



strata  
community  
association®  
QLD

# 2020/21 ANNUAL REPORT

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# PRESIDENT'S REPORT



2020/21 was a huge year for SCA (Qld), filled with many achievements on many different levels.

Before I start reflecting on the year just gone on behalf of the Board, I would like to say thank you to two of our recently departed long-term staff members, Katrin Watson (9 years) and Helen Anforth (4 years). I want to thank them for their hard work over their many years of service and acknowledge the growth they have both contributed to SCA (Qld) in all aspects. The Board and I wish them both the best on their new ventures.

Reflecting on a major year of wins for SCA (Qld), a few things come to mind. First, our Election Campaign was a huge success as we received bipartisan support on many of our key issues for reform, most notably resulting in the establishment of the Community Titles Legislation Working Group (CTLWG). The CTLWG will discuss all issues raised by SCA (Qld) in our 2020 Election Priorities in four stages. We had 7 recommendations, with 6 of them directed towards the Department of Justice and we are keen to begin work on addressing the issues affecting our members. SCA (Qld) is part of the base stakeholder group, ensuring we have a say in all levels and topics raised in this working group, and additional stakeholders will be engaged as needed.

Stage 1 has commenced with the biggest issues facing our sector, primarily insurance and the recommendations made by the ACCC.

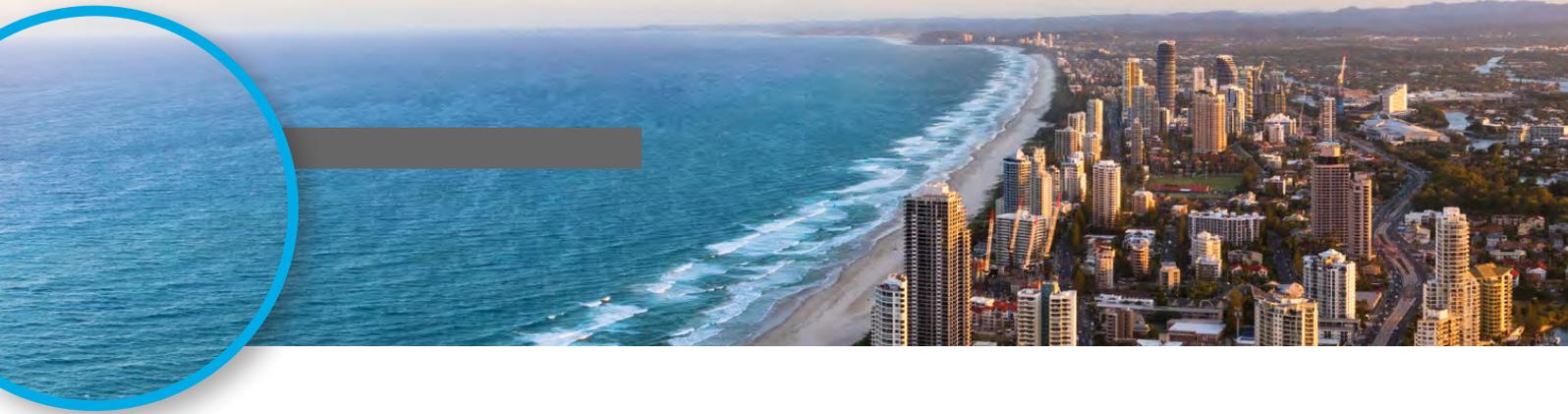
Stage 2 will involve some of the outstanding recommendations from the QUT Property Law Review which were originally made in 2016. This includes one of the major priorities for SCA (Qld) which involves allowing bodies corporate to better self-regulate with reduced restrictions on by-laws to better equip bodies corporate to address issues such as parking, pets, smoking and the behavior or short-term guests. I am grateful to SCA National and the SCA National Strata Insurance Taskforce (SCANSIT), Chaired by Greg Nash, for their ongoing assistance with our advocacy on insurance issues. Most recently, SCA National commissioned Dr Nicole Johnston, Senior Lecturer in the Department of Finance at Deakin Business School, to produce an industry-first report providing in-depth social and economic analysis of the strata industry. This report will prove pivotal in our efforts to have the government properly understand the real issues behind the insurance crisis.

Stage 3 is focused on the commitments made by the government during the election period which covers a lot of SCA (Qld) introduced topics including body corporate manager licensing and regulation, an expanded dispute resolution framework, and a review of management rights and caretaking arrangements.

The final stage will look at harmonising BUGTA (and other strata related legislation) with the BCCM Act. Bringing these Acts together will assist with greater "uniformity" across bodies corporate in Queensland. This working group allows SCA (Qld) to be involved in all stages of improving legislation across the sector and to ensure our members are heard by the appropriate government bodies.

Last year I spoke about expecting the amended Body Corporate and Community Management Regulations, and finally, seven years in the making - the amended Body Corporate and Community Management Regulations have been released, coming into effect from March 2021. It has been a long seven years, not just for SCA (Qld), but for everyone living and working in strata. While the changes were more "housekeeping" and not "earth-shattering" we hope that our members have experienced some benefits from the changes, which should alleviate having to work around some of the previous quite archaic processes.





Since this reform agenda was announced, we have tirelessly pushed for substantial and meaningful reform to our legislation. During which time, New South Wales, Western Australia and Victoria have started and finished their respective reform processes, passing new legislation that has modernised the way people live and work in strata schemes. We have also seen significant advancements in consumer protection legislation in NSW during this time, being the Design and Building Practitioners Act 2020 and the Residential Apartment Buildings (Compliance and Enforcement Powers) Act 2020, leaving Queensland well behind in the rights afforded to buyers of strata titled properties with respect to building defects.

Overall, these regulations are a step in the right direction for strata reform, but they are just the tip of the iceberg. SCA (Qld) has pushed hard for the last seven years to get these changes through by providing submissions, attending briefings, and lobbying for progress on finalising the regulations when the cogs of government appeared to be stalled. In this regard, I wish to thank Katrin Watson, Simon Barnard, Chris Irons, Jason Carlson, the entire Legislation Committee, the Board and the membership as a whole for the enormous support of our advocacy efforts.

The Strata Community Association (Qld) Board has just finalised its three-year strategy, aiming to further its position in the industry, improve member services and create a professional environment for all those who work and live in strata. Following our revised accreditation pathway, we are putting a greater focus on providing more best practice resources, advocating for industry reform, and improving education and training.

One of our set priorities is to enhance our advocacy efforts to deliver a licensing or registration framework within the next three years. The introduction of a regulatory framework for body corporate managers has been a priority since SCA (Qld)'s inception, and in 2021 we have finally put this firmly on the agenda of the government. One of the actions arising from the advocacy strategy was to appoint a Policy Officer to assist with research, advocacy and writing submissions to government.

Our other focus areas include an improved education agenda for members by providing high quality speakers and content and providing multi-dimensional digital and interactive offerings. As education delivery changes, so does event delivery. Our Annual Conference has always followed a traditional layout, with two streams of content to allow members to take in different elements of education based on their needs. One of our new priorities includes our future Conferences, we will be offering two different streams with different education levels to allow for the education of all body corporate managers, no matter the level of experience. We also welcome suggestions on content and format from all of our members to assist us in delivering what they truly need.

Our Conference was a hugely successful event this year with over 310 delegates at the RACV Royal Pines Resort on the Gold Coast. The Hon. Attorney-General, Shannon Fentiman, opened the conference with a view on the future of strata and the new regulations which have just come into effect. Shannon was the perfect choice to open this year's conference as in addition to her role as Attorney-General and Minister for Justice, Shannon is also Minister for Women and Minister for the Prevention of Domestic and Family Violence. One of the unofficial themes of this year's conference was leading organic change to stamp out bullying, harassment and sexual harassment in our industry and the communities we serve. This was a message that was delivered with great poise from Shannon Fentiman and reiterated by our Master of Ceremonies, Richard Champion.

On day two the Commissioner for BCCM, Michelle Scott, addressed our delegates. Michelle discussed some trends her office has seen and how they will be going into the new year, working collaboratively with the sector and SCA (Qld). Our Conference finished with our Annual Awards and Conference Dinner where we announced the members that have demonstrated excellence throughout the past 12 months. Our 10 award winners were celebrated at eclectic Miami Marketta with 360 guests - all very well deserved.



Continuing the excellence and acknowledging the hard work of our members is a big part of our operations at SCA (Qld) and we are committed to professionalising the sector. We have implemented stage 2 of our new accreditation policy which introduces new education requirements and new levels for both strata managers and services.

The 2021 accreditation pathway is now aligned with other Australian jurisdictions that have licensing or regulation in place and will provide a nationwide benchmark for strata manager qualification and professional development. The accreditation levels are designed as a pathway, building onto each level accumulating credentials and SCA (Qld) hopes this will form a basis for a potential registration and licensing framework.

SCA (Qld) values high quality education, a solid career pathway for body corporate managers and a universal set of credentials for consumers to understand the qualifications of accredited managers. Strong professional development requirements lift the bar of the sector's professionalism.

Finally, another major focus for SCA (Qld) is succession planning. The Board has adopted a new approach to managing its business by portfolio to enable better decision-making and to future-proof the board. We also wish to identify any members that are interested in joining the board in the future, so that we can assist them in building their "future board resume" and profile in the industry. As we look into the future, it will be time to elect a new President very soon. Part of good succession planning is in the implementation and handover. I would like to be able to spend my last year on the board assisting the new President in any way that I can to ensure the future success of SCA (Qld).

I thank all of the SCA (Qld) Board Directors for their work over the past 12 months, and our Platinum Partners of last year: CHU, Macquarie Bank, Body Corporate Brokers, Grace Lawyers, StrataMax, Altogether, Chambers Russell Lawyers and Buildcheck, as well as the current SCA (Qld) team and all the volunteers who have supported our committees and working groups. SCA (Qld) has grown so much over the past year, and I hope 2022 has much more growth in store for us.

A handwritten signature in black ink, appearing to read "James".

**JAMES NICKLESS**  
**PRESIDENT**



# EXECUTIVE OFFICER FAREWELL

After 9 years with SCA (Qld), Executive Officer, Katrin Watson left SCA (Qld) on 30 June 2021. Katrin has been SCA (Qld)'s longest standing Executive Officer and during her tenure Katrin represented our members with key industry stakeholders and helped to build recognition for our sector and the Board thanks her for her contribution to the progress of our industry and success of our organisation. Katrin built strong stakeholder relationships in the strata and property sector has made a significant impact on SCA (Qld)'s advocacy, working relentlessly to ensure that SCA (Qld) was always taking a stand on the important issues in our industry.

She has represented SCA (Qld) on the Ministerial Housing Council, the Body Corporate and Community Management Stakeholder Group and the QBCC Stakeholder Working Group. In the 5 years of the QUT Property Law Review Panel, Katrin together with immediate past President Simon Barnard, attended consultation sessions and completed more than three dozen submissions advancing member issues. Faced with critical legislative challenges in the strata sector, she has managed sensitive external relationships, manoeuvring through political channels to ensure member needs are met and SCA (Qld)'s voice was heard. In her tenure with SCA (Qld), our industry and the industry body have undergone a significant amount of change and seen achievements that strengthened our sector.

The reclassification of body corporate management in relation to Workers Compensation; the reversal of the Home Warranty Scheme insurance multiplier in 2016; the introduction of the Combustible Cladding Regulation in 2018 after 18 months of working with the Non-Conforming Building Products Audit Taskforce; the final release of the amendments to the BCCM Regulations in 2020; retrospective COVID-19 legislation; and recently running a State election campaign that resulted in the major parties committing to making strata a priority and the announcement of a reinsurance pool were just a part of her agenda with SCA (Qld). This campaign outcome also included that strata manager licensing is on the agenda of the CTLWG, a goal SCA (Qld) has pursued for 38 years.

Katrin has helped drive change within our non-profit organisation that empowers members and sets benchmarks for its culture of inclusion both at member and staff level. All of you who have met her would know that her passion and enthusiasm for our industry has been unwavering.

SCA (Qld) grew significantly with Katrin as our Executive Officer, experiencing a doubling of its membership to over 1,200. Katrin also expanded the operational team, created a social media presence and enhanced public recognition of our brand. In her time with us, the Awards for Excellence were launched and have grown to well over 100 submissions, the organisation built a credible media profile and established itself as a consumer advocate in the strata titled property sector. Katrin and her team navigated the industry through the uncertainties of COVID-19, keeping members well informed and providing them with valuable resources when it truly mattered.

I am also personally thankful for all of the support which Katrin provided to me in my role as President. The Board and I take the opportunity to thank Katrin for her tireless efforts in this last decade and wish her well in her future.



**JAMES NICKLESS**  
**PRESIDENT**

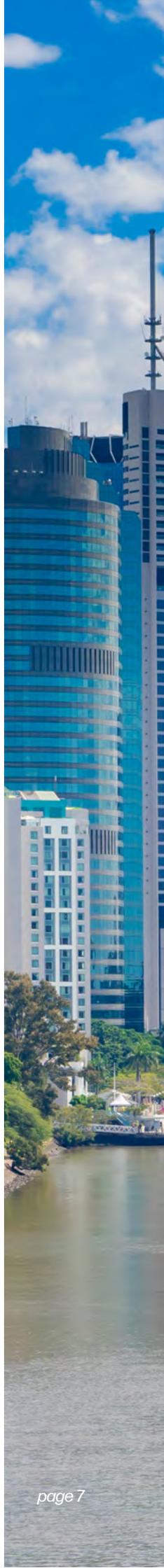


## FINANCIAL SUMMARY

SCA (Qld)'s business activities in 2020-2021 have exceeded a turnover of \$1.043 million. This year was filled with many new education offerings which have resulted in this higher income, also reflecting record engagement by members. Average registrations for CPD seminars have doubled to 101 and the overall attendance at any SCA (Qld) function increased from 3,753 (68 functions) in 2019/2020 to 3,842 (47 events). Turnover is up by 4% from the financial year end 2020 and 16% from the end of the financial year 2019. The overall surplus of \$157,424 was added to a healthy retained earnings balance of \$427,141. 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 spending.

The organisation's membership fees remain a major source of income of \$293,000 (GST excl), supporting many of the education and networking events to stay at a low fee level. Membership income exceeded budget by 9% and has increased by 31% since 2015. Another major source of income for SCA (Qld) is corporate sponsorship which was achieved at 37% more than anticipated in the annual budget, resulting in \$320,000 (GST excl) fees. This represents 58% more revenue than in 2015, demonstrating the great return on investment our sponsors see from the organisation.

The expenses relate to staffing at only 32.4% of income for 5 full time equivalent staff, 28% of income was directly used to run education for members and 2% to run networking events. 8% of income is spent on the capitation fee to SCA National.



# SCA (QLD) TEAM



**Katrin Watson**  
Executive Officer



**Helen Anforth**  
Training, Events and  
Sponsorship Coordinator



**Stephanie Collins**  
Marketing and  
Communications Coordinator



**Suzanne Anderson**  
Events Officer



**Natalie Ridge**  
Finance Coordinator



**JJ Goenen**  
Membership and  
Administration Assistant



**Kristian Marlow**  
Policy Officer



**Rowena Neal**  
Former Membership and  
Administration Assistant

# SCA (QLD) BOARD OF DIRECTORS



**James Nickless**  
President



**Kelly Roberts**  
Senior Vice President



**Jonathan Flannery**  
Vice President - Education



**Grant Mifsud**  
Vice President - Engagement



**Duncan Lee**  
Treasurer



**Jason Carlson**  
Director



**Con Iconomidis**  
Director



**Tyson Pratt**  
Director



**Andrew Davidson**  
Director



**Chris Irons**  
Director



**Kristi Kinast**  
Director



**Peter Crogan**  
Secretary



# COMMITTEES

## AD HOC EVENTS GROUP

Douglas Newstead, Phillips Safety Service  
Richard Claus, Altogether  
Jenny Strong, Macquarie Bank  
Bridget Blinco, Usher Group  
Kate Stephenson, Structural Diagnostics  
Mason Paynter, Body Corporate Brokers  
Jodie Richardson, Strata Community Insurance  
Kellie Wright, Strata Influence  
Kara McInnes, CHU Underwriting Agencies  
Paulo Silveira, Buildcheck

## EDUCATION AND TRAINING

David Midwood, BodyCorporate.com.au  
Karen Thompson, Vision Strata  
Alina Stefirta, Whittles Brisbane  
Andrew Davidson, Noosa District BCM  
Julie MacCarthy, Capitol Body Corporate  
Clare Stuart, Bright & Duggan QLD  
Tyson Pratt, Strata Influence  
Sonia Gauvin, Body Corporate Services

## LEGISLATION PANEL

Todd Garsden, Mahoneys Lawyers  
Nicky Lonergan, Archers  
Ann Linford, Owner  
Jessica Cannon, Cannon and Co Law  
Sam Gleeson, United Strata Management  
Juliette Nairn, OMB  
Kaylene Arkoll, Leary & Partners  
Lisa Norvock, Challenge Strata Management  
Darren Lynch, Ernst Body Corporate Management  
Christine Partridge, Rubicon Body Corporate Services  
Tahlia Puck, Cambridge Management Services  
Earl Muir, Body Corporate Services  
Judith Akins, Body Corporate Management Queensland

## PROFESSIONAL STANDARDS

Michael Kleinschmidt, Stratum Legal  
Peta Balmer, TCM Strata  
Scott Simpson, BCP Strata  
Duncan Lee, Pinnacle Strata





**1,307**  
memberships  
**323,155**  
lots

**721**  
BCM individuals

**107%**  
increase in membership in the last decade

**187**  
emails  
**12**  
Resort news articles

**128,915**  
recipients

**35%**  
open rate  
**5**  
Inside Strata articles

**6th**  
Annual Old Strata Community Awards

**2**  
National award winners from Qld

**100**  
Nominations across Qld

**3,842**  
total registrations at 47 events

**2,827**  
total registrations at 28 webinars

**48%**  
increase in webinar attendance since last year

**320**  
Conference delegates  
**279**  
End of year networking

**188**  
Summer Golf Day  
**40**  
Annual General Meeting

# 2020/21 Scorecard



## Top 5 wins

- 1** Community Titles Legislation Working Group
- 2** 2021 BCCM Regulations
- 3** Largest Conference in SCA (Qld) history
- 4** Northern Australia Reinsurance Pool
- 5** Doubled webinar attendance since 2019/20

- Northern Australia Reinsurance Pool Announced for July 1, 2022
- Commitment to a thorough reform process through the Community Titles Legislation Working Group
- Acknowledgment of strata in rental reforms
- Appearance at parliamentary inquiry into rental reforms
- Direct outcomes from Election campaign to CTLWG with six of seven priorities included in the agenda
- New BCCM Regulations
- Strata specific regulations in COVID-19 Health Directives.

**316**  
social media posts

**12.77%**  
engagement

**244,369**  
impressions

**2,871**  
total followers

**595**  
followers

**157**  
followers

**1,769**  
followers

**356**  
followers

# HIGHLIGHTS

**80%  
increase**

BCM individuals in  
the past five years

average event attendance  
since last year

**47%  
increase**

**48%  
increase**

average webinar  
attendance since last year

average social media  
engagement rate

**67%  
increase**

# 2021 STRATA COMMUNITY AWARDS QLD

## 2021 AWARDS FOR EXCELLENCE

Highly skilled but often not fully understood, body corporate managers are trusted advisors of body corporate committees who manage the maintenance, insurance, finances, and other matters concerning common property. Now in its sixth year, the SCA (Qld) Strata Community Awards for Excellence give recognition to the work of body corporate managers and their successes in keeping the real estate assets of Queenslanders in fine shape.



**Strata Community Manager - Rising Star**

*Jackson Melloy,  
Bright & Duggan*



**Strata Community Manager**

*Rikki Slaughter,  
Ernst Body Corporate Management*



**Essay Award: Resilience - An essential service in strata**

*Lauren Jones,  
Cannon + Co Law*



**Support Team Member**

*Jevon Taane, Ernst Body Corporate Management*



**Small Strata Community Management Business**

*Ace Body Corporate (Hamilton-Lutwyche & North West)*



**Large Strata Community Management Business**

*Bright & Duggan*



**Strata Services Business**

*Usher Group*

# 2021 AWARDS FOR EXCELLENCE HIGHLIGHT



## President's Award

### *Duncan Lee, Pinnacle Strata*

President James Nickless had so many potential winners for this award coming out of a year with a pandemic where the collective of our members helped identify the most suitable way to steer bodies corporate. Duncan Lee, an SCA (Qld) Board Director and prominent volunteer for SCA (Qld) took out the prestigious award for 2021. With a passion for technology, Duncan has been instrumental in the creation of guides and other resources aimed at helping SCA (Qld) members, particularly smaller businesses, in navigating the challenges that have challenged strata communities throughout 2020.



## Senior Strata Community Manager

### *Pedzi Mawande, The Community Co*

As Managing Director and Senior Strata Manager at The Community Co, Pedzi ensures he promotes the highest professional standards and ethics in not only his work, but also to those around him. Pedzi proved in 2020 that he is not only a leader to his team, but to his clients. He demonstrated his dedication to the industry as he guided three separate buildings through outbreaks to allay fears and provide guidance and support. Business innovation is a priority for his work, and he is constantly working to improve client experiences. He has continuously implemented innovative strategies, policies, and content. Pedzi then went on to take out Senior Strata Community Manager of the year at the Australasian Awards



## Medium Strata Community Management Business

### *The Community Co*

The Community Co was founded in 2015, and already manages a rapidly growing portfolio, with a 100% retention rate. The Community Co aims to operate differently than other strata management firms as they form meaningful client relationships that welcome scrutiny. The Community Co is always looking at new technology to make their client's experiences easier, such as their exclusive app to give clients real-time updates, access and administration. In 2020, The Community Co produced over 25 informative videos to give clients a more visual learning experience in body corporate. The Community Co then went on to take out Medium Strata Community Management Business of the year at the Australasian Awards.



# ADVOCACY

SCA (Qld) has made government advocacy a major priority over the last twelve months. As a growing, dynamic sector, we need a regulatory framework which is fit for purpose, flexible and ready to help the ever-increasing swathe of Queenslanders. Through the persistence and energy of members, volunteers, the board and SCA (Qld) team, we have achieved huge advocacy outcomes for our sector with strata at the forefront of the minds of government.

## COMMUNITY TITLES LEGISLATION WORKING GROUP

Much of our advocacy work over the past 12 months has focused on the Community Titles Legislation Working Group. We have been engaging directly with Ministerial Advisers regarding our key concerns, as well as making written submissions which were put together with the input of our legislation committee. We believe this working group is the direct result of our advocacy and successful election campaign. This working group represents the biggest opportunity for substantial reform of the strata sector and that generational reform is possible through this working group and will continue to advocate strongly.

The Community Titles Legislation Working Group will discuss strata issues in four stages, all issues specifically raised by SCA (Qld) in our 2020 Election Priorities.

Stage 1 will commence with the current issues facing our sector, primarily alternative insurance arrangements and the Queensland Treasury's response to the recommendations made by the ACCC. Stage 2 will involve some of the outstanding recommendations from the QUT Property Law Review which was conducted from 2014 - 2016. This includes one of the major priorities for SCA (Qld) which involves allowing bodies corporate to better self-regulate with reduced restrictions on by-laws.

Stage 3 is focussed on the commitments made by the government during the election period which covers a lot of SCA (Qld) introduced topics including body corporate manager licensing and regulations, an expanded dispute resolution framework, and more ability to do a review of management rights and caretaking duties. The final stage will look at harmonising BUGTA with the BCCM Act to assess whether bringing these two acts together will assist with greater "regulatory uniformity" across bodies corporate in Queensland.

This working group is a once in a lifetime opportunity allowing SCA (Qld) to demonstrate its thought leadership and improve legislation across the sector.



## ELECTION CAMPAIGN

The 2020 SCA (Qld) Election Campaign has motivated our state politicians to make a commitment to finally put the body corporate and community sector in focus. As we look to the re-elected Queensland Government, it is crucial that SCA (Qld) continues to push priorities to ensure strata communities are brought into focus and policy takes into consideration their specific needs. There are over 50,000 strata communities in Queensland who must be heard to no longer be left behind by government regulations.

After thorough consultation with our members and a review of the feedback by the board and team, SCA (Qld) launched a substantial advocacy campaign in the lead-up to the 2020 Queensland State Election:

1. Fix the North Queensland insurance crisis;
2. Protect consumers from defects by broadening the Statutory Warranty Scheme to include high rises;
3. Enhance strata community autonomy by reducing restrictions that diminish the ability of bodies corporate to regulate themselves for matters like towing, pets, smoking and short term letting;
4. Increased consumer protections and an appropriate dispute resolution framework for modern strata;
5. A balanced approach to management rights;
6. Protections for strata professionals and committees from bullying and harassment;
7. Licensing, accreditation and education of professional body corporate managers.

This campaign was hugely successful and directly lead to the creation of the Community Titles Legislation Working Group. This working group will directly consider six of our seven priorities and options for reform in these areas of our governing legislation. This is a huge win and testament to our enhanced standing as a stakeholder within the property industry. Going forward we are confident to see more reforms that have substantial impact on the strata sector with our most critical reform objectives confirmed as important to the elected Queensland Government. We filmed an election campaign call to action for Queensland stakeholders with our President James Nickless, Board Director Chris Irons, Immediate Past President Simon Barnard, and Senior Vice President Kelly Roberts.

Bipartisan support has been granted to address:

- the North Queensland Insurance crisis by working towards a solution
- the chronic defects issues where owners have no protection or rectification avenues
- a regulatory framework for professional body corporate manager's qualification and education
- the extension of the statutory home warranty scheme to include buildings with more than three storeys;
- community living issues such as pets, parking, scheme termination and how communities live more harmoniously.





## **NORTHERN AUSTRALIA REINSURANCE POOL**

In a massive win for the sector after years of tireless advocacy to all levels of government by SCA (Qld) and many industry body partners, the Northern Australia Reinsurance Pool and accompanying North Queensland Strata Title Resilience Pilot Program was announced on 3 May of this year. Whilst the final details of the programs aren't yet known, it is substantial progress for the strata sector.

The announcement of this program is just the start of a much bigger advocacy agenda for SCA (Qld). We have held follow up meetings with State and Federal members of parliament and helped contribute to SCA National's submission to the treasury consultation regarding the design of the pool. We will continue to advocate for consumers, managers and property owners in North Queensland. We believe this pool is a significant acknowledgment of our sector and will deliver relief for strata communities struggling with insurance in North Queensland. We will continue to be active in ensuring the design of the pool is fit for the strata industry.

## **COVID-19 ADVOCACY**

With COVID-19 still a major issue, and restrictions constantly changing across the state we have had to make some adjustments to the information we are providing our members. We changed from a new Best Practice Guide for each set of eased restrictions to a one-page poster that members could send directly to their clients establishing the difference in restrictions for Common property vs Private property which has been well received by members. By condensing our COVID-19 information into a single page poster it has saved the team valuable time in producing content, and saved our members time as they can get a full grasp of the new restrictions at a glance with a more detailed breakdown in the accompanying email.

We have also worked to get strata specific requirements in COVID restrictions and legislations. Early state government regulations did not make specific allowances for common property in strata schemes such as pools and gyms when compared with their commercial or public counterparts.

However, in recent regulations there has been acknowledgment of shared facilities like pools as being distinct from their commercial equivalent. This means that body corporate managers and residents have clear guidelines and, residents can use these facilities without concern. We will continue to advocate for our sector with respect of COVID-19 as these challenges arise and believe that many of the flexibilities introduced by COVID-19 provisions can form part of the regulatory framework for the sector into the future.

## **RENTAL REFORMS**

The government has introduced a proposed suite of rental reforms prior to the election, and after campaigning from various industry bodies, including SCA (Qld), a revised suite of reforms were released May 2021. We are pleased to say they specifically acknowledge strata and acknowledge the importance of informing future tenants of by-laws when negotiating rental agreements, particularly with respect of pets.

It is great progress seeing strata acknowledged, and we took the opportunity in the committee inquiry to make a submission on the reforms. While body corporate managers don't often work directly with tenants, the issue still affects some of their daily duties, including the enforcement of by-laws.



## COMBUSTIBLE CLADDING

Throughout its various stages SCA (Qld) has been engaging with both the relevant Government Department and the QBCC with respect of the Building and Other Legislation (Cladding) Amendment Regulation 2018 and the Building and other Legislation Amendment Regulation 2019 (the “Regulation”). Combustible cladding continues to be an issue within the strata sector as the Cladding Regulation passed its deadline into its “enforcement” phase in May. We continue to advocate to the government for changes to the regulation to make compliance simpler and more cost effective by involving property managers at the start of a rental tenancy, using digital technology including QR codes or involving the Rental Tenancies Authority to ease the burden on body corporate managers.

We have been advocating particularly about section 16ZB of the regulation, requiring body corporate managers provide all residents and owners with a hard copy of the fire engineers report. We sent out multiple member alerts to ensure our members were aware of their requirements in this regulation and kept on top of the situation. We understand a review is ongoing, and we will continue to press the government on this issue. We believe our advocacy on this will have to continue but we are confident of the government ultimately responding well as they have in the past with respect of this issue when challenged. We sent six members alerts in 2021, to ensure members were fully informed of upcoming deadlines and requirements if they were affected by the regulation.

## MEDIA

16  
media releases

30  
media mentions

Business > City Beat

### Unit owners left in the dark over commissions paid to building managers for insurance cover

There's a dirty little secret tucked away in the back of a 560-page report released last month about skyrocketing insurance premiums in northern Australia, with thousands of Queenslanders impacted.

Anthony Mason Follow



TOWNSVILLE

### Strata association calls for fund to insure for cyclone risk

A New Zealand-style earthquake fund is needed to cover cyclone risk in north Queensland, the peak association supporting the state's strata sector says

Tony Raggatt, Townsville Bulletin

Subscriber only | October 8, 2020 12:00am



New Zealand-style earthquake fund is needed to cover cyclone risk in north Queensland, the peak association supporting the state's strata sector says

A New Zealand-style earthquake fund is needed to cover cyclone risk in north Queensland, the peak association supporting the state's strata sector says.

Strata Community Association (Qld), representing more than 300,000 owners, also wants the state government to cut stamp duty on premiums to provide

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.

It comes more than three years since the deadly Grenfell Tower disaster in London, which killed 72 people and sparked a flurry of checks globally for combustible cladding.



JAMES NICKLESS  
STRATA COMMUNITY ASSOCIATION PRESIDENT

TOWNSVILLE

### Parties need to step in to stop major insurance disaster says KAP

The effects of the COVID-19 crisis are about to cause havoc on North Queensland's already existing insurance crisis, says Katter's Australian Party.

TRUDY BROWN, Townsville Bulletin

Subscriber only | September 28, 2020 12:00am

# SOCIAL MEDIA

Since July 2020, we have had over 244,000 impressions across our four social media platforms. After analysing our previous social media numbers, we implemented a new social media strategy, focusing on quality over quantity. This has caused our average social media engagement rate per post to jump up by 67%.

Our two top performing platforms are once again Facebook and LinkedIn, with our engagement increasing on both since this time last year. In 2020 our Facebook engagement rate was 6%, and the 2021 engagement rate is 7.34%, beating an industry standard of 0.15%. In 2020 our LinkedIn engagement rate was 10%, and our 2021 engagement rate is up to an astounding 18.2%, well above the industry standard of 0.35%. SCA (Qld)'s total number of followers is up by 32% (707 new followers), with our fastest growing being Instagram (81.6%), which will form a part of our 2021/22 social media strategy. Our two major platforms are Facebook and LinkedIn, both of which have engagement rates well above the industry standard.

We had over 244,000 impressions over our four platforms from 316 posts, to a total of 2,871 followers. By changing the types of posts to more meaningful and mostly human interest stories, it has increased the average engagement per post by 67% since 2019/20.



**316**  
social media posts



**12.77%**  
engagement



**244,369**  
impressions



**2,871**  
total followers



**595**  
followers  
**40.7%**  
increase



**157**  
followers  
**9.8%**  
increase



**1,769**  
followers  
**26.2%**  
increase



**356**  
followers  
**81.6%**  
increase

# PUBLIC REACH

## COVID-19 LEGISLATION CAMPAIGN

Over the past financial year, we've gone through three more lockdowns and many changes in restrictions. However, in positive news for the industry we finally received backdated COVID-19 Emergency Legislation to acknowledge all of the work our members had to do electronically with their committees and bodies corporate. We held a webinar to discuss the new regulations which backdated to all meetings earlier in the year. These regulations clearly show the importance of highlighting strata outside of regular restrictions and our continuous advocacy in various levels of government allowed these regulations to be pushed through.

We also had a win at the end of the financial year with strata pools carved out in a health direction, separating them from regular commercial pools. Strata schemes are in a unique position during lockdowns and because of this we changed our member communications to break down the restrictions with Common property vs Private property restrictions. These were very well received by our members as they were able to directly forward on to their members and provide timely updates to their clients just hours after announcements were made. By providing timely updates we were able to increase our member satisfaction with our COVID support and save time for our members by directly contacting Queensland Health directly for timely clarification on their behalf.

## CAREER EXPOS - INTRODUCING YOUNG PROFESSIONALS TO THE WORLD OF STRATA

Strata is an industry that is facing a serious skills shortage and as a part of our public reach, so in 2021, SCA (Qld) began participating in various career expos. The purpose of these expos was to introduce young professionals to the strata industry and how it can become a career with clear pathways for growth and development. We were joined by some of our top body corporate managers from some of the biggest companies in the industry to work with and engage the students at the Brisbane Career Expo, and the Bond University Career Expo.

We met over 700 students at the Brisbane Expo, and over 100 at the Bond University Expo. Thank you to all volunteers we had a great turnout and met some excellent and engaged students. We also created a future workforce mailing list with information we collected at the two career expos for members to send out job opportunities.





# MEMBERSHIP SERVICES

This year we have continued all of our new membership services from last year including our Unlimited Live CPD package, Member Assistance Program with Acacia, and our Member Benefit Partner HR Business Assist. As we looked at the success of our programs last year we expanded some of our previous services to provide a greater range to all members.

## IMPROVED ACCREDITATION PATHWAY

We have been gradually bringing our Accreditation Pathway up to a national standard. We will be implementing stage 2 of our new accreditation policy which introduces new education requirements and new levels for both strata managers and services. We received good feedback on our first stage and will implement stage 2 on 1 July 2021.

These new requirements include increased CPD points over a longer time frame, 24 points over 24 months. This gives members greater freedom of choice over which events they would like to attend. We have also implemented a best practice/compulsory rating for each webinar, so members are aware of the type of content when they register.

The 2021 Accreditation Pathway is now aligned with other Australian jurisdictions that have licensing or regulation in place and will provide a nationwide benchmark for strata manager qualification and professional development. The accreditation levels are designed as a pathway, building onto each level accumulating credentials.

SCA (Qld) values high quality education, a solid career pathway for body corporate managers and a universal set of credentials for consumers to understand the qualifications of accredited managers. Strong professional development requirements lift the bar of the sector's professionalism.

### Accredited Strata Community Manager/Associate

*This is the second level of SCA (Qld) membership.*

*This is the second level of SCA (Qld) membership and the first level of accreditation. This accreditation level is open to both strata managers and other team members who may work in strata, but not as a strata manager. Members will require 24 CPD points over 24 months, with a minimum of 6 points p.a. and 50% SCA Direct CPD Participation (2hrs best practice, 2hrs compulsory topics).*

- Minimum 1 year membership (on Entry Level)
- 2 years experience in strata management
- Successful completion of A100
- Completion of four (4) units from the Certificate IV in Strata Community Management
- National Police Check provided on application and every three years

### Certified Strata Community Manager

*This is the third level of SCA (Qld) membership.*

*This is the third level of SCA (Qld) Membership and the second level of accreditation. This accreditation level is only open to strata managers. Members will require 24 CPD points over 24 months, with a minimum of 6 points p.a. and 50% SCA Direct CPD Participation (2hrs best practice, 2hrs compulsory topics).*

- Successful completion of A100
- Minimum 2 years membership
- 2 years experience in strata management
- Successful completion of Certificate IV in Strata Community Management
- National Police Check provided on application and every three years

### Fellow Strata Community Manager

*This is the fourth level of SCA (Qld) membership.*

*This is the fourth level of SCA (Qld) Membership and the highest level of accreditation. This accreditation level is only open to strata managers, and requires Board approval. Members will require 12 CPD points over 24 months with a minimum of 3 points p.a. and 50% SCA Direct CPD Participation (2hrs best practice, 2 hrs compulsory topics).*

- Must be existing CSCM
- -Demonstrate extensive record of service to industry (Board or committee participation, and dedication to training or mentoring), and a minimum of 30 CPD volunteer hours OR Demonstrate at least 5 years' experience managing Strata Communities, including a qualification equal to a Diploma, or higher, in an industry related discipline, and 15 CPD volunteer hours achieved over a 5 year period
- National Police Check provided on application and every three years



## INCREASED BEST PRACTICE GUIDES

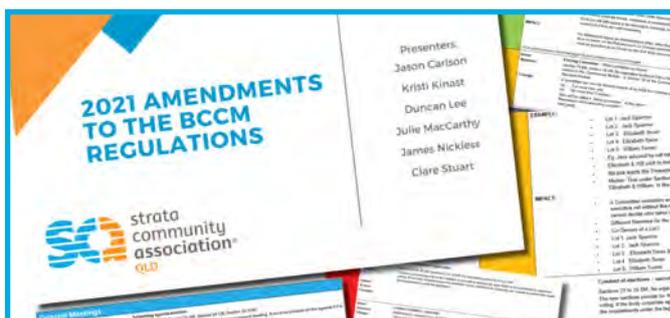
One of our most well received services in 2020, were our COVID-19 Best Practice Guides. Due to their popularity, we have increased our Best Practice Guides to include many topics that body corporate managers may experience. We also created, in conjunction with our Member Benefit Partner HR Business Assist, two bullying, harassment, and discrimination best practice guides, one for employees and one for employers. These best practice guides are created with the assistance of our Board and Committees as they provide their expertise and share it with the industry to ensure a high quality of practice in strata across the state, no matter the size of the company.

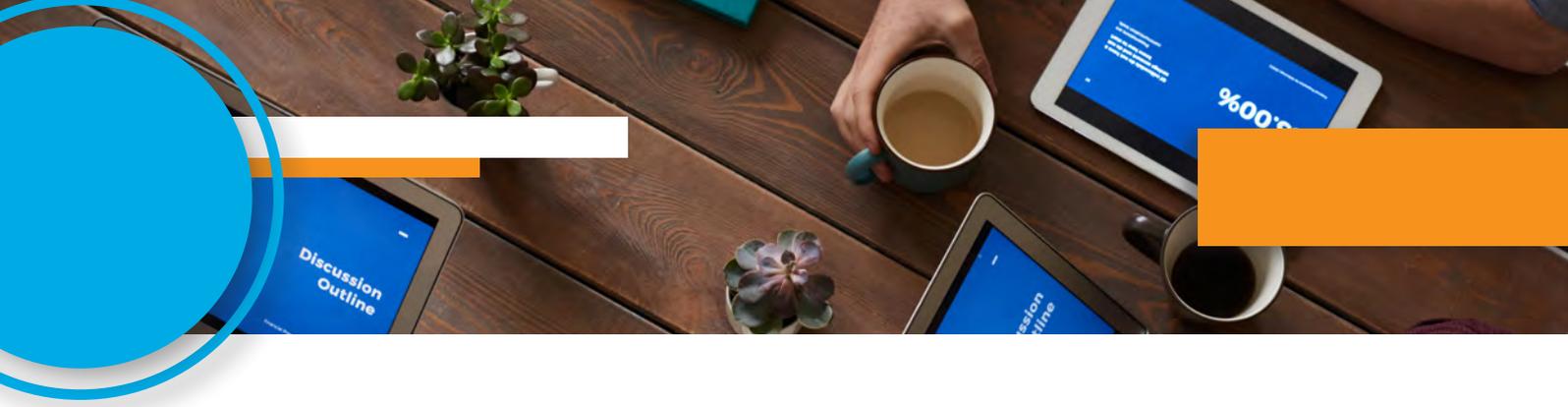
## INCREASED MEMBER BENEFIT PARTNER CONTENT AND ACCESS FOR MEMBERS

Our Member Benefit Partner, HR Business Assist, came on board with us last year to provide free HR Advice to body corporate management firms. We have now expanded their partnership to include annual webinars, best practice guides, and discounted resources for members. In March 2021 we held three HR webinars with HR Business Assist which had a total of 295 registrations. We also sent out two Best Practice Guides to coincide with one of the webinars focusing on Bullying, Harassment and Discrimination, with one for employers and one for employees. We are also providing a wider range of product access for members at a discounted rate. This will allow members to access resources such as templates, strategies and forms at a special rate courtesy of SCA (Qld). Now our members will have greater access to HR Professionals without breaking the bank.

## BCCM POP UP WEBINARS AND INFORMATION SHEETS

With the amended BCCM Regulations released in September 2020, SCA (Qld) held two pop up webinars to break down the new regulations for our members. We held one in October, two days after they were released so members could get an immediate breakdown of the regulations, and then a second webinar in February to provide a refresher for members before they commenced on 1 March. These had a total of 360 registrations making them some of our most popular webinars. This shows how valuable our pop up webinars are to our members and we plan to continue them into the 2021/22 year. Along with these webinars we produced two information sheets breaking down the regulations for all attendees and members. The first explained the difference between the original 2007 regulations compared to the new 2020 regulations, and the second marked the importance of new changes and best practice for BCMs.





## CAREER EXPOS - INTRODUCING THE FUTURE WORKFORCE TO THE STRATA INDUSTRY

SCA (Qld) has now attended two career expos in May and June to introduce young professionals to the world of strata. SCA (Qld) along with some of our fantastic volunteers attended the Brisbane Careers Expo and introduced new and young professionals to the body corporate industry. We had a wide range of body corporate managers from smaller firms to large firms present to show the variety of opportunities in the industry. Thank you to all of our volunteers from our member companies including – The Community Co, Yule Strata, Ernst Body Corporate Management, Cassels Strata, Strata Influence, Aquila Body Corporate Management, Vision Strata, BC Systems and the PICA Group.

We saw over 700 students throughout the two days and gave out important information highlighting why working in strata is worth considering and our fantastic volunteers had lots of giveaways to the keen students. SCA (Qld) is presenting strata management as a job of the future and making the sector known to students, both at university and school. As there are no licensing requirements in Queensland, strata management is the ideal job for a school leaver who can begin in an entry level position and work their way up.

Strata managers are required to have a vast knowledge of regulations and requirements of a body corporate for their day to day operations. Along with this is a new mentoring program being commenced with SCA National, giving young professionals the opportunity to learn about the industry and develop their skills under the eye of some of the best in the industry.



# VOLUNTEER WEEK

Volunteer week is a week long event designed to celebrate and acknowledge the generous efforts of volunteers. SCA (Qld) takes part in this event each year to show our thanks for our fantastic volunteers from our Board to Committees to our various presenters and volunteers throughout the year. We rely on our volunteers to help us deliver the best education, advocacy and events possible by calling on their expertise. We are so grateful to have such a diverse group of members who are always willing to volunteer their time for the benefit of the whole strata community and industry. Our volunteers are a huge asset to SCA (Qld) and we showed our thanks by hosting a morning tea to show our thanks and celebrate their achievements over the past year. Thank you to all of our fantastic volunteers over the many years of SCA (Qld)!



## EDUCATION PLANNING RETREAT

Our Education Planning Retreat, sponsored by CHU, is quickly becoming one of our favourite events. Hearing all of the passion and ideas for the strata industry is inspiring to hear as an industry body. The event is designed to provide our body corporate management members with the opportunity to develop our 2021 education calendar and conference program. These are incredibly valuable sessions for SCA (Qld) as body corporate managers know the industry better than anyone, so they are naturally the perfect group to build our education calendar. Thank you to all those who attended and helped create such a successful program:

- Adelle Sirett, Noosa Body Corporate Management
- Alina Stefirta, Whittles
- Andrew Davidson, Noosa District BCM
- Anirudh Kakulapati, CHU
- Brendan Yule, Yule Strata
- Craig Stanley, CHU
- David Midwood, bodycorporate.com.au
- Fallon McHugh, Capitol BCA
- Felicity Frewin, Capitol BCA
- Jasmine Thompson, Cambridge Management
- Jason Carlson, Grace Lawyers
- Jonathan Flannery, PICA
- Julie MacCarthy, Capitol BCA
- Kristi Kinast, Cassels Strata
- Lindsay Cherry, CHU
- Maddison Lapworth, Bright and Duggan
- Melitta McDonald, Archers The Strata Professionals
- Michael Hurley
- Penny Sherrin, GC Strata Management
- Peter Clark, Strataworks
- Sarah Walsh, Yule Strata
- Sonia Gauvin, BCS
- Wayne Farley, BCS





# EVENTS

## 2021 CONFERENCE - INCEPTION. IMAGINATION. INNOVATION.

The Conference is the biggest event of the year for SCA (Qld). It brings together hundreds of our members for a two day educational forum. Covering relevant topics, providing networking opportunities, and a whole experience promoting the SCA (Qld) brand.

We had 320 attendees, our largest event ever. This was a 15% increase from 2020, and we had 89% of attendees say they were likely or very likely to return. For the first time ever we had an almost 50% split between strata management firms and service companies. We had 52.27% of SCA (Qld) BCM firms represented (46 firms), which is up from 42% in 2020, which was a major success coming out of COVID-19.

We were so excited to have the newly appointed Attorney-General Shannon Fentiman attend our 2021 Conference and address our delegates. She spoke about the newly implemented BCCM Regulations and the upcoming working group to discuss body corporate issues raised by SCA (Qld) in our 2020 Election Campaign. We also had BCCM Commissioner Michelle Scott attend on our second day to discuss. Our Conference closed with our Annual Awards and Conference Dinner which saw almost 400 attendees flock to Miami Marketta to celebrate excellence in the strata industry.





## 2021 SUMMER GOLF DAY

With our 2020 Golf Day sadly being cancelled due to COVID, we moved it to summer at the end of our 2021 Conference at RACV Royal Pines. We had 188 players take the course on 5 March, our largest Golf Day ever. It was amazing to see almost 200 of our members give it their best swing, zipping around in buggies, and taking full advantage of the drinks cart. Across the 27 holes at Royal Pines, we could see all (okay, most) of our members had brought their A-game with balls, divots and clubs flying madly (and some coming a bit too close to the drone). The infectious spirit, creative games and grand selection of beverages courtesy of our generous sponsors ensured that it was a day filled with fun, frivolity, and friendly competitive banter.

Alas, there can only be one trophy winner on the day, and this year that honour went to Team Usher Group with players Bridget Blinco, Luke Norman, Scott Trambath, and Alan Strachan!



## 2020 END OF YEAR NETWORKING

We had 279 registrations for our End of Year Networking, to top off one of the most unpredictable years the industry has experienced. Our numbers were on par with the 2019 sessions which had 280 registrations across the five locations. We had 107 at our Brisbane location, including the BCCM Commissioner Michelle Scott and QFES Officer Troy Hartley, continuing our relationship with key industry stakeholders. We love bringing together our members from all across Queensland as we travelled from the Gold Coast all the way up north to Cairns!



## 2020 LEADERSHIP FORUM - FUTURE-PROOFING THE EXPERIENCE ECONOMY

Our 2020 Leadership Forum was the perfect escape after a tumultuous year for all our attendees. We had our facilitator Amanda Stevens taking our members through future proofing their businesses on day one, and on day two we had Tara Diversi take the group through how they can implement these strategies into their day to day operations.

Consumer Futurist Amanda Stevens mentored our Leadership Forum delegates on how to redefine value, building on the current service economy and improving on adaptability, productivity and peak performance and then rolling up our sleeves to tackle 2021 with its own unique challenges. Our leaders also explored the “KitKat Question” - how incremental service delivery can have a boomerang effect on the bottom line. As one of our first networking events out of the COVID-19 lockdown, it was great to see so many of our strata management leaders coming out to learn about how to future proof their methods and businesses.



## HR WEBINARS

One of our new event series this year was our HR Catch Up Day. This was an increased benefit from our Member Benefit Partner HR Business Assist. They presented on three topics – Fair Work and knowing your rights; Bullying, Harassment and Discrimination in the workplace; and Dealing with difficult customers. These were well received by members and allowed more members to be made aware of the partnership we have with HR Business Assist and the services they can access through this. We had 295 registrations across the three webinars, with the most popular being Dealing with difficult customers.

## POP UP WEBINARS

We have held four pop up webinars in the past year for different topics that have come up throughout the year. They covered the new BCCM Regulations, COVID Emergency Provisions and Stage 3 of the cladding deadline. We had over 530 registrations across the four webinars with our biggest webinar being our first BCCM Regulations webinar with 186 registrations. Our pop up webinars are crucial to our yearly operations as we have a wide range of experts who are willing to volunteer their time at minimal notice to present on a time sensitive topic.



## A100

We held two A100s over the past financial year with just under 50 attendees across the two events, with one held in person, and one held as a virtual interactive classroom. Our in person A100 had to be moved off site due to high demand and we had 28 members become eligible for accreditation on the day. As our Accreditation Pathway updates each year to be brought in line with national standard accreditation our member uptake of these programs continues to grow.



## CPD WEBINAR ATTENDANCE

In the 2020/2021 financial year, our average CPD webinar attendance has increased 48% from an average of 68 registrations per webinar to 101. This is a major increase over a one year period and shows how dedicated our members are to professional development and continuing education throughout the year. Our Education Committee is consistently providing useful topics and ensuring that the sessions we are putting on are not only relevant to our members, but provided in a timely manner ensuring members have plenty of options to earn their required CPD points.

In the 2020/21 financial year, SCA (Qld) held a total of 47 events, including four pop up webinars. There were a total of 3,842 attendees across the 47 functions, which is a 47% average attendance increase from last year, and a 65% increase from 2018/19

	Total webinar attendees	Total event attendees	Number of events	average attendance per event
2018/19	1,231	2,433	50	49
2019/20	2,325	3,753	68	55
2020/21	2,827	3,842	47	81





# THE MARKET

## STRATA GROWTH CONTINUES THROUGH COVID-19

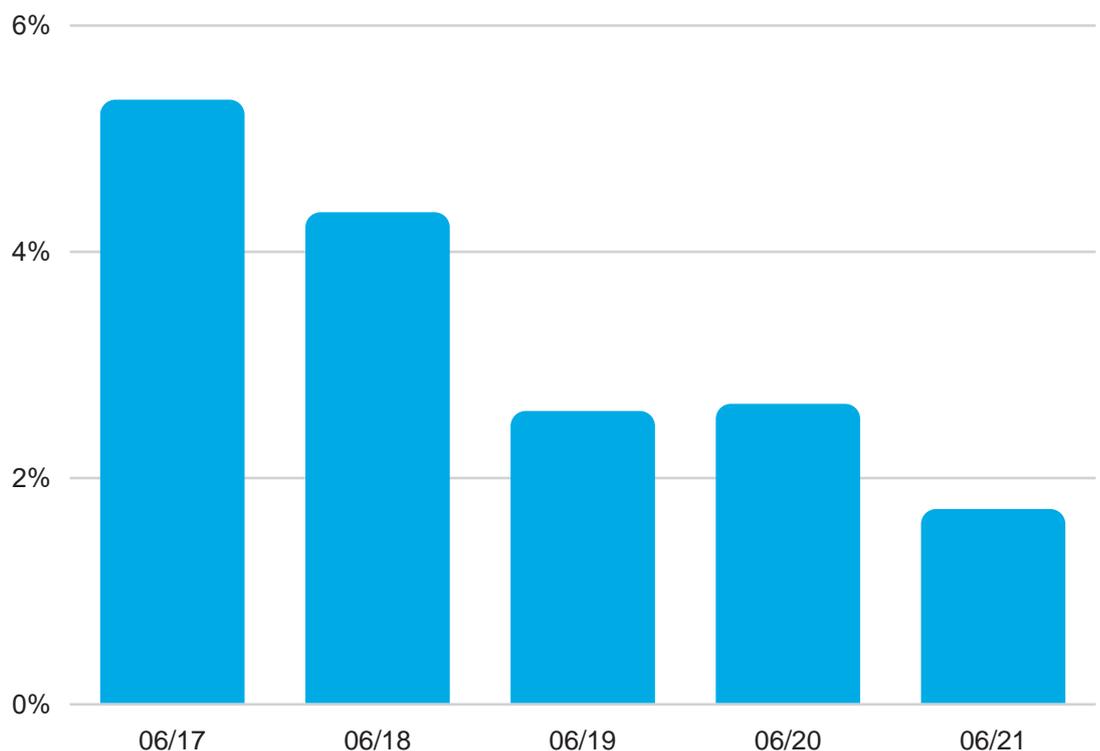
The past year has thrown almost all of the country into chaos, one thing that has remained strong is the growth of the strata industry. The sector has had a lower growth percentage in registered lots from this period last year, with a 1.84% growth in 2020/21, compared to 2.51% in 2019/20. The growth of total schemes has also dropped slightly from last financial year with a 1.44% growth in 2020/21, compared to 1.8% in 2019/20.

The highest growth area was Sunshine Coast with 141 new schemes created in 2020/21, which is a 2.93% increase in the past 12 months. Other areas that experienced significant growth in the past 12 months are the Gold Coast with 171 new schemes (1.29% growth), and Brisbane with 152 new schemes (1.17% growth). Toowoomba experienced a growth of 49 lots (2.39% increase).

The highest percentage of growth in schemes was by 51 to 100 lots schemes, which grew by 2.9%, which also saw an increase in the total lots in schemes with a 1.84% increase. Despite this increase, the majority of schemes still consist of smaller lots (6 and under), with 113,745 total lots across Queensland. Out of the 724 new schemes created in the past year 73% were smaller schemes.

We know that not even a global pandemic can slow the strata industry. As Queensland grows with its high interstate migration levels, more Queenslanders are looking to strata living as they make the move to the state.

### 12-MONTHLY GROWTH IN LOTS



# SCA (QLD) SPONSORS

Our corporate sponsors are crucial to our operations at SCA (Qld) and we want to take this opportunity to thank them for their ongoing support of SCA (Qld). Our sponsors are a key part of our membership services, events and education that we offer. As a non-profit membership body, the generous contribution of our sponsors is critical in achieving our strategic objectives. Our sponsors allow us to continue being the peak body for the industry and provide the best possible support for our members.

Many functions, events and projects would not be possible with our sponsors who invest their valuable time and funds into SCA (Qld). The Board, team and members are grateful for their long-term alignment with our organisation. In particular our Platinum sponsors who are our biggest financial supporters and make a massive difference to our operations.

## PLATINUM PARTNERS



## GOLD PARTNERS



## SILVER SPONSORS



# **Strata Community Association (Qld) Limited**

ABN 15 163 881 927

## **Financial Report 30 June 2021**

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# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report

The Directors present their report, together with the financial statements, on Strata Community Association (Qld) Limited ("the Company") for the year ended 30 June 2021.

### Directors

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

James Nickless (President)  
Kelly Roberts (Senior Vice President)  
Jonathan Flannery (Vice President – Education)  
Grant Mifsud (Vice President – Engagement)  
Peter Crogan (Secretary) (Appointed on 24 November 2020)  
Duncan Lee (Treasurer)  
Jason Carlson  
Andrew Davidson  
Con Iconomidis  
Tyson Pratt  
Ian D'Arcy (Retired on 13 October 2020)  
Nicky Crane (Retired on 17 September 2020)  
Kristi Kinast (Appointed on 13 October 2020)  
Chris Irons (Appointed on 14 October 2020)

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

### 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.

### Review of Operations

The surplus of the Company for the financial year after providing for income tax amounted to \$157,424 (2020: \$50,223).

### Significant Changes in the State of Affairs

Other than the ongoing impact of COVID-19, 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.

### 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.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

### 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.

### Contributions on winding up

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 \$19 each towards meeting any outstanding obligations of the Company. As at 30 June 2021, the number of individual members was 1,044 (2020: 965).

### Objectives

As a geographically based industry body, SCA QLD will remain focused on its current markets of representing Queensland based strata managers and the communities that they service.

The short-term objective of the Company is to enhance our advocacy efforts to deliver a regulatory framework and refine our service offering to enhance strata manager engagement and supplier.

### Strategy for achieving the objectives

The Company, over the next 3 years, will develop alignment with SCA National and other States/Chapters in terms of delineation of scope and delivery of services. The Company will endeavour to establish a position approval process to support advocacy efforts, and improve the quality of presenters and content delivered as part of education services through both a vetting and training process. This may also include an education/learning management system that supports on-demand education, a user-friendly library/reference application to support best practice guides and knowledge sharing and a mobile-friendly website.

### Performance measures

The Company's performance in achieving the short-term objectives is measured against the following targets:

- High engagement with strata management firms and their staff
- Long term sponsorship partnerships with key suppliers to the industry
- Higher awareness of body by lot owners and other industry stakeholders
- Administering regulatory framework
- Evolved best practice support solutions
- Alignment with SCA QLD National, other states

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

### 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

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

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

**Duncan Lee**

**Treasurer**

Qualifications and experience

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

### Information on directors (Continued)

#### 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

#### 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

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

#### Chris Irons

Qualifications and experience

Appointed on 14 October 2020  
Member of SCA (Qld)  
Solicitor at Hynes Legal  
Bachelor of Arts (Honours) degree  
Former Commissioner for Body Corporate and Community Management  
President of Northside Connect

#### Peter Crogan

##### Secretary

Qualifications and experience

Appointed on 24 November 2020  
Head of Customer Experience for the PICA Group of companies based in Brisbane City  
Diploma of Management (Strata)  
Cert IV in Property (Strata)  
Fellow member of SCA (Qld)

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

### Information on directors (Continued)

#### **Kristi Kinast**

Qualifications and experience      Appointed on 13 October 2020  
Operations manager Cassels Strata  
Member of SCA(Qld)  
Bachelor of Business Management  
SCA (Qld) Education Committee Member  
UDIA Property Law and Community Management Policy Committee  
Member

#### **Ian D'Arcy**

##### **Secretary (Resigned)**

Qualifications and experience      Retired on 13 October 2020  
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)

#### **Nicky Crane**

Qualifications and experience      Retired on 17 September 2020  
Appointed as Independent Director on 18 September 2018  
Director of Urban Canvas.  
Bachelor of Urban Development Construction Management and Property  
Economics (Hons) (QUT)

### Company Secretary

The following person held the position of company secretary at the end of the financial year:

Peter Crogan of PICA Group of companies from 24 November 2020.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

### Meetings of Directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Jason Carlson	7	7
Nicky Crane	2	1
Andrew Davidson	7	7
Ian D'Arcy (Secretary)	4	3
Con Iconomidis	7	7
James Nickless	7	5
Kelly Roberts	7	4
Grant Mifsud	7	6
Duncan Lee (Treasurer)	7	6
Jonathan Flannery	7	7
Tyson Pratt	7	7
Peter Crogan	4	3
Chris Irons	4	4
Kristi Kinast	4	3

### 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.

### 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.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

30 June 2021

## Directors' Report (Continued)

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 8.

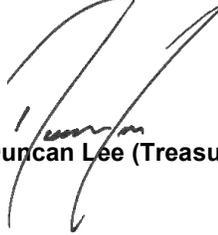
This report is signed in accordance with a resolution of the Board of Directors:



**James Nickless (President)**

30 August 2021

Brisbane, Queensland



**Duncan Lee (Treasurer)**

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF  
STRATA COMMUNITY ASSOCIATION (QLD) LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, 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 B Narayanan**  
**Partner**

Brisbane, Queensland  
30 August 2021

[hlb.com.au](http://hlb.com.au)

**HLB Mann Judd (SE Qld Partnership)**

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Liability limited by a scheme approved under Professional Standards Legislation.

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	3	1,043,480	1,002,532
Other income	3	149,987	88,298
Audit and accounting		(12,683)	(11,608)
Advertising and promotion		(6,989)	(17,541)
Bookshop costs		(2,070)	(1,050)
Depreciation and amortisation expense		(54,878)	(36,390)
Employee benefit expense		(386,227)	(371,927)
Legal fees		(2,455)	(3,607)
Occupancy costs		(6,610)	(36,581)
Other expenses		(140,029)	(108,463)
SCA (QLD) strata conference		(216,673)	(200,486)
SCA national membership		(96,391)	(109,048)
Seminar and events		(92,473)	(133,161)
Finance costs		(18,565)	(10,745)
<b>Surplus before income tax</b>		<b>157,424</b>	<b>50,223</b>
Income tax expense	5	-	-
<b>Surplus for the year</b>		<b>157,424</b>	<b>50,223</b>
Other comprehensive income		-	-
<b>Total Comprehensive Income for the Year</b>		<b>157,424</b>	<b>50,223</b>

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 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	724,434	562,797
Trade and other receivables	7	866	34,410
Inventories		-	70
Other current assets	9	33,726	12,270
<b>Total Current Assets</b>		<b>759,026</b>	<b>609,547</b>
<b>Non-Current Assets</b>			
Other assets	9	51,439	51,439
Property, plant and equipment	8	8,129	6,890
Right-of-use assets	10	229,126	280,475
<b>Total Non-Current Assets</b>		<b>288,694</b>	<b>338,804</b>
<b>Total Assets</b>		<b>1,047,720</b>	<b>948,351</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	11	63,760	57,328
Employee provisions	12	7,581	22,788
Other liabilities	13	125,542	117,226
Lease liabilities	14	46,202	40,505
<b>Total Current Liabilities</b>		<b>243,085</b>	<b>237,847</b>
<b>Non-Current Liabilities</b>			
Employee provisions	12	-	17,589
Lease liabilities	14	220,070	265,774
<b>Total Non-Current Liabilities</b>		<b>220,070</b>	<b>283,363</b>
<b>Total Liabilities</b>		<b>463,155</b>	<b>521,210</b>
<b>Net Assets</b>		<b>584,565</b>	<b>427,141</b>
<b>Equity</b>			
Retained surpluses		584,565	427,141
<b>Total Equity</b>		<b>584,565</b>	<b>427,141</b>

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 2021

	Retained Surpluses \$	Total \$
<b>Balance at 1 July 2019</b>	376,918	376,918
Surplus for the year	50,223	50,223
Other comprehensive income	-	-
<b>Balance at 30 June 2020</b>	<b>427,141</b>	<b>427,141</b>
<b>Balance at 1 July 2020</b>	427,141	427,141
Surplus for the year	157,424	157,424
Other comprehensive income	-	-
<b>Balance at 30 June 2021</b>	<b>584,565</b>	<b>584,565</b>

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 2021

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from members and customers		1,336,764	1,127,415
Payments to suppliers and employees		(1,114,698)	(1,050,616)
Interest received		2,911	5,024
Interest paid		(18,565)	(10,745)
<b>Net cash generated from operating activities</b>		<b>206,412</b>	<b>71,078</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(4,768)	(4,725)
<b>Net cash (used in) investing activities</b>		<b>(4,768)</b>	<b>(4,725)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(40,007)	(3,598)
<b>Net cash (used in) investing activities</b>		<b>(40,007)</b>	<b>(3,598)</b>
Net increase in cash held		161,637	62,755
Cash and cash equivalents at beginning of financial year		562,797	500,042
<b>Cash and cash equivalents at end of financial year</b>	<b>7</b>	<b>724,434</b>	<b>562,797</b>

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 2021

### 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 Judgements, Estimates and Assumptions

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 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (a) Critical Accounting Judgements, Estimates and Assumptions (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.

Educational webinars have been offered to members, held online and in person since April 2020 (which SCA (Qld) have provided since 2017), this continued throughout the 2020-21 financial year. From that perspective, there was no financial impact from loss of revenue for scheduled events to 30 June 2021. The event 12-month calendar from 1 July 2020 to 30 June 2021 was carefully scheduled to provide approximately 2 - 2.5 times the amount of required CPD points given the newly implemented accreditation pathways requirements coming into effect. All additional events were online webinars. The demand for educational webinars/seminars is not expected to decrease during 2021-22.

The company successfully applied for the Australian Government's JobKeeper payment in the 2020 financial year for its 2 full-time and 4 part-time staff at the time and received the Australian Government's Cash Flow Boost. The Cashflow Boost payments continued until 24 September 2020, and the JobKeeper payments continued for two staff members until 11 September 2020.

COVID-19 restrictions which came into effect from mid-March 2020 did not have a negative impact on the 2021 Conference. Looking forward it is not 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) was changed for 2020-21 to allow sponsors to commit less up front dollars while maintaining their sponsorship level – this has now been reverted back to pre-Covid-19 terms. All contracts with venues for large scale events include a contingency clause to allow for postponement even if there are no restrictions imposed by the government. All contracts also include force majeure clauses. The primary objective is to proceed with all in person (large scale signature events) events until a government directive is imposed. At that time protocol is to postpone the event to the earliest possible available date with contractual agreements to ensure no financial loss is incurred.

In regard 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.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (a) Critical Accounting Judgements, Estimates and Assumptions (Continued)

##### *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 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (b) New or Amended Accounting Standards and Interpretation 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.

#### (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).

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (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.

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) Inventories

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

##### 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:

<b>Class of Fixed Assets</b>	<b>Depreciation Rate</b>
Furniture & fittings	10% - 30%
Computers & office equipment	10% - 30%

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (g) Property, Plant and Equipment

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.

#### (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:

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (i) Financial Instruments (Continued)

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.
- A financial asset is subsequently measured at amortised cost if it meets the following conditions:
  - the financial asset is managed solely to collect contractual cash flows; and
  - the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

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

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

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

#### *Financial liabilities*

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.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (i) Financial Instruments (Continued)

##### *Derecognition of financial assets*

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

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

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

##### *Derecognition of financial liabilities*

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

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

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

#### **Impairment**

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

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (i) Financial Instruments (Continued)

##### *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.

#### (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.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (l) Employee Provisions (Continued)

##### *Other long-term employee benefits*

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

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

#### (m) Trade and other debtors

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

#### (n) Trade and other payables

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

#### (o) Comparative Figures

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 2: Summary of Significant Accounting Policies (Continued)

#### (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 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

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Note 3: Revenue and other income</b>			
<i>Revenue from contracts with customers</i>			
Membership subscription		293,793	278,388
Sponsorship income		377,868	407,739
Bookshop		6,214	2,523
Seminars & events		157,886	136,581
SCA (Qld) Ltd strata conference		207,719	177,301
		<u>1,043,480</u>	<u>1,002,532</u>
<i>Other income</i>			
Interest received		2,911	5,025
Sundry		147,076	83,273
		<u>149,987</u>	<u>88,298</u>
<i>Disaggregation of revenue</i>			
The disaggregation of revenue from contracts with customers is as follows:			
<i>Timing of revenue recognition</i>			
Goods Transferred at a point in time		708,917	581,748
Services transferred over time		334,563	420,784
		<u>1,043,480</u>	<u>1,002,532</u>
<b>Note 4: Surplus for the year</b>			
The surplus for the year includes the following specific expenses:			
Depreciation and amortisation expenses		54,878	36,390
Interest and finance charges paid on lease liabilities		18,565	10,745
<i>Superannuation expense</i>			
Defined contribution superannuation expense		31,695	30,628
<i>Leases</i>			
Total rental expense relating to operating leases		-	36,581
<b>Note 5: Income tax expense</b>			
(a) The major component of tax expense comprise:			
Current tax expense			
- Local income tax - current period		-	-
Deferred tax expense			
- Under provision in respect of prior years		-	-
		<u>-</u>	<u>-</u>

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Note 5: Income tax expense (continued)</b>			
(b) Reconciliation of income tax to accounting profit:			
Prima facie tax payable on profit from ordinary activities before income tax 27.5% (2020: 27.5%)		43,291	13,811
Add:			
Tax effect of:			
- Expenditure relating to income derived from members		272,720	271,942
- Under provision of income tax in prior years		-	-
Less:			
Tax effect of:			
- Income derived from members		326,890	284,458
- Non-assessable income		11,375	8,205
- Other		(22,254)	(6,910)
<b>Income tax expense</b>		<b>-</b>	<b>-</b>

### Note 6: Cash and cash equivalents

Cash at bank	724,265	562,597
Cash on-hand	169	200
<b>Total cash and cash equivalents</b>	<b>724,434</b>	<b>562,797</b>

### 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:

<b>Cash and cash equivalents</b>	<b>724,434</b>	<b>562,797</b>
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### Note 7: Trade and other receivables

CURRENT		
Trade receivables	866	19,410
Other receivables	-	15,000
<b>Total current trade and other receivables</b>	<b>866</b>	<b>34,410</b>

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Note 8: Property, plant and equipment</b>			
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
<b>Furniture &amp; fittings</b>			
At cost		3,670	2,786
Accumulated depreciation		(2,793)	(2,786)
Total furniture and fittings		<u>877</u>	<u>-</u>
<b>Computers &amp; office equipment</b>			
At cost		26,279	22,394
Accumulated depreciation		(19,027)	(15,504)
Total computers & office equipment		<u>7,252</u>	<u>6,890</u>
<b>Total property, plant and equipment</b>		<u><b>8,129</b></u>	<u><b>6,890</b></u>

### Note 8 (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 \$
<b>Year ended 30 June 2020</b>				
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)
<b>Balance at the end of the year</b>	<u>-</u>	<u>6,890</u>	<u>-</u>	<u>6,890</u>
<b>Year ended 30 June 2021</b>				
Balance at the beginning of the year	-	6,890	-	6,890
Additions	884	3,885	-	4,769
Disposals	-	-	-	-
Depreciation expense	(7)	(3,523)	-	(3,530)
<b>Balance at the end of the year</b>	<u>877</u>	<u>7,252</u>	<u>-</u>	<u>8,129</u>

### Note 9: Other assets

#### CURRENT

Prepayments		33,726	12,270
<b>Total other assets</b>		<u><b>33,726</b></u>	<u><b>12,270</b></u>

#### NON-CURRENT

Security deposit-premises		51,439	51,439
<b>Total non-current other assets</b>		<u><b>51,439</b></u>	<u><b>51,439</b></u>

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

Note	2021 \$	2020 \$
<b>Note 10: Right-of-use assets</b>		
Land and building - right-of-use	309,778	309,778
Less: Accumulated depreciation	(80,652)	(29,303)
<b>Total Right-of-use assets</b>	<b>229,126</b>	<b>280,475</b>

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 11: Trade and other payables

#### CURRENT

Trade payables	19,742	6,249
GST payable	1,304	27,240
PAYG payable	8,271	5,764
Other payables	34,443	18,075
<b>Total current trade and other payables</b>	<b>63,760</b>	<b>57,328</b>

#### a) Financial liabilities classified as trade and other payables

Trade and other payables;		
- Total current	63,760	57,328
Less:		
- GST & PAYG Payable	(9,575)	(33,004)
<b>Financial liabilities classified as trade and other payables</b>	<b>54,185</b>	<b>24,324</b>

### Note 12: Employee provisions

#### CURRENT

Employee entitlements-Annual Leave	7,581	22,788
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#### NON-CURRENT

Employee entitlements-Long Service Leave	-	17,589
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<b>Total employee provisions</b>	<b>7,581</b>	<b>40,377</b>
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### Movement in carrying amount

Opening balance	40,377	41,193
Provisions used/reversed	(32,796)	(816)
<b>Balance as at 30 June 2021</b>	<b>7,581</b>	<b>40,377</b>

### Note 13: Other liabilities

#### CURRENT

Deferred income	125,542	117,226
<b>Total other liabilities</b>	<b>125,542</b>	<b>117,226</b>

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

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Note 14: Lease liabilities</b>			
CURRENT			
Lease Liabilities		46,202	40,505
NON-CURRENT			
Lease Liabilities		220,070	265,774
<b>Total lease liabilities</b>		<b>266,272</b>	<b>306,279</b>

### Note 15: Capital and leasing commitments

The Company had no commitments for expenditure as at 30 June 2021 and 30 June 2020.

### Note 16: 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	6	724,434	562,797
Trade and other receivables	7	866	34,410
Other assets	9	51,439	51,439
<b>Total financial assets</b>		<b>776,739</b>	<b>648,646</b>

Financial liabilities at amortised cost

Trade and other payables	11	54,185	24,324
<b>Total financial liabilities</b>		<b>54,185</b>	<b>24,324</b>

### Note 17: Key management personnel disclosure

#### Compensation

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 \$156,491 (2020: \$136,875).

#### Other key management personal transactions

For detail of other transactions with key management personal, refer to Note 19: Related party transactions.

# Strata Community Association (Qld) Limited

ABN 15 163 881 927

## Notes to the Financial Statements

For the year ended 30 June 2021

### Note 18: Contingent liabilities

The company had no contingent liabilities as at 30 June 2021 and 30 June 2020.

### Note 19: 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 18: 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 20: Member's guarantee

The company is incorporated meeting any outstanding obligations of the company. At 30 June 2021, the number of members was 1,044 (2020: 965).

### Note 21: 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 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

### Note 22: Company details

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

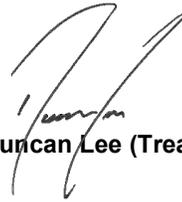
## **Directors' Declaration**

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 9 to 29, 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 2021 and of its performance for the financial 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)**  
30 August 2021  
Brisbane, Queensland



**Duncan Lee (Treasurer)**

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

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **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 2021, 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 2021 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 (including Independence Standards)* ("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, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### **Emphasis of Matter – 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.

#### **Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the Company's financial report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

[hlb.com.au](http://hlb.com.au)

#### **HLB Mann Judd (SE Qld Partnership)**

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

### **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*

**HLB Mann Judd  
Chartered Accountants**

Brisbane, Queensland  
30 August 2021

*A B Narayanan*

**A B Narayanan  
Partner**



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