



# ANNUAL REPORT

2021 – 2022



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## ANNUAL REPORT

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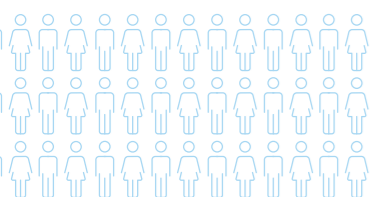
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## ABOUT SCA (NSW)

Strata Community Association (SCA) NSW is the peak professional industry body and consumer advocate for strata and community title management in New South Wales. Its membership includes strata managers, support staff, and strata service providers to the industry.



Today, SCA (NSW) has in excess of 3,000 members who help oversee, advise or manage over 750,000 lots in NSW. Our market penetration in Strata Management is 79%.

The calculation is based on the total number of Lots (Units) according to the current Strata lot folios of 959,433 (LRS data 2022) in NSW. SCA (NSW) champions consumer rights and advocates for the highest industry standards and professionalism.

Our industry has transformed immensely since 1 July 1961, when the first strata title legislation was introduced into NSW. Strata has emerged as a strong industry in Australia, with the needs and concerns of consumers at its very heart.



# PEAK

In everything we do, we aim to stick by our core values of PEAK: Professionalism, Education, Advocacy, and Knowledge. As the definitive voice of strata, SCA (NSW)'s mission is to grow and improve members' knowledge to enable the industry's highest professional standards.



The landmark Professional Standards Scheme (PSS), launched on 1 July 2021, is the most important and significant undertaking in SCA (NSW)'s 40-year history. The PSS mandates that all SCA (NSW) members must meet enhanced Professional Standards and abide by a Code of Ethics.



The requirements of the PSS will help us advance our industry and achieve our goal of fostering the highest professional standards for all stakeholders and members.





In the wake of my first financial year as SCA (NSW) President, the resilience of our sector has never been more apparent.

We managed to see some incredibly positive changes happen to strata in NSW in the face of some unrelenting challenges, the effects of which continue to permeate across the entire country.

More than ever, the critical role of the strata manager is becoming more and more apparent, as the ongoing growth of our sector brings both additional responsibilities, and the exciting potential for the gratifying development of our profession.



## PRESIDENT'S REPORT

This year, the team at SCA (NSW) has made a concerted effort to drive our policy and advocacy agenda further than ever before.

As a peak industry body, it is imperative that SCA (NSW) is an active contributor to the legislative reform process. This allows us as an organisation to ensure that the laws that govern and affect strata in NSW sufficiently address the issues that arise around the rapidly expanding sector and are adequately reflecting the needs of all strata industry stakeholders.

Our determination to lead the way for professionalism has not waned in the meantime, as the property industry's highest form of consumer protection regulation approved by the government enjoys ongoing success, through the Professional Standards Scheme (PSS).

We have remained resolutely committed to ensuring the perpetuation of high professional standards across the strata industry in NSW and will continue to set the standard for strata education, training and conduct, leading the way towards strengthened consumer protectionism and the restoration of consumer confidence in NSW.

In light of a tumultuous time surrounding the NSW Government, which has seen the shifting of many roles related to the property sector, SCA (NSW) has made it a priority to maintain collaboration with both the NSW Government and industry alike. This allows us to ensure that the constructive relationships we have worked hard to build are sustained, and that the strata industry remains at the forefront of innovation and development.

## STEPHEN BRELL, SCA (NSW) PRESIDENT

SCA (NSW) is looking forward to sustaining an ongoing, positive relationship with the NSW Government, to ensure that the integrity and progression of the industry maintains its course.

Some of the highlights of SCA (NSW)'s ongoing collaboration with the NSW Government includes:

- **Digital Strata Hub** – SCA (NSW) worked closely alongside NSW Fair Trading for many months, to ensure the platform was implemented as smoothly and with as minimal issues as possible. Although the functionality of the platform is still in its early stages, we are enthusiastic about the potential utility that the platform may provide in the future.
- **Building Defects** – Defects in strata is one of the foundational issues that we continue to strive to resolve. Our devotion to this issue is shared with NSW Building Commissioner David Chandler, who we have long maintained a strong relationship with. This year, our work with the Office of the Building Commissioner (OBC) included the first ever Building Defect Data Survey completed by SCA Members, the successful implementation of Project Remediate (interest free loans to replace dangerous Combustible Cladding), the introduction of Project Intervene (Intervention by the OBC to pursue defects in schemes still under statutory warranty), and the introduction of the iCert Rating System for Builders and Developers.
- **Property Services Commissioner** – We have worked extremely closely with the newly appointed Property Services Commissioner, John Minns, who understands the importance that the strata sector will play in the next 20 years as Strata Living becomes the dominant form of housing for NSW residents.

- **Legislative Contributions** – Our significant contributions to the strata legislative landscape in NSW over the past year have involved consultation for, and submission to a number of reviews, notably including, the Statutory Review of the Strata Schemes Management Act 2015, COVID-19 regulations in strata, the NSW Home Building Compensation Scheme, Property and Stock Agents Legislation, and Conveyancing Regulation.

I would like to extend a tremendous thank you to all our members, for your unrelenting commitment to the advancement of strata in NSW.

We are proud to say that the strata sector in NSW leads the way for the rest of the nation, establishing a preeminent standard for the potential that the strata industry has to offer. This is a feat that wouldn't be possible without the passion and drive that you all have continued to embody.

I would also like to thank the SCA (NSW) Board for their ongoing support, fundamentally shaping the direction of our ever-expanding industry for the better.


Our team at SCA (NSW), led by General Manager, Sadiye Ince, are working tirelessly to ensure that we are best positioned to tackle the challenges that our industry faces, and we are overwhelmingly excited to carry on this momentum and energy into future endeavours.

Stephen Brell  
SCA (NSW) President


# BOARD OF DIRECTORS

SCA (NSW) is governed by the Board of Directors. The Board is responsible for setting strategic direction, with collaborative discussions with the General Manager and Committees to ensure the successful delivery of the strategic objectives.


In FY 2022, there were 7 Formal Board meetings. Between formal meetings, management provided the Board with material business and other updates in response to board requests. The Board and Committee’s continued virtual attendance with Management.




Stephen Brell  
PRESIDENT




Tony Irvine  
SENIOR VICE-PRESIDENT




Emily Doherty  
VICE-PRESIDENT




Anne-Maree Paull  
VICE-PRESIDENT




David Bannerman  
DIRECTOR




Dilber Beattie  
DIRECTOR




Peter Brisbane  
DIRECTOR




Geoffrey Linders  
DIRECTOR




Caroline McConnachie  
DIRECTOR




Liza Perera  
DIRECTOR



Kirsten Terry  
DIRECTOR




Chris Duggan  
DEPARTING DIRECTOR



Colin Grace  
DEPARTING DIRECTOR

SCA (NSW) acknowledges the tireless work of departing directors Chris Duggan and Colin Grace.



# SCA (NSW) COMMITTEES

The Board of Directors is supported by committees that oversee the implementation of the projects, initiatives and strategic objectives identified by the Board of Directors. The committee members, working with the Board of Directors, are a team of dedicated and highly accomplished individuals within our industry who give their time and knowledge to guide the association to achieve results that benefit the industry as a whole.



**RISK & FINANCE COMMITTEE**  
Stephen Brell (Chair)

SCA (NSW) Acknowledges and thanks: Tony Irvine, Emily Doherty, Geoff Linders




**PROFESSIONAL STRATA MANAGEMENT COMMITTEE**  
Peter Brisbane (Chair)

SCA (NSW) Acknowledges and thanks: Dilber Beattie, Nathan Clarke, Luke Derwent, Robert Fothergill, Michael Gilday, Hugh McCormack, Paul Kingsman, Tracey Payne, Tracy Rance – NSW Fair Trading



**PROFESSIONAL CONDUCT & OVERSIGHT COMMITTEE**  
Tony Irvine (Chair)

SCA (NSW) Acknowledges and thanks: Stephen Brell, David Bannerman, John Coleman, Phillip Court, Emily Doherty, Catherine Lezer, Geoff Linders, Bradley Wood



**POLICY & LEGISLATIVE COMMITTEE**  
David Bannerman (Chair)

SCA (NSW) Acknowledges and thanks: Adrian Carr, Andrew Gavin, Colin Grace, Joel Holgersson, Nicholas Johnson, Jessica Kaye, Paul Keating, Mark Lever, Katalin Savage, Andrew Tunks, Russell Young



**EVENTS COMMITTEE**  
Liza Perera (Chair)

SCA (NSW) Acknowledges and thanks: Anne-Maree Paull, Christine Ashfield, Dilber Beattie, Pip Ryan & Mark Jennings.



**STRATA SERVICES COMMITTEE**  
Anne-Maree Paull (Chair)

SCA (NSW) Acknowledges and thanks: Robert Broadhead, Aylie Brutman, Anthony Conway, Elaine Fin, Mark Osborn, Caroline McConnachie, Scott Shearer, Jeff Shawcross, Lauren Spink, Peter Ton



**EDUCATION COMMITTEE**  
Kirsten Terry (Chair)

SCA (NSW) Acknowledges and thanks: Karen Belcher, VJ Chhagan, Matthew Faulkner, Jenine Garcia, Matilda Halliday, Marianne Hogan, Andrew Jakes, Lynne Kopellos, Liza Perera, Tim Sara

# OPERATIONS

SCA (NSW) team remained focused and resilient in delivering for our members and consumers.

A primary focus is to ensure professional conduct across our operations. In addition, we actively manage and work to enhance our Risk Management Framework by ensuring we work closely with our regulators, the Department of Fair Trading and Customer Service.



Sadiye Ince, General Manager  
Strata Community Association (NSW)

# EDUCATION

SCA (NSW) education is leading the way on member engagement and member benefits while providing tailored educational solutions to our members. The Professional Standard Scheme has also increased the need for continuing professional development, which is why we have upped our webinar offerings to include industry update content run on a fortnightly basis. In total, we have seen 8,638 attendees participate in the webinars over the last year.

The success of our CPD and fortnightly content is a testament to the generosity of our speakers from the industry, business leaders and government departments who volunteer their time.

Requesting feedback through member surveys and working with the Education Committee has enabled us to focus on our member preferences and target training needed. We have been able to identify topics that have been successful and will be looking to enhance this content with strict content guidelines, oversight from the secretariat and optimised online modules. By collaborating with external platforms, we have produced more consistent and engaging content for our members.

The 2021/2022 year finished on a high with more member engagement than we have ever seen before. We have delivered over 5,730 hours of Continuing Professional Development (CPD) sessions from 92 companies, on 54 different topics.

Our focus for the future is to increase our quality of education by providing our members with the flexibility of learning with a variety of topics and formats to suit a range of learning styles and preferences.

# MEDIA RELATIONS

Being visible in the media is key to having a positive influence, encouraging advocacy, increasing membership and sponsorship rates, and driving government relations.

SCA (NSW) is a respected authority and is regularly featured in the media, both in print, online and broadcast, to comment on issues affecting strata managers and residents of strata title buildings. This year, we have spoken to the media on important issues such as building defects, strata levies, electric vehicle charging, flammable cladding, and much more.

Over the coming year, we will continue to amplify our message through the media, in order to strengthen the sector, increase support for our members, and continue advocating for consumers.

# SPONSORS

SCA (NSW) is pleased to honour the ongoing support of our sponsors, who are listed below. Our sponsors are trusted and preferred suppliers in their area of expertise, and we thank them for their ongoing commitment to SCA (NSW) and our mission to support, equip and empower our members to be the very best they can be.

## PLATINUM

Bannermans Lawyers  
 CHU Underwriting Agencies  
 Express Glass  
 Macquarie Bank Limited



## GOLD

AGC Roof Maintenance  
 Body Corporate Brokers  
 Grace Lawyers  
 Paynter Dixon  
 Premier Painting  
 Quatrix  
 StrataMax

## SILVER

2020 Fire Protection  
 Kelly + Partners  
 Lannock Strata Finance  
 Magic Glass  
 WINconnect

## BRONZE

City Project Group  
 Hitech Remedial Group  
 Poolwerx  
 Johns Lyng Strata Services  
 Strategic Collection Services  
 Strata Unit Underwriters  
 Windowline



# EVENTS & AWARDS

Each year, SCA (NSW) offers members a variety of events from social events to formal dinners and the popular Annual Convention. SCA (NSW)'s well-renowned calendar of events is designed to help members strengthen their professional networks and celebrate excellence in our industry, along with providing the all-important tools, skills and opportunities to increase professional development.

Awards are a great chance for the industry to come together, reflect, and celebrate what we've achieved. They're also the perfect vehicle to help increase industry standards and raise the bar for professionalism across the board.

Due to COVID-19, SCA (NSW) made slight alterations to the events calendar by combining the Annual Convention, Awards Night, Professional Standards Scheme launch and the 40th-anniversary celebrations. These events were held in November 2021 at the Hyatt Regency which debuted a new venue for the convention.

The convention attracted over 380 delegates in person and streaming online, who enjoyed the theme 'Together towards tomorrow – future-proofing the industry for crisis' along with five standout keynote speakers who presented on a broad range of special interest and personal development topics. The speakers were Professor Craig Hassed OAM, Richard Duncan, Dr Jordan Nguyen, Claire Madden and Kate Roffey. The Director of the Office of the Building Commissioner, Matthew Press, presented the opening address, followed by Andrew Gavrielatos representing NSW Fair Trading.

The cocktail function held during the convention was to launch the Professional Standards Scheme, the strata book 'From the Ground Up' and to celebrate the 40th Anniversary of SCA (NSW). The NSW achievements were celebrated by members old and new, from previous presidents, life members and important figures in the history of SCA (NSW) and the strata industry. We presented the Presidents Awards to Matthew Press from NSW Fair Trading and Tony Irvine from your Local Strata, followed by the Life Member Award which was presented to John Coleman from Express Glass and Chris Duggan from Bright & Duggan.

[Continued over...](#)





# EVENTS & AWARDS

Continued...

The Convention Gala Dinner was transformed into the SCA (NSW) CHU Strata Community Awards for 2021, which attracted 290 delegates who enjoyed the evening in their ‘Diamonds are Forever’ James Bond attire. Members received awards across eleven categories. This year, ten of our awards aligned with the SCA Australasian Awards with NSW taking home the win in six award categories. Thanks to the award category sponsors for their support and to the overall award sponsor CHU.

In February, 13 yachts competed in the 2022 Sailing Day, which started and finished at the Cruising Yacht Club of Australia at Rushcutters Bay. Although COVID-19 didn’t stop the event, the lack of wind, unfortunately, ceased the race. The yachts instead cruised around with over 300 delegates enjoying the sites.

The International Women’s Day event was again an overwhelming success reaching 170 delegates. The keynote speaker, Julia Banks, finished the event off with a thought-provoking presentation about her experiences of gender-based harassment in politics and business. We thank the sponsors Body Corporate Brokers, Macquarie Bank, Paynter Dixon and Quatrix.

The 2022 Principals Night Off was held in April at the Pullman Magenta Shores Resort in the Central Coast. The delegates workshopped on maintaining a positive online presence, google reviews, cybersecurity, website essentials and content, and professional-looking business and office communication tools. This event was a sensational success, with our 44 delegates particularly enjoying the cocktails masterclass, which resulted in each member learning how to make signature cocktails.

The perpetual rain threatened to ruin the SCA (NSW) Express Glass Golf Day, which was held in May at St Michael’s Golf Course. It was another sold-out event with 170 delegates competing in 36 teams. This year, team RHM Consultants won the team event. For the non-golfers who are yet to be converted, Champagne on the Green saw 20 participants, with the event donating \$20,100 for The Kids Cancer Project. There were 18 companies in total who sponsored the day, from individual holes to the drinks cart. Thanks to our naming rights sponsor, Express Glass.

The Young Strata Network Relay Mania attracted over 90 delegates, who competed in trivia, speed Pictionary and a family feud-style knockout event with the PICA Group and AGC Roof Maintenance team swooping in to win. Thank you to our sponsors 2020 Fire Protection, AGC Roof Maintenance, Grace Lawyers and Magic Glass.

Thank you to everyone who attended the events or were sponsors in 2021-2022 and congratulations to those who won competitions or received awards.

We look forward to seeing what 2023 will bring, especially with the COVID-19 pandemic firmly in the rear-view mirror.



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## GENERAL INFORMATION

The financial statements cover Strata Community Association (NSW) Limited as an individual entity. The financial statements are presented in Australian dollars, which is Strata Community Association (NSW) Limited’s functional and presentation currency.

Strata Community Association (NSW) Limited is a company limited by guarantee, incorporated and domiciled in Australia.

A description of the nature of the company’s operations and its principal activities are included in the directors’ report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28/9/2022. The directors have the power to amend and reissue the financial statements.

# FINANCIAL REPORT



## TREASURER'S REPORT

It is my pleasure to submit to members the Treasurer's report for the financial year ending 30 June 2022.

This financial year has seen significant and improved financial performance due to steady membership growth and Professional Standard Scheme membership.

While this strong financial performance is encouraging, our financial objective is not to make profits. There have been a number of strategic initiatives in the 2022 year on which the expenses have not yet been crystallised. These include:

- 1. Tender for new Core Member Management System (MMS) which will bring together a number of legacy systems used to record members activities
- 2. Product Manager role within the Secretariat to undertaken strategic product development opportunities

SCA (NSW) Board has also adopted a fiscal policy to gradually reduce the accumulated surpluses on strategic projects to be adopted by the board over the coming 5 years. These projects will be to grow member services and value proposition, and also to increase the brand awareness of SCA in the consumer marketplace.

The Risk and Finance committee and the Board review the finances regularly to ensure that SCA (NSW) continues to meet its financial commitments and member needs.

Tony Irvine

# FINANCIAL REPORT DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

## DIRECTORS

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

NAME	TITLE	DATE APPOINTED/RESIGNED
Chris Duggan	President and Chairman	09/10/2009 / 12/05/2022
Tony Irvine	Vice President, Treasurer	27/10/2016
Stephen Brell	Vice President	20/10/2017
Anne-Maree Paull	Company Director	25/10/2018
David Bannerman	Company Director	26/10/2007
Colin Grace	Company Director	19/10/2012 / 12/05/2022
Peter Brisbane	Company Director	24/10/2019
Emily Doherty	Company Director	24/10/2019
Kirsten Terry	Company Director	25/10/2018
Michael Gilday	Company Director	24/10/2019-24/11/21
Dilber Beattie	Company Director	12/05/2022
Caroline McConnachie	Company Director	12/09/2021
Liza Perera	Company Director	31/01/2022

## PRINCIPAL ACTIVITIES

During the financial year the principal continuing activities of the company consisted of:

- 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.

# FINANCIAL REPORT DIRECTORS' REPORT

## OPERATING RESULTS

Operating surplus for the year after income tax amounted to \$341,257 (2021 \$177,838).

SCA NSW Board has adopted a fiscal policy to gradually use the accumulated surpluses on strategic projects to be adopted by the board over the coming 5 years. These projects will be to grow member services and value proposition, and also to increase the brand awareness of SCA in the consumer marketplace.

## MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each director were:

NAME	MEETINGS ELIGIBLE TO ATTEND	MEETINGS ATTENDED
Chris Duggan	7	7
Colin Grace	7	6
Stephen Brell	7	7
Anne-Maree Paull	7	7
David Bannerman	7	6
Peter Brisbane	7	7
Emily Doherty	7	6
Michael Gilday	3	3
Kirsten Terry	7	7
Tony Irvine	7	7
Liza Perera	3	3
Caroline McConnachie	3	3

Held: represents the number of meetings held during the time the director held office.

## DIRECTORS' INDEMNITY

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

## NUMBER OF MEMBERS

The number of members at 30 June 2022 was 3,969 (2021: 3,845), which was broken up as follows:

MEMBER TYPE	2022	2021
Life	25	22
Strata manager	2,222	2,074
Supplier	443	537
Owners	1,279	1,212
<b>TOTAL</b>	<b>3,969</b>	<b>3,845</b>

# FINANCIAL REPORT DIRECTORS' REPORT

## DIRECTORS TRANSACTIONS

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 \$8,000.

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).

## EVENTS AFTER THE REPORTING PERIOD

Owner Chapter will be converted to Subscribers.

No other matter or circumstance has arisen since 30 June 2022 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.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



S. Brell  
Director

28/9/2022



T. Irvine  
Director

## AUDITOR'S INDEPENDENCE DECLARATION

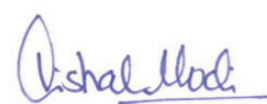
To the Board of Directors of Strata Community Association (NSW) Limited

### Auditors Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Strata Community Association (NSW) Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

### Nexia Sydney Audit Pty Ltd



Vishal Modi  
Director

Dated: 28/9/2022

Sydney

## Statement of profit or loss and other comprehensive income

	Note	2022 \$	2021 \$
Revenue	4	2,441,955	1,604,480
Other income	5	37,420	101,070
<b>Expenses</b>			
Accounting and audit fees		(16,419)	(10,485)
Membership and subscriptions		(294,220)	(262,315)
Communications and public relations		(95,312)	(86,691)
Employee benefits expense		(759,236)	(469,402)
Events and education		(525,549)	(261,250)
Depreciation and amortisation expense	6	(49,210)	(37,605)
Fees	7	(190,721)	(231,106)
Occupancy costs		(36,395)	(74,575)
Insurance expenses		(16,474)	(11,208)
Telephone and internet		(61,133)	(30,466)
Printing and stationery		(16,419)	(17,627)
Travel and accommodation		(44,791)	(21,781)
Bank fees and charges		(4,498)	(5,290)
Board expenses		(20,400)	(17,952)
Finance costs		(1,491)	(1,085)
Doubtful debt (recovered)/expense		-	11,250
Other expenses		(850)	(124)
Donations paid		(5,000)	-
Total expenses		(2,138,118)	(1,527,712)
<b>Surplus before income tax expense</b>		<b>341,257</b>	<b>177,838</b>
Income tax expense		-	-
<b>Surplus after income tax expense for the year</b>	<b>18</b>	<b>341,257</b>	<b>177,838</b>
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<b>341,257</b>	<b>177,838</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

# FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

## Statement of financial position

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	887,512	642,662
Trade and other receivables	9	111,849	22,111
Other assets	10	373,463	348,539
Total current assets		1,372,824	1,013,312
<b>Non-current assets</b>			
Property, plant and equipment	11	54,386	12,141
Right-of-use assets	12	49,608	84,625
Total non-current assets		103,994	96,766
<b>Total assets</b>		<b>1,476,818</b>	<b>1,110,078</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	14	85,130	63,764
Lease liabilities	15	30,980	28,909
Employee benefits	16	58,119	48,352
Other liabilities	17	117,390	91,995
Total current liabilities		291,619	233,020
<b>Non-current liabilities</b>			
Lease liabilities	15	13,542	44,460
Employee benefits	16	5,146	7,344
Total non-current liabilities		18,688	51,804
<b>Total liabilities</b>		<b>310,307</b>	<b>284,824</b>
<b>Net assets</b>		<b>1,166,511</b>	<b>825,254</b>
<b>EQUITY</b>			
Retained earnings	18	1,166,511	825,254
<b>Total equity</b>		<b>1,166,511</b>	<b>825,254</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

# FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

## Statement of changes in equity

	Retained earnings \$	Total equity \$
Balance at 1 July 2020	647,416	647,416
Surplus after income tax expense for the year	177,838	177,838
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	177,838	177,838
<b>Balance at 30 June 2021</b>	<b>825,254</b>	<b>825,254</b>

	Retained earnings \$	Total equity \$
Balance at 1 July 2021	825,254	825,254
Surplus after income tax expense for the year	341,257	341,257
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	341,257	341,257
<b>Balance at 30 June 2022</b>	<b>1,166,511</b>	<b>1,166,511</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

# FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

## Statement of cash flows

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		2,652,807	1,913,992
Payments to suppliers and employees (inclusive of GST)		(2,320,331)	(1,606,508)
		332,476	307,484
Interest and other finance costs paid		(1,491)	(1,085)
Net cash from operating activities	21	330,985	306,399
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(57,288)	-
Net cash used in investing activities		(57,288)	-
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(28,847)	(31,683)
Net cash used in financing activities		(28,847)	(31,683)
Net increase in cash and cash equivalents		244,850	274,716
Cash and cash equivalents at the beginning of the financial year		642,662	367,946
<b>Cash and cash equivalents at the end of the financial year</b>	<b>8</b>	<b>887,512</b>	<b>642,662</b>

The above statement of cash flows should be read in conjunction with the accompanying notes

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## NOTE 1. BASIS OF PREPARATION

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Strata Community Association (NSW) Limited. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Strata Community Association (NSW) Limited.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures'.

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### New or amended Accounting Standards and Interpretations adopted

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

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

### Revenue recognition

The company recognises revenue as follows:

#### Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

#### Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

#### Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

#### Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Income tax

The tax expense recognised in the statement of surplus or deficit comprises of current income tax expense. Current tax is the amount of income taxes payable (recoverable) in respect of the taxable surplus (deficit) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Non member income of the company is only assessable for income tax, as member income is excluded under the principle of mutuality.

### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

### Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

### Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### 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.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

### Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### 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 company'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.

### Employee benefits

#### Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2022. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

### NOTE 3. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4. REVENUE

	2022 \$	2021 \$
Membership	874,334	825,758
PSS membership	472,694	-
Sponsorship	526,174	443,200
Events and education	565,357	327,153
Other accreditation	1,591	2,955
Publications	1,805	5,414
	<b>2,441,955</b>	<b>1,604,480</b>

### NOTE 5. OTHER INCOME

	2022 \$	2021 \$
Government subsidies	37,284	87,500
Parental leave funds	-	13,570
Other income	136	-
	<b>37,420</b>	<b>101,070</b>

### NOTE 6. DEPRECIATION AND AMORTISATION EXPENSE

	2022 \$	2021 \$
Depreciation	14,193	17,178
Amortisation (right-of-use assets)	35,017	20,427
	<b>49,210</b>	<b>37,605</b>

### NOTE 7. FEES

	2022 \$	2021 \$
Contribution for multi-unit strata housing research projects	-	25,000
Contribution for insurance research project	-	16,188
General legal and consulting expenses	85,721	35,282
Professional standards scheme fees	105,000	154,636
	<b>190,721</b>	<b>231,106</b>

### NOTE 8. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Current assets		
Cash at bank	<b>887,512</b>	<b>642,662</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

<b>NOTE 9. TRADE AND OTHER RECEIVABLES</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current assets</i>		
Trade receivables	79,087	18,742
Other receivables	32,762	3,369
	<b>111,849</b>	<b>22,111</b>

<b>NOTE 10. OTHER ASSETS</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current assets</i>		
Prepayments	354,653	276,503
Security deposits	18,810	72,036
	<b>373,463</b>	<b>348,539</b>

<b>NOTE 11. PROPERTY, PLANT AND EQUIPMENT</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Non-current assets</i>		
Fixtures and fittings - at cost	49,459	60,893
Less: Accumulated depreciation	(5,015)	(60,893)
	<b>44,444</b>	<b>-</b>
Office equipment - at cost	41,743	104,068
Less: Accumulated depreciation	(31,801)	(91,927)
	<b>9,942</b>	<b>12,141</b>
Intangibles - at cost	157,328	157,328
Less: Accumulated amortisation	(157,328)	(157,328)
	<b>-</b>	<b>-</b>
	<b>54,386</b>	<b>12,141</b>

<b>NOTE 12. RIGHT-OF-USE ASSETS</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Non-current assets</i>		
Land and buildings - right-of-use	105,052	105,052
Less: Accumulated depreciation	(55,444)	(20,427)
	<b>49,608</b>	<b>84,625</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

<b>NOTE 13. OTHER INTANGIBLE ASSETS (PSS)</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Non-current assets</i>		
SCA rebranding	22,408	22,408
Less: Accumulated amortisation	(22,408)	(22,408)
	<b>-</b>	<b>-</b>

<b>NOTE 14. TRADE AND OTHER PAYABLES</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current liabilities</i>		
Trade payables	19,808	27,664
GST payable	18,733	382
Other payables	46,589	35,718
	<b>85,130</b>	<b>63,764</b>

<b>NOTE 15. LEASE LIABILITIES</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current liabilities</i>		
<b>Lease liability</b>	<b>30,980</b>	<b>28,909</b>
<i>Non-current liabilities</i>		
<b>Lease liability</b>	<b>13,542</b>	<b>44,460</b>

<b>NOTE 16. EMPLOYEE BENEFITS</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current liabilities</i>		
Annual leave	38,556	32,899
Long service leave	19,563	15,453
	<b>58,119</b>	<b>48,352</b>
<i>Non-current liabilities</i>		
<b>Long service leave</b>	<b>5,146</b>	<b>7,344</b>

<b>NOTE 17. OTHER LIABILITIES</b>	<b>2022 \$</b>	<b>2021 \$</b>
<i>Current liabilities</i>		
<b>Unearned income</b>	<b>117,390</b>	<b>91,995</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

<b>NOTE 18. RETAINED EARNINGS</b>	<b>2022 \$</b>	<b>2021 \$</b>
Retained earnings at the beginning of the financial year	825,254	647,416
Surplus after income tax expense for the year	341,257	177,838
<b>Retained earnings at the end of the financial year</b>	<b>1,166,511</b>	<b>825,254</b>

## NOTE 19. CONTINGENT LIABILITIES

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (2021: Nil).

## NOTE 20. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2022 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..

<b>NOTE 21. RECONCILIATION OF SURPLUS AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES</b>	<b>2022 \$</b>	<b>2021 \$</b>
Surplus after income tax expense for the year	341,257	177,838
<b>Adjustments for:</b>		
Depreciation and amortisation	49,210	37,605
Other intangible assets (PSS) written off to expense	-	53,000
Write of fixed assets	850	-
<b>Change in operating assets and liabilities:</b>		
Decrease/(increase) in trade and other receivables	(89,738)	132,996
Decrease/(increase) in prepayments	(24,924)	25,683
Increase/(decrease) in trade and other payables	21,366	(35,575)
Increase in employee benefits	7,569	13,405
Increase/(decrease) in income in advance	25,395	(98,553)
<b>Net cash from operating activities</b>	<b>330,985</b>	<b>306,399</b>

## NOTE 22. COMPANY DETAILS

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

Suite 102 Level 1  
845 Pacific Highway  
Chatswood NSW 2067

# DIRECTORS' DECLARATION

For the year ended 30 June 2022

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Strata Community Association (NSW) Limited;
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



S. Brell  
Director



T. Irvine  
Director

28/9/2022

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATA COMMUNITY ASSOCIATION (NSW) LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL REPORT

### Opinion

We have audited the financial report, being a special purpose financial report, of Strata Community Association (NSW) Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other 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 our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1, 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 Corporations Act 2001 and the ethical requirements of the Accounting Professional & 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 regarding basis of accounting

Without modifying our opinion, we 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 directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STRATA COMMUNITY ASSOCIATION (NSW) LIMITED

### Other information

The directors are responsible for the other information. The other information comprises the information in Strata Community Association (NSW) Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. 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 the other information we are required to report that fact. We have nothing to report in this regard.

### Directors' responsibility 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 statements is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors are also responsible 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 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 either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibility 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at:

[www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf).

This description forms part of our auditor's report.

### Nexia Sydney Audit Pty Ltd

#### Vishal Modi

Director

Dated: 28/9/2022



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