

Topic 7 - Statement of accounts

The body corporate must keep proper accounting records and prepare a statement of accounts for each financial year, showing the income and expenditure of the body corporate for that year. The statement may be prepared on a cash or accrual basis (SM s154).

Accounts prepared on a cash basis (SM s154)

The statement of accounts prepared on a cash basis must disclose:

- total contributions paid in advance;
- total contributions in arrears;
- total outstanding penalties for the late payment of contributions;
- balances for all financial institution accounts and investments; and
- all outstanding receipts and payments.

Accounts prepared on an accrual basis (SM s154)

Accounts prepared on an accrual basis must show the assets and liabilities of the body corporate at the end of the financial year.

Other requirements (SM s154)

The statement of accounts must include:

- the corresponding figures for the previous financial year; and
- disclosure of all remuneration, allowances or expenses paid to each committee member.

Annual general meeting requirements (SM s154)

A copy of the statement of accounts must accompany the notice of the annual general meeting held after the end of the financial year for which the accounts are prepared.