a financial delegation have completed a declaration of pecuniary interest in accordance with the ARBV delegation’s policy.

## Consultancy Expenditure

### Details of consultancies (valued at \$10,000 or greater)

In 2020-21, there were six consultancy engagements for which services were provided during the reporting period that were individually valued at \$10,000 or greater (excluding GST).

The total expenditure incurred during 2020-21 in relation to these consultancies was \$140,652. Details of individual consultancies are outlined below and can also be obtained at ARBV’s website ([www.arbv.vic.gov.au](http://www.arbv.vic.gov.au)).

### Details of consultancies under \$10,000

In 2020-21 there were three consultancies engaged during the year, where the total fees payable to the individual consultancy was less than \$10,000. The total expenditure incurred during 2020-21 in relation to these consultancies was \$7,790 (excl. GST).

## Governance and Compliance

### 2020-21 Consultancies over \$10,000

| Consultant                        | Purpose of consultancy                                  | Start Date | End Date  | Total approved project fee (excl. GST) | Expenditure 2020-21 (excl. GST) | Future Expenditure |
|-----------------------------------|---|------------|-----------|--|---------------------------------|--------------------|
| Dart Legal and Consulting Pty Ltd | Revision of Regulatory Strategy                         | Nov-20     | 30-Jun-21 | \$35,000                               | \$35,000                        |                    |
| Dart Legal and Consulting Pty Ltd | Response to Framework for Reform of the Building System | 26-Apr-21  | 18-May-21 | \$11,500                               | \$11,500                        |                    |
| Ellis Jones                       | Website and Annual report                               | 1-Jul-20   | 30-Jun-21 | \$10,280                               | \$10,280                        |                    |
| Synoptes                          | CRM/Portal project management                           | 15-Oct-20  | 31-Jul-21 | \$35,200                               | \$55,645                        | \$3,200            |
| Alyxana Consulting Pty Ltd        | CRM Procurement   | 17-Oct-19  | 24-Sep-20 | \$19,500                               | \$14,727                        |                    |
| Crysp Australia Pty Ltd           | Security review and Penetration testing                 | 15-Apr-21  | 15-May-21 | \$13,500                               | \$13,500                        |                    |

# ARBV Chairpersons and Registrars since 1923

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## Chairpersons

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1. Edward Bates 1923 - 1931

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2. William Godfrey 1931 - 1934

*Plus, a period 1924-1925 as acting chair.*

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3. Kingsley Henderson 1934 - 1939

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4. John Gawler 1939 - 1946

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5. Stanley Parkes 1946 - 1966

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6. Harry Winbush 1966 - 1971

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7. Ronald Lyon 1971 - 1975

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8. R.J.Gibson 1975 - 1983

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9. J.F.Swan 1983 - 1985

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10. A.Rodger 1985 - 1988

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11. Peter Williams 1988 - 1997

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12. Robert McGauran 1997 - 2000

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13. Andrew Hutson 2000 - 2012

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14. David Sainsbery 2012 - Dec 2017

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15. David Islip Dec 2017 - May 2020

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16. Karen Alcock May 2020 - May 2021

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17. Dr Giorgio Marfella May 2021 -

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# ARBV Chairpersons and Registrars since 1923

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## Registrars

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|  |             |  |                            |
|--|-------------|--|----------------------------|
| 1. William Campbell  | 1923 - 1929 | 11. Adam Toma                                | September 2018 - July 2020 |
| 2. John Islip  | 1929 - 1970 | 12. Allan Bawden<br><i>Interim Registrar</i> | July 2020 - February 2021  |
| <i>Charles Serpell was acting registrar 1942-1946 while John Islip was on leave having enlisted in the Royal Australian Air Force.</i> |             | 13. Dr Glenice Fox                           | February 2021 -            |
| 3. John Janicke  | 1970 - 1971 |  |                            |
| 4. Tom Cranston  | 1971 - 1972 |  |                            |
| 5. Raymond Wilson  | 1972 - 1972 |  |                            |
| 6. Noel Bewley   | 1972 - 1986 |  |                            |
| 7. Mary Mauthoor   | 1986 - 1992 |  |                            |
| 8. Jeffrey Keddie  | 1992 - 1998 |  |                            |
| 9. Michael Kimberley   | 1998 - 2008 |  |                            |
| 10. Alison Ivey  | 2008 - 2018 |  |                            |

## Appendix 2: Workforce Data

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On 30 June 2021:

The Architects Registration Board of Victoria employed 10 staff (9.4 full time equivalent), compared to 13 staff (11 full time equivalent) on 30 June 2020.

Staff numbers were lower in 2020-21 compared to last financial year due to delays in filling vacant positions in the areas of Legal Services, Governance and Compliance.

Employees have been correctly classified in workforce data collections.

All employees, except executive officers, are covered by the ARBV Enterprise Agreement.

## Workforce Data

| Classification    | 2020-21            |            | 2019-20            |           |
|-------------------|--------------------|------------|--------------------|-----------|
|                   | Number (Headcount) | FTE        | Number (Headcount) | FTE       |
| Executive Officer | 1                  | 1          | 1                  | 1         |
| VPS 6             | 2                  | 2          | 2                  | 2         |
| VPS 5             | 2                  | 2          | 3                  | 2.6       |
| VPS 4             | 2                  | 2          | 3                  | 3         |
| VPS 3             | 2                  | 1.6        | 3                  | 1.8       |
| VPS 2             | 1                  | 0.8        | 1                  | 0.6       |
| VPS 1             | 0                  | 0          | 0                  | 0         |
| <b>Total</b>      | <b>10</b>          | <b>9.4</b> | <b>13</b>          | <b>11</b> |

### Notes:

1. All figures reflect employment levels during the last full pay period in June of each year.
2. Excluded from workforce data include employees on leave without pay or absent on secondment, graduates, external contractors/consultants and temporary staff employed by employment agencies.
3. Ongoing employees includes people engaged on an open-ended contract of employment and executives engaged on a standard executive contract who were active in the last full pay period of June.
4. "FTE" stands for Full time equivalent.
5. The ARBV uses Victorian Public Sector (VPS) Salaries and Classification and Value Range Descriptors.

# Appendix 3: Disclosure index

The Annual Report of ARBV is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of ARBV's compliance with statutory disclosure requirements.

| Legislation   | Requirement   | Page Reference |
|---|---|----------------|
| <b>Report of Operations</b>                           |   |                |
| <b><i>Year in Review</i></b>                          |   |                |
| FRD 22I   | Manner of establishment and responsible Minister                          | 89             |
| FRD 22I   | Nature and range of services provided                                     | 17             |
| FRD 22I   | Objectives, functions, powers and duties                                  | 10             |
| FRD 22I   | Performance Reporting (non-financial) - Achievements                      | 19             |
| FRD 22I   | Performance Reporting (non-financial) – Operational Performance           | 23             |
| FRD 22I   | Performance Reporting (non-financial) – Key Initiative                    | 45             |
| FRD 22I   | Summary of the financial results for the year                             | 49             |
| FRD 22I   | Significant changes in financial position during the year                 | 48             |
| FRD 22I   | Major changes or factors affecting performance                            | 89             |
| FRD 22I   | Subsequent Events   | 89             |
| <b><i>Governance and Organisational Structure</i></b> |   |                |
| FRD 22I   | Organisational structure and corporate governance                         | 16             |
| FRD 22I   | Board's role and membership   | 14             |
| FRD 22I   | Audit & Risk Committee membership   | 87             |
| FRD 22I   | Board Committees  | 87             |
| FRD 22I   | Employment and conduct principles   | 93             |
| <b><i>Workforce Data</i></b>                          |   |                |
| FRD 22I   | Public sector values & employment principles                              | 93             |
| FRD 22I   | Occupational Health and Safety  | 93             |
| FRD 29B/FRD 22I                                       | Workforce data disclosures  | 101            |
| FRD 10A   | Disclosure index  | 103            |
| <b><i>Financial and Other Information</i></b>         |   |                |
| FRD 10A   | Disclosure index  | 103            |
| FRD 21C   | Disclosure of Responsible Persons, Executive Officers and other personnel | 81             |
| FRD 22I   | Subsequent Events   | 83 & 89        |
| FRD 103I  | Non-financial physical assets   | 68             |
| FRD 106B  | Impairment of Assets  | 74             |
| FRD 110A  | Cash flow statements  | 57             |

# Disclosure index

| Legislation  | Requirement  | Page Reference |
|--|--|----------------|
| <b><i>Other Disclosures as Required by FRD's</i></b> |  |                |
| FRD 25D  | Local Jobs First   | 96             |
| FRD 22I  | Government advertising expenditure   | 90             |
| FRD 22I  | Details of consultancies over \$10,000   | 98             |
| FRD 22I  | Details of consultancies under \$10,000  | 97             |
| FRD 22I  | Disclosure of ICT expenditure  | 90             |
| FRD 12B  | Disclosure of Major Contracts  | 93             |
| FRD 22I  | Application and operation under the Freedom of Information Act 1982                    | 93             |
| FRD 22I  | Compliance with Building Act 1993  | 96             |
| FRD 22I  | Statement on Competitive Neutrality Policy   | 94             |
| FRD 22I  | Application of the Public Interest Disclosures Act 2012                                | 95             |
| FRD 24D  | Reporting on office based environmental impacts  | 97             |
| FRD 22I  | Statement of availability of other information available on request                    | 95             |
| FRD 22I  | Asset Management Accountability Framework (AMAF) maturity assessment                   | 91             |
| <b><i>Compliance Attestation and Declaration</i></b> |  |                |
| SD 5.1.4   | Attestation for Compliance with Ministerial Standing Directions                        | 47             |
| SD 5.2.3   | Declaration in the Report of Operations  | 4              |
| <b><i>Financial statements</i></b>                   |  |                |
| SD 5.2.2   | Declaration in financial statements  | 51             |
| SD5.2.1(a)   | Compliance with Australian accounting standards and other authoritative pronouncements | 51             |
| SD5.2.1(a)   | Compliance with Standing Directions  | 51             |
| <b><i>Legislation</i></b>                            |  |                |
|  | Freedom of Information Act 1982  | 93             |
|  | Building Act 1993  | 96             |
|  | Public Interest Disclosures Act 2012   | 95             |
|  | Local Jobs First Act 2003  | 96             |
|  | Financial Management Act 1994  | 4              |
|  | Disability Act 2006  | 96             |
|  | Public Administration Act 2004   | 89             |
|  | Building and Environment Protection Legislative Amendment Act 2020                     | 43             |



