

Subject: OFFICIAL SUBMISSION PER SSMA 1996 Section 108: SP52948 Document Viewing Request on 28Sep2014

Date: Sun, 28 Sep 2014 20:07:05 +1000

From: SP52948

To: strata@bcms.com.au, Russell Young <RussellY@bcms.com.au>

Hello,

As per Section 108 of the NSW Strata Schemes Management Act 1996 I am requesting access the following documents IN THE WEEK AFTER THE NOTICE FOR THE AGM 2014 IS SENT TO ALL OWNERS AND BEFORE THE ACTUAL MEETING.

As a professional Strata Manager, with additional duty of a Treasurer and Secretary of the EC since 27 November 2014 your legal obligation is to:

1. Send me the invoice for the document search which will be paid before the visit to your office.
2. The date of visit to your office that must fall in period between the notices being sent for the AGM 2014 and the actual meeting.
3. Officially respond which of the listed documents Raine & Horne Strata Sydney and the current EC is not willing or cannot provide, stating reasons why.

In the correspondence in the past, Raine & Horne Strata Sydney REFUSED to provide full financial statements to any owner (as it is common practice in all other complexes). None of these requests would be needed in other complexes because the Strata Manager and the EC would provide them automatically on a six-monthly basis and before the general meetings.

a) Documentary evidence that Raine & Horne Strata Sydney and the EC investigated allegations about the Universal Strata Services (known to the EC for a while now) who have been providing caretaking services since 1999:

\* They were issued warning and forced by the Australian Taxation Office to pay proper amounts in superannuation funds to their staff.

\* In another complex, Universal Strata Services were removed from office because of overstated expenses and financial claims.

\* Overpayments for security guard services in our complex.

Back on 1 December 2013 I sent the request to EC members and Raine & Horne Strata Sydney documenting the fact that for more than a month at that time the working schedule for security guards was cut by two hours in our complex (14 hours a week, or around 68 hours a month). No replies were ever received.

For how long did such decrease in security services last? Provide the proof that the Universal Strata Services reimbursed owners for services they did not deliver.

\* Claims that Universal Strata Services tried to sell their business several times during 2014 but failed because the asking price was too high.

Confirm for how long Universal Strata Services will commit to be in the complex if they win the next contract.

\* Email or paper correspondence between EC members and a member of Universal Strata Services several months ago who gave advance notice about separate bid for the caretaker's contract. In essence, EC was fully aware of two different quotations stemming from different staff members of Universal Strata Services.

**Outcome: Not found in any Folder or in computer search for SP52948 on 17<sup>th</sup> of November 2014. Strata Manager logged a copy of owner's document search report as file BCS9354999.**

b) Full details of audited financial statements for FY 2014 (balance sheet, income and expenditure statements, debtor financial status report, cash book payments by account code, cash book payments summary, receipts, and similar).

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c) Document listing which members of the EC and the date of when they approved final version of the accounting (including if they sighted the receipts) for FY 2014.

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d) Proof of any possible payments details when and how much was credited back from the 18 owners to the Owners Corporation between now and the day of the notice for the AGM 2014 (that includes water and gas reimbursements post 1 September 2014).

The penalty interest rate is applied in accordance with the NSW Strata Schemes Management Act 1996 and the EC has no power to reduce or waive it.

\*As per spreadsheet I created for water and gas reimbursements to selective townhouse owners this month, 18 of them are unfinancial and cannot vote or be counted in quorum at the AGM 2014.

To be financial, in accordance with the NSW Strata Schemes management Act 1996, Schedule 2, Section 10 (8), vote at a general meeting (other than a vote on a motion requiring a unanimous resolution) by an owner of a lot or a person with a priority vote in respect of the lot does not count unless payment has been made before the meeting of all contributions levied on the owner, and any other amounts recoverable from the owner, in relation to the lot that are owing at the date of the notice for the meeting.

Unfinancial is any owner who is in negative for more than several dollars before, or on, the date of AGM 2014 notices being sent (as per EC's own statement in the past, which I have copy of).

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e) Final listing of FINANCIAL owners who have rights to vote or be counted in quorum for the AGM 2014.

This listing is finalised by, or on, the date of AGM 2014 notices being sent to owners.

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f) Evidence who approved and why for some significant invoices to be paid belated.

Not only it is against the contractual agreement with the vendors, but as well creates false accounting status whereas the invoices are artificially moved into different financial year pretending that the costs are lower than they really are.

Example, ThyssenKrupp sent invoice number 1066146 for lift maintenance in amount of \$6,464.06 (GST inclusive) on 1 July 2014 (payable within 30 days), which Raine & Horne Strata Sydney paid on 4 September 2014 (34 days late!). Then, eight days later on 12 September 2014, another ThyssenKrupp invoice in amount of \$6,464.06 (GST inclusive) was paid.

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g) Exact bank status of all strata accounts on the day of my visit for document viewing.

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h) Proof of Special By-Law 4 compliance by owners of Lot 3 during whole 2014.

They obtained exclusive use rights to common property through falsified General Meeting in 2003 (at the first meeting, there was no quorum, whilst the adjourned meeting had astonishing 74 proxy votes without a single person being present). This was clear violation of the NSW Strata Schemes Management Act 1996, Schedule 2, Section 11 (3) b.

The proof has to be either photocopy of their public indemnity insurance in amount of at least 5 million dollars, or Statutory Declaration stating so (with at least insurance policy number and insurer details that can be verified independently).

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i) Copy of an updated listing of By-Laws which includes Special By-Law 4. This by-law has been hidden in all official documents since 2003.

I warned Raine & Horne Strata Sydney about it two times (last on 4 August 2014 and no actions so far).

It can be seen in BCS DocID 2541110, published at hub.communitye.com.au on 10 October 2011. This document has to be updated and all owners notified about the updated version, along with newest By-Laws 10, 11, 12, and 13.

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j) Proof of valid contract and earnings credited to owners corporation by "allowing" BigAir Group to run wireless services in our complex during 2014.

Reminder: they have been running business without proper reimbursements and benefits to the owners corporation since 2004.

During FY 2014, Grace Lawyers charged our complex \$4,172.30 (GST inclusive) for attempts to remove this company from the complex to no avail.

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k) Full building inspection report (including OH&S compliance) with updates about the issues listed by Napier & Blakeley as early as July 2012.

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l) Summary of the physical inspection of additional gas connections in townhouses who enjoy selective, inequitable, and discriminatory financial benefits for private water and gas usage.

The same inspection was conducted twice for owners in the four building in last four years (at the cost of around \$4,000) but never for townhouse owners, of which some received excessive reimbursements.

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m) At least two quotations for all new contracts that have to be approved at the AGM 2014 (cannot be done by EC alone):

- \* Building Painting
- \* Strata Manager's Contract
- \* Caretaker's Contract

Why two quotes: NSW Strata Schemes Management Act 1996 Section 80B: at least two quotations required by large strata schemes for expenditure over \$30,000.

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