

NORTHERN TERRITORY BUILDING PRACTITIONERS BOARD

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| POLICY TITLE: | NET TANGIBLE ASSETS EQUIVALENCY | |
| POLICY NUMBER: | BPB-005 | |
| EFFECTIVE DATE: | 24 September 2008 | REVIEW DATE 24 September 2009 |

Purpose of Policy:

Clauses 2.4 and 3.5 of the Determinations Relating to Building Practitioners by the Minister for Planning and Lands dated 31 August 2006 require applicants for registration as a Building Contractor Residential to have:-

Net tangible assets of at least \$50,000, as certified by an accountant, or other evidence the Practitioners Board is satisfied shows the applicant has equivalent financial capacity to carry out work as a building contractor.

The purpose of this policy is to outline the other evidence the Practitioners Board accepts as evidence the applicant has equivalent financial capacity to carry out work as a building contractor.

Supporting Policies/documents:

Determinations Relating to Building Practitioners by the Minister for Planning and Lands dated 31 August 2006

Policy:

The Board considers the following to be equivalent financial capacity to the \$50,000 net tangible assets certification by an accountant:-

- A director or nominee of a company providing an agreement in favour of the company for which he/she is the registered builder using the same net tangible assets certification as was used for his/her individual application.
- A company providing an agreement in favour of a director or nominee who is the registered builder for the company using the same net tangible assets certification as was used for the company's application.
- An undrawn loan or overdraft of \$50,000 in favour of the applicant given by a Bank. (The Bank will have assessed the financial position of the applicant and may have taken security such as third party mortgages and guarantees.)
- An unequivocal statement that the applicant has \$50,000 net tangible assets from a Certified Public Accountant.

Reviewed and adopted by the Building Practitioners Board



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Barry Chambers, Chairman

8/12/08

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Date