



# Annual Report

2006/2007

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## Chairperson's and Deputy Chairperson's Statement

The 2006/2007 year was challenging for the New Zealand Registered Architects Board (the Board), but by year's end much had been achieved. As required by the Registered Architects Act 2005, the Board is now operating and carrying out its core tasks.

A robust assessment and registration procedure is now in place to help ensure that Registered Architects are competent. The Board has also created a procedure to assess whether Registered Architects continue to be competent. A Register is available on-line which contains the names of the Architects registered in New Zealand. Investigatory and disciplinary procedures are also in place and operating.

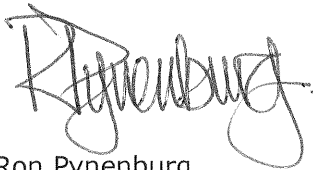
These measures protect the public interest and the reputation of the architectural profession in New Zealand.

Looking to the future, the Board expects that within two or three years it will reach a business-as-usual mode of operation. We are not there yet and there is further work still to do.

In the meantime, there are many people who warrant the Board's appreciation for what has been achieved so far.

In particular, the Board would like to thank Jennifer Pelvin, our CEO in the start-up phase, who has now moved on to new challenges. The Board wishes her well. Also, we thank the Department of Building and Housing for its support, encouragement and advice.

And finally, our very warm thanks to the cadre of registration assessors and investigating and complaints committee members for their work. Their advice, for which they receive only a token recompense, is at the heart of what the Board does.



Ron Pynenburg  
Chairperson



Deborah Cranko  
Deputy Chairperson

# Operational Report

## Overview

The Registered Architects Act 2005 (the Act) came into force fully on 1 July 2006, as did the Registered Architects Rules 2006 (the Rules) The 2006/2007 year was the Board's first in operational terms.

As at 30 June 2007, there were 1499 New Zealand Registered Architects. During 2006/2007 40 Architects were admitted to the Register for the first time and 13 applications for registration were declined. No registrations were cancelled or suspended under Section 15 of the Act and no disciplinary actions were taken.

New assessment procedures for persons seeking registration for the first time operated effectively, along with a new process for continuing registration. The Register was made available to the public online and complaints procedures were developed and utilised.

The Board established a Wellington-based office for its operations and put in place various governance and administrative arrangements. The Board's fees for its services are set out in the table below.

<b>Fees/rebates at 30 June 2007</b>	<b>GST included</b>
Application for registration .....	\$2,036.25
Rebate if no interactive assessment required .....	\$1,417.50
Qualification equivalency assessment .....	\$1,687.50
Annual issuance of Certificate of Registration .....	\$551.25
Review of registration assessment procedures .....	\$843.75
Voluntary suspension .....	\$168.75

## Background

The Crown has a policy framework for occupational licensing that aims to ensure that professionals who provide services to the public are competent. This is to protect both the public and the reputations of the regulated occupations. The Crown has determined that occupational licensing is required in the building industry, given the industry's impact on the public's well being. Architects are one of the occupations included in this.

To administer this, the Act established the New Zealand Registered Architects Board (the Board). The Act describes the Board's functions as:

- making rules relating to Registered Architects
- registering architects, issuing certificates of registration and assessing whether Registered Architects meet the standard for continued registration
- maintaining a register
- investigating complaints and, if required, disciplining Registered Architects
- providing information to the public about the registration system for Registered Architects.

Section 7 of the Act protects the title "Registered Architect", declaring that only persons who are registered may use the titles "Registered Architect" or "Architect".

In addition, the Board monitors the effectiveness of the Act, provides advice to the Department of Building and Housing and the Minister, and liaises with equivalent registration authorities overseas.

## **Transition**

Specific arrangements were made to transfer Registered Architects from the Register of the Board's predecessor, the Architects Education and Registration Board (AERB), to the NZRAB Register. Each Registered Architect was required to make an initial application and pay a one-off initial application fee of \$146.25 (GST included)<sup>1</sup>, and then the standard payment for an annual Certificate of Registration. In total, 1651 Registered Architects transferred to the new register on 1 July 2006. Of these, three were required to complete an interactive assessment prior to being accepted on to the register. A further 140 persons applied for voluntary suspension.

## **Initial Registration**

During the review period, the Board assessed applications for initial registration from 53 persons. Of these, 40 Architects were registered and 13 applications were declined. Overall, the Board's assessment procedures proved robust and there were no appeals.

All applicants for registration must have a face-to-face assessment carried out by two assessors. These are senior members of the profession who give of their time for a modest fee. Under the AERB, some 35 assessors from within the profession did this work. However, application numbers have been steadily increasing, and, in August 2006, 17 new Assessors were appointed to meet this growing demand. A training workshop was provided for new and experienced assessors.

The AERB's registration process was reviewed and seven new pathways to registration were defined, which are outlined on the Board's website ([www.nzrab.org.nz](http://www.nzrab.org.nz)). The seven pathways explain alternative pre-requisites and clarify the requirements for registration, depending on the applicant's previous experience, qualifications and circumstances.

Registration assessments under the AERB were held in May and November each year. After the November 2006 registrations, the Board concluded that the registration application fee of \$393.75 (GST included) for the enhanced registration process was unsustainable on a cost-recovery basis. An application was made to the Minister to increase the registration application fee to \$2,036.25 (GST included). The May 2007 registration round was delayed until this fee increase was granted, shortly after the financial year ended.

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<sup>1</sup> This was the initial registration fee of \$393.75 (GST included), less a rebate of \$247.50 (GST included) assuming an interactive assessment was not required.

## **Continued Registration**

Section 12 of the Act requires that the Board must assess whether or not each Registered Architect continues to meet the applicable minimum standards for registration, i.e. continues to be competent. The Registered Architects Rules 2006 (the Rules) say this shall be done every five years.

The Board has determined that participation in a Continued Professional Development (CPD) programme shall be the primary means by which the Board shall assess an Architects' continued competence.

The New Zealand Institute of Architects (NZIA) is contracted to organise and manage a web-based CPD procedure to provide this mechanism. An automatic link from the NZRAB website to the CPD website facilitates access to the CPD programme. Scheduled activities are listed – typically seminars and conferences from the building and education sectors – and Registered Architects can organise, manage and record their participation and learning online.

The NZIA has set up an Accreditation Panel that considers applications from CPD providers wishing to supply scheduled events and applications from Architects who wish to undertake individual unscheduled CPD activities.

By taking part in CPD activities, Registered Architects accumulate points. A total of 1000 points over the five-year registration period is deemed to be sufficient evidence of continued competence. Registered Architects must accumulate at least 100 points per annum over the five-year period, with 200 points per annum being the norm. Over the five-year cycle, at least 100 points must be gained in each of the four units of competency in the National Competency Standards of Architecture. These units are Design, Documentation, Project Management and Practice Management.

The NZIA reports the following in regard to CPD in 2006/2007:

- A total of 505 'scheduled events' were listed on the CPD website, of which 84 per cent were in Auckland, 10 per cent in Wellington and Canterbury combined, and the remaining 6 per cent across the rest of the country.
- Of the four units of competency, over 50 per cent of scheduled events addressed 'Design'.
- Scheduled events were available from 17 'providers'. NZIA provided 146 (66 per cent) of the scheduled events, and two other providers provided more than ten scheduled events.
- During the review period the CPD website was re-developed.
- Of Registered Architects, 257 (17 per cent) did not achieve 100 CPD points during the year.

## **The Register**

One of the Board's functions is to maintain an Architects' Register, so that members of the public can confirm that an Architect is registered. This service is provided online via the Board's website at [www.nzrab.org.nz](http://www.nzrab.org.nz)

## **Public Protection (complaints & discipline)**

Under section 25 of the Act, the Board can hold Registered Architects accountable for having acted in a "negligent or incompetent manner" or "breached the code of ethics contained in the Rules."

During the year, procedures were put in place to deal with complaints. Broadly, these procedures can involve:

- the Registered Architect being asked to provide a written response to the complaint which also needs to be in writing
- a decision being made whether or not to refer the matter to an Investigating Committee.
- the Investigating Committee ascertaining the relevant facts and recommending to the Board whether or not the case should be referred to a Disciplinary Committee or whether some other mechanism should be used to attempt a resolution
- the Disciplinary Committee holding a hearing and making a determination, which may involve penalties as proscribed in the Act including, as a last resort, rescinding an Architect's registration.

Two complaints were carried forward from the AERB regime. The Board's staff received 23 phone calls about possible complaints, eight of which were not about Registered Architects. Four complaints were forwarded to the Board's Investigating Committee. At year's end, no complaints had been referred to the Board's Disciplinary Committee.

## **Governance**

As at 30 June 2007, the Board members were:

- Mr Ron Pynenburg (Chairperson)
- Ms Deborah Cranko (Deputy Chairperson)
- Ms Jane Aimer
- Ms Carolynn Bull
- Mr Brian Elliott
- Mr Gordon Holden
- Mr Don McRae
- Mr Gordon Moller

The Board met seven times during 2006/2007. Three meetings were face-to-face, one by teleconference, and three involved resolutions passed by email, this being a Board procedure that is deemed to be a Board meeting.

During the year, a number of Board functions were delegated to the Chief Executive Officer. This was done to assist administrative efficiency which had been affected by differences of opinion within the Board about governance.

The Board has a statutory responsibility to review and report on its performance to the Minister for Building and Construction. The primary mechanism for this is the *Annual Report*. During 2006/2007, the Board Chair also provided the Minister with a briefing on the Board's performance.

The Department of Building and Housing is also tasked with advising the Minister in relation to the registration of Architects and the Board's performance. The Department provided the Board with advice as to how the Board's work needs to be consistent with the Government's overall approach to occupational licensing. The Board was given various opportunities to comment on policy and legislative proposals in relation to the building industry. The Board is particularly appreciative of the ongoing assistance and advice received from the Department.

The CEO's resignation, effective from 4th July 2007, was received and the search for a new CEO commenced in May 2007, an appointment having since been made.

## **External Relationships**

The Board received numerous requests for information from overseas architects who wish to immigrate to New Zealand. The Board is in communication with the Department of Foreign Affairs and the Department of Labour regarding professional services recognition and free trade arrangements with various countries, including the United States.

Australia and New Zealand have mutual recognition for the registration of architects and for architectural education. The Architects Accreditation Council of Australia (AACA) has developed national competency standards for Registered Architects that apply in all Australian states and New Zealand. For this, the Board pays an annual fee to AACA. A single regime also applies for the accreditation of Australian and New Zealand universities for teaching architecture, which is managed on New Zealand's behalf by the NZIA.

The Board has a specific initial registration pathway that recognises parts of the registration processes for Architects in the UK, USA and South Africa. These arrangements warrant review and re-negotiation, since the benefits offered here to Registered Architects from these jurisdictions are currently not reciprocated.

Looking ahead, sharing experiences with other occupational licensing bodies in New Zealand offers an excellent way to help ensure best practice in the services that the Board provides.

## **Communications**

The release of the Rules in late June 2006 was followed by a nationwide road show explaining how Architects are registered under the Act and the Rules. The NZIA participated, outlining its CPD procedure for continuing registration.

The Board's website is the Board's primary means of communication. In June 2007, the Board published a newsletter, entitled *The Right Angle*.

## **Funding**

Initially, the Board received a one-off start-up appropriation from the Department of Building and Housing of \$225,000. Also, the AERB's assets and liabilities, including funds of \$222,954, were transferred to the Board when the AERB was disestablished.

That aside, the Board is a third-party funded, non-profit statutory body. It receives no direct Crown funding, its income coming entirely from fees paid by Registered Architects and applicants for registration.

At the end of May 2006, the Department of Building and Housing advised the Board that all Architects registered by the AERB would be required to make an initial application for registration with the Board. A transitional procedure was implemented for which a one-off fee of \$130 (GST excluded) was charged. In addition, 132 Architects registered under the 1963 Act chose to apply for voluntary suspension under the 2005 Act, rather than apply for NZRAB registration, for which a fee of \$147.66 (GST excluded) was paid. In the future, significantly fewer Registered Architects will apply annually for voluntary suspension. These were the principal factors in the Board's reported surplus, and these apart the Board would have reported a deficit.

Also, the ongoing costs of the initial registration process proved markedly greater than expected, reflecting increased demand and the more extensive requirements of the Act. In response, the Board revised its budgets and recommended to the Minister that the registration fee should be increased. A scheduled registration round was postponed until the fee increase was granted, and took place shortly after the review period ended.

Looking ahead, the Board's success will be contingent on achieving satisfactory funding. Priorities that will demand additional resources include the ongoing recruitment and training of Assessors, the processing of complaints, training for those involved in managing complaints, external communications and participation in sector fora and sector policy development.

From time to time, the Board is asked to contribute to policy development and international liaison in ways that go beyond the delivery of any specific benefits or services to fee-paying Registered Architects or the members of the public who use Architects' services. How this should be paid for in the longer term is unresolved.

## **Administration**

The Minister for Building and Construction officially opened the Board's new offices, at 78 Victoria St, Wellington, on 28<sup>th</sup> February 2007. An Executive Officer was engaged in February 2007, whose key roles are administering the registration and complaints processes. In total, the Board employs a Chief Executive, an Executive Officer, a part-time clerical worker and a part-time accounts officer.

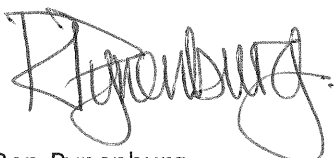
28 September 2007

## Statement of Responsibility

In terms of the Registered Architects Act 2005, the New Zealand Registered Architects Board accepts responsibility for the preparation of the New Zealand Architects Board's financial statements and the judgements made in the process of producing those statements.

The Board has the responsibility of establishing and maintaining, and has established and maintained, a system of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, these financial statements fairly reflect the financial position and operations of the New Zealand Architects Board for the year ended 30 June 2007.



Ron Pynenburg  
Chairperson



Deborah Cranko  
Deputy Chairperson



NEW ZEALAND  
**Registered Architects Board**  
**Financial Statements for the Year ended 30 June 2007**

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**New Zealand Registered Architects Board**  
**Statement of Financial Performance**  
**for the Year Ended 30 June 2007**

	Note	\$	2007	2006
				\$
<b><u>Income</u></b>				
Application for Registration	3	338,333		-
Certificate of Registration		787,191		-
Qualification Equivalency Assessment		10,492		-
Voluntary Suspension		19,800		-
Government Grant		-		225,000
AERB Grant		-		142,687
Interest Received		19,066		698
<b><u>Total Income</u></b>			<b>1,174,882</b>	<b>368,385</b>
 <b><u>Less Expenses</u></b>				
Administration		97,988		80,898
Audit Fees		3,925		4,000
Communication		48,301		72,346
Complaints Management		15,835		65
CPD Management (NZIA)		300,936		-
Depreciation	9	19,474		1,790
Employment Expenses		203,030		43,334
Governance		51,078		101,283
Occupancy Costs		31,314		7,505
Registration		133,606		29,019
<b><u>Total Expenses</u></b>			<b>905,487</b>	<b>340,240</b>
 <b><u>Net Income over Expenditure</u></b>			 <b><u>\$269,395</u></b>	 <b><u>\$28,145</u></b>



The above must be read in conjunction with the accompanying Statement of Accounting Policies and Audit Report



**New Zealand Registered Architects Board**  
**Statement of Movements in Equity**  
**For The Year Ended 30 June 2007**

	2007	2006
Equity at beginning of period	<u>28,146</u>	<u>-</u>
Net Surplus after Income Tax	269,395	28,145
<b>Total recognised revenues and expenses for the period</b>	<u>\$297,541</u>	<u>\$28,145</u>
<b><u>Equity at end of period</u></b>	<u><u>\$297,541</u></u>	<u><u>\$28,145</u></u>



The above must be read in conjunction with the accompanying Statement of Accounting Policies and Audit Report.

**New Zealand Registered Architects Board**  
**Statement of Cash Flows**  
**for the Year Ended 30 June 2007**

	2007	2006
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Cash was provided from:		
Receipts	1,707,319	376,616
Interest Received	<u>19,066</u>	<u>-</u>
	1,726,385	376,616
Cash was disbursed to:		
Payments to suppliers & employees	811,324	254,331
Rent Paid	<u>28,108</u>	<u>-</u>
	839,432	254,331
<b>Net Cash Flows from Operating Activities</b>	<u>886,953</u>	<u>122,285</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Fixed Assets	10,601	32,771
Net Cash Flows from Investing Activities	<u>(10,601)</u>	<u>(32,771)</u>
<b>Net Increase in Cash Flow</b>	<u>\$876,352</u>	<u>\$89,514</u>
Add Opening Bank Funds 1/7/06	89,514	-
<b>Closing Bank Funds 30/6/07</b>	<u>\$965,866</u>	<u>\$89,514</u>
<b><u>Cash Flow Reconciliation with Operating Result</u></b>		
Net Income for the year	269,395	28,145
<b>Add back items not involving the movement of cash:</b>		
Depreciation	19,474	1,790
	<u>288,869</u>	<u>29,935</u>
<b>Movements in Working Capital Items</b>		
Increase in Current Liabilities	383,761	307,073
Less Increase in Current Assets	-	(214,723)
Decrease In Current Assets	<u>214,323</u>	<u>-</u>
	598,084	92,350
<b>Net Cash Flows from Operating Activities</b>	<u>\$886,953</u>	<u>\$122,285</u>



The above must be read in conjunction with the accompanying Statement of Accounting Policies and Audit Report

**New Zealand Registered Architects Board**  
**Notes to the Accounts**  
**For The Year Ended 30 June 2007**

**MEASUREMENT BASE**

The general principles recommended by the Institute of Chartered Accountants of NZ for the measurement and reporting of financial operations on a historical cost basis have been followed. Accrual accounting has been applied to both Income and Expenditure. Items in the Financial Statements have been recognised exclusive of Goods and Services Tax with exception of accounts payable and accounts receivable which is stated with GST included.

**STATEMENT OF ACCOUNTING POLICIES**

The following specific accounting policies which materially affect the measurement of financial position have been applied:

**1. Changes in Accounting Policy**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

**2. Fixed Assets**

Fixed assets are valued at cost less aggregate depreciation.

**3. Depreciation**

Depreciation is provided on a diminishing value basis on all tangible fixed assets at rates calculated to allocate the assets' cost over their estimated useful lives.

**4. Accounts Receivable**

Accounts Receivable are stated at their estimated realisable value.

**5. Employee Entitlements**

Provision is made in respect of the Board's liability for any annual leave at balance date. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

**6. Financial Instruments**

There are no financial instruments that expose the Board to foreign exchange risk or off balance sheet risks. All financial instruments including bank accounts, short term investments, accounts receivable and accounts payable are disclosed at their fair value. Revenue and expenses in relation to the financial instruments are recognised in the Statement of Financial Performance.

**7. Income Tax**

The Board is exempt from income tax as it is classified as a public authority in terms of the Income Tax Act 2004.

**8. Differential Reporting**

New Zealand Registered Architects Board qualifies for differential reporting as it is not publicly accountable and not large, under the criteria for the reporting framework. The Board has taken advantage of all differential reporting exemptions available to it, except for Reporting on Statement of Cash Flows.



**New Zealand Registered Architects Board**  
**Notes to the Accounts**  
**For The Year Ended 30 June 2007**

**NOTES TO THE FINANCIAL STATEMENTS**

**1 Going Concern**

The Board is required to ensure that all of the annual costs are covered from the net annual income.

At this point in time, the Board expects that the going concern arrangements remain valid up to and including the financial year ending 30 June 2008.

Beyond that, the financial viability of the NZRAB is dependent on the setting of appropriate fee levels that will give assurance to the Board that it will be able to meet its future financial obligations. Fee setting is dependent on approval by the Minister and options and recommendations are being formulated by the Board for the consideration of the Minister.

The Board has appropriate controls to ensure the continual review and monitoring of expenditure levels and it will where and when required revise expenditure budgets to ensure that annual costs are covered from the net annual income.

**2 Fees Paid in Advance**

The Board has received payment for Certificates of Registration for the period 1 July 2007 to 30 June 2008 prior to the commencement of the year to which they relate.

**3 Income - Registration**

The accounts include a one-off item of income of \$ 238,131 which was received from architects registered under the 1963 Registered Architects Act who were required to reapply for registration under the new 2005 Act.

**4 Related Party Transactions**

There have been no material related party transactions during the financial year for which these financial statements are prepared.

**5 Statement of Contingent Liabilities as at 30 June 2007**

No contingent liabilities are known to exist at balance date. ( 2006: Nil)

**6 Statement of Commitments as at 30 June 2007**

The Board has an agreement in place for the continual monitoring of Architects meeting the minimal standards for registration. This agreement expires on 1 July 2016. The cost of this agreement based on current numbers is:

	2007	2006
	\$	\$
Less than one year	297,250	297,250
Between 1 -2 years	297,250	297,250
Between 3-5 years	891,750	891,750
More than 5 years	1,189,000	1,486,250
 Rental Equipment		
Less than one year	28,056	-
Between 1 -2 years	28,056	-
Between 3-5 years	84,168	-
More than 5 years	18,704	-

**7 Post Balance Date Events**

There were no post balance date events that have a material impact on the results for the period.



**New Zealand Registered Architects Board**  
**Notes to the Accounts**  
**For The Year Ended 30 June 2007**

**8 Fixed Assets**

	Cost	2007 Accumulated Depreciaton	Book Value
Computer Equipment	\$ 35,972	\$ 20,932	\$ 15,040
Office Furniture	7,399	332	7,067
	-----	-----	-----
Total Fixed Assets	\$ 43,371	\$ 21,264	\$ 22,107
	=====	=====	=====

	Cost	2006 Accumulated Depreciaton	Book Value
Computer Equipment	\$ 32,771	\$ 1,790	\$ 30,981
Total Fixed Assets	\$ 32,771	\$ 1,790	\$ 30,981
	=====	=====	=====

**9 Depreciation**

	2007	2006
Computer Equipment	19,142	1,790
Office Furniture	332	-
	-----	-----
Total Depreciation	\$ 19,474	\$ 1,790
	=====	=====

**10 Audit**

These financial statements have been subject to audit, please refer to Auditor's Report.



**AUDIT REPORT**  
**TO THE READERS OF**  
**NEW ZEALAND REGISTERED ARCHITECTS BOARD**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

The Auditor-General is the auditor of New Zealand Registered Architects Board (the Board). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Martin Jarvie PKF, to carry out the audit of the financial statements of the Board on his behalf for the year ended 30 June 2007.

**Unqualified opinion**

In our opinion, the financial statements of the Board on pages 11 to 17:

- comply with generally accepted accounting practice; and
- fairly reflect:
  - the financial position as at 30 June 2007; and
  - the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 10 October 2007 and our unqualified opinion is expressed as at that date.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Members of the Board and the Auditor, and explain our independence.

**Basis of opinion**

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by Members of the Board
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

### **Responsibilities of the Members of the Board and the Auditor**

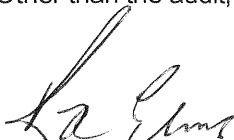
The Members of the Board are responsible for preparing financial statements in accordance with generally accepted practice in New Zealand. Those financial statements must fairly reflect the financial position of the Board as at 30 June 2007. They must also fairly reflect the results of its operations and cash flows for the year ended on that date. The Members of the Board's responsibilities arise from the Registered Architects Act 2005.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility is specified in section 15 of the Public Audit Act 2001 and Section 59 (1) (a) and (b) of the Registered Architects Act 2005.

### **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Board.



**Robert Elms**

**Martin Jarvie PKF**

On behalf of the Auditor-General  
Wellington, New Zealand