

# ANNUAL REPORT 2023-24



ARCHITECTURE  
2023  
ANNIVERS

ARCHIT  
MEDAL

**ARCHITTEAM**

ARCHITEAM COOPERATIVE LTD  
SUITE 16  
204-218 DRYBURGH STREET  
NORTH MELBOURNE, VICTORIA 3051  
©OCTOBER2024  
ABN 65 894 162 886

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## AGENDA

### BUSINESS

1. CHAIR'S WELCOME (INCL. ATTENDANCE & APOLOGIES)
2. CONFIRM THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING - THURSDAY 23 NOVEMBER 2023
3. CHAIR'S REPORT FOR THE YEAR ENDED 30 JUNE 2024
4. TREASURER/ FINANCIAL REPORT - RECEIVE AND CONSIDER THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2024
5. APPOINT AN AUDITOR FOR 2024-25
6. DIRECTORS' PORTFOLIO REPORTS:
  - INSURANCE REPORT
  - PARTNERSHIPS REPORT
  - MEMBERS SERVICES REPORT
  - CPD & EVENTS REPORT
  - ADVOCACY REPORT
  - AWARDS REPORT
7. QUESTIONS ON NOTICE
8. GENERAL BUSINESS
9. SPECIAL RESOLUTION
10. ELECTION OF DIRECTORS
  - SAM PERVERSI-BROOKS
  - KAREN ERDOS
  - REDMOND HAMLETT

### QUESTIONS ON NOTICE

THE BOARD REQUEST THAT ANY QUESTIONS BE SUBMITTED BEFORE THE MEETING ON THURSDAY 28 NOVEMBER, THIS WILL ALLOW THE BOARD TO PREPARE A CONSIDERED RESPONSE.

QUESTIONS ON NOTICE ARE REQUESTED BY 4.PM THURSDAY 21 NOVEMBER 2024

#### SPECIAL RESOLUTION

THE BOARD PROPOSES ONE SPECIAL RESOLUTION TO ADOPT AN AMENDED ITERATION OF THE CO-OPERATIVE'S RULES. A COPY OF THE AMENDED RULES WILL BE SENT TO ALL CURRENT MEMBERS, WITH THIS NOTICE. IT SHOWS ALL PROPOSED AMENDMENTS IN TRACKED CHANGES. A CLEAN COPY OF THE PROPOSED RULES WILL ALSO BE SENT FOR EASE OF REVIEW.

#### SPECIAL RESOLUTION

THE FOLLOWING RESOLUTION WILL BE PUT FORWARD TO CONSIDER AND, IF THOUGHT FIT, BE PASSED BY THE MEMBERS.

THAT THE ARCHITEAM CO-OPERATIVE LIMITED (THE CO-OPERATIVE) SUBSTITUTE THE CO-OPERATIVE'S RULES WITH THE RULES PRESENTED TO THE ANNUAL GENERAL MEETING OF THURSDAY 28 NOVEMBER 2024 ON THE REGISTRATION OF THE SPECIAL RESOLUTION BY THE REGISTRAR.

#### REASONS & EFFECT OF SPECIAL RESOLUTION

RULES ARE NOT STATIC DOCUMENTS AND SHOULD IDEALLY BE REVIEWED REGULARLY. THE BOARD HAS APPROVED THE PROPOSED AMENDMENTS TO THE RULES FOR PRESENTATION TO MEMBERS AS FOLLOWS:

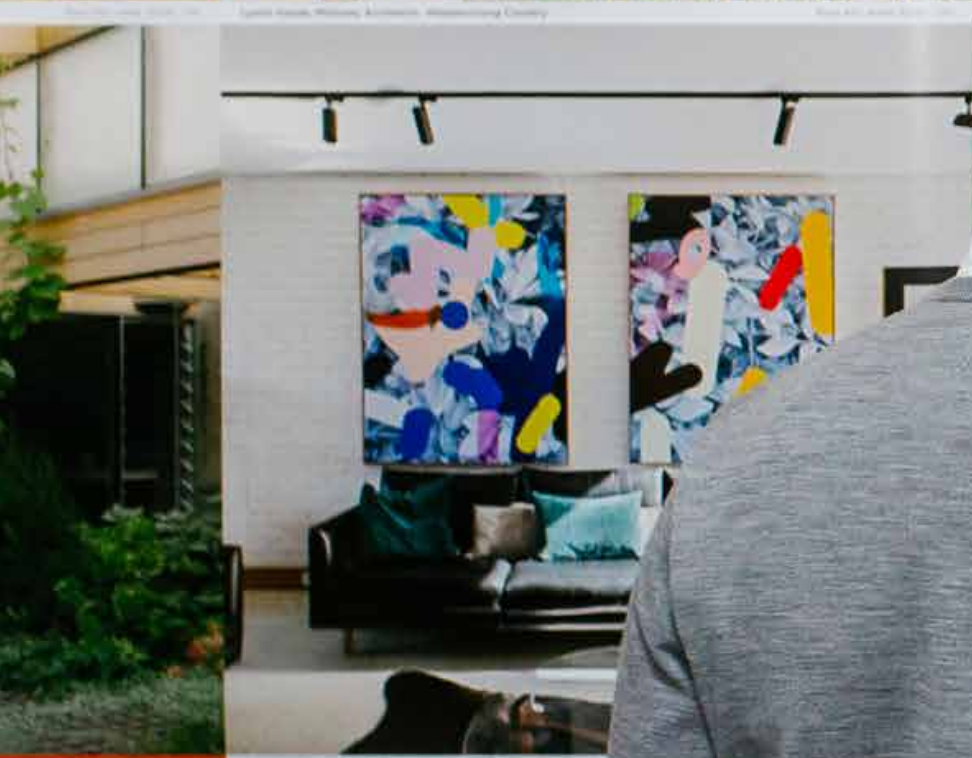
TO 'ADD THE OPTION OF A 'REVIEW' OF THE FINANCIAL ACCOUNTS OF THE CO-OPERATIVE ALONGSIDE THE OPTION TO UNDERGO AN 'AUDIT'.

THIS AMENDMENT WILL PROVIDE THE BOARD AND THE SHAREHOLDERS OF ARCHITEAM COOPERATIVE LTD THE FLEXIBILITY TO DECIDE AT EACH ANNUAL GENERAL MEETING (AGM) WHETHER THE COOPERATIVE WILL UNDERGO A 'REVIEW' OR AN 'AUDIT'.

AS A POINT OF REFERENCE, THE CEO, BOOKKEEPER, AND ACCOUNTANTS AT ROSE PARTNERS HAVE CONDUCTED A 'REVIEW' OF THE COOPERATIVE'S FINANCES THIS YEAR. THEY FOUND MINIMAL DIFFERENCE IN THE PROCESS AND WORKLOAD COMPARED TO AN 'AUDIT,' BUT AT A THIRD OF THE COST TO THE COOPERATIVE. FURTHERMORE, LEGAL AND FINANCIAL ADVICE RECEIVED BY THE BOARD CONFIRMS THAT ARCHITEAM HAS A ROBUST SET OF GUIDELINES AND POLICIES IN PLACE TO MITIGATE FRAUD AND FINANCIAL RISKS TO THE COOPERATIVE.

IF THE SPECIAL RESOLUTION IS PASSED THEN THE RULES DISTRIBUTED ENCLOSED WITH THIS NOTICE WILL BECOME THE RULES OF THE CO-OPERATIVE FROM THE DATE THAT THE SPECIAL RESOLUTION IS REGISTERED WITH THE REGISTRAR.

IF MEMBERS HAVE ANY QUESTIONS OR CONCERNS, PLEASE DIRECT THOSE TO THE SECRETARY, DR DELIA TESCHENDORFF, VIA THE CEO@ARCHITEAM.NET.AU







## Introduction

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### ABOUT ARCHITEAM COOPERATIVE

Founded in 1991, ArchiTeam Cooperative is the go-to membership association for Australian architects dedicated to supporting small practice and sole practitioner architects. For over three decades, ArchiTeam has been driven by its members, with a strong focus on democratic participation—every member has a voice in shaping our organization. With over 1000 members nationwide, we are the leading advocate for Australia's small architectural practices.

*Our Vision Empowering and supporting small practice architects to thrive.*

*Our Mission ArchiTeam exists to harness the power of cooperation for the benefit of our members. By uniting our voices, we not only support members in their work and ongoing professional development but also elevate the profile of our industry.*

How We Achieve Our Mission:

- **Promoting and Protecting:** Through education and various activities, we bolster ArchiTeam and our members.
- **Advocating:** We champion the significance of small, medium, and emerging architects across Australia.
- **Connecting:** We foster community among architects, helping them connect, learn, and grow.

As a not-for-profit cooperative, ArchiTeam represents approximately 1000 small practices and sole practitioners across Australia. Our cooperative spirit enables us to offer a wealth of benefits to our members, including;

- **Free Awards Program:** Recognizing and celebrating architectural excellence.
- **Exclusive Insurance:** Access to great-value professional indemnity and public liability insurance.
- **Discounted Learning:** Savings on Continuing Professional Development (CPD) sessions and events, including CPD Online.
- **Biennial Conference:** A platform for knowledge sharing and networking.
- **Member Forum:** Engage with peers through our online community.
- **Affordable Resources:** Access to business documents and tools designed to support your practice.

### *Previous page.*

ArchiTeam 2023 Awards.  
No Vacancy, Melbourne.  
Image Greg Briggs Photography

At ArchiTeam, we are committed to helping you thrive, whether you're looking to advance your career, grow your practice, or connect with like-minded professionals.



## The Board

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### **SONIA SARANGI: Chair, 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.

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.

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 Conference - Trajectories. Sonia joined the Board in 2019 and was reelected at the 2021 and the 2023 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: Secretary, Advocacy and Conference Portfolios,**

Delia founded Delia Teschendorff Architecture in 2009. A registered architect in Victoria, she received her architecture degree from RMIT University. Delia recently completed a design research PhD at Monash University, supported by a Monash University Graduate Research Scholarship.

Delia has taught design and construction studios at Swinburne University, RMIT University and the MSD (Melbourne School of Design) and is currently a design tutor at Monash University. Delia is a Fellow of the Australian Institute of Architects (AIA) and was a Victorian Chapter Councillor for two years from 2009. She has been a Juror for both the ArchiTeam Awards and Victorian AIA awards programs.

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 was one of the 2023 ArchiTeam Conference Creative Directors.

### **KALLIOPI VAKRAS: Awards and 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. 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 has been the Director in charge of Advocacy and Member Services Portfolios. In 2023 Kalliopi took over the Awards Portfolio for the 2024 Awards program

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: Insurance and Partnerships Portfolios**

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 renovations to university building refurbishments. 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 Events Portfolios. John was reelected for a second term at the 2023 AGM and moved over to managing the Insurance and Partnership portfolios in 2024.

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.

**WESLEY SPENCER: CPD and Events Portfolio**

Wesley is the director of Wexhaus; an Architecture Studio, founded in 2013, defined by an unwavering commitment to quality and a relentless pursuit of perfection. Wexhaus' approach is deeply personalised and reflects Wesley's commitment to collaborating closely with clients and builders to create homes that are true manifestations of the owners.

Wesley has completed a master's of Cultural Heritage and Museum Studies to embrace the practice's evolution into a heritage architecture specialisation. He is also on the Design Assessment Panel for the Sandarra estate.

Wesley was elected to the ArchiTeam Board at the 2023 AGM and is the Director in charge of the CPD and Events Portfolio

## ArchiTeam Staff

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### **PHOEBE LA GERCHE-WIJSMAN, CEO**

Phoebe is the ArchiTeam CEO, 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 Advisory Committee and is an Alternate member of The Heritage Council of Victoria.

### **OPHELIA HO, Membership & Events Manager**

Ophelia manages the membership and events for ArchiTeam and is an experienced administrator with a passion for improving organisational efficiency, streamlining processes and procedures. Ophelia prides herself on providing excellent member service and support.

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

### **ELSPETH JOINER, Events & Membership Administrator**

Elsbeth has been part of a consortium of creative directors, graphic designers, animators, writers, producers, historians, and storytellers for much of her career. She is a highly skilled, dynamic, and adaptable event coordinator and administrative professional with over fifteen years experience, producing and coordinating events for a diverse range of clients.

With a portfolio that spans the government, corporate and not-for-profit sectors, Elspeth constantly seeks to combine creativity with programs that educate, inform and excite. Her deep passion for creativity, design, and storytelling, Elspeth brings with her, a wide range of experience and hopes to deliver inspiring and educational events for members.



**SONIA SARANGI, Chair, Treasurer, Finance & Research**



**DELIA TESCHENDORFF, Secretary, Advocacy and Conference**



**KALLIOPI VAKRAS, Awards and Member Services**



**JOHN LIU, Insurance and Partnerships**



**WESLEY SPENCER, CPD and Events**



**PHOEBE LA GERCHE-WIJSMAN, CEO**



**OPHELIA HO, Membership & Events Manager**





**CHRISTINE WATSON, Partnerships Manager**



**ELSPETH JOINER, Events & Membership Administrator**



**MARGARET MAGALOTTI, Accounts**

**CHRISTINE WATSON, Partnerships Manager**

Christine has a diverse background with experience in property sales, education, recruitment and member associations.

Arriving in Melbourne 11 years ago, Christine joined the Royal Institution of Chartered Surveyors which enabled her to utilise her skills to interact with clients, business partners, membership management and event coordination. Six years later at the Master Plumbers Association, Christine focussed her strong people skills on sponsorship, member benefits and promoting the association's services. Christine continues to work with Dragon Boat Victoria Inc, where she is involved in sports and the community, managing relationships, stakeholders and sponsors.

**MARGARET MAGALOTTI, Accounts**

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



# ARCHITTEAM AWARDS 2023

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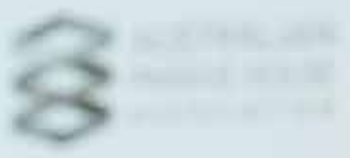
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Henrik  
+ & +





CAWS



# BOARD REPORTS

## 1.1 - CHAIR REPORT

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It has been rough lately, hasn't it? Whilst it may be challenging times for many, we hope you know that through it all ArchiTeam has your back. At every board meeting the question we ask ourselves is: "How can we make things better for our members?" And if we have successfully supported you, we hope that someday you might consider getting involved with one of our committees and (eventually) the Board of Directors!

Joining a committee is an excellent way to get involved from anywhere in Australia as committee meetings are now online. Serving on the board and representing our members have been roles that I have always taken seriously and has been meaningful in more ways than I can recount here. We are now, more than ever, embracing our identity as a national membership organisation with a clear, unified voice on issues.

What did we get up to since the last time you read this report? A lot, actually! Most notably:

- our membership continued to grow to 1011 Australia-wide
- our staff numbers grew to include 4 part-time staff and 1 contract-staff member
- our committees generously donated their time across advocacy and events
- our online forum retained its central role in connecting us to our community
- we formalised a range of new partnerships
- we conducted another successful awards program (see Awards Portfolio Report)
- we weathered escalating insurance costs at renewal time (see Insurance Portfolio Report)
- we ended the year with a healthy surplus, providing a reliable buffer for our daily operations
- we explored new programs and projects, allowing the cooperative to implement better services for members

This success was made possible by the dedication and talents of our CEO, Phoebe La Gerche-Wijsman, who lives and breathes all things AT. Alongside her are our exceptional staff: Ophelia Ho, Reggie Lysaught, and Margaret Magalotti. In August, Reggie Lysaught decided to take her vibrant 'side-hustle,' VEE Agency, to new heights following its rapid post-COVID growth. Fortunately, Reggie and VEE Agency will continue to play a crucial role in coordinating and managing our flagship event, the ArchiTeam 2025 Conference.

October brought the exciting addition of Elspeth Joiner, stepping into the newly created role of Events and Membership Administrator, and Christine Watson, who seamlessly transitioned into the Partnerships Manager role. Together, Elspeth and Christine have become integral members of our dynamic office team, working tirelessly behind the scenes.

A heartfelt thank you to each of them for their unwavering commitment, ensuring ArchiTeam remains a vibrant, purpose-driven, and immensely successful organisation. We are lucky to have them.

*Previous page.*  
ArchiTeam 2023 Awards.  
No Vacancy, Melbourne.  
Image Greg Briggs Photography



### **MEMBERSHIP GROWTH & 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 seminars are all geared to reducing our collective risk by encouraging education, peer support and dialogue.

### **2024 ACTUARY REPORT**

The Report (see Appendix) provides further information on how robust our professional indemnity insurance policy remains for the group.

ArchiTeam was founded over 30 years ago for architects to support each other and this spirit is alive and well in our cooperative today. ArchiTeam Members have been immensely generous with their time over the years. Some of you are committee members, others contribute to events or ideas, and many play an active role in our online forum - problem-solving, providing advice, support, and encouragement.

A big thank you to every single one of you! It has been an honour to be part of and represent the awesome team that is ArchiTeam.

SONIA SARANGI  
Chair

## 1.2 - SECRETARY REPORT

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### OFFICE STAFF

Phoebe La Gerche-Wijsman has continued to steer the helm as ArchiTeams CEO. We are grateful for 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, our highly skilled Membership and Events Manager, has remained dedicated to our members, managing renewals and coordinating ArchiTeam events with diligence and enthusiasm.

In October, Reggie Lysaught, our Partnerships Manager, left ArchiTeam to focus on her own business, VEE Agency. Reggie, who had been with ArchiTeam since 2019, built lasting relationships with many sponsors and partners who remain with us today. She also managed several ArchiTeam Awards programs and two ArchiTeam conferences. We are thrilled that she will continue to be involved with ArchiTeam, with VEE Agency coordinating the 2025 Conference in May 2025.

In mid-October, Christine Watson took over as the new Partnerships Manager. Christine hit the ground running with her vibrant personality, quickly getting up to speed with our operations, maintaining existing relationships, and forging exciting new partnerships. Alongside Christine, Elspeth Joiner joined the team in the new position of Events and Membership Administrator (to assist Ophelia and take over ArchiTeam communications from Phoebe) and has proven herself to be a great additional team member and a superstar with her graphics skills. Finally, our reliable and friendly Bookkeeper Margaret Magalotti has continued to manage the ArchiTeam accounts in line with current accounting standards.

### BOARD ELECTIONS

We extend our heartfelt thanks to 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, with plans to become more active nationally within the profession and broader community in the coming years. It is a wonderful time to get involved.

### DIRECTORS HONORARIUMS

As per the 2011 Notice of Resolution, the Directors Honorarium was increased slightly higher (5%) than CPI (4.4%) in February 2024.

### ARCHITEAM POLICY DOCUMENTS

ArchiTeam policy documents were updated by the CEO and Directors. This periodic revision ensures that our documents remain relevant, functional, and adaptable to changes in procedure, legislation, and national policy.

### THE ARCHITEAM RULES - UPDATED

In 2023, ArchiTeam appointed Rose Partners as our accountants. Rose Partners undertook a review of the co-op's finances and provided advice on reducing the co-op's expenditure. Part of the advice was to inform the board that as a small cooperative, we did not need to legally undertake an annual audit due to our classification as a 'small cooperative'

by the National Cooperative's Law (CNL). This advice was presented to Katie Innes of BAL Lawyers, who specialises in working with Cooperatives and who had reviewed and updated the ArchiTeam Rules in 2022. As such, the Rules have been updated to allow the board and members of the co-op to decide each year if they want to proceed with a full audit of the accounts or a review. A special resolution was distributed to the Shareholders of ArchiTeam 21 days prior to the 2024 AGM.

### **ARCHITEAM PLANNING DAY**

The annual Planning Day was held in March 2024 and was facilitated by Keith Widelski of KTW Consulting to review and assist the board and CEO in updating the ArchiTeam Strategic Plan. Our thanks to Keith, who ran a very productive and insightful session, skilfully capturing everyone's thoughts and ideas for the future of the co-op, producing a considered and achievable strategic plan for the future of ArchiTeam. As a result of these two days, Keith and our CEO are finalising the ArchiTeam Marketing Plan.

### **EVENTS**

All ArchiTeam CPD events continued to be broadcast nationally via Zoom this year with attendance numbers growing. We also continued to build our events offering with the partnership with New Architects Melbourne (NAM) by managing the administration of their events. There were also MOFL (Members Only Forum Live) lunches in Melbourne, Brisbane and Hobart, and a variety of sponsor driven site visits and CPD sessions.

### **Awards**

The annual ArchiTeam Awards continue to be an anticipated key event with the 2023 opening night returning to NoVacancy in the Melbourne CBD.

### **Conference**

The ArchiTeam 2025 Conference is scheduled for Friday, 16 May 2025, with Creative Directors Nick Johnston, Shae Parker McCashen, and Jane Cameron Finlay. The conference is to be held at the Melbourne Museum, as well as online.

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.

After four years on the ArchiTeam Board, I am stepping down at this year's AGM. I have greatly appreciated the opportunity to be involved with such an inspiring cooperative and with my fellow ArchiTeam members on the board, and to have been a part of so many aspects of our great cooperative.

I encourage members to consider getting involved, by participating in the discussions on the members' forum, writing articles for our monthly newsletter DATUM, joining a committee or working group, or nominating to join the board. This is a collective that thrives on member input, and it's very rewarding to be part of something beyond professional practice.

Thankyou!

DELIA TESCHENDORFF  
Secretary

## 1.3 - FINANCE REPORT

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In 2023/24, I continued to oversee the Finance Portfolio. ( I guess you can lead the Math geek into Architecture but you can't take the love of numbers out of said Geek!) The interest rate rollercoaster did stabilise during this year but turned into a concerning spiral of "who-blinks-first." Anecdotally, many members' pipelines seem to have been stable till EOFY but political events may trigger another round on the rollercoaster soon. For our emerging members, there has been an uptick in interest in diversifying their income sources and/or their project typologies.

At ArchiTeam, we have had a less bumpy year and modest member growth but we are always listening and seeking ways to support you. Our inbox is always open to your ideas or suggestions for ways we can be of assistance to the wider membership, but also in specific instances of financial hardship.

We could not have done any of this without the reliable and excellent team who help us year-round in keeping our finances ticking along nicely. A big, thank you to:

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

### GENERAL FINANCIAL POSITION

ArchiTeam finished the 2023/24 financial year with another healthy surplus of 18%, showing that the co-op in is adequate financial health and continuing a cycle of growth as our reach begins to take on an even more national scale. A notable aspect of this year's surplus is that the favourable interest rate environment has been a big contributor to our surplus due to prudent and consistent re-investment across our fixed deposits. This silver lining has given us the resources to explore better systems for the management of ArchiTeam's huge tranche of sensitive member data to ensure the future growth towards a national ArchiTeam presence in the long-term. This surplus was also underpinned by a robust growth in the quantity and quality of our partnerships and sponsors and the popularity of our CPD offerings.

### INCOME

As I am sure you will 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 for members to match the increased PI quote. We continue to test our prices and leverage our collective buying power (and low risk profile) to deliver the best value for money to our members.

### GROUP EXPENSES

The quotes we proceeded with for the \$5m group Professional Indemnity and \$20m group Public Liability insurance policies, increased by a combined 7.9% this year. The Brokers sought alternative quotes and recommended continuing our relationship with Allianz for PI and Pacific Indemnity for PL, as both offer the best and most competitive

market price for members. We are confident that the combined price for PL, PI and membership paid by each member is less than any available standalone insurance options, including policies with a smaller limit of \$1m. The membership fee this year was increased by 6%. These increases allow ArchiTeam to continue as a financially robust cooperative; well placed to expand and strengthen the services on offer.

### **OPERATING EXPENSES**

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

- FY 23-24 saw the addition of two new staff members, one on a part-time basis and the another on contract basis to assist with the increasing workload that reflects our membership numbers. This has allowed existing staff to widen their perspective towards policy and strategic matters as well as embrace a growth in their training and management responsibilities.
- Our Awards program continues to grow in profile and popularity and has thus has an injection of funds.
- As there was a slowdown in the addition of new member services, this category saw a reduction in expenses. We do have some excellent new ideas that we are excited

to get underway in the year ahead however.

Most expense categories only modestly increased as per inflation. A huge thank you to our CEO and ArchiTeam staff who continue to run an incredibly tight ship that is always on the lookout for best value.

### **GROWTH**

ArchiTeam membership growth in 23/24 has been slower in comparison to 22/23 however this is also indicative of our life-cycle as an organisation. Recently many founding members have retired or taken their insurance into run-off as ArchiTeam crossed the 30 year mark in 2021. Our network continues to grow nationally slowly, but surely, particularly in Queensland, New South Wales, and Tasmania. We expect expenses to continue to expand since we have now crossed 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. This year was overall a healthy one and we were delighted to continue existing relationships with partners with sponsors, whilst being thrilled to welcome new businesses with a genuine interest in supporting ArchiTeam member's events and activities.

I would like to extend my sincere gratitude to Phoebe and Margaret for their patience, astute management, support, and attention to detail in all matters financial throughout this year.

SONIA SARANGI

Treasurer

Director, Finance Portfolio



## 1.4 - INSURANCE REPORT

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To kickstart my second term as a director, I took over the Insurance Portfolio from Jamie Sormann after the 2023 AGM. My thanks to Jamie for his work with the Insurance Portfolio, in particular the setting up of systems to guide myself and future Insurance Portfolio Directors into the future.

In February 2024, the CEO and I met with Brokers Greg Hansen, Vincent Rizzuto and Isabel Bramble to discuss the current insurance climate and the upcoming renewed policies. The market was again described as a 'hard market' but was starting to show a little 'softening', due to fewer insurers offering PI worldwide.

After researching alternatives, Aust Brokers Countrywide arranged for three formal quotes and recommended continuing our relationship with Allianz, as they currently offer the most competitive price. Furthermore, Allianz is the only insurer providing a quote that includes defense costs for claims involving combustible cladding. Moving forward, our strategy is to seek quotes from potential insurers on a rotating basis to ensure they remain motivated to quote competitively.

### **ARCHITEAM GROUP EXPENSES IN 2024**

The quotes we proceeded with for the \$5m group Professional Indemnity (PI) and \$20m group Public Liability (PL) insurance policies increased by 7% for PI and 10% for PL in 2024.

The Brokers sought alternative quotes and recommended continuing our relationship with Allianz for PI and Pacific Indemnity for PL, as both offer the best and most competitive market price for members.

Austbrokers Countrywide highlighted the following policy details:

PI Endorsements:

- Pre-Purchase and Pest Inspection Exclusion
- Non-Compliant Cladding Exclusion – Defence Costs
- Part 7 Definitions – Amendment
- Cancellation Clause Amendment
- Shared Limit Clause

PL Endorsements:

- Construction Exclusion
- Professional Liability Exclusion

We are confident that the combined price each insurance member pays for PI, PL and membership is less than any available standalone insurance options, including policies with a smaller limit of \$1m.

Overall, the median price increase for insurance members is 1.15%. The membership fee was increased by approx. 6% to \$423.50 incl GST. These increases allow ArchiTeam to continue as a financially robust cooperative; well placed to expand and strengthen the services on offer to members. The Insurance renewal process went smoothly this year and during 2023/24 ArchiTeam finally surpassed 1000 members by hitting 1011 members Australia-wide.

The mandatory biennial insurance event happened in late August which allowed members the opportunity to hear about the current insurance climate and intel on claims and risk in the industry from AustBrokers Countrywide Director Greg Hansen and Broker Vincent Rizzuto.

We extend our heartfelt thanks to Greg, Vincent, and the AustBrokers team for their diligence and deep knowledge of our industry, along with their prompt responses to member queries. A special thank you also goes to Phoebe La Gerche-Wijsman, Ophelia Ho, Elspeth Joiner, and Margaret Magalotti for their unwavering hard work and diligence.

If you have any insurance related question or suggestion, please feel free to reach out to the office or myself.

JOHN LIU  
Director, Insurance Portfolio

## 1.5 - PARTNERSHIPS REPORT

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To kickstart my second term as a director, I took over the Partnerships Portfolio from Delia Teschendorff after the 2023 AGM. A big thank you to Delia and Christine Watson for their thorough handover and updates. In 2023/24, ArchiTeam continued to strengthen and expand relationships with both existing and new partners and sponsors.

James Hardie and Architectural Window Systems (AWS) remained major sponsors of the ArchiTeam 2023 Awards program. Additionally, we were grateful for the ongoing support from The Australian Passivhaus Association, who generously continued their sponsorship of The Passivhaus Scholarship as part of the program.

Several other fantastic partners also contributed to the success of the ArchiTeam 2023 Awards program, including our prestigious Educational Partner - The University of Melbourne, Southern Impact, Creffields, Design Democracy, Premium Screen, and Bookshop at Uro. We were also thrilled to have the Built Environment Channel (BEC) on board as a sponsor for the 2023 Awards program.

Looking ahead to 2024, BEC has stepped up as a digital sponsor, sharing their highly enjoyable monthly e-newsletter, The Design Atlas, with our community and Brickworks returned this year as a valued sponsor, offering the use of their stunning showrooms around the country.

Our partnership with the Australian Consulting Architects Association (ACA) continues to flourish, demonstrating the supportive environment in which we work as Australian architects. This collaboration, established in 2021, provides shared benefits and reciprocal rights for members of both organisations. In 2023/24 ArchiTeam and Parlour also signed a joint MOU to support and promote each other.

We remain closely connected with Open House Melbourne (OHM), involving our members in the Open House Weekend events in 2023. We also revived our collaboration for Series 4 of The Naked Architect, a program we proudly initiated in 2018. Our partnerships with MPavillion and the Naomi Milgrom Foundation, and Niche Media (ADR) also continued to thrive this year.

In addition, we are building strong relationships with the Architects Accreditation Council of Australia (AACA), the Architects Registration Board of Victoria (ARBV), the NSW Architects Registration Board (NSW ARB), and the Australian Institute of Architects.

In 2023/24, ArchiTeam stepped in to assist New Architects Melbourne (NAM) with administrative support, ensuring the continuation of their vibrant program, which has seen some fantastic events throughout the year.

A heartfelt thank you to Reggie Lysaught, Christine Watson, and our CEO Phoebe LaGerche-Wijsman. Your tireless efforts in building and nurturing relationships with partners, sponsors, and industry peers are truly appreciated. Together, we are forging creative and meaningful connections that will propel our community forward.

If you have any suggestion for partnership and sponsorship, please feel free to contact the office or myself.

JOHN LIU  
Director, Partnerships Portfolio

## 1.6 - MEMBER SERVICES REPORT

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I have continued managing the Member Services Portfolio, which involves producing various business documents and services to assist members in running their practices. Currently our key resources include the Client Architect Agreement (CAA) & User Guide, (made free to all members from 2019) - which was updated again with a User Guide and CAD Disclaimer - creating the CAA Kit in 2022 - Employment Agreement, the OH&S Kit, and the CAD Disclaimer template released in 2021.

### **BUSINESS DOCUMENTS – GENERAL**

We have compiled and reviewed numerous business documents over time to support our members. The Board identifies useful documents and produces templates, checklists, and kits. These ideas often come from forum comments and direct emails to the office. We develop business documents that are relevant to our members and the types of practices they run.

### **BUSINESS DOCUMENTS**

Members benefit from a range of essential documents, such as the Client Architect Agreement, its User Guide, and the CAD Disclaimer pack. Additionally, resources like the Residential Checklist and the Post Occupancy Evaluation (POE) survey are available to help streamline practice operations.

### **MEMBERS ONLY FORUM LIVE (MOFL)**

In 2023/24, MOFL events continued to thrive in Melbourne, Hobart, and Brisbane. These sessions wouldn't be possible without the dedicated efforts of members like Ajith Kuravilla in Melbourne, Damian Goode in Brisbane, and Sam Perverse-Brooks in Hobart. A special thanks to our CEO Phoebe LaGerche-Wijsman and Elspeth Joiner for arranging venues and coordinating these events and graphics. MOFL lunches have provided a wonderful opportunity to meet fellow members in a relaxed, intimate setting. It's an opportunity to gain insights into how fellow members tackle various issues within their practice. If you are interested in attending or hosting a MOFL event, especially if you live in a regional area or interstate, please reach out to us.

### **MEMBERSHIP DRIVE**

Each year, ArchiTeam conducts a membership drive on social media leading up to renewals on May 31. This year, we collaborated with Parlour to take over their Instagram account, sharing information about the Board, staff, and member benefits. This initiative led to an increased awareness of ArchiTeam in the industry and a significant spike in new memberships, more than doubling new member applications which we usually receive in May.

**WE ARE OPEN TO NEW IDEAS**

We're always eager to hear from you and open to new ideas and feedback from our members. If you have ideas for future business documents, templates or member benefits that would make your professional life easier, please get in touch. Together, we can continue to enhance the value of ArchiTeam membership.

KALLIOPI VAKRAS

Director, Member Services Portfolio



## 1.7 - CPD & EVENTS REPORT

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In 2023/24, I took over the CPD Event Portfolio from John Liu after the AGM in November. A big thank you to John and Ophelia Ho for their assistance with the immense handover, and to the dedicated CPD committee members: Paul Cooksey (SA), Damian Goode (QLD), Sam Perversi-Brooks (Tas), Vincent Choi (Vic), and Kirsten Johnstone (Vic), who have also provided further assistance and support.

The CPD program continued to thrive online, allowing us to maintain a national focus on diverse topics and engaging speakers for our members. These daytime online sessions have been particularly beneficial for members and speakers with young families or for whom evening, in-person events in Melbourne are inconvenient or prohibitive. The most challenging task involved formulating new, relevant topics that hadn't already been covered in past CPD's.

Additionally, our recorded sessions, known as CPD Online, now serve as a valuable catalogue of resources that members and non-members can access at their convenience. This format not only broadens our reach but also ensures that everyone has the opportunity to stay informed and engaged, no matter their schedule or location.

This year's CPD program was a result of you! Many of you either contacted members of the committee, the ArchiTeam Office and some topics originated from the rich discussion on the Facebook members forum, where members highlighted a need to address issues that matter to small practice architects. As a result, the committee coordinated sessions on the Risks of Managing Cost Plus Contracts, HR & Employment for Small Practice, Expanded Practice, Demystifying Specifications, and Devilish Details. There was also the well attended ArchiTeam Compulsory Insurance Seminar in September. This program was peppered this year with sponsor's site visits and CPD sessions, our thanks to James Hardie, AWS, Lovelight and The University of Melbourne (including James Wilson of Lyons Architects).

Over the course of the year, the CPD program planned 5 events out of a total of 18 events (including MOFL in Melbourne, Brisbane and Hobart, along with New Architects Melbourne (NAM) events), which were attended by a total of 1374 people (up from 1150 in 22/23). CPD Online also went from strength to strength with 972 people accessing the system.

Our program of events included:

- 4 CPD events
- 1 workshop
- 3 Member Only Forum Live (MOFL) – lunches

I want to extend a huge thank you to all our CPD committee members for their brilliant ideas, as well as their commitment to organising speakers, hosting events, crafting blurbs, and creating quizzes. Planning for our 2025 CPD calendar is already in full swing! While we'll have a slightly lighter schedule due to our exciting Conference year ahead, rest assured we're committed to delivering top-notch sessions that truly meet your needs.

We're incredibly excited about the future of our CPD program and are constantly exploring new ways to make it even more valuable and accessible for all our members. Your ongoing support and participation means everything to us.

We thrive on your ideas! If you have any suggestions, please send them over to Ophelia at [admin@architeam.net.au](mailto:admin@architeam.net.au) so our CPD committee can review them. At ArchiTeam, member involvement is at the heart of everything we do. Whether it's presenting at a CPD event, joining a working committee, or contributing an article to Datum, every effort counts towards your CPD points. If you're keen to get involved, we'd love to hear from you.

None of this would be possible without our incredible ArchiTeam office staff. A special shoutout to Ophelia Ho (our logistics wizard for every event), Elspeth Joiner (who creates our amazing event graphics) and CEO Phoebe LaGerche-Wijsman. Your dedication and support are truly invaluable. Thank you!

WESLEY SPENCER  
Director, CPD & Events Portfolio

## **1.8 - ADVOCACY REPORT**

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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. I took over this portfolio from Kalliopi Vakras after the AGM in November. The Group met various times in 2023/24 and 10 formal CPD points were allocated for the members; all of whom demonstrated committed involvement.

### **RESEARCH FOR ARCHITECTS IN SMALL PRACTICE (RASP)**

The Advocacy Committee, along with the ArchiTeam board, have been investigating questions for RAsP 2, and hope to have some research questions to share with you soon.

### **RECONCILIATION ACTION PLAN**

Jamie Sormann led the first stages of the RAP process with the RAP Working Group which consists of Sonia Sarangi, Kholisile Dhliwayo, Anna Ancher, Monia Basso, Philip Stejskal, and Frangiska Venetz. Sonia Sarangi took on the position of Working Group Chair in November 2023 and has been working through the process of completing the Reflect document as the first stage of preparing a Reconciliation Action Plan.

### **ARCHITEAM BRANDING AND WEBSITE**

Last year the committee instigated a rebrand and new website for ArchiTeam. The board commenced with stage one of the rebranding ArchiTeam, but after careful consideration and the 2024 Planning Day which produced the production of the Strategic Plan, the priorities of the board shifted towards the improvement of the ArchiTeam member database and overall member experience. Further research is underway on alternative platforms to better serve the cooperative and the members.

We extend our gratitude to Jo Foong (Chair), Imogen Pullar, and Karen Erdos for their ongoing commitment and vision. In 2024, we welcomed Qutaibah Al-Atafi (NSW) to the committee, while Talina Edwards stepped down after many years of dedicated service. We sincerely thank Talina for her involvement and commitment.

Moving forward, our goal is to have committees and working groups, including the CPD Committee, composed of members from across Australia to better represent our national membership.

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.

DELIA TESCHENDORFF  
Director, Advocacy Portfolio

## 1.9 - AWARDS REPORT

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### ENTRIES

As always the ArchiTeam Awards are open to members (first entry free) with practices of no more than 10 full-time staff permitted to enter – so as to continue to promote small practices and their projects. In 2023 the ArchiTeam Awards program involved 110 entries, a slight increase on the previous year, and as a result of us all returning to somewhat normalcy after the COVID years.

### BUDGET

In 2023 the Awards Budget was \$50,000 and the program was delivered for \$49,217 including sponsorship.

### DESIGN

In 2023 it was the ArchiTeam Awards 16th Birthday, and as such the theme developed by Sonia Post and her amazing team at Design Democracy brought to life 'sweet 16' in the shape of the 'cakeitecture' graphics used throughout the program. We are incredibly grateful for Sonia's infectious enthusiasm, creative flair, and dazzling use of colour.

A huge shoutout to Architecture students Eli Kemp (also my talented son) and Phoebe Haig for their incredible Awards trophies! These 3D masterpieces perfectly captured the spirit of the graphic design, complete with charming medal trophies featuring a delightful cherry on top! Thank you for adding that extra touch of magic to our event!

### JURY

The Awards program would like to extend gratitude to the 2023 jury members for their generous involvement in the process:

- Ajith Kuruvilla – Chair (Vic)
- Philip Stejskal (WA)
- Claire Scorpo (Vic)
- Peter Knights (Vic)
- Tania Davidge (Vic)
- Lynn Chew (QLD)
- Ben Peake (NSW)

### EXHIBITION

The face-to-face Awards night in November was a great success, marking our return to No Vacancy in Melbourne CBD after six years. Nearly 180 members attended the lively evening, which coincided with the opening night of MPavilion 10 and The University of Melbourne's MSDX. The event was expertly hosted by ArchiTeam member Fooki Ling Khoo, ensuring a fantastic night for all.



During the Exhibition week, New Architects Melbourne also hosted NAM#41, where Awards finalists had the opportunity to discuss their projects. This event attracted approximately 100 attendees. We extend our gratitude to Matthew Naturani and his team at No Vacancy for accommodating us.

Thank you to our 2023 Awards sponsors: AWS, James Hardie, The University of Melbourne, The Australian Passivhaus Association, Niche Media, Bowerbird, Southern Impact, Creffields, Design Democracy, Premium Screen, and Bookshop at Uro. Their generous support has allowed us to create this Awards program and provide additional exposure of our members and ArchiTeam.

We congratulate and thank the ArchiTeam personnel who help make the program and associated events such an integral and happy part of the architectural calendar; CEO Phoebe La Gerche-Wijsman, Ophelia Ho, Elspeth Joiner, Christine Watson and Margaret Magalotti..

Thank you to all the ArchiTeamers who submitted entries; always a broad, exciting, inspirational range of projects.

DELIA TESCHENDORFF  
Director, Awards Portfolio



ARCHITECTURE  
AWARDS  
2023



CELEBRATING  
: 16

C H A P T E R T W O

# APPENDIX



## 2.1 - 2023 AGM MINUTES

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ArchiTeam Members in attendance at the 2023 Annual General Meeting

- 1 Aaron Cody
- 2 Andrew Le
- 3 Angela Banks
- 4 Antony McPhee
- 5 Areej Hashmi-Weyman
- 6 Barbara Kurdiosky
- 7 Barbara Moje
- 8 cathi colla
- 9 David Kidson
- 10 Debbie Thomson
- 11 Delia Teschendorff
- 12 Doren Rosemarin
- 13 Emma Green
- 14 Erica Slocombe
- 15 Fadi Issa
- 16 Fooi Ling Khoo
- 17 Gab Olah
- 18 Harriet Elliot
- 19 Helen Mathew
- 20 Jamie Sormann
- 21 Jo Foong
- 22 John Liu
- 23 Kalliopi Vakras
- 24 Katherine Somerville
- 25 Kel Greenway
- 26 Lucinda Owen
- 27 Marc Fyson
- 28 Michael Kemp
- 29 Nick Bamford
- 30 Peter Hogg
- 31 Semu
- 32 Sonia Sarangi
- 33 Sophie Dayton
- Quorum 34 Stephanie Chiu
- 35 Troy Gratton
- 36 Vincent Choi
- 37 Warwick Mihaly



### ATTENDANCE

**Directors:** Jamie Sormann – JS (Chair /Secretary/ Insurance), Sonia Sarangi – SS (Treasurer/Finance & Research), John Liu – JL (CPD Events), Delia Teschendorff – DT (Awards, Partnerships & Conference) and Kalliopi Vakras – KV (Advocacy & Member Services)

**Members:** 33 attendees

**Invitees & Guests:** Phoebe LaGerche-Wijsman, Ophelia Ho and Elspeth Joiner

**Apologies:** Brad Hooper

**Meeting Commenced:** 12.05pm

**Date:** 23 November 2023

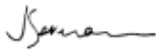
**Venue:** Zoom

**Time:** 12 pm

1.0	<p><b>Chair's welcome</b> JS – Welcomed to country and welcomed all the attendees. Confirmed over 14(quorum) members present (33 attended) Apologies were received from; - Brad Hooper</p>
2.0	<p><b>Confirm the Minutes of the previous Annual General Meeting held on n Melbourne, VIC, Wednesday 27 October 2022</b> JS moved that the minutes of the previous AGM be accepted. Seconded: Barbara Moje</p>
3.0	<p><b>Chair Report</b> JS provided an overview of the Chair's report for the year ended 30 June 2023, asked if there were any questions – none were received and moved that it be accepted. Seconded: Barbara Moje</p>
4.0	<p><b>Secretary Report</b> JS asked if anyone had any questions about the report – none were received and moved that the Secretary's report be accepted Seconded: Doron Rosmarin</p>
5.0	<p><b>Treasurer/ Financial Report</b> SS 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: Doron Rosmarin</p>
6.0	<p><b>Appoint an Auditor for 2021-22</b> SS proposed retaining Auditors Saward Dawson. SS asked for any questions – none were received. SS moved that the recommendation be accepted. Seconded: Fooi Ling Khoo</p>
7.0	<p><b>Director's Portfolio Reports</b> <b>a. Insurance Report</b> JS asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Britta Klingspohn <b>b. Sponsorship and Partnership Report</b> DT asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Barbara Moje <b>c. Member Services Report.</b> KV asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Britta Klingspohn <b>d. CPD &amp; Events Report</b> JL asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Sam Perversi-Brooks <b>e. Advocacy Report</b> KV asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Britta Klingspohn <b>f. Awards Report</b> DT asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Fooi Ling Khoo <b>g. Conference Report</b> DT asked if anyone had any questions about the report – none were received, and moved that the Report be accepted Seconded: Barbara Moje</p>
8.0	<p><b>Questions on Notice</b> A request for any questions was distributed 5 weeks prior the AGM as per the Cooperative Rules, to be submitted prior to the meeting. No questions were recieved</p>
9.0	<p><b>General Business</b> There was no general business</p>
10.0	<p><b>Election of Directors</b> JS said this year there were 3 positions available on the Board. (Jamie Sormann has completed 4 ½ years, Sonia Sarangi 4 years and John Liu 2 years) Nominations were published to all members of the cooperative Thursday 7 September, with nominations closing 10:30 am, Thursday 2 November 2023 Nominations were received, they were as follows - John Liu - Sonia Sarangi - Wesley Spencer As such no election was called  Congratulations to - John Liu - Sonia Sarangi - Wesley Spencer</p>



	SS thanked JS for his 4 ½ years on the Board and welcomed Wesley Spencer
	AGM closed @12.25pm



# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Financial Statements

For the Year Ended 30 June 2024

### ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

#### Contents

For the Year Ended 30 June 2024

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## ArchiTeam Co-operative Ltd


ABN: 65 894 162 886

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

I declare that, to the best of my knowledge and belief during the year ended 30 June 2024, there have been

- (i) no contraventions of the reviewer's independence requirements in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

  
Saward Dawson

  
Matthew Crouch  
Partner  
Blackburn

Dated: 7 November 2024

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	3	1,552,554	1,483,408
Insurance expense		(745,809)	(704,743)
Employee benefits expense		(271,929)	(231,184)
Member service expense		(21,276)	(80,930)
Directors' honorarium		(78,045)	(74,547)
Professional fees		(50,037)	(49,067)
Awards expense		(49,217)	(33,661)
Depreciation and amortisation expense		(11,061)	(9,944)
Office expense		(10,020)	(9,643)
Computer and internet expenses		(2,612)	(1,561)
Other expenses		(21,488)	(22,673)
<b>Current year surplus before income tax</b>		<b>291,060</b>	<b>265,455</b>
Income tax expense		-	-
<b>Net current year surplus</b>		<b>291,060</b>	<b>265,455</b>
<b>Other comprehensive income</b>			
Total other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>291,060</b>	<b>265,455</b>

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 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	2,045,767	1,789,980
Trade and other receivables	6	33,039	30,818
Other financial assets	7	494,032	476,469
Other assets	8	725,271	679,055
TOTAL CURRENT ASSETS		<u>3,298,109</u>	<u>2,976,322</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	246,768	255,099
TOTAL NON-CURRENT ASSETS		<u>246,768</u>	<u>255,099</u>
TOTAL ASSETS		<u>3,544,877</u>	<u>3,231,421</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	92,524	89,870
Other liabilities	11	1,263,282	1,248,889
Employee benefits	12	49,543	46,489
TOTAL CURRENT LIABILITIES		<u>1,405,349</u>	<u>1,385,248</u>
NON-CURRENT LIABILITIES			
Employee benefits	12	6,104	3,893
TOTAL NON-CURRENT LIABILITIES		<u>6,104</u>	<u>3,893</u>
TOTAL LIABILITIES		<u>1,411,453</u>	<u>1,389,141</u>
NET ASSETS		<u>2,133,424</u>	<u>1,842,280</u>
<b>EQUITY</b>			
Share capital		1,752	1,668
Retained earnings		2,131,672	1,840,612
TOTAL EQUITY		<u>2,133,424</u>	<u>1,842,280</u>

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 2024

2024

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2023	1,668	1,840,612	1,842,280
Shares issued	84	-	84
Surplus for the year	-	291,060	291,060
Balance at 30 June 2024	1,752	2,131,672	2,133,424

2023

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2022	1,575	1,575,157	1,576,732
Shares issued	93	-	93
Surplus for the year	-	265,455	265,455
Balance at 30 June 2023	1,668	1,840,612	1,842,280

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 2024

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,617,922	1,717,728
Payments to suppliers and employees	(1,386,967)	(1,389,936)
Interest received	45,041	21,906
Net cash provided by/(used in) operating activities	13 <u>275,996</u>	<u>349,698</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Redemption/(placement) of term deposits	(17,563)	(6,740)
Purchase of property, plant and equipment	(2,730)	-
Net cash provided by/(used in) investing activities	<u>(20,293)</u>	<u>(6,740)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from the issue of shares	<u>84</u>	<u>93</u>
Net cash provided by/(used in) financing activities	<u>84</u>	<u>93</u>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>255,787</b>	<b>343,051</b>
Cash and cash equivalents at beginning of year	<u>1,789,980</u>	<u>1,446,929</u>
Cash and cash equivalents at end of financial year	5 <u><u>2,045,767</u></u>	<u><u>1,789,980</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 2024

### 1 Summary of Material 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 2024

### 1 Summary of Material Accounting Policies

#### (c) Revenue and other income

##### Revenue from contracts with customers

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.

##### 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 those 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).

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Summary of Material Accounting Policies

#### (d) Goods and services tax (GST)

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.

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).

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Summary of Material Accounting Policies

#### (f) Financial instruments

##### 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:

- 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 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.

#### (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.

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 1 Summary of Material Accounting Policies

#### (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.

Provision is made for long service leave, 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.

### 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.



# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 3 Revenue and Other Income

	2024	2023
	\$	\$
Professional indemnity subscriptions	1,011,631	966,799
Membership fees	380,491	299,804
Member services income	45,923	107,964
Interest income	45,041	21,906
Other income	69,468	86,935
	<u>1,552,554</u>	<u>1,483,408</u>

### 4 Insurance

Professional indemnity subscriptions	1,011,631	966,799
Insurance expense	(745,809)	(704,743)
	<u>265,822</u>	<u>262,056</u>

### 5 Cash and Cash Equivalents

Cash at bank	<u>2,045,767</u>	<u>1,789,980</u>
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### 6 Trade and Other Receivables

CURRENT		
Trade receivables	25,075	28,049
Accrued income	7,964	2,769
	<u>33,039</u>	<u>30,818</u>

### 7 Other Financial Assets

#### (a) Term Deposits

CURRENT		
Term deposits	<u>494,032</u>	<u>476,469</u>

Term deposits are held for 6 months terms and at interest rate of 5% p.a.

### 8 Other assets

CURRENT		
Prepayments	<u>725,271</u>	<u>679,055</u>

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements

For the Year Ended 30 June 2024

### 9 Property, plant and equipment

	2024	2023
	\$	\$
Buildings		
At cost	286,571	286,571
Accumulated depreciation	<u>(90,630)</u>	<u>(83,466)</u>
Total buildings	<u>195,941</u>	<u>203,105</u>
PLANT AND EQUIPMENT		
Office equipment and fitout		
At cost	109,900	107,171
Accumulated depreciation	<u>(59,073)</u>	<u>(55,177)</u>
Total office equipment	<u>50,827</u>	<u>51,994</u>
	<u>246,768</u>	<u>255,099</u>

### 10 Trade and Other Payables

CURRENT		
Trade payables	172	119
GST payable	62,170	65,258
Other Payables	<u>30,182</u>	<u>24,493</u>
	<u>92,524</u>	<u>89,870</u>

### 11 Other Financial Liabilities

CURRENT		
Amounts received in advance	<u>1,263,282</u>	<u>1,248,889</u>

### 12 Employee Benefits

CURRENT		
Provision for employee benefits	<u>49,543</u>	<u>46,489</u>
	<u>49,543</u>	<u>46,489</u>

NON-CURRENT		
Long service leave	<u>6,104</u>	<u>3,893</u>

# ArchiTeam Co-operative Ltd

ABN: 65 894 162 886

## Notes to the Financial Statements For the Year Ended 30 June 2024

### 13 Cash Flow Information

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

	2024	2023
	\$	\$
Surplus/(deficit) for the year	291,060	265,455
Non-cash flows in surplus/(deficit):		
- depreciation and amortisation	11,061	9,944
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	2,974	(15,418)
- (increase)/decrease in other assets	(51,411)	(40,006)
- increase/(decrease) in fees received in advance	14,393	112,561
- increase/(decrease) in trade and other payables	2,654	5,115
- increase/(decrease) in employee benefits	5,265	12,047
Cashflows from operations	<u>275,996</u>	<u>349,698</u>

### 14 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 \$78,045 in the 2024 financial year (2023: \$74,547) 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 \$11,011 (2023: \$6,801).

### 15 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.

### 16 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

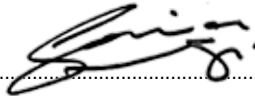
## Directors' Declaration

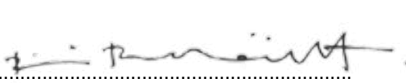
The directors have determined that the Co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Co-operative declare that:

1. The financial statements and notes, as set out on pages 2 to 13, 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 2024 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 7/11/2024



## ArchiTeam Co-operative Ltd

### Independent Review Report to the members of ArchiTeam Co-operative Ltd

#### Report on the Review of the Financial Report

#### Conclusion

We have reviewed 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 2024, 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 material accounting policies, and the directors' declaration.

#### 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.

#### Reviewer's Responsibilities

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report does not satisfy the requirements of Co-Operatives National Law Application Act 2013 including: giving a true and fair view of the entity's financial position as at 30 June 2024 and its performance for the year ended on that date; and complying with the Australian Accounting Standards. ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these financial statements.



## ArchiTeam Co-operative Ltd

### Independent Review Report to the members of ArchiTeam Co-operative Ltd

#### 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.

  
Saward Dawson



Matthew Crouch  
Partner

Blackburn, VIC

Dated this 7 day of November 2024



11 November 2024

Phoebe LaGerche-Wijsman  
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Architeam Cooperative Limited  
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North Melbourne 3051  
[ceo@architeam.net.au](mailto:ceo@architeam.net.au)

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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 2023 and documented in our letter dated 26 October 2023.

### 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 82% of their membership base from Victoria<sup>1</sup>.

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<sup>1</sup> This has reduced from around 83% since the previous assessment, due to increases in membership from NSW and Queensland.



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 policy<sup>2</sup>. 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 2025.

### 3 Data

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

- Architeam's PI insurance claims experience extract as at 6 August 2024
- PI insurance renewal quote and policy schedule for the policy year 31 May 2024 to 31 May 2025
- Architeam's PI insurance policy disclosure statement
- Architeam's membership details as at 2 September 2024

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" basis<sup>3</sup> and claims are rarely reopened<sup>4</sup> after being finalised, our analysis can be simplified to only consider those policies which are currently in force (i.e. for the 24/25 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.

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<sup>2</sup> Only the state of Victoria requires an actuarial certification.

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

<sup>4</sup> Based on comparing the 2024 claims report with the 2020-2023 reports, only 4 claims have been reopened following finalisation with one claim having payments of \$26,307 as at 5 July 2024. 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 <sup>a</sup>	Defence Cost <sup>b</sup>
31 May 2016 – 31 May 2018	<ul style="list-style-type: none"> <li>▪ \$5 million per claim</li> <li>▪ Four reinstatements</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$5 million per claim</li> <li>▪ Four reinstatements</li> </ul>
31 May 2018 – 31 May 2019	<ul style="list-style-type: none"> <li>▪ \$5 million per claim</li> <li>▪ \$25 million in aggregate</li> </ul>	<ul style="list-style-type: none"> <li>▪ \$5 million per claim</li> <li>▪ \$25 million in aggregate</li> </ul>
31 May 2019 – 31 May 2025	<ul style="list-style-type: none"> <li>▪ \$5 million per claim</li> <li>▪ \$25 million in aggregate</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cladding claims: \$1 million in aggregate</li> <li>▪ Others: \$5 million per claim and \$25 million in aggregate</li> </ul>

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 thing<sup>5</sup>
- 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 one claim exceeding \$0.250 million in incurred cost over the past 10 years for a cost of \$345,368. There are currently only two claims with estimates of \$0.025 million or more, with:

- a claim from the 2024 policy year having an estimate of \$0.135 million, and
- a claim from the 2024 policy year having an estimate of \$0.025 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

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

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 2025 policy year is incomplete with 10 months remaining and currently has 6 active claims with 1 finalised claim.

Figure 1 – Reported claims by policy year as at 6 August 2024

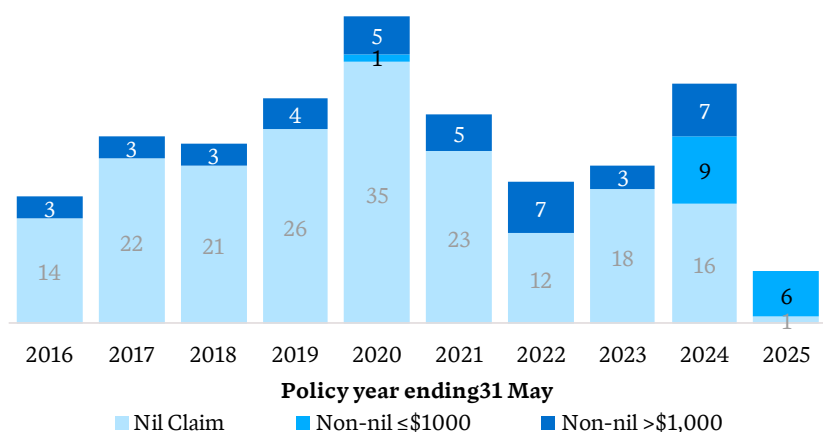


Figure 1 shows from 2016 to 2018, there were three non-nil claims per policy year (or 12% to 18% of all reported claims are non-nil claims). The 2019 to 2023 policy years show higher non-nil claims, ranging between four and seven non-nil claims per policy year. Only one of these claims are yet to be finalised and has outstanding costs of \$10,000. The 2024 policy year shows the highest number of non-nil claims on record, with 16 claims currently expected to incur some costs. However, 9 of these claims have incurred costs of less than \$1,000 with only one claim incurring costs of more than \$25,000.

The increase in non-nil claims has coincided with an increase in the number of PI insurance members; there are 773 members as at 2 September 2024 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 6% p.a. over this period, compared to wage inflation for the construction industry of 2.5%<sup>6</sup> p.a. from June 2018 to June 2024. We note that the practice areas for the larger accounts remain reasonably consistent.

Total claim frequency has been fluctuating between 4% and 7% since 2015, with the typical frequency of claims with greater than \$1,000 incurred ranging from 0.4% to 0.9%, with no discernible increase over the 2019 to 2024 period. Policy years with high claim frequency (e.g. 2020) have generally corresponded to higher numbers of nil claims. That is, high claim frequency does not necessarily lead to higher frequency of non-nil claims.

The total claim frequency for the 2024 policy year was only 4%, which is at the lower end of recent experience. This is in contrast to the non-nil experience, with the frequency of claims with greater than \$1,000 incurred being 0.9%, which is at the higher end of recent experience.

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).

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

- 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.

In light of the analysis, based on historical experience and the increase in non-nil claims reported over policy years 2019 to 2024, we expect this would increase the number of finalised non-nil claims to around 7. This has been estimated by multiplying the number of PI members (773) by the non-nil claim frequency. We have assumed a non-nil claim frequency of 0.94% based on the highest frequency seen from 2015 to 2024.

**Estimated Number of non-nil claims:**  $773 \times 0.94\% = 7$  non-nil claims.

Assuming 7 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 \$14 million and \$2.8 million respectively:

**Indemnity:**  $7 \text{ non-nil claims} \times \$1 \text{ million} + 7 \text{ reinstatements} \times \$1 \text{ million} = \$14 \text{ million}$

**Defence Costs:**  $7 \text{ non-nil claims} \times \$0.2 \text{ million} + 7 \text{ reinstatements} \times \$0.2 \text{ million} = \$2.8 \text{ million.}$

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 2025 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

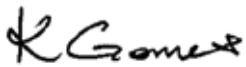
Although high level reasonableness checks were performed, we have relied on the accuracy and completeness of the information provided to us by Architeam. We have not conducted a formal audit of the data and should any material errors in the data surface, we should be advised immediately so that the potential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

# ANNUAL REPORT 2023-24



ARCHITECTURE  
2023  
ANNIVERS

ARCHIT  
MEDAL

**ARCHITTEAM**