



strata
community
association®
QLD

ANNUAL REPORT 2018-2019



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FROM THE PRESIDENT

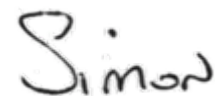
This year marks my final year as President, and I am somewhat saddened to leave the Board at such an exciting time. Since I assumed my position as a director on the Board in 2009, our peak industry body has changed substantially and in ways that many wouldn't have thought possible. In my role as President, I was fortunate to be able to build strong relationships with industry and government stakeholders, and I'm sure several government representatives will remember me as that annoying guy from SCA who constantly harped on about common seals and the posting of meeting notices. Over the years there would have been well over 100 of those meetings, and it is pleasing to see that our efforts have resulted in meaningful change for the sector and for the members we serve.

The challenges that the various board's and I have tackled are varied; trying to make policies and implement new initiatives that satisfy all parts of the membership, raising the bar on education and finding ways to reinvent ourselves in the improvement process. We even faced the tough decision of leaving behind our Registered Training Organisation after realising the regulatory burden was becoming unmanageable for a non-profit, a fate many NFP RTO's experienced at a similar time.

One of my most important objectives was to ensure that every new initiative was what members needed and that we consulted regularly and effectively with members through our committees and through direct communication. I feel we are stronger because we have built up the trust of our members by engaging with them and being more inclusive.

In my seven years as President I've been grateful to have a very supportive wife, an amazing team in my own firm, trusting board's of Directors, and a well-functioning team at SCA (Qld). I wholeheartedly thank everyone who has supported me in this role, whether that was being available for technical questions, offering advice, or simply providing feedback on the viability of the board's strategy. Unfortunately, the Constitution prohibits me from re-nominating to the Board but I am committed to continuing to assist SCA (Qld) in a professional capacity. I wholeheartedly believe in this organisation and that we are all stronger together. Our peak industry body can make the difference we all need in our work life, and I encourage any passionate and enthusiastic members to step up and help achieve even more ambitious goals.

Sincerely,



SIMON BARNARD
PRESIDENT

170%

*Increase in management
individuals over the
last decade*

150%

*increase in total event
attendance since 2013*

31%

*increase in seminar/webinar
attendance since last year*

19

*Queensland media
releases*

PRESIDENT'S REPORT

BY SIMON BARNARD



Without a doubt, Opal Tower and Mascot Towers are the most memorable community title schemes in 2018/19. The year was dominated by major failings in the building industry with combustible cladding the most reported on strata issue. Fortunately, by the end of the financial year we were heading toward the end of stage two with a projection of no more than 500 buildings affected to some extent.

The draft cladding regulation initially presented to SCA (Qld) would have been more difficult to manage than the altered versions, so it's noteworthy that our push for changes at least resulted in meaningful alterations that had a positive impact on the day-to-day handling of this regulation. Our efforts were focussed on saving consumers unnecessary expenses and removing obstacles from the process for strata managers. The advocacy power that unfolded over the year demonstrates our industry standing and that the strata sector has a voice outside of the Department of Justice, our natural home with the BCCMA. For members it is important to leverage this advocacy success and make owners aware of our role as consumer advocates in the absence of adequate representation. I urge members to relay this to their clients, so they understand the importance of affiliating with the peak industry body.

Unfortunately, our BCCM Act specific work did not progress at all due to the Attorney-General receiving an extension on the review of the Regulation Modules. The desire to implement QUT's recommendations was there but some emotive issues around by-laws and scheme termination slowed down the decision-making process in the Government, which meant that we had no new legislation by the end of June. At least there is no longer any appetite to review lot entitlements with the Attorney-General announcing an end to exploring this topic at this year's Annual Conference.

In 2018, we took a different route as the Board was changing and the desire to see SCA (Qld) in a new light became clearer. For the first time in our history we advertised an Independent Director position and, with over a dozen applicants, settled on Nicky Crane, a young Director who brings UDIA accolades and development specific skills to the board. Building on this positive influence, the Board is keen to fill the second vacancy for a Board appointed position soon, once the gap in skill sets has been defined.

In terms of our member profile and engagement I am encouraged by the uptake of the Awards for Excellence. This year we saw an increase in nominations made and the talent that has been awarded is an encouraging sign that our sector is evolving in its professionalism. Two of our award winners – the Strata Manager of the year (Renée Sullivan) and the Rising Star winner (Clare Stuart) took home the Australasian Strata Award for Excellence in their respective categories. We can be proud to have high achievers in our state who will help lift the profile of both SCA (Qld) and Queensland's strata community.

Another significant change in our operations was rethinking how we obtain our education content for the year. Traditionally all the weight has been sitting on the Education Committee, but we decided to innovate our approach in 2018. Our inaugural Education Planning Retreat allowed 18 Body Corporate Management company staff to develop our 2019 educational calendar and Conference Program. Building on that new format, for the new year we have paved the way for a cultural change in relation to our education programs. From 1 July, members will be self-registering their CPD and we will audit companies to ensure education remains the most important element of SCA (Qld) membership. The Board approved this dramatic change in addition to a new unlimited CPD package to alter the motives of members for attending CPD seminars. We hope that the improved quality of our education program (in part due to the Education Planning Retreat) combined with these new initiatives will make a sector-wide impact by upskilling strata professionals.

PRESIDENT'S REPORT CONTINUED...

On a sad note, in October 2018 the strata sector lost one of its long-standing volunteer supporters, a true advocate for strata living and a close affiliate to SCA (Qld). Former Unit Owner's Association President and founding member of the Strata Industry Umbrella Group, Garry Maynard, leaves a hole in the stakeholder group and he will be sorely missed by members.

As I complete my last few months as President of SCA (Qld), let me thank our Board, sponsors, and the team. It goes without saying that most of the improvements to SCA (Qld)'s services and advocacy are due to the financial injections from platinum partners Macquarie Bank, CHU, Grace Lawyers, Body Corporate Brokers, StrataMax, and Locality Planning Energy. Our Board, Committees and consultative groups have been critical in achieving our milestones as well as the team at SCA (Qld). Treasurer Ric Allard and I are ineligible for nomination to the Board but I'm positive that his supervision of the accounts has placed us in an excellent financial position which bodes well for future activities. Thank you, Ric, for your meticulous attention to detail.

35 years down – just imagine what we will look like in another 35 if we keep on doing what we do best.



SIMON BARNARD
PRESIDENT



EXECUTIVE OFFICER REPORT

BY KATRIN WATSON



It feels like this was our best year yet and that's not only due to the advocacy success we have enjoyed but also the new challenges we've taken on in regards to our education programs, the cultural change we are addressing, and the service to all segments of our membership.

Constitutionally, we have three membership categories, but in effect we have only been serving the strata managers. From this year we have set the foundations to progressively provide more education to strata suppliers and lot owners as an important partner in this sector. Newly developed courses such as the Strata Starter for Suppliers and the free Strata Starter for Owners are making their way onto our calendar and we are looking to increase offerings for those members as our membership keeps growing. Starting the 2018/19 year with more than 900 memberships held in Queensland, total membership grew to just under 1,000 by 30 June 2019, mainly due to an increase in members on entry level. Since opening entry level membership for strata management professionals, we have had a steady influx in memberships, now representing 161 entities and 823 individuals across our three membership categories. With a membership of 358 individuals in 2009, we counted 524 individuals in 2014, and to 2019 we have an increase of 36% in just five years! 610 of our members are strata manager members, a great ratio of services to managers.

To be able to significantly expand our activities with more direct member engagement outside of our traditional Committee structure, we held our inaugural Education Planning Retreat. Eighteen strata professionals from various sized companies and roles were tasked to plan our next twelve months of education, the conference program, along with new course ideas designed to cover topics that they feel are currently underrepresented. Collaboratively, the group developed or improved 50 sessions, producing some fantastic content and innovative ideas to help advance the level of professionalism and knowledge in the industry.

Efficiencies were further reached when we held the Board Director elections via an online voting tool for the very first time. It was satisfying to see such a high-level of member engagement in the voting process with the introduction of an online voting platform enticing 34% of members to vote for their Board candidates. I am mindful that not every member can find the time to volunteer at SCA Committee or Board level but to see so many actively involved in the democratic voting process is a sign that members care about the direction we take on behalf of the sector. It is my passion to motivate members to tell us what they want us to fight for, what to challenge and what to achieve. Our biggest asset in my view is that we are responsive and progressive and that we don't accept the status quo.

Part of that evolution is to take continuous development seriously. Not only do we up the ante with our education, resulting in more than doubling the webinar registrations from 23 to 50 in the three years we've been running it. We also supported three highly motivated members who decided to take a step up to move into a more mentoring role by becoming trainers for the National A100 introductory course and the new National Committee Training. Leveraging members' enthusiasm for the strata sector by nurturing new talent into the trainer roles is important for us to keep up the high-quality education that makes a difference to our member's work life.

Technology hasn't always been embraced by the strata community, so the growth and success of our social media platforms has been pleasing. Across the three major platforms, LinkedIn, Twitter, and Facebook, we have amassed almost 1000 followers through publishing a mixture of industry news, SCA (Qld) events, and education opportunities. The professional networking platform, LinkedIn, continues to deliver the highest engagement levels, with an average of nearly one in five post views resulting in a click. Overall, SCA (Qld) posted 517 times across the three platforms and achieved nearly 250,000 impressions throughout the year. This exposure leads to increased brand awareness, a more-informed and engaged community, and greater recognition of our work and objectives.

EXECUTIVE OFFICER REPORT CONTINUED...

When I speak of 'culture' I mean the element of enthusiasm, commitment and dedication that is hard to capture. In 2019 our Conference stood under the banner of 'I heart strata' and this theme is what the team at SCA (Qld) has been weaving through all we do. I must take the opportunity to thank our small team of 4.2 Full-time equivalent staff for being engaged and caring about our members like I do. With the influx in membership Emily Baird managed in her part-time capacity to work out the new auditing processes we are now implementing. Our part-time Finance Coordinator Lisa Barnett kept up with the workload from our increased education participation. Our Training and Events Coordinator Helen Ngo also

took on sponsorship, thoroughly enjoying the relationship building. Peter Cotterill, our Communications Coordinator, manages to wordsmith our social media, publications and almost anything that you as members receive exceptionally well. Last to join our team was Rowena Neal as Administration Assistant and I am excited to see this team take us into a new presidency and a year of service expansion. On that note I thank Simon Barnard and Ric Allard who sadly have reached their maximum Board terms in October. They have been a major factor in our story, working hard for the organisation and the industry, and they will be missed.



Lisa Barnett, Emily Baird, Helen Ngo, Rowena Neal, and Peter Cotterill

KATRIN WATSON
EXECUTIVE OFFICER

SCA (QLD) FINANCIALS

SCA (Qld) has enjoyed a successful year with an increase in member engagement and a total revenue that was higher than the previous 10 years, which the organisation invested back in quality education. A financial analysis for the last year shows that SCA (Qld)'s income reliance is 40% on total sponsorship, 29% membership, and 16.5% from the Annual Conference. Education and events are delivered at reasonable fees as many are supported through sponsorship and the overall membership income. The participation rate for webinars has increased by 20% from the first year with a total of more than 1,216 registrations to 23 webinars.

In 2019, 36% of income was spent on employment, 29% directly on education and 7.7% on networking events, government liaison, committee/board/sponsor liaison, increasing our public profile and member benefits. The remaining 20% are overheads and National membership. A comparison to past performance showed an increase in income last year over the past 10 year's average of 17.6% which is due to higher event/CPD sales and membership increase. Retained earnings have increased from \$33,000 in 1999 to \$358,000 in 2019. That equates to 27% of revenue (1999) and 39% of revenue (2019). Members can be confident that SCA (Qld)'s financials are healthy.



984
memberships
296,075 lots

610 strata management individuals

↑ 170% in the last decade



5th Annual Qld
Strata Community Awards
2 National award
winners from Qld



160 different emails to
99,992 recipients

12 Resort News editorials

4 Inside Strata articles

24 page Resort News Supplement



Expanded membership offerings



- Committee training
- Education Planning Retreat
- Strata Starter for owners
- Strata Starter for suppliers
- Masterclass
- NYPE
- Gold Sponsor event

2,433

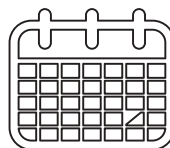
total attendees
@ 50 functions

engagement



1,216

registrations
@ 23 webinars



130 - Cladding seminar

144 - Golf Day

53 - NYPE

298 - Conference

258 - Christmas Networking



↑ **150%** total event
attendance since 2013



19

Qld media releases

20+

Qld media mentions



The Courier Mail



Cairns Post



- 2 New Board Directors + first Independent Director
- Online AGM voting platform
- 3 new Life members + 3 new Fellows
- New member engagement opportunities – New and Young Professionals Event & Gold Sponsor event
- Education planning from members for members
- Expanded permanent team
- Member marketing brochure



517

original social
media posts

243,163

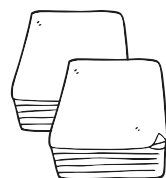
impressions

11.1%

engagement
(high)

981

total
followers



7
submissions

Non-conforming Building materials
North Qld Insurance Inquiry
Accessible Housing
Renting in Queensland
Property Law review (direct to AG)
Cladding Regulation
Embedded Networks



qld.strata.community



Regular meetings and seminars with QBCC and Department of Housing
Conference opened by Attorney-General Yvette D'Ath
Meetings with Yvette D'Ath MP, Jackie Trad MP, David Janetzki MP, Noosa City Council, and National President of Labor Party, Wayne Swan
Reviewed property law reform proposals with the Office of Regulatory Policy
Seat on Ministerial Housing Council
Attended Ministerial Construction Council meeting
Conference speech by Commissioner
Collaboration on Insurance Commissions submission
2 webinars with James Cook University
Quarterly stakeholder meetings

Top **5** wins

- 1 Cladding Regulation - Extension of Stage 2 and Stage 3 deadlines.
- 2 Cladding Regulation - Proof of Agency Amendment
- 3 Noosa Pool Certification - Penalty waiver & deadline extended
- 4 Noosa Pool Certification - Tightened applicability
- 5 Status quo of Lot Entitlements



The 2019 SCA (Qld) Strata Community Awards received a record number of nominations. Two of our award winners, Clare Stuart and Renée Sullivan, also managed to win their respective categories at the Australasian Strata Awards for Excellence.



Strata Community Manager Award Winner:
Renée Sullivan, CSTM/Sound Body Corporate Management

Renee first ventured into strata management 14 years ago and has now been branch manager of the CSTM strata group in Noosa for 6 years. Renee's submission reflected leadership within the company and community, and a well-developed ability to communicate clearly to all stakeholders.



Strata Community Manager Rising Star Award Winner:
Clare Stuart, Bright & Duggan

Clare joined Bright & Duggan as an assistant strata manager in November 2017 and has dealt with many of strata's most complex issues. Clare demonstrated a clear driven attitude and a willingness to take on any challenges presented to her. Our award judges see a bright future for Clare and were very impressed with her submission.



Support Team Member Award:
Briana Edgecombe,
Cambridge Management Services



Ann Shevill Essay Award:
Julie MacCarthy,
Capitol Body Corporate Administration



President's Award:
Andrew Suttie,
Nicholsons Solicitors



Strata Community Management Large Business Award:
Cambridge Management Services



ADVOCACY

SCA (Qld) provided submissions on issues and consultation papers, such as the document requesting feedback on the new BUGTA provisions, and we submitted some “easy fix” items to the Attorney-General. SCA (Qld) retained its seat on the Ministerial Housing Council and the BCCM Stakeholder Group, which are both important avenues for feedback to the government. Our engagement also included meeting with the opposition to canvas their views on major policy matters and to discuss their position on the property law review continuation.

PROPERTY LAW REVIEW

While there was no significant headway made this financial year in respect to the Property Law Review (now in its 6th year) the Attorney-General used the SCA (Qld) conference to announce that the government would not be implementing a new lot entitlement system. Attorney-General Yvette D’Ath stated that submissions to a public consultation process for the report showed a low level of support for QUT’s system for sharing expenses and has raised some significant concerns. The Queensland Government has decided not to adopt QUT’s recommendations proposing a new system for allocating body corporate expenses between lot owners in community titles schemes.

During the same speech, the Attorney-General stated that the Queensland Government will consider options to improve disclosure to buyers of the rights and obligations associated with owning a lot in a community titles scheme. As the regulations expire at the end of 2019, we will finally see some reform in the next twelve months.

CLADDING REGULATION

The draft cladding regulation SCA (Qld) was presented with 12 months ago was more difficult to manage than the final version, so it is noteworthy that our push for changes at least resulted in meaningful change. Through many hours of government advocacy have we succeeded in changing the cladding regulation twice. Firstly, that strata managers are recognised as authorised representatives if there is an agreement in place (proof of agency). Secondly, that the timelines for both stage 2 and stage 3 are extended by 10 weeks and that the Guideline was amended as to the adequate assessment by a building industry professional at stage 2. To accomplish these changes, we lobbied extensively and effectively, meeting with the Federal Labour President Wayne Swan, Deputy Premier Jackie Trad, the Department of Housing and Public Works, the Queensland Building and Construction Commission, and eventually the Courier Mail. This industry issue has had a enormous impact in getting the SCA (Qld) brand into the public and much attention was shone onto the role of strata managers.

qbcc Queensland Building and Construction Commission
 Time saver for bodies corporate completing cladding checklist
 18 December 2018

Strata Community Association (Qld) (SCA (Qld)) and the Queensland Building and Construction Commission (QBCC) worked together to bring in the updates after the checklist requirements came into effect 1 October 2018.

"SCA (Qld) has supported the regulation and assisted with industry insights from the start,

Media release
 Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport
 The Honourable Mick de Brenni

Palaszczuk Government to extend Safer Buildings Program deadlines to assist property owners

Simon Barnard, President of peak industry body Strata Community Association (Qld) welcomed the

"Every resident in a strata building has the right to be safe in their own home and the assessment of the materials at Part 2 will ensure hazardous materials are identified but safe buildings are exited from the checklist."

ENDS

ACCC RELEASES NORTH AUSTRALIAN INSURANCE STATUS REPORT

After receiving over 280 submissions, the ACCC released several reports including findings that 6,000 strata insurance policies were held in north Queensland between 2007-08 and 2016-17, while strata insurance premiums (per sum insured) have increased by 60-80% in NQ and North WA but remained relatively flat in the NT and the rest of Australia. In 2016-17, the average annual combined home and contents premium in northern Australia was about double the average for the rest of Australia. Northern Australia makes up only five per cent of the number of policies, it accounts for about 10% of premium revenue.

In late 2018, the ACCC released their first interim report setting out their findings about the operation of markets for home, contents, and strata insurance markets in northern Australia, making 15 recommendations that they considered would improve the operation of these insurance markets and achieve better outcomes for consumers. In April, SCA Ltd, in collaboration with the states and other stakeholders, submitted its view on insurance commissions. Much effort went into explaining the role strata managers play in the process and why commissions are justified in an activity that is not just transactional.

BC FOR MOUNT SAINT JOHN INDUSTRIAL PARK CTS V SUPERIOR STAIRS & JOINERY PTY LTD [2017] QDC 245

The 2017 District Court of Queensland's decision that barred a body corporate from recovering outstanding contributions where those contributions had been outstanding for more than two years and two months was overturned.

On 31 July 2018, the Court of Appeal delivered its unanimous decision that disagreed with the reasons of the District Court Judge and the limitation period that had been read into section 145(2) of the Body Corporate and Community Management (Standard Module) Regulation 2008 (Qld).

Instead, the Court of Appeal held that section 145(2) simply creates a duty for a body corporate to commence proceedings to recover the contributions within the 2 year and 2 month time period. Whilst failure to bring a proceeding within that time period may expose a body corporate to criticism by lot owners and lead to the filing of dispute resolution applications for breach of a statutory duty, it will not render an outstanding levy unrecoverable.

RENTAL LAWS

135,000 responses were received by the Queensland Government regarding rental reform, with pets, minimum housing standards, entry practices, property and tenancy managers, privacy, and dispute resolution being the most common areas for discussion. The Department of Housing has used these submissions to complete its detailed reform package. SCA (Qld) represented the strata community focussing our submission on the differences between strata living and detached housing. In detached housing, the rental relationship includes the tenant, the landlord, and sometimes an agent. However, in the strata community, the body corporate must also be taken into consideration, as the tenant will have access to common property and be subject to the scheme's by-laws.

As a member of the Ministerial Housing Council, SCA (Qld) will be consulted on these proposals and will ensure that any amendments to the Residential Tenancies and Rooming Accommodation Act (RTRA) are mindful of the BCCMA and its regulations.

MALAYSIAN DELEGATION

In August 2018, a twenty-strong delegation of Malaysian officials met with several board members at the SCA (Qld) offices. The overseas visitors, from the state of Sarawak, were on a fact-finding mission as they look to create their own version of strata legislation. The State's Deputy Chief Minister expressed his desire to learn from us and was eager for any advice the board could provide. The meeting offered a wonderful opportunity to share our knowledge of the strata industry and learn of the difficulties faced by other nations. It is the second forum with a visiting delegation in 2018, following the South African officials in February; another demonstration of how the SCA (Qld) brand is growing its reputation.

ACCESSIBILITY STANDARDS PAPER

The Accessible Housing Options Paper has been developed by the Australian Building Codes Board (ABCB) to provide a preliminary menu of options and costings on the possible inclusion of a minimum accessibility standard for housing in the National Construction Code.

Among the statistics and costings provided are some estimations of the feasibility of making these requirements mandatory for existing buildings as well as new constructions. SCA (Qld)'s submission reflected our view that any kind of retrospectivity would be disastrous not only financially, but legally as the BCCMA has provisions that mean it will be difficult to harmonise with some of the proposals.

AQUATIC FACILITIES GUIDELINES

Towards the end of the 2018/19 Financial Year, Noosa Shire Council released an amendment to the Local Law No 1 which requires pools in some strata schemes to obtain a licence to demonstrate that water quality conforms to Queensland Health guidelines. This requires all "public pools" complete documentation outlining their water-testing timetable, maintenance schedule, and incident management plan to obtain an annual approval to operate. The application places pools in low, medium, or high-risk categories with Noosa City Council believing this will help safeguard swimmers and prevent the spread of water-borne diseases.

During a meeting with SCA (Qld), the Noosa City Council confirmed that the intent is not to include all strata complexes, just bigger schemes with large proportions of holiday accommodation or short-term lets. It is therefore intended in the initial licensing process to have a cut off for smaller strata developments, or those that are fully owner occupied/occupied by long-term tenants, that pose a lower risk. This cut off is yet to be determined. SCA (Qld) will continue to work with Noosa Council representatives to find a way forward, given the level of confusion about the requirements under the local law, fee and approval categories.

BURNS V CORBETT; BURNS V GAYNOR [2018] HCA 15

The High Court of Australia ruled in mid-2018 that the New South Wales Civil and Administrative Tribunal (NCAT) did not have the power to resolve a dispute between residents of different States. SCA (Qld) engaged the services of a barrister to determine whether QCAT would be considered as a court of law and whether the Commissioner's dispute resolution service is impacted by that. This advice was analysed and a position on how to change current legislation to clarify the matter has been submitted to the Attorney-General. Yvette D'Ath has acknowledged our concern about the impact that "the High Court decision may have on the availability of cost-effective and accessible dispute resolution for parties to disputes under the BCCM Act" and has asked for our suggested amendment to be considered for possible inclusion in future legislative changes.

EDUCATING THE PUBLIC

INDUSTRY MAGAZINES

SCA (Qld) has been holding a monthly column in the industry publication Resort News for the last decade. The President’s monthly column details reforms and strata industry news relevant to the general public. For the third time, SCA (Qld)’s strata industry supplement in the industry magazine Resort News has been produced to educate the sector on strata matters and SCA (Qld). The 18-page brochure outlines our role in the industry, our achievements, and our activities, while also providing an overview of the growing importance of the sector.



STRATA COMMUNITY MANAGER BROCHURE

Our new brochure is here! Outlining the importance of engaging a SCA (Qld) member as the body corporate manager, the leaflet describes our accreditation process, and is a great source of information for your potential clients.



APARTMENT OWNERS HAVE THEIR SAY

SCA (Qld) collaborated with the WAAA on the Australian Advocacy survey to receive a detailed report with insights into the Queensland sector. This survey revealed that 91% of residents who responded lived in 1 or 2 person households, with nearly half of respondents of working age and in professional occupations. As for the apartments themselves, 91% of residents liked the location of their unit and 52% had water views from their balconies. Even strata levies didn’t seem to be too burdensome, with 76% owners describing the fees “fair, good, or excellent” value for money. However, when it comes to desired changes to their apartments, space continues to be highly sought after. Only one in five wouldn’t change a thing about their apartment, with 22% wanting their apartment to be larger overall, 25% wanting more parking space, and 40% wanting more storage.



2019 APARTMENT SURVEY RESEARCH RESULTS: QLD



EVENTS

There were 1,325 registrations to attend our 23 webinars and Regional Roundtables in 2018/19.

	CPD Series/ Webinars	TOTAL all functions	# of functions	average attendance per function	CPD income total/ surplus over budget
2016/17	995	1542	49	31.5	\$32k/\$12k
2017/18	938	1711	37	46.2	\$42k/\$13k
2018/19	1231	2433	50	48.7	\$53k/\$18k

2018 GOLF DAY

Our 7th annual golf day at Twin Waters on the Sunshine Coast in July 2018, was a resounding success. The sun was definitely up, along with everyone's spirits, as we teed off at 11am and spent almost five hours out on the course. Sponsors greeted players at nearly every hole with imaginative games and prizes, adding to the already celebratory atmosphere, ensuring that most attendees came away with something to go with their smiles.

However, there can be only one overall winner and 2018's honour went to the team from Energy Resources Corporation, with players Matt Blundell, Ash Noffke, Gary Lengren, and Craig Jansz earning the victory under the Ambrose format.



2019 ANNUAL CONFERENCE

The theme, I ♥ Strata, provided a great opportunity to express member enthusiasm and connect with colleagues over the love for our fine profession. During the day, eighteen topics, three workshops, and three keynote sessions educated delegates, while in the evenings, conference dinners, awards evenings, and networking opportunities allowed the nearly 300 attendees to share their strata stories, exchange ideas, and strengthen community bonds.

Opening the conference in March 2019, was Queensland Attorney-General, Yvette D'Ath, who provided an in-depth explanation regarding the progress of the legislative review program and included a call for more consultation with stakeholders. Other highlights included Jillian Whiting as MC, Graeme Cowan, and Sarab Singh as keynote speakers, and of course the inimitable Anh Do closing the event with his hilarious and, at times, poignant life-story.



I ♥ STRATA
**SCA (QLD)
CONFERENCE**
MARCH 13-15, 2019
GOLD COAST



2018 CHRISTMAS NETWORKING

RECORD TURNOUT FOR NETWORKING DRINKS

Cairns, Townsville, Gold Coast, Sunshine Coast, and Brisbane all hosted an evening of strata networking drinks in December 2018. The Brisbane event was held at the newly opened Howard Smith Wharves, with 110 members gathering to help mark another successful year. In total, over 300 members attended the five celebrations; a record turnout for our annual festivities. In comparison, the five events in 2012 attracted just over 100 people total, and the increase in numbers demonstrates the success we have had as an organisation, as well as the level of passion our members have for the strata community.



GOLD SPONSOR EVENT

After consulting with our corporate partners, we added a new event in 2019, specifically aided by our Gold level sponsors. This event resulted from our desire to increase our value proposition for non-platinum sponsors and it proved a great success. 31 members turned out for some spirited competition, with the light drizzle doing nothing to dampen the spirits of players.

Thanks to Rochele Painting, Higgins Coating, and Amalgamated Property Management for making it such a successful event.

NEW EDUCATIONAL OPPORTUNITIES

In 2019, SCA (Qld) introduced a range of new events aimed at educating different areas of the strata community with specific information. A Committee Training Program and Owner Strata Starter were introduced to provide schemes with the appropriate knowledge to run their scheme successfully and meet legal requirements. Modules include committee governance, future planning, committee operations, finances, and facility management. A Supplier Strata Starter was also introduced in early 2019 in response to supplier requests for more specialised education.

Additionally, the first in our series of five Leadership Masterclasses was held in May 2019. The Emerging Leaders' Masterclasses are open to all members (both services and management) and are specifically aimed at those looking to finesse their management skills, while the Directors' Masterclasses are exclusively for senior management or company decision making roles that enable them to take fiscal responsibility. With leadership expert, Sarab Singh, at the helm they have been very well-received, and we look forward to the rest of the education series.



COMBUSTIBLE CLADDING SEMINARS

In collaboration with the Office of the Commissioner for Body Corporate and Community Management and the Non-Conforming Building Products Audit Taskforce, SCA (Qld) held two complimentary seminars in August 2018, to brief members on the sudden introduction of the combustible cladding regulation. Several high ranking officials who developed the legislation were on hand to share their expert knowledge and answer member's questions. QBCC Deputy Commissioner Philip Halton, Michael Essery, Craig Carpenter, and Michael Davis from the Department of Housing and Public Works, and Commissioner Chris Irons, were all present to clarify a number of our members' concerns and educate the 130 attendees on the new regulation. The discussions centred on the new rules, including sub-topics such as the technicalities of statutory declarations, compliance time-frames, insurance, and the use of the online reporting tool.

It was the first of several presentations or seminars that QBCC and Department of Housing and Public Works staff were able to give to our members.

JAMES COOK UNIVERSITY PROJECT

In October 2018, a \$12.5 million government grant was awarded to James Cook University to assist North Queensland strata schemes in determining how they could improve their cyclone protection to reduce insurance premiums. The University is using the funds to conduct inspections of 6000 schemes north of Rockhampton, aiming to assess current risks and determine how the bodies corporate could be better protected against damage. It will also improve the information available to schemes about their susceptibility to weather damage and methods to mitigate risk.

In collaboration with JCU, SCA (Qld) held two complimentary webinars during the 2018/19 financial year, where JCU provided updates on the inspection program and details of how to get involved.

THE MARKET

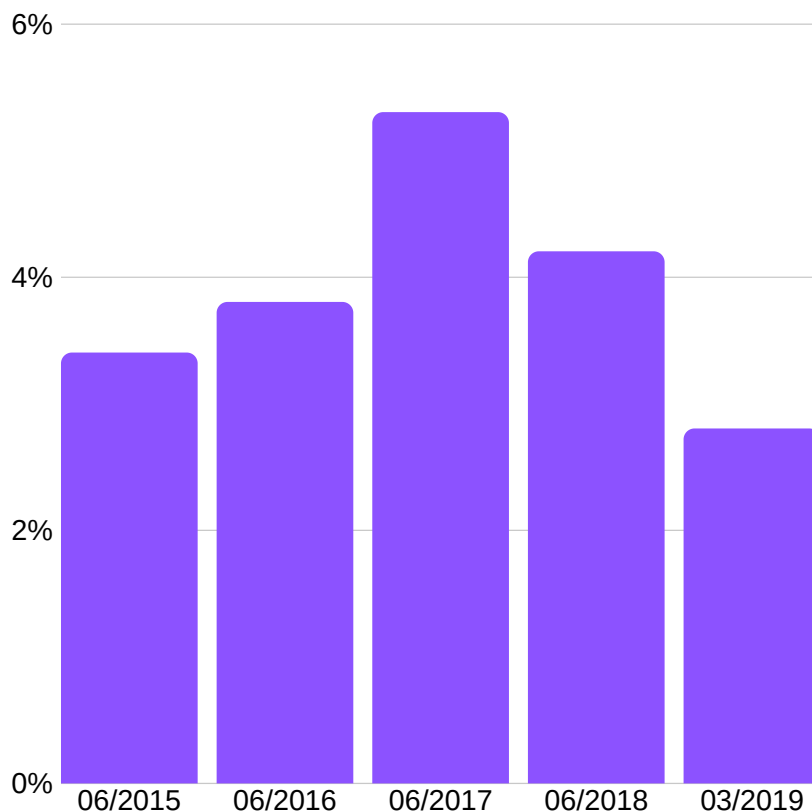
GROWTH IN QUEENSLAND STRATA SECTOR SLOWS

A year on year growth of 2.8% in lots registered in Queensland is a fairly significant drop from last financial year (4.2%) and an even bigger decrease from the 2016/17 period (5.3%). The decline demonstrates the slow-down in development, but it still resulted in 1,152 new schemes brought to market with 13,300 lots.

Only 6,694 lots were created in the state's capital over the last twelve months, down from 11,325 over the previous period and 14,824 from the 2016/17 financial year. This clearly shows the slow-down that has occurred in Brisbane apartment development. The Gold Coast, Sunshine Coast, and Logan have also registered lower growth, all recording a 2-3% increase, while Cairns logged only 21 new lots from March 2018 to March 2019. Only Moreton Bay continued to add developments at a reasonable rate with 1,114 new lots added to the landscape, which equates to a 4.21% increase.

Large schemes continue to be the biggest strata growth area, with schemes consisting of over 100 lots seeing an almost 5% increase over the twelve months, although this is down from 10%. Unsurprisingly, this also resulted in a significant increase in the number of total lots in these large schemes (6%). However, when it comes to sheer numbers of registered schemes, most new strata title communities are still on the smaller side with 74% of the 1152 newly registered schemes being six lots and under.

12-monthly growth in lots



MEDIA



19 QUEENSLAND MEDIA RELEASES



20+ QUEENSLAND MEDIA MENTIONS

The Cairns Post



FINANCIAL REVIEW



One in four Queensland buildings face cladding assessment

Michael Bleby, Senior Reporter

Mar 25, 2019 — 5:53pm



About a quarter of the 14,300 private high-rise buildings singled out for cladding assessment in Queensland will undergo a physical inspection by a building professional in the second round of the state's audit process that begins next week.

Queensland extends deadlines for identifying combustible cladding

20 hours The government of Queensland in Australia has announced a two-month extension in deadlines for a programme introduced to address potentially combustible cladding in the wake of the Grenfell fire.

BUSINESS

Cladding: The Strata Community Association formally requests State Government for extension

Kirstin Payme, Gold Coast Bulletin
May 8, 2019 12:00am
Subscriber only

QUEENSLAND'S peak body corporate group has form State Government to give thousands of property owners prove that their buildings do not have combustible cladding.



The 2017 Grenfell Towers fire in London has sparked a costly audit of all Queensland buildings of three floors or more.

The Queensland Government acted after a 2014 fire in the Lacrosse apartment building in Melbourne's Docklands and the horrific 2017 Grenfell Tower blaze in London claimed 72 lives when combustible cladding caught alight.

Across the state more than 4300 buildings face Part 2 assessments under the Safer Buildings combustible cladding check list, which required building owners to engage a building industry professional to complete a report on the materials used on the building's exterior.

The Queensland Building and Construction Commission said more than 20,000 building assessments had been registered with it before March 29.

SOCIAL MEDIA

LINKEDIN, FACEBOOK, AND TWITTER



981 Total Followers



243,163 total impressions



517 original posts



11.1% engagement rate

Social media platform	01/07/2018	30/06/2019	Percentage increase
LinkedIn	308	639	107
Twitter	63	96	52
Facebook	131	246	88

Strata Community Association (Qld)
680 followers
11mo

Our New and Young Professional Evening was a resounding success! 60 members met their peers and heard inspiring words from past #strata Community Award winners. Thanks to all that joined us and made it such a great night!

Strata Community Association - Qld
Published by Peter Cotterill [?] · 20 February ·

Thinking of a career as a #strata #manager? Great article about the pros and cons, as well as the traits employers are looking for. Plus a nice little plug for our education courses at the end. #shamelessselfpromotion

SCA Qld @StrataQld · Mar 27

4300 of you are yet to register?! This week there are four questions and it's free. Next week it's a possible \$2611 fine, the cost of a building professional, and automatic entry into stage 2 (which, just so we are clear, is not a good thing).

SMH.COM.AU
Apartment boom in industry

Get more likes, comments and shares
Boost this post for \$10

469 People reached

BodyCorporate.com.au

qbcc

One in four Queensland buildings face cladding assessment
Queensland has given the first indication of its state-wide audit into combustible cladding.
afr.com

37 · 2 Comments

LIFE MEMBERSHIPS

The 2018 SCA (Qld) AGM was an extra-special affair, as it saw life memberships awarded to three tireless contributors to the strata industry. The board considered a number of factors when making its decision and would like to recognise the following members for their hard work and dedication to the sector.

SIMON BARNARD joined SCA (Qld) in 2005, the Board in 2009, became Vice President in 2011 and was elected President one year later. He is the longest standing President of SCA (Qld) and has been critical in increasing our profile with the public. He's served on the education and legislation Committees, facilitated many seminars and conferences, and he's been the face of our organisation as designated media representative and when entertaining overseas delegations. However, Simon's greatest contribution to the sector is his government relations work. His ability to condense complex BCCM issues for government representatives who are less familiar with the BCCMA has enhanced our reputation as the peak industry body.

IAN D'ARCY has been a member for 20 years, joined the Board in 2004, and served as Secretary since 2010. Ian has guided us through many AGMs and, thanks to his background as a solicitor, has assisted the Board in understanding governance issues. Ian has been the chair of the Professional Standards Committee for the past few years and was elected to the National Board in 2017. Ian's 14 years on the Board makes him one of the longest-serving board members.

SUE SEYMOUR first joined the Board of Directors in 2007, a critical time in which the RTO was formed, sustainability was a big issue, and new avenues were explored. Throughout the past decade, Sue has supported the Board through key milestones such as the firming up of professionalism, the strengthening of our advocacy program, and the building of our brand in the public sphere. Sue, who has been a member for 15 years, served as Secretary in 2007 and again in 2009. Sue retired at the 2018 AGM.

SCA (Qld) congratulates the three life members on their incredible achievement and thanks them for their years of enthusiastic assistance.

Existing life members of SCA (Qld) are Kerri Anthon, Ric Allard, Colin Archer, Professor Bill Duncan, Scott Gregory, Michael Hurley, Ros Janes, and Kay Trimble.



THE BOARD OF DIRECTORS

2018/2019

The SCA (Qld) Board of Directors consists of ten member elected Directors. The Board has an opportunity to appoint two additional Board Directors. At the Annual General Meeting in October 2018, members vote for five Directors who are appointed for a two year term. At the first meeting following the Annual General Meeting, the Board elects the Executive for a two year term. The maximum continuous term is two years.

Top row (l to r): Simon Barnard (President), Kelly Roberts (Senior Vice President) James Nickless (Vice President), Ric Allard (Treasurer).

Middle row (l to r): Ian D'Arcy (Secretary), Melissa Butwilowsky, Jason Carlson, Nicky Crane.

Bottom row (l to r): Peter Crogan, Andrew Davidson, Con Iconomidis.



COMMITTEES

The Board thanks all Committee and Group members for their support, hard work, and the time they give up for SCA (Qld) affairs. The passion of our members to shape the strata sector is noticeable in what SCA (Qld) achieves throughout the year. Thank you to everyone!

AD HOC EVENTS GROUP

- Adrian Butcher, Usher Group
- Con Iconomidis, Strata Community Insurance
- Dani Brasell, Expert Strata Insurance
- Janette Comish, StrataMax
- Liat Walker, Collect Success
- Michael Phillips, Phillips Safety
- Wendy Barnard, Hartley's Body Corporate Management



EDUCATION AND TRAINING COMMITTEE

- Georgia Cook, ACE Body Corporate Management
- Jenny Phillips, Capitol
- Jonathan Flannery, PICA Group
- Melissa Butwilowsky, Archers
- Michael Hurley, Strata Care
- Seimon Griffiths, Northern Body Corporate Management
- Sue Cubbin, Aquila Body Corporate Management



LEGISLATION PANEL

- Andrew Baker, Bright and Duggan
- Duncan Lee, Pinnacle Strata
- Frances Stewart, Hynes Legal
- Gabe Walker, Hartleys BCM
- James Nickless, StrataMax
- Jason Carlson, Grace Lawyers,
- Kaylene Arkcoll, Leary & Partners
- Michael Kleinschmidt, Stratum Legal
- Michael Hurley, Capitol
- Peter Clarke, Strataworks
- Ric Allard, Body Corporate Services
- Scott Simpson, BCP Strata
- Todd Garsden, Hynes Legal

PROFESSIONAL STANDARDS

- Grant Mifsud, Archers
- Ian D'Arcy, Capitol
- Kelly Roberts, TCM Strata

EDUCATION PLANNING RETREAT

Our inaugural Education Planning Retreat allowed 18 Body Corporate Management company staff to develop our 2019 educational calendar and Conference Program. Building on that new format for the new year, we have paved the way for a cultural change in relation to our education programs. Thanks to all those who attended and helped create such a successful program.

- Amanda Sugden, North Shore Body Corporate
- Anne-Maree Paull, CHU
- Dan McMahon, Alpha Strata
- Darren Taylor, Rubicon
- Emily Campbell, Bright & Duggan
- Georgia Cook, Ace Body Corporate Management
- James Nickless, StrataMax
- Janice Yule, Yule Strata
- Jason Carlson, Grace Lawyers
- Joe Coppoleccia, CHU
- Judith Akins, Body Corporate Management Queensland
- Kim Johnston, Mater Group
- Maddison Lapworth, Living Strata
- Marc Mercier, Mercier Body Corporate Services
- Melissa Butwilowsky, Archers
- Nicole Vowles, Mater Group
- Ross Utting, Tracsafe
- Seimon Griffiths, Northern Body Corporate
- Sue Cubbin, Aquila
- Tahlia Puck, Cambridge Management Services



SCA (QLD) PARTNERS & SPONSORS

Not a year passes by in which we could do what we do as well as we do it without the support of industry partners. SCA (Qld) thanks its platinum and gold partners as well as sponsors for their ongoing support of the organisation and its membership. As a non-profit membership body, the generous contribution from sponsors is critical in achieving strategic objectives.

Many functions and projects are subsidised due to the following strata service providers who invest time and funds in SCA (Qld). The Board, staff, and members are grateful for their long-term alignment with us. In particular, our platinum partners have made a massive difference to SCA (Qld)'s operations. Thank you.



Strata Community Association (Qld) Limited

ABN 15 163 881 927

Financial Report
30 June 2019

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

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Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

Directors' Report

The Board of Directors' present their report on Strata Community Association (Qld) Limited for the year ended 30 June 2019.

Information on directors

The details of the directors in office at any time during, or since the end of, the year are:

Simon Barnard (President)

Qualifications and experience Director and Principle of Hartley's Body Corporate Management
Certificate IV in Body Corporate Management
Associate Diploma of Business
Board Member since 2009
Life Member of SCA (Qld)

Ric Allard (Treasurer)

Qualifications and experience General Manager Corporate Services at Body Corporate Services
Financial Investment Analysis through University of Otago
Certificate IV in Body Corporate Management
Board member since 2005
Life Member of SCA (Qld)

Jason Carlson

Qualifications and experience Director of Grace Lawyers Pty Ltd
Member of SCA (Qld) and Australian College of Community Association Lawyers
Independent review panel of the ABMA Building Management code (Qld)
Bachelor of Law (Hons) and Arts
Graduate Diploma of Legal Practice

Michael Hurley

Qualifications and experience Resigned 25 October 2018
Bachelor of Science
TAFE Certificate IV in Body Corporate Management
Board member since 2004,
Life member of SCA (Qld)

James Nickless (Vice President)

Qualifications and experience General Counsel, Stratamax
Previously Partner of ClarkeKann Lawyers 2015 - 2017,
Partner of Grace Lawyers from June 2013 to October 2015.
Solicitor, admitted in March 2007.
Bachelor of Laws and Bachelor of International Business,
Griffith University
Board member since October 2016

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

Directors' Report (continued)

Ian D'Arcy (Secretary)

Qualifications and experience Principal of Capitol Body Corporate Administration
Solicitor, practiced for 20 years
TAFE Certificate IV in Body Corporate Management
Board member since 2004
Life Member of SCA (Qld)

Kelly Roberts (Senior Vice President)

Qualifications and experience Managing Director of TCM Strata Pty Ltd, TCM Rentals Pty Ltd, TCM; Rentals Coastal Pty Ltd, TCM Sales
Registered Valuer
Registered Real Estate Agent
Board member since October 2017, previously Board appointed Director (2015-2017)
Fellow of SCA (Qld)

Sue Seymour

Qualifications and experience Resigned 25 October 2018
Senior Manager Strata Transformation at Body Corporate Services
Real Estate License from 2003
Strata Industry from 2003
Registered Nurse Midwife 1976 – 2005
Life Member of SCA (Qld)

Melissa Butwilowsky

Qualifications and experience Partner, Archers Body Corporate Management
Certificate IV Property Services (Operations) in 2011; 2012 -
Certificate IV Training & Assessment
Diploma of Human Resources (2016)
Board member since October 2017
SCA Member since 2010 (CSCM)

Peter Crogan

Qualifications and experience Head of Customer Experience for the PICA Group of companies based in Brisbane City
Diploma of Management (Strata)
Cert IV in Property (Strata)
Board member since 2017
Fellow of SCA (Qld)

Nicky Crane

Qualifications and experience Appointed as Independent Director on 18 September 2018
Director of Urban Canvas.
Bachelor of Urban Development Construction Management and Property Economics (Hons) (QUT).

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

Directors' Report (continued)

Con Iconomidis

Qualifications and experience Appointed 25 October 2018
Manager, National Partnerships & Distribution/State
Manager, Queensland for Strata Community Insurance
Involved in the Strata Industry for 19 years previously held
senior positions with CHU & BCB
36 years of Experience in Insurance
Fellow of SCA (Qld)

Andrew Davidson

Qualifications and experience Appointed 25 October 2018
Director and Principal Noosa District Body Corporate
Management
Certificate IV in Body Corporate Management
Graduate TEP Darden Business School, University of Virginia
Graduate Management Development Program Ashridge
Business School, Berkhamsted UK

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following person held the position of company secretary at the end of the financial year:
Ian D'Arcy of Capitol Body Corporate Administration.

Meetings of Directors

During the financial year, ten meetings of directors (including committees of directors) were held.
Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Richard Allard	9	7
Simon Barnard	9	7
Melissa Butwilowsky	9	7
Jason Carlson	9	7
Nicky Crane	7	7
Peter Crogan	9	9
Andrew Davidson	5	5
Ian D'Arcy	9	8
Con Iconomidis	5	4
Michael Hurley	4	4
James Nickless	9	7
Kelly Roberts	9	7
Sue Seymour	4	3

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

Directors' Report (continued)

Review of Operations

The profit of the Company for the financial year after providing for income tax amounted to \$18,863 (2018: \$50,104).

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activity of Strata Community Association (Qld) Limited during the financial year was to provide services to members of the organisation and the community titles industry.

No significant changes in the nature of the company's activity incurred during the financial year.

Events Subsequent to the End of the Reporting Period

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

New Accounting Standards Implemented

The company has implemented AASB 9: *Financial Instruments*, which has come into effect and is included in the results.

AASB 9: *Financial Instruments* has been applied using the retrospective method, with comparative amounts restated where appropriate.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends or Options

No dividends were paid or declared during the financial year. No options over issued shares or interests in the company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Indemnification of Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer of the company.

To the extent permitted by law, the Company has agreed to indemnify its auditors, HLB Mann Judd, as part of the terms of its audit agreement against claims by third parties arising from the audit. No payment has been made to indemnify HLB Mann Judd during or since the financial year.

Proceeding on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2019

Directors' Report (continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 7.

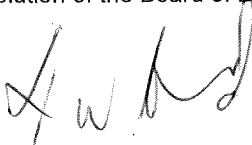
This report is signed in accordance with a resolution of the Board of Directors:



Simon Barnard (President)

20 August 2019

Brisbane, Queensland



Richard Allard (Treasurer)

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Strata Community Association (Qld) Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'A B Narayanan'.

A B Narayanan
Partner

Brisbane, Queensland
20 August 2019

hlb.com.au

HLB Mann Judd (SE Qld Partnership)

Level 15, 66 Eagle Street, Brisbane QLD 4000 | GPO Box 5225 Brisbane QLD 4001

T: +61 (0)7 3001 8800 **F:** +61 (0)7 3221 0812 **E:** infobne@hlbqld.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (SE QLD Partnership) is a member of HLB International, the global advisory and accounting network.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue	4	901,179	771,443
Other income	4	10,079	6,355
Audit and accounting		(11,165)	(10,013)
Advertising and promotion		(21,126)	(24,186)
Bookshop costs		(2,899)	(4,634)
Depreciation and amortisation expense		(6,183)	(5,166)
Employee benefit expense		(335,371)	(273,926)
Legal fees		(11,610)	-
Occupancy costs		(56,998)	(55,087)
Other expenses		(59,766)	(52,308)
SCA (QLD) strata conference		(187,432)	(138,452)
SCA national membership		(95,177)	(100,995)
Seminar and events		(104,668)	(69,221)
Surplus before income tax		18,863	43,810
Income tax benefit/(expense)	6	-	6,294
Surplus for the year		18,863	50,104
Other comprehensive income		-	-
Total Comprehensive Income for the Year		18,863	50,104

The accompanying notes form part of these Financial Statements

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Statement of Financial Position

as at 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	500,042	531,157
Trade and other receivables	8	19,140	18,621
Inventories		1,120	1,954
Current tax receivable		-	1,366
Other current assets	10	38,666	44,954
Total Current Assets		558,968	598,052
Non-Current Assets			
Trade and other receivables	8	41,460	41,460
Property, plant and equipment	9	9,252	8,829
Total Non-Current Assets		50,712	50,289
Total Assets		609,680	648,341
LIABILITIES			
Current Liabilities			
Trade and other payables	11	48,248	48,982
Employee provisions	12	27,754	18,919
Other liabilities	13	143,324	213,846
Total Current Liabilities		219,326	281,747
Non-Current Liabilities			
Employee provisions	12	13,439	8,542
Total Non-Current Liabilities		13,439	8,542
Total Liabilities		232,765	290,289
Net Assets		376,915	358,052
Equity			
Retained earnings		376,915	358,052
Total Equity		376,915	358,052

The accompanying notes form part of these Financial Statements

Strata Community Associatsion (Qld) Limited

ABN 15 163 881 927

Statement of Changes in Equity

For the year ended 30 June 2019

	Retained earnings	Total
	\$	\$
Balance at 1 July 2017	307,948	307,948
Surplus for the year	50,104	50,104
Other comprehensive income	-	-
Balance at 30 June 2018	358,052	358,052
Balance at 1 July 2018	358,052	358,052
Surplus for the year	18,863	18,863
Other comprehensive income	-	-
Balance at 30 June 2019	376,915	376,915

The accompanying notes form part of these Financial Statements

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Statement of Cash Flows

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from members and customers		915,607	1,040,208
Payments to suppliers and employees		(949,329)	(813,404)
Interest received		7,847	5,310
Income tax refunded		1,366	660
Net cash generated from operating activities		(24,509)	232,774
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	1,045
Purchase of property, plant and equipment		(6,606)	(8,290)
Net cash (used in) investing activities		(6,606)	(7,245)
Net increase in cash held		(31,115)	225,529
Cash and cash equivalents at beginning of financial year		531,157	305,628
Cash and cash equivalents at end of financial year	7	500,042	531,157

The accompanying notes form part of these Financial Statements

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2019

Company Information

The financial report includes the financial statements and notes of Strata Community Association (Qld) Limited, a Company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the directors of the company at the meeting on the date shown on the Declaration by the Board of Directors attached to the Financial Statements.

Note 1: Basis of preparation

Strata Community Association (Qld) Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have also been prepared on a going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Note 2: Summary of Significant Accounting Policies

(a) Income Tax

Strata Community Association (Qld) Limited is not carried on for the purpose of profit or gain to its individual members. Income tax is provided for using the liability method of tax effect accounting resulting in the income tax expense for the year being calculated on the accounting profit after adjusting for non-assessable income from members on the Principal of Mutuality rule.

(b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

(c) Revenue and Other Income

Membership Fees: Membership Fees are recognised in accordance with the delivery of services to members.

Sponsorship Fees: Sponsorship income is recognised in the financial year to which the sponsorship fees apply.

Service Revenue: Revenue from the rendering of services is recognised when the service is rendered and the company becomes entitled to the revenue.

Interest Received: Interest received is recognised on an accrual basis.

Other Income: Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and income can be reliably measured.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. 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 are presented in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable, to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(e) Inventory

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(f) Property, Plant and Equipment

Property, Plant and Equipment

Plant and equipment is measured on the cost basis (costs include expenditure that is directly attributable to the acquisition of the item) and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event that the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Depreciation

The depreciable amount of all fixed assets, is depreciated on a "straight-line" basis over the asset's useful life to the Company commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

Class of Fixed Assets	Depreciation Rate
Property, Plant and Equipment	10% - 30%

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing the net proceeds with the carrying amount. These gains or losses are included in the Statement of Profit or Loss and Other Comprehensive Income when the item is derecognised.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

Financial liabilities

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The Company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Company uses the following approaches to impairment, as applicable under AASB 9:

- the simplified approach.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(h) Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

(i) Cash and cash equivalents

Cash and cash equivalent includes petty cash, cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

(j) Employee Provisions

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

(m) Trade and other debtors

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods and services sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(n) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year

(p) New and Amended Accounting Standards Adopted by the Company

Initial application of AASB 9: Financial Instruments

The Company has adopted AASB 9: *Financial Instruments* with a date of initial application of 1 July 2018. As a result, the Company has changed its financial instruments accounting policies as detailed in the significant accounting policies note.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

Considering the initial application of AASB 9 during the financial period, financial statement line items have been affected for the current and prior period. Below in this note are the adjustments made to the affected financial statement line items.

AASB 9 requires retrospective application with some exceptions (eg where hedge accounting is undertaken in terms of the Standard).

There were no financial assets/liabilities which the company had previously designated as fair value through profit or loss under AASB 139: *Financial Instruments: Recognition and Measurement* that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the company has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

The date of initial application was 1 July 2018. The company has applied AASB 9 to instruments that have not been derecognised as at 1 July 2018 and has not applied AASB 9 to instruments that have already been derecognised as at 1 July 2018. Comparative amounts in relation to instruments that have not been derecognised as at 1 July 2018 have been restated where appropriate.

Classification and measurement of financial assets

Financial assets in terms of AASB 9 need to be measured subsequently at either amortised cost or fair value on the basis of the company's business model and the cash flow characteristics of the financial assets.

The directors of the company determined the existing financial assets as at 1 July 2018 based on the facts and circumstances that were present and determined that the initial application of AASB 9 had the following effect:

- financial assets as held-to-maturity and loans and receivables that were measured at amortised cost continue to be measured at amortised cost under AASB 9 as they are held to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

There was no measurement impact to the financial statements of financial assets and liabilities.

Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the company to account for expected credit losses since initial recognition.

A simple approach is followed in relation to trade receivables as the loss allowance is measured at lifetime expected credit loss.

The company reviewed and assessed the existing financial assets on 1 July 2018. Management determined there was no impairment impact to existing financial assets on 1 July 2018.

Classification and measurement of financial liabilities

AASB 9 determines that the measurement of financial liabilities and also the classification relates to changes in the fair value designated as FVTPL attributable to changes in the credit risk. The application of AASB 9 has had no impact on the measurement of the company's financial liabilities.

This note contains a table that shows the effect in classification of the financial assets upon initial application.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

Effect of classification

The following table represents the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 July 2018.

	Financial instrument category		AASB 139 Original	Carrying amount AASB 9 recognition of additional loss allowance	AASB 9 New
	AASB 139 Original	AASB 9 New			
Financial assets					
Current and non-current					
Accounts receivable and other debtors	Loans and receivables (amortised cost)	Financial assets at amortised cost	60,081	-	60,081
Cash and cash equivalents	Loans and receivables (amortised cost)	Financial assets at amortised cost	531,157	-	531,157
Financial liabilities					
Current and non-current					
Accounts payable and other payables	Amortised cost	Financial liabilities at amortised cost	19,306	-	19,306

Please take note that in relation to the disclosure of AASB 9 an company is not required to disclose the line item amounts that would have been reported in accordance with the classification and measurement requirements of AASB 139 for the current period.

(q) New accounting standards and interpretations

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The Board of Directors are in the process of completing its impact assessment of AASB 16. Based on a review of the Company's current commitments, the effects of AASB 16 are not expected to have a material effect on the Company as the current lease commitment is expected to expire prior to the end of next financial year.

AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the company to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the company to acquire or construct a recognisable non-financial asset that is to be controlled by the company) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the company satisfies its obligations under the transfer.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the company has recognised all of the income in accordance with AASB 1004: *Contributions*.

The Board of Directors are in the process of completing its impact assessment of AASB 1058. Based on a preliminary assessment, the effects of AASB 1058 are not expected to have a material effect on the Company.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 2: Summary of Significant Accounting Policies (continued)

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

The Board of Directors are in the process of completing its impact assessment of AASB 15. Based on a preliminary assessment, the effects of AASB 15 are not expected to have a material effect on the Company.

Note 3: Critical Accounting Estimates and Judgements

Those charged with governance make estimates and judgement during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are made 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.

The significant estimates and judgements made have been described below.

Key Estimates – Employee Provisions

As described in the accounting policies, provisions are measured at management's best estimates of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further is obtained.

Key Estimates – Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Note 4: Revenue and other income			
Membership subscription		262,928	249,195
Sponsorship income		369,078	340,919
Bookshop		5,504	8,346
Seminars & events		113,962	100,348
SCA (Qld) Ltd strata conference		149,707	72,635
Total revenue		901,179	771,443
Other income			
Interest received		7,847	5,310
Profit on sale of non-current assets		-	1,045
Sundry		2,232	-
Total other income		10,079	6,355

Note 5: Result for the year

The result for the year includes the following specific expenses:

Depreciation and amortisation expenses	6,183	5,166
Impairment of receivables:		
- Bad debts	-	-
Rent expense	56,998	55,087

Note 6: Income tax expense

(a) The major component of tax expense comprise:

Current tax expense		
- Local income tax - current period	-	-
Deferred tax expense		
- Under provision in respect of prior years	-	-
	<u>-</u>	<u>-</u>

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note	2019 \$	2018 \$
Note 6: Income tax expense (continued)		
(b) Reconciliation of income tax to accounting profit:		
Prima facie tax payable on profit from ordinary activities before income tax 27.5% (2018: 27.5%)	5,187	12,048
Add:		
Tax effect of:		
- Expenditure relating to income derived from members	244,272	201,080
- Under provision of income tax in prior years	-	-
Less:		
Tax effect of:		
- Income derived from members	247,893	212,147
- Non-assessable income	-	-
- Other	1,566	981
Income tax expense	<u>-</u>	<u>-</u>
Note 7: Cash and cash equivalents		
Cash at bank and on-hand	500,042	531,157
Total cash and cash equivalents	<u>500,042</u>	<u>531,157</u>
Reconciliation of cash		
Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	<u>500,042</u>	<u>531,157</u>
Note 8: Trade and other receivables		
CURRENT		
Trade and other receivables	19,140	14,867
Other receivables	-	3,754
Total current trade and other receivables	<u>19,140</u>	<u>18,621</u>
NON-CURRENT		
Security deposit - premises	41,460	41,460
Total non-current trade and other receivables	<u>41,460</u>	<u>41,460</u>
a) Financial assets classified as loans and receivables		
Trade and other receivables		
- Total current	19,140	18,621
- Total non - current	41,460	41,460
Financial assets	<u>60,600</u>	<u>60,081</u>

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Note 9: Property, plant and equipment			
PROPERTY, PLANT AND EQUIPEMENT			
Furniture & fittings			
At cost		3,273	3,273
Accumulated depreciation		(2,656)	(2,277)
Total furniture and fittings		617	996
Computers & office equipment			
At cost		21,511	14,875
Accumulated depreciation		(13,335)	(7,722)
Total computers & office equipment		8,176	7,153
Leasehold improvements			
At cost		2,772	2,772
Accumulated depreciation		(2,313)	(2,092)
Total leasehold improvements		459	680
Total property, plant and equipment		9,252	8,829

Note 9 (a): Movement in carrying amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture & fitting	Computer & office equipment	Leasehold improvements	Total
	\$		\$	\$
Year ended 30 June 2019				
Opening balance	996	7,153	680	8,829
Additions at cost	-	6,636	-	6,636
Depreciation expense	(379)	(5,613)	(221)	(6,213)
Balance at the end of the year	617	8,176	459	9,252
Year ended 30 June 2018				
Balance at the beginning of the year	1,224	4,199	282	5,705
Additions	1,131	7,759	730	9,620
Depreciation expense	(1,359)	(4,805)	(332)	(6,496)
Balance at the end of the year	996	7,153	680	8,829

Note 10: Other assets

Prepayments	38,666	44,954
Total other assets	38,666	44,954

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note	2019 \$	2018 \$
Note 11: Trade and other payables		
Current		
Trade payables	9,344	8,108
GST payable	26,380	29,676
Other payables	12,524	11,198
Total current trade and other payables	48,248	48,982
a) Financial liabilities classified as trade and other payables		
Trade and other payables;		
- Total current	48,248	48,982
Less:		
- GST & PAYG Payable	(26,380)	(29,676)
Financial liabilities classified as trade and other payables	21,868	19,306
Note 12: Employee provisions		
Current		
Employee entitlements	27,754	18,919
Non-current		
Employee entitlements	13,439	8,542
Total employee provisions	41,193	27,461
Movement in carrying amount		
	Employment entitlements	Total
Opening balance	27,461	27,461
Additional provisions	13,732	13,732
Balance as at 30 June 2019	41,193	41,193
Note 13: Other liabilities		
Deferred income	143,324	213,846
Total other liabilities	143,324	213,846

Deferred income relates to the membership, sponsorship and seminar and event income received in advance.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Note 14: Capital and leasing commitments			
Operating leases			
Minimum lease payment under non-cancellable operating leases:			
- Not later than one year		38,384	52,263
- Between one year and five years		-	36,671
Total operating leases commitments		38,384	88,934

Operating leases have been taken out for the premises occupied by the company.

Note 15: Financial risk management

The Company's financial instruments consist mainly of deposits and borrowings with banks, accounts receivable and accounts payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets at amortised cost:			
Cash and cash equivalents	7	500,042	531,157
Accounts receivable and other debtors	8	60,600	60,081
Total financial assets		560,642	591,238
Financial liabilities at amortised cost			
Trade and other payables	11	21,868	19,306
Total financial liabilities		21,868	19,306

Note 16: Key management personnel disclosure

There is no remuneration or benefit provided to the directors of the company. The total remuneration paid to the key management personnel of Strata Community Association (Qld) Limited during the year was 125,645 (2018: 88,664).

Other key management personal transactions.

For detail of other transactions with key management personal, refer to note 18: Related party transactions.

Note 17: Contingencies

In the opinion of the directors, the company did not have any contingencies at 30 June 2019 (30 June 2018: None)

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2019

Note 18: Related parties

The company's main related parties are as follows:

Key management personal:

Any person(s) having authority and responsibility for planning, directing and controlling the activity of the company, directly or indirectly, including any director (whether executive or otherwise) of that company are considered key management personnel

For details of remuneration disclosure relating to key management personal refer note 16: Key Management Personal Disclosures.

All of the directors are members of the company and pay subscription and contributions on the same terms and conditions as all other members. There were no loans or transactions to or from Directors during the current and previous reporting periods.

Note 19: Member's Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2019, the number of members was 824 (2018: 744).

Note 20: Events after the Reporting Period

The Board of Directors' are not aware of any significant events since the end of the reporting period.

Note 21: Company details

The registered office of the company is:
Level 2, 67 Astor Terrace,
Spring Hill, QLD 4004

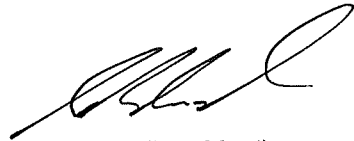
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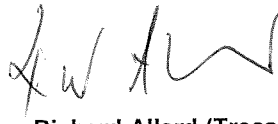
Directors' Declaration

In accordance with a resolution of the directors of Strata Community Association (Qld) Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 27, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements applicable to the company; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Simon Barnard (President)



Richard Allard (Treasurer)

20 August 2019
Brisbane, Queensland

Independent Auditor's Report to the Members of Strata Community Association (Qld) Limited

Opinion

We have audited the financial report of Strata Community Association (Qld) Limited ("the Company") which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company.

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

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HLB Mann Judd (SE Qld Partnership)

Level 15, 66 Eagle Street, Brisbane QLD 4000 | GPO Box 5225 Brisbane QLD 4001

T: +61 (0)7 3001 8800 F: +61 (0)7 3221 0812 E: infobne@hlbqld.com.au

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Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



HLB Mann Judd
Chartered Accountants

Brisbane, Queensland
20 August 2019



A B Narayanan
Partner