



# Institute of Strata Title Management Ltd

*(A.B.N. 74 001 767 997)*

## FINANCIAL REPORT

30 JUNE 2008

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## **INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED**

### *Directors' Report*

The Directors present their report together with the annual financial report of the Institute of Strata Title Management Limited for the year ended 30 June 2008 and the auditor's report thereon.

#### **Directors**

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

<b>Name</b>	<b>Occupation</b>	<b>Date Appointed</b>
D Morris (President)	Company Director	5/10/2001
G Vumbaca (Senior Vice-President)	Company Director	22/10/2005
B Coles (Vice-President)	Company Director	8/09/2000
D Linders (Vice-President)	Company Director	15/10/2004
D Ferguson	Company Director	26/10/2006
P Keating	Company Director	26/10/2006
D Richards	Company Director	26/10/2006
D Bannerman	Company Director	26/10/2007
S Machin	Company Director	26/10/2007
G Haywood	Company Director	8/11/2007

#### **Directors' meetings and executive committee meetings**

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

<b>Name</b>	<b>Meetings Eligible to Attend</b>	<b>Meetings Attended</b>	<b>E/C Meeting Eligible to attend</b>	<b>E/C Meetings Attended</b>
D Morris	8	6	3	3
G Vumbaca	8	7	3	2
B Coles	8	7	3	3
D Linders	8	7	3	2
D Ferguson	8	8		
F Andreone	3	3		
A Smith	3	2		
B Chau	3	3		
P Keating	8	8		
D Richards	8	6		
D Bannerman	5	5		
S Machin	5	3		
G Haywood	4	3		

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Directors' Report (continued)***Principal Activities of the Company**

The principal continuing activities of the Institute include:-

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

**Number of Members**

The number of members at 30 June 2008 was 1,295 (2007 – 970), which was broken up as follows:

Life	4
Corporate	136
Corporate Supplier	69
Licensed Manager Chapter	310
Associate Chapter	370
Supplier Chapter	266
Associates of the Institute	133
Group Title Scheme	<u>7</u>
Total	<u>1,295</u>

**Results**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
Operating (Loss) for the year after income tax	\$(433,979)	\$(35,234)

**Dividends**

No dividend was paid or declared during the year ended 30 June, 2008.

**Review of Operations**

A review of operations for the year is set out in the General Manager's Report.

The result for 2008 has been supported by a \$330k increase (45%) in general administration expenses as well as the writeoff of the investment of \$21,600. The unearned income deferred at 30 June 2008 exceeds 2007 by \$77k as a result of the membership increase of 33%.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Directors' Report (continued)***Events subsequent to balance date**

At the date of this report there is no matter or circumstance which has arisen since 30 June 2008 that has significantly affected or may significantly affect:

- (a) the company's operations;
- (b) the results of those operations; or
- (c) the company's state of affairs,

in financial years subsequent to 30 June 2008.

**Likely Developments and Expected Results of Operations**

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

**Directors' Benefits**

Since 30 June 2007 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 the following

- (a) Mr D Morris received \$5,743 for travel cost reimbursement to attend board meetings and to attend to other institute business.

**Directors' Indemnity**

The company has paid premiums totalling \$7,168 (2007 \$8,006) during the year for Directors and Officers liability insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$10 million any one claim and \$20 million in the aggregate arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the company.

**Staffing**

The Directors wish to express their thanks to Jackie Zelinsky (General Manager), Erin Smith (Event Manager), Marianna Blangiardo (Members Services Manager), Michelle Spooner (Education Manager) and Jenny McKinnon (Communications Manager) for their valued contribution.

**Auditors**

Foster Raffan continue to act as auditors in accordance with Section 327 of the Corporations Act, 2001.

This report is made in accordance with a resolution of the directors.

*Original signed by Director*

*Original signed by Director*

.....  
 Director – D Morris  
 Chatswood, 2008.

.....  
 Director – G Vumbaca

### *Independence Declaration by the Auditor*

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to the directors of the Institute of Strata Title Management Limited under section 307c of the Corporations Act 2001. We declare that, to the best of our knowledge and belief, during the year that ended 30 June 2008 there have been:

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

**FOSTER RAFFAN**  
Chartered Accountants

**G D Wood, FCA**  
Partner North Sydney, 2008.

### *Independent Audit Report to the Members*

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#### **Scope**

We have audited the financial report of the Institute of Strata Title Management Limited for the year ended 30 June, 2008 as set out on pages 5 to 11. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Standards and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

#### **Audit Opinion**

In our opinion, the financial report of the Institute of Strata Title Management Limited is in accordance with:-

- (a) the Corporations Act, 2001 including:-
  - (i) giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

**FOSTER RAFFAN**  
Chartered Accountants

**G D Wood, FCA**  
Partner North Sydney, 2008.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Directors' Declaration*

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In accordance with a resolution of the directors of the Institute of Strata Title Management Limited in the opinion of the directors:

- (a) the 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, 2008 and of its performance for the year ended on that date, and
  - (ii) complies with Accounting Standards and Corporation Regulations, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.

*Original signed by Director*

*Original signed by Director*

.....  
Director – D Morris

.....  
Director – G Vumbaca

Chatswood

2008.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Income Statement for the year ended 30 June 2008*

	Notes	2008 \$	2007 \$
<b>Revenue</b>			
Education		102,574	198,023
General administration		623,441	642,677
Members services		<u>770,748</u>	<u>669,014</u>
		<u>1,496,763</u>	<u>1,509,714</u>
Less			
<b>Expenses</b>			
Write off of investment	7	21,600	-
Education		118,153	110,066
General administration		1,062,115	731,864
Members services		<u>728,874</u>	<u>703,018</u>
		<u>1,930,742</u>	<u>1,544,948</u>
<b>Operating (loss)</b> before income tax (page 4)		(433,979)	(35,234)
Income tax expense	2	<u>-</u>	<u>-</u>
<b>Operating (loss)</b> after income tax		(433,979)	(35,234)
<b>Retained profits – 1 July 2007</b>		<u>601,763</u>	<u>636,997</u>
<b>Retained profits – 30 June 2008</b>		<u>\$167,784</u>	<u>\$601,763</u>

The Profit & Loss Statement should be read in conjunction with the accompanying notes.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Balance Sheet – 30 June 2008*


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	Notes	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash	3	263,830	672,178
Receivables	4	291,142	123,132
Inventories	5	37,100	5,233
<b>Total Current Assets</b>		<u>592,072</u>	<u>800,543</u>
<b>NON-CURRENT ASSETS</b>			
Fixed assets	6	19,561	27,139
Investment	7	-	21,600
<b>Total Non-Current Assets</b>		<u>19,561</u>	<u>48,739</u>
<b>TOTAL ASSETS</b>		<u>611,633</u>	<u>849,282</u>
<b>CURRENT LIABILITIES</b>			
Creditors	8	427,815	224,788
Provision	9	16,034	22,731
<b>Total Current Liabilities</b>		<u>443,849</u>	<u>247,519</u>
<b>TOTAL LIABILITIES</b>		<u>443,849</u>	<u>247,519</u>
<b>NET ASSETS</b>		<u>\$167,784</u>	<u>\$601,763</u>
<b>MEMBERS' EQUITY</b>			
Retained profits		<u>\$167,784</u>	<u>\$601,763</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Statement of Cash Flows for the year ended 30 June 2008*


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	Notes	2008 \$	2007 \$
<b>Cash flows from operating activities</b>			
Receipts from members and sponsors		1,221,443	1,265,123
Payments to suppliers and employees		(1,652,054)	(1,384,179)
Government grants		-	5,263
		<u>(430,611)</u>	<u>(113,793)</u>
Interest received		<u>27,016</u>	<u>39,927</u>
<b>Net cash (outflow) from operating activities</b>	13	(403,595)	(73,865)
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(4,753)	(5,642)
<b>Net (decrease) in cash held</b>		(408,348)	(79,508)
Cash - 1 July 2007		<u>672,178</u>	<u>751,686</u>
<b>Cash - 30 June 2008</b>	3	<u>\$263,830</u>	<u>\$672,178</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Notes to the Financial Report 30 June 2008***1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**(a) Membership Income**

Membership fees received from new members are brought to account on receipt. The membership fees paid in advance represent the period 1 July to 31 December 2008.

**(b) Income Tax**

Income tax is payable only on income by the company from non-members after deduction of related expenditure. The income tax payable on any assessable income for the year is calculated at the current rate of tax.

**(c) Depreciation**

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

**2. INCOME TAX**

	<b>2008</b>	<b>2007</b>
	\$	\$

The aggregate amount of income tax attributable to the financial year differs from the amount prima facie payable on operating profit. The difference is reconciled as follows:

Operating (loss) before income tax	(433,979)	(35,234)
Income tax (credit) @ 30%	(130,194)	(10,570)
Tax effect of permanent differences:-		
Adjustment for mutual income net of expenses	82,809	(26,485)
Prima facie income tax (credit)	(47,385)	(37,055)
Timing differences during the year:-		
Other items - provisions	4,606	(4,208)
Tax losses carried forward	42,779	41,263
Income tax payable	-	-
Tax losses carried forward	<u>131,910</u>	<u>89,130</u>

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED**

Notes to the Financial Report 30 June 2008 (continued)

	2008 \$	2007 \$
<b>3. CASH</b>		
Cash on hand	-	500
Macquarie Bank Limited		
- Cash Management	76,991	344,673
- Term Deposit (Sept 08 @ 7.85%)	171,627	307,171
- Imprest account	1,587	9,535
- Education account	13,625	10,299
	<u>263,830</u>	<u>672,178</u>
<b>4. CURRENT ASSETS - Receivables</b>		
Trade debtors	260,794	39,506
<b>Less:</b> Provision for doubtful debts	<u>(12,850)</u>	<u>(1,317)</u>
	247,944	38,189
Bonds	14,729	15,030
Prepayments – Convention 08	28,469	69,913
	<u>291,142</u>	<u>123,132</u>
<b>5. CURRENT ASSETS - Inventories</b>		
Minute books - at cost	4,350	4,813
CD Roms – at cost	-	100
Distance Learning Modules – at cost	-	320
Trade Services Directories	16,000	-
Inside Strata Training manuals	9,000	-
Training manuals	<u>7,750</u>	<u>-</u>
	<u>37,100</u>	<u>5,233</u>
<b>6. NON-CURRENT ASSETS – Fixed assets</b>		
Leasehold improvements – at cost	5,650	5,650
<b>Less:</b> Accumulated depreciation	<u>(4,239)</u>	<u>(2,826)</u>
	1,411	2,824
Furniture & fittings - at cost	101,333	100,493
<b>Less:</b> Accumulated depreciation	<u>(95,522)</u>	<u>(89,447)</u>
	5,811	11,046
Office equipment – at cost	23,742	19,829
<b>Less:</b> Accumulated depreciation	<u>(11,403)</u>	<u>(6,560)</u>
	12,339	13,269
Net written down value	<u>19,561</u>	<u>27,139</u>
<b>7. Investment</b>		
18 shares in Meta Publishing Pty Ltd (ACN 079 809 993)	<u>-</u>	<u>21,600</u>

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED***Notes to the Financial Report 30 June 2008 (continued)*

	2008 \$	2007 \$
<b>8. CURRENT LIABILITIES - Creditors</b>		
Trade creditors	129,608	39,081
Accruals	33,057	13,494
Income in advance		
- Membership (note 1(a))	222,155	145,612
- Sponsorship	34,605	-
- Conference	1,540	-
- Education	6,850	26,601
	<u>427,815</u>	<u>224,788</u>
<b>9. CURRENT LIABILITIES – Provision</b>		
Employee entitlements	<u>16,034</u>	<u>22,731</u>
<b>10. LIMITED LIABILITY</b>		
The company is limited by guarantee. In the event of the company being wound up, the liabilities of each member (both during the time of membership and for one year thereafter) is limited to \$50.		
<b>11. REMUNERATION OF DIRECTORS</b>		
The directors do not receive any remuneration for their work as officers of the company. Directors are reimbursed for sundry expenses incurred on behalf of the company.		
<b>12. REMUNERATION OF AUDITORS</b>		
Amounts received by the auditor of the company for:		
Audit of the financial report	2,700	2,500
Other services	1,300	2,450
	<u>4,000</u>	<u>4,950</u>
<b>13. RECONCILIATION OF NET CASH INFLOW FROM OPERATING ACTIVITIES TO OPERATING RESULT</b>		
Net cash (outflow) from operating activities	(403,595)	(73,866)
Depreciation	(13,325)	(12,448)
Change in assets and liabilities		
Increase/(Decrease) in receivables	168,010	32,782
Increase/(Decrease) in inventory	31,867	974
(Increase)/Decrease in trade creditors and provision	(103,393)	(12,277)
(Increase)/Decrease in income received in advance	<u>(113,543)</u>	<u>29,601</u>
Operating (loss) after income tax	<u>(433,979)</u>	<u>(35,234)</u>

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED****Profit & Loss Statement for the year ended 30 June 2008**


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	2008	2007
	\$	\$
<b>Income</b>		
<b>General Administration:</b>		
Benchmarking	7,500	26,750
Government grants	-	5,263
Interest	27,016	39,927
Membership fees	374,777	437,373
CD Roms	568	-
Minute books	22,911	23,138
Sponsorship	184,121	107,307
Sundry	6,548	2,828
<b>General Administration</b>	<b>623,441</b>	<b>642,677</b>
<b>Education:</b>		
Course general	27,400	54,304
Courses via CD Rom	-	28,267
Courses via CPD Roadshow	75,174	112,581
Courses via distance Learning	-	1,807
Education via Distance Learning	-	1,064
<b>Education</b>	<b>102,574</b>	<b>198,023</b>
<b>Member Services:</b>		
Conference	460,455	342,428
Members Golf day	18,666	34,889
Members networking events	63,474	45,787
Inside Strata advertising	67,011	49,757
Strata & community Living magazine	128,781	140,563
Trades & services directory	32,361	55,590
<b>Members Services</b>	<b>770,748</b>	<b><u>669,014</u></b>
<b>Total Income</b>	<b><u>1,496,763</u></b>	<b><u>1,509,714</u></b>

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED****Profit & Loss Statement for the year ended 30 June 2008 (Continued)**

	2008 \$	2007 \$
<b>Less: Expenses</b>		
<b>General Administration:</b>		
Auditors remuneration (note 12)	4,000	4,950
Bad debts	-	(750)
Bank charges	16,575	3,393
Board meetings	10,378	23,643
Cleaning	3,481	2,827
Computer	33,750	2,892
Depreciation	13,325	12,448
Donations – Cancer Council	46,200	-
Entertainment	26,184	4,449
Equipment rental	8,037	4,840
Insurance	10,234	12,471
Legal	55,777	50,891
Media	76,665	-
Maintenance	2,558	487
Office supplies	2,579	13,311
Postage/Courier	24,183	5,000
Printing	-	8,298
Recruitment	34,440	32,507
Rent / Electricity	67,418	66,893
Sponsorship – Griffith University	-	6,818
Subscriptions	4,502	-
Subscriptions – NCTI	65,600	60,764
Sundry	85	817
Superannuation	34,208	31,305
Telephone	15,366	4,584
Travel	16,657	-
Wages & salaries	452,181	360,921
Website	37,732	18,109
<b>General Administration</b>	<b>1,062,115</b>	<b>731,864</b>
<b>Education:</b>		
External consultants	118,153	-
Course general	-	28,918
Courses via CD Rom	-	3,696
Courses via CPD Road show	-	54,282
Courses via distance Learning	-	356
Education via Distance Learning	-	22,814
<b>Education</b>	<b>118,153</b>	<b>110,066</b>

**INSTITUTE OF STRATA TITLE MANAGEMENT LIMITED****Profit & Loss Statement for the year ended 30 June 2008 (Continued)**


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	2008 \$	2007 \$
<b>Member Services:</b>		
Benchmarking	25,000	26,750
Conference	494,723	337,583
Members Golf day	11,670	29,410
Members Networking events	-	33,889
Minute Books	19,893	16,496
Newsletter Expenses	6,531	59,852
Strata & community Living	148,643	129,253
Sydney Property Expo	-	22,301
Trades & services directory	<u>22,414</u>	<u>47,484</u>
<b>Members Services</b>	<u>728,874</u>	<u>703,018</u>
<b>Writeoff of Investment</b>	<u>21,600</u>	<u>-</u>
	<u>1,930,742</u>	<u>1,544,948</u>
Operating (Loss) for the year (page 6)	<u>(433,979)</u>	<u>(35,234)</u>

## General Manager's Report

I am delighted to present my first report as General Manager of ISTM. I began working at ISTM in October 2007 and officially took over the General Manager's role in March 2008.

Former General Manager Bruce Wheeler retired in March, after more than 8 years at the helm. ISTM would like to acknowledge his outstanding contribution to both the Institute and the industry in general.

ISTM continues to represent the views of members and advocate strongly for change within the sector. The development and launch of the Institute's policy document represented a significant milestone. The document identifies issues considered key to the sector and has attracted significant attention from both the media and key government stakeholders.

At the annual strategy retreat held in November, the Board of ISTM affirmed the strong foundations of the organisation whilst focussing on the need to plan for the future and focus on member requests for ISTM to be a louder and more effective voice in the sector.

As a result, ISTM has undergone structural change to help the secretariat better represent members and implement the strategy. New financial and management reporting systems will ensure good governance practice and new operational divisions within the secretariat will ensure that staff are accountable for achieving targets.

## Financial Report

### Accounting changes

The 2007/8 budget projected a loss of between \$120,000 and \$150,000. This was in keeping with the Board's strategy to invest a portion of the Institute's cash reserves to fund a public relations campaign to increase positioning and brand awareness. The strategy was a direct response to member requests over the previous 12 months for the Institute to develop its government and media profile.

As ISTM grows, it is important that its financial accounting increase its sophistication. To this end, a decision was taken to fully apportion pre-earned income in membership, sponsorship and education to the year in which it is earned rather than the year in which it was collected.

In previous years, this has only been partially applied in adjusting pre-earned membership income.

This decision had a one-off impact on the bottom line result. As such, ISTM reports an operating loss for 2007/8 of \$433,979. See notes to the accounts 1a and 13.

***On an equivalent basis to the methods employed in 2007, the operating loss for the year 2008 was \$153,306.36. This is in line with the original budgeted operating loss.***

**Income**

Total revenue for the year remained static. However there are variances between the line items for Education and General Administration.

Education revenue reflects a prior period adjustment for income that should be reflected in the income for 2008/9 and had not been reflected in total in the previous financial year. This included pre-earned income for the Convention and the Certificate of Registration.

The General Administrative fund shows two significant differences, namely the revenue for membership reflects a prior period adjustment for income which shows a reduction in revenue for this year and increase in sponsorship income.

Member Services revenue reflects an increase in Convention revenue but a decrease in advertising in the Trade and Services Directory. This is also impacted by lower sales of the Strata and Community Living magazine.

**Expenses**

Total expenses rose \$385,794 for the year 2007/8.

Explanations for the increase are:

1. AAA – a joint venture to assist ISTM in providing certified training was closed at the end of 2008. ISTM's share in the venture (\$21,600) was written down as a result.
2. The increase in education costs is the result of an auspicing contract negotiated with Dynamic Property School and consultant costs incurred in preparing ISTM to meet the requirements of becoming an independent Registered Training Organisation (RTO). This is a one-off cost.
3. Other increases in expenses included wages and salaries and show the growth in staff, recruitment and additional costs for the General Manager's handover period of 6 months.
4. Media costs associated with building the ISTM brand and voice in the sector.
5. The increase in telephones – this reflects ISTM's new 'virtual office' policy. We expect staff to be engaged with members in the market place and always available for members even when not in the office.
6. Significant increase in Convention costs of \$157,140.
7. Increased costs in entertainment are a result of a change in policy for networking events including financial management.

## **Balance Sheet**

Trade debtors for the year are \$247,944. The implementation of a more active system of debtor management will ensure that the level of debtors is reduced below this, at least as a percentage of revenue.

At August 2008, outstanding amounts at year end have been collected.

## **Highlights of the year**

### **New strategy, new budget framework**

In November last year Professor Ron Johnston from ACIIC (University of Sydney) conducted a scenario planning workshop with directors. Based on the outcomes of the workshop, the Secretariat produced a strategic plan for the next 3 years. In June, the board approved a new budget to implement the strategy.

The new budget provides a level of detail and reporting to ensure that directors have a strategic view of ISTM performance. The approved budget provides for a break even result for 2008/9.

### **Sponsorship framework**

Sponsorship is an important revenue stream for most member based organisations. This year ISTM restructured sponsorship packages and opportunities to increase the value proposition for sponsors. A new category of Business Partners was introduced and ISTM welcomes Macquarie Bank Limited, CHU Underwriting Agencies Pty Ltd and Andreones, Lawyers as our inaugural Business Partners.

### **Agency agreement**

After months of diligent work by a sub committee of directors and members, ISTM launched the new 2008 Agency Agreement. The Agency Agreement reflects changes to legislative requirements and represents the very best of legal protection for Strata Managers and their customers.

In response to member requests, ISTM conducted a range of workshops and mentoring sessions to assist members to better understand the complexities underpinning the new agreement.

ISTM acknowledges the tremendous contribution from Alastair Smith and Daniel Linders.

### **Member education and communication**

ISTM's flagship educational product, the Certificate of Registration (91088NSW Property Practice – Strata and Community Title), was redeveloped in order to comply with Office of Fair Trading requirements.

ISTM would like to acknowledge the ongoing support provided by members Wally Paterson and Pamela Pearce, without whom members would not have had access to Certificate of Registration conducted by the Institute.

ISTM has worked diligently this year to meet the requirements of VETAB and is on target to be registered as an independent RTO by February 2009.

ISTM members will also see other exciting initiatives later in the year including breakfast or lunch seminars with high profile speakers providing relevant, up-to-date industry information and new skill-based education programs that build on the Certificate of Registration to broaden the general business and management skills of employees in the sector.

The ISTM team is currently working on rebuilding the website, which should be operational by the end of 2008. The new site will include the Knowledge Hub (containing a wealth of information on legislation, legal case studies, decision trees in relation to common property and more), plus more sophisticated and clearer interfaces for member interaction. The Knowledge Hub will also house a panel of experts which is already operational. Members who have a question that they are not able to answer in-house can send ISTM an email and receive a response, usually within 48 hours.

ISTM has purchased a Customer Relationship Management system to provide the information infrastructure to support the growing membership base and broaden the array of services provided. This should ensure that members see a more organised structure to the communications they receive. ISTM is working hard to ensure that members are made aware of relevant legislative and regulatory changes in a timely fashion.

ISTM conducted focus groups in June with 100 participants in seven locations, followed by a survey conducted in September. These activities are part of our commitment to more active member engagement and ensure that ISTM members have a voice in the direction of the Institute.

### **Media, Public Relations and Policy**

Last year ISTM engaged Cox Inall, a PR Company, to assist ISTM to meet its members' stated wish to develop its brand and improve its public visibility.

A comprehensive media relations strategy was implemented throughout the year. This resulted in:

- ▶ 4 meetings with senior journalists
- ▶ 8 media releases
- ▶ 34 media grabs

As a result of extensive consultation with Directors, ISTM launched its first Policy Document in August.

The then Minister Burney was gracious in accepting the document and commented that the Policy Document would provide a solid framework for discussion on legislative change. ISTM will build on this momentum in the coming 12 months.

In all, it has been a exciting but challenging 9 months. I would like to thank my new team for their support and hard work and I appreciate the guidance provided to me in my new role by the Board of Directors.

I look forward to working more closely with the membership over the next 12 months to further the Institute and position the industry as a professional body.

Jackie Zelinsky  
General Manager





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