

Investigative Journalism and Learning Hub - Waratah Strata Management ignored evidence of poor SP52948 audit of second gas connections and conflicting information by Waratah Strata Management on 16 June 2019

Welcome to the blog of NSW strata investigative journalism

From:	SP52948 owner
To:	Robert Crosbie Waratah Strata Management
CC:	Frank Tallaridi Waratah Strata Management
Subject:	SUMMARY: SP52948 Audit of second gas connections and conflicting information by Waratah Strata Management 16Jun2019
Date:	16/6/19, 12:56 pm

Hi,

In accordance with SSMA 2015 Section 106 (Duty of owners corporation to maintain and repair property) and SSMA 2015 Sections 83, 84, 85, 86) (duty to issue levy notices and enforce payments with 10% simple interest per year for overdue invoices, maintain accounting records, prepare financial statements and other financial records, collect GST on behalf of ATO, and much more) and in compliance with Motion 19 at Annual General Meeting 2018 (strata affairs directly affecting Lot 158), it is requested that full audit on two items be conducted immediately and levies charged as per applicable laws:

- Audit of second gas connections for 218 lots, including who conducted it, the dates of gas disconnections with names of certified plumbers, and the date of the report.
- Register of items excluded from common-property (examples: exclusive rights to common property given to Lot 3 and Lots 136/137, windows and frames with double-glaze glass, windows and frames with solar heating panels, air-conditioning units on the balconies, modified light fittings in garages for Lot 147 and 151, five private lattices in front of townhouses Lot 194, Lot 197, Lot 199, Lot 202, and Lot 216, pergola modifications, second gas connections, Lot 10 flyscreens on door and windows, and others).

Lot 158 has collected significant evidence (with full backing through strata files) that levies for second gas connections were deliberately mismanaged in order for strata managers and building managers to obtain personal benefits through contract renewals without tenders in spite of poor performance.

At present, the lack of proper actions by Waratah Strata Management create serious conditions:

- a) Owners corporation is denied rightful income,
- b) Owners corporation does not apply correct simple interest of 10% for late payments,
- c) Owners corporation supports discriminatory behaviour where not all owners are treated equally,
- d) Owners corporation does not collect correct GST for ATO. Strata title bodies corporate are treated as public companies under the tax law and must lodge a tax return for any year in which they derive assessable income,
- e) Owners corporation provided reimbursements for gas usage to selected group of townhouse owners who have second gas connections ("double-dipping" from common funds),
- f) Owners corporation risks higher insurance premiums due to possibility of litigation for unpaid levies for second gas connections over 20 years.
- g) Owners corporation does not apply Special By-Law for second gas levies correctly.
- h) Apart from financial implications, the additional risk is safety (carbon monoxide poisoning and other faults that can occur with heaters). Carbon monoxide has no smell, taste or colour. When the gas is inhaled, it enters the blood and takes the place of oxygen, which can cause death. Every two years a licensed gas fitter needs to check the heater, flue and the surrounding environment for combustion gasses in the living space.

Regards,

- [SP52948-audit-second-gas-connections-Jun2019.pdf](#)
- [SP52948-Lot-148-admission-in-2014-of-second-gas-connection-since-2007.webp](#)
- [SP52948-Lot-182-admission-second-gas-connection-provided-to-BCS-Strata-Management-in-2014.webp](#)
- [SP52948-Lot-127-confirms-second-gas-connection-since-June-2013-on-13Aug2014.webp](#)
- [SP52948-handwritten-note-by-Waratah-Strata-Manager-confirming-no-gas-levies-charged-for-FY2016-and-levies-set-to-220-dollars-on-27Nov2013-for-EC-meeting-Feb2019.pdf](#)
- [SP52948-EC-meeting-decision-not-to-reimburse-gas-usage-to-Lot-210-due-to-disconnected-gas-2May2001.webp](#)
- [SP52948-Lot-192-confirmation-second-gas-connection-13May2014.webp](#)
- [SP52948-Lot-213-approved-second-gas-connection-but-owners-corporation-not-going-to-reimburse-future-gas-expenses-EC-meeting-17Mar1998.webp](#)