



BUILDING THE MANAGEMENT RIGHTS REPUTATION



ARAMA QUEENSLAND INC

ANNUAL REPORT 2012

LONG TERM BENEFITS FOR THE INDUSTRY

The outcomes for the management rights industry during the past 12 months have been significant and I believe will mean improved short and long term benefits for the industry.



There are a range of headlines that can fit this report as we assess the challenges faced by ARAMA and the industry during the year in review and the circumstances that face the national, state and global economy.

The global economic conditions remained serious and the adverse weather conditions of the previous summer period again continued to have long term impacts with not just tourist accommodation centres, but with permanents and long term residents in areas across south east Queensland.

The economic conditions saw Australians seizing the opportunity to travel overseas or take a cruise, rather than holiday in their traditional centres and as a result the Queensland tourist centres and their regional economies suffered adversely.

Queensland suffered a two speed economy, with the mining and resources

industries active throughout central Queensland attracting thousands of new workers with major benefits to inland economies, but grim prospects for the rest of the State's industries.

The impact of high water and other utilities charges was a further economic threat to the State's economy along with new charges planned for waste disposal and other rising costs.

Early in 2012, the Bligh Government released a discussion paper posing 43 questions to the Management Rights Industry, responding to representations made by owners to reduce the terms and conditions for the security of the industry.

The State was then faced with two election campaigns, when the Government postponed the quadrennial local authority elections and announced a State Election on March 24.

The election result saw Queensland with a new LNP Government, with a focus on a campaign to stimulate four identified key pillars of the economy.

One of its first initiatives was to stage a high profile tourism forum in Far North Queensland, and ARAMA was strongly represented at the DestinationQ event which drew up plans and agreements to rebuild the tourism industry as one of

the key economic drivers of the 21st century Queensland economy.

ARAMA through its network of branches and our alliances with peak industry group bodies will work with the Government and its working party to attain the short and long term goals of re-building the economic platform of the State's tourist industry.

In the lead up to the State election, ARAMA held a number of branch meetings to provide candidates with the opportunities to present policies, and the State's new Minister for Justice and Attorney General Jarrod Bleijie (Kawana), a lawyer who worked with management rights groups on the Sunshine Coast and the Minister for Tourism, Major Events, Small Business and Commonwealth Games Jan Stuckey (Currumbin) addressed member groups.

Under the leadership of the new Premier, Campbell Newman, the new LNP Government has deferred the bringing down of its Budget until this September following a report from a Committee of Audit's study and assessment of the Queensland Government's financial position.

However, ARAMA members have been provided with some certainty regarding the Management Rights review, with the Attorney General indicating that whilst there were 263 submissions, it was



apparent there was no need to alter the management rights aspects of the current legislation.

Indeed in its four pillars program the LNP indicates that there is a major challenge for the economy to be able to provide new forms of density accommodation to meet the needs and challenges of the population increase facing Queensland and the need of the regional cities.

Already many fly in/flyout workers within the resources industry were utilizing accommodation in South East Queensland Centres to base their families.

Following there State election, the Local Government elections were held on April 28 and as a result, a range of new leaders emerged in many of the State's key local Governments.

The Newman Government announced that it intended to develop policies which would give added powers to our local authorities in key areas of planning and development as a key policy to stimulate local economic development based on the development of the four pillars strategy to building on the mining and resources industry, agriculture production, tourism and the key industries servicing growth and development.

We noted that ARAMA and its members were vitally involved in more than 25 elements of the new six month action plan released by the State Government to strengthen the Queensland economy.

While the Australian and global economies still remain very patchy there are some key economic indicators win Australia such as our maintenance

of low interest rates, strong control on inflation and unemployment levels under 6 per cent in all States, which demonstrates that whilst people remain conservative and watchful, there remains sound confidence in future opportunities.

The strata and community title industry continues to grow as the both the State and local authorities recognize that density living options are a key element in the population growth which is forecast for Queensland.

We have seen the move by the bodies corporate association move to a national base organization based in Sydney to prepare for the Council of Australian Government's harmonization program of national training regimes, which has again been deferred but is no doubt a policy which will be implemented later in the decade.

ARAMA has a national presence but will continue to continue to work with the other industry organizations to be part of the co-ordination of appropriate training options for resident managers to meet the new education and training program needs.

There is a recognition that the specialist role of the resident manager in providing 24/7 services is pivotal in managing the community needs of the diversity of complexes now under management and the complexity of the various responsibilities that require the expertise of the onsite manager and his or her team.

For ARAMA its has been a busy year as we have ensured to maintain our service to members and to represent them in the two major State electoral campaigns and on

a day to day basis in terms of advice and support.

I urge all resident managers to get behind ARAMA (or our association) to ensure we can continue to provide representation at all levels of government. I encourage members to actively promote the benefits of ARAMA in your local area and if your neighbour is not already a member encourage them to join your local branch. Remember, Member get Member, by doing so will provide ARAMA with the additional monetary and human resources to continue to achieve positive outcomes, now and into the future.

Our regional branch bases provide genuine hands on support to members and provide positive forums to enable members to canvas local and regional issues as well as whole of industry challenges.

I wish to pay special thanks to our executive committee members who have worked with our CEO Trevor Rawnsley and State Secretariat on the key industry issues as they arise.

Trevor has been active in Queensland and nationally in representing the industry in key government and industry forums with support from the executive committee support of Simon Lill, Bill Kemter and Eric Van Meurs.

To the branch chairman and their executive members I also acknowledge their commitment to the Association.

I also thank our industry supporters, the members of our advisory legal panel and industry professionals who have contributed to our knowledge base with key and

strategic advice and issues analysis.

I also thank our sponsors and industry supporters who not only assist in maintaining the operations of ARAMA, but are available to help and support members with their special needs.

It is has been my honour to represent the industry during the past year and look forward to continuing to contribute to the growth of the industry and helping to lead the ongoing growth and maturity of this important industry for the State and for the nation. Thank you all for your support during the year.

Chris Ward



ARAMA IS GEARED FOR GROWTH

The purpose of this report is to provide commentary to ARAMA members on the diversity of activities that have occurred during the last 12 months.



ARAMA has emerged from two years of change and evolution into a much stronger position. Our financial indicators are well established. Budgets have been set and regularly reviewed and exceeded and we continue to grow the financial strength of ARAMA while at the same time undertake some really impactful research and development work.

In terms of our financial performance. ARAMA State have posted an annual surplus of \$18,000 + while at the same time investing more of our members funds into research, defence, lobbying and members services. We have grown the Industry Development fund by \$45,000 and grown term deposits by \$65,000.

The greatest financial challenges that ARAMA face in the future will be solved by significant sustainable increases in revenue from

Sponsorship (Partnerships) and by recruiting more members. These two are the big issues for ARAMA in the future if we are to secure our future and deliver superior services which our members deserve.

In the last 12 months Management Rights have withstood the toughest challenge from a small but noisy group who hold extreme self serving views. ARAMA has led the way in defending Management Rights against a variety of issues but mainly the attacks on long term agreements and the threat to the continuation of short term letting in Class 2 buildings. ARAMA has taken a lead role in bringing the entire Management Rights Industry together in a way that has never been achieved before.

I wish to acknowledge the assistance of the Team from Holmans, led by Tony Rossiter and ably supported by Hayley Thiess. Holmans were appointed as the Financial Controllers for ARAMA last year. Their advice and guidance is proving to be invaluable to ARAMA and we appreciate their efforts.

During the last 12 months in particular we have invested heavily in time, technology and training on behalf of our members. We are now into our second full year of uniform membership fees for all members in Queensland regardless of where they reside.

This year for the first time in ARAMA's history there will be

no increase in membership fees. While some existing Associate Members have wisely up-graded to Corporate Membership we have almost doubled the number of Corporate Members 44 and held associate members to 39.

These record numbers account for over \$67,000 in revenue and clearly demonstrate an increased level of interest from the many professionals, suppliers and service providers who associate with our industry. Despite a small drop in membership numbers overall we can report a slight increase in income from membership subscriptions.

Our State Sponsorship pool continues to grow. With thanks to our Gold Sponsors, NAB and EBM Insurance and our Silver Sponsors, ResOnline and M.R. Sales we have grown our Income from sponsorship by 14% on last year.

During the Year ARAMA have conducted road shows into every Queensland branch and have established a new Branch in Townsville in the follow up to our successful road shows last year.

The State and local council elections held earlier this year caused a flurry of activity for our members and a renewed optimism for business. The "discussion Paper" which was hastily released in the dying days of the last State Government has been dealt with by ARAMA and reviewed



by our State Government. Recent announcements indicate that major reform in this area is not a priority for this Government. ARAMA acknowledges the renewed business confidence that this announcement brings to the Management Rights Industry.

I cannot go another year without expressing my gratitude to Peter McCall for his guidance, wisdom and steadying hand. He possesses a unique insight and from a strategic sense he is invaluable to ARAMA and his contribution is enormous.

The ARAMA leadership team is developing nicely. At the 2011 State AGM we farewelled John Hellyer and welcomed Eric Van Meurs and Simon Lill. During the year we also farewelled Gayle Jensen and welcomed Bill Kemter. We appreciate the "extra mile" that these volunteer leaders contribute to ARAMA.

The current senior leadership team (State Executive) of Chris Ward, Eric Van Meurs, Simon Lill and Bill Kemter are developing into a formidable unit which draws on each of its members key skills and attributes. I am looking forward to continuing to develop along with this leadership group which in turn will develop ARAMA and help it grow into the sustainable service model which members want and expect.

I would again like to thank all ARAMA members for their support and encouragement throughout what has again been a very tough year. I cannot be truly effective in this role without your support.

In particular I wish to acknowledge and thank all the Branch Committee members, Branch Presidents, State Management Committee members and the State Executive. All ARAMA volunteers are special people and make such a magnificent contribution to the Industry and all members are special however I again wish to acknowledge Chris Ward in particular who has stepped up yet again to support ARAMA and its members. His unselfish and tireless efforts often go unnoticed and he rarely receives the credit that he deserves. I would have been far less effective in my role without Chris's constant encouragement.

Thank you all for a great year.

Trevor Rawnsley



ARAMA QUEENSLAND INC
ABN 94 055 921 443

State Office

PO Box 2477, Fortitude Valley BC
Queensland 4006 Australia
Telephone (+61) 07 3257 3927
Facsimile (+61) 07 3257 3932
Email: state@arama.com.au

Chief Executive Officer

Telephone 1300 272627
Email: trevor@arama.com.au

Brisbane Branch

PO Box 2477, Fortitude Valley BC
Queensland 4006 Australia
Telephone (+61) 32573927
Facsimile (+61) 07 3257 3932
Email: brisbane@arama.com.au

Sunshine Coast Branch

PO Box 684, Coolum Beach
Queensland 4573 Australia
Telephone (+61) 07 5455 7900
Facsimile (+61) 07 5455 7999
Email sunshinecoast@arama.com.au

Gold Coast Branch

PO Box 7902, Gold Coast MC
Queensland 9726 Australia
Telephone (+61) 07 5592 2380
Facsimile (+61) 07 5592 3967
Email: goldcoast@arama.com.au

Cairns Branch

PO Box 176, Palm Cove
Queensland 4879 Australia
Telephone (+61) 07 4055 1144
Facsimile (+61) 07 4059 2344
Email: cairns@arama.com.au

Whitsunday Branch

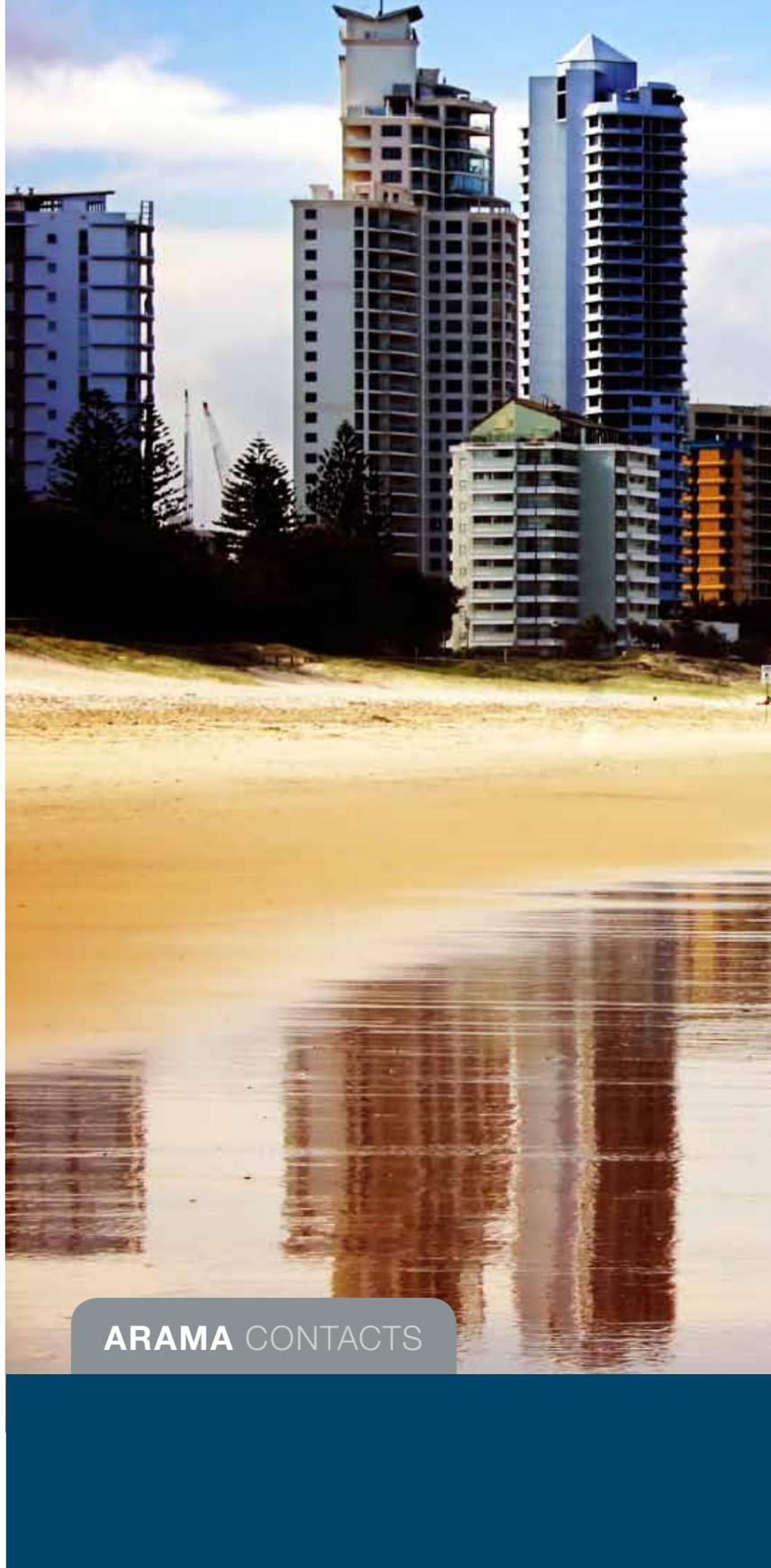
10 Golden Orchid Drive, Airlie Beach
Queensland 4802 Australia
Telephone (+61) 07 4946 4455
Facsimile (+61) 07 4946 4721
Email: whitsunday@arama.com.au

Port Douglas Branch

PO Box 217, Port Douglas
Queensland 4871 Australia
Telephone (+61) 07 4099 9100
Facsimile (+61) 07 4099 5440
Email: portdouglas@arama.com.au

Townsville Branch

Unit 5, 7 Mariners Drive, Townsville
Queensland 4810 Australia
Telephone (+61) 07 4722 0777
Email: townsville@arama.com.au



ARAMA CONTACTS