



FAIR WORK
AUSTRALIA

17 February 2010

Mr Richard Young FRAIA
President, Association of Consulting Architects (WA Branch)
PO Box 365
West Perth WA 6872
By email: richard.young@jcy.net

cc: Mr John Connolly
Connolly Phan & Co
Chartered Accountants
1st Floor 2 Leura St
Nedlands WA 6009
By email: john.connolly@westnet.com.au

Dear Mr Young

Re: Financial Reports for the Association of Consulting Architects Western Australian Branch for the years ended 30 June 2008 and 30 June 2009 (FR2008/350 and FR2009/10047)

I acknowledge receipt of the financial reports of the Western Australian Branch of the Association of Consulting Architects for the years ended 30 June 2008 and 30 June 2009. The documents were lodged with Fair Work Australia on 12 February 2010.

The reports have been filed, notwithstanding the qualifications that exist in both Audit Reports. In normal circumstances the General Manager of Fair Work Australia (FWA) is required to investigate any defect or irregularity disclosed in an auditor's report ([subsection 332\(1\)](#) of the *Fair Work (Registered Organisations) Act 2009* [the RO Act]). However the General Manager is *not* required to investigate if, after consultation, he is satisfied the matters are trivial or will be remedied in the following year ([subsection 332\(2\)](#) of the RO Act). The qualifications in the Audit Reports have been assessed as trivial and therefore further investigation is not required.

I have also attached an addendum for your consideration in which I make comments to assist you when you next prepare a financial report. If you have any queries I can be contacted on 03 86617929 or by email on eve.anderson@fwa.gov.au. I have forwarded a copy of this letter to your auditor, Mr Connolly of Connolly Phan & Co.

Yours sincerely

Eve Anderson
Tribunal Services and Organisations
Fair Work Australia
Tel: 03 86617929

Email: eve.anderson@fwa.gov.au

Addendum to the Financial Reports for the Association of Consulting Architects Australia, Western Australian branch for the years ended 30 June 2008 and 30 June 2009 (FR2008/350 and FR2009/10047)

The following comments are made to assist you when you next prepare a financial report.

1. Audit report: examination of income received

Both audit reports explain that it was not possible for the auditor to extend his examination of income received by the Association beyond accounting for amounts received as shown in the books and records of the Association. [Paragraphs 252 \(1\) \(b\) and \(c\)](#) of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) require an organisation to keep its financial records in such a manner that will enable a general purpose financial report to be prepared as well as enabling the accounts to be conveniently and properly audited. In particular, the auditor needs to be able to access records of the ACA WA branch that enable him/her to assess whether the income received from subscriptions is not materially misstated. The membership register would likely provide a base from which the auditor can make this assessment. In future years appropriate records need to be made available to the auditor so that the auditor's report is no longer qualified in this manner.

2. Timescale requirements

As you are aware, organisations and their branches are required to undertake their financial reporting obligations in accordance with specified timelines. As the 2008 and 2009 reports have been completed, the relevant timelines are incapable of being remedied. However it should be noted that the RO Act requires the preparation and lodgment of financial reports to occur within specified timelines.

In particular, [sections 253 and 254](#) of the RO Act require that a general purpose financial report and an operating report be prepared as soon as practicable after the end of the financial year. Further, [section 266](#) requires that the financial report be presented to a general meeting of members within six months after the end of the financial year and lodged with Fair Work Australia (FWA) within 14 days of that meeting ([section 268](#)). I have attached a document which sets out the timelines in diagrammatical form.

In future years the financial report needs to be prepared in sufficient time to enable presentation to a meeting within six months after the end of the financial year and lodged with Fair Work Australia no later than 14 days after that meeting.

3. Cash flows between branches and offices of the ACA

Item 15 of the [Reporting Guidelines](#) requires that where another branch or office of the organisation is the application of cash outflow, such cash flow should be separately disclosed and the name of the other reporting unit be shown in the notes. In future years, any cash outflows to the national office of the ACA need to be disclosed in the notes and the ACA national office identified as the recipient of the cash outflow.

4. Operating report – date and signature

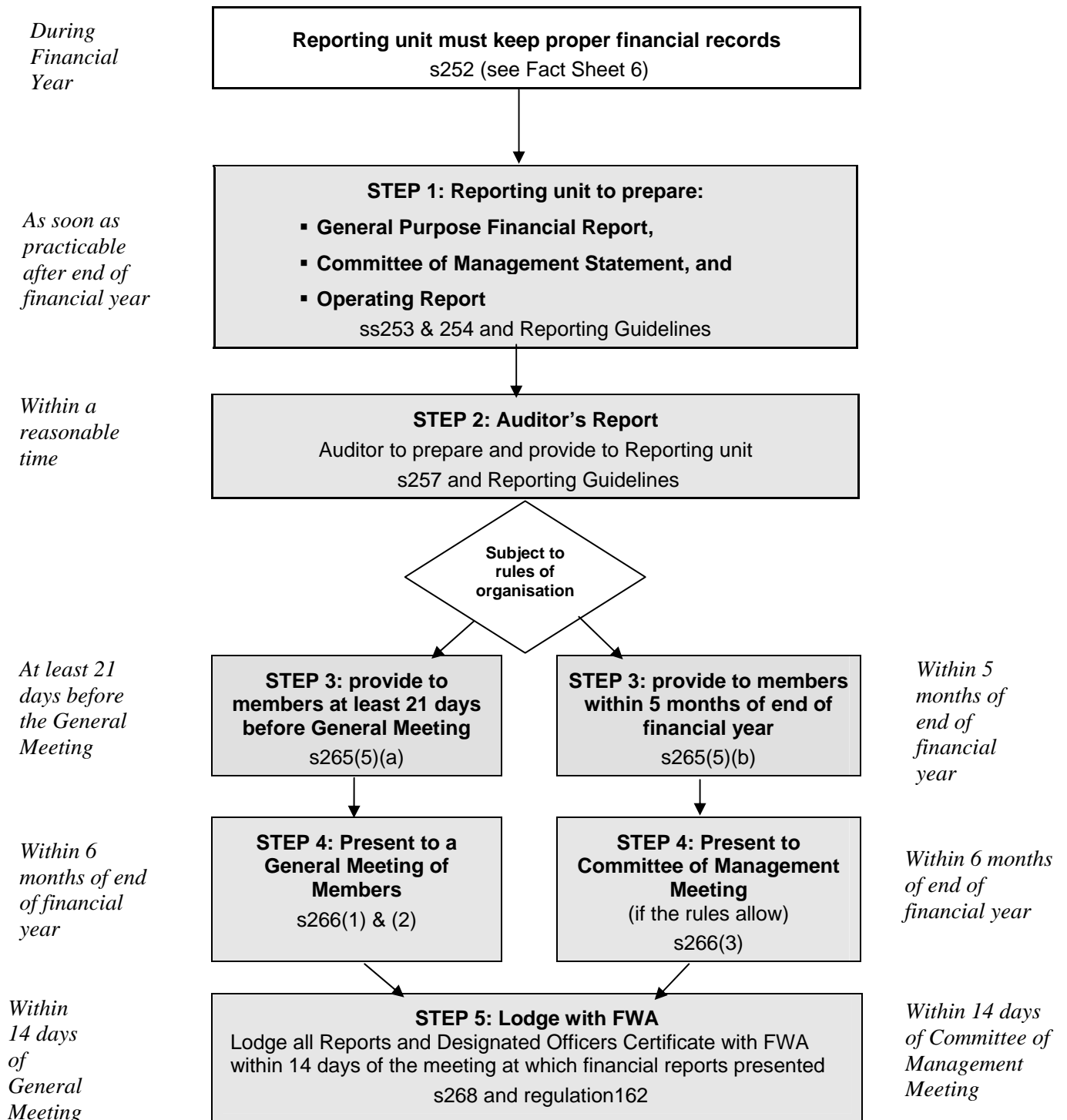
Although there is no specific legislative requirement, it is the preference of Fair Work Australia that the operating report be dated and signed by an officer of the Branch.

Fair Work (Registered Organisations) Act 2009 Legislation Fact Sheet

Diagrammatic Summary of Financial Reporting Time-lines

Financial reports are to be lodged with FWA within 6½ months of end of financial year by completing the steps as outlined below.

See Fact Sheet 8 for an explanation of each of these steps.



**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

Designated Officer's Certificate or other Authorised Officer

s268 *Fair Work (Registered Organisations) Act 2009*



I, Richard Young, being the President of the Association of Consulting Architects Australia (WA Branch) certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 18 JANUARY 2010; and
- that the full report was presented to a general meeting of members of the Association of Consulting Architects Australia (WA Branch) on 8 FEBRUARY 2010 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

Date:

8 FEBRUARY 2010

¹The relevant regulations prescribe the designated officer for the purpose of s268 of the *Fair Work (Registered Organisations) Act 2009* as:

- (a) the secretary; or
- (b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

GENERAL PURPOSE FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2009**

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**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**OPERATING REPORT
30 JUNE 2009**

The members of the Committee of Management hereby present the financial report for the year ending 30 June 2009.

Members of the Committee of Management

The persons who held office as members of the Committee of Management of the Association during the reporting period were:

Richard Young	President
Janine Marsh	Vice President/Treasurer
Peter Hodge	Secretary
Dean Wood	Committee Member

Note: Dean Wood joined the committee on 5 August 2008.

Principal Activities

The principal activities of the Branch during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Association and particularly the object of protecting and improving the interests of members. The results of these activities were to improve the industrial and other professional interests of our members. There was no significant change in the nature of the Branch's principal activities.

Significant Changes

A comparison between contributions from members during the 2008 and 2009 years shows a substantial increase in the 2009 year. This increase results from a change to the timing of the collection of subscriptions in the 2008 year. This change was noted in the Operating Report for 2009.

Manner of Resignation

Members may resign from the Association in accordance with Rule 15 of the Constitution of the Association.

Number of Members

The number of persons who at the end of the year ending 30 June 2009, were recorded on the Register of Members of the Association was 21.

Number of Employees

Nil

Trustee or Director of Trustee Company of Superannuation Entity or Exempt Public Sector Superannuation Scheme

Nil

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**Committee Of Management Statement
Financial year ended 30 June 2009**

On 11 January 2010 the Committee of Management of the Western Australian Branch of the Association of Consulting Architects Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30/06/09

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009*; and
 - (iv) the committee does not know whether the financial records of the reporting unit were kept in a consistent manner to each of the other reporting units of the ACAA, however the national office of the ACAA will ensure consistent record keeping in future years; and
 - (v) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009*
 - (vi) no orders have been made by Fair Work Australia under section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.

For Committee of Management of the Western Australian Branch of the Association of Consulting Architects Australia

Title of Office held: President, ACA (WA Branch)

Signature:

Date:


11 January 2010

ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA (WA BRANCH)

BALANCE SHEET AS AT 30 JUNE 2009

	2009 \$	2008 \$
CURRENT ASSETS		
Cash at bank	13,670.57	2,218.20
Term deposit (National Australia Bank)	19,355.76	27,085.72
GST recoverable	159.63	700.47
Receivables	597.50	542.50
TOTAL CURRENT ASSETS	<u>33,783.46</u>	<u>30,546.89</u>
TOTAL ASSETS	<u>33,783.46</u>	<u>30,546.89</u>
CURRENT LIABILITIES		
Payables	2,500.00	800.00
GST payable	-	-
TOTAL CURRENT LIABILITIES	<u>2,500.00</u>	<u>800.00</u>
TOTAL LIABILITIES	<u>2,500.00</u>	<u>800.00</u>
NET ASSETS	<u>31,283.46</u>	<u>29,746.89</u>
EQUITY		
Accumulated funds	31,283.46	29,746.89
TOTAL EQUITY	<u>31,283.46</u>	<u>29,746.89</u>

The accompanying notes form part of the financial statements.

ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA (WA BRANCH)

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
INCOME		
Subscriptions	10,100.00	1,730.00
Interest received	2,270.04	1,122.44
Other income	1,272.77	75.00
	<u>13,642.81</u>	<u>2,927.44</u>
EXPENDITURE		
Bank fees and government charges	-	-
ACAA levies	5,790.00	1,100.00
Secretarial costs	300.00	300.00
Audit & accounting fees	2,500.00	870.00
Post office box rental	181.82	177.30
Prizes	500.00	500.00
Seminars and functions	2,409.87	1,102.50
Share of RAlA research project	-	-
Sundry expenses	424.55	100.00
	<u>12,106.24</u>	<u>4,149.80</u>
Excess of income over expenditure	1,536.57	-1,222.36
Accumulated funds at beginning of year	29,746.89	30,969.25
Accumulated funds at end of year	<u>31,283.46</u>	<u>29,746.89</u>

The accompanying notes form part of the financial statements.

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
Cash flows from operating activities		
Cash receipts in the course of operations	11,859	1,759
Interest received	2,270	1,123
Cash payments in the course of operations	<u>(10,406)</u>	<u>(9,005)</u>
Net cash provided by operating activities	<u>3,723</u>	<u>(6,123)</u>
Net Increase/(Decrease) in Cash Held	3,723	(6,123)
Cash at beginning of the financial year	<u>29,303</u>	<u>35,426</u>
Cash at the end of the financial year	<u>33,026</u>	<u>29,303</u>

(i) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position.

Cash Assets	<u>33,026</u>	<u>29,303</u>
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(ii) Reconciliation of Net Cash Provided by operating activities to operating surplus

Surplus (deficit) from ordinary activities	1,537	(1,222)
Depreciation	-	-
Decrease (Increase) in current receivables	486	(46)
Increase (Decrease) in other creditors	<u>1,700</u>	<u>(4,855)</u>
Net Cash Increase (Decrease) from Operating Activities	<u>3,723</u>	<u>(6,123)</u>

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
Balance of accumulated funds at 1 July	29,747	30,969
Increase (decrease) in accumulated funds	1,536	(1,222)
	-----	-----
Balance of accumulated funds at 30 June	\$31,283	\$29,747
	=====	=====

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

The significant policies which have been adopted in the preparation of the Financial Reports are:

(a) Corporate Information

The financial report for the association has been prepared on the basis that the Association of Consulting Architects Australia is registered under the Fair Work (Registered Organisations) Act 2009 and has the status of a not for profit body corporate. The financial report is prepared in Australian Dollars.

(b) Basis for Preparation

This financial report is a general purpose financial report that has been prepared specifically for distribution to members in accordance with ACA Australia's constitution.

The report which has been prepared in accordance with Australian Accounting Standards ("AASBs"), (including Australian Interpretations) adopted by the Australian Accounting Standards ("AASB"). The financial report also complies with, where applicable, International Financial Reporting Standards ("IFRS") which form the basis of Australian Accounting Standards ("AASBs"), adopted by the AASB.

The financial report has been prepared on the basis of historical cost and, except where stated, does not take into account changing money values or current valuations of non-current assets. The accounting records have been kept on an accrual basis.

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby, ensuring that the substance of the underlying transactions and other events is reported.

The accounting policies have been consistently applied and, except where there is a change in accounting policy are consistent with those of the previous year. The estimates and underlying assumptions are reviewed on an ongoing basis.

Comparatives

Where applicable comparative figures have been adjusted to correspond with current year disclosures.

(c) Revenue

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods and services of the same nature and value without any cash consideration are not recognised as revenues.

Revenue comprises subscriptions and sundry income. These revenue items are recognised when the goods are provided, or when the fee in respect of services provided is receivable.

Interest Revenue

Interest revenue is recognised as it is received.

(d) Trade and Other Receivables

Trade and other receivables are stated at their cost less impairment losses.

(e) Cash and Cash Equivalents

Cash and Cash Equivalents comprises cash balances and call deposits.

(f) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received.

(g) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of the cost of acquisition of the asset or as part of the expense.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(h) Accounting Standards

The committee has considered accounting standards issued not effective at the date of this report and believe that there will not be any material adjustment to the report as a result of the application of these standards.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER (Extract from Fair Work (Registered Organisations) ACT 2009, Section 272)

- a) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- b) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- c) A reporting unit must comply with an application made under subsection (a).

3. INCOME TAX

The Association is a non-profit organisation and as such is exempt from income tax.

4. FINANCIAL INSTRUMENTS

Exposure to credit, interest rate and currency risks arise in the normal course of the Association's business.

Credit Risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Fair Values

The fair values are the same as the carrying amounts shown in the balance sheet.

**ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA
(WA BRANCH)**

**AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

**To the Members of ASSOCIATION OF CONSULTING ARCHITECTS AUSTRALIA (WA BRANCH)
["A.C.A. AUSTRALIA (WA BRANCH)"]**

Scope

We have audited the financial report of A.C.A Australia (WA Branch) for the financial year ended 30 June 2009 which comprises the Balance Sheet, Income and Expenditure Statement, Cash Flow Statement, Statement of Changes in Equity, a summary of significant accounting policies and other explanatory notes and the Committee of management Statement. The A.C.A Australia (WA Branch) committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the A.C.A Australia (WA Branch).

Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures were undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements in Australia and the A.C.A Australia (WA Branch) constitution. This is done so as to present a view that is consistent with our understanding of the A.C.A Australia (WA Branch) financial position and performance as represented by the results of its operations and its cash flows.

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

Independence

We are independent of the Association, and have met the independence requirements of Australian professional ethical pronouncements.

Audit Qualification

Contributions from Members

A comparison between contributions from members during the 2008 and 2009 years shows a substantial increase in the 2009 year. It should be noted that the increase in subscriptions during the 2009 year resulted from a change to the timing of the collection of subscriptions in the 2008 year.

The change to the timing of the collection of subscriptions was detailed in the qualified audit report which accompanied the audited financial report for the year ending 30 June 2008.

As an audit procedure it was not practicable to extend our examination of income received by the Association beyond the accounting for amounts received as shown in the books and records of the Association.

Audit Opinion

In our opinion, subject to the matters referred to in the qualification above:

1. The financial report is in accordance with the Constitution of the Association of Consulting Architects Australia (WA Branch), including:
 - (i) presenting fairly the financial position of the Association of Consulting Architects Australia (WA Branch) at the 30 June 2009 and its results for the year ended on that date, and
 - (ii) complying with Australian Accounting Standards, other mandatory professional reporting requirements and statutory requirements in Australia.
2. The financial report also complies with the requirements of the Fair Work (Registered Organisations) Act 2009.

CONNOLLY PHAN & CO
Chartered Accountants


John C Connolly
(Registered Company Auditor)
Perth, WA

Dated this 14th day of January 2010

Auditor's Independence Declaration

To: The Committee of the Association of Consulting Architects Australia (WA Branch)

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30th June 2009 there have been;

- c) no contraventions of the auditor independence requirements as set out in the independence requirements of Australian professional ethical pronouncements in relation to the audit, and
- d) no contraventions of any applicable code of professional conduct in relation to the audit.

CONNOLLY PHAN & CO



John C Connolly
(Registered Company Auditor)

PERTH WA

Dated: 14 JANUARY, 2010