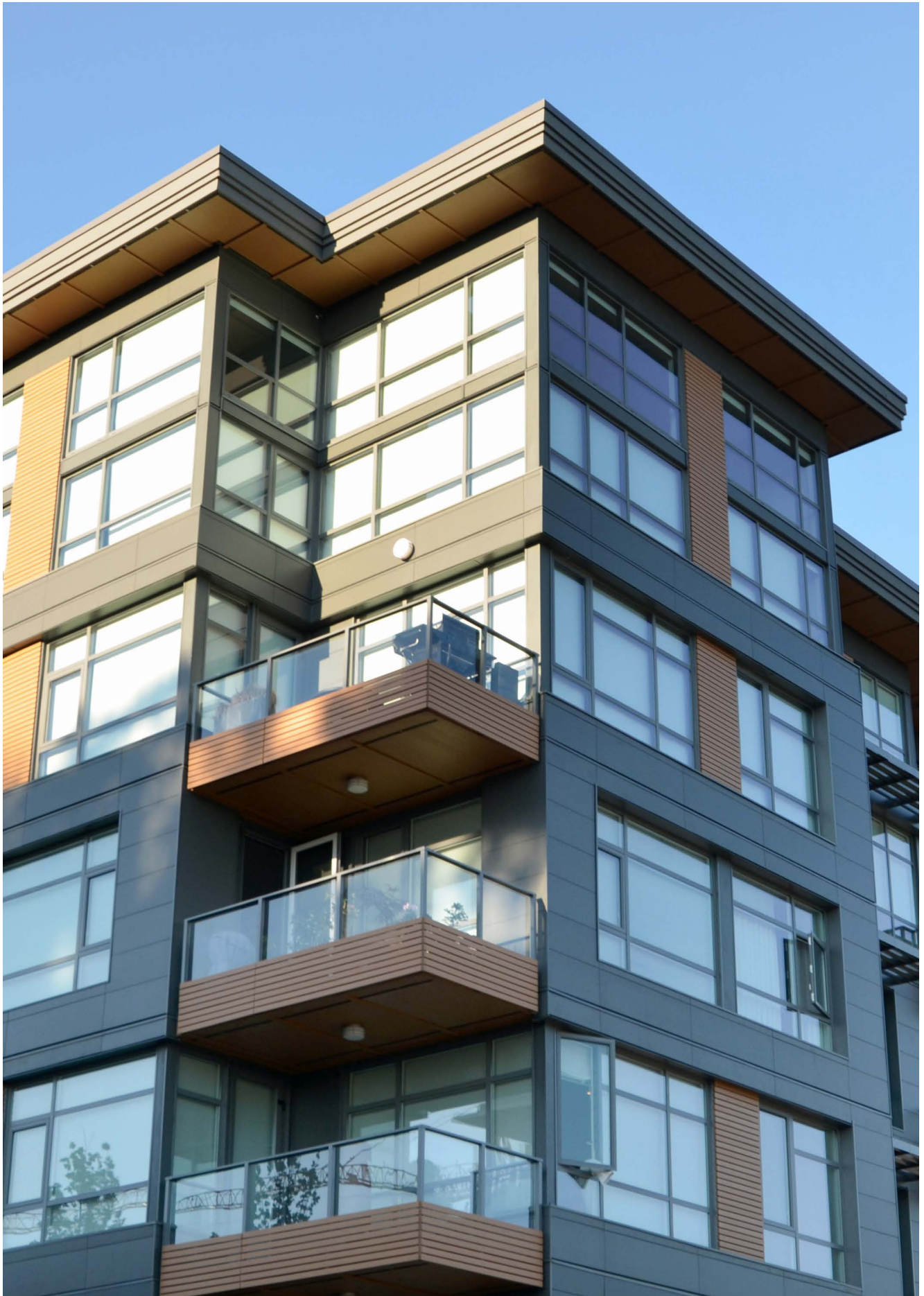




2023-2024
ANNUAL
REPORT



ANNUAL REPORT

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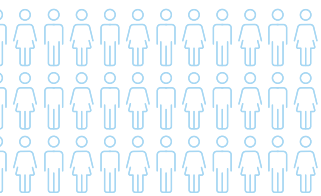
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ABOUT SCA (NSW)

Strata Community Association (SCA) NSW is the peak professional industry body 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 2,154 members who help oversee, advise or manage over 750,000 lots in NSW. Our market penetration in Strata Management is 79%.

PEAK – Professional | Educate | Advocacy | Knowledge

Professional – Membership expresses ethical standards and commitments to its employees, clients and consumers.

Education – Our highly regarded education experts work at the leading edge of our profession to grow and enhance the knowledge of consumers and its members.

Advocacy – We champion on behalf of all stakeholders in strata with the state and federal government for better consumer outcomes.

Knowledge – We are committed to inform and assist our members to deliver the highest professional standard across all areas of the strata industry.

PRESIDENT'S REPORT

Tony Irvine
President, SCA (NSW)

Dear Members and Stakeholders,

It is my pleasure to present the President's Report for the SCA (NSW) for the fiscal year ending 2024. While we acknowledge the challenges we have faced this year it should not overshadow the unwavering commitment to striving for excellence in strata management. Our collective efforts have positioned SCA (NSW) as a leading voice in the strata industry, and I am proud to share our achievements, challenges and strategic direction for the future.

It is crucial that SCA (NSW) acknowledges the continued support from all our sponsors and Premium Partners. These organisations not only provide financial support, but their input into all matters relating to our segment is critical to our ongoing success.

Enhanced Member Services: In 2022, your Board resolved to implement a new Customer Relationship Management system (CRM) which would replace various cumbersome legacy systems and deliver value to our members and partners.

Based on a Microsoft Dynamics platform, the member experience will be enhanced via a single location for education, events, PSS CPD and member data. This will be delivered at the end of 2024.

Education and Training: In 2023, SCA (NSW) made a significant investment in improving our education content and delivery. An outsourced provider, Guroo, was engaged to provide 22 education models per annum.



This improved content and delivery saw membership use of the SCA (NSW) education platform increase from 12% to 83%.

We conducted over 62 workshops and seminars, which reached over 10,000 views. These programs are essential in ensuring that our members are well-equipped with the latest knowledge and best practices in strata management.

Our fortnightly webinars which contribute to PSS hours, average over 400 participants across 22 webinars totalling 8,988 hours in PSS CPD.

Advocacy and Representation: SCA (NSW) has been actively involved in advocating for legislative changes that benefit our members and the communities we serve. We made substantial contributions to policy discussions and submissions, focusing on issues such as building defects, sustainability practices, and fair insurance premiums.

2023 saw the long-awaited first tranche of the Strata Schemes Management Act amendments following the 5-year statutory review. The balance of the amendments are expected in the second half of 2024.

Member Engagement: Our social events continued to be very well supported by members including Sailing Day, Track Day, High Tea, Principal's Retreat, Principal's Night Off, NSW Excellence Awards and NSW Convention.

Our Secretariat should be congratulated on the professional events that they delivery.

Financial Health: In 2022, your Board resolved to invest our accumulated surpluses for strategic projects to benefit members. These included our new CRM and Learning Management System. We also invested in our people with a dedicated Education Manager, and Project Manager, and Office Manager.

Responding to Professionalism Challenges: The 2023/2024 year has seen many challenges and changes which your Board and our Secretariat team have been navigating.

2024 will go down as a year that our professionalism was questioned and how SCA (NSW) responded and evolved as an association serving our members, stakeholders and the strata community in general.

Your Board and the Secretariat undertook the following actions:

- Brought forward the implementation date of the Strata Insurance Disclosure Best Practice Guide;
- Independent review of alleged mis-conduct;
- Engagement with NSW Strata Commissioner and NSW Minister for Better Regulation;
- Engagement with Professional Standards Authority (PSA) who regulate our Professional Standards Scheme;
- In consultation with PSA, an audit of a sample of SCA (NSW) strata manager members to understand how conflict of interest is managed;
- Started the development of the Conflict of Interest Best Practice Guide for members;
- Engagement, together with SCA National, of a specialist Public Relations firm;
- Centralised NSW Code of Ethics complaints to the independent National Chairperson of the Professional Standards and Membership Board Advisory Group.

Board Members: During the year we farewelled Board members including Emily Doherty, Geoff Linders, Dilber Beattie, Jill Walshaw, Kirsten Terry, David Bannerman, Peter Brisbane and Stephen Brell.

Our thanks go to these Board members for their many years of collective service and commitment.

We welcomed Rod Smith and James Stewart as interim directors and the appointment of our independent director Simon George.

I would also like to extend my heartfelt thanks to the Board overall for their support and commitment throughout the year.

Secretariat: The SCA (NSW) Board recognises the dedication of the NSW Secretariat during these challenging times and our gratitude goes out to them for their hard work throughout the year.

2024 and Beyond: At the 2024 AGM, I will be retiring from the SCA (NSW) Board having served since 2016. During this time it was my pleasure to work with presidents Greg Haywood, Chris Duggan and Stephen Brell, along with the many board members. I am proud of what SCA (NSW) collectively achieved during this time.

As we move forward, I am confident that SCA (NSW) will continue to thrive and improve, adapting to new challenges and seizing opportunities to enhance the strata experience for all our members, stakeholders and strata consumers.

Thank you for your continued commitment to SCA (NSW).

Sincerely,

A handwritten signature in blue ink, appearing to read 'T. Irvine', is displayed on a light blue rectangular background.

Tony Irvine
President SCA (NSW)

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 CEO and Committees to ensure the successful delivery of the strategic objectives.

In FY 2023/2024, 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 Committees continued virtual attendance with Management.



Stephen Brell
PRESIDENT and CHAIRMAN
(21/03/2024 resigned)



Tony Irvine
PRESIDENT and CHAIRMAN
(S. Vice President, Treasurer until 20/03/2024)



Emily Doherty
VICE-PRESIDENT
(20/06/2024 resigned)



Anne-Maree Paull
VICE-PRESIDENT



Liza Perera
TREASURER



David Bannerman
DIRECTOR
(19/10/2023 resigned)



Kirsten Terry
DIRECTOR
(17/06/2024 resigned)



Peter Brisbane
DIRECTOR
(19/10/2023 resigned)



Geoff Linders
DIRECTOR
(26/06/2024 resigned)



Caroline McConnachie
DIRECTOR
(26/06/2024 resigned)



Dilber Beattie
DIRECTOR
(26/06/2024 resigned)



Matthew Jenkins
DIRECTOR



Jill Walshaw
DIRECTOR
(17/06/2024 resigned)



Roderick Smith
DIRECTOR
(Appointed 15/07/2024)



Simon George
INDEPENDENT DIRECTOR
(Appointed 15/07/2024)



James Stewart
DIRECTOR
(Appointed 15/07/2024)

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, 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. The Board has oversight over the following committees (please note these are the committee members for the 2023 calendar year):

Professional Conduct & Oversight Committee

Geoff Linders (2023 Chair)

SCA (NSW) acknowledges and thanks; Tony Irvine, Bradley Wood, Phillip Court, John Coleman, Philip Kooper, Lynne Kopellos, Melanie Gibbs, Peter Brisbane, Anne-Maree Paull.

Professional Strata Management Committee

Emily Doherty (2023 Chair)

SCA (NSW) acknowledges and thanks; Dilber Beattie, Roderick Smith, Ashley Hunt, Edward Baker, Kieran Spink, Tracey Payne, Michael Gilday, Dianna Butler, Amelia Causer, Jill Walshaw, Tracey Rance – NSW Fair Trading.

Policy & Legislative Committee

David Bannerman (2023 Chair)

SCA (NSW) acknowledges and thanks; Adrian Carr, Katalin Savage, Russell Young, Andrew Tunks, Joel Holgersson, Andrew Gavin, Nicholas Johnson, Jessica Kaye, Matthew Jenkins, Denver Van Gramberg, Paul Morton, Karen Belcher.

Events Committee

Kirsten Terry (2023 Chair)

SCA (NSW) acknowledges and thanks; Dilber Beattie, Nathan Newmarch, Christine Ashfield, Amelia Causer, Pip Ryan, Dianna Butler, Mark Jennings, Benjamin Gibbons.

Risk & Finance Committee

Stephen Brell (2023 Chair)

SCA (NSW) acknowledges and thanks; Emily Doherty, Geoff Linders, Jill Walshaw, Anne-Maree Paull, Liza Perera.

Education Committee

Liza Perera (2023 Chair)

SCA (NSW) acknowledges and thanks; Nathan Newmarch, Aylie Brutman, Peter Ton, Marina Prayster, Penny Parkinson, Jenine Garcia, Kirsten Terry, Maxine Wickey, Andrew Tunks, Sarah Walmsley, Tony Irvine.

Strata Services Committee

Caroline McConnachie (2023 Chair)

SCA (NSW) acknowledges and thanks; Tony Conway, Jeff Shawcross, Scott Shearer, Lauren Spink, Simone Collaros, Mark Slater, Mark Osborn, Anne-Maree Paull, Mauro Carlos, Jessica Kaye, Gary Sharma, Tony Irvine, Sally Pollard, Dominic Dodwell, Francis Gabone.



SCA (NSW) SPONSORS

SCA (NSW) is pleased to honour the ongoing support of our sponsors, who are listed below. Our sponsors are our trusted and preferred suppliers in their area of expertise. 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.

PREMIUM PARTNERS



MAJOR SPONSORS

Grace Lawyers
Paynter Dixon Remedial
Premier Painting
Quatrix
Origin

SUPPORTING SPONSORS

Allgate Automation
Kelly + Partners
Magic Glass
Lannock Strata Finance
Windowline

SCA (NSW)

Life Members

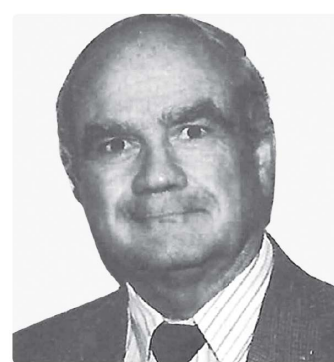
To honour SCA (NSW) members that have made a significant contribution to the sector, and had continuous membership for a minimum of 20 years, the SCA (NSW) Board can nominate individuals to become SCA (NSW) Life Members.

At the 2023 SCA (NSW) Gala Dinner, SCA (NSW) announced two new Life Members - **Colin Grace** and **Daniel Linders**.

It is also with great sadness that we report the passing of two Life Members since our last annual report - **John O'Brien** and **Walter (Wally) Paterson**.



Walter (Wally) Patterson



John O'Brien

SCA (NSW) Life Members (as at the end of FY23/24)

Robert Anderson	Chris Darby, PSCM	Heather M. Lake
Douglas Armstrong	Ken Demlakian	David Le Page
Muriel Barasso	Chris Duggan, HFSCM	Daniel Linders
Gary Bugden	Alastair Dunn, FSCM	Maria Linders, FSCM
Peter Callaghan	John Edwards	Max Moretti
Peter R Clisdell	David Ferguson, HFSCE	Margaret O'Connor
John Coleman	Olivera Ferguson, HFSCE	Wally Patterson
Bill Coles	Colin Grace	George Vumbaca, CSCM
	Richard Holloway	

SCA (NSW)

EVENTS

Each year, SCA (NSW) provides members with a diverse array of events, ranging from social gatherings and formal dinners to the highly anticipated Annual Convention. The esteemed SCA (NSW) event calendar is crafted to enhance members' professional networks, celebrate industry excellence, and deliver essential tools, skills, and opportunities for professional growth.

AWARDS

Awards provide an excellent opportunity for the industry to unite, reflect on our accomplishments, and celebrate our achievements. They also serve as an ideal platform to elevate industry standards and enhance overall professionalism.

The SCA (NSW) 2023 CHU Strata Community Awards took place at Le Montage in July, drawing a record attendance of 668 guests who arrived in their finest attire to celebrate the accomplishments of our industry members. Awards were presented in eleven categories, all of which were aligned with the SCA National awards, allowing NSW winners to advance as finalists in the National Awards. We extend our gratitude to the category sponsors for their support and to the overall awards sponsor, CHU.

PRINCIPALS RETREAT

The Principals Retreat took place at the Moana Surfrider Hotel in Waikiki, Hawaii. The event was a success, with 49 delegates attending. Delegates participated in workshops on maximizing business value, emerging U.S. trends, the recent impacts of WH&S and their consequences for strata managers of PCBU's.

The retreat concluded with a keynote address from Paul Roos.

ANNUAL CONVENTION

A symposium was held the day before the Convention, addressing the topic of recognising professionalism. This event targeted a smaller audience, specifically the Principals and Licensees-in-Charge of strata management companies.

The Convention attracted around 300 delegates per day, who enjoyed the theme 'Maximising Strata Potential: Innovative Solutions for Today & Tomorrow' along with five standout keynote speakers who presented on a broad range of special interest and personal development topics.

The speakers were Tim Lawless, Evelyn Field, Dr Catherine Ball, Rebecca Maklad and Sarah Walsh. The NSW Strata and Property Commissioner, John Minns presented the opening address, followed by David Chandler, the NSW Building Commissioner.

The Convention Gala Dinner drew 320 delegates who enjoyed the evening's festivities. During the dinner, SCA (NSW) awards were presented. David Bannerman from Bannermans Lawyers received the Greg Haywood Presidents Award, while Colin Grace from Grace Lawyers and Daniel Linders from Strata Choice were honoured with the Life Member Award. Finally, the Max Dunn Award was presented to Kirsten Terry from PICA Group. Congratulations to all the recipients, and a heartfelt thank you to the Convention presenters, sponsors, and trade exhibitors who contributed to the success of the Annual Convention.



CHRISTMAS PARTY

The 2023 Christmas Party, held in late November, attracted over 200 delegates to the Verandah Bar. Everyone enjoyed the chance to unwind and celebrate the start of the Christmas season. Thank you to the event sponsor, Cleaning & Caretaking Corporation.

SAILING DAY

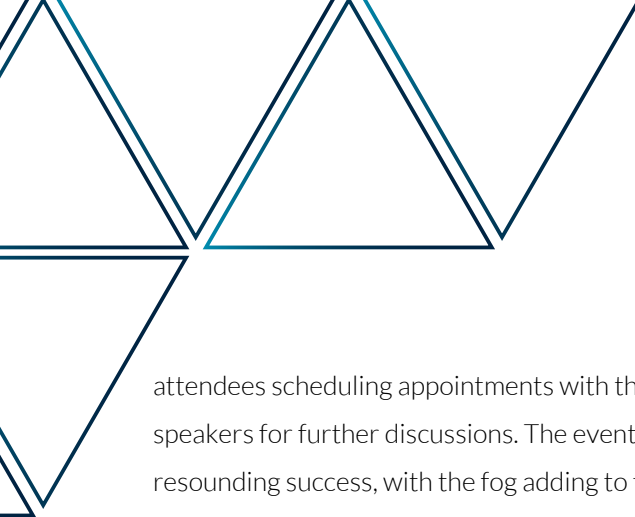
In February, 10 yachts competed in the 2024 Sailing Day, which started and finished at the Deckhouse in Woolwich. The winning team, Lannock, was cheered on by the 297 attendees. Thank you to the networking event sponsors, Havencab Property Group and Origin.

INTERNATIONAL WOMEN'S DAY

The International Women's Day event was once again an overwhelming success, attracting 257 delegates. The keynote speaker, Taryn Brumfitt, concluded the event with a thought-provoking presentation on empowerment. We extend our thanks to the sponsors: AGC Roof, Body Corporate Brokers, and Quatrix Security.

PRINCIPALS NIGHT OFF

The 2024 Principals Night Off took place in April at the Hydro Majestic in the Blue Mountains. This year, we revamped the schedule, starting with a design thinking workshop followed by a keynote address by Amanda Johnstone, focusing on implementing AI into businesses. Both workshops were well-received, with



attendees scheduling appointments with the speakers for further discussions. The event was a resounding success, with the fog adding to the atmosphere as our 45 delegates indulged in chocolate and wine tasting before dinner.


EXPRESS GLASS GOLF DAY

The always popular SCA (NSW) Express Glass Golf Day, held in May at St Michaels Golf Course, was another sold-out event with 187 delegates competing in 38 teams. This year Moirs Law Team won the team event. For those non-golfers who might be converted, 27 individuals participated in the Champagne on the Green competition. We again supported the Kids Cancer Project, with \$4,925 raised for the cause. 18 companies sponsored the day from individual holes to the drinks cart. Thanks to our naming rights sponsor, Express Glass.

TRACK DAY/VIVID CRUISE

This year we held the Supporting sponsors Track Day and the Major sponsors Vivid Cruise which continued to be successful. We had 27 attendees at the Track Day which was held at Eastern Creek Sydney Motorsport Park and the Vivid Cruise had 57 invitees in attendance.

Thank you to everyone who attended the events or were sponsors in 2023-2024 and congratulations to those who won competitions or received awards. We look forward to seeing what 2024-2025 will bring.



FINANCIAL REPORT

2023/2024

TREASURER'S REPORT

Liza Perera

Treasurer, SCA (NSW)

Financial Overview

Equity and Cash Position

The company's equity has declined by approximately \$242,000 compared to the previous year. Despite maintaining an equity of \$1 million this year, our cash on hand has significantly decreased to \$204,000, down from \$1.2 million in the previous year. This reduction is driven predominantly by an increase in prepayments of \$286,000, capitalisation of CRM, legal and Learning Management expenditure \$543,000.

Income

We are pleased to report a total income increase of \$558,000 compared to the previous year. This growth is primarily attributed to our Education and Events segment, with Education income being a standout contributor as our investment in our Learning Management System delivers quality products.

Expenses

Total expenses have exceeded last year's figures by \$877,000 and surpassed the full-year budget by \$242,000. It's important to note that this overspend would have been more significant if not for the capitalisation of Customer Relationship Management (CRM) costs amounting to \$455,000. The key contributors were one-off expenses for staff recruitment and wages, Public Relations and legal. On-going expense increase were rent, wages, SCA National subscriptions and Events.

Net Profit

The end of the year ended with a \$242,000 loss compared to the previous year profit of \$77,000. This result is largely due to the capitalisation of the CRM.



Strategic Investments and One-Off Expenditures

During the year, we made several strategic investments and incurred significant one-off expenses:

1. Learning Management Platform: As part of our commitment to enhancing our educational offerings, we invested in a new learning management platform.
2. CRM System: We developed a new CRM system, with the associated costs being capitalised.
3. Agency Agreement: A one-off expenditure of \$60,000 was incurred for new agency agreements, although this will continue in the 2024/2025 year.

Cash Flow Management

While our profit and loss statement aligns closely with the budget (partly due to the capitalisation of CRM costs), we acknowledge the need for heightened attention to cash flow management. The board is actively monitoring this situation and implementing strategies to ensure the company's financial stability.

Future Outlook

The board had forecast to spend more than the company's income this year as part of our strategic investment plan. These investments, including the learning management platform and the CRM system, are expected to drive future growth and efficiency. We remain committed to balancing these strategic investments with prudent financial management to ensure the long-term success of the company. The Board continues to focus on minimising membership fees and has been proud that these have remained constantly low, excluding the costs of the Professional Standards Scheme. In keeping with a strong fiscal management plan, the Board will be reviewing all income and expenditure for the 2024/2025 year.

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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 27 September 2024. The directors have the power to amend and reissue the financial statements.

Directors' Report

For the Year ended 30 June 2024

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

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	DateAppointed/Resigned
Stephen Brell	President and Chairman	20/10/2017 (21/03/2024 resigned)
Tony Irvine	President and Chairman (S.Vice President, Treasurer until 20 March 2024)	27/10/2016
Emily Doherty	Vice President	24/10/2019 (20/06/2024 resigned)
Liza Perera	Treasurer (Company Director until 31 March 2024)	31/01/2022
David Bannerman	Company Director	26/10/2007 (19/10/2023 resigned)
Anne-Maree Paull	Vice President	25/10/2018
Kirsten Terry	Company Director	25/10/2018 (17/06/2024 resigned)
Peter Brisbane	Company Director	24/10/2019 (19/10/2023 resigned)
Geoffrey Linders	Company Director	24/11/2021 (26/06/2024 resigned)
Caroline McConnachie	Company Director	12/05/2022 (05/08/2024 resigned)
Dilber Beattie	Company Director	12/05/2022 (26/06/2024 resigned)
Matthew Jenkins	Company Director	19/10/2023
Jill Walshall	Company Director	19/10/2023 (17/06/2024 resigned)
Roderick Smith	Company Director	15/07/2024
Simon George	Company Director	15/07/2024
James Stewart	Company Director	15/07/2024

Principal activities

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

- 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.
- The promotion of education, discourse and instruction about any matter relating to the management of group title properties.
- The promotion of ethical standards of conduct in dealings by members of the company with their clients or the general public.
- The provision of assistance and information about management of group title properties to its members and to members of the general public.
- 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.
- The performance of any regulatory, educational or supervisory function of the company according to the requirements of government.
- 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.
- The performance of all such other things as are necessary, incidental or conducive to the attainment of these objects.

Operating results

Operating deficit for the year after income tax amounted to \$239,981 (2023: \$75,263 surplus). This deficit was due to the delay of the CRM system development and associated expenses.

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 2021, and the number of meetings attended by each director were:

Name	Meetings Eligible to Attend	Meetings Attended
Stephen Brell	4	4
Tony Irvine	7	7
Emily Doherty	6	6
Liza Perera	7	7
David Bannerman	3	2
Anne-Maree Paull	7	6
Kirsten Terry	6	5
Peter Brisbane	3	2
Geoffery Linders	7	7
Caroline McConnachie	7	6
Dilber Beattie	7	6
Matthew Jenkins	4	3
Jill Walshall	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 2024 was 2,462 (2023: 2,657), which was broken up as follows:

	2024	2023
Life	24	25
Strata Agency	211	228
Strata Individual Member	1,912	2,042
Supplier Company (Srvcs Companies req. 1 individual member)	240	197
Supplier Individual (Additional members above the 1 individual)	75	165
Total	2,462	2,657

An EGM was held to remove the Owners Chapter and revert them to subscribers.

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 they are a member, or with a company in which they have a substantial financial interest.

D 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).

Events after the reporting period

The media scrutiny of the Strata industry which has arisen since 30 June 2024 has affected the company's operations, which may affect the company's state of affairs in future financial years.

Consolidated entity disclosure statement

Section 295(3A)(a) does not apply to the company as it does not have any controlled entities and therefore is not required by the Australian Accounting Standards to prepare consolidated financial statements.

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



T. Irvine
Director

27/09/2024



A. Paull
Director

Auditor's Independence Declaration

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

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

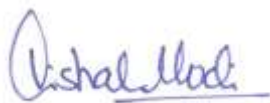
As lead audit director for the audit of the financial statements of Strata Community Association (NSW) Limited for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



Nexia Sydney Audit Pty Ltd



Vishal Modi

Director

Sydney

Dated: 27 September 2024

Statement of profit or loss and other comprehensive income for the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	4	3,723,578	3,178,070
Other income	5	7,857	4
Expenses			
Accounting and audi fees		(17,060)	(17,857)
Bad debts		(974)	(2,295)
Bank fees and charges		(7,141)	(6,018)
Board expenses		(49,144)	(33,591)
Communications and public relations		(153,421)	(120,572)
Depreciation and amortisation expense	6	(69,970)	(47,220)
Education platform service and hosting fees		(265,518)	(92,691)
Employee benefits expense		(1,082,410)	(961,139)
Events and education		(1,383,469)	(1,151,378)
Fees	7	(308,561)	(165,079)
Finance costs		(6,606)	(755)
Insurance expenses		(17,544)	(17,344)
Loss on write off of assets		(35,488)	-
Membership and subscriptions		(447,416)	(381,792)
Occupancy costs		(57,149)	(32,863)
Other expenses		(3,757)	(7,176)
Printing and stationery		(16,122)	(15,159)
Telephone and internet		(38,744)	(34,579)
Travel and accommodation		(10,922)	(15,303)
Total expenses		<u>(3,971,416)</u>	<u>(3,102,811)</u>
(Deficit)/surplus before income tax expense		(239,981)	75,263
Income tax expense		<u>-</u>	<u>-</u>
(Deficit)/surplus after income tax expense for the year		(239,981)	75,263
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive (loss)/income for the year		<u><u>(239,981)</u></u>	<u><u>75,263</u></u>

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

Statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	8	150,304	1,148,499
Trade and other receivables	9	114,636	99,722
Other assets	10	812,531	519,986
Total current assets		<u>1,077,471</u>	<u>1,768,207</u>
Non-current assets			
Property, plant and equipment	11	32,940	55,790
Right-of-use assets	12	558,420	14,591
Intangible assets	13	455,302	-
Total non-current assets		<u>1,046,662</u>	<u>70,381</u>
Total assets		<u>2,124,133</u>	<u>1,838,588</u>
Liabilities			
Current liabilities			
Trade and other payables	14	298,743	152,414
Lease liabilities	15	118,834	13,542
Employee benefits	16	51,238	72,288
Other liabilities	17	176,049	347,496
Total current liabilities		<u>644,864</u>	<u>585,740</u>
Non-current liabilities			
Lease liabilities	15	471,104	-
Employee benefits	16	6,372	11,074
Total non-current liabilities		<u>477,476</u>	<u>11,074</u>
Total liabilities		<u>1,122,340</u>	<u>596,814</u>
Net assets		<u>1,001,793</u>	<u>1,241,774</u>
Equity			
Retained earnings		<u>1,001,793</u>	<u>1,241,774</u>
Total equity		<u>1,001,793</u>	<u>1,241,774</u>

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

Statement of changes in equity

For the year ended 30 June 2024

	Retained earnings \$	Total equity \$
Balance at 1 July 2022	1,166,511	1,166,511
Surplus after income tax expense for the year	75,263	75,263
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>75,263</u>	<u>75,263</u>
Balance at 30 June 2023	<u><u>1,241,774</u></u>	<u><u>1,241,774</u></u>
	Retained earnings \$	Total equity \$
Balance at 1 July 2023	1,241,774	1,241,774
Deficit after income tax expense for the year	(239,981)	(239,981)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>(239,981)</u>	<u>(239,981)</u>
Balance at 30 June 2024	<u><u>1,001,793</u></u>	<u><u>1,001,793</u></u>

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

Statement of cash flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,899,581	3,762,338
Payments to suppliers and employees (inclusive of GST)		<u>(4,451,817)</u>	<u>(3,456,009)</u>
		(552,236)	306,329
Interest and other finance costs paid		<u>(6,606)</u>	<u>(755)</u>
Net cash (used in)/from operating activities	20	<u>(558,842)</u>	<u>305,574</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(28,130)	(13,607)
Payments for intangibles	13	<u>(389,312)</u>	<u>-</u>
Net cash used in investing activities		<u>(417,442)</u>	<u>(13,607)</u>
Cash flows from financing activities			
Repayment of lease liabilities		<u>(21,911)</u>	<u>(30,980)</u>
Net cash used in financing activities		<u>(21,911)</u>	<u>(30,980)</u>
Net (decrease)/increase in cash and cash equivalents		(998,195)	260,987
Cash and cash equivalents at the beginning of the financial year		<u>1,148,499</u>	<u>887,512</u>
Cash and cash equivalents at the end of the financial year	8	<u><u>150,304</u></u>	<u><u>1,148,499</u></u>

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 2024

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. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, 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.

Notes to the financial statements

For the year ended 30 June 2024

Note 2. Material accounting policy information (continued)

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.

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.

Notes to the financial statements

For the year ended 30 June 2024

Note 2. Material accounting policy information (continued)

Right-of-use assets

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

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

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

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.

Notes to the financial statements

For the year ended 30 June 2024

Note 2. Material accounting policy information (continued)

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.

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 2024. 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 2024

Note 4. Revenue

	2024 \$	2023 \$
Membership	867,297	876,099
PSS membership	438,373	479,136
Sponsorship	924,890	812,105
Events and education	1,492,919	1,010,530
Publications	99	200
	<u>3,723,578</u>	<u>3,178,070</u>

Note 5. Other income

	2024 \$	2023 \$
Other income	<u>7,857</u>	<u>4</u>

Note 6. Depreciation and amortisation expense

	2024 \$	2023 \$
Depreciation	15,492	12,203
Amortisation (right-of-use assets)	54,478	35,017
	<u>69,970</u>	<u>47,220</u>

Note 7. Fees

	2024 \$	2023 \$
General legal and consulting expenses	197,711	55,338
Professional standards scheme fees	110,850	109,741
	<u>308,561</u>	<u>165,079</u>

Note 8. Cash and cash equivalents

	2024 \$	2023 \$
<i>Current assets</i>		
Cash at bank	<u>150,304</u>	<u>1,148,499</u>

Note 9. Trade and other receivables

	2024 \$	2023 \$
<i>Current assets</i>		
Trade receivables	77,093	74,297
Other receivables	37,543	25,425
	<u>114,636</u>	<u>99,722</u>

Notes to the financial statements

For the year ended 30 June 2024

Note 10. Other assets

	2024 \$	2023 \$
<i>Current assets</i>		
Prepayments	676,406	501,176
Security deposits	136,125	18,810
	<u>812,531</u>	<u>519,986</u>

Note 11. Property, plant and equipment

	2024 \$	2023 \$
<i>Non-current assets</i>		
Fixtures and fittings - at cost	1,707	49,459
Less: Accumulated depreciation	(243)	(11,191)
	<u>1,464</u>	<u>38,268</u>
Office equipment - at cost	70,372	55,350
Less: Accumulated depreciation	(38,896)	(37,828)
	<u>31,476</u>	<u>17,522</u>
	<u>32,940</u>	<u>55,790</u>

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Furniture and fittings \$	Office equipment \$	Total \$
Balance at 1 July 2023	38,268	17,522	55,790
Additions	1,200	26,930	28,130
Disposals	(33,738)	(1,750)	(35,488)
Depreciation expense	(4,266)	(11,226)	(15,492)
Balance at 30 June 2024	<u>1,464</u>	<u>31,476</u>	<u>32,940</u>

Note 12. Right-of-use assets

	2024 \$	2023 \$
<i>Non-current assets</i>		
Land and buildings - right-of-use	598,307	105,052
Less: Accumulated depreciation	(39,887)	(90,461)
	<u>558,420</u>	<u>14,591</u>

Notes to the financial statements

For the year ended 30 June 2024

Note 12. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and building \$	Total \$
Balance at 1 July 2023	14,591	14,591
Additions	598,307	598,307
Depreciation expense	(54,478)	(54,478)
Balance at 30 June 2024	<u>558,420</u>	<u>558,420</u>

Note 13. Intangible assets

Non-current assets

	2024 \$	2023 \$
CRM software (development costs)	<u>455,302</u>	<u>-</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	CRM software \$	Total \$
Balance at 1 July 2023	-	-
Additions	455,302	455,302
Balance at 30 June 2024	<u>455,302</u>	<u>455,302</u>

Note 14. Trade and other payables

Current liabilities

	2024 \$	2023 \$
Trade payables	214,248	70,580
GST payable	16,836	19,548
Other payables	67,659	62,286
	<u>298,743</u>	<u>152,414</u>

Note 15. Lease liabilities

Current liabilities

	2024 \$	2023 \$
Lease liability	<u>118,834</u>	<u>13,542</u>

Non-current liabilities

	2024 \$	2023 \$
Lease liability	<u>471,104</u>	<u>-</u>

Notes to the financial statements

For the year ended 30 June 2024

Note 16. Employee benefits

	2024 \$	2023 \$
<i>Current liabilities</i>		
Annual leave	38,485	48,429
Long service leave	12,753	23,859
	<u>51,238</u>	<u>72,288</u>
<i>Non-current liabilities</i>		
Long service leave	<u>6,372</u>	<u>11,074</u>

Note 17. Other liabilities

	2024 \$	2023 \$
<i>Current liabilities</i>		
Unearned income	<u>176,049</u>	<u>347,496</u>

Note 18. Contingent liabilities

The Company did not have any contingencies at 30 June 2024 (2023: Nil).

Note 19. Events after the reporting period

The media scrutiny of the Strata industry which has arisen since 30 June 2024 has affected the company's operations, which may affect the company's state of affairs in future financial years.

Note 20. Reconciliation of (deficit)/surplus after income tax to net cash (used in)/from operating activities

	2024 \$	2023 \$
(Deficit)/surplus after income tax expense for the year	(239,981)	75,263
Adjustments for:		
Depreciation and amortisation	69,970	47,220
Write off of property, plant and equipment	35,488	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(14,914)	12,127
Increase in prepayments	(292,545)	(146,523)
Increase in trade and other payables	80,339	67,284
(Decrease)/increase employee benefits	(25,752)	20,097
(Decrease)/increase in income in advance	<u>(171,447)</u>	<u>230,106</u>
Net cash (used in)/from operating activities	<u>(558,842)</u>	<u>305,574</u>

Note 21. Company details

The registered office and principal place of business of the company is:
123 Walker Street
North Sydney
NSW 2060



Consolidated entity disclosure statement As at 30 June 2024

Strata Community Association (NSW) Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Directors' declaration

For the year ended 30 June 2024

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 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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



T. Irvine
Director

27/09/2024



A. Paull
Director



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 2024, 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 material accounting policy information, the consolidated entity disclosure statement 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 2024 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.

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 2024, 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:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with the basis of preparation described in Note 1 to the financial statements and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of 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/ar4.pdf. This description forms part of our auditor's report.



Nexia Sydney Audit Pty Ltd




Vishal Modi


Director

Dated: 27 September 2024
Sydney



Strata Community Association (NSW) Ltd
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