

ANNUAL REPORT



19/20

PLATINUM SPONSORS





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PRESIDENT'S REPORT

Chris Duggan

President SCA (NSW)

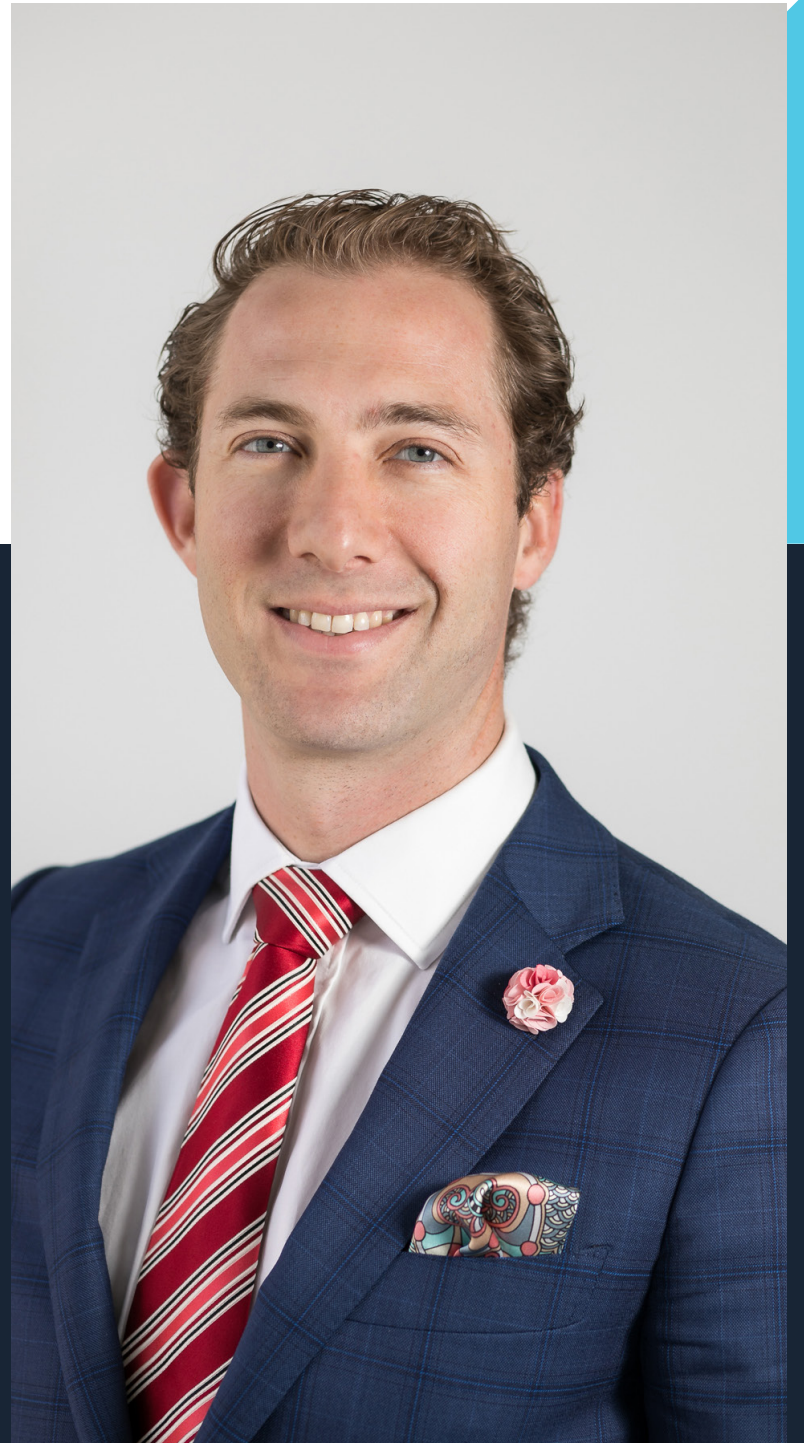
It's been a particularly difficult start to 2020 with the COVID-19 pandemic and subsequent lockdown restrictions changing the way we operate and throwing our members, the community, and the nation into economic unrest. The last 12 months have presented enormous challenges to Strata owners and residents and the industry in general.

That said, 2019/2020 has been very productive for us.

SCA (NSW) have worked tirelessly to deliver support to the industry and ensure legislation was updated to benefit those who live in, own, or work in Strata titled property.

All staff adapted to the changes and new complexities in the operating environment, working remotely without any interruption to member services.

The work we've done to mitigate the spread of COVID-19 in high-density living and ensure all strata residents have access to the support, resources and guidance they need has been integral.





SCA (NSW) have worked tirelessly to deliver support to the industry and ensure legislation was updated to benefit those who live in, own, or work in Strata titled property.

Along with COVID-19 and the challenges it brought, SCA (NSW) has had a highly active 2019/2020:

- New South Wales Building Commissioner appointed in August 2019
- Participating in the Community schemes law reform in December 2019
- Changes to NSW fire safety statements forms in January 2020
- Lockdown Restrictions and developing innovative service solutions in Feb 2020
- NSW Residential Tenancies Regulation 2019 coming into effect March 2020
- Real Estate and Property Industry Reforms announced in March 2020
- Changes to Short Term Rental Accommodation in NSW April 2020
- Amendments to Witnessing Legal Documents regulation in April 2020

- NSW releasing a final report on the cladding and building crisis in April 2020
- Fire Safety Reforms coming into effect April 2020
- COVID-19 Tenancy Changes May 2020
- NSW passing Community Land Management Amendment (COVID-19) Regulation 2020 and Strata Schemes Management Amendment (COVID-19) Regulation 2020 to provide relief to strata owners and committees in June 2020
- New regulations to prevent building defects and boost confidence in NSW June 2020

As our advocacy for better construction standards continues across the state, we are excited to be well down the track across transformative government and industry initiatives critical to influencing the strata agenda in NSW.

In December 2019, SCA (NSW) appeared before the Public Accountability Committee at the public hearing to inquire into the Regulation of Building Standards, Building Quality, and Building Disputes in December. We tabled our seven-point plan and the necessity of restoring confidence within the Strata sector.

Our submission for the inquiry was evidence to the committee focused on the support for consumers within the industry and highlights the need for certainty of process, products, and outcomes. We discussed combustible cladding as a subset of broader defect issues that are currently plaguing NSW buildings.

Our plan, submission, and evidence have spawned several projects that we launched earlier this year. Working towards a Professional Standards Scheme, funding research into the impacts of defects across the state, and advocating amendments to Strata regulation to help our members deal with coronavirus impact.

SCA (NSW) continues its roundtable discussions for the strata portal, developing a minimum viable product that can improve transparency, accountability, and quality of work within the building sector. We're also proud of our ongoing collaboration with nationally focused industry stakeholders to help the building commissioner David Chandler consult on establishing a rating tool (iCIRT) to restore public trust and consumer confidence in construction.


We have been involved in all pillars of the iCIRT subgroups. We're in strong support of:

- The collaborative construction industry initiative and development of a national transparent, independently verified rating tool.
- We are continuing input and time commitment of regular monthly meetings for the iCIRT Industry Group and Sub-Groups.
- We see the benefits, value, and utility of using a rating tool in the wider construction industry and built environment sector.

SCA (NSW) and the Office of the Building Commissioner have been working closely on government projects to foster and re-establish consumer confidence for the building/construction industry in New South Wales.

We're well down the track on forging a new era for Strata by forming our Professional Standards Scheme. A decision which synergises with Government expectations, consumer needs and innovation necessary within our sector. SCA (NSW) aims to professionalise the Strata Management industry to the highest level. This is in line with the New South Wales Government plan to rebuild the construction sector, restore confidence and enshrine competence, professionalism, and form self-regulation within the industry.

This is part of our commitment to honouring the NSW Government's reform pillars and building upon SCA



As part of meeting Government expectations, SCA (NSW) has sought a defined and measurable improvement in consumer confidence and has called on the Office of the Building Commissioner to deliver a 50% increase in consumer confidence by 2025.

At the 2019 AGM, we saw the resignation of several key contributors who have served for long periods in their capacity as volunteer directors. Notable among them was retiring Senior Vice President Daniel Linders, who has tirelessly worked on behalf of members for a decade to lift standards, lobby Government, represent strata, and ensure a better deal for our membership. I would also like to acknowledge Hugh McCormack for his deep involvement over the years in progressing the education agenda for strata managers and David Wellman for his tenure on the Board representing Licensed managers.

Thank you to the NSW Board for their time, commitment, and effort and welcome to three new members – Emily Doherty, Peter Brisbane, and Michael Gilday. All three bring great experience and insight and have made their marks on the Board and in committees since joining.

Finally, a sincere thank you to the NSW Secretariat team, who continues to work hard to produce education, communications, and events for members- being made more challenging with the impact of COVID-19, yet they continue to preform at a high level.

Keep well and stay safe.



Chris Duggan
President SCA (NSW)

PROFESSIONAL STANDARDS SCHEME

Earlier this year (2020), SCA (NSW), initiated the process of forming our own Professional Standards Scheme regulated by the Professional Standards Australia; a lengthy, beneficial, and most importantly, revolutionary step forward for our industry.

We're proud of the strides and progress that we have made since announcing the initiative and continue to corroborate and participate closely with the Professional Standards Council and Deloitte to ensure our application is as seamless as possible.

At this stage we are pleased to announce that SCA(NSW) have submitted the draft application to the Professional Standards Authority for review. Our hope is that by attaining a Professional Standards Scheme, we professionalise the Strata Management industry to the highest level. This is in line with the New South Wales's Government plan to rebuild the construction sector, restore confidence and enshrine competence, professionalism, and a form of self-regulation within the industry.

Associations (like ours) are working towards lifting professional standards to aide in the Government's efforts to resort sector confidence and SCA (NSW) are embracing their expectations in uplifting regulations across the sector.

Becoming a formally recognised profession is an exciting and positive step for Strata Management professionals. It is about being recognised by the community and government as being capable of self-regulation and gives our profession a respected seat at the table for future policy and regulatory negotiations.

As we've highlighted, it can also bring a range of substantial benefits to members and the wider community they serve, including:

- Social and Community benefits
- Consumer confidence and trust benefits
- Economic benefits for Government and Industry
- Personal and Career benefits for people entering into the profession.

Operating under a Professional Standards Scheme will distinguish our association and its members as a truly recognised profession.

As our application continues, we continue to show that we are participating in an initiative to deliver ongoing improvements in professional standards and consumer protection.

We're excited to finalise the application.

SCA (NSW) BOARD OF DIRECTORS

The Board is the SCA (NSW) governing body. During the year, the Board continued to strengthen corporate governance to support the secretariat and deliverables for SCA (NSW). The Board is responsible for setting

short and long-term goals, strategic directions, and policies governing the operations of SCA (NSW) and the conduct of its members.

At the date of this report, the Directors of the NSW Board are:



President - Chris Duggan
Strata Manager (Licensed) Chapter



Senior Vice-President - Tony Irvine
Strata Manager (Licensed) Chapter



Vice-President - Stephen Brell
Strata Manager (Licensed) Chapter



Peter Brisbane
Strata Manager (Licensed) Chapter



Michael Gilday
Strata Manager (Licenced) Chapter



Emily Doherty
Strata Manager (Associate) Chapter



Kirsten Terry
Strata Manager (Associate) Chapter



David Bannerman
Strata Services Chapter



Colin Grace
Strata Services Chapter



Anne-Maree Paull
Strata Services Chapter



Nick Whiley
Strata Owners Chapter



SCA (NSW) COMMITTEES

While the Board is responsible for setting the strategic objectives, the Board delegates certain powers to its Board Committees. The committees oversee research and implement projects in many areas including developing guidelines and codes of practice, making submissions to inquiries held by governments and regulators and advocating the industry's position. The Board has oversight of the following committees:

COMMITTEES

Code of Conduct Committee

Chair: David Bannerman

Anne-Maree Paull, Kirsten Terry, Nick Whiley, Peter Brisbane

Strata Managers Committee

Chair: Peter Brisbane

Bradley Wood, Dilber Beattie, Emily Doherty, George Vumbaca, Harish Thirumeni, Karina Heinz, Luke Derwent, Michael Gilday, Olivera Ferguson Roderick Smith, Sean McNamara, Tony Irvine

Policy and Legislative Committee

Chair: David Bannerman

Adrian Carr, Amelia Tian, Andrew Tunks, Colin Grace, David Ferguson Katalin Savage, Michael Simpson, Paul Keating, Rene Mouawad, Russell Young

Events Advisory Panel

Chair: Stephen Brell

Aylie Brutman, Danny Kabbara, Debbie Barker, Elaine Fin, Grant Taylor, Jason Starr-Thomas, Liza Perera, Rene Mouawad, Tully McGann,

Young Strata Network Committee

Chair: Alison Spink

Evangeline Tighe, Jane Hardingham, Jessica Karras, Katheryn Mansour, Rina Kumar, Sarah Hogg, Sarah Walmsley, Timothy Sara, Tyson Major

Strata Services Committee

Chair: Anne-Mare Paull

Elaine Fin, Henk van den Heuvel, Jason Starr-Thomas, Jeff Shawcross, Liza Perera, Mark Osborn, Peter Ton, Tony Conway, Rob Broadhead

Strata Owners Committee

Chair: Nick Whiley

Michael Batty, Patricia Sanson, Rick Miller, Grant Taylor.

SUB WORKING GROUPS OF THE STRATA MANAGERS COMMITTEE

Education Development & Deployment

Kirsten Terry, Dilber Beattie, Karina Heinz, Michael Gilday, Olivera Ferguson

Value Proposition for Strata Managers

Luke Derwent, George Vumbaca, Harish Thirumeni, Roderick Smith, Sean McNamara

Professional Leadership

Emily Doherty, George Vumbaca, Harish Thirumeni, Roderick Smith, Sean McNamara

Stakeholder Engagement

Dilber Beattie, Peter Brisbane

YEAR IN REVIEW

2019/2020

585 ATTENDEES

@ SCA (NSW) STRATA COMMUNITY
CHU AWARDS

657 ATTENDEES

@ OUR ONLINE EDUCATION
COURSES

450

ATTENDEES

@ OUR CLASSROOM-
BASED EDUCATION
COURSES

12,618

VISITORS

TO OUR COVID-19
WEBPAGES

1572

INDIVIDUALS

TUNED INTO OUR
COVID-19 WEBINARS

1966

STRATA MANAGERS
CHAPTER MEMBERS

3,322 MEMBERS

**548 SUPPLIER CHAPTER
MEMBERS**

808

OWNERS
CHAPTER
MEMBERS

72

COMMITTEE
MEMBERS

438

DELEGATES

@ 2019 SCA (NSW)
CONVENTION

8

SUBMISSIONS
MADE TO
GOVERNMENT



145 POSTS
39,438 IMPRESSIONS
354 FOLLOWERS



139 POSTS
59,137 IMPRESSIONS
624 FOLLOWERS



115 POSTS | 52,421
IMPRESSIONS | 2,100
FOLLOWERS

52 MEDIA RELEASES

54 MEDIA MENTIONING

385 EMAILS SENT
33% AVERAGE OPEN RATE

SCA (NSW) OPERATIONS

GOVERNMENT RELATIONS:

Over the last 12 months, SCA (NSW) continued to collaborate with State and Federal Government and local authorities to implement innovative industry-relevant strategies. We have advocated changes in regulation, presented plans, launched research initiatives, and weathered the COVID-19 pandemic. Monumental strides have been made in this space over the last 12 months!

We've made several vital submissions to relevant authorities vocalising issues and recommending changes to better suit the industry, including:

- Submission to the Short-Term Rental Accommodation Regulatory Framework
- Submission to the proposed Amendments to the Property, Stock and Business Agents Regulation
- Submission to the proposed Design and Building Practitioners Bill 2019
- Submission to the Building and Development Certifiers Regulation 2019
- Submission to the Community Schemes Law Reform
- Submission to the Miscellaneous Amendments Explanation for COVID-19
- Submission to the Certification of Annual Fire Safety Statements
- Submission to the Emergency COVID-19 Measures in Strata and Community Laws

SCA (NSW), was been very vocal in recommending legislative amendments that supported the industry and streamlined administrative functions for many strata residents and owners corporations to ensure that legislation was met, and health and safety

continued to be paramount throughout lockdown restrictions.

Part of our advocacy is forging strong working relationships with the NSW Government; with Fair Trading, the NSW Planning and Environment, the Minister for Better Regulation and Innovation and the Building Commissioner David Chandler; developing an excellent rapport over multiple meetings.

We remain committed to continuing our work with the NSW Government to ensure that Strata remains a key policy priority for the increasingly significant proportion of the state's residents who reside and work in strata.

We're well down the track across transformative government and industry initiatives, which are critical to influencing the strata agenda in NSW, benefiting our members.

MEDIA RELATIONS:

SCA (NSW) has actively raised the bar on our media work over the last 12 months. We have invested increased time, resources, and staff cultivating in a media image that synergises with the work we're doing on government relations and correlates with us being the peak body for strata in NSW.

This shift has been hugely successful for us!

It has skyrocketed our image as experts in strata. It has resulted in the government seeking our advice and expert input on several key projects: including an upcoming research initiative with David Chandler and the Office of Building Commissioner.

Three main issues have dominated the media landscape from a strata perspective:

- COVID-19
- Flammable Cladding
- The Building Defect Crisis

SCA (NSW) was involved significantly in each of these areas:

1. We proactively and successfully lobbied the government for regulation changes to suit strata during COVID-19.
2. We cautioned and reminded residents of the dangers of flammable cladding, called for increased funding, and disseminated relevant information.
3. We also supplied expert commentary and supported plans to restore consumer confidence in the defect riddled construction industry.

We published, on average a media release weekly over the last year, and SCA (NSW) was involved in 54 media stories throughout the year in newspapers (print and online), radio, TV news, and online specialist sites – more than doubling our footprint in the media from 2018/2019.

EDUCATION

SCA (NSW) education is the centrepiece of its services to Strata Managers, Service Providers, and Owners.

We strive to be the leaders in Strata education by developing relevant content and delivering professional development to our members. Our focus continues developing the desired educational material to assist in raising skill levels to enhance the overall competency of our industry and establish standards

and best practices more efficiently to further our profession.

Several new initiatives were added to the Education program during 2019-2020, to incorporate regulatory changes and meet growing member needs. Focus on migrating to the new Education Platform implemented by SCA National. Focus on changing our delivery from Face-to-Face to online due to COVID-19 and developing a broader range of content for Members in line with NSW Fair Trading.

March 23, 2020, saw the new licensing reforms come into effect in NSW. Some of the most pertinent changes included the introduction of the new CPD Year (March 23, 2020, to March 22, 2021), new Licence Classes– Assistant Agent, Class 2 Agent (Licensed Manager), and Class 1 Agent (Principal/ LIC). The reforms introduced Compulsory CPD in the form of three (3) topics – Real Estate Reforms, Rules of Conduct and Risk Management, as well as Elective (General) CPD that is offered under a range of topics outlined by NSW Fair Trading. Further CPD for Elective (Business Skills) is deferred until the new CPD Year in 2021. A strong emphasis placed on educating our membership with regards to the latest reforms and supporting them with information on how that translated directly to Strata Management roles.

The Education team successfully added all NSW Education events to the new Education Platform developed by SCA National. A total of 44 events were added to the Platform for 2020. The events comprised of 2 Activity Bundles, 9 Compulsory Live Webinars, 19 Elective (General) Live and Recorded Webinars, 4 Elective (General) Online Training

courses, and 10 NSW President Update COVID-19 Recorded Webinars.

SCA (NSW) continued consultation with NSW Fair Trading on matters involving the licensing and training reforms. We worked collaboratively and had significant input on behalf of members ensuring their interests are included in the decision-making processes of the NSW Government.

The education programs were well attended throughout the year, with registrations initially in the classroom and then online as we shifted to accommodate COVID-19 restrictions. Between July 1, 2019, and June 30, 2020, more than 450 students participated in classroom-based courses throughout NSW and 657 students enrolled in online programs, with the total student count for the year coming in at 1107.

SPONSORS

SCA (NSW), wanted to take some time to honour the ongoing support of our sponsors, listed below. Our sponsors are our trusted and preferred suppliers in their area of expertise, and we thank them for their ongoing commitment to SCA (NSW).

Platinum

- Bannermans Lawyers
- Macquarie Bank Limited
- CHU Underwriting Agencies
- Express Glass

Gold

- Body Corporate Brokers
- Grace Lawyers
- Paynter Dixon Remedial
- Premier Painting
- Savant Energy
- StrataMax

Silver

- 3 Colours Painting
- Equity Elevators Consulting
- Lannock Strata Finance
- Quatrix
- The Window Guy
- Kelly + Partners

Bronze

- 2020 Fire Protection
- AGC Roof Maintenance
- Higgins Coatings
- Johns Lyng Group
- Poolwerx
- REI Super
- Strata Unit Underwriters
- WBS Technology
- Windowline

EVENTS

Each year, SCA (NSW) offers members a variety of events from social events to formal dinners and the Annual Convention, 2019-2020 was no exception with a total of eight major events. Due to COVID-19 and the restrictions implemented by the NSW Government, SCA (NSW) were required to cancel or reschedule several events, usually held within a calendar year.

The SCA (NSW) 2019 CHU Strata Community Awards were held at the Star in July and attracted 585 attendees who were blooming in their secret garden attire. Members received awards across eleven categories, eight of which aligned with the Australasian Awards. Four of our finalists Megan Parkins, Kristie Pike, Belinda Claffey & Netstrata also managed to win their respective categories at the Australasian Strata Awards.



SCA (NSW) ANNUAL CONVENTION



CONVENTION EXHIBITION



SAILING DAY



PRINCIPALS RETREAT MALAYSIA



SAILING DAY



2019 SCA (NSW) CHU AWARDS ROOM



STRATA COMMUNITY CHU AWARDS WINNERS

The Principals Retreat was held in the international destination of Kuala Lumpur; Malaysia for the first time. The delegates workshopped on Capturing the Self-Managed Market, Business Crisis Plans & Building Confidence while seeing the sites such as Batu Caves and taking in the spectacular views from the rooftop dinners overlooking the Twin Tower Buildings. The retreat was an overwhelming success with delegates eager to participate in further international locations. The 2019 Annual Convention in October attracted over 438 delegates to the Hilton Hotel, Sydney and was themed 360 Degree Customer Experience.

Six standout keynote speakers were welcomed to the program, speaking across a broad range of special interest and personal development topics. The speakers were Colin Chodos, Ros Coffey, Trudy MacDonald, Ben Darwin, Monika Tu and Mia Freedman. The Commissioner of NSW Fair Trading, Rose Webb presented the opening address followed by David Chandler, the NSW Building Commissioner. In February, 15 yachts competed in the 2020 Sailing

Day which started and finished at the Cruising Yacht Club of Australia at Rushcutters Bay. The winning team StrataMax was cheered on by 370 delegates in attendance. This year's Sailing Day focused heavily on raising money for the Fork Tree Project and spreading awareness of the Beard Season which are a registered charity dedicated to detecting melanoma. With the donations from our delegates, we raised \$7,910 for the Fork Tree Project.

The International Women's Day High Tea event was again an overwhelming success reaching our largest attendance number of 190 delegates since launching this annual event. The Panel was informative yet hilarious with speakers Leanne Pilkington, Steve Mann, Sharlene Jamieson, Rose Webb & Marie Doyle focusing on Diversity Beyond Gender. The keynote speaker Jacinta McDonnell captivated our delegates with her speech on Creating Social Change & Building Brand Equity. During this event we again focused on raising money for the Fork Tree Project and were able to donate \$3,400.





strata
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NSW

FINANCIAL REPORT

2019/2020



Directors' Report

The Directors present their report together with the annual financial statements of the Strata Community Association (NSW) Limited for the year ended 30 June 2020.

Directors

The Directors of the company in office during the financial year and until the date of this report are:

Name	Occupation	Date Appointed
C Duggan (Chair; President)	Company Director	09/10/2009
A Irvine (Vice President; Treasurer)	Company Director	27/10/2016
A Paull (Vice President)	Company Director	25/10/2018
D Bannerman	Company Director	26/10/2007
C Grace	Company Director	19/10/2012
K Terry	Company Director	25/10/2018
S Brell	Company Director	20/10/2017
N Whiley	Company Director	27/03/2019
P. Brisbane	Company Director	24/10/2019
E. Doherty	Company Director	24/10/2019
M. Gilday	Company Director	24/10/2019
D Linders (Resigned 24/10/19)	Company Director	19/10/2012
H McCormack (Resigned 24/10/19)	Company Director	20/06/2013
D Wellman (Resigned 24/10/19)	Company Director	20/10/2017

Board Meetings

The Board of Directors met on six occasions, the attendance at the board meetings was as follows:

Name	Chapter represented	Meetings Eligible to Attend	Meetings Attended
C Duggan	Strata Manager (Licensed)	6	6
A Irvine	Strata Manager (Licensed)	6	6
A Paull	Strata Services	6	6
D Bannerman	Strata Services	6	5
C Grace	Strata Services	6	6
K Terry	Strata Manager (Associate)	6	6
S Brell	Strata Manager (Licensed)	6	6
N Whiley	Strata Owners	6	5
P. Brisbane	Strata Manager (Licensed)	4	3
E. Doherty	Strata Manager	4	4
M. Gilday	Strata Manager (Licensed)	4	4
D Linders	Strata Manager (Licensed)	2	2
H McCormack	Strata Manager (Licensed)	2	2
D Wellman	Strata Manager (Licensed)	2	1

Directors' Report (continued)

Principal Activities

The principal continuing activities of the company include:-

- a. The promotion of a high standard of expertise and integrity in the management of group title properties and provision of services to group title properties.
- b. The promotion of education, discourse and instruction about any matter relating to the management of group title properties.
- c. The promotion of ethical standards of conduct in dealings by members of the company with their clients or the general public.
- d. The provision of assistance and information about management of group title properties to its members and to members of the general public.
- e. The enhancement of recognition by the public of the company and of its members in their management of and provision of services to group title properties, including representation of the views of the company and its members to government and other bodies.
- f. The performance of any regulatory, educational or supervisory function of the company according to the requirements of government.
- g. The promotion of professional relationships with persons practicing group title management or providing other services to group title properties in other states and territories of Australia and other countries.
- h. The performance of all such other things as are necessary, incidental or conducive to the attainment of these objects.

Number of Members

The number of members at 30 June 2020 was 3,513 (2019 – 3,371), which was broken up as follows:

	2020	2019
Life	20	20
Corporate Strata	228	215
Corporate Services	255	210
Licensed Manager Chapter	780	567
Associate Chapter	707	775
Services Chapter	328	326
Associate Member	328	304
Strata Owner Chapter	813	870
Students	84	84
Total	3,513	3,371

Results

Operating profit for the year after income tax amounted to \$80,518 (2019 \$146,810).

Dividends

SCA (NSW)'s Constitution does not permit the payment of dividends to members.

Directors' Report (continued)

Review of Operations

A review of operations of the year is set out in the SCA (NSW) Operations section.

Events subsequent to balance date

No matters or circumstances have arisen since 30 June 2020 which significantly affected or may significantly affect the company's operations the results of those operations or the company's state of affairs in financial years subsequent to 30 June 2020.

SCA (NSW) have adapted to the change in the operating environment. This resulted in event cancellations and adapting some events to the new virtual environment. SCA (NSW) operations have been affected due to event restrictions for the period and are reflected in the Profit and Loss statement for the year ending 30 June 2020. The company expects to maintain the present status and level of operations, depending on COVID-19 restrictions for events.

Likely Developments

The company expects to maintain the present status and level of operations and hence there are no likely known developments in future financial years.

SCA (NSW) has initiated the process of forming our professional Standards Scheme regulated by Professional Standards Australia. By attaining a Professional Standards Scheme, we will professionalise the Strata Management industry to the highest level.

By successfully applying for a Professional Standards Scheme, our association would be able to show consumers that our participating members satisfy strict operating criteria – and that we're participating in an initiative to deliver ongoing improvements in professional standards and consumer protection.

Directors' Benefits

No director of the company has received or become entitled to receive a benefit because of a contract made by the company or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for a Presidents honorarium paid to Mr C Duggan of \$16,000.

Bill Coles providing a discounted office cleaning service to the company in arrears towards 2019/20 membership fees.

David Bannerman, while a director of SCA (NSW), his legal firm, Bannermans Lawyers, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Colin Grace, while a director of SCA (NSW), his legal firm, Grace Lawyers, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Anne-Maree Paull, while a director of SCA (NSW), her employer, CHU Underwriting Agencies, entered into a sponsorship contract with SCA (NSW) for the relevant period. The sponsorship fee has been paid to SCA (NSW).

Directors' Report (continued)

Directors' Indemnity

The company has paid premiums totalling \$4,076 (2019 \$12,966) during the year for Directors and Officers liability insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$20 million any one claim and \$40 million in the aggregate arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the company.

Staffing

The Directors wish to express their thanks to Rachel Lynn (General Manager), Penny Harrison (Events & Sponsorship Manager), Sadiye Ince (Education Manager), Rebecca Barnwell (Education Coordinator), Verena Griffiths (Marketing Manager) and Julia Wylie (Events Coordinator) for their valued contributions. Rachel Lynn departed the company in March 2020.

Auditors

Foster Raffan continue to act as auditors in accordance with Section 327 of the Corporations Act, 2001. The auditors Independence Declaration as required by section 307C of the Corporations Act 2001 is set out on page 6 and forms part of the Directors' Report for the year ended 30 June 2020.

Signed in accordance with a resolution of the Board of Directors.



Director – C. Duggan
Chatswood, 22 September,
2020.



Director – A. Irvine

Directors' Declaration

In accordance with a resolution of the Board of Directors of the Strata Community Association (NSW) Limited in the opinion of the Directors the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in note 1 to the financial statements.

The Directors of the company declare that:-

- a. the financial statements and notes as set out as pages 25 to 31 are in accordance with the Corporations Act, 2001 and

(i) give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date in accordance with the accounting policies described in note 1 to the financial statements, and

(ii) comply with Accounting Standards.

b. 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.



Director - C. Duggan
Chatswood, 22 September, 2020.



Director - A. Irvine

Independence Declaration by the Auditors

I declare that, to the best of my knowledge and belief, during the year that ended 30 June 2020 there have been:

- i. no contraventions of the auditor independence requirement as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

FOSTER RAFFAN

Chartered Accountants



G D Wood, FCA

Principal
North Sydney, 22 September 2020.

Independent Auditor's Report

To the Members of STRATA COMMUNITY ASSOCIATION (NSW) LIMITED

Opinion

I have audited the financial report of Strata Community Association (NSW) Ltd (the company), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and 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 my opinion the financial report of Strata Community Association (NSW) Ltd has been prepared in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

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

The directors of the company are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

Independent Auditor's Report (continued)

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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and the needs of the members. The directors of the company's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors of the company are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my 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 the financial report.

A further description of my responsibilities for audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>.

This description forms part of my auditor's report.

FOSTER RAFFAN

Chartered Accountants



G D Wood, FCA

Principal

North Sydney, 22 September 2020.

Statement of Comprehensive Income for the year ended 30 June 2020

		2020	2019
Revenue	Note		\$
Events and education		767,338	883,806
Federal Government Support		50,000	
Interest		2,245	3,374
Membership		800,454	762,528
Other - accreditation		1,818	5,136
Publications		900	61,786
Sponsorship		534,817	563,112
		<u>2,157,572</u>	<u>2,279,742</u>
Less Expenses			
Audit		10,000	10,000
Consultancies		36,490	54,094
Depreciation		17,797	9,337
Employment		686,698	628,612
Events and catering		718,517	810,272
Occupancy		98,519	83,192
Other	9	236,296	224,295
Publications		3,870	10,828
Subscriptions		215,728	194,243
Travel & accommodation		53,139	108,059
		<u>2,077,054</u>	<u>2,132,932</u>
Operating profit before income tax		80,518	146,810
Income tax expense	2		-
Profit for the year		80,518	146,810
Other comprehensive income for the year			-
Total comprehensive income for the year		80,518	146,810
Retained Earnings - 1 July 2019		566,898	420,088
Retained Earnings - 30 June 2020		\$647,416	\$566,898

Statement of Financial Position – 30 June 2020

		2020	2019
		\$	
Current Assets	Note		
Cash and cash equivalents	3	367,946	598,828
Receivables	4	155,107	61,434
Other	5	374,222	383,249
Total Current assets		<u>897,275</u>	<u>1,043,511</u>
Non-Current Assets			
Deferred costs – PSS		53,000	
Plant and equipment	6	29,319	44,667
Total Non-Current assets		<u>82,319</u>	<u>44,667</u>
Total Assets		<u>979,594</u>	<u>1,088,178</u>
Current Liabilities			
Trade and other payables	7	99,339	120,265
Provision- annual leave		32,905	27,415
Income in advance	8	190,548	347,581
Total Current Liabilities		<u>322,792</u>	<u>495,261</u>
Non-Current Liabilities			
Provision- long service leave		9,386	26,019
Total Non-Current Liabilities		<u>9,386</u>	<u>26,019</u>
Total Liabilities		<u>332,178</u>	<u>521,280</u>
Net Assets		<u>647,416</u>	<u>566,898</u>
Members' Equity			
Retained earnings		647,416	566,898
Total Members' Equity		<u>\$647,416</u>	<u>\$566,898</u>

Statement of Cash Flows for the year ended 30 June 2020

		2020	2019
Cash flows from Operating Activities	Note	\$	\$
Receipts from members and sponsors		2,163,303	2,504,873
Payments to suppliers and employees		(2,393,891)	(2,209,206)
Interest received		2,245	3,374
Net cash inflow/ from Operating Activities	10	<u>(228,433)</u>	<u>99,041</u>
Cash flows from Investing Activities			
Purchase of fixed assets		(2,449)	(25,733)
Net cash outflow from Investing Activities		<u>(2,449)</u>	<u>(225,733)</u>
Net increase in cash held		(230,882)	73,308
Cash- 1 July 2018		<u>598,828</u>	<u>525,520</u>
Cash- 30 June 2019	3	<u>\$367,946</u>	<u>\$598,828</u>

Notes to the Financial Report 30 June 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report has been prepared in accordance with the relevant Accounting Standards and the disclosure requirements of Australian Accounting Standard 1034.

The financial report is prepared in accordance with the historical cost convention. The accounting policies adopted are consistent with those of the previous year.

a. Membership Income

The membership fees paid in advance set out in note 8 represents the period 1 July to 30 June 2021.

b. Income Tax

Income tax is payable only on income by the company from non-members after deduction of related expenditure. The income tax payable on any assessable income for the year is calculated at the current rate of tax. Due to the lack of virtual certainty of recoupment no deferred tax asset is established for the tax losses set out in note 2.

c. Depreciation

Depreciation is calculated on a straight-line basis so as to write off the net cost of each item of equipment over its expected useful life. Furniture and fittings are depreciated over 4 years (25%) and office equipment over 5 years (20%).

Notes to the Financial Report 30 June 2020 (continued)

	2020	2019
	\$	\$
2. INCOME TAX		
The aggregate amount of income tax attributable to the financial year differs from the amount prima facie payable on operating profit. The difference is reconciled as follows:		
Operating profit before income tax	80,518	146,810
Income tax at 27.5%	22,142	40,373
Tax effect of permanent differences:		
Adjustment for mutual income net of expenses - est	(40,000)	(40,000)
Prima facie income tax expense	(17,858)	(373)
Timing differences during the year:		
Provisions - A/L & LSL	3,064	(4,963)
Prepayments	(2,482)	13,378
Tax losses (utilised)/carried forward	17,276	(8,042)
Income tax payable	-	-
	813,999	796,723
Tax losses carried forward		
CURRENT ASSETS		
3. CASH AND CASH EQUIVALENT		
Macquarie Bank Limited		
Cash Management Account	367,945	395,709
Term Deposit (1.35%; 12 Aug, 2019)	-	203,119
	367,945	598,828
4. CURRENT ASSETS- RECEIVABLES		
Trade receivables	55,927	63,903
Less: Provision for impairment	(11,250)	-
	44,677	63,903
Other - Undeposited funds	110,430	(2,469)
	155,107	61,434

Notes to the Financial Report 30 June 2020 (continued)

	2020	2019
	\$	\$
5. CURRENT ASSETS- OTHER		
Security deposit	53,225	53,225
Prepayments - Awards	60,260	91,507
- Convention	126,472	125,897
- Education	1,860	3,918
- Events	96,740	101,109
- Insurance	7,015	6,693
- Publications	-	417
- Strata Owners	18,500	-
- Visa Card	10,150	483
	374,222	383,249
6. NON-CURRENT ASSETS- PLANT AND EQUIPMENT		
Office furniture and equipment- at cost	164,960	162,511
Less: Accumulated depreciation	(135,641)	(117,844)
	29,319	44,667
7. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES		
Trade payables	38,492	38,115
Other	14,603	36,155
Accrual - PAYG	7,476	9,452
- GST	14,641	12,870
- Payroll	11,627	11,173
- Audit	12,500	10,000
	99,339	120,265
8. CURRENT LIABILITIES- INCOME IN ADVANCE		
Membership	121,028	112,611
Events & Convention	59,163	219,612
Donations	7,532	-
Other- education	2,825	15,358
	190,548	347,581

Notes to the Financial Report 30 June 2020 (continued)

	2020	2019
	\$	\$
9. OTHER EXPENSES		
Advertising	7,583	14,143
Bad debt	11,250	-
Bank charges	5,018	6,624
Board expenses	3,781	820
Board honorariums	15,273	16,193
Brand & design	3,555	5,089
Donation	1,309	-
Equipment leasing	-	11,960
Filing fees	240	625
Grants	-	25,000
Insurance	12,702	9,439
Legal	165	4,020
Office assets <\$1,000	473	12,848
Phone & internet	22,341	18,778
Postage	2,745	4,027
Public relations & Media	125,925	56,100
Printing	19,318	16,404
Royalties	-	3,375
RTO fee	-	9,210
Sundry	4,410	9,429
Website	208	211
	236,296	224,295

10. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit after income tax


Profit after income tax	80,518	146,810
Non-cash flows in profit and loss:		
Depreciation	17,797	9,337
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(93,673)	87,857
(Increase)/decrease in other assets	(43,973)	(43,622)
(Decrease)/increase in payables	(20,926)	27,062
(Decrease)/increase in provisions	(11,143)	18,046
(Decrease)/increase in income in advance	(157,033)	(146,450)
Net cash inflow from operating activities	228,433	99,041

11. COMPANY DETAILS



The registered office and principal place of business of the company is:

Suite 102 Level 1
845 Pacific Highway
Chatswood NSW 2067





Strata Community Association (NSW) Ltd
ABN 74 001 767 997

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