

ARCHITEAM

**ANNUAL
REPORT
2021-22**

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AGENDA

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APOLOGIES –

2. CONFIRM THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING -
WEDNESDAY 28 OCTOBER 2021

3. CHAIRS REPORT FOR THE YEAR ENDED 30 JUNE 2022

4. SECRETARY'S REPORT FOR THE YEAR ENDED 30 JUNE 2022

5. TREASURER/ FINANCIAL REPORT - RECEIVE AND CONSIDER THE FINANCIAL
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6. APPOINT AN AUDITOR FOR 2022-23

7. DIRECTOR'S PORTFOLIO REPORTS:

A. INSURANCE REPORT

B. PARTNERSHIP REPORT

C. MEMBERS SERVICES REPORT

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11. ELECTION OF DIRECTORS

THERE WERE 2 POSITIONS AVAILABLE TO JOIN THE BOARD. – 2 NOMINATIONS
WERE RECEIVED

- DELIA TESCHENDORFF

- KALLIOPI VAKRAS

THE FOLLOWING NOMINEES ARE TO BE ELECTED

- DELIA TESCHENDORFF

- KALLIOPI VAKRAS

NOTICES

QUESTIONS ON NOTICE

THE BOARD REQUEST THAT ANY QUESTIONS BE SUBMITTED PRIOR TO THE AGM TO ALLOW THE
BOARD TO PREPARE A CONSIDERED RESPONSE.

QUESTIONS ON NOTICE ARE REQUESTED BY 4.PM THURSDAY 20 OCTOBER 2022 AND ARE TO BE
EMAILED TO CEO@ARCHITEAM.NET.AU

Intro duction

Founded in 1991 ArchiTeam Cooperative is a membership association for Australian architects working in small, medium and emerging practices.

The Board

JAMIE SORMANN, Chair, Secretary & Insurance Portfolios

ArchiTeam started 30 years ago and we're currently undergoing a growth spurt as the unique role and importance of small practice is recognised in the design industry. ArchiTeam is democratically run by members, for members. Every member is encouraged to play an active part in shaping our organisation. With over 950 members, we are the leading dedicated voice of Australia's small architectural practices.

Jamie is a director of Foomann Architects, which he and Jo Foong established in 2008. Their practice is devoted to realising beautifully simple, sensitive spaces that are underpinned by utility, context and sustainability.

Our Vision

To empower and support small practice architects to thrive

Jamie is committed to collaboration and to sharing ideas with students, clients, colleagues and the architecture community. Jamie joined the ArchiTeam Board in 2019 and has previously been in charge of the Awards, Partnerships and Advocacy portfolios. At the 2021 AGM Jamie was reelected to the Board and is currently the Chair and in charge of the Insurance Portfolio.

Our Mission

ArchiTeam exists to provide benefits of co-operation to our members. By utilising our combined voices, we are able to support our members in their work and professional learning and raise the profile of our industry.

Jamie likes to impose his musical taste on others and maintains an active interest in pretentious films.

To achieve this mission, we will:

- Promote and protect ArchiTeam and our members through education and activities
- Advocate for the importance of small, medium and emerging architects in Australia
- Assist the architecture community to connect and improve

SONIA SARANGI, Treasurer, Finance & Research Portfolios

Sonia is a director of andever, a tenacious thinker and problem solver. A highly capable project lead, her collaborative approach and strong negotiation skills bring a fresh perspective to the table.

ArchiTeam is a not-for-profit cooperative representing over 950 small, medium, and emerging Australian architectural practices. Our mission is to provide benefits of co-operation to our members, by utilising our combined voices, we are able to support our members in their work and professional learning and raise the profile of our industry.

Sonia is a strong advocate for diversity in the profession and has been involved in a number of mentoring programs, a guest critic and tutor at University of Melbourne - Melbourne School of Design and is a frequent contributor to Parlour.

ArchiTeam members enjoy access to our free awards program, great-value professional indemnity and public liability insurance, discounts on CPD and events, CPD Online, access to our online member forum, networking and peer support, affordable business documents, and much more.

Sonia has been a member of the ArchiTeam since 2017 and the (Continuing Professional Development CPD) committee since 2018 and co-convenors of the 2021 ArchiTeam Virtual Conference - Trajectories. Sonia joined the Board in 2019 and was reelected at the 2021 AGM.

Sonia is a keen photographer and often drives around the block a little bit longer just so she can finish listening to a podcast episode.

DELIA TESCHENDORFF Awards & Partnership Portfolios

Delia founded Delia Teschendorff Architecture in 2009. A registered architect in Victoria, she received her architecture degree from RMIT University. Her architecture studies included 12 months in the Masters Program at Sci-Arc, the Southern California Institute of Architecture in Los Angeles, USA.

An award-winning architect with a diverse career spanning over 20 years, she has worked in Los Angeles, USA for Narduli Grinstein Architects and in Berlin, Germany for renowned architect Daniel Libeskind. Prior to establishing her own practice, she worked with several leading design practices in Melbourne.

Delia joined the Board in 2020 and has been the Director in charge of the Insurance Portfolio and Co Director in charge of Member Services, in 2022 Delia is in charge of the ArchiTeam Awards and Partnership portfolios, and is one of the 2023 ArchiTeam Conference Creative Directors.

KALLIOPI VAKRAS Advocacy & Member Services Portfolios

Kalliopi Vakras is the director of Kalliopi Vakras Architects, a small architecture practice established in 2009.

Kalliopi is a registered architect with over 20 years experience both locally and internationally, have worked in Vienna. Her background lies in residential, low scale multi residential, commercial and early learning architecture. She has also taught various design studios for 8+ years.

Kalliopi joined the Board in 2020 and is the Director in charge of Advocacy and Member Services Portfolios.

She has recently completed an off-grid tiny home with her husband their rescue greyhound Dennis who plays an important role in the office.

JOHN LIU CPD Events & Conference Portfolio

John is the director of Inbetween Architecture. He is passionate about architecture that delights and endures. Inbetween Architecture's work thrives to amplify the simple joys found in everyday life – spaces that nurture 'being' and 'being together'.

Before establishing Inbetween Architecture, John worked 10 years for some locally well-known practices with strong focus in sustainability, on projects from small home renovation to university building refurbishment. The invaluable training laid the foundation for Inbetween Architecture, that good design is inherent from inception, not bolt-on.

John joined the CPD committee in 2020 and was elected to the Board in 2021, where he is the Director in charge of the CPD and Conference Portfolios.

John owns an Instagram account of vending machines he encountered on his travels. John looks forward to the day when he can share new posts again.

The Office

PHOEBE LA GERCHE-WIJSMAN, CEO

Phoebe is a qualified landscape architect (RMIT University), has studied architecture (RMIT University), and has a keen interest in design. She has worked in the not-for-profit sector for around 20 years specifically within member-based organisations for architects, landscape architects and other professionals in the built environment and is highly skilled in governance and policy, social media and marketing, event and conference management.

Phoebe has run two successful small businesses which have provided her with additional small business management skills. Phoebe has completed a Diploma in Business (Governance) through the Institute of Community Directors Australia. Phoebe sits on the National Trust of Australia (Victoria) Expert Heritage Committee and is an Alternate member of The Heritage Council of Victoria

OPHELIA HO, Membership & Events Manager

Ophelia is an experienced administrator with a passion for improving organisational efficiency, streamlining processes and procedures, and providing excellent client service and support.

With diverse experience in a variety of environments - corporate, government and not-for-profit, she excels at building relationships. Ophelia most recently worked in a graphic design studio, which inspired her creativity and interest in supporting ArchiTeam.

REGGIE LYSAUGHT, Partnerships

Reggie has worked in Marketing, Sponsorship and Events for over 10 years, across a variety of fields. She has a great appreciation and respect for design and the industry and has a passion for bringing people and businesses together and gets excited by orchestrating large events.

MARGARET MAGALOTTI, Accounts

Margaret is the ArchiTeam bookkeeper. She has been with ArchiTeam for over ten years and is a talented musician who loves Jazz.

Director Reports

CHAIR REPORT

It's been quite a time. I'm optimistic about this coming year, but concede I have no idea what to expect. Does anyone? If optimism can be indexed, then a graph would illustrate record-breaking volatility this last 12 months. As it turns out, there is something called a Gallup Optimism Index but let's not look at it in case it disproves this claim. Throughout it all, ArchiTeam has been steady. ArchiTeam and our co-op community has been there, supporting members to survive the rough patches and thrive during times of confidence.

Here are some notable events:

- our committees generously donated their time across our advocacy and events
- our online forum retained its central role connecting us to our community
- we farewelled Warwick Mihaly from the board and we welcomed John Liu to the board
- we updated and re-released the ArchiTeam OH&S kit
- we formed a range of new partnerships
- our virtual events program continued with a big uptick in attendance between our Zoom and CPD Online platforms
- we conducted another successful virtual awards program with 115 entries
- we weathered the storm of escalating insurance costs at renewal time
- we ended the year with a small surplus, providing a reliable buffer for our daily operations, programs and projects
- our membership continued to grow to 954 from 881 the same time last year
- we finalised a strategic risk assessment for ArchiTeam
- we updated and integrated a range of systems to better manage the activities, membership records and financial management of the cooperative, including our accounting package, membership database, insurance calculator, insurance renewal platform and awards platform

This was made possible with the effort and talents of our CEO, Phoebe LaGerche-Wijsman, and the team, Ophelia Ho, Regina Lysaught and Margaret Magalotti. My heartfelt thanks to them for ensuring ArchiTeam remains a vital, purposeful and successful organisation.

INCREASED MEMBERSHIP AND THE GROUP INSURANCE POLICY

Our group professional indemnity insurance policy, and its continued value and reliability, is the backbone of the cooperative and helps us deliver our services. As we grow, we remain conscious of the need to protect the group policy by ensuring our risk profile remains low. Member services such as the biennial conference, events program, DATUM, online forum, MOFL, RAsP and insurance nights are all geared to reducing our collective risk by encouraging education, peer support and dialogue. The 2021/22 Actuary Report included in the Appendix provides further information on how robust our professional indemnity insurance policy is for the group.

ArchiTeam was founded 30 years ago for architects to support each other and this spirit is alive and well in our cooperative today. Members demonstrate an abundance of generosity with their time. Some of us are committee members, some are directors, others contribute to the conference and CPD events, and many play an active role in our online forum, problem solving, providing advice, support and encouragement.

Thank you, members.

JAMIE SORMANN

Chairperson

SECRETARY REPORT

OFFICE STAFF

Phoebe La Gerche-Wijsman continued to steer the helm as CEO. We are delighted with Phoebe's dedication, passion and sound leadership for ArchiTeam over the last year and look forward to achieving new milestones in the year ahead.

Ophelia Ho, was promoted to Membership and Events Manager in early 2022 and has proven herself to be passionate about the membership and diligent with the coordination of ArchiTeam events, Reggie Lysaught, who was in charge of Partnerships and Major Projects, stepped back this year to get her own business back up and running, but has remained with ArchiTeam in managing Partnerships. Bookkeeper Margaret Magalotti who has been a subcontractor through Gecko Services for over 10 years with ArchiTeam, joined ArchiTeam part time after Doone Clifton decided to wind down her business. The Board and staff extend our gratitude to Doone who had been with ArchiTeam for over 20 years.

BOARD ELECTIONS

The board would like to thank the members who put themselves forward this year for a position on the ArchiTeam board. This is a period of ongoing growth and change for ArchiTeam where the co-operative will move in forthcoming years to be more active within the profession and general community, a wonderful time to be involved.

THE FUTURE OF ARCHITEAM

During the annual Planning Day in February 2022, facilitated by Robine Stephenson of Ume Co (previously Ahoyhoy), the Board reviewed the risk assessment of the co-op and the future as we enter our 30th year. How big is too big? What hopes and aspirations do we all have for our co-op? Data was again reviewed from the Future of ArchiTeam member discussion, as well as analyzing the risk assessment the CEO prepared for the Board. It was a terrific session with lots of ideas, some of which are already being actioned. Thank you to Robine, who managed to map out our ideas and the input from you all about ArchiTeam and allow us to step back and see how we are growing in a sustained, organic and manageable manner.

MEMBERS SURVEY

In early 2022 the ArchiTeam Members Survey was sent out to you all. The results will be distributed in early 2022/23.

EVENTS

All ArchiTeam CPD events continued to be broadcast via Zoom this year. Attendance was up and it allowed our regional and interstate members to be a bigger part of the ArchiTeam Community. As we progressively return to face-to-face events in the new financial year, our CPD program will continue to be available online, face-to-face and through CPD Online.

AWARDS

The ArchiTeam Awards, continues to be a strength. The event in 2021 was online and we look forward to an in person event in 2022.

SECRETARY REPORT

DIRECTORS HONORARIUMS

As per the 2011 Notice of Resolution the Directors Honorarium was increased as per CPI in February 2022.

ARCHITEAM POLICY DOCUMENTS

ArchiTeam policy documents were updated by the CEO and Directors. This periodic revision is part of ensuring that the documents are relevant, functional and that they adapt to changes in procedure, legislation and national policy.

It has been another busy year at ArchiTeam which is growing from strength to strength, and I congratulate the Board and the staff for a great effort in continuing to grow our co-op with enthusiasm.

I have appreciated this opportunity to be engaged in so many aspects of our great cooperative and encourage every member to get involved. This is a collective that thrives on member input and it's very rewarding to be part of something beyond professional practice. I am looking forward to another year.

JAMIE SORMANN

Secretary

FINANCE REPORT

I took over the Finance Portfolio from Warwick Mihaly in November 2021. In 2020/21 Warwick Mihaly recommended to the Board the implementation of a clearer financial reporting system be initiated. Thus, my first and most important challenge in 2021/22 has been to guide the transformation of our accounting ecosystem from QuickBooks to Xero and from cash to accrual. This was implemented with the aim of providing clarity to the Board and staff and to support the Board's fiduciary responsibilities on large and important income and expense categories. Vital to this mammoth and complex task has been the input and advice from:

- Our tax accountant, Michael Jensen and Associates
- Our auditors, Matthew Crouch and Zhi-Hui Lee of Saward Dawson.
- Our bookkeeper and BAS Agent Margaret Magalotti

This year has been one of two halves. At the start of my term many practices were struggling with intense pent-up demand for their services as normalcy returned after multiple lockdowns. Only a few short months later at the end of FY21-22 a dramatic U-turn emerged with large and successive interest rate hikes to address the inflationary pressure on goods and services, something many of you were noticing being reflected in both material and tender costs. This in turn seems to have significantly slowed down the pipeline of new work for some members. The year has felt like a financial rollercoaster for many of you, challenges that ArchiTeam has faced as well.

Our investment in the new financial reporting has, in hindsight, been incredibly well timed as its ability to enable tracking-and-forecasting overcomes the distortion that was a result of our lumpy income / expense associated with PI policy towards the close of every financial year. Many of you would be familiar with Xero in your practices. I am also pleased to report that our Budget document no longer sits in isolation and has been integrated into Xero, thus empowering staff with real-time ability to track and fine-tune the co-op's expenses versus the allocated Budget for each category.

Through these changes, I am reassured that we have managed our financial position with caution and an eye towards successfully navigating any potential bumps that may occur along the way long. As treasurer and finance director, I have worked on this goal closely with the board and CEO.

GENERAL FINANCIAL POSITION

ArchiTeam finished 2022 with a modest surplus of 3%, indicating that despite the impact of the significant 2021 PI policy expense increase (94% increase paid in July 21) we remain in adequate financial health. This surplus was achieved thanks to continued growth in membership, ongoing support from our partners/sponsors, the popularity of our CPD offerings and increased premiums paid by our members.

Our operating expenses increased by 17% compared to last financial year, largely due to the increase in the cost of our group professional indemnity insurance policy. More importantly, when we set aside the inclusion of our PI policy expense and depreciation, our remaining operating expenses in fact decreased by 18%. Full credit for that goes to our CEO and ArchiTeam staff for always looking out for the co-op in seeking the best value option for every expense category. We have grown a lot over the years as a co-operative, but they have retained a modest

FINANCE REPORT

mindset and run an incredibly tight ship.

INCOME

As I'm sure you'll be aware, a very large portion of ArchiTeam's income is derived through our group policy, which in turn supports our operating expenses. To accommodate the increased cost of this policy and ensure we can continue delivering our portfolio of activities, the board agreed in April to increase the cost of insurance premiums across all bandings to match the increased PI quote. Our goal is still to leverage our collective buying power and low risk profile to deliver the best value for money to all members. CPD Online income continued to be strong in the absence of face-to-face events.

Below is in the Insurance Report – but you might want to remind yourself of the key stats:

ArchiTeam group expenses in 2022:

\$5m group PI policy renewal was increased this year by 8% (Allianz)

PL group policy renewal was increased this year by 12% (Pacific Indemnity)

Pricing for members in 2022:

Membership Fee = \$330.00 ex. GST

Public Liability Insurance (PL) = \$271.04 ex. GST

Professional Indemnity Insurance (PI) = varies

TOTAL (membership fee + PL + PI) increase from previous year = average 6.6%, capped at 8%

Additionally, a minimal annual increase was made to the ArchiTeam membership fee (\$330 + GST).

OPERATING EXPENSES

Changes to major operating expenses for ArchiTeam this year have been as follows:

- The cost of ArchiTeam's group policy increased 8% this year.
- Our Awards program incurred a 20% increase in costs.
- Director honorariums were increased in January by CPI.
- There have been no new staff appointments this year, though with modest pay rises and some roles shifted to a contractor basis, employment expenses have marginally decreased.
- With FY 21-22 not being a conference year, our CPD expense has shown a significant drop and continued online events for a large part of the year also played their part in keeping costs low.

GROWTH

ArchiTeam membership has had an 8% growth in 21/22

This is indicative of an organisation in slow-and-steady growth mode. To put the above into context, we have increased our membership throughout the pandemic at a time where most other member-organizations were concerned about attrition. In parallel the strong start to the FY21-22 shows the combined earnings of our members continues to arc upwards. We expect expenses to continue to expand as we inch closer to the magical milestone of 1,000 members.

FINANCIAL MANAGEMENT STRATEGY

ArchiTeam financial investments are managed in accordance with our Risk Management Policy, in term deposits across a spread of banking institutions. Our focus with these investments is to secure our funds in ethical institutions including Bank Australia. Annual budgets and director responsibilities include the goal to break even on our diverse portfolio of programmes.

FINANCE REPORT

This year introduced difficulties in securing partnerships with sponsors, however our major awards and conference events continued to draw partners with a deep interest in supporting ArchiTeam and our members. As Australia's economy returns to a healthy position and our events transition back to in-person experiences, we anticipate that sponsorship will return to its previously healthier position.

If anyone reading this has any experience of trying to move legacy accounting systems, they will know what a truly difficult, painful and at times exhausting process it can be. I would like to extend my deepest thanks to Phoebe and Margaret for their patience and attention to detail during this transformation and for their support throughout the year.

Sonia Sarangi

Treasurer

Director of Finances

INSURANCE REPORT

I took over the Insurance Portfolio from Delia Teschendorff in February 2022. During the July to February period, Delia initiated meetings with Aust Brokers Countrywide to better understand current global impacts to the PI market and the ArchiTeam Group Insurance policy so that the Board would be informed and prepared.

In April 2022, the CEO and I met with Brokers Greg Hansen and Vincent Rizutto to review the quotes for the renewed policies. The market was described as a 'hard market' with less insurers offering PI worldwide. After researching alternatives Aust Brokers Countrywide arranged for 3 alternative formal quotes and recommended that we continue our relationship with Allianz, who currently offer the most competitive price. Additionally, they are the only insurer with a quote that allows defence costs for claims involving combustible cladding. The intended strategy moving forward is to seek quotes from potential insurers on a rostered cycle. This is to help ensure that they remain motivated to quote competitively.

The mandatory insurance event, 23 September 2021, involved both Vincent Rizutto and Greg Hansen discussing the current market, the ArchiTeam policies and responding to members questions regarding the policy and insurance related issues for Architects. We extend our thanks to Greg, Vincent and the Aust Brokers team for their diligence in responding to member queries.

ArchiTeam group expenses in 2022:

\$5m group PI policy renewal was increased this year by 8% (Allianz)

PL group policy renewal was increased this year by 12% (Pacific Indemnity)

The ArchiTeam Board agreed that the coverage and service provided by the policy, insurers and brokers was the most competitive insurance option available to architects for equivalent coverage. This made the Board optimistic that small practice architects will continue to discover and join our co-op.

An added complexity was that in 2021, the group PI insurance policy involved a 94% increase; which ArchiTeam successfully absorbed so that this entire increase did not have to be passed onto members when already stressed. Now with growth in new members and member revenue, we look forward to strengthening the financial position of our co-op.

Pricing for members in 2022:

Membership Fee = \$330.00 ex. GST

Public Liability Insurance (PL) = \$271.04 ex. GST

Professional Indemnity Insurance (PI) = varies

TOTAL (membership fee + PL + PI) increase from previous year = average 6.6%, capped at 8%

The document used to calculate pricing for members was rebuilt to make it simpler and more equitable with the stated increases. The revisions made to the documentation and processes this year will assist in making future renewal processes more efficient.

The Board reviewed the insurance proposals and agreed, following budget advice, that the PI pricing should be increased by average 6.6%, capped at 8%. Additionally, a minimal annual increase was made to the ArchiTeam membership fee (\$330 + GST).

INSURANCE REPORT

The Insurance renewal process went smoothly this year. The ArchiTeam staff worked with a new system that is better integrated and will simplify processes in the future. A new credit card payment system, ArtsPay, was introduced without complication.

There were 791 insurance members with 70 new members for 2021/22 who are now all equipped with a policy to provide our local registration boards with the documentation required to practice.

Thank you to Phoebe and the ArchiTeam staff for their excellent guidance, and Greg and Vincent at AustBrokers Countrywide for their ongoing support.

JAMIE SORMANN
ArchiTeam Director
Insurance portfolio

PARTNERSHIPS REPORT

I took on the Partnerships Portfolio from Jamie Sormann at the beginning of 2022. This year ArchiTeam is excited to be continuing with established relationships, whilst also building some important new partnerships going forward. Our Education Partner, the University of Melbourne – Melbourne School of Design continues this year and our relationship with Brickworks continues with involvement in both the 2022 Awards program and the upcoming ArchiTeam Conference planned for 2023. We are also excited to return in person to the Brickworks showrooms (around the country) and continuing in 2023. The cooperative is grateful for the ongoing generous support of our industry partners AWS, Australian Passive House Association, Niche Media, Vectorworks, Bowerbird, Bookshop at Uro, and ArtsPay.

ACA continues to be an important Industry Partner, a relationship established in 2021, demonstrating the supportive environment that we work in as Australian Architects, providing shared benefits, including reciprocal rights for our members to both organisations CPD programs. We continue to work closely with Open House Melbourne (OHM) which included member participation in Open House Weekend events in 2021. Our partnership continued with MPavillion, the Naomi Milgrom Foundation, with opportunities for our members to be involved in a range of MPavillion events. We continue to build relationships with Architects Accreditation Council of Australia (AACA), Architects Registration Board of Victoria (ARBV), Parlour and the Australian Institute of Architects.

ArchiTeam continues to grow its membership base in Melbourne and membership continues to increase around Australia, with the CPD program assisting with this growth, through the CPD online program.

I wish to thank Reggie Lysaght and the ArchiTeam staff who continue to work towards building more relationships with partners, sponsors, and friends, and finding creative ways to establishing further relationships with industry peers. Whilst the past two years have been challenging, the industry has shown great resilience and we can look forward to a positive future and ArchiTeam's partnership portfolio continuing to grow.

DELIA TESCHENDORFF
Director, Partnerships

MEMBER SERVICES REPORT

I continued with managing the Member Services Portfolio that I previously shared with Delia Teschendorff until November 2021 when she took over the Awards and Partnerships Portfolios. The Member Services Portfolio consists of a mix of producing various business documents to assist members in the running of their practice as well as arranging member activities. These documents include the Client Architect Agreement (CAA) which was made free to all members in 2019, Employment Agreement, the WH&S Kit (formally the OH&S Kit) and the CAD Disclaimer template which was released in 2021.

BUSINESS DOCUMENTS – GENERAL

Various business documents have been compiled and reviewed over time to assist members. The Board reviews which documents might be of use to members and then works on producing templates, checklists and/ or kits. Some of these ideas come through comments made on the forum and others are emailed through to the office.

BUSINESS DOCUMENTS - WH&S KIT

Released in September 2021, the ArchiTeam Work Health & Safety (WH&S) Kit underwent a review and update to tailor the kit to members' needs to use within their practices and to provide the supplementary information needed to submit for preferred suppliers lists and tender/RFI submissions to councils and government. The WH&S Kit can also be used to express a practice's health and safety expectations and assists the practice to achieve better health & safety results.

The WH&S Kit was set up as a starting template to enable members to begin or develop their WHS protocols. The Kit was set up in 3 components –

1. The System Pack – includes an introduction to the various components within the WHS kit/
2. The Forms Pack – includes an extensive number of forms to record information, manage safety obligations, provide information, instruction & training to works and enable the practice to demonstrate to third parties the steps taken to establish, operate and maintain a safe and healthy workplace.
3. The Tools Pack – included relevant Acts, Regulation, Codes & Standards for each individual state in Australia

In conjunction with the release of the WH&S a CPD event with the author of the kit, Noel Jenkins, Director of FJP Safety Advisors. He took us through the Kit and how it could be implemented in practices.

BUSINESS DOCUMENTS – CLIENT ARCHITECT AGREEMENT & USER GUIDE

The Client Architect Agreement was released in November 2019 and made free to all members. It is currently being reviewed by Jonathan Mills from Holding Redlich Lawyers. It will be rereleased in 2022/23 along with a User Guide.

BUSINESS DOCUMENTS – RESIDENTIAL CHECKLIST

A Residential Documentation Checklist was initiated by Jamie Sormann with contributions from Sebastian Monroe, Mary Ann Jackson, Imogen Pullar, Sarah Hobday-North and myself. This has been completed for distribution at the beginning of next financial year, to the membership as a Google Sheets document. This document will be free to members but we request

MEMBER SERVICES REPORT

that non members who would like to remain as non-members donate to one of seven causes. Refer to the Advocacy Portfolio Report for more.

MEMBER SURVEY 2022 + MEMBER SURVEY INSIGHTS

A member survey was sent out in March 2022 and 136 members participated. This provided valuable insights into our members including who they are, where they practice and what types of projects they work on. It also provided an overview of things like the construction budgets of some of our projects, fee methods that members use and what average practice earnings are. This data is currently being compiled in a Members Surveys Insights Report which will be released soon.

MOFL & NEW MEMBER NIGHTS

In 2021-22 MOFL and New Member Welcome nights were still paused due to the impact of COVID and the restrictions still in place for group gatherings. Zoom meetings were considered but it was agreed that we had all had enough zoom in our lives already. It is hoped that face-to-face gatherings will resume in some format in 2022-23.

KALLIOPI VAKRAS

ArchiTeam Directors

Member services portfolio

CPD & CONFERENCE REPORT

I took on the role of Director of CPD Event & Conference from Sonia Sarangi upon my appointment to the Board at the 2021 AGM in November. I knew hers would be big shoes to fill, but the transition was made relatively easy with her help along with the ArchiTeam office staff and the CPD committee.

Since 2021 there was a desire from the Board and Advocacy Working Group for ArchiTeam to be more 'National'. The cooperative has been a national organisation for almost its entire 30 year history, but since the office is in Melbourne, most of its events were too. One positive from the COVID pandemic has been the shift of CPD programs to an online format. It has allowed the flexibility we have spoken of for years, just never able to enact – until now! Another benefit of this change is that the committee is now made up of members from (almost) all around the country. This has given the membership more of a national voice, with committee members able to introduce topics and speakers from their state, not just Victoria. Similarly, the improved accessibility to speakers (both local and international) has provided quality presenters on a range of topics. The online sessions held during the day have also worked well for members (and speakers) with young families or for whom out of hours, in person sessions based in Melbourne, are inconvenient or prohibitive. The recordings of the sessions, known as CPD Online, also now serves as a great catalogue of resources for members to access at their own convenience.

This year's CPD program was a result of you. Many of you contacted the committee or the ArchiTeam office. Some topics originated from the rich discussion on the Facebook Members Forum, where members highlighted a need to address particular issues that matter to small practice architects. As a result, the committee coordinated sessions on Client Management, Partnerships & Collaborations, Small Practice Documentation, Performance Solution Reports, Partial Services & Copyright, as well as How to Grow Your small Practice.

There was also the ArchiTeam Insurance Seminar, the launch of the WH&S Kit and the Reconciliation Action Plan for Small Practice sessions.

Over the course of the year, the CPD program planned 9 events (up from 7 in the previous year) and was attended by a total of 739 people (up from 583 in 21-22). CPD Online went from strength to strength also with almost 700 people accessing the system.

Our program of events included:

- 7 CPD events
- 1 workshop
- 1 ArchiTeam Insurance information session

I would like to thank all the members of the CPD committee – Sam Perversi-Brooks (TAS), Laura Litcanu (Vic), and Paul Cooksey (SA) for their excellent ideas, speaker suggestions and sharing the duty of event hosting, blurb and quiz writing. A big welcome to Damian Goode (QLD) for joining the committee in April 2022. A fond farewell and thank you also to outgoing members, Sally Holbrook (Vic), Hilary Spiers (NSW) and Paola Provinciali (QLD) - for their time, support and ideas.

CPD & CONFERENCE REPORT

Planning of the 2023 CPD year is underway. It will offer a full calendar of events including the ArchiTeam Conference. As always if you have any ideas, please send them through to Ophelia in the office events@architeam.net.au to collate for the CPD committee. As a cooperative, ArchiTeam thrives on the involvement from all our members. Presenting at a CPD event, joining a working committee, or writing an article for Datum are all worth CPD points. Come and talk to us if you would like to contribute.

And finally, none of this would be possible without the incredibly dedicated and hard-working ArchiTeam office staff - Phoebe La Gerche-Wijsman, Ophelia Ho (who coordinates the logistics brilliantly for every single AT event) and Reggie Lysaght.

John Liu
ArchiTeam Director, CPD Events & Conference

ADVOCACY REPORT

The Advocacy Working Group has provided a vital arm to ArchiTeam in advocating for our members and the importance of small practice architects and architecture more broadly. The Group met 4 times between July 2021 – June 2022, actively submitting, reviewing, selecting and helping to develop a number of projects. 10 formal CPD points were allocated for the members; all of whom demonstrated committed involvement.

POST OCCUPANCY EVALUATION SURVEY: DESIGNING FOR SUSTAINABILITY

The Post Occupancy Evaluation Survey (POE) was developed in 2020/2021 and finalized to be launched to members in 22/23. The POE development was led by Tom Bulic with the assistance of the rest of the Advocacy Team.

The POE will assist ArchiTeam members to obtain a valuable insight into the client experience of architect designed homes. Data will be fed back to ArchiTeam and collated by the Advocacy Committee. It will also be forwarded back to the individual architect allowing them to gain valuable insight into how their building performs over time in terms of sustainability, what the building process was like for the client and how they are experiencing the building itself.

Our Member Survey Insights 2022 told us that only 5% of members who responded to the survey always undertake POE's on their projects. We are hoping the release of the POE tool assists in gaining better insights into how our clients experience the spaces we have designed for them.

SUSTAINABILITY ACTION PLANS

Architects Declare approached ArchiTeam to become one of their partners for their Sustainability Action Plan (SAP) events. The events aimed to roll out the SAP and present templates that everyone can adopt and ArchiTeam cross promoted a series of educational sessions which were run directly by Architects Declare.

We hope to explore this area and collaboration further in 2022/23 and encourage our members to review the Architect's Declare SAP Templates to create their own.

ARCHITECTS MENTAL WELLBEING

Due to the current ongoing challenges that COVID19 has placed on the world, there were concerns regarding how members were coping with the impact on their daily life and practices. In 2021 an EDM was dedicated to providing resources to members to assist them. A CPD was also run with clinical psychologist Dr Simon Kinsella providing information and tools for coping with stress and working from home.

PASSIVE HOUSE SCHOLARSHIP

The relationship with the Australian Passive House Association continued in 2021 with their generous support of the Passive House Scholarship as part of the ArchiTeam Awards program. The Scholarship is worth \$4,500 and was awarded to PASSIVE HOUrglass, by Aaron Cody of reserve.studio.

RESIDENTIAL DOCUMENTATION CHECKLIST

I note that this is also mentioned in my other Portfolio – the Members Services Portfolio but there is a crossover between the two Portfolios as this is both a Business Document and relates to advocacy for our members!

ADVOCACY REPORT

Over the years several members have asked if anybody has a documentation checklist via the Facebook forum. A Residential Documentation Checklist was produced by Jamie Sormann with contributions from Sebastian Monroe, Mary Ann Jackson, Imogen Pullar, Sarah Hobday-North and myself. This is to be distributed to members in 22/23. It will be free to members, but we request that nonmembers who would like to remain as non-members donate to one of seven causes. These causes included Pay The Rent, Asylum Seeker Resource Centre, Wilderness Society, Launch Housing, Australian Conservation Foundation, Beyond Zero Emissions and the Climate Council.

We hope this checklist will remain as a work in progress and we ask that if members have any ideas or changes that they believe could benefit other members then they submit them to the ArchiTeam for inclusion in a future version of the checklist.

PERFORMANCE BASED SOLUTIONS

Stemming from a discussion between members on the ArchiTeam Members Facebook Forum on the recent requirement for Performance Solution Reports, a CPD session was organised with invitations sent to members of ACA and the Australian Institute of Architects to participate, providing tickets at ArchiTeam Member prices.

Since its inception in 2016, the Advocacy Working Group has initiated a range of projects and strengthened the collaborative nature of our co-op. Approaching the group is an excellent first step for any member wanting to have greater involvement in ArchiTeam or initiate a project that assists our profession. In 2021/22 a Call for Action was distributed to the members for Advocacy ideas, this was also issued in the Members Survey sent out to all members in early 2022. Some of the ideas received are being investigated for 2022/23, but we encourage you to email any issues to advocacy@architeam.net.au

We would like to acknowledge the following members of the committee who stepped down this year, Tom Bulic, Zoe Geyer, Claire Scorpo, Leah Reynolds and Jamie Sormann. Tom and Zoe had been instrumental in the Advocacy Working Group, as well as being influential in many of our largest initiatives such as RAsP and the Naked Architect series (with Open House Melbourne and the ARBV).

Thanks to the following members who have continued to bring their commitment and vision to the group, Jo Foong (Chair), Talina Edwards, and Imogen Pullar.

We are proud to be raising our collective voices and contributing to the future of Architecture in Australia with a considered and collaborative approach. We look forward to the next steps in our ongoing advocacy and research at ArchiTeam as part of the mission to empower and support small practice architects to thrive.

KALLIOPI VAKRAS
ArchiTeam Director
Advocacy

AWARDS REPORT

Members were encouraged to enter with the first submission free and all entries displayed in the Awards Exhibition. In 2021 the ArchiTeam Awards program involved 115 entries from 90 members, a slight reduction from the previous year, mostly owing to lockdowns prohibiting access to projects for photography.

Budget

In 2021 the Awards Budget was reduced to \$40,000 primarily due to there not being a face-to-face event due to COVID. The program was delivered for \$29,868.

Design

Sonia Post and her team at Design Democracy produced the graphic design work for the 2021 Awards program, which featured the branding of the online entry program, exhibition signage, social media, the Awards booklet and other collateral. We thank Sonia for her continued enthusiasm, creative flair and mastery with colour. Thank you to United Make for producing beautiful Awards trophies this year too.

Exhibition

Due to lockdowns, the exhibition was virtual; finalists and winners were launched on the ArchiTeam website and the ArchiTeam YouTube channel. The animations that featured these projects, by Isobel Knowles with music by Ariel Blum, were a fun way to showcase incredible projects.

Jury

The Awards program would like to extend gratitude to the 2021 jury members for their generous involvement in the process:

- Ray Cheung Krisna Cheung (Awards Chair)
- Mary Featherston Featherston
- David Welsh Welsh + Major
- Melody Chen Atelier Chen Hung
- Fleur Watson Open House Melbourne
- Isabelle Toland Aileen Sage
- Ross Brewin Gilby + Brewin

Thank you to our 2021 Awards sponsors: Brickworks, AWS, The University of Melbourne, The Australian Passive House Association, Vectorworks, Niche Media, Bowerbird.io, and United Make. Their generous support has allowed us to create this Awards program and provide additional exposure to our members and ArchiTeam.

We congratulate and thank the ArchiTeam members who help make the program and associated events such an integral and happy part of the Architectural calendar; CEO Phoebe La Gerche-Wijsman, Reggie Lysaught and Ophelia Ho. Thank you to all the ArchiTeamers who submitted entries; always a broad, exciting, inspirational range of projects.

JAMIE SORMANN
ArchiTeam Director
Awards

The background features a dark green field with several large, overlapping, organic shapes in a light pink color. These shapes are irregular and resemble stylized cells or abstract forms. The word 'Appendix' is centered horizontally and partially overlaid by these shapes.

Appendix

ArchiTeam Members in attendance at the 2021 Annual General Meeting



ANNUAL GENERAL MEETING

Date: 28 October 2021
Venue: Zoom
Time: 12 pm

ATTENDANCE

Directors: Warwick Mihaly – WM (Chair/ Treasurer/Finance & Research), Jamie Sormann – JS (Secretary/ Awards & Partnerships), Sonia Sarangi – (CPD Events & Conference), Delia Teschendorff – DT (Insurance / Members Services) and Kalliopi Vakras – KV (Advocacy & Member Services)
Members: 41 attendees
Invitees & Guests: Phoebe LaGerche-Wijsman, Reggie Lysaught and Ophelia Ho
Apologies: none were received
Meeting Commenced: 12.18pm

1	Au	Patrick
2	Bulic	Tom
3	Cheong	Meng Si Adrian
4	Cody	Aaron
5	Colla	Cathi
6	Cooksey	Paul
7	Courtney	Adie
8	Elliott	Harriet
9	Foong	Jo
10	Greenway	Kelvin
11	Inserra	Angelica
12	Johnson	Gary
13	Kahn	Sarah
14	Kemp	Michael
15	Khoo	Fooy-Ling
16	Kidston	David
17	Klingspohn	Britta
18	Lim	Weian
19	McPhee	Antony
20	Mihaly	Warwick
21	Moje	Barbara
22	Naughtin	Rebecca
23	O'Brien	Darragh
24	Provinciali	Paola
25	Rosmarin	Dorøn
26	Sarangi	Sonia
27	Slocombe	Erica
28	Sormann	Jamie
29	Teschendorff	Delia
30	Turnbull	David
31	Vakras	Kalliopi
32	Yip	Edward
33	Liu	John
34	Amiconi	Adrian
35 – Quorum	Page	Eddie
36	Lehman	Julia
37	McManus	Michael
38	Ceravolo	Rosanna
39	Nancarrow	Alistair
40	Litcanu	Laura

1.0	Chair's welcome WM – Welcomed to country and welcomed all the attendees. Confirmed over 35 (quorum) members present (40 attended)
2.0	Confirm the Minutes of the previous Annual General Meeting held in Melbourne, VIC, Wednesday 26 October 2020 WM moved that the minutes of the previous AGM be accepted. Seconded: KV
3.0	Chairs Report WM provided an overview of the Chair's report for the year ended 30 June 2021, asked if there were any questions – none were received and moved that it be accepted. Seconded: Rebecca Naughtin
4.0	Secretary Report JS asked if anyone had any questions about the report – none were received and moved that the Secretary's report be accepted Seconded: Adrian Amiconi
5.0	Treasurer/ Financial Report WM asked if anyone had any questions about the report – none were received and moved that the financial report (including the financial accounts) be accepted. Seconded: Weian Lim
6.0	Appoint an Auditor for 2020-21 WM proposed retaining Auditors Seward Dawson. WM asked for any questions – none were received. WM moved that the recommendation be accepted. Seconded: Barbara Moje
7.0	Director's Portfolio Reports a. Insurance Report DT asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Barbara Moje b. Sponsorship and Partnership Report JS asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Fooi Ling Khoo c. Member Services Report. KV asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Weian Lim d. CPD & Events Report SS asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Adrian Amiconi e. Advocacy Report KV asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Weian Lim f. Research Report WM said the Research Report had been within his Chair's Report and asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Barbara Moje g. Awards Report JS asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Jo Foong
8.0	Questions on Notice A request for any questions was distributed 5 weeks prior the AGM as per the Cooperative Rules, to be submitted prior to the meeting. Redmond Hamlett submitted 7 questions. WM said each Board Member in charge of the portfolio that the question related to would respond to the respective question. Qu 1) Can ArchiTEAM confirm that all Directors Meetings Minutes be made available upon request for members who wish to sight these. This includes seeing the voting records of all decisions AT Directors have made on any matter that have been put forward that require voting, including Motions, Seconded, For, Against, Abstentions and results of motions. <i>For the sake of transparency and promoting good governance practices, if this is not the case, can AT undertake to...</i> a) Ensure that all decisions made by Directors are by a vote, recording Motions, Seconds, For, Against, Abstentions and Results of Motions b) Make available any / all minutes of Directors Meetings, available upon request for any Member who requests these. WM responded that the Minutes of the Board meetings were not available for the members as it was outlined in The ArchiTeam Rules; 78.7 The minutes of Board meetings and subcommittee meetings are not to be made available for inspection by Members or the public. All decisions and approvals are noted as Approved by ALL present at the meeting or a quorum of Directors (3 to approve). Or actions are recorded if not Approved. Fooi Ling Khoo asked if he could elaborate on why they can't be made public. WM repeated it was stated in The ArchiTeam Rules, but also because these discussions and decisions were sensitive in nature in that they discuss the membership and members, pricing and insurance matters that if they were to be made public could jeopardise the ability of the Board to operate independently and for ArchiTeam to function effectively. WM said that if though, any member was curious about the Boards position on any matter that they are free to ask anytime or at an event such as last year's Future of ArchiTeam or the AGM. Barbara Moje asked if the Minutes of the AGM are available publicly. CEO said they are published each year in the Annual Report and are available to

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<p>any member upon request. Cathi Colla said her understanding was that members can attend Board Meetings. JS said members can submit a request to attend a Board Meeting for a period of time, but it is up to the Board to accept the request or not. SS asked Cathi Colla if that had occurred during her time as a Board member. Cathi Colla confirmed it had for her when she was considering joining the Board.</p> <p>Qu 2) Regarding the election of Directors, in the event where there are minimal candidates who put themselves forward who might otherwise be elected unopposed, given that AT is a membership-owned and operated Cooperative, the Membership should have a say of who represents their interests - even if there are minimal candidates who put themselves forward for Directorship Elections. From henceforth can AT undertake to give the Membership Base the opportunity to formally vote in prospective candidates for Directorship's, giving each member the option to either: a) Accept the candidates who have self-nominated for the roles, and, b) Be given the option to request that AT "seek further Candidates" ...Before any / all prospective candidates for Directorships are confirmed, ie follow an electoral process to ensure that Members have had genuine involvement in who represents the Cooperative.</p> <p>WM outlined that the election process (Item 61) is dictated in The ArchiTeam Rules. That whenever there are more nominees for the vacant positions that this triggers an election to be voted on by the Membership. All members of the cooperative were given notice via E-communications, that nominations were open to all members of the cooperative on Tuesday 7 September, with nominations closing 10.30am Monday 27 September. WM asked if there were any further questions Foi Ling Khoo asked if there was the need for a general overview needed for new members as part of the onboarding, that there had once been a new member event which would assist in informing new members more about the Coop. WM asked CEO if The Rules were sent out to new members. CEO said a link was sent s part of the onboarding of new members, that The Rules are also freely available on the website and the office furnishes any prospective members with The Rules upon request. KV also said in the past there had been New Member Nights held in the past, but that these had been put on hold during the pandemic SS agreed that it had been scheduled this year, but had had to be cancelled due to COVID restrictions Foi Ling Khoo also said there had been informal Member Project nights where members could meet each other. WM said there MOFL (Members Only Facebook Live) events also provided this opportunity to meet members and find out more about the Coop – again hopefully they will resume face-to-face in 2022 Angelica Inserra reflected on her experience on school council and in regards to Redmond Hamlett's first two questions, that seem to be about the process the Coop operates and how the Board works. Her role on school council sees the 'Standard Orders' (The Rules) reviewed annually – is there a mechanism for The ArchiTeam Rules to be amended? WM asked JS to respond. JS said there are a number of items that need to be reviewed and updated, but that the Rules stipulate that 2/3 of the membership are needed to approve any changes at the AGM – this is hard to achieve. JS he will action this review and aim for the changes to be approved at the 2022 AGM. CEO said there was no mention of any review dates on the AGM, unlike other Policy documents. WM asked if this answered Angelica's question Angelica said yes, but that the 2/3 majority approval was there for a reason and that it should still be in place for the upcoming approval. WM clarified that the 2/3 majority for approval is the entire membership – not just those in attendance at the AGM. That this figure was also 29 years ago when the membership was under 50, whereas now membership is closer to 1000</p>

<p>CEO said the changes will predominately be updates on language, changes in law and some due to changes in technology, but all recommended changes would be supplied to ALL members to review and approve. Paola Provinciali and Aaron Cody asked if all virtual events will be discontinued and resume to face-to-face. SS said the plan is for all face-to-face CPD events will also be streamed/recorded as we move forward Cathi Colla said that the virtual events were still excellent for time poor members. SS agreed that doing both virtual and face-to-face will be the way forward.</p> <p>Qu 3) Can the AT Board of Directors confirm what level of a) Risk Management and b) Financial Planning was undertaken leading up to the final months of the Trajectories 2021 Biennial Conference, with particular regard to the planning of "hybrid" in-person / online events, including in person panels and networking events including an afterparty at a public venue. This includes explaining the risk / reward for hosting said events from both perspectives, to better understand the Cooperative's decision making process. It was understood that there was an opportunity to host something of this nature, given the State Government had a relative easing of Covid Restrictions at this time. The author of this question has a conflict of interest given he was part of the Creative Committee for Trajectories 2021 - it must be said that AT & the CC Team "overdelivered", and the attendee feedback shows this (with thanks to Sonia Sarangi's Director's Report in the current AGM Report) in what were challenging circumstances. From reviewing the feedback a number of member comments did say the lack of a "physical" event was a negative, from anecdotal experience the Conference Afterparty is well patronised and offers a solid networking opportunity for all guests, but particularly Members who predominantly are sole-practitioners who may not have regular "tribal" networking opportunities with fellow professionals. Further, understood from reading the AGM 2020/21 Statement that both AT, and Trajectories 2021 were / are profitable overall. The wider AT membership would benefit in understanding the rationale behind this decision from a... a) Risk Management and b) Financial Planning perspectives. SS responded as co-convenor, although Redmond was aware of the answers to this question, to explain for all in attendance, the Conference Creative Directors signed on to the Conference preCOVID – COVID completely changed the agenda and topic from the get-go. The number one concern was the health and wellbeing of our members – not wanting to facilitate a "super spreader event" – that they were shells shocked when the state of Victoria went into a hard lockdown the following Friday highlighted the Russian roulette the Committee was dealing with, and in particular the members money involved in the running of the event. The budget is fundamentally members money, that it would have been foolhardy – the Budget was interrogated for a virtual versus face-to-face event, by with travel restrictions, space requirements for indoor events (ticket sales would have been reduced by half), loss from last minute cancellations at the venue etc. It was deemed to risky with a potential \$50k loss. These issues were discussed between the Board and the Committee. WM asked for clarification from SS regarding the last paragraph of Redmond's question. SS said the profit was only achieved from sponsorship gained for the Conference. That the online option was not cheap WM said personally it surprised him how expensive the online option was, but that all involved should be congratulated KV said if a party had been organized with the government restrictions in place, too many members would have had to miss out SS said hospitality venues environment has also changed with an expectation of a bigger lockedin spend rather than the previous style of bar tabs and shared food. Barbara Moje said as a member in the regions, that it was great having it virtually and that it was a great event Foi Ling Khoo said it worked so well also taking advantage of getting some great speakers that would have not necessarily attended the event in Australia</p>
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<p>Qu 4) Does AT have any plans in the immediate future to expand upon the current numbers / hours of professional staff who are hired to assist with running the Cooperative given that the membership base has increased. WM said on average ArchiTeam grows approx. 100 members per year, with members from around the country. CEO is Phoebe LaGerche-Wijsman, she is assisted by Reggie Lysuaght and Ophelia Ho. Bookkeeping managed by Margaret Magalotti. The structure of this team is reviewed regularly. There is currently no plans to add to this team but it is on the Board and CEO's radar. JS said in managing the operations, CEO is always trying to integrate programs and processes to automate some tasks in the office. Currently the plan to install a program called MemNet, which aims to reduce the amount of administration in the office. JS asked if Redmond's question was about – more members means more money for staff? WM said this would go hand in hand, and was why a CEO was hired. Regular reviews of ArchiTeam and Staffing is part of the annual Planning Day Cathi Colla said she would encourage more resources to support the Directors. WM said the whilst the Board is hands on, as the membership and as such the staff has grown that the shift of the workload from the Board to the staff has occurred – with the aim for the Board to be focused on governance and Strategy.</p> <p>WM said it would make more sense to swap questions 5 and 6 around and discuss RAsP 1, followed by RAsP 2.</p> <p>Qu 6) Can AT undertake to include the summary of RaSP V1.0 easily located on the AT website, in the same way in the past the AIA / ARBV (and others) have published summary statements / guides on "working with your architect", for the benefit of the wider community. WM said the overview of RAsP 1 is located on the website – in the News area. RAsP - THE RESULTS (architeam.net.au) It can also be placed on the ArchiTeam web page 'Why use an Architect'. It had also appeared in the last 12mths in mainstream media – Domain, The Age and The Sydney Morning Herald and ArchitectureAU. This media had also been shared by a number of members through their social media. https://www.domain.com.au/news/why-more-home-owners-should-consider-an-architect-designed-renovation-before-they-sell-1077484/ Architect-designed renovations increase capital growth for Melbourne home-owners: research (domain.com.au) Architect-led house renovations deliver value for money, study finds ArchitectureAU</p> <p>Qu 5) Can AT provide a detailed update on RaSP V2.0 including what likely topic is to be challenged / researched? WM said RAsP V2.0 topic was briefly reported as part of the 2021 Planning Day overview on the website and in DATUM 2021 PLANNING DAY (architeam.net.au) The overview is This research project will provide a clear and coherent picture of the economic output of architects. It will provide a vital evidence base for architecture practices, professional bodies and local and State government as they strategise for the future of the built environment. Such an evidence base is currently lacking but is fundamental to effective future planning WM said the decision was instead of fighting for changes to be made to the ABIC Contract, instead we would think more like a bank and provide the data to identify the economic output of architecture in the building industry. In the last 12mths ArchiTeam has confirmed support from the Victorian Government Architect and the ACA. The Australian Institute of Architects is yet to come onboard. WM asked if there were any questions.</p> <p>Qu 7) Can AT undertake to resume providing Member Practice Profiles / Portfolios, directly editable by Members who choose to have a profile on AT's website. JS responded that Members currently have a profile page that links to their website, but ArchiTeam are currently in the process of implementing a new database program which will allow members to have a profile page (as well as a public profile) that they will be able to access through a member login</p>
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<p>– it will also allow members to access documents, their insurance certificates as well as a CPD tracker. JS said there was part of the future plans of updating the website too. WM asked if there were any further questions from the members. None were received.</p>
<p>9.0 General Business WM asked for any further questions. No questions were received.</p> <p>Election of Directors WM as Chair reported that there were 3 positions available on the Board. A call for nominations was published to all members of the cooperative Tuesday 7 September, with nominations closing 10.30am Monday 27 September. 3 nominations were received, they were as follows - Jamie Sormann - Sonia Sarangi - John Liu as such no election was called and Jamie Sormann, Sonia Sarangi and John Liu filled the 3 vacancies. WM congratulated Jamie, Sonia and John on behalf of all present WM introduced the incoming Chair – Jamie Sormann JS thanked WM for his commitment to ArchiTeam. AGM closed @1.10pm</p>





4 October 2022

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Dear Pheobe,

Actuarial Certificate for Architeam PI Insurance Cover

1 Introduction

Taylor Fry Pty Ltd (“Taylor Fry”) has been requested by ArchiTeam Co-Operative Limited (“Architeam”) to undertake an assessment of the adequacy of their professional indemnity (“PI”) insurance cover as required under paragraph 8.4.2 of the Architects Insurance Ministerial Order (“Order”) contained in *Victorian Government Gazette*, No. S19, Friday 17 January 2020.

This letter sets out the outcome of our assessment. We have been undertaking actuarial certifications for Architeam since 2005, with the previous assessment conducted in 2021 and documented in our letter dated 7 October 2021.

2 Background and Scope

Founded in 1991, Architeam is an approved co-operative membership association for Australian architects working in small, medium and emerging practices. As part of their services, Architeam holds a PI insurance policy to cover their architects, with around 85% of their membership base from Victoria¹.

¹ This has reduced from around 86% since the previous assessment, due to increases in membership from New South Wales, Queensland, Western Australia and Tasmania.

For the policy to meet the mandatory requirements of PI insurance under Victorian law, the Order stipulates (among other requirements) that an Actuary has certified in writing the adequacy of the policy². Specifically, paragraph 8.4.2 of the Order requires that the policy for each annual policy period **provides cover for members that is no less comprehensive** than that required under paragraph 6 of the Order, which effectively requires an architect to have a minimum cover of \$1.2 million with one automatic reinstatement.

In making the assessment, the Actuary must have regard to:

- a) The limit of indemnity in the policy
- b) The excess (if any) in the policy
- c) The impact of the aggregation of risks
- d) The number of persons covered by the policy
- e) The claims history of those persons
- f) The practice areas of those persons
- g) The turnover of those persons
- h) The risk management education and assistance provided to those persons by the Approved Co-operative
- i) Any other matters the Actuary considers relevant.

For the purposes of the assessment, our certification relates to all of Architeam’s PI insurance policies covering the annual policy periods to 31 May 2023.

3 Data

We have relied on the following data files provided for this assessment:

- Architeam’s PI insurance claims experience extract as at 2 August 2022
- PI insurance renewal quote and policy schedule for the policy year 31 May 2022 to 31 May 2023
- Architeam’s PI insurance policy disclosure statement
- Architeam’s membership details as at 16 August 2022

We have also relied on data available from our previous assessments.

4 PI Insurance Policy Details

The Order requires each annual policy period to be examined. However, as Architeam’s PI insurance policies are written on a “claims made” basis³ and claims are rarely reopened⁴ after being finalised, our analysis can be simplified to only consider those policies which are currently in force (i.e. for the 22/23 policy year) or those with open claims.

To this end, Table 1 summarises the policy details for all annual policy periods since 31 May 2016.

² Only the state of Victoria requires an actuarial certification.

³ This means that the policy covers for claims made against Architeam and notified during the period of cover.

⁴ Based on comparing the 2022 claims report with the 2021 and 2020 reports, only 2 claims have been reopened following finalisation with both claims having no payments as at 2 August 2022. Note that the reopening of an old claim in a new policy year does not constitute a new claim according to the policy disclosure statement (page i, third bullet point under Claims Made).

Table 1 – Architeam’s PI insurance policy details

Policy Year	Limit of Liability	
	Indemnity ^a	Defence Cost ^b
31 May 2016 – 31 May 2018	<ul style="list-style-type: none"> \$5 million per claim Four reinstatements 	<ul style="list-style-type: none"> \$5 million per claim Four reinstatements
31 May 2018 – 31 May 2019	<ul style="list-style-type: none"> \$5 million per claim \$25 million in aggregate 	<ul style="list-style-type: none"> \$5 million per claim \$25 million in aggregate
31 May 2019 – 31 May 2023	<ul style="list-style-type: none"> \$5 million per claim \$25 million in aggregate 	<ul style="list-style-type: none"> Cladding claims: \$1 million in aggregate Others: \$5 million per claim and \$25 million in aggregate

Notes

- (a) Refer to the Policy Schedule or Renewal Quote
- (b) Refer to Policy Document (POL796BA 08/21) section 3.2

These policies have been underwritten by Allianz Australia Insurance Limited through Austbrokers. We note that:

- The policy wording change from “four reinstatements” to “\$25 million in aggregate” provides the same coverage, and only represents a different way of saying the same thing⁵
- From 31 May 2019, a non-compliant cladding exclusion clause was inserted, and defence costs associated with cladding issues were limited to \$1 million.

Of importance to the assessment, Table 1 shows defence costs are payable in addition to the limit of indemnity. This means the standard of establishing the policies are no less comprehensive as required under paragraph 6 of the Order is to demonstrate coverage of

- No less than \$1 million in indemnity cover for any one claim
- No less than \$0.2 million in defence costs for any one claim
- No less than one automatic reinstatement.

5 Assessment of Adequacy

As shown in Table 1, Architeam’s limit of liability for indemnity and defence costs are each \$5 million per claim. This is higher than the \$1 million and \$0.2 million required for indemnity and defence costs (respectively) under paragraph 6 of the Order. The limit is also highly adequate, with only 1 claim exceeding \$0.250 million in incurred cost over the past 10 years for a cost of \$345,368. There is currently only 1 claim with an estimate of over \$0.025 million, with a claim from the 2022 policy year having an estimate of \$0.189 million. Furthermore, as each claim is subject to an excess of \$2,000, there is no real erosion of coverage provided to Architeam’s architects from the excess.

To assess whether the one automatic reinstatement condition has been met, we have analysed the number of non-nil claims reported each policy year. Figure 1 shows the reported claims by policy year with a split between nil claims, non-nil claims with incurred cost less than or equal to \$1,000 and non-nil claims with incurred cost over \$1,000. The 2023 policy year is incomplete with 10 months remaining and currently has 3 active claims with no finalised claims.

⁵ Contacted Architeam’s broker, Austbrokers, on 5 October 2020 to confirm policy wording.

Figure 1 – Reported claims by policy year as at 2 August 2022

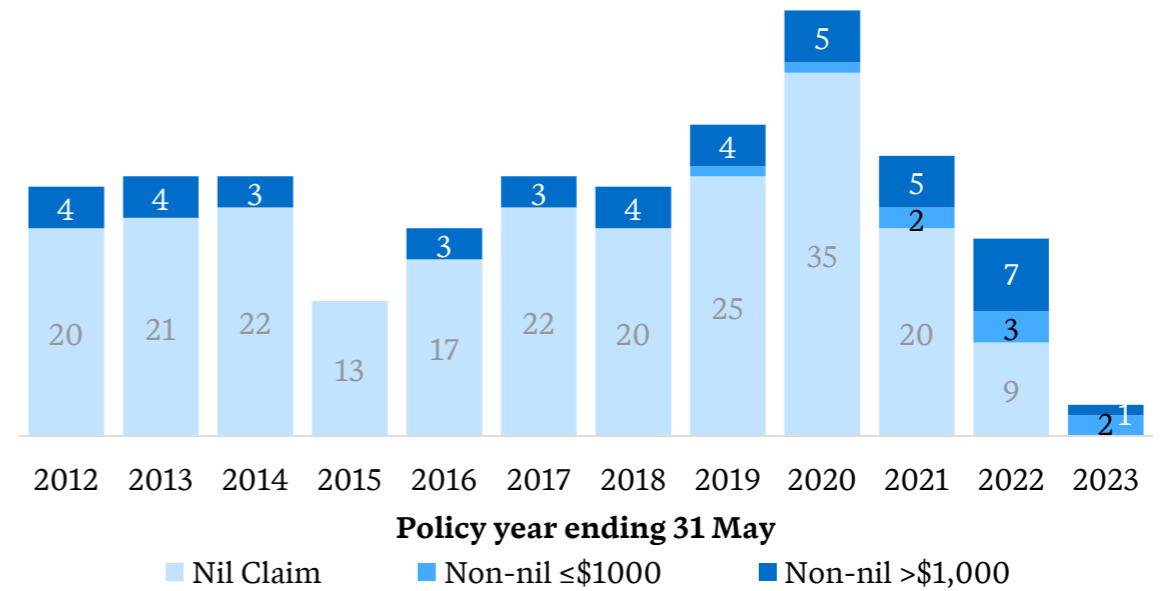


Figure 1 shows from 2012 to 2018, there were typically three to four non-nil claims per policy year (or 12% to 17% of all reported claims are non-nil claims). The 2019 to 2022 policy years show higher non-nil claims. This is in part due to claims with an incurred cost less than or equal to \$1,000 which have yet to be finalised, with all but 1 of the non-nil claims with an incurred cost of less than or equal to \$1,000 comprising solely of case estimates. Historical experience has indicated these claims typically settle for nil in subsequent years.

The increase in non-nil claims has coincided with an increase in the number of PI insurance members; there are 793 members as at 16 August 2022 compared to 512 members at the start of 2018. It would also appear the volume or size of services provided have increased with the average turnover for each member increasing by 9% p.a. over this period, compared to wage inflation for the construction industry of 1.9%⁶ p.a. from June 2018 to June 2022. We note that the practice areas for the larger accounts remain reasonably consistent.

Total claim frequency has been fluctuating between 2% to 8% and the typical frequency of claims with greater than \$1,000 incurred has been between 0.6% and 0.9%, with no discernible increase over the 2019 to 2022 period. The 2022 policy year had a low total claim frequency of 2% due to fewer nil claims which resulted in a higher non-nil proportion of claims.

These observations are further supported by the following findings:

- Granular analysis on the claims data has not identified the presence of aggregation risks. No architect has had more than one claim with greater than \$3,000 paid over the past 10 years and there are also no obvious signs of accumulation risks from assessing the claims description. We note the Order allows liability arising from non-compliant cladding to be excluded from the contract (paragraph 5.3).
- Architeam continues to maintain a proactive approach to risk management, with an extensive continuing professional development program that has included covering compulsory insurance, building contracts and mental health.

⁶ Using Australian hourly rates for the private and public construction industry available from the Australian Bureau of Statistics.

In light of the analysis, based on historical experience and the increase in non-nil claims reported over policy years 2019 to 2022, we expect this would increase the number of finalised non-nil claims to around ten. This has been estimated by multiplying the number of PI members (793) by the claim frequency and non-nil proportion. We have assumed a claim frequency of 6% based on the highest frequency seen from 2019 to 2022 and a non-nil proportion of 20% based on the average from 2019 to 2022.

Estimated Number of non-nil claims: $793 \times 6\% \times 20\% = 10$ non-nil claims.

Assuming ten non-nil claims each with an automatic reinstatement and limit of liability of \$1 million for indemnity and \$0.2 million for defence costs (as required by paragraph 6), this produces a total cost of \$20 million and \$4 million respectively:

Indemnity: $10 \text{ non-nil claims} \times \$1 \text{ million} + 10 \text{ reinstatements} \times \$1 \text{ million} = \$20 \text{ million}$

Defence Costs: $10 \text{ non-nil claims} \times \$0.2 \text{ million} + 10 \text{ reinstatements} \times \$0.2 \text{ million} = \$4 \text{ million.}$

As Architeam’s policies allows for \$25 million in aggregate coverage for both indemnity and defence costs, the coverage provided is more comprehensive than the reinstatement requirements contained in paragraph 6.

6 Actuarial Certification

Based on our analysis, **we certify that Architeam’s PI insurance policies covering the annual policy periods to 31 May 2023 provide cover that is no less comprehensive than that required under paragraph 6 of the Order.**

For the certification to be effective, paragraph 8.4.2 of the Order also requires a copy of this letter to be provided to the Board of Architeam.

7 Reliances and Limitations

Although high level reasonableness checks were performed, we have relied on the accuracy and completeness of the information provided to us by Architeam. We have not conducted a formal audit of the data and should any material errors in the data surface, we should be advised immediately so that the potential impact of those errors on our results can be assessed.

The scope of this review has been limited to providing an actuarial certificate as stated under paragraph 8.4.2 of the Order. The advice contained herein are not to be used for any other purposes without prior written approval from Taylor Fry. Any copies of this letter provided to third parties must be complete copies.

Judgements about the methodology, assumptions and commentary in this letter should be made only after considering the letter in its entirety. Sections could potentially be misleading if considered in isolation from the remainder of the letter. We have prepared recommendations based on the information provided to us at the date of the assessment. Future experience could vary considerably from projections and deviations from our projections are normal and to be expected.

We trust that this letter covers the issues required. Please do not hesitate to contact me if you have any questions in relation to this letter or if you require any additional information.

Yours sincerely



Kevin Gomes

Fellow of the Institute of Actuaries of Australia

Architeam Co-operative Ltd

ABN: 65 894 162 886

Financial Statements

For the Year Ended 30 June 2022

Architeam Co-operative Ltd

ABN: 65 894 162 886

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For the Year Ended 30 June 2022

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ArchiTeam Co-operative Ltd


ABN: 65 894 162 886

Auditor's Independence Declaration to the Directors of ArchiTeam Co-operative Ltd

I am pleased to provide the following declaration of independence to the directors of ArchiTeam Co-operative Ltd. As the lead audit partner for the audit of the financial report of ArchiTeam Co-operative Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.


Saward Dawson


Matthew Crouch
Partner
Blackburn

Dated: 10 October 2022

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Member of Russell Bedford International

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	3	1,101,736	1,171,324
Insurance expense		(652,558)	(409,374)
Employee benefits expense		(220,189)	(229,165)
Directors' honorarium		(71,951)	(72,108)
Professional fees		(42,718)	(83,550)
Awards expense		(29,868)	(24,156)
Depreciation and amortisation expense		(9,817)	(22,048)
Member service expense		(9,367)	(50,916)
Office expense		(7,214)	(9,650)
Computer and Internet Expenses		(1,650)	(4,612)
Other expenses		(23,123)	(16,011)
Current year surplus/(deficit) before income tax		33,281	249,734
Income tax expense		-	-
Net current year surplus/(deficit)		33,281	249,734
Other comprehensive income			
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		33,281	249,734

The accompanying notes form part of these financial statements.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,446,929	1,105,926
Trade and other receivables	6	15,400	18,838
Other financial assets	7	469,729	467,510
Other assets	8	639,049	590,845
TOTAL CURRENT ASSETS		2,571,107	2,183,119
NON-CURRENT ASSETS			
Property, plant and equipment	9	265,043	274,206
Intangible assets	10	-	3,629
TOTAL NON-CURRENT ASSETS		265,043	277,835
TOTAL ASSETS		2,836,150	2,460,954
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	84,755	64,411
Other liabilities	12	1,136,328	832,567
Employee benefits	13	36,217	20,607
TOTAL CURRENT LIABILITIES		1,257,300	917,585
NON-CURRENT LIABILITIES			
Employee benefits	13	2,118	-
TOTAL NON-CURRENT LIABILITIES		2,118	-
TOTAL LIABILITIES		1,259,418	917,585
NET ASSETS		1,576,732	1,543,369
EQUITY			
Share capital		1,575	1,493
Retained earnings		1,575,157	1,541,876
TOTAL EQUITY		1,576,732	1,543,369

The accompanying notes form part of these financial statements.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Statement of Changes in Equity

For the Year Ended 30 June 2022

	2022	Share Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2021		1,493	1,541,876	1,543,369
Shares issued		82	-	82
Surplus/(deficit) for the year		-	33,281	33,281
Balance at 30 June 2022		1,575	1,575,157	1,576,732
2021				
Balance at 1 July 2020		1,379	1,292,142	1,293,521
Shares issued		114	-	114
Surplus/(deficit) for the year		-	249,734	249,734
Balance at 30 June 2021		1,493	1,541,876	1,543,369

The accompanying notes form part of these financial statements.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Statement of Cash Flows

For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,550,753	1,391,947
Payments to suppliers and employees	(1,209,380)	(1,263,236)
Interest received	2,421	4,301
Net cash provided by/(used in) operating activities	14 <u>343,794</u>	<u>133,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption/(placement) of term deposits	(2,219)	(5,356)
Purchase of other non current assets	(654)	(3,959)
Net cash provided by/(used in) investing activities	<u>(2,873)</u>	<u>(9,315)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the issue of shares	82	114
Net cash provided by/(used in) financing activities	<u>82</u>	<u>114</u>
Net increase/(decrease) in cash and cash equivalents held	341,003	123,811
Cash and cash equivalents at beginning of year	<u>1,105,926</u>	<u>982,115</u>
Cash and cash equivalents at end of financial year	5 <u><u>1,446,929</u></u>	<u><u>1,105,926</u></u>

The accompanying notes form part of these financial statements.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements cover ArchiTeam Co-operative Ltd as an individual entity, incorporated and domiciled in Australia.

ArchiTeam Co-operative Ltd is a cooperative entity under the Co-operatives National Law Application Act 2013.

The directors have prepared the financial statements on the basis that the Co-operative is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Co-operatives National Law Application Act 2013. The Co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Co-operatives National Law Application Act 2013 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The Co-operative has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

The recognition and measurement requirements that have not been complied with are those specified in AASB 119 Employee Benefits. This accounting policies adopted in the special purpose financial statements are set out in Note (j) and indicate how the recognition and measurement requirements of Australian Accounting Standards have not been complied with.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Income Tax

The Co-operative prepares its income tax returns by reference to the application of the principle of mutuality to the revenue and expenses of the Co-operative. The principle of mutuality is a principle arising from the premise that individuals cannot profit from themselves. Accordingly, receipts from members are deemed to be mutual income and not subject to income tax, and expenses in connection with mutual activities are therefore not deductible for taxation purposes. All other receipts and payments are classified in accordance with taxation legislation.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(c) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Co-operative expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer,
2. Identify the performance obligations,
3. Determine the transaction price,
4. Allocate the transaction price to the performance obligations,
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Co-operative have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

The revenue recognition policies for the principal revenue streams of the Co-operative are:

Professional indemnity subscriptions

Revenue from professional indemnity subscription income is recognised over the period of insurance.

Membership fees

One-off member joining fee is recognised over the expected life of membership.

On-going fees are recognised over the period of the membership year.

Membership services income

Revenue recognition relating to the provision of services is recognised on the basis that the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Each agreement is analysed to determine the revenue recognition in accordance with the five step model. Some of the contracts are multi-year agreements. Where performance obligations have not been met, it will result in unearned income at year end.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(c) Revenue and other income

Interest income

Interest income is recognised using the effective interest method.

Other income

Other income is recognised on the basis that reflects the transfer of promised goods and services to customers at an amount that reflects the consideration the Co-operative expects to receive in exchange for goods or services.

All revenue is stated net of the amount of goods and services tax.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

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

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Co-operative, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Office equipment and fit out	4% - 33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Depreciation

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Co-operative becomes party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Co-operative commits itself to either the purchase or the sale of the asset (ie trade date accounting is adopted).

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Co-operative classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Co-operative changes its business model for managing financial assets.

(g) Impairment of non-financial assets

At the end of each reporting period the Co-operative determines whether there is any evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(h) Intangibles

Intangibles are recorded at cost. Where intangibles is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. The estimated useful life is three years. It is assessed annually for impairment.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Employee benefits

Provision is made for the Co-operative's liability for employee benefits arising from services rendered by employees (including wages, annual leave, personal leave, long service leave) to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Provision for annual leave is adjusted and calculated on an annual basis and includes on-costs.

A provision for long service leave has been recognised from 1 July 2021, with a current liability recognised for staff members who will be eligible to take long service leave within 12 months. This accounting policy does not fully comply with the recognition and measurement requirements for long service leave included in AASB 119: Employee Benefits, however, which requires long term employee benefits to be measured at the present value of the expected future payments to be made to employees, as discounting has not been applied to the long service leave provisions.

Contributions are made by the Co-operative to employee superannuation funds and are charged as expenses when incurred.

(k) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to confirm with changes in presentation for the current financial year.

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

Key estimates - impairment

The Co-operative assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Co-operative that may be indicative of impairment triggers.

Key judgements - performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature, value, quantity and the period of transfer related to the goods or services promised.

3 Revenue and Other Income

	2022	2021
	\$	\$
Professional indemnity subscriptions	738,422	737,808
Membership fees	280,911	248,247
Member Services Income	52,054	86,551
Government incentives	-	56,402
Interest income	2,421	4,301
Other income	27,928	38,015
	<u>1,101,736</u>	<u>1,171,324</u>

4 Insurance

Professional indemnity subscriptions	738,422	737,808
Insurance expense	(652,558)	(409,374)
	<u>85,864</u>	<u>328,434</u>

5 Cash and Cash Equivalents

Cash at bank and on hand	<u>1,446,929</u>	<u>1,105,926</u>
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ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

6 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	14,927	18,320
Accrued income	473	518
	<u>15,400</u>	<u>18,838</u>

7 Other Financial Assets

(a) Term Deposits

CURRENT		
Term deposits	469,729	467,510
	<u>469,729</u>	<u>467,510</u>

Term deposits are held for 6 months terms and varying interest rates.

8 Other assets

CURRENT		
Prepayments	639,049	590,845
	<u>639,049</u>	<u>590,845</u>

9 Property, plant and equipment

Buildings		
At cost	286,571	286,571
Accumulated depreciation	(76,301)	(69,137)
Total buildings	<u>210,270</u>	<u>217,434</u>
PLANT AND EQUIPMENT		
Office equipment and fitout		
At cost	107,171	106,517
Accumulated depreciation	(52,398)	(49,745)
Total office equipment	<u>54,773</u>	<u>56,772</u>
	<u>265,043</u>	<u>274,206</u>

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

10 Intangible Assets

	2022	2021
	\$	\$
Website Development		
Cost	43,792	43,792
Accumulated amortisation	(43,792)	(43,792)
	<u>-</u>	<u>-</u>
Computer software		
Cost	-	3,959
Accumulated amortisation and impairment	-	(330)
	<u>-</u>	<u>3,629</u>

11 Trade and Other Payables

CURRENT		
GST payable	59,493	45,312
Other Payables	25,262	19,099
	<u>84,755</u>	<u>64,411</u>

12 Other Financial Liabilities

CURRENT		
Amounts received in advance	1,136,328	832,567

13 Employee Benefits

CURRENT		
Long service leave	10,948	-
Provision for employee benefits	25,269	20,607
	<u>36,217</u>	<u>20,607</u>
NON-CURRENT		
Long service leave	2,118	-

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Notes to the Financial Statements

For the Year Ended 30 June 2022

14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2022	2021
	\$	\$
Surplus/(deficit) for the year	33,281	249,734
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in surplus/(deficit):		
- depreciation and amortisation	9,817	22,048
- impairment of intangible assets	3,629	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	3,438	16,756
- (increase)/decrease in other assets	(48,204)	(234,720)
- increase/(decrease) in fees received in advance	303,761	87,573
- increase/(decrease) in trade and other payables	20,344	(11,475)
- increase/(decrease) in employee benefits	17,728	3,096
Cashflows from operations	<u>343,794</u>	<u>133,012</u>

15 Related Parties

Related parties include board members, key management personnel, close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members. The Co-operative entered into sponsorship/partnership agreements with member organisations.

The directors were paid a total of \$71,951 in the 2022 financial year (2021: \$70,317) in honorariums for their role on the board.

Other related parties of the Co-operative include entities which are members of the Co-operative and the directors are involved with. The total membership, insurance and donation receipts from these related parties during the financial year were \$7,930 (2021: \$6,655).

16 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

17 Statutory Information

The registered office and principal place of business of the Co-operative is:

ArchiTeam Co-operative Ltd
Suite 16/204-218 Dryburgh St
North Melbourne
VIC 3051

ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

Directors' Declaration


The directors have determined that the Co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Co-operative declare that:

1. The financial statements and notes, as set out on pages 2 to 14, are in accordance with the Co-operatives National Law Application Act 2013 and:
 - (a) comply with Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the Co-operative's financial position as at 30 June 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Director 

Dated **7/10/22**



ArchiTeam Co-operative Ltd

Independent Audit Report to the members of ArchiTeam Co-operative Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of ArchiTeam Co-operative Ltd (the Co-operative), which comprises the statement of financial position as at 30 June 2022, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-operative is in accordance with the Co-operatives National Law Application Act 2013, including:

- (i) giving a true and fair view of the Co-operative's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Co-operatives National Law Application Act 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Co-operative in accordance with the auditor independence requirements of the Co-operatives National Law Application Act 2013 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration, which has been given to the directors of the Co-operative, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Co-operatives National Law Application Act 2013. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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ArchiTeam Co-operative Ltd

Independent Audit Report to the members of ArchiTeam Co-operative Ltd

Responsibilities of Directors for the Financial Report

The directors of the Co-operative are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Co-operatives National Law Application Act 2013 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Co-operative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

ArchiTeam Co-operative Ltd

Independent Audit Report to the members of ArchiTeam Co-operative Ltd

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saward Dawson

Matthew Crouch
Partner

Blackburn, VIC

Dated this10th..... day ofOctober.....2022

ARCHITTEAM

**ANNUAL
REPORT
2021-22**