

2019/20 ANNUAL REPORT



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QLD



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HIGHLIGHTS

92%

increase in management
individuals over the last
decade

54%

increase in total
event attendance in
the last year

91%

increase in
seminar/webinar
attendance since last year

120%

increase in social media
following

PRESIDENT'S REPORT



Taking over from long standing President Simon Barnard last year, I was expecting my first year to be challenging. But no one could have predicted the scale of challenges in the year we just had. To say that we underestimated what 2020 would throw at our industry is an understatement.

The Board, comprising four new directors, have worked solidly with the Executive Officer and the SCA (Qld) staff to support and inform members.

2019 was spent with a heavy focus on the combustible cladding regulation that had significant impact on the sector due to its tight deadlines, lack of clarity and teething problems with availability of suitably qualified and insured experts. This work increased our public profile and strengthened our relationship with both the Housing Minister and the Queensland Building and Construction Commission, resulting in appointment to their respective Ministerial/Departmental Stakeholder Councils.

I expected to be writing about the completion of the property law review which I know Simon had been tirelessly advocating for. It is disappointing that again I can only give an update on further progress made. SCA (Qld) provided critical input into the final round of targeted consultation for the new BCCM Regulation Modules over the summer. Our submissions to the Department of Justice expressed concern that sections of the draft were overly convoluted, require specialist knowledge, and would decrease transparency. Resulting in further reliance on strata managers and lawyers as well as a greater burden on the Office of the Commissioner for Body Corporate and Community Management. We expect that the new modules will reflect around 95% of our views, including reforms that will do much to modernise body corporate procedures, reduce body corporate costs and enhance protections for owners. Encouragingly, almost all the recommendations from our previous submissions have been incorporated into the new drafts, so we can thank the government for ensuring it was a collaborative effort where they actively listened to stakeholders.

We managed to get the state conference in days before the country went into lockdown. It was a very successful conference and probably one of the last large-scale social events our members were able to attend this year. Late March to May 2020 was largely focussed on assisting members with much needed COVID-19 information including news updates with Best Practice Guides for every stage of the restrictions but also pop-up webinars about best-practice, levies, and legislative requirements, ensuring our members can advise their clients with confidence.



PRESIDENT'S REPORT CONTINUED

I would like to thank all those presenters that helped us help members understand the restrictions, work through the details and came out with their head up. I've also raised a few matters with the Attorney-General we came across relative to the management of the pandemic on a day to day basis. In general, the response from her office was good but it was disheartening that our requests for clarity were not translated into legislation like it was in the real estate sector and many others, at least not by the end of the financial year.

One of my goals is to advance the profession to the tertiary sector and related industry sectors, so I instigated with Bond University to collaborate on ways in which both our organisations can promote careers in the strata industry to their students and graduates. Due to COVID-19 our attendance at the Bond University Career Fair at the Gold Coast in March is delayed, but we are nevertheless holding a Strata Industry Project that will be the starting point to draw more attention to our sector and raise interest to consider a career in strata. In February I presented at the Safe Buildings and Defects Summit, which brought together key government policy makers and building and construction industry professionals from across Australia. I took the opportunity to advocate for greater owner protections, spoke of the need to have better documentation at the development stage with more solid certification criteria, and discussed potential actions at the post-development stage for bodies corporate who find themselves with building issues.

I must express to our members how solid SCA (Qld) stands today. Immediate past Treasurer Ric Allard has certainly been a driving force to ensure our retained earnings sit at a moderate level, giving the Board peace of mind that a "rainy day" such as the pandemic will not make SCA (Qld) fold.

During the year we also saw a change in our long standing Commissioner for Body Corporate and Community Management Chris Irons passing the baton first to the BCCM Office's Manager of Conciliation Services, Jane Wilson, as now Acting Commissioner and then to Michelle Scott. Chris has been a pleasure to work with over the 5 years in the role and we look forward to retain a relationship with him as a member of SCA (Qld).

It has been a collaborative effort to adapt to the new environment, implement services, and deal with the restrictions. I can speak on behalf of everyone when I say that we at SCA look to the new year to continue providing our members with the best service, education, and advocacy we can.

I thank our immediate past president Simon Barnard for seven years of dedicated service as the chair of SCA (Qld), the work of the Board over the last 12 months and our Platinum Partners of last year Macquarie Bank, CHU, Grace Lawyers, StrataMax, LPE and Body Corporate Brokers. I thank the SCA (Qld) team and all volunteers who have supported our committees and working groups. May 2021 be an exciting, less trialing year for all of us.



JAMES NICKLESS
PRESIDENT

IMMEDIATE PAST PRESIDENT FAREWELL: SIMON BARNARD



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 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 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 prohibited 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.

A handwritten signature in black ink, appearing to read 'Simon Barnard', written in a cursive style.

SIMON BARNARD
IMMEDIATE PAST PRESIDENT



EXECUTIVE OFFICER REPORT



This past year has taught us all many lessons - in relation to resilience, leadership, community, humanity, and most of all gratitude. 2019 was a year clouded by Combustible Cladding Regulation which brought much confusion, angst and frustration to the Queensland body corporate sector.

I partnered with then President Simon Barnard as we went public in fighting for the lot owners, clarifying the guidelines on what constitutes combustible cladding and changing the timelines. The Minister for Housing and Public Works Mick de Brenni eventually agreed with our views on the lack of clarity on the combustibility of some building materials and the difficulty in completing the required audits in the expected timeframes. Effecting a change of the regulations twice is a tremendous advocacy achievement that SCA (Qld) can be proud of for years to come.

However, resting on past success is not how we tick. 2020 certainly evolved into the year where we had an opportunity to shine and show our strengths. I commend every one of our staff and volunteers on their tenacity, the ability to step up and work collaboratively to make SCA (Qld) the leader that it is.

The COVID-19 pandemic unfolded in Australia merely a few days after our 2020 Conference wrapped up and I have to thank my team in particular for performing at their absolute best, even when their part-time status made it difficult at times. Moving into remote office work within a day, we changed our calendar of events, revised venues, put our heads down to identify the right info for our members and organised ad hoc info sessions. I must thank our part-time Membership and Administration Coordinator Rowena Neal who provided a seamless technology transition for the team, being the first port of call and keeping up with the enquiries by our members, converting many into membership. Our Training, Events and Sponsorship Coordinator Helen Ngo, supported by part-time Assistant Chloe van Rooyen, became the virtual wizard who briefed all our pop up webinar presenters at lightning speed, taking on seven additional webinars on top of our CPD calendar within the space of a few weeks. Part-time Communications Coordinator Peter Cotterill and I ramped up our member news bulletins as needed (bi-weekly), including all the strata relevant content and creating half a dozen best practice resources for members to send to their clients. I also thank our part-time Finance Coordinator Lisa Barnett who familiarised herself with the new government support options and vigilantly monitored the day to day work of keeping us financially in check.

But 2019/20 was also the year in which we loaded ourselves up with new education initiatives, CPD benchmarks and owner-focused courses as well as taking on accreditation courses to better equip our members and raise awareness in the industry.



EXECUTIVE OFFICER REPORT

Member services are critical to our objectives and I'm proud to say that we implemented the Human Resources Advice access service and Member Assistance Program throughout the year – free access for individuals employed by corporate members. The successes of 2019-20 are on many fronts. I count our education program as one of those. From an initial 23 registrations per webinar in our first year 2016, we are now averaging 60-80. This is a result of our well-honed marketing and communications strategies. It is also due to our unique, new Unlimited CPD Seminar package, designed to save money and make the registration process for a CPD seminar that much easier. Our social media presence has increased over the year with more succinct public engagement. Government Relations is at a point where we have a seat on the important stakeholder forums and able to get private conversations with the decision makers, such as the presence of our Attorney-General Yvette D'Ath at the Christmas Networking in Brisbane for a whole two hours.

Our membership has grown to just under 1,000 individuals which is an incredible achievement mainly due to the membership role having expanded and more awareness about the benefits. In May 2020 we celebrated our volunteers over a week and it was great to say thank you, and to see the enthusiasm for our organisation. Our move to Queen Street saves us substantial rent while positioning us in the central business district and providing a better fit out training room and office to deliver education excellence. Our committees have worked tirelessly to establish the accreditation process and improve our education offerings and in 2020, there are more points to be achieved, increasing professionalism in the sector. Ultimately, the reputation of professional body corporate managers hinges on the self-regulation SCA (Qld) rolls out in the state. Setting the benchmarks is in member's interest and I'm pleased to see that our member engagement is at a high.



KATRIN WATSON
EXECUTIVE OFFICER

SCA (QLD) STAFF



Katrin Watson
Executive Officer



Helen Anforth
Training, Events and
Sponsorship Coordinator



Stephanie Collins
Marketing and Communications
Coordinator



Lisa Barnett
Finance Coordinator



Suzanne Anderson
Training and
Administration Support



Rowena Neal
Memberships and
Administration Coordinator



Peter Cotterill
Media and Communications
Coordinator



Chloe van Rooyen
Events and
Training Assistant

Non-current staff members

FINANCIAL SUMMARY

SCA (Qld)'s business activities in 2019-2020 have exceeded a turnover of \$1 million, the first time since parting with the RTO in 2013. This year was filled with many new education offerings which have resulted in this higher income, also reflected in record engagement by members. While average registrations for CPD seminars remained around 55, the overall attendance at any SCA (Qld) function increased from 2433 (50 functions) in 2018/2019 to 3753 (68 functions) in 2019/2020. Turnover is up by 10% from the financial year end 2019 and 22.3% from the end of the financial year 2018. The overall surplus of \$50,223 was added to a healthy retained earnings balance of \$376,915. It is recommended for non-profit organisations to have at least 9 months of operating expenses accrued in retained earnings as they are vulnerable due to the discretionary nature of membership and sponsorship spendings.

The organisation's membership fees remain a major source of income at \$278,000 (GST excl), supporting many of the education and networking events to stay at a low fee level. Membership income exceeded budget by 3.5% and has increased by 20% since 2015. Another major source of income for SCA (Qld) is corporate sponsorship which was achieved at 11% more than anticipated in the annual budget, resulting in \$318,000 (GST excl) fees. This represents 36% more revenue than in 2015, demonstrating the great return on investment our sponsors see from the organisation.

The expenses relate to staffing at only 33.6% of income for 4.3 full time equivalent staff, 28% of income was directly used to run education for members and 4% to run networking events. 10% of income is spend on the capitation fee to SCA National.

FROM THE PRESIDENT COMMISSIONER IRONS RETIRES




After five years in the role as Commissioner for Body Corporate and Community Management, Commissioner Chris Irons stepped down in February 2020. SCA (Qld) has always had a great relationship with the Office of the Commissioner, but thanks to Chris' efforts to listen to our concerns, actively seek feedback from our members, and educate the community, we've been able to work even more closely for the benefit of all levels of strata.

His expert knowledge of the legislation, as well as body corporate issues, has enabled him to implement changes to the Office's processes and expand the dispute resolution service, thereby accelerating decisions on body corporate matters. It's a vital outcome for bodies corporate and one that will have a lasting impact on community living.

We would like to express our deepest gratitude for all his assistance over the years, with a special acknowledgement to his availability at our conference, roadshows, and networking events.


2019/20 Scorecard



1150 memberships

309,145 lots

691 strata management individuals

170% in the last decade 

3,753 total attendees at **68** events



2,325 registrations at 34 webinars


- 785** : 7 COVID-19 Webinars
- 468** : Annual Conference (incl. dinner)
- 291** : End of Year Networking
- 172** : Golf Day
- 80** : Annual General Meeting

6th Annual Qld Strata Community Awards


1 National award winner from Qld

Over **100** nominations across Qld



199 different emails 

126,834 recipients

12 Resort News editorials 

5 Inside Strata Articles

NEWS

34 media releases **24** media mentions



- 4 new Board Directors
- Welcomed a Delegation from Singapore
- Implemented CPD Audits and Self-Monitoring
- Inaugural Lot Owner Day
- Volunteer Week Celebration with Acting Attorney-General Stirling Hinchliffe



Lot owner education

In 2019/20 SCA (Qld) committed to educating lot owners in strata through **3 events**

- 10** Committee Training
- 60** Owner Strata Starters
- 120** Low Owner Day
- 190** Total lot owners educated

522 original social media posts

241,161 impressions

6-10% engagement per post

2164 total followers



423 followers



1402 followers



143 followers



196 followers

Expanded member benefits

- Member Benefit: HR Business Assist
- Member Mental Health Assistance Program
- Lot Owner Education
- Unlimited CPD package

- Election Priorities
- Seat on Ministerial Construction Council, Ministerial Housing Council, QBCC Stakeholder Forum, BCCM Stakeholder Group Meetings with Attorney-General, Shadow Attorney-General, Housing Minister, Noosa Shire Council, Queensland Urban Utilities, Queensland Fire and Emergency Services, Queensland Health, Insurance Council of Australia
- Presented at Safe Building and Defects Summit
- 5 COVID-19 Submissions
- ACCC NQ Insurance Submission
- Renting in Qld Regulatory Impact Statement
- Private feedback on QBCC Strategy
- 5 BCCM Regulation Submissions and targeted stakeholder consultation

Top 5 wins

- 1** COVID-19 Best Practice Guides
- 2** Volunteer Week thank you
- 3** Contribution to QBCC Strategy
- 4** Clarification on Smoke Alarm Liability
- 5** BCCM Regulation Additions

2020 AWARDS FOR EXCELLENCE

The SCA (Qld) 2020 Awards for Excellence recognise and celebrate our most outstanding individuals; those who have driven efficient processes, achieved success, motivated teams, promoted innovation or made important contributions to their communities. Congratulations to all the Award winners for 2020. The high-quality of submissions, along with the record number of nominations, meant the judges had some particularly difficult decisions to make.



Jasmine Thompson
Strata Community Manager
- Rising Star



Julie MacCarthy
Senior Strata Community
Manager



Tahlia Puck
Essay Award



Melitta McDonald
Support Team Member



Yule Strata
Strata Management
Business (Small)



**Northern Body Corporate
Management**
Strata Management
Business (Large)

AWARDS SPOTLIGHT



Simon Barnard
President's Award

The 2020 President's Award was given to immediate past President Simon Barnard to acknowledge his dedication and service to not only SCA (Qld), but to the whole strata industry. Simon's contribution to the strata industry and SCA (Qld) is that he has put SCA (Qld) on the map of policy makers, educated authorities on the unnecessary complexities of industry laws and took a stance to safeguard against new regulations that would have harmed the spirit of community living.



Luke Norman
Strata Community Manager

Luke Norman was awarded Strata Community Manager of the year for Queensland and then went on to take out the National Strata Community Manager award. Luke believes that in addition to his high level of customer service, it is the speed at which he works and solves multi-faceted problems with differing deadlines that ensures this high level of client satisfaction



ADVOCACY

BCCM MODULES

After nearly six years of consultation, the first of several draft regulations have finally been prepared and the last round of community involvement commenced in August 2019. However, at the end of financial year the regulations still had not been passed. The reforms aim at streamlining and modernising body corporate procedures, reducing body corporate costs and enhancing protections for unit owners.

COVID-19 ADVOCACY

During the COVID-19 pandemic, SCA (Qld) advanced member and consumer issues to the Attorney-General, the Department of Housing and the Chief Health Officer of Queensland. The five COVID-19 Submissions addressed:

- Quorums and meeting attendance in virtual environment
- Trades people permission to attend residences
- Interim appointments for body corporate managers
- Caretakers to be deemed essential services
- The difference between strata and commercial gyms and pools

ACCC NORTHERN AUSTRALIA INSURANCE CRISIS

In mid-2019 the Australian Consumer and Competition Commission published an update report on the Northern Australia Insurance Inquiry and, unfortunately, strata management commissions have come under fire. The SCA Ltd submission to the initial report focused on the end cost to the consumer with the belief that the removal of insurance management commissions would result in considerably increased additional service fees. The specialised knowledge attained by body corporate managers (i.e. knowledge of individual schemes AND understanding of specific strata insurance policies) is not currently replicated in the broader market, so if managers are removed from the transaction, insurance companies will also be forced to train staff to cover the gap and are likely to try to recoup some of the associated extra costs. SCA (Qld)'s submission focussed on the lack of provider choice and the unaffordability of full cover policies, giving voice to the northern strata communities during this difficult and frustrating time.

"Two years ago, the real concern was the escalating premiums. It is now that insurance simply is not available to some strata communities. The situation is worsening with each month that passes as more insurers are withdrawing from the northern market or limiting their offering in a substantial way. This is now becoming a crisis," – excerpt from the SCA (Qld) submission.



SCA (QLD) TO HAVE A SEAT ON THE MCC

Following our COVID-19 related correspondence to the Department of Housing in April 2020, Housing Minister de Brenni invited SCA (Qld) to join the Ministerial Construction Council, in addition to the seat on the Ministerial Housing Council held since 2017.

SCA (Qld) joined the Construction Council for a meeting in 2019 discussing the issue of certifier insurance related to cladding and this seat will give us a chance to address the expansion of the statutory warranty scheme for buildings over 3 storeys.



COMBUSTIBLE CLADDING

2019 was dominated by the Cladding Regulation and SCA (Qld)'s double win in relation to an extension to the reporting timeline as well as amendments to the Guideline that assist Building Industry Professionals (BIPs) in assessing schemes at stage 2 of the Safer Buildings Initiative. The Guidelines include an additional four pages with quite detailed references to the Building Code of Australia (rather than the Regulation), instructing which parts of the building that BIPs should consider and in what context. SCA (Qld) also achieved that schemes can change their declarations made in stage 1 or 2 if, following the amendment to the guideline, the assessment would have had a different outcome. Stage 3 of the deadline completes in May 2021.

NOOSA COUNCIL POOL CERTIFICATIONS

As of the 1st of July, strata schemes with pools in the Noosa Council area may be required to obtain a licence to demonstrate that water quality conforms to Queensland Health guidelines. Not all bodies corporate will be affected, but all schemes with pools will need to complete the application form with as much information as possible. This data will then be used to categorise the pools as low, medium, and high risk. All "public pools" are required to obtain an annual approval to operate. This will necessitate the completion of documentation outlining their water-quality testing timetable, maintenance schedule, and incident management plan. Noosa City Council believes this will help safeguard swimmers and prevent the spread of water-borne diseases.

TOW TRUCK LAW REVIEW

As the private property towing reforms have been in place since 2018, the government conducted a review of the private property towing changes. At the same time, the Department of Transport and Main Roads (TMR) also reviewed the regulated tow truck scheme in Queensland, with the aim of identifying changes to improve and modernise the scheme. SCA (Qld) provided a submission to the discussion paper which has been developed to consult with the tow truck industry, private property owners/occupiers, other interested parties and members of the public about the appropriateness, effectiveness and accessibility of towing services in Queensland.

NEW QLD WASTE LEVY

In March 2018, the Queensland Government announced the introduction of a waste levy to underpin a new Waste Management and Resource Recovery Strategy. The waste levy which commenced on 1 July 2019 provides an important market signal to reduce waste generation and the amount of waste disposed to landfill. The Queensland Government has stated that the waste levy will have no direct impact on households, including those with commercial waste collection. For most households, the Department of Environment and Science (the department) will provide payments to councils to offset the direct cost of the waste levy, but there are a small number of households with commercial waste collection arrangements that will not be covered by these payments to councils. To meet the Queensland Government's commitment for these remaining households, the proprietors of eligible residential premises may apply on behalf of their residents for a payment to offset the direct cost of the waste levy.

MEMBER SURVEYS AND ADVOCACY

1. Let us walk in your shoes

A project aimed to be taken to the government and other stakeholders, is our "Let us walk in your shoes" Project. Telling a strata manager's story is powerful and we collected the good, the bad and the ugly to share the sector's challenges with a wider audience. Both services and management members received an invitation to share real stories for us to use in our advocacy work and form a stakeholder group to discuss the role of managers as consultants. The survey results have been presented to the Education Planning Retreat in July 2020 and resources, seminars as well as further work will be delivered in 2020/21.

2. Election Priorities - What are strata's most critical issues?

SCA (Qld) commenced its work on the 2020 State Election in August 2019 by releasing a member survey exploring the most relevant issues for strata managers. From that survey, the Legislation Committee reviewed the issues and condensed them to five, which the board expanded to seven priorities, focussing on North Queensland insurance, consumer protection (Statutory Home Warranty Insurance, developer dispute resolution, strata manager licensing, caretaker enforcement order), self-governance (free by-law making) and body corporate manager protections. The priorities were presented to the major political parties, politicians and key stakeholders in the industry. In July 2020 SCA (Qld) launched its campaign to advance strata issues.

3. Australian Apartment Advocacy 2019

The Australian Advocacy survey in 2019 was responded to by more than 3,300 participants from WA, Qld, NSW, and Vic, supplying representative data to analyse trends from not only those states, but to compare nationally as well. AAA worked in partnership with SCA aiming to provide an accurate representation of residents' and owners' views to the strata industry allowing them to better meet the needs of the community.

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.

MEDIA

34
media releases

24
media mentions

Hold your horses: Body Corporate ban on Airbnbs unlikely to impact most Queenslanders



5 November 2019, Written by David Simmons

A landmark legal decision upholding a ban on Airbnbs in certain strata title complexes is unlikely to impact the broader industry.

For the first time in Queensland, a by-law banning short-term letting or Airbnb within a Gold Coast community has been successful.

The decision in the case of Fairway Island GTP v Redman and Murray is certainly ground-breaking, but only for a tiny minority of Body Corporates in the state.

Unit owners hit with big bills to ensure blocks comply with fire rules



Unit owners in some of Brisbane's older apartment blocks are having to pay six-figure body corporate bills to install new water pumps and water storage facilities to ensure firefighters have sufficient water pressure to fight fires.

Changes to Australia's National Construction Code a year ago required the installation of fire hydrant systems and fire pumps in residential buildings of between three and eight storeys.

Landmark Airbnb ban fuels fears of copycat cases



Kate Jackson Wednesday, November 6, 2019

0 1,493 2 minutes read



A Gold Coast body corporate has become the first in Queensland to legally ban Airbnb – but industry insiders are warning unit owners not to spend money seeking a similar outcome.

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BUSINESS

Strata body says governments need to act on high insurance

A group representing strata property owners has called for more to be done to resolve an ongoing insurance crisis in northern Australia.



QLD NEWS

2700 Queensland buildings still yet to be cleared of flammable cladding

Three years since a scheme to identify Queensland buildings covered in deadly flammable cladding was established, residents and workers of 2700 buildings across the state are still in the dark.

Thomas Morgan, Urban Affairs reporter, The Courier-Mail

Subscriber only | August 23, 2020 10:00pm

Residents and workers in more than 2700 buildings across Queensland still have no idea whether their buildings are potentially deadly fire traps, with the state's process for identifying flammable cladding slammed as being "slow" and secretive.

PUBLIC REACH

Education and advocacy for members and the public are the main purpose of SCA (Qld) and in 2019/20 our activities went further to raise the profile of SCA (Qld), create more awareness of the professional body corporate managers and help educate the public. Part of this mission is to extend advocacy that benefits the consumer, produce informative material and hold seminars that help educate.

LOT OWNER EDUCATION

Launching lot owner education as the new initiative to support our members, a strata starter course for lot owners was developed in early 2019 and rolled out for the first time during the year. This complimentary two hour course is facilitated by a body corporate manager, usually in a virtual format and at a convenient time for lot owners – evenings. Further, SCA Ltd has also passed the Committee Training course to Queensland to deliver to lot owners that have an interest in committee management. This course runs over a half day, contains five modules and is an excellent introduction to being a committee member.

In March 2020, SCA (Qld) held its inaugural Lot Owner Day, preceding the Annual Conference. Attendance was strictly for lot owners and 120 of those benefitted from a complimentary day of education, supported by six sponsors who helped fund the Forum.

COVID-19 CONSUMER ADVOCACY CAMPAIGN

From March – June 2020, SCA (Qld) took initiative to escalate some COVID-19 pandemic restrictions related matters to the Attorney-General. We brought up the difficulty to comply with legislation regarding meeting quorums and virtual meetings, to consider caretakers as essential services if a full lock down was to occur, sought clarification with the Department of Housing on whether tradespeople can work on site and we supported REIQ's campaign against the Rental Relief Package which was successful in changing the government's approach.

We further developed various Best Practice Guides for Lot Owners and generally managing bodies corporate affairs during the restrictions of Stage 1, 2 and 3. These were made available not only via our member newsletter, social media and a dedicated COVID-19 Knowledge Hub on the Homepage but sent to a non-member database of lot owners. Liaising with the media was an important part to assist with the issues arising from levy collection and owners that may be unable to pay.



SOCIAL MEDIA

Since July 2019 we have had just under 250,000 impressions across our four social media platforms. We have a high engagement rate on our two main platforms – Facebook and LinkedIn. The industry standard engagement rate for Facebook is 5%, and SCA (Qld) has an average 6% engagement rate. The industry standard for LinkedIn is 2% and SCA (Qld) has an outstanding engagement rate of 10%. SCA (Qld) also created an Instagram page to reach the public through another platform. From 981 total followers on 30 June 2019, we have now increased our followers by 120% - with 2164 total followers. SCA (Qld) also launched its brand new website in June 2020. It was designed to be more user-friendly with the homepage containing links to all of the key pages. It is easy to navigate and bursting with information. It now has designated owner content, an events hub and a COVID-19 page was created to ensure all members could find all of our additional information and support as soon as they went to our website



522
original social
media posts



241,161
impressions



2164
total followers



6-10%
engagement
per post



423
followers

↑ **72%**
increase



1402
followers

↑ **120%**
increase



143
followers

↑ **49%**
increase



196
followers



Click for Owners Information

Click for COVID-19 Qld Up

Why get involved with SCA (Qld)

- Representation authorities
- Promotion of its managers to its advocates
- Establishers and ethical standards
- Professional on workshops, conferences, seminars on the Member only meeting, and



View Insights

Promote



scaqld Most of the SCA team from around the country meeting to work on our value proposition at our National Strategy Day. Great to see everyone and work towards our common goals!

22 January

Strata Community Association (Qld)
1,408 followers
Smo •

The initial #defects #repair bill was \$7 million, but that has since sky #building cracks have continued to appear. An extra \$21 million in it be paid on the current cost estimates over a 15 year period for a total (or \$400,000 per unit). Tough price to pay for someone else's mistake

#strata #bodycorporate



We'll all go bankrupt: Mascot Towers repair bill to hit \$53 million

ibc.net.au • 3 min read

15 • 1 Comment

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Organic impressions: 674 Impressions

Congratulations to Northern Body Corporate Management who took home our Strata Community Management Business (Large) of the Year Award at the 2020 SCA (Qld) Awards for Excellence!

After the "1-in-500-year flood" that struck Townsville in early 2019, Northern BCM activated their emergency working procedures. With their office inaccessible, staff worked remotely, tirelessly assisting their clients through the insurance claims process despite the uncertainty surrounding their o... See More



1,021
People Reached

392
Engagements

Boost Post

22

3 Comments 6 Shares

Show stats

MEMBERSHIP SERVICES

This year we've implemented more member services than ever before, looking at what members, in particular small to medium size members may need support in. Most members manage 1200 lots or less, so the focus was to provide business support that does not directly relate to managing clients but the company and talent.

UNLIMITED CPD PACKAGE

Since July 2019, SCA (Qld)'s new Unlimited CPD Package is up and running. The arrangement provides businesses with the option to pay a fixed amount for their employees' seminar and webinar access all year round. The cost is tiered to suit the size of companies and their number of lots, and it is not mandatory to sign up to the unlimited scheme. The package includes all webinars, either attending in person or digitally, but excludes other SCA (Qld) educational offerings such as Roadshows, Strata Starters, or Masterclasses. The fee structure is designed to benefit companies who want their managers to be accredited or certified to use the full range of our monthly CPD offerings. Unlimited takes out the administrative burden of approving every CPD seminar registration and helps limit the cost for ongoing CPD. In its first year 31% of members took advantage of the package.

EDUCATION AND ACCREDITATION COURSE OFFERINGS

Listening to member feedback, SCA (Qld) ran a 12-month Masterclass focussing on leadership skills development for both industry executives as well as Emerging Leaders. Five workshops each were held every 2-3 months and the topics enlightened attendees.

In 2019 the SCA (Qld) team also took over the national accreditation course A100 to run with Queensland trainers from the Queensland office. This qualifying course for the level of accredited strata community manager has been well received, enabling more than 50 members to consider moving up to the level of accredited strata community manager.

TEMPLATE AGREEMENTS

Providing a new member benefit, we have developed new Standard Administration Agreements as applicable under BUGTA and MUDA. These have been added to the existing Standard Administration Agreement, the Building Management Statement Agreement and the Part 5 Administration Agreement which members are entitled to use.





In addition to the new offers in 2019/20, SCA (Qld) members continue to benefit from:

- Access to the accreditation pathway including post nominal credentials
- Member only education program
- Complimentary venue hire for the SCA (Qld) Training and Board room
- Complimentary industry magazine Inside Strata
- Listed in corporate directory
- Eligibility to enter the annual Awards for Excellence

MEMBER BENEFIT PARTNER - HR BUSINESS ASSIST

Since March 2020, HR Business Assist are available for members to access and received specialist human resource advice. SCA (Qld) and HR Business Assist have designed a tailored HR service offering for Strata Community Association (Qld) principals and senior managers of strata services and management members. This specialised SCA (Qld) offering provides exclusive member access to an array of valuable HR support options including unlimited telephone phone advice, access to newsletters, updates, alerts, blogs, videos, legislative updates and modern award interpretation, access to a suite of HR documents including contracts of employment, and discounted ad hoc advice through HR Law and HR Business Assist.

MEMBER BENEFIT - EMPLOYEE ASSISTANCE PROGRAM

SCA (Qld) commenced trialling an Employee Assistance Program (EAP), a solution focused assistance program to support our commitment to enhance the emotional, mental, and general psychological wellbeing of our members. SCA (Qld) identified the need for counselling support as part of the "Let us walk in your shoes" survey conducted early in 2020. This confidential counselling service by an external provider will help members find the support they need to better understand and clarify issues that directly concern them, explore options to address those issues, and develop plans to find constructive solutions. Since 1 June, registered corporate members and their nominees have been able to access the fully confidential service.

NON-MEMBER EDUCATION SUPPORT

Tooting the horn on behalf of professional body corporate managers is part of SCA (Qld)'s mission, so in 2019/20 we implemented a few new education courses for non-members.

- A course for Strata Services to explain the sector's intricacies and help them to pitch to committees
- A complimentary Owners Strata Starter, recommending to members to use the opportunity for free education of their clients
- A five module Committee Training course that assists Committee members and those that want to be on what their roles and responsibilities are

COVID-19 SPECIAL SERVICES

As the COVID-19 pandemic evolved, SCA (Qld) rolled up their sleeves and increased communication to members to assist with their client support.

Best Practice Guides

We provided several Best Practice Guides at every stage of the Roadmap to Recovery as released by the Queensland Government. These guides summarised the Queensland Health Non-essential business, activity and undertaking Closure Directions, the Home Confinement Directions as well as the Movement and Gatherings Directions and contextualised these to the strata sector.

- COVID-19 Return to Normal – Roadmap Stage 3, Revised 3 September 2020
- COVID-19 Return to Normal – Roadmap Stage 3, Version 23 July 2020
- COVID-19 Return to Normal – Roadmap Stage 2, Version 3 June 2020
- Guidance on the Validity of Electronic Meetings, May 2020
- COVID-19 Return to Normal – Roadmap Stage 1, Version 13 May 2020
- Building Manager's Guide, Version 8 April 2020
- Lot Owner Guide, Version 1 April 2020
- COVID-19 Best Practice Strata Management, Version 25 March 2020

Complimentary Education

785 members attended seven pop up webinars held at short notice to specifically to answer questions and inform. These pop up webinars focussed on how to set up a basic home office, best practice for legal queries, how to deal with levy issues, management challenges during COVID-19 and building safety.

March 2020

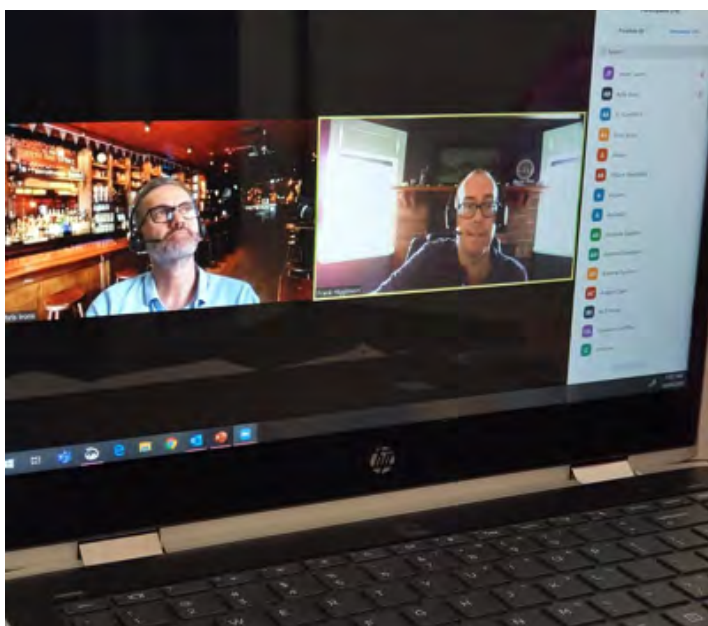
Legal BCM update FAQ webinar
Setting up a basic home office

April 2020

The body corporate balancing act
Management Challenges during COVID-19 FAQs
Levies and how to deal with them FAQ
COVID 19 - Best Practice FAQ for BCM's

May 2020

Building Safety in the New Normal (QFES)

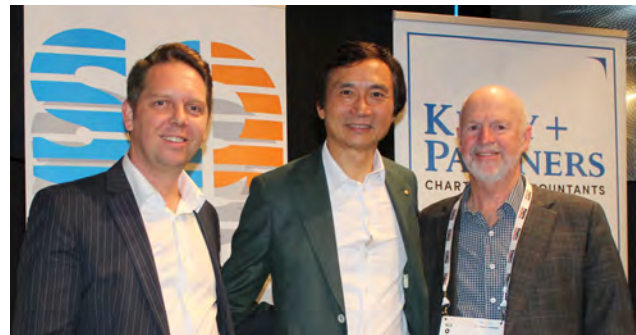


EVENTS

2020 ANNUAL CONFERENCE

The SCA (Qld) A Brain, A Heart & Courage Conference brought our members to Brisbane to hear from the Honourable Attorney General Yvette D'Ath, Acting Commissioner for BCCM Jane Wilson and outstanding keynote speakers Mao's Last Dancer Li Cunxin AO and Rabia Siddique. First time in Brisbane 276 total delegates, up from 230 in 2015. 58 day delegate tickets – highest ever (almost 3 times higher than highest to date). 37 BCM firms represented - 42% of SCA (Qld) BCM corporate members, 62 strata services companies attendees. Sessions which were popular included the keynote speakers, The Honourable Attorney General Yvette D'Ath, Restoring public confidence in the construction industry, Office of the Commissioner BCCM and The Great Debate.

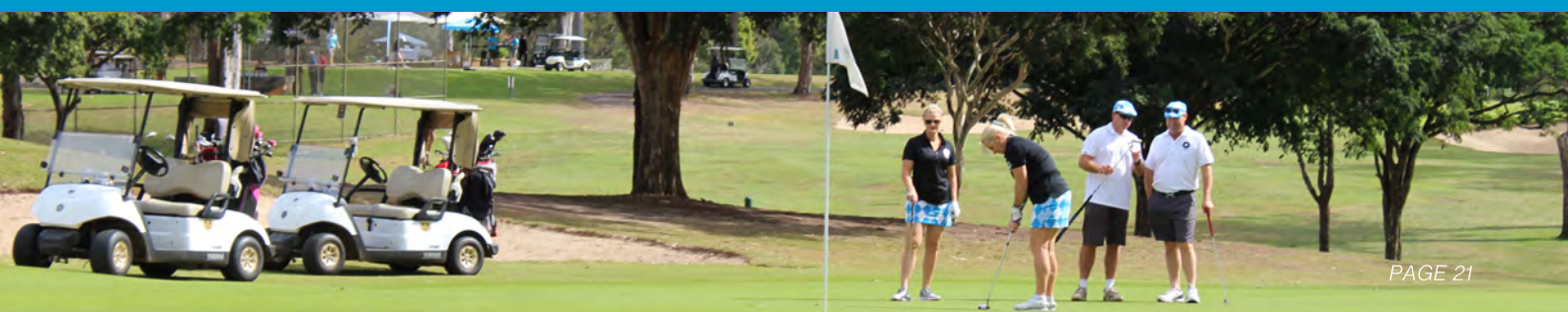
The program was created at the Education Planning Retreat and was finalised by the Education and Training Committee which continued with multi-stream program structure. The result was a program consisting of 25 sessions, across two streams, in two days.



2019 GOLF DAY

Despite the threat of showers and the five-minute downpour that pleased no-one but the ducks, 136 players made up the 34 teams vying for the prestigious SCA (Qld) Golf Day trophy.

Flying balls, divots, and sometimes even clubs, could be seen across the St Lucia Golf Course with all (okay, most) of the players bringing their A-game. The infectious spirit and creative games of our generous sponsors ensured that it was a day filled with fun, frivolity, and friendly competitive banter. Alas, there could only be one trophy winner on the day, and this year that honour went to Team North Shore Body Corporate with players Cathy Pashley, Huw Sprules, Scott Randall and Angela Fleming.



MASTERCLASS SERIES WITH SARAB SINGH

Over 12 months, we held five Masterclass Sessions for both Emerging Leaders as well as Industry Executives in strata. This series was designed to offer a leadership program and have high level content covering multiple topics, not all strata specific. We had 50 registrations across the five sessions.

In today's dynamic corporate environment, businesses must continually review and adapt their strategies and services. The successful businesses are the ones that learn, unlearn, and relearn. The Emerging Leaders' Masterclasses were open to all members (both services and management) and designed for those looking to finesse their management skills to step up to the next level, while the Directors' Masterclasses are exclusively for members in senior management, executive, or company decision making roles that enable them to make fiscal and business decisions. Themes included:

- Enhancing performance through emotional intelligence
- High performing teams
- Communication and influence
- Understanding and working with conflict negotiations
- Working with and leading change



2019 NYPE

Thirty of strata's future leaders joined us at a Brisbane cocktail bar for a relaxed discussion with the uber-talented musician, Alex Mills, complete with performances of his hit songs. He answered questions about his career and dispensed wisdom on handling pressure, negotiating, and dealing with negativity, all while making us tap our feet, nod our heads, and have fun with our peers.



2019 END OF YEAR NETWORKING

Over 280 members attended, enjoying the spirit of the season well into the night. As a comparison, the five networking SCA (Qld) events in 2012 attracted just over 100 people. This year, we had over 100 at the Brisbane event alone and an incredible 73 at the Gold Coast. It's a remarkable increase and demonstrates the level of passion our members have for the strata community.

2019 LEADERSHIP FORUM "I ♥ ME

At our Leadership Forum we had performance coach Lisa Stephenson mentor two dozen members and helped them discover their superpowers at the 2019 "I ♥ me" Leadership Forum in Adelaide. Coach Lisa reminded participants that investing in themselves is critical, with research indicating we need 25 days of learning per year just to stay relevant and even more to stay ahead of our colleagues (#LearningAgenda). Under Lisa's expert eye, the group explored their leadership capabilities, reviewed their life, made goals and commitments, and some even decided to "play big" this year. The group shared insights into their lives, the group laughed at personal stories, and enjoyed the closing function with some Oktoberfest Schnapps. The most personal and intimate Leadership Forum we've ever run brought together strata experts who now know what they want to be like when life gets hard – an important lesson considering how 2020 turned the world as we know it upside down.



NEW QUEENSLAND OFFERINGS

A100 FACILITATED BY SCA (QLD)

This comprehensive Strata Community Management course provides a practical overview for new managers as well as support staff and is an essential review for experienced managers. Participants have access to a 400 page online manual that is filled with sample forms and time-saving tips for working with homeowners, managers, committees, sub committees, and other industry professionals.

INAUGURAL LOT OWNER DAY

Our inaugural Lot Owner Day was complimentary thanks to the support of our six sponsors and we had over 130 attendees despite being held at the start of COVID-19 awareness. Over six sessions we promoted SCA's work for the consumers in Queensland and addressed common misconceptions around management rights and best practice on understanding your scheme, how to run meetings and deal with issues. Taking place in the heart of Brisbane, attendees heard from experienced strata services specialists, discussed solutions to common problems, and had the opportunity to ask questions about the things that matter most in their communities.



SERVICES STRATA STARTER

Designed to introduce services on how to win that pitch with the body corporate committees. To the uninitiated, the complex legislation surrounding strata committees, quorums, delays, non-voting members, and house access can all seem like unnecessary hassle. However, with strata laws and regulations unlikely to become less complex, it is vital that a supplier understands how to work within the system. We held our first Services Strata Starter and had 3 attendees.

COMMITTEE TRAINING

Our Committee Training event was designed at a national level, and fine-tuned for the Queensland market discussing running a committee and complying with legislation. We had 10 attendees at our single Committee Training event. This half day course is valuable for clients and aims to create more informed strata committees around the state, thereby decreasing the time needed to explain basic strata regulations. It is specifically designed to suit owners' needs and provide committees with the relevant strata knowledge to manage their schemes. The course comprises five Modules on governance, management strategies, committee operations, financial reporting, and facility management.

COMPLIMENTARY OWNER STRATA STARTER

SCA (Qld) decided to offer our Owner Strata Starters at no cost to attendees to fulfil our objective to raise the profile, create awareness of the SCA (Qld) brand and educate owners. 60 attended in this first year over the two sessions we held. Our first ever Owner Strata Starter was held in late November with 40 attendees tuning in to hear our presenter run through the basics of body corporate roles and responsibilities. Feedback has been incredibly positive, and we look forward to running similar evenings next year. We also offered a free recording of this webinar for viewing till the end of the year. Sharing this knowledge is a great way to add value to membership for owners, and we encourage members to share this free educational opportunity with clients.

In the 2019/20 financial year, SCA (Qld) held a total of 68 events, including 7 COVID-19 pop up webinars. There were a total of 3753 attendees across the 68 functions, which is a 54% increase from last year.

	CPD Series/ Webinars	Total ALL Functions	# of functions	average attendance per function
2017/18	938	1711	37	32
2018/19	1231	2433	50	49
2019/20	2325	3753	68	55

BOARD OF DIRECTORS



James Nickless
President



Kelly Roberts
Senior Vice President



Jonathan Flannery
Vice President -
Education



Grant Mifsud
Vice President -
Engagement



Duncan Lee
Treasurer



Ian D'Arcy
Secretary



Jason Carlson
Director



Nicky Crane
Independent Director



Andrew Davidson
Director



Con Iconomidis
Director



Tyson Pratt
Director

The SCA (Qld) Board of Directors consists of ten member elected Directors and an independent Director. Immediate Past President Simon Barnard served his maximum term as President and Board Director, and previous Vice President James Nickless was elected in the role of President. Duncan Lee took the role of Treasurer following Richard Allard's retirement from the Board.

COMMITTEES

AD HOC EVENTS GROUP

Bridget Blinco, Usher Group
Janette Comish, StrataMax
Jenny Strong, Macquarie Bank
Jodie Richardson, Strata Community Insurance Agencies
Julie MacCarthy, Capitol Body Corporate Administration
Kate Stephenson, Buildcheck
Mason Paynter, Body Corporate Brokers
Michael Phillips, Phillips Safety
Wendy Barnard, Hartleys Body Corporate Management

EDUCATION AND TRAINING

Amanda Sugden, Hartley's Body Corporate Management
Andrew Davidson, Noosa District BCM
David Midwood, BodyCorporate.com.au
Duncan Lee, Pinnacle Strata
Georgia Cook, Ace Body Corporate Management
Jenny Phillips, Capitol Body Corporate Administration
Jonathan Flannery, Body Corporate Services
Karen Thompson, Vision Strata
Kristi Kinast, Cassels Strata

LEGISLATION PANEL

Alex Malancioiu, Sunstate Strata
Ann Linford (Owner member)
Gabe Walker, Hartley's Body Corporate Management
Jason Carlson, Grace Lawyers
Michael Hurley
Nicky Lonergan, Archers
Sarah Kiley, BCSsystems
Todd Garsden, Mahoneys Lawyers
Wayne Farley, Body Corporate Services Gold Coast

PROFESSIONAL STANDARDS

Duncan Lee, Pinnacle Strata
Michael Kleinschmidt, Stratum Legal
Peta Balmer, TCM Strata
Peter Crogran, PICA Group
Scott Simpson, BCP Strata





VOLUNTEER WEEK

The week-long celebration aimed to recognise the generous efforts of volunteers like our committees and Board of Directors, who help change communities and change lives for the better. SCA (Qld) relies on our brilliant volunteers to deliver education, advocacy and networking that matters. We are extremely fortunate to have such a magnanimous and knowledgeable membership base. Without their help, we wouldn't be able to advocate for the industry and provide high-quality educational opportunities to our members. And we certainly wouldn't be the successful peak industry body that we are today. Our volunteers have made a huge difference to SCA (Qld) so we held a Zoom Volunteer Party to say thank you, to celebrate the spirit of giving back to our community. In the Attorney-General's stead the Honourable Sterling Hinchliffe sent Ms D'Ath's gratitude for the unpaid work of volunteers



EDUCATION PLANNING RETREAT

Following the success from last year's inaugural education planning retreat was the 2019 event. The events provided Body Corporate Management companies and their staff the opportunity to develop our 2020 education calendar and conference program. Knowing the strata community better than anyone, it is the perfect group of professionals to build our education calendar. Thank you to all those who attended and helped create such a successful program:

- Andrew Baker
- Andrew Davidson, Noosa District Body Corporate Management
- Anne-Maree Paull, CHU
- Bernadette Mackay, BCS
- Brendan Yule, Yule Strata
- Clare Stuart, Bright & Duggan
- David Midwood, BodyCorporate.com.au
- Duncan Lee, Pinnacle Strata
- Earl Muir, BCS
- Georgia Cook, Ace Body Corporate
- James Nickless, Chambers Russell
- Jason Carlson, Grace Lawyers
- Jenny Phillips, Capitol Body Corporate Administration
- Jevon Taane, Ernst Body Corporate Management
- Joe Coppoleccia, CHU
- Jonathan Flannery, PICA Group
- Julie MacCarthy, Capitol Body Corporate Administration
- Karen Thompson, Vision Strata
- Kim Johnston, Mater Group
- Kristi Kinast, Cassels Strata
- Michael Hurley
- Nicole Vowles, Mater Group
- Simone Griffiths, Northern Body Corporate Management
- Wayne Farley, BCS

STRATA GROWTH STEADIES IN QUEENSLAND

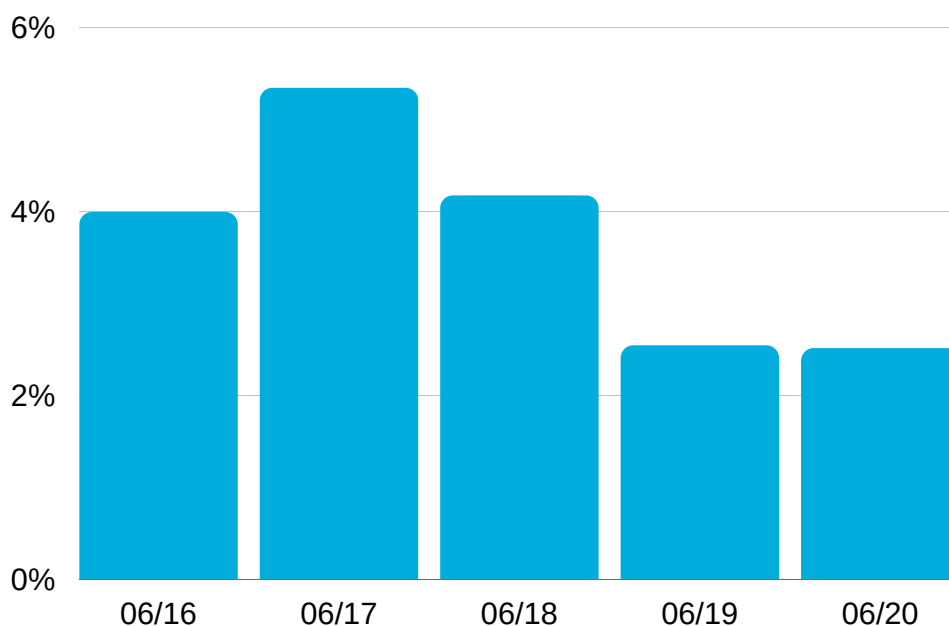
Despite the last three months of the financial year putting the world on hold - the strata industry has continued to thrive. The sector has maintained a similar growth percentage in registered lots from this time last year with a 2.51% growth in 2019/20 compared to 2018/19 with 2.5%. The growth of total schemes has dropped slightly from last financial year with only a 1.8% growth in 2019/20, compared to 2.1% in 2018/19.

6,042 lots were created in Brisbane in 2019/20, which is an increase of 3.48% in the past year. This is a slight decline from the previous financial year which saw 6,694 lots created (3.98% growth), and a significant decline since 2017/18 which recorded a growth of 11,325 (7.23%). The Gold Coast recorded a slight decline in growth with just over 2,000 lots created and a 1.67% increase, compared to the previous year's growth of 2%. The Sunshine Coast recorded an increase in lots of 3.73% compared to last year which saw the lots only saw 2.47%. Cairns, Moreton Bay and Logan all retained similar growth percentages to last year recording 0.2%, 3.43% and 2.48% increases respectively.

Larger schemes continue to be the biggest strata growth area with schemes over 100 lots growing by 4.45%, which also saw an increase in the total lots in schemes with a 5.24% increase in lots in schemes with over 100 lots. Despite this increase, the majority of schemes consists of smaller lots (6 and under). Out of the 888 new schemes registered in the past year, 70% were smaller schemes.

As the country looks towards reopening the strata industry looks to come out stronger than ever with maintained growth across the year.

12-MONTHLY GROWTH IN LOTS



SCA (QLD) PARTNERS AND SPONSORS

Our corporate partners and sponsors are crucial to our operations at SCA (Qld) and we want to take this opportunity to celebrate and thank them for their ongoing support of SCA (Qld). Our partners and sponsors are a key part of our membership services, events and education that we offer. As a non-profit membership body, the generous contribution from our partners and sponsors is critical in achieving our strategic objectives.

Many functions and projects are subsidised due to the following strata service providers who invest time and funds into 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.

<p>PLATINUM PARTNERS</p>						<p>MEMBER BENEFIT PARTNER</p>
<p>GOLD PARTNERS</p>		<p>SILVER PARTNERS</p>				

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Financial Report 30 June 2020

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

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Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

Directors' Report

The Board of Directors' present their report, together with the financial statements, on Strata Community Association (Qld) Limited for the year ended 30 June 2020.

Information on directors

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

James Nickless

President

Qualifications and experience

Partner, Chambers Russell Lawyers
Previously General Counsel, Stratamax 2017 - 2020
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

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)

Jonathan Flannery

Vice President - Education

Qualifications and experience

Appointed 17 October 2019
General Manager – PICA Group Queensland, Body Corporate Services Queensland, QBS Strata Management
Practicing Strata Manager
Diploma in Business Management
Middle Manager Program – UNSW Business School
Accredited Strata Community Manager
SCA (Qld) Education Committee
Committee Member – Executive Project Management Office – PICA Group

Grant Mifsud

Vice President - Engagement

Qualifications and experience

Appointed 17 October 2019
Partner, Archers the Strata Professionals Pty Ltd and Director, ARC Utilities Management Pty Ltd
Diploma of Accounting, Diploma of Business (Real Estate Management), Cert IV in Property Operations and Cert IV Training and Assessment
Fellow Member of SCA (Qld), UDIA, ARAMA

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

Directors' Report (continued)

Duncan Lee

Treasurer

Qualifications and experience

Appointed 17 October 2019
Managing Director of Pinnacle Strata Pty Ltd
Bachelor of Business (Accounting)
Chair of the SCA (Qld) Professional Standards Committee
Certified Strata Community Manager

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)

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

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)

Andrew Davidson

Qualifications and experience

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
Certified Strata Community Manager
Chair of the SCA (Qld) Education Committee

Con Iconomidis

Qualifications and experience

Manager, National Partnerships & Distribution/State Manager, Queensland for Strata Community Insurance
Involved in the Strata Industry for 20 years previously held senior positions with CHU & BCB
36 years of Experience in Insurance
Fellow member of SCA (Qld)

Tyson Pratt

Qualifications and experience

Appointed 17 October 2019
Regional Manager Ernst Body Corporate Management Gold Coast
Member of SCA (Qld)
Accredited Strata Community Manager
Strata Industry Professional since 2013
Formerly held a Strata License in NSW

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

Directors' Report (continued)

Melissa Butwilowsky

Qualifications and experience

Resigned 19 August 2019
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)

Richard Allard

Qualifications and experience

Resigned 17 October 2019
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)

Simon Barnard

Qualifications and experience

Resigned 17 October 2019
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)

Peter Crogan

Qualifications and experience

Resigned 17 October 2019
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 member of SCA (Qld)

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:

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

Directors' Report (continued)

Directors' Meetings

	Number eligible to attend	Number attended
Richard Allard	3	2
Simon Barnard	3	3
Jason Carlson	9	9
Nicky Crane	9	7
Peter Crogan	3	2
Andrew Davidson	9	9
Ian D'Arcy	9	7
Con Iconomidis	9	7
James Nickless	9	8
Kelly Roberts	9	6
Grant Mifsud	6	6
Duncan Lee	6	6
Jonathan Flannery	6	6
Tyson Pratt	6	6
Melissa Butwilowsky	1	0

Review of Operations

The profit of the Company for the financial year after providing for income tax amounted to \$50,223 (2019: \$18,863).

COVID-19 restrictions which came into effect from mid-March 2020 have not had impact on the major source of revenue, the 2020 Conference which was completed a week before these restrictions came into effect. Educational webinars were offered to members, held online only from April 2020 which SCA (Qld) has been set up to do since 2017. Two accreditation specific courses were changed to online delivery without impact on expected revenue. From that perspective there was no financial impact from loss of revenue for scheduled events to 30 June 2020. However, there was impact on staff workloads as seven additional COVID-19 seminars were held for members (free of charge) and several communications and best practice resources were compiled free of charge. Other events from 1 July 2020 were carefully re-scheduled. The team worked remotely in their normal capacity from 21 March 2020 until a slow return to office environment was implemented in stages from 15 June 2020.

The company successfully applied for the Australian Government's JobKeeper payment for its 2 full-time and 4 part-time staff at the time and received the Australian Government's Cash Flow Boost

Significant Changes in the State of Affairs

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

Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2020

Directors' Report (continued)

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

Other than the ongoing impact of COVID-19 as described in Note 2(a), no other 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 15: *Revenue from contracts with customers*, AASB 16: *Leases* and AASB 1058: *Income of Not-for-Profit Entities* which has come into effect and is included in the results.

AASB 15: *Revenue from contracts with customers*, AASB 16: *Leases* and AASB 1058: *Income of Not-for-Profit Entities* have been applied using the modified approach, and as such comparatives have not been restated.

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 2020

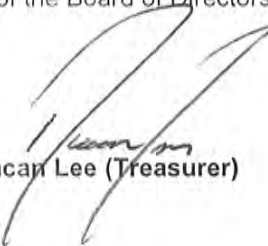
Directors' Report (continued)

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 8.

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


James Nickless (President)
11 August 2020
Brisbane, Queensland


Duncan Lee (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 2020, 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 that reads 'Adrian' with a stylized flourish underneath.

A B Narayanan
Partner

Brisbane, Queensland
13 August 2020

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HLB Mann Judd (SE Qld Partnership)

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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 2020

	Note	2020 \$	2019 \$
Revenue	4	1,002,532	901,179
Other income	4	88,298	10,079
Audit and accounting		(11,608)	(11,165)
Advertising and promotion		(17,541)	(21,126)
Bookshop costs		(1,050)	(2,899)
Depreciation and amortisation expense		(36,390)	(6,183)
Employee benefit expense		(371,927)	(335,371)
Legal fees		(3,607)	(11,610)
Occupancy costs		(36,581)	(56,998)
Other expenses		(108,463)	(59,766)
SCA (QLD) strata conference		(200,486)	(187,432)
SCA national membership		(109,048)	(95,177)
Seminar and events		(133,161)	(104,668)
Finance costs		(10,745)	-
Surplus before income tax		50,223	18,863
Income tax benefit/(expense)	6	-	-
Surplus for the year		50,223	18,863
Other comprehensive income		-	-
Total Comprehensive Income for the Year		50,223	18,863

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 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	555,501	500,042
Trade and other receivables	8	41,706	19,140
Inventories		70	1,120
Other current assets	10	12,270	38,666
Total Current Assets		609,547	558,968
Non-Current Assets			
Trade and other receivables	8	51,439	41,460
Property, plant and equipment	9	6,890	9,252
Right-of-use assets	11	280,475	-
Total Non-Current Assets		338,804	50,712
Total Assets		948,351	609,680
LIABILITIES			
Current Liabilities			
Trade and other payables	12	57,328	48,248
Employee provisions	13	22,788	27,754
Other liabilities	14	117,226	143,324
Lease liabilities	15	40,505	-
Total Current Liabilities		237,847	219,326
Non-Current Liabilities			
Employee provisions	13	17,589	13,439
Lease liabilities	15	265,774	-
Total Non-Current Liabilities		283,363	13,439
Total Liabilities		521,210	232,765
Net Assets		427,141	376,915
Equity			
Retained earnings		427,141	376,915
Total Equity		427,141	376,915

The accompanying notes form part of these Financial Statements

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Statement of Changes in Equity

For the year ended 30 June 2020

	Retained earnings	Total
	\$	\$
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
Balance at 1 July 2019	376,915	376,915
Surplus for the year	50,223	50,223
Other comprehensive income	-	-
Balance at 30 June 2020	427,138	427,138

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 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from members and customers		1,127,415	915,607
Payments to suppliers and employees		(1,068,657)	(949,329)
Interest received		5,024	7,847
Income tax refunded		-	1,366
Net cash generated from operating activities		63,782	(24,509)
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,725)	(6,606)
Net cash (used in) investing activities		(4,725)	(6,606)
Cash flows from financing activities			
Repayment of lease liabilities		(3,598)	-
Net cash (used in) investing activities		(3,598)	-
Net increase in cash held		55,459	(31,115)
Cash and cash equivalents at beginning of financial year		500,042	531,157
Cash and cash equivalents at end of financial year	7	555,501	500,042

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 2020

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) 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

Key Judgements – Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

COVID-19 restrictions which came into effect from mid-March 2020 have not had impact on the 2020 Conference which was completed a week before these restrictions came into effect. Educational webinars were offered to members, held online only from April 2020 which SCA (Qld) has been set up to do since 2017. Two accreditation specific courses were changed to online delivery without impact on expected revenue. From that perspective there was no financial impact from loss of revenue for scheduled events to 30 June 2020. However, there was impact on staff workloads as seven additional COVID-19 seminars were held for members (free of charge) and several communications and best practice resources were compiled free of charge. Other events from 1 July 2020 were carefully re-scheduled. The team worked remotely in their normal capacity from 21 March 2020 until a slow return to office environment was implemented in stages from 15 June 2020.

The company successfully applied for the Australian Government's JobKeeper payment for its 2 full-time and 4 part-time staff at the time and received the Australian Government's Cash Flow Boost.

Looking forward it is anticipated that there is a likelihood of lower attendance at large scale signature events and the budget has been drafted to reflect this careful consideration. Corporate Sponsorship, a major source of income for SCA (Qld) has been changed for 2020-21 to allow sponsors to commit less up front dollars while maintaining their sponsorship level. Any signature event sponsorship committed to via the corporate annual sponsorship will only be charged to the sponsor when SCA (Qld) commits to a venue contract. SCA (Qld) has obtained legal advice on the sponsorship contracts to ensure there are no claims arising from non-delivery of signature events. All contracts with venues for large scale events include a contingency clause to allow for postponing even if there are no restrictions imposed by the government. All contracts also include force majeure clauses.

In regards to membership SCA (Qld) anticipates a successful full renewal of strata management members due to the COVID-19 performance. The Board anticipates a loss of 10% in the supplier membership category.

The demand for educational webinars/seminars is not expected to decrease during 2020-21. Although postponed, it is expected that the three large scale signature events will be held in 2020-21.

The following assumptions have been made in making this assessment:

- There is no significant rise in Covid-19 infections in the Queensland community in 2020-21.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

- Members will engage with SCA (Qld) due to the requirement to obtain the relevant CPD points for their accreditation level
- Sponsors will engage with SCA (Qld) due to their loyalty and desire to meet their prospective client base

Management has investigated holding an online Annual Conference to mitigate the possibility of the above assumptions not being met.

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 Judgements – 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.

Key Judgements – Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Key Estimates – Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

The company has determined the incremental borrowing rate to be 6.25%.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

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

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

AASB 15 Revenue from Contracts with Customers

The company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

AASB 16 Leases

The company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The impact on the financial performance and position of the company from the adoption of this Accounting Standard is detailed below.

AASB 1058 Income of Not-for-Profit Entities

The company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137. The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Impact of adoption

AASB 15 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained surplus as at 1 July 2019.

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The company has elected to apply the following transition practical expedients:

- To exclude initial direct costs from the measurement of right-of-use assets at the date of initial application;
- To exclude lessee arrangements with a short remaining term from date of initial application or leases assessed as low value;
- Use of a single discount rate for the portfolio of leases with reasonably similar characteristics;
- Use of hindsight with regards to determination of the lease term.

The impact of adoption on opening retained profits as at 1 July 2019 was as follows:

	1 Jul 2019
Operating lease commitments as at 1 July 2019 (AASB 117)	38,384
Less: Short-term leases not recognised as a right-of-use asset (AASB 16)	(38,384)
Right-of-use assets (AASB 16)	<u>-</u>
Lease liabilities - current (AASB 16)	-
Lease liabilities - non-current (AASB 16)	-
Reduction in opening retained surplus as at 1 July 2019	<u><u>-</u></u>

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

(c) 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.

(d) Revenue and Other Income

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

Sponsorship Fees Sponsorship income is recognised over time in the financial year to which the sponsorship fees apply. Tangible benefits included in sponsorship contracts are recognised at a point in time.

Service Revenue Revenue from the rendering of services is recognised at a point in time when the service is rendered and the company becomes entitled to the revenue.

Seminars, Events & Conferences Revenue from seminars, events and conferences is recognised at a point in time when the event occurs and the company becomes entitled to the revenue.

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.

Volunteers Services The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Interest Received Interest revenue is recognised as interest accrues using the effective interest method.

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

(e) 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

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.

(f) 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.

(g) 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:

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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

(h) Right-of-use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(i) 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 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

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

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:

- 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

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.

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

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.

(j) 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

(k) Cash and Cash Equivalents

Cash and cash equivalents 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.

(l) 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.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 2: Summary of Significant Accounting Policies (Continued)

(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) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Note 4: Revenue and other income			
<i>Revenue from contracts with customers</i>			
Membership subscription		278,388	262,928
Sponsorship income		407,739	369,078
Bookshop		2,523	5,504
Seminars & events		136,581	113,962
SCA (Qld) Ltd strata conference		177,301	149,707
		1,002,532	901,179

Other income

Interest received		5,025	7,847
Sundry		83,273	2,232
		88,298	10,079

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

Timing of revenue recognition

Goods Transferred at a point in time		581,748	-
Services transferred over time		420,784	-
		1,002,532	-

Note 5: Result for the year

The result for the year includes the following specific expenses:

Depreciation and amortisation expenses		36,390	6,183
Interest and finance charges paid on lease liabilities		-	-

Superannuation expense

Defined contribution superannuation expense		30,628	27,207
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Leases

Total rental expense relating to operating leases		36,581	-
Variable lease payments		-	-

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		-	-
		-	-

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
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% (2019: 27.5%)		13,811	5,187
Add:			
Tax effect of:			
- Expenditure relating to income derived from members		271,743	244,272
- Under provision of income tax in prior years		-	-
Less:			
Tax effect of:			
- Income derived from members		284,458	247,893
- Non-assessable income		-	-
- Other		1,096	1,566
Income tax expense		<u>-</u>	<u>-</u>
Note 7: Cash and cash equivalents			
Cash at bank		555,301	499,886
Cash on-hand		200	156
Total cash and cash equivalents		<u>555,501</u>	<u>500,042</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>555,501</u>	<u>500,042</u>
Note 8: Trade and other receivables			
CURRENT			
Trade and other receivables		26,706	19,140
Income tax refundable		-	-
Other receivables		15,000	-
Total current trade and other receivables		<u>41,706</u>	<u>19,140</u>
NON-CURRENT			
Security deposit - premises		51,439	41,460
Total non-current trade and other receivables		<u>51,439</u>	<u>41,460</u>
a) Financial assets classified as loans and receivables			
Trade and other receivables			
- Total current		41,706	19,140
- Total non - current		51,439	41,460
Financial assets		<u>93,145</u>	<u>60,600</u>

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Note 9: Property, plant and equipment			
PROPERTY, PLANT AND EQUIPMENT			
Furniture & fittings			
At cost		2,786	3,273
Accumulated depreciation		(2,786)	(2,656)
Total furniture and fittings		-	617
Computers & office equipment			
At cost		22,394	21,511
Accumulated depreciation		(15,504)	(13,335)
Total computers & office equipment		6,890	8,176
Leasehold improvements			
At cost		-	2,772
Accumulated depreciation		-	(2,312)
Total leasehold improvements		-	460
Total property, plant and equipment		6,890	9,253

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 2020				
Opening balance	617	8,177	459	9,253
Additions at cost	-	5,756	-	5,756
Disposals	(58)	(622)	(352)	(1,032)
Depreciation expense	(559)	(6,421)	(107)	(7,087)
Balance at the end of the year	-	6,890	-	6,890
Year ended 30 June 2019				
Balance at the beginning of the year	996	7,153	680	8,829
Additions	-	6,605	-	6,605
Disposals	-	-	-	-
Depreciation expense	(379)	(5,581)	(221)	(6,181)
Balance at the end of the year	617	8,177	459	9,253

Note 10: Other assets

Prepayments	12,270	38,666
Total other assets	12,270	38,666

Strata Community Association (Qld) Limited

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Notes to the Financial Statements

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Note 11: Right-of-use assets			
Land and building - right-of-use		309,778	-
Less: Accumulated depreciation		(29,303)	-
Total Right-of-use assets		280,475	-

Additions to the right-of-use assets during the year were \$309,778.

The company leases land and buildings for its head office. The leases have fixed rent escalation clauses. On renewal, the terms of the lease are renegotiated.

Note 12: Trade and other payables

Current

Trade payables		6,249	9,344
GST payable		27,240	21,793
PAYG payable		5,764	4,587
Other payables		18,075	12,524
Total current trade and other payables		57,328	48,248

a) Financial liabilities classified as trade and other payables

Trade and other payables;			
- Total current		57,328	48,248
Less:			
- GST & PAYG Payable		(27,240)	(21,793)
Financial liabilities classified as trade and other payables		30,088	26,455

Note 13: Employee provisions

Current

Employee entitlements		22,788	27,754
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Non-current

Employee entitlements		17,589	13,439
Total employee provisions		40,377	41,193

Movement in carrying amount

	Employment entitlements	Total
Opening balance	41,193	41,193
Additional provisions	(816)	(816)
Balance as at 30 June 2020	40,377	40,377

Note 14: Other liabilities

Deferred income	117,226	143,324
Total other liabilities	117,226	143,324

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 2020

	Note	2020 \$	2019 \$
Note 15: Lease Liabilities			
Current			
Lease Liabilities		40,505	-
Non-current			
Lease Liabilities		265,774	-
Total lease liabilities		306,279	-

Note 16: Capital and leasing commitments

Operating leases

Minimum lease payment under non-cancellable operating leases:

- Not later than one year	-	38,384
- Between one year and five years	-	-
Total operating leases commitments	-	38,384

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

Note 17: 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	555,501	500,042
Accounts receivable and other debtors	8	93,145	60,600
Total financial assets		648,646	560,642

Financial liabilities at amortised cost

Trade and other payables	12	24,324	21,868
Total financial liabilities		24,324	21,868

Note 18: 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 \$136,875 (2019: \$122,345).

Other key management personal transactions

For detail of other transactions with key management personal, refer to **Note 20: Related party transactions**.

Strata Community Association (Qld) Limited

ABN 15 163 881 927

Notes to the Financial Statements

For the year ended 30 June 2020

Note 20: Related Party Transactions

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 21: 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 2020, the number of members was 965 (2019: 824).

Note 22: Events after the Reporting Period

Other than the ongoing impact of COVID-19 as described in Note 2(a), no other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 23: Company details

The registered office of the company is:
Level 9, 410 Queen Street
Brisbane, QLD 4000

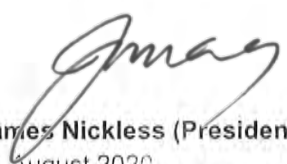
Strata Community Association (Qld) Limited

ABN 15 163 881 927

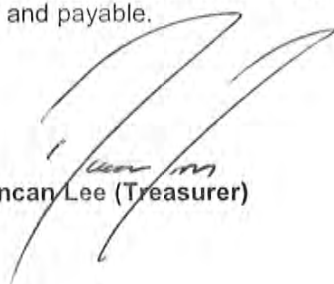
Directors' Declaration

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 2020 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.



James Nickless (President)
11 August 2020
Brisbane, Queensland



Duncan Lee (Treasurer)

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 2020, 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 2020 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.

Emphasis of Matter – Coronavirus (COVID-19) Pandemic

We draw attention to Note 2(a) to the financial statements, which describes the uncertainties and possible effects on the Company arising from its management of the ongoing issues related to COVID-19. Our opinion is not modified in respect of this matter.

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.

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HLB Mann Judd (SE Qld Partnership)

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

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.

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.

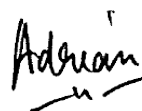
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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
13 August 2020



A B Narayanan
Partner



SCA (Qld) 2019/20 Board of Directors (Names L-R)

Con Iconomidis, Tyson Pratt, Duncan Lee, Katrin Watson, Jonathan Flannery, James Nickless, Ian D'Arcy, Grant Mifsud, Jason Carlson, Nicky Crane, Kelly Roberts [not pictured: Andrew Davidson]

lead | support | represent



Strata Community Association (Qld)

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