

BUILDERS'
REGISTRATION BOARD
OF
WESTERN AUSTRALIA

ANNUAL REPORT
30 JUNE 2005

28 September 2005

The Hon John Kobelke, MLA
Minister for Consumer and Employment Protection
20th Floor
197 St Georges Terrace
PERTH WA 6000

Dear Minister

On behalf of the Board I hereby submit the Annual Report for the period ending 30 June 2005.

The report, incorporating the Board's annual financial statements, is submitted in accordance with Section 23B of the *Builders' Registration Act 1939* and Section 96 of the *Freedom of Information Act 1992*.

The Audit has been prepared in accordance with Section 23A of the *Builders' Registration Act 1939*.

Yours sincerely



Paul Marsh
CHAIRMAN

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THE REGISTRAR'S REPORT

HIGHLIGHTS OF 2004/05

The period under review was yet another busy time for the building industry, and therefore for the Board and the Building Disputes Tribunal.

In 2004/05 the Board met on 57 occasions, handled 4,952 enquiries, received 397 applications for registration, issued 3157 certificates to owner-builders, commenced 141 investigations, held 44 inquiries into the conduct of builders, initiated 36 prosecutions and referred 2 matters to the new State Administrative Tribunal. The Building Disputes Tribunal received 785 complaints and issued a total of 658 Orders.

With statistics like these, it is hardly surprising that staff were busy carrying out the Board's registration, compliance, technical services and education functions and I congratulate the Board, Building Disputes Tribunal and its staff for another year of tremendous achievement.

The State of the Industry

Dwelling investment consolidated at a high level in 2004/05 supported by a backlog of construction work, which had built up due to labour and materials shortages, coupled with steady additions to demand for dwellings. It is anticipated that the high level of demand for new housing and construction will be sustained to support construction work for the next 12 to 18 months, as the latest forward indicators point to robust levels of new demand for dwellings.

The Australian Bureau of Statistics reports that Building Approvals in Western Australia rose in average annual terms by 1.6% over 2004/05, following three consecutive years of strong growth. Western Australia's market is more robust than other States and nationally, being the only State to record an increase during the period.

The total number of building licences issues by local governments in 2004/05 was in excess of 70,000. The gross turnover of building licence applications increased by 11.6% to \$6.24 billion, compared to \$5.59 billion in the previous period.

Gross turnover of building licence applications - Western Australia			
	2002/03	2003/04	2004/05
	\$ billion	\$ billion	\$ billion
New homes, alterations and additions	3.31	4.12	4.44
Commercial	1.56	1.47	1.80
TOTAL	4.87	5.59	6.24

Source: Australian Bureau of Statistics

Impact of the Establishment of the State Administrative Tribunal

Prior to 1 January 2005 it was a statutory function of the Board to ensure compliance with the provisions of the BR Act by undertaking inquiries into the conduct of builders and taking appropriate disciplinary action under section 13 of the *Builders' Registration Act 1939* (the BR Act).

On 1 January 2005 the BR Act was amended as a result of the establishment of the State Administrative Tribunal (the SAT) effected by the *State Administrative Tribunal (Conferral of Jurisdiction) Amendment and Repeal Act 2004*.

The enactment of the new legislation has the following consequences on the functions of the Board:

- the Board no longer holds disciplinary inquiries under the Act and all disciplinary matters previously decided by the Board are now referred to the SAT;
- the Board no longer cancels or suspends the registration of builders, except in the event of non-payment of annual registration fees;
- appeals against decisions of the Board in relation to registration matters are heard by the SAT, rather than the District Court;
- the Board investigates disciplinary matters for referral and presentation to SAT.

Future of the Board

The proposed amalgamation of Board staff into the Department of Consumer and Employment Protection is a matter of ongoing discussion.

Building Legislation Reviews

The Department of Consumer and Employment Protection continued its comprehensive review of the *Builders' Registration Act 1939*, the *Home Building Contracts Act 1991* and the *Painters' Registration Act 1961*, and has advised the Board that it expects to release an Issues Paper in the second half of 2005.

The Department of Housing and Works also continued its development of new building legislation, to incorporate a multitude of building control issues in Western Australia into a proposed Building Act.

Challenges Ahead

Continuing high levels of building activity will require the Board to maintain its vigilance in monitoring compliance, promoting awareness and ensuring that demands on the Building Disputes Tribunal are met. This can only be facilitated by the application of adequate resources.



NIGEL LILLEY
REGISTRAR AND PRINCIPAL OFFICER

THE BUILDERS' REGISTRATION BOARD

MISSION

FOI/2

It is the Mission of the Builders' Registration Board of WA to ensure the highest possible standards in the building industry by the maintenance of appropriate levels of entry skills for builders, the fostering of continuous professional development and the provision of a cost efficient and impartial building dispute resolution service to the community.

FUNCTIONS AND POWERS

FOI/2

The Board is established under the *Builders' Registration Act 1939* (the BR Act), and it administers the BR Act and the *Home Building Contracts Act 1991* (HBC Act).

The Board's statutory functions are to:

FOI/5

- determine the course of training for a builder to be registered;
- maintain a register of registered builders;
- issue certificates of registration;
- take proceedings for offences against the BR Act and the HBC Act;
- carry out the provisions of the BR Act; and
- carry out building information and educational activities.

In addition, the Board is required under section 34 of the BR Act to provide administrative support to the Building Disputes Tribunal (the Disputes Tribunal). This includes meeting the expenditure necessary for the functioning of, and collecting any fees payable to, the Disputes Tribunal.

AREA OF JURISDICTION

FOI/3

The Board's area of jurisdiction encompasses 125 of the 144 Local Governments in the State, albeit in some instances only major town sites, and is specified in Schedule 3 of the BR Act.

STRATEGIC OBJECTIVES

FOI/2

The Board's strategic objectives are to:

- maintain the highest possible standards in the building industry;
- ensure that those undertaking building in Western Australia comply with the provisions of the BR Act and the HBC Act; and
- resolve building disputes efficiently, cost effectively and according to law.

BOARD COMPOSITION AND PROFILE
FOI/6

Section 5A of the BR Act provides for a Chairperson who is a legal practitioner and six members to be appointed by the Governor of Western Australia. Members of the Board are nominated by the Minister.

	<i>Name</i>	<i>Section of BR Act Appointed was made</i>	<i>Date Appointed</i>	<i>Term Expires</i>
Chairperson	Paul Marsh Deputy: Darryll Retallack	5A(2): a Chairperson who is a practitioner as defined by the <i>Legal Practitioners Act 1893</i>	Apr. 1992	Mar. 2006
Deputy Chair & Member	Darryll Retallack Deputy: Bill Marcolina	5A(3)(b)(ii): nominated by the Master Builders Association	Dec. 1991	Dec. 2007
Member	Miriam Sauley Deputy: Bronwyn Davies-Taylor	5A(3)(a): to represent the interests of consumers	Apr. 2004	Mar. 2006
Member	Ronald Slobe Deputy: Carlo Baggetti	5A(3)(aa): to represent registered builders, other than those in the metropolitan area	Dec. 2002	Dec. 2005
Member	Patrick Pinder Deputy: Janine Marsh	5A(3)(b)(i): nominated by the Royal Australian Institute of Architects	Dec. 2001	Mar. 2008
Member	Fred Smith Deputy: Kevin Reynolds	5A(3)(b)(iii): nominated by the Building Trades Association of Unions of Western Australia (Association of Workers)	Aug. 2000	Mar. 2008
Member	Neville Harrison Deputy: Suzanne Churn	5A(3)(b)(iv): nominated by the Housing Industry Association	May 2001	Dec. 2005



Builders' Registration Board Members (left to right)

Back Row: Ron Slobe, Pat Pinder, Neville Harrison and Fred Smith.

Front Row: Darryll Retallack, Paul Marsh (Chairperson) and Miriam Sauley.

MEETINGS

Builders' Registration Regulation 4 requires the Board to formally meet at least once a month. During the reporting period the Board met on 57 occasions. Attendance was as follows:

	TYPE OF MEETING			
	<i>Monthly</i>	<i>Inquiries & Special Purpose</i>	<i>Registration</i>	<i>Deputy Attended</i>
Paul Marsh (Chairman)	13	32	11	
Darryll Retallack (Deputy Chair)	10	20	12	9
Miriam Sauley	12	13	9	2
Ronald Slobe	13	26	12	
Patrick Pinder	12	28	10	2
Fred Smith	11	17	12	
Neville Harrison	10	15	11	

Note: On many Inquiries the Board was constituted by a panel of three members rather than its full Board, as authorised by section 13 of the BR Act.

STAFFING

FOI/4

As at 30 June, the Board had 49 established positions, of which 5 were vacant. The Organisational Chart is at Appendix A.

CORPORATE INFORMATION

CODES OF CONDUCT AND ETHICS

The Board and its officers are required under the *Public Sector Management Act 1994* to adhere to the West Australian Public Sector Code of Ethics, which sets out the values and behaviour expected of individuals. The Board observes this Code of Ethics and has also adopted a Code of Conduct that was prepared for Board Members.

In addition, the Board has devised a Code of Conduct for its staff, to more clearly relate the broad principles and values outlined in the Code of Ethics to the everyday behaviour of Board officers.

EQUAL EMPLOYMENT OPPORTUNITY

The Board maintains its commitment to the promotion of equal employment opportunities (EEO) for all its employees, provides staff development opportunities, maintains staff awareness, and provides general information on EEO principles as part of its staff induction program.

PUBLIC SECTOR STANDARDS FOR HUMAN RESOURCE MANAGEMENT

In 2004/05 the Board complied with the Public Sector Standards in Human Resource Management. The processes carried out in relation to the Standards were for Recruitment, Selection and Appointment, and for Performance Management. There were no processes carried out in relation to the other Standards for Transfer, Secondment, Redeployment, Termination, Discipline, Temporary Deployment and Grievance Resolution.

There were no claims for breach of standards in relation to the processes carried out for Recruitment, Selection and Appointment, and for Performance Management.

CORRUPTION PREVENTION

To prevent corruption and misconduct the Board undertook the following measures during the reporting period:

- revision of the Board's Staff Code of Conduct;
- the establishment of a gifts and benefits register; and
- the employment of an IT Systems Administrator to manage computer security.

ELECTORAL ACT 1907

The *Electoral Act 1907* regulates Parliamentary elections and requires all public agencies to report on its expenditure in relation to:

- Advertising agencies
- Market Research organisations
- Polling organisations
- Direct mail organisations
- Media organisations

In accordance with section 175ZE of the *Electoral Act 1907*, the Board reports that it did not incur such expenditure in 2004/05.

PUBLIC INTEREST DISCLOSURE ACT 2003

The *Public Interest Disclosure Act 2003*, which facilitates the disclosure of public interest information, requires:

- the designation of the occupant of a specified position as the person responsible for receiving disclosures of public interest information;
- the preparation and publication of internal procedures relating to the Board's obligations under this Act; and
- an obligation to report to the Commissioner for Public Sector Standards annually on the:
 - number of disclosures made to the public authority under the Act;
 - outcome of investigations conducted as a result of disclosures; and
 - action taken as a result of the investigation, and other matters prescribed.

The Board has met all requirements under the *Public Interest Disclosure Act 2003* and reports that no disclosures were received in 2004/05.

STATE RECORDS ACT 2000

The Board's recordkeeping plan was approved for a period of five years by the State Records Commission on 22 April 2004. State Records Commission Standard 2, Principle 6 - Compliance, requires the Board to include in its Annual Report an appropriate section that addresses compliance with the approved recordkeeping plan.

The Board reports that its recordkeeping plan has been established throughout the organisation, and forms part of the induction for new staff. The Board will evaluate the efficiency and effectiveness of its recordkeeping system not less than once every five years, and its recordkeeping training program from time to time. The Board is satisfied that it is compliant with the *State Records Act 2000*.

OMBUDSMAN

The State Ombudsman has the jurisdiction to investigate complaints that are made in relation to administrative actions or omissions by the Board or the Disputes Tribunal.

Three complaints were received and investigated by the State Ombudsman during the reporting period.

MINISTERIAL DIRECTIONS

Section 23C of the BR Act provides certain circumstances in which the Minister may give directions to the Board. Any direction given shall be included in the Annual Report.

There were no such directions given during the reporting period.

OCCUPATIONAL HEALTH AND SAFETY

The Board and its staff continued to maintain a safe working environment during 2004/05. Building Inspector Ray Smith continued to act as the elected Occupational Health and Safety Officer for the Board during the reporting period.

DISABILITY SERVICES

The Board continues to work within the constraints of the present accommodation at 18 Harvest Terrace, West Perth. A reception area is located on the ground floor, as are the Disputes Tribunal hearing rooms, and temporary parking can be provided directly in front of the building to enable wheelchair access.

A General Enquiries Officer is available to answer questions and provide information via the telephone. Pamphlets and other written material are provided on request. A range of consumer and industry specific information is available on the Board's website.

RECYCLING

The Board actively encourages all staff to recycle paper and other material. Paper collection bins have been strategically located throughout the building. A local contractor from the City of Perth provides a free service for most of the organisation's recycling needs.

FREEDOM OF INFORMATION

FOI/1

In 2004/05 the Board complied with the *Freedom of Information Act 1992* (FOI Act). Persons seeking information held by the Board were provided with guidance regarding the application process. Staff ensure that information is provided promptly and at the least possible cost to all persons so entitled. Those seeking information that is not routinely available are advised of the provisions of the FOI Act, the application process, and all associated costs. Applications are acknowledged in writing and the parties are notified of a decision within 45 days. Further FOI information is attached at Appendix B.

Applications and enquiries are directed to:

The Freedom of Information Officer
 Builders' Registration Board of WA
 Suite 10, 18 Harvest Terrace
 WEST PERTH WA 6005
 Tel: (08) 9476 1200; Fax (08) 9476 1299

Charges

FOI/7a

The Board's scale of fees and charges for eligible information is set under the FOI Regulations. Apart from the application fee for non-personal information, charges are discretionary and are as follows:

Personal information about the applicant	No fee
Application fee (for non personal information)	\$30.00
Charge for time dealing with the application (hour/pro rata)	\$30.00
Access time supervised by staff (per hour, or pro rata)	\$30.00
Photocopying staff time (per hour, or pro rata)	\$30.00
Per photocopy	.20
Transcribing from tape, film or computer	Actual Cost
Duplicating a tape, film or computer information	Actual Cost
Delivery, packaging and postage	Actual Cost

Note: For financially disadvantaged applicants or those issued with prescribed pensioner concession cards, the charge payable is reduced by 25%.

Deposits

Advance deposits may be required based on the estimated charges (25% of cost) and further advance deposit may be required to meet the charges for dealing with the application (75% of cost).

Access Arrangements

FOI/8

Access to documents is granted through inspection, by providing a copy of a document, an audio or video tape, computer disk, transcript of a recorded inquiry, shorthand or an encoded document from which words can be reproduced. Where the tape is of a hearing or inquiry, a transcription only is provided.

Viewing Documents

Documents are available to be viewed at the Board's office during business hours, with a fee charged for the supervised viewing of non-personal documents.

Notice of Decision

FOI/7a

As soon as possible, but no later than 45 days after the application is received, the applicant is provided with a notice of decision, which includes the following details:

- the date when the decision was made;
- the name and position of the officer who made the decision;
- if the document was an exempt document, the reasons for classifying the matter exempt; or the fact that access was given to an edited document; and
- information on the right to review, and the procedures to be followed.

Refusal of Access

Applicants who are dissatisfied with a decision of the Board's officer are entitled to ask for an internal review by the Registrar. Applications have to be received in writing within 30 days of receiving the notice of decision.

All applicants are notified of the outcome of the review within 15 days.

Applicants who disagree with the result can also apply to the Information Commissioner for an external review, the details of which will be passed on to applicants when the internal review decision is issued.

Freedom of Information Applications Received in 2004/05

In 2004/05 two FOI applications were received, of which one was granted and one was refused. No reviews were requested.

Client Information

FOI/7a

The Board has a number of publications that can be accessed. These include:

- Prescribed forms used to apply for:
 - o Registration
 - o Owner-builder applications
 - o Lodging complaints
 - o FOI requests

- The Board's publications, such as the newsletter 'Building WA'.
- Pamphlets (at no charge) including:
 - o So You Want to be a Builder
 - o Thinking of Building Your Own Home
 - o Resolving Building Disputes
 - o Site Investigations Before Buying a Block of Land

- Internal documents including:
 - o Policy statements
 - o Minutes of Board meetings (in an edited form)
 - o Reasons for Decision (Board and Disputes Tribunal matters).
 - o Information including policies, application forms, reports and the register of builders can be downloaded from the Board's internet site at www.brb.org.au

CORPORATE PLAN

The 2004/05 Corporate Plan (provided in Appendix J) specifies particular developments in the Board's performance and its functions.

The actions taken to achieve those developments are:

CORPORATE SERVICES

- A submission for increases in various fees was completed in order to implement the new fees from 1 July 2005.
- An additional unit at the Board's existing premises was acquired early in the reporting period to address extreme overcrowding.
- A Systems Administrator has been appointed to manage and maintain the Board's information technology system.

EDUCATION AND TRAINING

Staff Training:

- Staff training in the use of the Synergy IT system continued to feature predominantly in 2004/05.
- A stronger emphasis was placed on raising awareness of legislative changes that impact on Board operations, as well as upgrading staff First Aid and Fire Warden certification.
- Board staff attended 128 training courses in 2004/05 compared to 120 in 2003/04.

Programs for building industry and associated stakeholder groups:

- Seminars/workshops for those involved in the commercial fit-out industry.
- Participation at industry and consumer exhibitions.
- Providing guest speakers for industry association meetings.
- Co-sponsoring awareness-raising seminars in cooperation with the Department of Housing and Works (State-wide Building Code of Australia seminars).

COMPLIANCE

- 130 audits.
- 534 interviews to assist with investigations.
- 141 investigations into alleged offences against the BR and HBC Acts.
- 36 prosecutions for 106 offences against the BR and HBC Acts.
- 288 infringement notices issued.

BUILDING DISPUTES TRIBUNAL

The Tribunal:

- 2 meetings were held between the Chairman and Deputies of the Tribunal in order to identify and address issues in the decision-making process.
- 3 hearings were expedited particularly in matters which might have been potentially dangerous or where alleged faults might have been built over.
- The Tribunal provided mediation in 3 cases.

Administrative support for the Tribunal:

- The development of the computerised complaint files management system was continued.

RECORDS MANAGEMENT

- Work arising out of the implementation of the Recordkeeping Plan continued in 2004/05, with work progressing in the development of a Records Management Policies and Procedures Manual and performance indicators.

REGISTRATIONS

THE REGISTER OF BUILDERS

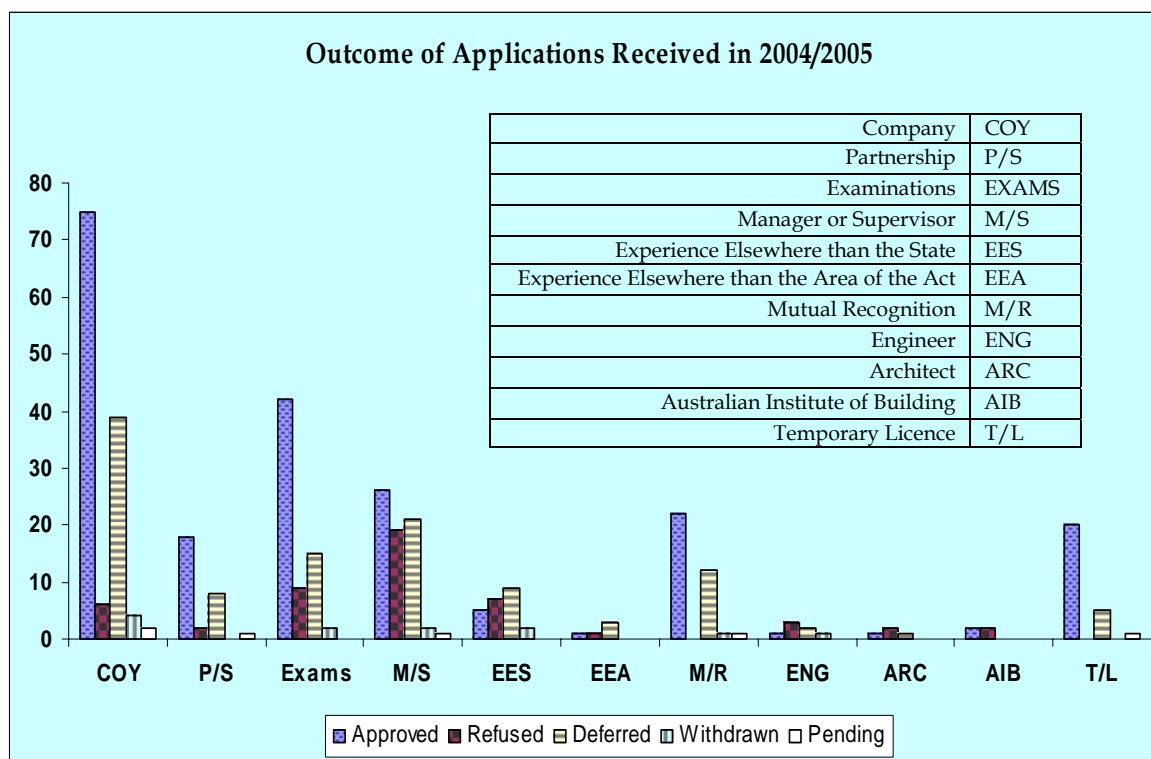
FOI/7A

Section 8(1)(b) of the BR Act requires the Board to compile and keep a register of builders containing the names, addresses and qualifications of builders admitted to the register. The register is open for inspection by any person without fee during the Board's ordinary hours of business, is available for purchase in a printed format, and is available for downloading on the Board's internet site.

At 30 June 2005 there were 5379 builders registered with the Board, comprising 3867 individuals, 1145 companies and 367 partnerships.

APPLICATIONS FOR REGISTRATION

In 2004/05 the Board received 397 applications for registration. Of those, 213 were approved, 51 were refused, 12 were deferred by the Board, 115 are awaiting referral to the Board pending additional information, and 6 were withdrawn by the applicant.



APPLICATIONS FOR ANNULMENT OF CANCELLATION OR SUSPENSION

Section 13(2) of the BR Act enabled the Board to annul the cancellation or suspension of a registration until 1 January 2005.

From 1 July 2004 to 1 January 2005, the Board received 11 applications for annulment of the cancellation or suspension of registration, of which 4 were refused on the grounds of insufficient financial resources and character, 2 annulled with conditions, 2 annulled and 3 adjourned.

From 1 January 2005 to 30 June 2005, five applications were made to the SAT (see Appendix F).

RIGHT OF REVIEW OF A BOARD DECISION

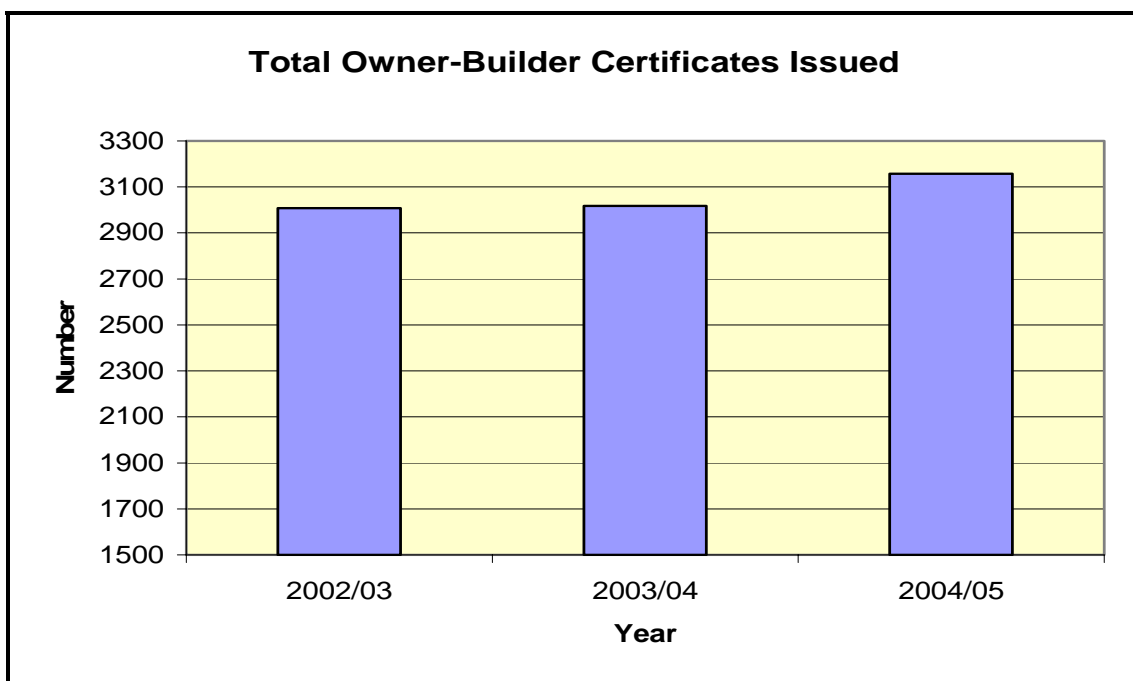
Until 1 January 2005, a person who was aggrieved by a decision of the Board to refuse, cancel or suspend their registration; or for granting registration on a condition or conditions, could appeal to the District Court. Since 1 January 2005, a person may apply to the State Administrative Tribunal for a review of the decision under section 14 of the BR Act.

Details of the appeals made to the District Court are in Appendix E, and details of the applications made to the SAT for a review of the Board's decision are in Appendix F.

OWNER-BUILDERS

Section 4(1)(A)(a) and 4(1)(A)(aa) of the BR Act combine to make it lawful for a person who is not registered under the BR Act to construct for themselves a dwelling house or a building comprising two dwellings on ground level (commonly referred to as a duplex). Such a person is known as an "owner-builder", although that term is not used in the BR Act.

In 2004/05 there were 3157 owner-builder certificates processed and provided to owner-builders making an application to carry out residential building work valued over \$12,000. This represents an increase of 4.3% from the previous reporting period, a steady increase from 3017 reported in 2003/04; and 3008 reported in 2002/03.



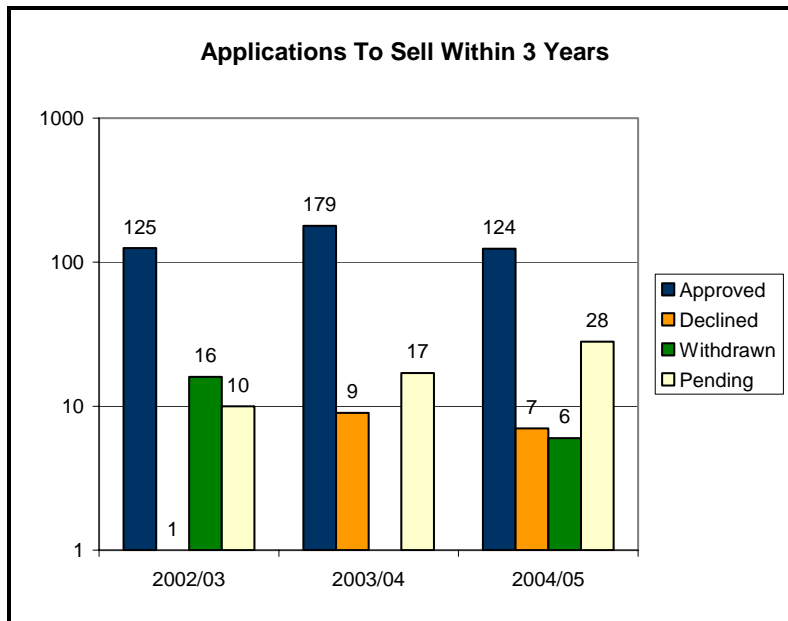
The restrictions imposed on owner-builders by the BR Act are:

- the land on which the building is constructed shall not be sold or otherwise disposed of within three years of the date of when the building licence was issued; and
- the person applying for the building licence must furnish the Board with a Statutory Declaration verifying that no other building licence has been obtained from any local authority within the preceding six years.

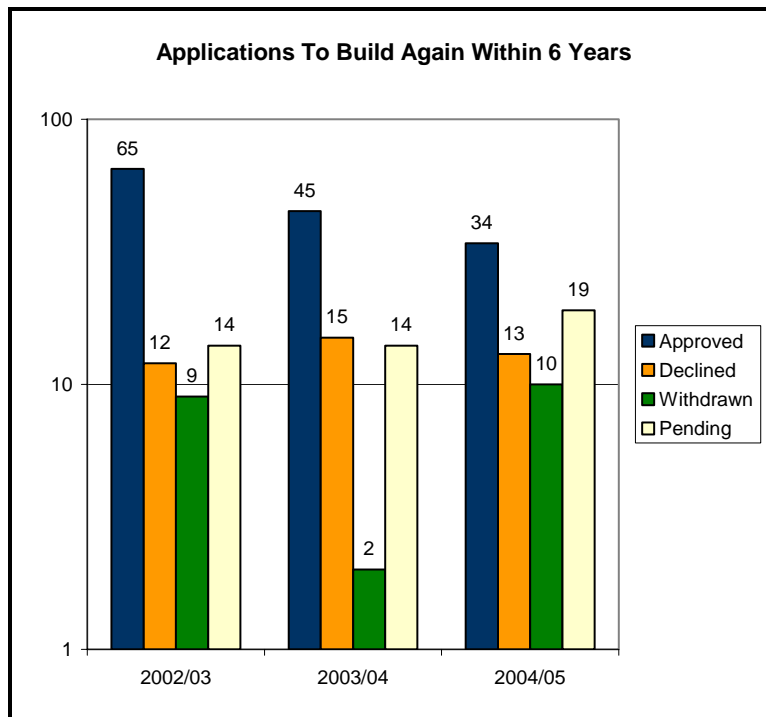
Subject to section 4A of the BR Act, the Minister or his delegate may, on receipt of a written application, give consent to vary either of these restrictions.

Applications by owner-builders under section 4A of the BR Act in 2004/05 resulted in the following decisions:

Applications to sell within 3 years



Applications to build again within 6 years



COMPLIANCE

INVESTIGATIONS, INQUIRIES AND PROSECUTIONS

Until the SAT was established on 1 January 2005, it was a statutory function of the Board to ensure compliance with the provisions of the BR and HBC Acts by investigating and undertaking inquiries into the conduct of builders, and taking appropriate disciplinary action under section 13 of the BR Act.

The Board maintains its investigative role by conducting investigations into builders, and may refer matters to the SAT in cases which may warrant the suspension or cancellation of a builder's registration. In addition, the Registrar may initiate prosecution action through the courts in accordance with the Board's prosecution policy.

In 2004/05 Board staff conducted 534 interviews to assist with investigations, issued 288 infringement notices, undertook 130 audits, and completed 141 investigations.

Compliance audits were undertaken to help maintain community confidence in the building industry and to reduce the number and cost of complaints for builders and owners. Examples of areas of concern identified were incorrect contract documentation, deposits greater than allowed, understating value of building work to other authorities, and management and supervision issues.

Of the 130 builders audited, 13 were found to be fully compliant with the legislation, 86 had minor breaches identified, and 31 had major breaches identified. To counteract this, 35 builders will undergo follow-up audits, and those with major breaches identified are being investigated.

Staff also visited a number of country towns including those in the north-west, mid-west, great southern and goldfields areas throughout the year. In addition, targeted industry campaigns covering the commercial fit-out, light industrial and commercial sectors were undertaken across the metropolitan area.

Investigations

In 2004/05 the Board completed 141 investigations into alleged offences against the BR and HBC Acts.

Investigations undertaken		
Number	Nature*	
12		No breach identified
19	BR Act 4	Prohibition against unregistered carrying on of a business
21	BR Act 12	Failure to fulfil order to remedy/ pay
2	BR Act 13(1)(a)	Registration obtained by fraud or misrepresentation
2	BR Act 13(1)(ba)	Insufficient material and financial resources
17	BR Act 13(1)(c)	Negligence and incompetence
4	BR Act 13(1)(ca)	Inadequate management and supervision
2	BR Act 13(1)(d)	Fraudulent conduct
18	BR Act 13(1)(da)	Misleading conduct
6	BR Act 13(1)(db)	Failure to comply with an order of the BDT
3	BR Act 16	Disobedience of order of Board or breach of regulations
27	HBC Act 4	Contracts and statutory notice
3	HBC Act 10	Deposits and progress payments
1	HBC Act 14	Cost plus contracts
1	HBC Act 25C	No Home Indemnity Insurance
3	HBC Act 25F	Restriction on sale by Owner-Builder

* Primary allegation

Of those investigations, 44 were dealt with by way of a Board Inquiry and 36 were prosecuted. Two were referred to the SAT, and the remaining 59 were discontinued in accordance with the Board's Prosecution Policy, with no further action being taken for reasons such as:

- Unable to locate defendant
- Charges withdrawn
- Insufficient evidence
- Out of time to prosecute
- Formal warning issued

Matters referred to SAT under section 12D of the BR Act			
Number	Nature		Outcome
1	BR Act 13(1)(b)	Insufficient material and financial resources	Registration Cancelled
1	BR Act 13(1)(c)	Seeking fines of \$3,000 for negligence	Order granted

At 30 June 2005, there are 136 investigations in progress and 195 matters awaiting investigation.

Investigations In Progress		
<i>Number</i>	<i>Nature*</i>	
14	BR Act 4	Prohibition against unregistered carrying on of a business
4	BR Act 12	Failure to fulfill order to remedy/pay
1	BR Act 13(1)(a)	Registration obtained by fraud or misrepresentation
2	BR Act 13(1)(b)	Builder being convicted of crime or misdemeanor
4	BR Act 13(1)(ba)	Insufficient material and financial resources
32	BR Act 13(1)(c)	Negligence and incompetence
3	BR Act 13(1)(ca)	Inadequate management and supervision
20	BR Act 13(1)(d)	Fraudulent conduct
29	BR Act 13(1)(da)	Misleading conduct
21	HBC Act 4	Contracts and statutory notice
4	HBC Act 10	Deposits and progress payments
1	HBC Act 25	No Home Indemnity Insurance
1	HBC Act 28	Contracting out forbidden

* *Primary allegation*

Prosecutions

Section 21 of the BR Act and section 31 of the HBC Act authorise the Registrar of the Board to prosecute for offences carried out against those Acts. In 2004/05 the Board initiated 36 prosecutions for 106 offences against the BR and HBC Acts, details of which are provided in Appendix I.

Inquiries

In 2004/05 the Board held disciplinary inquiries into 44 matters pursuant to section 13 of the BR Act, details of which are provided in Appendix G.

EDUCATION AND AWARENESS

In 2004/05 the Board continued its activities in the promotion of information covering the requirements of the BR and HBC Acts, Australian Standards, the Building Code of Australia, and other matters of interest to builders and consumers.

AWARENESS

Industry and community awareness raising relating to the Board's activities included participating at industry and consumer expos, providing guest speakers for industry association meetings, co-sponsoring awareness raising seminars in cooperation with the Department of Housing and Works (State-wide Building Code of Australia seminars), and providing a series of workshops for persons involved in the commercial fit-out sector.

Distribution of the Board's publications, media releases, and contributing to industry publications also assisted in raising the Board's profile in the building and construction industry and amongst consumers.

SPONSORSHIPS AND AWARDS

In 2004/05 the Board sponsored the following:

- Master Builders Association Excellence in Building Practice Awards.
- Housing Industry Association Housing Excellence Awards.
- Central TAFE Award for Best Graduating Student in the Diploma of Builders' Registration.
- Australian Institute of Building Surveyors/Housing Industry Association/Australian Institute of Building Design State Conference 2005.
- HomeBase Expo Owner-Builder Seminars.

Board staff also participated in the following industry/consumer Expos:

- WA on Show
- Spring Home Show

PUBLICATIONS

The Board's publications include:

- The Board's Annual Report
- The Board's quarterly newsletter "Building WA"
- Pamphlets including
 - o So You Want to be a Builder
 - o Thinking of Building Your Own Home
 - o Resolving Building Disputes
 - o Site Investigations Before Buying a Block of Land

RE-ACCREDITATION OF THE DIPLOMA OF BUILDERS' REGISTRATION

Section 12(1) of the BR Act requires that the Board prescribe a course of training and examinations. The Training Accreditation Council requires that all training courses

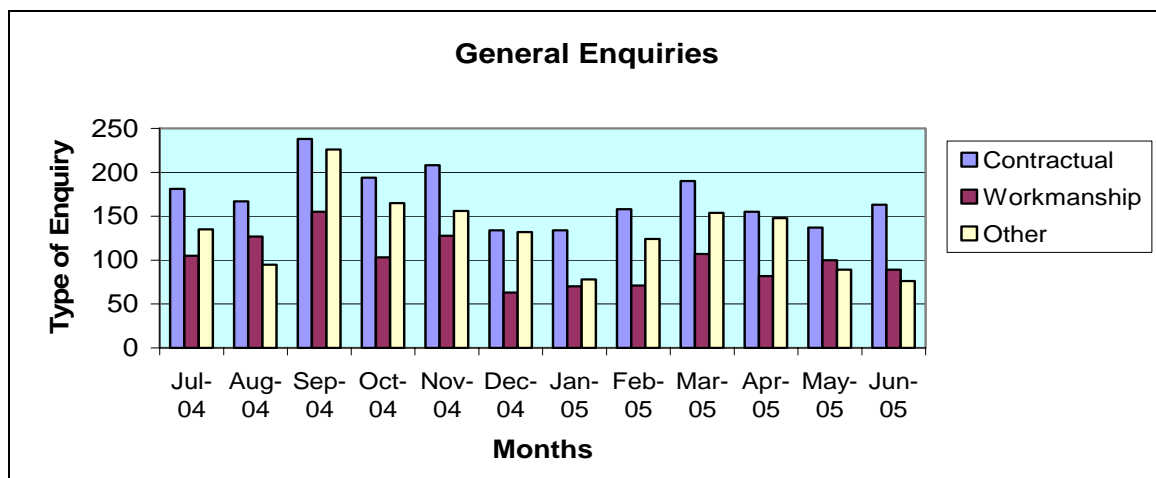
funded against TAFE college profiles be reviewed on a regular basis to ensure they remain relevant and meet industry requirements. The Board's prescribed course, the Diploma of Builders' Registration, is currently being reviewed. All modules will be written in competency based format, with the view to the revised course being re-accredited by December 2005.

In 2004/05 the Curriculum Services Support Network (CSSN) at the WA Department of Education and Training funded a project to compare existing training resources for the Diploma with a new proposed national training package, and to review and reaccredit the Diploma qualification. The Board is working with the CSSN during this review and is also monitoring the 'Construction Australian Quality Framework (AQF) IV-VI Project,' which is designed to provide nationally recognised competency standards and qualifications.

GENERAL ENQUIRY SERVICE

In 2004/05 telephone assistance was provided to builders and consumers by the Board's telephone Enquiries Officer on 4,952 occasions. This is consistent with the previous reporting period, with just over 5000 received in 2003/04.

As indicated by the following graph, contractual disputes consistently featured as the main area of enquiry, with some fluctuation in the predominance of workmanship and other enquiries such as requests for details of the BR Act and the HBC Act, the role of the Board and the Disputes Tribunal, and the process for lodging complaints.



STAFF TRAINING

Staff training in the use of the Synergy IT system continued to feature predominantly in 2004/05, however the emphasis moved away from external training provision to in-house training. This, combined with the majority of staff having had their priority training needs addressed in the previous reporting period, resulted in total training expenditure to reduce from \$49,960 in 2003/04, to \$17,234 in 2004/05.

THE BUILDING DISPUTES TRIBUNAL

FOI/5
FOI/3

The Building Disputes Tribunal (the Disputes Tribunal) is established under section 26 of the *Builders' Registration Act 1939* (the BR Act). Its jurisdiction is that conferred on it by section 12A of the BR Act and by the *Home Building Contracts Act 1991* (the HBC Act), which covers the entire State of Western Australia.

The role of the Disputes Tribunal is to provide a straightforward, inexpensive forum for adjudicating building disputes within its jurisdiction.

Whilst the Builders' Registration Board (the Board) is required under section 34 of the BR Act to meet all expenditure necessary for the functioning of, and collecting any fees payable to, the Disputes Tribunal, it is an independent quasi-judicial body separate from the Board.

TRIBUNAL MEMBERS

FOI/4

The Chairperson and all Disputes Tribunal members are appointed by the Minister under sections 27 and 28 of the BR Act, with their selection based on an ability to bring a broad range of skills and experience to the group and the ability to represent the interests of builders and consumers. The Chairman of the Disputes Tribunal is Mr Paul Marsh (who is also Chairman of the Board) and there are 10 Deputy Chairs who are also legal practitioners, 11 consumer representatives, 9 nominees from the Housing Industry Association and 9 nominees from the Master Builders Association.

COMPLAINTS LODGED WITH THE DISPUTES TRIBUNAL

There were 785 complaints lodged with the Disputes Tribunal in 2004/05, consisting of the following:

Category of Complaint	Number of complaints
Workmanship	485
Contractual	155
Workmanship & Contractual	145
TOTAL	785

In 2004/05 there was a noticeable increase in the number complaints relating to contractual issues, either solely or in conjunction with complaints regarding faulty or unsatisfactory workmanship. The most common contractual issue was a failure by the builder to comply with completion dates set out in the contract. In general, the response from builders was that the delays were caused by circumstances beyond their control and result from difficulties in securing labour and materials. In some cases there were delays of up to 18 months causing owners considerable financial and emotional distress.

Anecdotal evidence suggests that the number of complaints received would have been significantly higher, in particular for contractual complaints, but they were above the Disputes Tribunals jurisdiction limit of \$200,000. Tribunal staff reported that they frequently received enquiries from prospective complainants, in particular about delays of completion, but they were unable to lodge a complaint because the contract was valued over \$200,000. The Board has asked the Department of Consumer and Employment Protection to consider increasing the \$200,000 limit as part of its General Review of Building Legislation.

The respondent to a Tribunal complaint may come from a number of sources. The following table indicates the volume and source of complaint received, and provides a comparison with previous years.

Respondent	2001/02	2002/03	2003/04	2004/05
Registered Builders	456	407	546	617
Unregistered Persons	80	119	82	137
Owners	42	49	18	25
Owner-Builders	1	2	3	6
TOTAL	579	577	649	785

The type of work giving rise to complaints in 2004/05 is set out in the table below.

Type of Building Work Complaints	
New Home	554
Additions	55
Commercial	5
Renovations/Trades	86
Landscaping	5
Patios & Pergolas	30
Swimming Pools & Spas	21
Other	29
TOTAL	785

In 2003/04 there was a 12.5% increase in the number of complaints received by the Disputes Tribunal from the previous period, with the number rising from 577 in 2002/03 to 649. In 2004/05 this figure rose by a further 21% to 785. This represents a total growth in the number of complaints of 36% in two years, which can be attributed to the high level of building activity that has been experienced across the State. Indications are that this trend will continue well into the next reporting period.

The Disputes Tribunal made 658 orders in 2004/05, details of which are provided in the following table.

ORDERS MADE BY THE DISPUTES TRIBUNAL

	2001/02	2002/03	2003/04	2004/05
Orders to Remedy (Tribunal)	43	54	80	70
Orders to Remedy (under delegation)	254	233	334	386
Orders to Pay (Tribunal)	164	135	162	184
Orders to Pay (under delegation)	24	11	14	18
TOTAL	485	433	590	658

VALUE OF THE ORDERS MADE BY THE DISPUTES TRIBUNAL

	2001/02	2002/03	2003/04	2004/05
Issued by Disputes Tribunal	\$1,076,835	\$1,120,254	\$1,165,366	\$1,301,951
Issued under Delegation	35,417	9,835	15,734	23,414
Allocation				
Owners to Pay Builder	110,846	99,079	139,323	174,913
Builders to Pay Owner	1,001,406	1,031,010	1,041,777	1,150,452

REASONS FOR DECISION

FOI/7a

Pursuant to section 40 of the BR Act, a party to a dispute may request the Disputes Tribunal for written Reasons for Decision, within 14 days of the decision being made. In 2004/05 the Disputes Tribunal published 78 Reasons for Decision, compared to 52 in 2003/04.

SITTINGS

FOI/5

In 2004/05 the Disputes Tribunal sat for 267 days and heard 587 matters. These included 120 preliminary/direction hearings and 167 part-heard matters. Three matters were referred for mediation.

DELEGATION OF JURISDICTION

FOI/5

Under section 33A of the BR Act, the Disputes Tribunal may delegate its jurisdiction to the Registrar and Deputy Registrar. There were 404 matters determined under delegation in 2004/05.

FUNDING OF THE DISPUTES TRIBUNAL

As provided under section 34 of the BR Act, the Board funds the Disputes Tribunal and provides staff and administrative support to assist the Disputes Tribunal to carry out its day to day functions. In 2004/05, \$833,994 was spent on the dispute resolution process. The full cost, including inspections, was \$1,446,172. The Board did not impose any restriction on the operations of the Disputes Tribunal during the year.

INCOME AND EXPENDITURE

The financial statement of the cost of managing the dispute resolution process is set out below.

INCOME	
Supply of Transcription	\$12,592
Complaint Fees and Recoveries	\$18,687
Total	\$31,279
EXPENDITURE	
Disputes Tribunal Fees/ Superannuation/Reasons for decision	\$530,417
Staff Salaries/Superannuation	\$268,024
Legal and Settlement Costs	\$7,638
Training	\$620
Office Support Costs	\$ 27,295
Total	\$833,994

COMPLAINTS REFERRED FOR ASSESSMENT BY BOARD INSPECTORS

Under section 12B of the BR Act, the Registrar has the discretion to cause an inspection of building work. Building inspections are undertaken free of charge upon request of an owner or builder by building inspectors employed by the Board, who also undertake assessments of workmanship complaints lodged with the Disputes Tribunal.

In 2004/05 Board inspectors undertook 618 inspections to prepare assessments in relation to complaints lodged with the Disputes Tribunal. This represents an increase of 16% from the previous reporting period. In addition, 30 inspections were conducted relating to Section 12B of the BR Act.

The nature of complaint items assessed by Board Inspectors, and comparisons with previous reporting periods are set out below:

NATURE OF COMPLAINT ITEMS ASSESSED BY BOARD INSPECTORS

ITEM	2002/03 (%)	2003/04 (%)	2004/05 (%)
Brickwork	9.9	7.7	7.8
Ceiling	5.9	6.5	7.3
Ceiling and roof frame	5.7	5.5	6.1
Concrete paving	2.8	2.9	3.9
Doors and windows	8.5	6.0	7.3
Earth footings	0.7	1.4	1.8
Fixing and joinery	7.1	7.8	6.9
Flashings	5.0	5.7	4.9
House site cleaning	1.2	1.6	1.6
Painting	8.3	7.3	8.3
Plumbing	7.1	6.5	5.9
Roof cover	4.2	7.4	6.5
Slab floor	1.4	3.5	3.0
Solid plastering	10.1	9.5	8.4
Swimming pool	0.9	0.9	1.2
Termites	0.7	0.8	0.6
Timber floor	2.1	2.1	1.6
Wall and floor tiling	7.5	6.9	7.5
Wall frame	1.2	1.3	1.1
Water ingress and egress	9.7	8.7	8.3
TOTAL	100	100	100

RATIO OF COMPLAINTS TO BUILDING LICENCE APPLICATIONS

In 2004/05 the proportion of complaints lodged with the Disputes Tribunal to the number of building licences issued by local governments increased from the previous period. In the following table the period 2001/02 to 2002/03 relates to individual building work valued in excess of \$12,000. The 2003/04 and 2004/05 figures are based on the total number of building licence applications, irrespective of value.

	2001/02	2002/03	2003/04	2004/05
Licences *	22,534	18,483	23,604	21,072
Complaints	579	544	649	785
Ratio	1:40	1:34	1:36	1:27

*New dwellings, extensions and associated work (sourced from Reid Construction Data).

FINANCIAL REPORT

Financial Statements

Section 23A of the BR Act requires that the accounts and financial statements of the Board shall be audited at the expense of the Board by an auditor appointed by the Board with prior approval of the Minister.

Rix Levy Fowler was appointed and approved to audit the 2004/05 accounts.

Section 23B(1) of the BR Act requires that the Board shall, on or before 30 September in each reporting year, make and submit to the Minister an annual report of its proceedings for the preceding year ending on June 30, together with a copy of the financial statements and the auditors report.

Section 23B(1a) of the BR Act requires that the annual report contains separate reports on the operations of the Board referred to in section 8B(4)(a)(b). Financial Statements detailing the administrative functions of the Board and the management of dispute resolution procedures are included within this report.

Board Statement on its Finances

The financial outcome for 2004/05 is an operating surplus of \$167,763. The surplus is the result of several factors. The continuing high level of building activity in the State has contributed to higher than expected revenue arising from building licence levies. The Board has also managed its expenditure in a prudent manner by developing its staffing and activities in accordance with its approved budget.

In 2004/05 the Board reviewed the level of registration and other fees as part of its 2005/06 budget process and sought the Minister's approval for increases. As a consequence, increases in fees will be implemented from 1 July 2005.

The Board remains committed to applying its financial resources to the benefit of the West Australian community and building industry in its current role as an independent statutory authority.



Paul Marsh
CHAIRMAN



Nigel Lilley
REGISTRAR

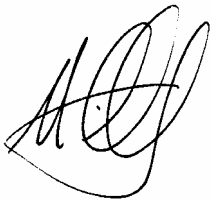
BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA**STATEMENT BY REGISTRAR
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

In the opinion of the Registrar of the Board the financial report as set out on pages 3 to 15:

1. Presents fairly the financial position of the Builders' Registration Board of Western Australia as at 30 June 2005 and its performance for the 12 month period ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements.
2. The report has been properly prepared by a competent person.
3. a) The Board has kept such accounting records as to correctly record and explain the transactions and financial position of the Board.

b) The Board has kept its accounting records in such a manner as would enable true and fair accounts of the Board to be prepared from time to time.

At the date of this statement, there are reasonable grounds to believe that the Board can meet its debts as and when they fall due.



N Lilley
REGISTRAR

Dated this 28th day of September 2005.



RIX LEVY FOWLER
CHARTERED BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT
TO THE MINISTER FOR CONSUMER AND EMPLOYMENT PROTECTION
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005

Partners
Phillip Rix FCA
Jon Carcich CA
George Lazarou CA
Ranko Matic CA

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Level 1,
12 Kings Park Road,
West Perth WA 6005

POSTAL ADDRESS
PO Box 44
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Scope

We have audited the financial report, being a special purpose financial report comprising the Statement of Cash Flows, Statement of Financial Performance, Statement of Financial Position, and notes to and forming part of the Financial Statements of Builders' Registration Board of Western Australia for the financial year ended 30 June 2005. The Members of the Board are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Board's Constitution and are appropriate to meet the requirements of section 23(1) of the Builders' Registration Act 1939 (as amended). We have conducted an independent audit of this financial report in order to express an opinion on it to the Minister. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Board's Constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Board's financial position, and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Independence

We are independent of the Builders' Registration Board of Western Australia, and have met the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion the financial report presents fairly in accordance with the requirements of section 23(1) of the Builders' Registration Act 1939 (as amended) and the accounting policies described in Note 1 to the financial statements, the financial position of Builders' Registration Board of Western Australia as at 30 June 2005 and the results of its operations for the year then ended.

RIX LEVY FOWLER

Rix Levy Fowler

CHARTERED BUSINESS ADVISORS

George Lazarou

PARTNER

DATED at PERTH this 28th day of September 2005

BUILDERS' REGISTRATION BOARD OF W.A.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD 1 JUNE 2004 TO 30 JUNE 2005**

	Notes	12 months to 30 June 2005 \$	12 months to 30 June 2004 \$
Income			
Annual registration fees		1,890,444	1,854,359
Administration income	1 (e)	114,000	114,000
Application fees		93,384	130,002
Arrears and penalties		5,550	5,675
Building Disputes Tribunal recoveries		31,269	22,584
Building licence levy		2,210,463	1,978,465
Certificate fees		5,505	10,095
Interest on investments		87,945	81,097
Other income		23,582	40,929
Owner-builder levy		300,880	296,775
Profit on sale of motor vehicles		2,494	681
Prosecutions recoveries – Board		53,601	118,759
Prosecutions recoveries – Court		102,638	37,271
Publication and photocopy sale		315	168
Rent received		3,985	3,408
Secretarial support recoupment		75,647	63,494
Total Income		5,001,702	4,757,762
Expenditure			
Advertising/Promotions		22,681	21,376
Annual leave		(17,130)	54,038
Annual award and examination expenses		32,150	43,459
Audit expenses		7,065	6,000
Bad debts		0	76,840
Bank charges		15,765	20,599
Board members' fees		221,680	222,491
Building Disputes Tribunal fees		514,153	584,602
Building licence levies-collection costs		373,523	329,744
Computer expenses		63,537	55,232

The accompanying notes form part of this financial report.

BUILDERS' REGISTRATION BOARD OF W.A.

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD 1 JUNE 2004 TO 30 JUNE 2005**

	Notes	12 months to 30 June 2005 \$	12 months to 30 June 2004 \$
Expenditure (cont...)			
Consultants' fees		18,882	9,485
Consultant inspectors		110,413	144,340
Depreciation		217,956	204,274
Doubtful debts		75,469	(47,119)
Education and training expenses		12,563	17,984
Fringe benefits tax		19,711	23,297
Insurance premiums		38,045	32,897
Legal expenses		30,191	32,358
Long service leave		9,457	28,942
Motor vehicle expenses		42,714	30,824
General / Office expenses		118,914	99,392
Payroll tax		103,574	89,118
Photocopier expenses		54,867	52,788
Postage and courier charges		37,243	26,739
Printing and stationery		46,668	64,550
Rates, cleaning and electricity		81,345	77,040
Repairs and maintenance		4,214	7,947
Salaries		2,050,945	1,867,916
Social business expenses		6,429	8,900
Staff training expenses		20,028	56,384
Subscriptions		10,220	13,601
Superannuation contributions		430,413	368,098
Telephone		43,590	45,368
Travelling and accommodation		16,664	14,885
Total Expenditure		4,833,939	4,684,389
Operating Surplus	5	167,763	73,373

The accompanying notes form part of this financial report.

BUILDERS' REGISTRATION BOARD OF W.A.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	Notes	30 June 2005	30 June 2004
		\$	\$
Current assets			
Cash	7a	1,905,708	2,228,374
Receivables	2	549,823	408,613
Prepayments		362	0
		-----	-----
Total current assets		2,455,893	2,636,987
		-----	-----
Non-current assets			
Property, plant & equipment	3	3,024,473	2,108,901
		-----	-----
Total non-current assets		3,024,473	2,108,901
		-----	-----
TOTAL ASSETS		5,480,366	4,745,888
		=====	=====
Current liabilities			
Payables		72,517	204,227
Income in advance		955,123	902,884
Accrued expenses		241,036	114,793
Provision for employee entitlements	4	352,055	359,728
Provision for superannuation 2001/2004		5,838	140,800
		-----	-----
Total current liabilities		1,626,569	1,722,432
		-----	-----
TOTAL LIABILITIES		1,626,569	1,722,432
		=====	=====
NET ASSETS		3,853,797	3,023,456
		=====	=====
BOARD FUNDS & RESERVES			
Accumulated funds	5	2,588,745	2,420,982
Asset revaluation reserve	6	1,265,052	602,474
		-----	-----
TOTAL BOARD FUNDS & RESERVES		3,853,797	3,023,456
		=====	=====

The accompanying notes form part of this financial report.

BUILDERS' REGISTRATION BOARD OF WA
STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005

	Notes	12 months to 30 June 2005	12 months to 30 June 2004
		\$	\$
Cash flows from operating activities			
Receipts from Registered Builders		1,916,274	1,851,174
Building licence and owner-builder levies		2,083,761	1,831,122
Payments to suppliers and employees		(4,399,644)	(3,716,875)
Receipts of administration fee income		114,000	114,000
Interest received		87,945	81,096
Prosecution/Inquiry monies received		149,227	175,398
Other receipts		194,477	252,820
		-----	-----
Net cash flow provided by operating activities	7 (b)	146,040	588,735
		-----	-----
Cash flows from investing activities			
Payments on purchase of plant and equipment		(468,706)	(145,365)
		-----	-----
Net cash used in investing activities		(468,706)	(145,365)
		-----	-----
Net increase/(decrease) in cash held		(322,666)	443,370
Cash at the beginning of the financial year		2,228,374	1,785,004
		-----	-----
Cash at the end of the financial year	7 (a)	1,905,708	2,228,374
		-----	-----

The accompanying notes form part of this financial report.

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005

NOTE 1 ACCOUNTING METHODS AND POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Board under the Builders' Registration Act 1939 (as amended). The Members of the Board have determined that the Board is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Builders Registration Act 1939 (as amended) and the following Australian Accounting Standards:

- AASB 1002 Events Occurring After Reporting Date
- AASB 1018 Statement of Financial Performance
- AASB 1026 Statement of Cash Flows
- AASB 1031 Materiality

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The financial report has been prepared on an accruals basis and is based on historic costs and does not take account of changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which, unless otherwise stated, are consistent with the previous year, have been adopted in the preparation of this financial report:

- (a) Depreciation
 Depreciation is calculated on the diminishing value basis in order to write the assets off over their useful economic life. The rates of depreciation used for each class of assets are:

<u>Class of Asset</u>	<u>Depreciation Rate</u>
Premises	5%
Office furniture, fittings and equipment	15%-20%
Office refurbishment	15%
Motor vehicles	20%

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

(b) Revaluation of non-current assets

Land and buildings are revalued at three yearly intervals. Independent assessments are obtained of the fair market value of land and buildings based on existing use and such assessments are used as a guide when revaluations are made. Revaluation increments are credited directly to the asset revaluation reserve.

(c) Income tax

No provision for income tax is necessary as the organisation is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Employee Entitlements

A liability for annual and long service leave is recognised in respect of services provided up to balance date. No material liability exists for personal (sick) leave.

(e) Administration income

Administration income relates to recouped charges from the Painters' Registration Board for the use of premises, staff and equipment provided and financed by the Builders' Registration Board of WA, and consists of the following:

	\$
Accommodation	14,000
Consultants	2,600
Vehicles and travel	1,800
Office equipment	2,800
Office expenses	11,000
Salaries	65,000
Superannuation	13,800
Training	3,000

	114,000

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

NOTE 2 RECEIVABLES

	30 June 2005	30 June 2004
	\$	\$
Registration fees	17,968	43,798
Prosecutions/Inquiries	168,797	148,705
Infringements	9,973	7,473
Building licence levy	383,500	265,525
Other	43,069	13,896
	-----	-----
	623,307	479,397
Less: Provision for doubtful debts	(116,380)	(75,917)
	-----	-----
	506,927	403,480
Net GST refundable	42,896	5,133
	-----	-----
	<u>549,823</u>	<u>408,613</u>

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

NOTE 3 PROPERTY, PLANT & EQUIPMENT

	30 June 2005	30 June 2004
	\$	\$
Premises at independent valuation	2,330,000	1,675,000
Less: Accumulated depreciation	(0)	(167,500)
	-----	-----
	2,330,000	1,507,500
	-----	-----
Office furniture, fittings and equipment – Cost	497,517	442,177
Less: Accumulated depreciation	(206,185)	(173,963)
	-----	-----
	291,332	268,214
	-----	-----
Office refurbishment – Cost	463,664	403,965
Less: Accumulated depreciation	(319,010)	(297,063)
	-----	-----
	144,654	106,902
	-----	-----
Motor vehicles – Cost	310,737	269,742
Less: Accumulated depreciation	(52,250)	(43,457)
	-----	-----
	258,487	226,285
	-----	-----
Total property, plant and equipment	3,024,473	2,108,901
	-----	-----

Licensed valuers have performed the independent valuation of the premises as at 12 August 2005 using a direct comparison method, which analyses the best available market evidence on a rate per square metre of strata building area.

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

NOTE 4 PROVISION FOR EMPLOYEE ENTITLEMENTS

	30 June 2005	30 June 2004
	\$	\$
Annual leave	176,056	193,186
Long service leave	175,999	166,542
	-----	-----
	352,055	359,728
	-----	-----

NOTE 5 ACCUMULATED FUNDS

	30 June 2005	30 June 2004
	\$	\$
Balance at the beginning of the period	2,420,982	2,347,609
Operating surplus for the period	167,763	73,373
	-----	-----
Balance at the end of the period	2,588,745	2,420,982
	-----	-----

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

NOTE 6 ASSET REVALUATION RESERVE

	30 June 2005	30 June 2004
	\$	\$
Balance at the beginning of the period	602,474	602,474
Movement for the period	662,578	0
Balance at the end of the period	1,265,052	602,474

NOTE 7 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts, and short term money market balances. Cash at the end of the financial year is reconciled to the related items in the balance sheet as follows:

	30 June 2005	30 June 2004
	\$	\$
Cash on hand	1,100	1,100
Cash at bank	1,904,608	2,227,274
	1,905,708	2,228,374

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

- (b) Reconciliation of net cash flow from operating activities to operating surplus

	30 June 2005	30 June 2004
	\$	\$
Operating surplus for the period	167,763	73,373
Non cash flows in operating surplus:		
- profit on sale of motor vehicle	(2,494)	(681)
- depreciation	217,956	204,274
- doubtful debts	40,469	(47,119)
Net movement in assets and liabilities:		
- increase in receivables	(181,673)	(18,841)
- increase in prepayments	(363)	0
-increase/(decrease) in sundry creditors	(131,710)	144,527
-increase/(decrease) in accrued expenses	126,488	(33,117)
-increase/(decrease) in income in advance	52,239	42,540
-increase/(decrease) in provision for employee entitlements	(7,673)	82,979
-increase/(decrease) in provision for superannuation for Board and BDT members	(134,962)	140,800
Net cash provided by operating activities	----- 146,040 -----	----- 588,735 -----

NOTE 8 BUILDING DISPUTES TRIBUNAL – TRUST ACCOUNTS

Trust Account deposits are held on behalf of disputing parties in relation to building disputes. These monies are held in a separate trust account and do not reflect as part of the Board's Financial Statements. These accounts have also been audited.

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

**NOTE 11 THE IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS**

The Board is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing 1 January 2005. The adoption of AIFRS will be reflected in the Board's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The member's of the Board, along with its auditors, have assessed the significance of the expected changes and are preparing for their implementation. An AIFRS committee is overseeing and managing the Board's transition to AIFRS. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The members of the Board are of the opinion that the key material differences in the Board's accounting policies on conversion to AIFRS and the financial effect of these differences where know are as follows. User of the financial statements should note , however, that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS, or interpretation of the AIFRS requirements changes due to the continuing work of the Board's AIFRS committee.

(i) *Impairment of Assets*

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of fair value less costs to sell and value in use. In determining value in use, projected cash flows are discounted using a risk adjusted pre-tax discount rate and impairment is assessed for the individual asset or at the "cash generating unit" level. A "cash generating unit", is determined as the smallest group of assets that generates cash flows, which are largely independent of the cash inflows from other assets or groups of assets. The current policy is to determine the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal. It is likely that this change in

BUILDERS' REGISTRATION BOARD OF WESTERN AUSTRALIA

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE PERIOD 1 JULY 2004 TO 30 JUNE 2005**

**NOTE 11 THE IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS**

accounting policy will lead to impairments being recognised more often.

It is not expected that there will be any significant impacts on the impairment of assets due to the AIFRS transition.

Appendix B

INFORMATION STATEMENT: FREEDOM OF INFORMATION INDEX		
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Appendix C

PARTICIPATION IN COMMITTEES, MEETINGS, SEMINARS AND CONFERENCES		
Occasion	Attendee/s	Activity
Australian Institute of Building Surveyors Annual State Conference	Nigel Lilley, Registrar	Guest speaker
Builders Licensing Australasia Meeting	Vic Websdane, Deputy Registrar	Exchanging information with state and NZ comparative licensing authorities
Housing Industry Association Executive	Nigel Lilley, Registrar	Discussion forum and Award presentations
Master Builders Association Executive	Nigel Lilley, Registrar	Discussion forum and Award presentations
Master Builders' Association -Excellence In Construction Award Evening	Paul Marsh, Chairman Nigel Lilley, Registrar	Presentation of Award on behalf of BRB
Housing Industry Association Building Award	Paul Marsh, Chairman Nigel Lilley, Registrar	Presentation of Award on behalf of BRB
Minister for Consumer and Employment Protection	Nigel Lilley, Registrar	Various discussions relating to the operations of the Board and the Corporate Plan
Department of Consumer and Employment Protection	Nigel Lilley, Registrar	Various meetings
Cabinet Makers' Association	Nigel Lilley, Registrar	Meeting
Swan TAFE	Vic Websdane, Deputy Registrar	Presentation of BRB Award
Regional and metropolitan meetings of Local Government Building Surveyors (Quarterly)	Colin Stretton, Manager Technical Services	Ongoing representation for the BRB
MBA Committee Meetings (monthly)	Colin Stretton, Manager Technical Services	Ongoing representation for the BRB
Building Regulation Advisory Committee	Colin Stretton, Manager Technical Services	Contributing to technical documentation
Master Builders Association - Geraldton & - Women in Building	Mark Wilkinson, Compliance Officer	Presentation

Occasion	Attendee/s	Activity
Commercial Shop Fit-Out	Mark Wilkinson, Compliance Officer	Presentation
WA Local Government Association	Nigel Lilley, Registrar	Exchange of information
State Ombudsman	Nigel Lilley, Registrar	Exchange of information
State Administrative Tribunal	Nigel Lilley, Registrar	Exchange of information

Appendix D

APPLICATIONS FOR ANNULMENT OF CANCELLED OR SUSPENDED REGISTRATION*

Name	Suspended or Cancelled (Month/Year) [Reason]	Date of Meeting	Outcome
Goulden, G.	Suspended (3/04) [Financial Grounds]	27/07/04	Refused
Spadaccini, P.	Cancelled (9/03) [Negligence/Incompetence]	27/07/04	Refused
Maine, B.	Cancelled (3/01) [Financial Grounds]	27/07/04	Annulled with conditions
Afrasiabi, M.	Suspended (9/02) [Financial Grounds]	24/08/04	Adjourned
Beck, M.	Cancelled (5/96) [Financial Grounds]	24/08/04	Annulled
Green, B.	Suspended (3/04) [Financial Grounds]	28/09/04	Adjourned
Kaminski, T.	Cancelled (8/04) [Negligence/Fraudulent Conduct]	28/09/04	Refused
McDonald, G.	Cancelled (5/95) [Financial Grounds]	28/09/04	Adjourned
Morton, G.	Suspended (6/04) [Financial Grounds]	26/10/04	Annulled with conditions
Wiacek, K.	Cancelled (1/91) [Financial Grounds]	26/10/04	Annulled
Fisher, R.	Cancelled (7/97) [Financial Grounds]	23/11/04	Refused

* Section 13(2) of the Builders' Registration Act 1939

Appendix E

APPEALS

The following appeals to the District Court were made against decisions of the Board in relation to registration issues (i.e. refusal to grant registration or refusal to annul cancellation/suspension) were lodged in the year ending 2004/05.

NAME	DATE of APPEAL
Munsel, E.	05/11/2004
Sgro, U.	10/11/2004

The following appeals against decisions of the Board in relation to disciplinary inquiries (i.e. action taken pursuant to section 13 of the *Builders' Registration Act*) were lodged with the District Court in 2004/05.

NAME	DATE of APPEAL
Barker, J.	30/10/2004

The following appeals were determined by the District Court in 2004/05.

NAME	DATE of APPEAL	RESULT
Harden-Jones, G.	02/07/2004	Dismissed
D'Alonzo, D.	05/08/2004	Discontinued
Barker, J.	30/10/2004	Discontinued
Munsel, E.	05/11/2004	Dismissed
Sgro, U.	10/11/2004	Dismissed
Giovanazzi, S.	11/03/2005	Discontinued

Appendix F

APPLICATIONS MADE TO SAT UNDER SECTION 13(2) AND 14(1) OF THE BR ACT

The following table relates to applications for review by the SAT of Board decisions to cancel or suspend a registration (Section 13(2) of the BR Act).

NAME	SECTION	DATE RECEIVED	RESULT
Clark, R.	13(2)	10/02/05	Registration reinstated
Opie, H.	13(2)	10/02/05	Registration reinstated
Dickinson, R.	13(2)	03/03/05	Withdrawn
McLaughlin, P.	13(2)	10/03/05	Adjourned
Wallrodt, R.	13(2)	21/06/05	Withdrawn

The following table relates to applications for review by the SAT of decisions made by the Board to refuse/suspend registrations, or granting a registration on conditions (Section 14(1) of the BR Act).

NAME	SECTION	DATE RECEIVED	RESULT
Giovanazzi, S.	14(1)	14/03/05	Referred back to Board for reconsideration
Farano, J.	14(1)	28/04/05	Adjourned
Giovanazzi, S.	14(1)	27/05/05	Adjourned
Baxter, W.	14(1)	31/05/05	Dismissed
Todorovic, Z.	14(1)	27/05/05	Pending reasons for decision
Stone, D.	14(1)	10/06/05	Referred back to Board for reconsideration

Appendix G

OUTCOME OF DISCIPLINARY INQUIRIES AS AT 30/06/05

The following builders were dealt with by way of disciplinary inquiry under section 13 of the *Builders' Registration Act 1939*.

NAME	SECTION	DATE of INQUIRY	OUTCOME	FINE	COSTS
Anderson, P.	13(1)(da)	28/07/04	Fined	\$1,500	\$519
Barclay Group Pty Ltd	13(1)(da)	21/09/04	Fined	\$200	\$803
Barclay, W.	13(1)(da)	21/09/04	Fined	\$200	\$401.50
Barclay, W.	13(1)(da)	21/09/04	Fined	\$200	\$401.50
Barker, J.	13(1)(da)	24/11/04	Fined	\$2,200	\$578
Basso-Brusa, M.	13(1)(c)	08/12/04	Discontinued	-	-
Bob Mitchell Nominees Pty Ltd (ATF The Mitchell Family Trust)	13(1)(ba)	14/12/04	Discontinued	-	-
Bradley, M.	13(1)(ba)	14/12/04	Adjourned	-	-
Bucat, K.	13(1)(d)	29/06/05	Fined	\$2,500	\$1,300
Burgess, G.	13(1ba)	19/01/05	Discontinued	-	-
Connolly, T.	13(1)(b) 13(1)(da)	28/07/04	Suspended and fined	\$500	\$874
Cosentino Construction Co Pty Ltd (ATF A & FM Cosentino F/T)	13(1)(ba)	26/10/04	Discontinued	-	-
Clarke's Building Contractors Pty Ltd	13(1)(db)	27/10/04	Suspended	-	-
Clarke, R.	13(1)(c)	27/10/04	Suspended	-	-
Childs, R.	13(1)(da)	05/11/04	Fined	\$1,000	\$700
Delstrat Pty Ltd	13(1)(c)	08/12/04	Fined	\$750	-
Drewery, K	13(1)(c)	29/09/04	Fined	\$500	\$809
Gallivan, M.	13(1)(ba)	21/09/04	Fined	\$200	-
Guerrini, A.	13(1)(d)	28/07/04	Dismissed	-	-
Harders, L.	13(1)(da)	25/08/04	Adjourned	-	-
Hardie, C.	13(1)(d)	29/09/04	Fined	\$3,000	\$1,300
Jones R.	13(1)(ba)	26/11/04	Suspended	-	-
Jones, R.	13(1)(d)	26/11/04	Suspended	-	-

NAME	SECTION	DATE of INQUIRY	OUTCOME	FINE	COSTS
Jones, A.	13(1ba)	26/11/04	Adjourned	-	-
Kaminski, T.	13(1)(c) 13(1)(d)	03/08/04	Cancelled and fined	\$20,000	\$2,658
Knezevich, J.	13(1)(c) 13(1)(da)	07/09/04	Fined	\$2,000	-
Law, M.	13(1)(ba)	24/08/04	Discontinued	-	-
Law, M.	13(1)(aa) 13(1)(db)	24/08/04	Discontinued	-	-
Linton & Rose Builders	13(1)(ba)	22/02/04	Adjourned	-	-
Lockhart, C.	13(1)(ba)	27/07/04	Suspended	-	-
Messina, S.	13(1)(ba)	25/05/05	Discontinued	-	-
Mitchell, R.	13(1)(ba)	22/02/05	Discontinued	-	-
Nicmat (WA) Pty Ltd	13(1)(ba)	23/11/04	Suspended	-	-
Nero Nominees	13(1)(ba)	23/11/04	Adjourned	-	-
Ravi, S.	13(1)(da)	20/10/04	Fined	\$5,000	-
Riley, K.	13(1)(da)	25/08/04	Fined	\$500	\$1,132
Romberg, R.	13(1)(ba)	14/12/04	Adjourned	-	-
Rowe, S.	13(1)(ba)	27/07/04	Discontinued	-	-
Sandalwood Homes (WA) Pty Ltd	13(1)(ba)	27/07/04	Discontinued	-	-
Seawest Homes Pty Ltd	13(1)(ba) 13(1)(d) 13(1)(da)	26/11/04	Suspended	-	-
Superline Construction Pty Ltd	13(1)(c) 13(1)(da)	28/07/04	Dismissed	-	-
Thompson, B.	13(1)(da)	24/11/04	Fined	\$3,000	\$1,084
Tobiassen, S.	13(1)(c)	29/06/05	Fined	\$10,000	\$2,500
Tobiassen, S.	13(1)(c)	29/06/05	Fined	\$4,000	\$2,500
Vallelonga, A.	13(1)(d)	16/06/05	Fined	\$5,000	\$1,500
Vallelonga, A.	13(1)(d)	16/06/05	Fined	\$5,000	\$1,500
Vallelonga, A.	13(1)(d)	16/06/05	Fined	\$2,000	\$1,500
Walker, J.	13(1)(da) 13(1)(db)	25/08/04	Cancelled and fined	\$3,000	\$894
Western Australian Shed Commercial Pty Ltd	13(1)(ba)	28/09/04	Discontinued	-	-
Wright, R.	13(1)(ba)	28/09/04	Discontinued	-	-

Appendix H

INELIGIBLE PERSONS

Until 1 January 2005, the Board could declare a person ineligible upon making an adverse finding is made against a company or partnership after an inquiry is held under section 13 of the BR Act, the Board may also declare a person who is a director in a company, or otherwise involved in the management of the entity to be an 'ineligible person' for a period not exceeding three years [section 13(1ba)].

The Board Board's role has changed to investigate and refer these matters to the SAT for ineligibility.

The consequences of being declared an ineligible; person under section 13 of the BR Act are as follows:

1. If the ineligible person is involved in the management of any partnership, company, or body corporate that is registered as a builder, or becomes involved, that builder may be cancelled or suspended under section 13(1)(g) of the Act.
2. If a person who is ineligible applies to the Board for registration as a builder, the Board is entitled to refuse to register that person [sections 9A, 10(2b)].
3. A partnership, company or body corporate applying to the Board for registration as a builder may be required by the Board to satisfy it that no person who is a partner, director, member of the board of management, or otherwise involved in the management of the application is ineligible person, and may be refuse to register the applicant if it is not satisfied [section 10(2c)].

No persons were declared ineligible in 2004/05.

PERSONS DECLARED INELIGIBLE FOR THE PURPOSE OF SECTION 9A &10 OF THE BUILDERS' REGISTRATION ACT			
NAME	ADDRESS	DATE DECLARED INELIGIBLE	PERIOD OF INELIGIBILITY
GIAIMO F	89 Sexton Road, Ballajura	04/06/2003	3 years as of 4/06/2003
HARDEN-JONES G	PO Box 442, Nedlands	23/06/2004	3 years as of 23/06/2004
MCGILL C	PO Box 1323, Bibra Lake	23/06/2004	3 years as of 23/06/2004

Appendix I

PROSECUTIONS

The Board initiated the following prosecutions for offences under the *Home Building Contracts Act 1991* (HBC Act) and the *Builders' Registration Act 1939* (BR Act) during 2004/05:

NAME	ACT	SECTION	FINE	COSTS
Alman, A.	HBCA	4(4)	\$200	\$333.34
Alman, A.	HBCA	4(4)	\$200	\$333.34
Alman, A.	HBCA	10(1)(a)(i)	\$1,000	\$333.32
Arlvilla Holdings	BRA	4(1)(A)(b)	\$500	\$240.50
Australian Building Improvements	HBCA	4(4)	\$200	\$281.70
Bayton Pty Ltd	HBCA	4(4)	\$300	\$85.83
Bayton Pty Ltd	HBCA	4(4)	\$150	\$85.83
Bayton Pty Ltd	BRA	4(1)(a)(b)	\$500	\$85.83
Bayton Pty Ltd	BRA	4(1)(a)(b)	\$250	\$85.83
Beechwood Enterprises	HBCA	4(1)(A)(b)	\$500	\$180.60
Beechwood Enterprises	HBCA	25C(1)	\$500	\$180.60
Burns, R.	HBCA	4(4)	\$150	\$126.40
Burns, R.	HBCA	4(4)	\$150	\$126.40
Burns, R.	BRA	4(1)(A)(b)	\$500	\$126.40
Burns, R.	HBCA	25C(1)	\$500	\$126.50
Castle, P.	HBCA	25F(a)	\$800	\$304.70

NAME	ACT	SECTION	FINE	COSTS
Collings, C.	HBCA	4(1)(A)(a)	\$200	\$260.25
Collings, C.	HBCA	4A(2)(a)	\$500	\$260.25
Cortez, H.	BRA	12A(4)	\$500	\$591.20
De Santis, G.	BRA	4(1)B	\$750	\$151.69
De Santis, G.	BRA	4(1)(A)(b)	\$750	\$151.69
De Santis, G.	HBCA	4(1)	\$750	\$151.69
De Santis, G.	HBCA	4(3)	\$750	\$151.69
De Santis, G.	HBCA	10(1)(a)(i)	\$750	\$151.69
De Santis, G.	HBCA	25C(1)(a)	\$750	\$151.69
Donabray Pty Ltd	HBCA	4(4)	\$250	\$513.60
Donabray Pty Ltd	HBCA	4(4)	\$250	\$513.60
Dryland C / Sound Pool & Spa	HBCA	10(1)(a)(i)	\$500	\$211.50
Dryland C / Sound Pool & Spa	HBCA	10(1)(a)(i)	\$500	\$211.55
Durham Cabinet Makers	HBCA	4(4)	\$1,000	\$117.50
Durham Cabinet Makers	HBCA	4(4)	\$1,000	\$117.50
Durham Cabinet Makers	HBCA	4(1)(a)(i)	\$1,500	\$117.50
Durham Cabinet Makers	BRA	12A(4)	\$2,500	\$117.50
Grenville Smith & Associates	HBCA	25C(1)	\$500	\$305.50
Herbert, R.	HBCA	4(4)	\$200	\$178.50

NAME	ACT	SECTION	FINE	COSTS
Herbert, R.	HBCA	4(4)	\$200	\$178.45
Herbert, R.	HBCA	10(1)(a)(i)	\$500	\$178.45
Hollier, S.	HBCA	4(4)	\$100	\$118.70
Hollier, S.	HBCA	4(4)	\$100	\$118.75
Hollier, S.	BRA	12A(4)	\$500	\$118.75
Kerr, S.	HBCA	4(4)	\$250	\$121.75
Kerr, S.	HBCA	10(1)(a)(i)	\$250	\$121.75
Kerr, S.	HBCA	25C(1)	\$250	\$121.75
Kerr, S.	BRA	12A(4)	\$250	\$121.75
Landscape International	HBCA	4(4)	\$200	\$115.75
Landscape International	HBCA	4(4)	\$200	\$115.75
Landscape International	HBCA	10(1)(a)(i)	\$500	\$115.70
Lawson, J.	BRA	12A(4)	\$1,000	\$354.70
Lettona Nominees Pty Ltd	HBCA	4(4)	\$500	\$237.67
Lettona Nominees Pty Ltd	HBCA	4(4)	\$500	\$237.67
Lettona Nominees Pty Ltd	HBCA	4(4)	\$500	\$237.67
Lettona Nominees Pty Ltd	HBCA	4(4)	\$500	\$237.67
Lettona Nominees Pty Ltd	HBCA	10(1)(a)(i)	\$1,000	\$237.67
Lettona Nominees Pty Ltd	HBCA	10(1)(a)(i)	\$1,000	\$237.65

NAME	ACT	SECTION	FINE	COSTS
Mahney, K.	HBCA	4(4)	\$300	\$126
Mahney, K.	HBCA	4(1)(a)(i)	\$800	\$126
Mahney, K.	HBCA	7(3)	\$100	\$126
Mahney, K.	HBCA	4(4)	\$300	\$126
Mahney, K.	HBCA	4(1)(a)(i)	\$800	\$126
Mahney, K.	HBCA	5(3)(b)	\$300	\$126
Mahney, K.	BRA	12A(4)	\$300	\$126
Manro Pty Ltd	HBCA	4(4)	\$300	\$200
Manro Pty Ltd	HBCA	4(4)	\$300	\$200
Marcel, J. (aka Mesiti, A.)	HBCA	4(4)	\$200	\$86.15
Marcel, J. (aka Mesiti, A.)	HBCA	4(4)	\$200	\$86.15
Marcel, J. (aka Mesiti, A.)	HBCA	10(1)(a)(i)	\$1,000	\$86.20
Marcel, J. (aka Mesiti, A.)	BRA	12A(4)	\$2,000	\$86.20
Marinescu, M.	HBCA	4(4)	\$250	\$262.75
Marinescu, M.	HBCA	4(4)	\$250	\$262.75
Midas Property Developments	BRA	4(1)(A)(b)	\$666.70	\$200.20
Midas Property Developments	BRA	4(1)(A)(b)	\$666.70	\$200
Midas Property Developments	BRA	4(1)(b)	\$666.70	\$200
Ormsby, K.	BRA	4(1)(A)(b)	\$500	\$232.50

NAME	ACT	SECTION	FINE	COSTS
Ormsby, K.	BRA	4(1)(A)(b)	\$500	\$232.50
Ovane Pty Ltd / Gregory T Reilly T/as Austeel Kit Homes	HBCA	4(4)	\$250	\$124.16
Ovane Pty Ltd / Gregory T Reilly T/as Austeel Kit Homes	HBCA	4(4)	\$250	\$124.16
Ovane Pty Ltd / Gregory T Reilly T/as Austeel Kit Homes	BRA	12C(1)	\$1,000	\$124.18
Planad Pty Ltd	HBCA	4(4)	\$200	\$201.25
Planad Pty Ltd	HBCA	10(1)(a)(i)	\$500	\$201.25
Potter, B.	BRA	4(1)(A)(b)	\$1,000	\$337.50
Preston, R.	HBCA	4(4)	\$250	\$189
Preston, R.	HBCA	10(1)(a)(i)	\$750	\$189
Residential Truss Systems Pty Ltd	HBCA	4(4)	\$200	\$246.50
Residential Truss Systems Pty Ltd	HBCA	10(1)(a)(i)	\$1,000	\$246.50
Smith JS / Nuform Constructions Pty Ltd	BRA	16(2)	\$100	\$250.70
Smith, G.	HBCA	25C(1)	\$500	\$305.50
Teroi, P.	BRA	12A(4)	\$2,000	\$53.13
Teroi, P.	HBCA	4(4)	\$600	\$53.13
Teroi, P.	HBCA	4(4)	\$600	\$53.13
Teroi, P.	HBCA	10(1)(a)(i)	\$2,000	\$53.13
Teroi, P.	HBCA	4(4)	\$600	\$53.13
Teroi, P.	HBCA	4(4)	\$600	\$53.13

NAME	ACT	SECTION	FINE	COSTS
Tesari Pty Ltd	HBCA	4(4)	\$1,000	\$321.20
Tesari Pty Ltd	HBCA	10(1)(a)(i)	\$2,000	\$321.20
Vlasveld, T.	HBCA	4(4)	\$200	\$20
Vlasveld, T.	HBCA	4(4)	\$200	\$20
Vlasveld, T.	HBCA	4(4)	\$200	\$20
Vlasveld, T.	HBCA	4(4)	\$200	\$20
Vlasveld, T.	HBCA	12A(4)	\$1,000	\$20
Vlasveld, T.	HBCA	10(1)(a)(i)	\$750	\$20
Vlasveld, T.	HBCA	10(1)(a)(i)	\$750	\$20
Vlasveld, T.	HBCA	10(1)(a)(i)	\$750	\$20
Vlasveld, T.	HBCA	10(1)(a)(i)	\$500	\$20
Vlasveld, T.	HBCA	4(4)	\$1,000	\$20
Vlasveld, T.	HBCA	10(1)(a)(i)	\$750	\$20
Vlasveld, T.	BRA	12A(4)	\$1,000	\$20

Appendix J

CORPORATE PLAN

Builders' Registration Board

of

Western Australia

2004-2005

CORPORATE PLAN 2004-2005

INTRODUCTION

This is the third annual Corporate Plan that the Board has prepared in accordance with Section 8B of the *Builders' Registration Act 1939* (as amended in 2001).

The Board has prepared this Plan with regard to the proposed changes to some of its functions. The proposed changes arise out of the proposed establishment of the State Administrative Tribunal and a further proposal to amalgamate the Board's administrative and complaints functions into the Department of Consumer and Employment Protection.

The Board has adopted a cautiously developmental approach to these proposals. It wishes to continue the committed expansion and improvements in the performance of its statutory functions. This Plan is, therefore, a continuation of the preceding Corporate Plan, albeit at a reduced rate.

The Board intends to present a statement regarding the outcome of the Corporate Plan 2003-2004 in the forthcoming annual report for that year. However, reference to action taken so far to comply with the Corporate Plan 2003-2004 will be made where necessary in this Plan.

The Board has budgeted to produce a small operating surplus in accordance with the Minister's request. This has been achieved by reducing some existing activities and by deferring various actions that the Board considers should be taken in the near future.

STATEMENT OF OBJECTIVES

As a fundamental declaration of the Board's purpose, the Statement of Objectives remains as stated in the Corporate Plan 2003-2004:

1. To maintain the highest possible standards in the building industry.
2. To ensure those undertaking building in Western Australia comply with the provisions of the *Builders' Registration Act 1939* and the *Home Building Contracts Act 1991*.
3. To resolve building disputes efficiently, cost effectively and according to law.
4. Progressively implement the provisions of the *State Records Act 2000*.

STATEMENT OF POLICIES AND STRATEGIES

The Board achieved a financial surplus in 2003-2004, which is sufficient to provide for contingencies and non-recurring capital items. The Board has planned so that present funding will be sufficient for the proposed level of activity for 2004/2005. The Board considers its present level of activity is still not sufficient to ensure proper compliance with legislated standards notwithstanding the dramatic increase in activity that has occurred since 2001.

For 2004-2005 activities will continue:

- Corporate Services
- Education and Training
- Compliance (formerly Surveillance and Enforcement)
- Building Disputes Tribunal
- Records Management

Corporate Services

The Board does not currently employ a systems administrator to manage and maintain its information technology. These functions are currently performed by internal staff, who are primarily employed for other areas of expertise, and by an external consultant. The general development in the Board's activities, staffing and reliance upon information technology indicate that a professional systems administrator is required to provide an "in-house" capability to manage the computer network.

A systems administrator is planned to be recruited in 2004-2005 subject to an arrangement satisfactory to the Board and Department of Consumer and Employment Protection regarding that person's future employment.

The estimated expenditure for the systems administrator taking into account savings from consultants expenses in 2004-2005 is \$60,000.

Education and Training

Since the Board was provided with additional sources of funding in 2001, it has initiated a greatly increased active role in the industry. This in turn demands an appropriate level of skill and technical understanding on the part of its staff. The Board proposes to continue its emphasis on staff training.

The Board through its Education and Training section has developed continuing programmes for the education of consumers and other participants in the building industry. In addition, workshops have been developed for newly registered builders working in commercial fit-outs but this need is comparatively short-term and is anticipated to reduce in the near future. The Board will not continue its industry promotion and sponsorship beyond the end of 2004, thus reducing expenditure in that respect.

Compliance (formerly Surveillance and Enforcement)

A program of investigation instigated by the Board (audits) has been implemented. This is intended to detect non-compliance with legislated standards that otherwise may go undetected. Audit results demonstrate substantial areas of non-compliance and the need for industry training. The Board assesses the audit process as efficient and effective and desires to increase this activity.

The present staffing of the Compliance section is eight full-time positions. One position is currently vacant and a replacement has been deferred in order to achieve a surplus budget. Therefore the resources for the Compliance Section will be reduced in 2004-2005.

Building Disputes Tribunal

The Tribunal will continue to develop its processes through:

- Meetings between the Chairman and deputies of the Tribunal, which will identify and address issues in the decision-making process.
- Expediting hearings particularly in matters which may be potentially dangerous or where alleged faults might be built over.
- Continuing to provide mediation in suitable cases.

The administrative support for the Tribunal will be continued through:

- The retention and development of the existing full complement of staff of one disputes manager, three case officers and a support officer.
- The continual development of the new computerised complaints file management system.

The presently unproclaimed Construction Contracts Act has the potential to interfere with, and perhaps disrupt, the operation of the Tribunal resulting in an unknown factor affecting the Tribunal operation for the period in consideration.

Records Management

As required under the *State Records Act 2000*, a Recordkeeping Plan was submitted to the State Records Office on 5 March 2004.

The Plan was approved by the State Records Advisory Committee at its May 2004 meeting for a period of five years.

Work arising out of the implementation of the Plan, such as the development of a Records Management Policies and Procedures Manual and the development and implementation of performance indicators, will be progressed in 2004/2005 to ensure compliance with the principles and standards determined by the State Records Commission, by December 2005.

BUDGET & NOTES

Key features of the 2004-2005 Budget are:

- Since 2001 the Board has dramatically increased its level of activity. The Board considers the present level is still not sufficient to ensure acceptable compliance with legislated standards. The Board has budgeted for a small surplus but at the cost of interrupting the development of the Board's functions.
- The continuation of a 95% recharge for an "Inspection and Reporting Service" from Technical Services to the Building Disputes Tribunal, reflects the cost of technical services support to the disputes resolution process.
- The deferment of recruiting two building inspectors to replace the use of consultant inspectors. This will result in the deployment of the employed building inspectors to undertake inspections and prepare reports for matters before the Building Disputes Tribunal rather than surveillance and onsite assistance to the industry.
- Over the next few months the Board will prepare a submission outlining what level of expenditure is required to enable it to adequately perform its statutory functions, and to recommend how the shortfall in funds can be achieved. This could be done by raising the Building Licence Levy, under Section 4B (1) of the Act, the Owner-Builder Fee under Section 4A (1) (c) (iii) of the Act, or by increasing the registration and application fees referred to in Section 22 of the Act, or by a combination of these. Such fees have not been increased since 2001.
- The opportunity to purchase an additional Unit at the Board's existing premises arose in early 2004/2005. Extreme overcrowding made the opportunity very attractive. As this is a capital acquisition which is likely to appreciate, the Board allocated some of its accumulated funds to this purchase. This has resulted in a saving of anticipated rent of \$36,000 per annum.