MANAGEMENT RIGHTS
Resource Kit
How we can help you

Our streamlined services and specialist knowledge will support you throughout the lifecycle of your Management Rights business.

As a new Management Rights owner it can be difficult to build a solid understanding of the industry and regulations. BDO (NTH QLD) is pleased to equip you with this Management Rights Resource Kit containing useful information that will assist you to navigate through this minefield. The kit, combined with our streamlined services and specialist knowledge, will make the business of buying, operating and selling Management Rights straightforward.

BDO in North Queensland

Our Cairns office is known as one of the leading full service accounting firms in North Queensland bringing together the knowledge and experience of nine partners and almost 70 staff. We provide audit, tax and advisory services to clients that range from small firms and family enterprises through to ASX-listed companies.

We have the advantage of local relationships, expertise and knowledge combined with the benefits and resources of the BDO national and global networks. We work together to develop a supportive, people-focused culture offering our clients personalised advice and integrated accounting and business solutions.

Management Rights specialists

BDO are the market leaders in Management Rights consulting, advising businesses across North Queensland. Our expertise has developed along with the growth of the firm and our specialist team provides an attentive, accessible and tailored service.

BDO has established strong relationships with our network of solicitors, agents and financiers ensuring our clients receive exceptional service, streamlined information and tailored reporting.

We can help you if you are setting up a new operation in Queensland, seeking efficiencies in your current operations or looking to sell.
WHAT ARE MANAGEMENT RIGHTS?

Management Rights to strata titled property can be an attractive income stream for people seeking lifestyle and business opportunities. In its simplest form, the owners of Management Rights are paid an income stream for carrying out caretaking duties to maintain the property. Typically, it is a condition of the agreement between the unit owners and Management Rights owners that, when buying the Management Rights, the Manager will also purchase a unit in the complex and live onsite. This provides a competitive advantage over external agents as Managers can directly offer additional services to residents.

Managers have the potential to derive further income by acting as a property agent on behalf of unit owners collecting commissions on rental income. The rental income is generated from permanent tenants or holidaymakers, known in the industry as the permanent and holiday letting pools. A licence is required to operate as a property agent and the industry is regulated under the Property Occupations Act 2014.

Generally speaking, developers will build a complex to suit a particular market and/or location. The following factors determine whether units are in the permanent or holiday letting pools:

- Size of the property
- Location
- Age of the property
- Design
- Risk profile of the unit owners

Permanent letting pools
Permanent letting pools are typically large residential complexes where tenants reside long term. In addition to the caretaking income and rental commissions, the Manager can earn further income by offering repair and maintenance services to unit owners and providing additional services to residents such as exit cleans.

Holiday letting pools
Holiday letting pools are typically resort style complexes located in holiday hotspots close to leisure activities, bars and restaurants. The managers of holiday letting pools are responsible for marketing the property to prospective holidaymakers. In addition to the caretaking income and rental commissions, the Manager can earn further income by offering repair, maintenance and cleaning services to unit owners and providing additional services to holidaymakers such as tours.
PURCHASING MANAGEMENT RIGHTS

1. SOURCING A POTENTIAL BUSINESS

Management Rights businesses can be offered for sale in many different types and sizes. When purchasing a Management Rights business you should ensure alignment with your available equity, income and lifestyle expectations.

Finding an agent and listings for sale
Most properties are sold by agents and are typically advertised through digital channels. Agents are paid a commission based on the sale value so it is important to verify the reputation of the agency and/or agent.

Profit and Loss Statements
When a Management Rights business is listed for sale it is customary for the vendor to provide the agent with a Profit and Loss Statement depicting the net operating profit earned over the most recent 12 month period. The definition of net operating profit should be in accordance with the standard Real Estate Institute of Queensland (REIQ) Management Rights Business Sale Contract which defines net operating profit as follows:

“Net operating profit shall be calculated by deducting from the gross income of the business for the relevant period the actual expenses of operating the business for that period (in particular excluding depreciation, GST, borrowing expenses, interest on borrowings and any payment for labour-related work which would normally be performed by a two-person resident management team).”

When reviewing the Profit and Loss Statement we would recommend engaging an accountant with Management Rights expertise. Some initial points to consider are:

• Who prepared the Profit and Loss Statement?
• If it was prepared by the vendor, is the information reliable?
• If it was prepared by an accountant, is the accountant an industry expert?
• Is the financial information current?
• Have there been any recent events to give the property a ‘one-off’ financial boost?
• What is the size of the property and will staff need to be employed? If so, are the wages recorded in the Profit and Loss Statement reasonable?

An accountant can also determine any expected cash shortfalls that may arise by preparing a cash flow forecast to project the business’ likely future movement of cash, in and out of the business.

Price (value)
A Management Rights business is usually advertised at an all-inclusive price incorporating the value of the business and the Manager’s unit in the complex. The Manager’s unit does not generate income or influence the profits made by the business and will largely be driven by comparable market values.

Typically, the business value is based on a multiple of the net operating profit. The multiple is a reflection of the expected rate of return and is determined by a number of factors, some of which are listed below. For example, a business with a net operating profit of $150,000 using a multiple of three would equate to a business value of $450,000.

The value of the business will be determined by a number factors including:

• The profit and expected rate of return
• Type of Management Rights (permanent vs holiday)
• Age and physical condition of the property
• Terms of the Caretaking Agreement
• Number and type of units in the letting pool
• Time remaining on the Management Rights Agreement
• Overall size of the complex
• Location
• Comparable transactions
• Negotiation skills
• Composition of the letting pool
• Vendor’s individual circumstances
• Supplier contracts.
Property size
The size of a property has a direct correlation to the caretaking salary paid by the body corporate. This income contributes directly to the net operating profit of the business and should reflect the required duties and responsibilities of the role. It is important to clearly understand the expectations and requirements of the Caretaking Agreement ensuring the duties are accurately defined and reflective of market rates.

Prospective buyers should also consider whether they are able to physically perform the duties or if they will have the means to employ someone to complete them on their behalf.

If the duties are beyond what a two person management team could perform, the Profit and Loss Statement should be reviewed to ensure that wages or independent contractor expenses are included and accurately reflected. Naturally, larger properties with more complex landscaping, vegetation or buildings are more likely to require employees or contractors.

The Caretaking Agreement
The Caretaking Agreement usually includes a term of up to 25 years. Depending on the age of the property and whether or not the Agreement has been renegotiated, there may be considerably less time remaining. Caretaking Agreements with longer terms are favoured by financiers as they provide greater certainty on the business’ long term prospects.

It is important for a potential manager to feel that he or she can operate under the outlined Agreement. As with all contracts, failure to comply with the conditions can result in termination of the Agreement which could have serious consequences including loss of income.

Body corporate committee
When enquiring about a Management Rights business it is advisable to speak to representatives of the body corporate committee. The committee represents the unit owners and will approve any Management Rights transfers or renewals so a good working relationship with them is essential.

Manager’s unit
The Manager’s unit is often an important factor when selecting a Management Rights business to purchase. Prospective buyers should consider the following in relation to the unit:

- Is the reception/office on the unit title? If so, who is responsible for the body corporate expenditure, the council rates, electricity and gas?
- Where is the Manager’s unit located? If the unit is some distance from the reception/office, will it impact the ability to sell additional services such as tours and car hire?
- Will staff be required to manage the reception/office area?
2. CONTRACT TO PURCHASE THE BUSINESS

Once you have selected a Management Rights business to purchase there a number of steps to consider before proceeding to contract. These include:

- Appointing a solicitor
- Financing the purchase
- Structuring the business
- ATO registrations
- Contract process and conditions
- Due diligence procedures
- Acquiring the resident letting agents (RLA) licence
- Notifying the Queensland Government Office of Fair Trading on the intent to open a trust account
- Establishing the trust account
- Banking
- Management transition.

Appointing a solicitor
It is important to appoint a solicitor who is experienced with Management Rights as they can advise you on the contract and liaise with your accountant and financier ensuring compliance with financial conditions.

Financing considerations
If you require finance to complete the purchase you will need a banker or finance broker, ideally experienced with Management Rights businesses. If you approach a bank directly, be sure to compare the interest rates, lending policies and services at competing providers. Your accountant can advise you on the optimal structure to maximise your tax deductible interest.

HOW BDO CAN HELP – ‘OFF THE PLAN’ PURCHASES

If you are purchasing an ‘off the plan’ Management Rights business there will be no historical financial information from which to determine a business valuation.

BDO has extensive knowledge of the local business environment and the Management Rights industry. We have reliable projection methods for sensitivity analysis, cash flow forecasts and breakeven projections that will satisfy financiers and help determine the value of an ‘off the plan’ Management Rights business.

Business structure & ATO registrations
Before signing a contract it is necessary to determine the business structure. The structure, together with the business’ turnover and staff requirements will determine which of the following ATO registrations may be required:

- Tax file number (TFN)
- Australian Business Number (ABN)
- Goods and services tax (GST)
- Pay as you go (PAYG) withholding.
Most contracts in Queensland are drawn up in accordance with the standard REIQ template and are conditional on the buyer satisfying the following conditions:

- Verification of financial records (financial due diligence)
- Verification of the contract and legal documents (legal due diligence)
- Simultaneous purchase of the Manager’s unit
- Body corporate committee approval
- Financing approval (if required).

When you are ready to make a formal offer, the agent, in conjunction with your and the vendor’s solicitors will prepare the contract.

**Financial due diligence**

Once you have signed the contract, your accountant will generally have 14 or 21 days to complete financial due diligence. This involves an onsite verification of the business’ financial records to ensure the adjusted net operating profit, as disclosed by the vendor during negotiations, is materially accurate. Financiers will typically require a positive verification as part of the finance approval process.
HOW BDO CAN HELP – FINANCIAL DUE DILIGENCE

BDO is the market leader in financial due diligence, performing more due diligence reports than any other accounting firm in North Queensland. We have an extensive Management Rights sales database and our due diligence reports provide valuable information, clearly and concisely explaining any findings and concerns.

Resident letting agent licence
To operate a Management Rights business it is essential that you obtain a RLA licence prior to settlement.


The RLA licence allows a Management Rights owner to:

• Rent out and manage units in residential complexes on behalf of the unit owners and body corporate
• Collect rent
• Operate a trust account
• Let units in different complexes if they are connected via a common boundary and not separated by a road.

Certain restrictions apply:

• The licensee must reside full time in the residential complex that he or she manages (this is not applicable for corporation directors or all partners in a partnership)
• The principal place of business must be located at the building complex being let
• The licensee cannot sell any units independently as this requires a real estate agents licence
• The licensee must find a suitable replacement to manage the units during any absences such as holidays or illness. If the absence is for more than 30 days a substitute licensee must be in place.

To be eligible for the RLA licence you must:

• Be 18 years or over
• Be a suitable person which means you are not:
  • affected by bankruptcy action
  • convicted of a serious offence in the previous five years
  • disqualified from holding a licence or registration certificate
  • recorded in the register of disqualified company directors under the Corporations Act 2001
• Have no criminal involvement in unlawful activities
• Have at least one place of business in Queensland
• Have completed six subjects of the Property Development and Management training package (PRD01) or Property Services training package (CPP07) through a registered training organisation.

For information on courses and training providers in Queensland please visit: www.fairtrading.qld.gov.au/training.gov.au.

To apply for the RLA licence it is necessary to:

• Meet the eligibility criteria
• Complete the training requirements and attach the course completion certificate
• Complete Form 1-1 - Application for an individual's licence
• Provide originals or certified copies of your birth certificate, birth extract, passport, Australian citizenship certificate or driver licence
• Pay the annual licence fee
• Pay the criminal history check fee
• Supply a copy of the registered survey plans of your residential complexes, if more than one complex
• Supply written proof from the body corporate that you will be operating the letting business at the complex including the terms of the Agreement, CTS number and building name. Note this can be supplied at a later date to allow processing of your application to begin
• Lodge the application.
Notification to open a trust account
You can lodge a form, prior to the official application, to notify the Queensland Government Office of Fair Trading of your intentions to open a trust account. This will expedite the process to obtain an operating licence and authority to open a trust account. Complete Form 5 - Notification of opening, closing or change of name of trust account, and note the following points:

- If the business is trading as a partnership both parties will require letting licences if they each carry on the activities of a restricted letting agent (ie handle trust monies)
- If the business is trading as a proprietary limited company, two licence application forms will need to be completed as an executive officer (usually a director) of the company will also require a licence
- If the business is trading through a trust and a company is the trustee, the trust is ignored and an executive officer (usually a director) of the trustee company will need to be licensed and a company licence will also be required
- If the business is trading through a trust and an individual is the trustee, the trust is ignored, and the individual trustee will need to be licensed.

Once complete, the form and licence fee are to be lodged with the Queensland Government Office of Fair Trading with copies of the course completion certificate, the body corporate approval letter (or signed Caretaking Agreement) and proof of identity. If some of the information is not yet available, it is best to lodge the application and provide any missing information at a later date.

Opening a trust account
Once licensed, the licensee will be able to open a trust account on authority by the Queensland Government Office of Fair Trading. Settlement can complete prior to the Queensland Office of Fair Trading authorising the trust account and therefore the process should be carefully monitored to ensure no problems arise.

Once the trust account has been opened, you will receive notification of the trust account audit balance date from the Queensland Office of Fair Trading. It is important to appoint a trust account auditor immediately advising them of the balance date. Failure to comply with this requirement may be detrimental to a licensing renewal.
HOW BDO CAN HELP – TRUST ACCOUNT AUDITING

Trust account audit
BDO is experienced in providing efficient and quality auditing services in accordance with the Agents Financial Administration Act 2014. With extensive Management Rights experience we understand pertinent industry issues and are familiar with a variety of trust accounting software packages.

The Agents Financial Administration Act 2014 outlines how a trust account must be maintained and specify that the account must be audited annually in order to renew the required licence. The final audit report is to be lodged with the Queensland Office of Fair Trading, which administer the Acts.

The Queensland Office of Fair Trading provides an audit balance date that represents the end date of the period to be audited. It is recommended that you notify your appointed auditor as soon as you have been advised of this date.

Two unannounced inspections of the trust account must be performed. The inspections cannot take place within two months after the last day of the audit period, or be less than two months apart.

The annual audit must be completed within four months of the audit balance date. For example, if the audit period ended on 30 September the final audit report must be lodged with the Queensland Office of Fair Trading by 31 January, together with the licence renewal application.

Banking
Once the financing has been approved, the buyer should make arrangements with their banker to arrange the following:

- General account – cheque, deposit books and online banking
- Trust account – cheque, deposit books and online banking.
  Note: any bank charges and payment card merchant fees should be debited from the general account, not the trust account
- EFTPOS facility – determine if Diners Club and American Express credit cards with higher merchant fees will be accepted, in addition to VISA and MasterCard.

Management transition
While it is not always a formal part of the contract process, it is customary for the outgoing Manager to provide a handover to the incoming Manager. Typically, an agreement is made prior to signing the contract and the finer details are determined when the contract becomes unconditional. As part of the process it may be useful to:

- Decide if the outgoing Manager will pay the incoming Manager the pro-rata caretaking salary or if the body corporate will be asked to split the payment
- Review and clarify the Caretaking Agreement
- Determine how body corporate expenditure operates – are invoices to be forwarded to the body corporate for payment or should subsequent reimbursement be sought
- Introduce the incoming Manager to customers and suppliers and establish new business accounts. Relationships with wholesalers are very important.

OTHER USEFUL TIPS

- To ensure the audit process is completed efficiently, document explanations of any adjustments or errors made at the time of processing. Explain the error, how it should have been processed and any subsequent corrections made
- Once the audit has been completed you will need to retain a copy of the audit report together with the original supporting documentation for five years
- Rent invoiced at the end of the month but not banked at that date, must be adjusted against the Manager’s income and paid to unit owners the following month
- Each unit owner’s account must be recorded and accounted for separately
- Any unclaimed monies that have been held for over twenty-four months can be sent to The Public Trustee of Queensland. Contact your accountant for further information
- American Express and Diners Club offer a service to ARAMA members who operate a trust account, where the gross receipts can be credited to the trust bank account and merchant fees debited from the general account. Contact the service providers or ARAMA for further information
- Purchase a rubber stamp with details of the trust account for manual receipts
3. SETTLEMENT OF A BUSINESS

On settlement the outgoing Manager will need to direct any income received to the trust account of the incoming Manager. This usually involves both managers contacting the trust account software provider with the changeover date to facilitate the handover.

In a holiday complex there could be outstanding supplier payments and associated commissions to be paid by the incoming Manager to the outgoing Manager. A reconciliation will determine the commissions owing and the parties will agree a fair and equitable split. As the amount is usually insignificant, solicitors and accountants are not customarily involved in these calculations.

Trust account software
There are a variety of trust account software packages available including Console, EzyRez, HiRUM and REI Master. During the handover you should familiarise yourself with the software package and ensure you receive as much training as possible. Ensure that income rates, unit owners’ details, future bookings, deposits, fees and GST are correctly set up in the system.

We recommend that you enquire as to which software package is best suited to your business needs, taking into consideration the number of units under management, the complexity of the management system, the training and support services offered, and of course, the cost.

General accounting software
There are a variety of general accounting software packages available and ‘cloud accounting’ has become increasingly popular. These internet based accounting systems provide real-time access to financial data allowing you to process information in an efficient and effective manner.

Once you have selected your accounting software package your accountant can advise you on how to set up the chart of accounts and provide any required training.

HOW BDO CAN HELP – ACCOUNTING SOFTWARE

BDO has partnered with three of the leading ‘cloud accounting’ providers, MYOB, Reckon and Xero. These partnerships allow us to advise our clients on which product best meets their needs and provide excellent discounts on subscription fees. Refer to our website for details: www.bdo.com.au/advisory/private-clients/cloud-accounting.

OTHER USEFUL TIPS
- Obtain a list of the unit owners’ details from the outgoing Manager. Introduce yourself to the unit owners and provide details of the changeover
- Prepare an introductory letter to the unit owners to include with the first rental payment invoice
- Request the supplier directory from the outgoing Manager which provides contact details of reliable suppliers, including tradesmen who will be familiar with the property. Introduce yourself and if relevant, notify suppliers of invoice close off dates
- Arrange public liability and any other business insurances to commence on the settlement date
- Obtain a list of debtors as at settlement date, to transfer the funds to the outgoing Manager when paid
- Print new business cards and other marketing material as required
- Confirm that the advertising levy balance, collected from the unit owners by the outgoing Manager is transferred to you on settlement if that is applicable
- To create or replace letting agreements refer to Form 6 – Appointment of a property agent from the Queensland Office of Fair Trading or ask your solicitor to prepare a custom form
Operating a Management Rights Business

In this section we cover some operational aspects of running a Management Rights business.

Employees
To assist with the day-to-day operation of your Management Rights business you can hire employees or engage independent contractors. If you hire employees you will need to consider the following:

- The business will need to be registered as an employer with the ATO, WorkCover Queensland and relevant superannuation funds
- You will need to provide each new employee with the Fair Work Information Statement available from the Fair Work Ombudsman website
- Employees will need to be supplied with a TFN declaration form available from Australia Post Offices. Employees will need to complete the relevant section and you will then be required to send the original to the ATO after completing the employer’s section
- Obtain appropriate employee information including relevant personal details, bank account and superannuation fund details and emergency contacts
- Determine the remuneration package. As a guide, you could refer to what the outgoing Manager paid (if relevant), Industry Award pay guides and market rates.

Business accounts
Management Rights businesses require two sets of accounts, the trust and general business accounts. It is imperative you maintain the books of accounts and records to:

- Monitor cash flow
- Meet statutory deadlines such as business activity statements (‘BAS’)
- Produce timely and accurate financial statements
- Enable tax planning
- Make informed business decisions.

If you are using a general accounting software package remember to back-up your data regularly and store a secondary back-up offsite. This may not be required if you use a ‘cloud accounting’ system as the data is automatically backed-up. It is also recommended to have manual procedures in place, for example offline EFTPOS facilities, in the event of connectivity issues.

GST
The GST treatment for holiday let apartments was determined in 2012 by the Goods and Services Tax Ruling (GSTR) 2012/5-7. The ruling determined that strata titled holiday unit accommodation is to be input taxed and not subject to GST.

The rationale is that individual apartments, being strata titled, are self-contained and capable of being permanently let or owner occupied and, therefore are more akin to residential than commercial properties.

For the purpose of GST, Management Rights businesses are not considered to be hotel management but rather residential real estate property management where GST will not be charged to tenants or holidaymakers.

A Management Rights business will incur day-to-day expenses and typically, these will be reimbursed by unit owners. If the Management Rights business has been charged GST for any expenses incurred in leasing the property it will not be able to claim GST credits.

The business however, must be registered for GST as it will charge GST on the services provided to strata title unit owners. GST is charged on service fees, and any associated GST credits can be claimed back in the BAS.

GST transactions
There are detailed rulings on the ATO website that specify which transactions are subject to GST and GST-free, in summary these are as follows.
Income
Subject to GST:
• Managers’ income, industry commission, cleaning, etc, charged to the unit owners
• Caretaking salary paid by the body corporate (unless it is a pre-July 1999 contract which has been formed with you prior to that date, or been assigned to you with no change to the method of calculating that salary - if in doubt, check with the body corporate).

GST-free:
• Water sales
• Food sales unless they are prepared foods such as cakes and soft drinks.

Expenses
Subject to GST:
• A tax invoice will indicate if GST has been charged and can therefore be claimed.

GST-free:
• Food (except prepared foods such as, cakes and soft drinks)
• Water
• Motor vehicle registration
• Rates
• Certain medical supplies
• Bank charges (note: merchant fees are subject to GST)
• Payments made to a supplier that is not registered for GST.

BAS
GST-free purchases must be reported on your BAS
• The following transactions are neither purchases nor sales of the business and should not be included on your BAS:
  • Loan repayments
  • Hire purchase payments
  • Drawings
  • Private expenses
  • Tax payments
  • Wages & superannuation.

HOW BDO CAN HELP – GST

At BDO, we have a specialist GST and tax advisory team who can help you understand your GST responsibilities. BDO can also help set up your accounting software to ensure you meet your GST obligations in an effortless and timely manner.
SELLING A MANAGEMENT RIGHTS BUSINESS

If you decide to sell your Management Rights business it is recommended that you engage professionals with industry expertise to maximise your return on investment.

1. PREPARE A PROFIT AND LOSS STATEMENT

To commence the sale process you will require a Profit and Loss Statement for the most recent 12 month period, ideally no more than two months old.

2. CONTRACT TO SELL THE BUSINESS

Appointing an agent
When selecting an agent to sell your Management Rights business, it is recommended that you appoint an industry specialist. Some considerations are:
- Commission rate
- Exclusivity
- Appointment term
- Listing costs
- Advertising costs.

Note: agents may not necessarily achieve their estimated sale value.

Once appointed, the agent will prepare an information memorandum, request a copy of the Profit and Loss Statement and discuss the listing price.

Appointing a solicitor
It is important to appoint a solicitor who is experienced with Management Rights as they can advise you on the contract.

Engage with prospective buyers
When the agent brings prospective buyers onsite, ensure the business is well presented and that you address any questions.

Contract conditions
Prior to accepting an offer or signing a contract, ensure that you and your solicitor understand the conditions of sale.

Cooperation and transparency
Before a contract becomes unconditional it will typically be subject to finance. It is recommended that you respond promptly to any requests for information from the buyer’s accountant, solicitor and financier to progress the sale. At this stage both parties will incur irrecoverable costs so it is important to quickly resolve any queries.

Transparency is highly recommended as the buyer may be inclined to withdraw from the process if the vendor appears to be withholding information.

HOW BDO CAN HELP – SELLING YOUR BUSINESS

BDO has a specialist team of tax advisers who can minimise the potential tax implications on the sale of your business. Our team can also assist with the preparation of the Profit and Loss Statement and business value estimation.

3. CONTRACT SETTLEMENT

Congratulations! On settlement ensure that you work with the incoming Manager and assist them with any queries they may have.

Following the sale ensure that you:
- Retain the necessary tax and audit records
- Provide copies of the relevant sale documents to your accountant
- Complete a trust account audit within four months from the date of account closure
- Cancel any insurance premiums and subscriptions
- Remove any personal data sold as part of the business
- Notify relevant organisations of your change of address.
THE BDO MANAGEMENT RIGHTS TEAM

If you require any assistance, please contact a member of our Management Rights team.

Michael is a Tax & Advisory Partner with BDO in Cairns. As an active enthusiast within the Cairns community, his passion extends throughout his client base.

Michael has developed a specialisation in forensic accounting and due diligence; being called as an expert witness in cases in the Magistrates, District, Supreme and Family Courts. He has undertaken numerous assignments in due diligence, business valuation and insurance claims. Michael is also an experienced advisor to small business and, in particular, family business.

Michael commenced in public practice in 1987, and has worked in the audit and business services areas since. He has been a Partner of BDO and attendant firms for nearly 30 years.

Services
- Tax compliance & advice
- Business structuring
- Superannuation compliance
- Due diligence
- Business valuation
- Profit analysis
- Cloud accounting software solutions.

Sectors
- Family business
- Government & public sector
- Management letting rights.

Affiliations
- Member of, Institute of Chartered Accountants Australia & New Zealand
- President, Cairns Amateurs
- Deputy Chairman, Advance Cairns Limited
- Director, Access Community Housing Company Ltd.

Qualifications
- Bachelor of Commerce
- Graduate Certificate in Forensic Accounting
- Bachelor of Science
- Chartered Accountant
- Family Business Advisor.
Robert is qualified chartered accountant with experience in both public practice and commercial roles. Robert is experienced in providing taxation compliance and advice across a range of industries including property development, retail and management rights.

Robert understands how businesses operate and enjoys working with business owners to maximise their potential. He has also taken a particular interest in using technology to make business more efficient and profitable.

**Services**
- Tax compliance & advice
- Business structuring
- Superannuation compliance
- Due diligence
- Business valuation
- Profit analysis
- Cloud accounting software solutions.

**Sectors**
- Management letting rights
- Property development.

**Affiliations**
- Member of Institute of Chartered Accountants Australia & New Zealand
- Member of Australian Institute of Company Directors.

**Qualifications**
- Bachelor of Commerce, University of Queensland
- Bachelor of Arts (Political Science), University of Queensland
- Chartered Accountant
- Graduate of the Institute of Company Directors.
APPENDIX 1 - USEFUL CONTACTS AND RESOURCES

Reference books and publications

Resort News
Resort News is a monthly magazine focused on the Queensland Management Rights industry, providing manager insights, useful tips, businesses for sale, relief managers, industry specialists, legal advice and current industry trends. To subscribe visit: www.resortpublishing.com.au.

The Informer
The Informer is a magazine produced by Resort Brokers quarterly that includes manager insights, useful tips, businesses for sale, relief managers, sold properties, industry specialists, financial strategies and current industry trends. To subscribe visit: www.resortbrokers.com.au.

Organisations

Australian Resident Accommodation Managers Association (ARAMA) Queensland
ARAMA is a membership based industry body representing the interests of people who are involved in Management Rights. Membership to the organisation is highly recommended and to join visit: www.aramaql.com.au.

Queensland Office of Fair Trading

Real Estate Institute of Queensland (REIQ)
REIQ is a professional association for the real estate profession. It provides standard contracts for the sale of a Management Rights business and provides training in the required six modules for the RLA licence. Visit: www.reiq.com.au.

Tourism Tropical North Queensland
Tourism Tropical North Queensland is responsible for promoting the region as a travel destination around the world. Visit: www.ttnq.org.au.
APPENDIX 2 – REPORTING AND SUPPORTING DOCUMENTATION

For audit and record purposes, we recommend that you file the following documents:

Computer records filed monthly
- Three Way bank reconciliation (refer to the example in Appendix 4)
- Cashbook history (receipts listing)
- Cheques issued report (payments listing)
- Banking register of deposits (individual receipt numbers traced to bank deposits)
- Journal adjustments
- Deposits held
- Manager’s income summary
- Unit owners summary report
- Owners’ ledger
- Tenants’ ledger if permanent rentals
- Creditors’ ledger.

Other documents filed in date sequence order:
- Trust account bank statements
- Supplier invoices supporting trust account payments (in cheque number sequence) with each document noting the cheque number and date paid
- Documents supporting trust account receipts for example EFTPOS vouchers, payment transaction summaries and supplier remittance advices
- Receipt book register, detailing the receipt numbers and the date the receipt books were acquired.

Audit documentation, in addition to that listed above:
- Trust account receipt books (if manually prepared) or computer generated trust receipts
- Trust account bank statements for the current and subsequent periods under audit
- Stationery register details
- Cheque books
- Deposit books.
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