



## Body Corporate and Community Management

### Online Training – Unit 3 – Financial Management

#### Topic 07 – 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 s175](#)).

#### Accounts prepared on a cash basis ([SM s175](#))

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 s175](#))

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 s175](#))

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 s175](#))

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.

