REIV THE STANDARD FOR SUCCESS

REAL ESTATE INSTITUTE OF VICTORIA LTD

ANNUAL REPORT 2016-17

Including the Audited Consolidated Financial Statements for the year ended 30 June 2017.

CONTENTS

YEAR IN REVIEW
Richard Simpson, President

I am pleased to deliver this annual report on behalf of the REIV Board of Directors for the year ended 30 June 2017.

The 2016-17 financial year has been a period of considerable change for the Institute including the appointment of Gil King to the role of CEO in January 2017.

Gil brings a wealth of leadership and advocacy experience to the REIV, following extensive stints at the Housing Industry Assocation (HIA) and within Government. Given the challenges facing our industry, Gil's skills and experience are invaluable and the Board is confident he is the best person to lead the Institute, now and into the future.

Gil's appointment followed a comprehensive recruitment process and I would like to take this opportunity to thank former President Geoff White for stepping in as Acting CEO during the transition.

While it has been a busy year for the REIV, the industry has also experienced one of the strongest property markets in recent memory.

In the year to June 2017, the metropolitan Melbourne median house price increased 10.3 per cent to a record high of $822,000. The citywide unit/apartment median price also recorded strong price growth, up 7.7 per cent to $606,500, while house prices in regional Victoria rose 6.4 per cent over the year to a median of $385,000.

Price growth was underpinned by significant population increases across the state as well as a buoyant auction market. Multiple Victorian auction records fell, including the strongest ever December, February, March, April and June. It was also the strongest ever start to a year with a record number of homes going to auction - and selling under the hammer - in the first six months of 2017.

Along with strong price growth and high auction volumes, our industry has also had to adjust to greater scrutiny by the regulator and the media. The introduction of new price quoting legislation was arguably the largest change our industry has seen in the past decade and I commend members for the professional way this was quickly incorporated into daily business practices.

The industry is also facing disruption from new low-cost entrants and find-an-agent comparison sites. At the REIV's two-day strategic meeting in early 2017, the Board and senior management team focused on how best to address these challenges and the 2017-18 Business Plan reflects this.

Consistently delivering exceptional customer service will ensure agents remain relevant and continue to add value to each transaction in a changing marketplace. Alongside this, the REIV continues to influence positive change for our members and their clients through our engagement with the highest levels of Government.

With increasing professionalism a key focus for the REIV, the Board has adopted a revised mission statement which better reflects the path forward for both the Institute and the industry. Our revised mission is: "To enhance the professional excellence of all members and their businesses to the benefit of the communities they work within, and to advocate and represent their interests."

The REIV is also playing an active part in the further development of national professional standards, through our association with the Real Estate Institute of Australia (REIA).

At an international level, the Institute has increased our involvement with FIABCI, the Malaysian Institute of Estate Agents (MIEA) and the National Association of Realtors in the USA. Engagement with our international counterparts is essential in ensuring we remain informed of upcoming property trends and issues as well as potentially opening up opportunities for our members. The REIV is also a member of the International Ethics Standards Coalition, which further supports our work on increasing professionalism.

Over the past year, the Institute has increasingly focused on raising our public profile. Despite sizeable data competitors, the REIV has been a leading commentator on market performance with coverage across multiple media platforms. The REIV has also been vocal on numerous policy initiatives, including reform of the Residential Tenancies Act (RTA), underquoting legislation and proposed changes to pool and spa barrier requirements.

I would like to take this opportunity to thank every member who has contributed to REIV policy development through Chapter Committees, Board Committees, Members' Council and Past Presidents' Council.

Long standing REIV Director Gavan Lethlean retired from the Board in October after serving the maximum nine year term. Gavan has made a significant contribution to the REIV Board and various committees over the past decade and I thank him for his considerable input.

I would also like to recognise REIV immediate Past President Joseph Walton for his passion and commitment throughout his term as President. Joseph tactfully and expertly led the REIV through a period of significant change both within the REIV and the real estate profession.

On behalf of all REIV members, I'd like to thank the REIV Board of Directors, management team and staff for all of their hard work over the past year and I look forward to a challenging but successful 2018.

RICHARD A. SIMPSON
President

OVERVIEW
Gil King, CEO

I'm pleased to report the REIV remains in a stable fiscal position.

Once again, the REIV's asset base increased over the financial year with total assets of $27.5 million, up from $21 million in 2015-16. The $6.5 million increase is primarily attributable to strong growth in the value of our Camberwell head office and our investment in realestateview.com.au.

While the REIV recorded a deficit for the 2016-17 financial year, many of the contributing items were abnormal or one-off expenses and are not expected to impact performance in future years.

Since my appointment in January, I have substantially restructured the organisation and focused on cost control, both of which have already delivered increased efficiencies, savings and effectiveness.

This restructure has placed the REIV in the best possible financial position moving forward and I am confident that our financial performance will improve over the next 12 months.

The 2016-17 financial year has also been a challenging year for our advocacy work, with five pieces of property legislation under the spotlight.

The review of the Residential Tenancies Act 1997 (RTA) remains a key focus for the Andrews' Government with a comprehensive Options Paper released in January. A few months later, the Government announced a housing affordability package that included the provision of long-term leases under the RTA. While the Institute supported the concept in principle, the draft legislation is impractical and unattractive for supply side stakeholders. Throughout the lengthy review process, the REIV has been very vocal about our concerns and we will continue to engage with Government as the legislation progresses through Parliament.

Given the significant imbalance being proposed in the broader RTA review, the REIV has also worked to strengthen our relationship with the Opposition and crossbenchers. Undoubtedly, reform of the RTA will become a state election issue in the year ahead and it's vital that members support and promote our campaign to prevent the implementation of many of these damaging proposals.

Real estate is an issues-rich environment at present with our policy team also kept busy responding to three Options Papers in the Consumer Property Law (CPL) review. The CPL review encompasses the Sale of Land Act 1962, Estate Agents Act 1980, Owners Corporations Act 2006 and the Conveyancers Act 2006. Worryingly, the Government has undertaken a legislative impact assessment on the removal of Section 27 of the Sale of Land Act (early release of deposits). The REIV has strongly opposed changes to this provision and has consulted with both the Director of Consumer Affairs Victoria and the Minister of Consumer Affairs.

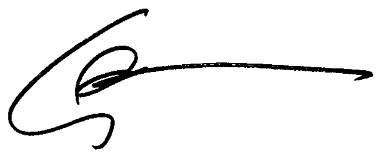
In addition, the industry has also had to contend with the implementation of new price quoting legislation. This legislation is some of the most comprehensive in Australia and it is important we continue to lead the way in improving the reputation and professionalism of our industry. There has been a distinct lack of clarity from the Government in relation to the rollout of this new legislation. Disappointingly, the CAV Director approved Statements of Information were only available to agents two weeks prior to the implementation date. Issues relating to the use of undisclosed sales and vacant land were also poorly handled.

Advocacy is of paramount importance to REIV members, particularly in the current legislative and political environment. I'm confident that my previous policy experience with the Housing Industry Association and as a regulator will provide a valuable resource to the Institute in leading the industry through continuing change.

The REIV is committed to raising our levels of consultation and transparency, both with members and the Government. Central to this is increased stakeholder engagement across various channels including relevant industry bodies, Government departments, Ministers and other members of Parliament. Members will see evidence of this through greater engagement with Chapters and Divisions as well as upcoming publication of REIV policies on our website.

I look forward to ensuring that the REIV continues to add value for members, through improved delivery of services and products. We will be making greater use of digital media for consulting, engaging and supporting members.

In closing, I'd like to thank the REIV Board of Directors for their continued support and the REIV team for all their hard work this year.



GIL KING
Chief Executive Officer

2016-17 HIGHLIGHTS

Submissions to Government

Review of Residential Tenancies Act (RTA)

The review of the Residential Tenancies Act 1997 (RTA) has been a key focus for the Victorian Government since mid-2015, forming part of its Plan for Fairer Safer Housing.

The Institute participated in multiple specially convened Stakeholder Reference Group meetings in late 2016, prior to the Government releasing an extensive options paper titled *Heading for Home* in January 2017. More than 70 per cent of the approximately 130 proposed options heavily favoured tenants and involved the loss of multiple landlord rights.

The REIV surveyed 3,800 landlords in February 2017 and held a number of information sessions for property managers and landlords, which were also attended by senior representatives from Consumer Affairs Victoria. Extensive member input assisted the REIV in responding to the 224 questions posed in the Options paper.

The REIV also engaged a government relations agency (CPR) earlier this year, which provides ongoing access to senior Victorian Government representatives, particularly the office of the Minister for Consumer Affairs.

In March this year, the Government announced it would allow long-term leases of more than five years to be covered under the Act. The REIV provided feedback on the draft legislation, which is expected to pass both houses of Parliament in late 2017, with a potential implementation date of mid-2018.

Review of Consumer Property Law (CPL)

This comprehensive review encompasses the Estate Agents Act 1980, Sale of Land Act 1962, Owners Corporation Act 2006 and Conveyancers Act 2006.

The REIV has provided extensive input to this review over the 2016-17 year, responding to all three options papers.

The Institute has also engaged with the Director of Consumer Affairs and the Minister for Consumer Affairs in relation to some of the more damaging proposals, including the removal of Section 27 of the Sale of Land Act.

New Estate Agents Amendment (Underquoting) Bill 2016

Following extensive consultation between the REIV and the Government, this new legislation came into effect in May this year.

While there has been a teething period with impracticalities in the legislation highlighted, members have been quick to adjust to the new price representation requirements.

The Government has indicated that the Director Approved Statements of Information will be reviewed in early 2018, whereby vacant land is likely to be included alongside house and unit options.

REIV Annual Conferences

The REIV held two annual conferences in the 2016-17 financial year. The date and timing of the REIV Ignite Conference was significantly updated in 2016, with the event held in July over a Sunday and Monday, rather than two weekdays in September as in recent years.

The 2016 event featured eight exceptional keynote speakers from across Australia including Todd Sampson, Mark McCrindle, Josh Phegan and Daniel Flynn.

The 2017 REIV Ignite Conference was a one-day event in March with a keynote presentation by Western Bulldogs coach Luke Beveridge. The event was well-attended and attracted a high proportion of the Institute's younger members.

REIV Awards for Excellence

The annual REIV Awards are a highlight of the industry's event calendar, attracting more than 1,000 agents from across Victoria. The 2016 REIV Awards for Excellence were hotly contested and received a record number of entrants from across the various real estate specialisations including sales, auctioneering, commercial and industrial, as well as property management.

Winners of the independently-judged awards were promoted in a special edition of the Herald Sun's Saturday real estate section.

As is customary, the annual awards were held at Crown Palladium in central Melbourne.

REIV's 80th Anniversary

The REIV marked its 80th anniversary in 2016 with a special mid-year function at Crown Palladium. The gala event was attended by 350 members, including many senior office bearers, life members and Past Presidents.

The event also acknowledged a number of members who had achieved significant membership milestones in 2016.

Homebuyers Seminar

The REIV partnered with Bendigo Bank and Parke Lawyers to provide an information session for first homebuyers on how to enter the property market. The REIV Homebuyers Seminar in March 2017 provided consumers with a comprehensive overview of the Victorian property market as well as valuable tips and insights from property, legal and financial experts.

The free seminar was designed to help first time buyers enter the market at a price they can afford. Held at the State Library, the free seminar attracted around 80 attendees.

Auction Competitions

In the 2016-17 financial year, the REIV held two Senior Auctioneer of the Year competitions. This was due to the 2017 competition being brought forward to allow additional time for the winner and runner-up to prepare for the Australasian Auctioneering Championships. Harry Li was awarded the Senior Auctioneer of the Year title in both 2016 and 2017.

The annual auction competitions tests Victoria's best senior and novice auctioneers on their knowledge of best practice auctioneering and legislation with a simulated auction complete with complex bidding sequences and questions from the audience.

MEMBER REPRESENTATION

Chapter & Division Committee Members as at 30 June 2017

CHAPTER COMMITTEES

AUCTION

Adam Docking (Chair)
Harry Li (Vice Chair)
Adrian Butera
Luke Banitsiotis
Ryan Di Natale
Phil De Fegely
Michael Hall
Raoul Salter
Cameron Way

BUSINESS BROKERS

Colleen Danaher (Chair)
Tony Latessa (Vice Chair)
Gloria Ammerlaan
Amin Badawi
Jamal Dabab
Robert Hurst
Norbert Izsak
Natalie Sirianni

BUYERS AGENTS

Ian James (Chair)
Melissa Opie (Vice Chair)
Mark Brilliant
Bernard Corser
Kim Easterbrook
Mark Errichiello
Richard Kerr
Mark Ruttner
Janet Spencer
Eddie Van Pamelen

COMMERCIAL & INDUSTRIAL

Tim Mitchell (Chair)
Wendy Thomson (Vice Chair)
Michael Di Carlo
Ben Foster
Marni Lawson
Gavan Lethlean
Megan Mander
Simon Regan
Richard Simpson

OWNERS CORPORATION

Michael Nardella (Chair)
Norman Mermelstein
John Ross
Alex Starr
Kate Yeowart

PROPERTY MANAGEMENT

Sam Nokes (Chair)
Gina Tobolov (Vice Chair)
Sabina Aldouby
Leah Calnan
Nikki Jensen
Rose Koutoumas
Sophie Lyon
Josie Stewart
Clem Tralongo

RURAL & REGIONAL

Nicholas Walsh (Chair)
Justin Barnett (Vice Chair)
Tim Coller
Joe McKenzie
Garry Nash
Gary Wood

SALES

Lee Maher (Chair)
Chris Ewart (Vice Chair)
Tim Heavyside
Adam Joske
Andrew Meehan
Kristy Wang

VALUATION

Sam Tamblyn (Chair)
Julian Valmorbida (Vice Chair)
Jim Derzekos
Paul Evans
Damian Lynch
Darrell Simpson

YOUNG AGENTS

Thomas Georgiou (Chair)
Jonathon O'Donoghue (Vice Chair)
Jay Allen
Toby Campbell
Troy Guthrie
Courtney Thursfield
Emily Rutherford
Samantha Taylor

MEMBER REPRESENTATION

Chapter & Division Committee Members as at 30 June 2017

DIVISION COMMITTEES

BALLARAT

Christine Segaert (Chair)
Maryke Kendall (Vice Chair)
Angela Flowers
Trish Markham
Sean McGaffin
Lockie Waddell

BENDIGO

Andrew Murphy (Chair)
Tom Maher (Vice Chair)
Matt Bowles
Noel Dyett
Bradley Hinton
John Keating
Darryn Mawby
Jacinta McIvor
Craig Webster

CENTRAL MELBOURNE

Jacob Caine (Chair)

GEELONG

Samantha Davison (Chair)

GOULBURN VALLEY

Michael Blake (Chair)

MORNINGTON PENINSULA

Andrew Meehan (Chair)
Elaine Bourke (Vice Chair)
Geoff Crowder
Mike Phillips
Linda Wooley

MURRAY ALPINE

Gerard Gray (Chair)

OTWAYS

Bruce Ludeman (Chair)

SOUTHERN

Courtney Thursfield (Chair)
Ian James (Vice Chair)
Frank Hellier

SUNRAYSIA

Tony Roccisano (Chair)

WIMMERA

Tim Coller (Chair)

APPOINTMENTS & HEARINGS

As at 30 June 2017

PRESIDENTIAL APPOINTMENTS

RENTAL DETERMINATIONS

Rental determinations made - 27

MISCELLANEOUS APPOINTMENTS

Miscellaneous appointments - 48

COMPLAINTS & DISPUTES

MEDIATIONS

Mediations held - 10

PANEL HEARINGS

Panel Hearings held - Nil

PUBLIC COMPLAINTS

OPENED

Public complaints opened in the 2016-17 financial year - 119

CLOSED (NO PAPERWORK RECEIVED)

Public complaints closed in the 2016-17 financial year - 84

HALL CHADWICK
MELBOURNE AUDIT

THE REAL ESTATE INSTITUTE OF VICTORIA LTD

ACN 004 210 897

Audited Financial Statements for the year ended 30 June 2017

PrimeGlobal

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Hall Chadwick Association – a national group of independent Chartered Accountants and Business Advisory firms.
Hall Chadwick Melbourne Audit ABN 41 134 806 025

The Real Estate Institute of Victoria Ltd
Directors' report
30 June 2017

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of The Real Estate Institute of Victoria Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2017.

Directors
The following persons were directors of The Real Estate Institute of Victoria Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Joseph Walton
Leah Calnan
Gavan Lethlean
Andrew Logie-Smith
Michael Blake
Sam Tamblyn
Cameron Way
Richard Simpson
Noel Dyett (appointed 01 October 2016)
Robyn Waters (appointed 01 October 2016)
Sophie Lyon (appointed 01 October 2016)
Ian McDonald (resigned 01 October 2016)
Richard Earle (resigned 01 October 2016)
Francis Hellier (resigned 01 October 2016)
Geoffrey White (resigned 08 May 2017)

Mission
To enhance the professional excellence of our members and their businesses to the benefit of the communities they work within and to advocate and represent their interests.
(Adopted by the Board of Directors in June 2017.)

Objectives
- REIV, a well-recognised and differentiated brand; a respected and professional organisation;
- Enhance our relevance to individual members, existing and future;
- Support and develop individual Members through their careers;
- Making sure that we have the best people, structure and culture at the REIV;
- REIV, the trusted advisor on innovation, new technology and its application by Members;
- To be the leading advocate for our Members, Australia wide.

Long term objectives
- To lead and represent the real estate industry and to advance the professionalism of its members;
- To have effective control of the national data service and to protect and control industry generated data;
- To increase membership and Member satisfaction through the development and delivery of Member needs;
- To ensure best practice governance, administration and management.

Strategy for achieving the objectives
- Developing the REIV brand strategy across all products and services for Members;
- Promoting the industry and REIV members through public campaigns;
- Enhancing professional practice and public confidence in REIV members through REIV standards;
- Reflecting the diversity of the REIV's membership in all member offerings;
- Influencing opinion formers and decision makers at state and federal level.

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- The provision of an organisation to protect and promote the mutual interest of its Members;
- Advice on real estate issues to the Government and members of the public;
- To provide services of benefit to Members;
- To provide related educational and administrative services.

Review of operations
The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to $156,314 (30 June 2016: $243,705).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
The Real Estate Institute of Victoria Ltd was holding 52.94% shares of Realestateview.com.au Ltd as at 30 June 2017 however this has decreased to 41.18% as at 12 September 2017. As a result, The Real Estate Institute of Victoria Ltd no longer has a controlling ownership over Realestateview.com.au Ltd. For the year ended 30 June 2018, the directors believe that there will be no requirement for consolidated financial statements to include Realestateview.com.au Ltd
No other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Joseph Walton
Title:	Mr
Qualifications:	CEA (REIV)
Experience and expertise:	Mr Walton is a fully licensed Estate Agent and has been actively involved in real estate activities since 2001. Joseph is a Director of Melbourne based commercial agency Allard Shelton Pty Ltd, became a Director of the REIV in 2014, and was appointed as President in 2016. Prior to being elected as a Director, Joseph served on several Institute Committees and has been an active member of the REIV since 2008.
Special responsibilities:	President

Name:	Robyn Waters
Title:	Ms
Qualifications:	FREI, FRICS CEA (REIV)
Experience and expertise:	Ms Waters has been an active REIV member since 1982, serving on numerous Chapter, Branch and Board committees and the Estate Agents Council. A licensed estate agent with experience across all facets of real estate practice, Robyn is also a fellow of the Real Estate Institute of Australia (REIA) and the Royal Institution of Chartered Surveyors (RICS). Notably, Robyn has extensive international experience, previously serving as World President of FIABCI (The International Real Estate Federation) in 2014. Robyn is the REIA Trustee to the International Ethical Standards Coalition and currently operates as a sole trader providing real estate services to a select portfolio of clients.
Special responsibilities:	Vice President

Name:	Leah Calnan
Title:	Ms
Qualifications:	CEA (REIV)
Experience and expertise:	Ms Calnan is a licensed estate agent and has been actively involved in real estate activities since 1995. She is Officer in Effective Control / Director of Metro Property Management Pty Ltd. Leah became a Director of the REIV in 2014 and has served on various Institute Committees.
Special responsibilities:	Director

Name:	Michael Blake
Title:	Mr
Qualifications:	CEA (REIV)
Experience and expertise:	Mr Blake is a licensed estate agent and has been actively involved in real estate activities and a Member of the REIV since 1989. He is a sales consultant with Youngs & Co Pty Ltd in Shepparton and became a Director of the REIV in 2012.
Special responsibilities:	Director

Name:	Richard Simpson
Title:	Mr
Qualifications:	CEA (REIV)
Experience and expertise:	Mr Simpson is a licensed estate agent and a partner in WB Simpson & Son, a family real estate business situated in North Melbourne with over 140 years of history. He became a Director of the REIV in 2015 and has served on various Institute Committees.
Special responsibilities:	Senior Vice President

Name:	Sam Tamblyn
Title:	Mr
Qualifications:	CEA (REIV)
Experience and expertise:	Mr Tamblyn is a licensed estate agent and founder of Urban Property Australia. He became a Director of the REIV in 2016, has been extensively involved in the REIV Valuation Chapter Committee and is its current Chair.
Special responsibilities:	Director

Name:	Gavan Lethlean
Title:	Mr
Qualifications:	FREI, CEA (REIV), FAPI
Experience and expertise:	Mr Lethlean is the Principal of Lethlean Property, which specialises in property management, property, plant, machinery and business valuations and consultancy and he has more than 40 years' experience in property and related areas. Mr Lethlean joined the REIV in 1990 and became a Director in 2008.
Special responsibilities:	Director

Name:	Andrew Logie-Smith
Title:	Mr
Qualifications:	B Econ, LLB
Experience and expertise:	Mr Logie-Smith is the Managing Partner of Logie-Smith Lanyon Lawyers and has been a Director of the REIV since July 2011. Mr Logie-Smith has expertise with the Corporations Act, joint ventures and consortia agreements and the provision of commercial and strategic advice.
Special responsibilities:	Director

Name:	Cameron Way
Title:	Mr
Qualifications:	AREI, CEA (REIV)
Experience and expertise:	Mr Way is a licensed estate agent and the current Managing Director of Woodards Blackburn. He became a Member of the REIV in 1995, a Director of the REIV in 2015, has been actively involved in the Auction Chapter Committee for many years and is the Chair of the Membership Committee.
Special responsibilities:	Director

Name:	Noel Dyett
Title:	Mr
Qualifications:	FREI, CEA (REIV) FAPI CPA
Experience and expertise:	Mr Dyett has been actively involved in the real estate industry for more than three decades. A licensed estate agent, certified practicing accountant and sworn valuer, during his career Noel has sold, leased and managed residential, commercial and industrial property. He has a long history of involvement with the REIV, holding a number of senior Board positions including President and Senior Vice President, as well as REIA President in 2008 and 2009. Noel has also served on a number of Institute Committees and is currently a Bendigo representative of Members' Council.
Special responsibilities:	Director

Name:	Sophie Lyon
Title:	Ms
Experience and expertise:	Ms Lyon returned to the Board in 2016, having served previously as an REIV Director 2008-2014. An experienced agent, specialising in property management, Sophie is also a licensed estate agent. Her involvement with the REIV started in 1994 with participation in a range of committees as well as being an REIV accredited trainer. She has previously worked with a number of large organisations in Melbourne, and is currently General Manager Property Management at Jellis Craig Boroondara, overseeing a division which manages more than 2,500 residential properties.
Special responsibilities:	Director

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Michael Blake	8	8
Frank Hellier	2	2
Richard Earle	2	2
Joseph Walton	8	8
Gavan Lethlean	8	8
Richard Simpson	8	8
Andrew Logie-Smith	7	8
Sam Tamblyn	8	8
Cameron Way	8	8
Leah Calnan	6	8
Ian McDonald	2	2
Robyn Waters	5	6
Sophie Lyon	5	6
Noel Dyett	6	6

Held: represents the number of meetings held during the time the director held office.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of $2 each. Honorary members are not required to contribute. The total amount that members of the company are liable to contribute if the company is wound up is $17,406 (2016: $17,972), based on 8,703 current ordinary members (2016: 8,986).

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Joseph Walton
Director

18/09/2017
Melbourne

THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED
ABN 81 004 210 897

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

(i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Hall Chadwick Melbourne Audit
Chartered Accountants
Level 14, 4440 Collins Street
MELBOURNE VIC 3000

Partner: David Lissauer

Dated this 19th **day of** September **2017**

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The Real Estate Institute of Victoria Ltd
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30 June 2017

The Real Estate Institute of Victoria Ltd
Statements of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Revenue	4	18,275,384	18,572,617	9,178,447	9,573,345
Expenses					
Cost of sales	5	(4,202,610)	(4,168,004)	(1,880,527)	(1,985,861)
Depreciation and amortisation expense	5	(2,155,184)	(1,938,879)	(330,900)	(312,020)
Employee benefits expense		(8,185,155)	(7,341,100)	(3,947,205)	(3,606,491)
Impairment of investments		-	(255,000)	-	-
Loss on disposal of investments		(377,896)	(568,857)	-	-
Other expenses		(3,089,519)	(3,258,198)	(3,478,118)	(3,531,437)
Finance costs		(20,359)	(36,093)	-	-
Repayment - Department of Education and Training		(71,721)	(522,098)	(71,721)	(522,098)
Promotion and Marketing		(1,223,202)	(1,290,047)	(223,611)	(259,709)
Loss before income tax benefit		(1,050,262)	(805,659)	(753,635)	(644,271)
Income tax benefit	6	721,663	528,506	335,166	298,155
Loss after income tax benefit for the year		(328,599)	(277,153)	(418,469)	(346,116)
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Gain on the revaluation of available-for-sale financial assets, net of tax	22	-	-	395,467	-
Other comprehensive income for the year, net of tax		-	-	395,467	-
Total comprehensive income for the year		(328,599)	(277,153)	(23,002)	(346,116)
Loss for the year is attributable to:					
Non-controlling interest		(172,285)	(33,448)	-	-
Owners of The Real Estate Institute of Victoria Ltd	23	(156,314)	(243,705)	(418,469)	(346,116)
		(328,599)	(277,153)	(418,469)	(346,116)
Total comprehensive income for the year is attributable to:					
Non-controlling interest		-	-	-	-
Owners of The Real Estate Institute of Victoria Ltd		(328,599)	(277,153)	(23,002)	(346,116)
		(328,599)	(277,153)	(23,002)	(346,116)

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Real Estate Institute of Victoria Ltd
Statements of financial position
As at 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Assets					
Current assets					
Cash and cash equivalents	7	1,933,453	2,870,898	1,889,602	2,741,055
Trade and other receivables	8	1,416,294	1,916,494	509,328	620,421
Inventories	9	48,265	35,236	48,265	35,236
Available-for-sale financial assets	10	-	379,238	-	-
Other	11	809,855	686,888	264,908	276,523
Total current assets		4,207,867	5,888,754	2,712,103	3,673,235
Non-current assets					
Available-for-sale financial assets	12	149,952	128,051	3,930,486	3,343,631
Property, plant and equipment	13	17,641,712	10,490,946	17,487,666	10,371,480
Intangibles	14	6,452,930	5,971,928	264,859	224,867
Deferred tax	15	1,565,092	1,220,451	1,185,545	1,019,865
Other	16	-	-	1,976,222	2,378,589
Total non-current assets		25,809,686	17,811,376	24,844,778	17,338,432
Total assets		30,017,553	23,700,130	27,556,881	21,011,667
Liabilities					
Current liabilities					
Trade and other payables	17	1,416,724	1,345,611	340,876	552,007
Borrowings	18	396,583	635,716	-	-
Employee benefits	19	534,948	717,064	309,448	498,368
Other	20	2,512,310	2,496,469	2,488,026	2,463,636
Total current liabilities		4,860,565	5,194,860	3,138,350	3,514,011
Non-current liabilities					
Employee benefits	21	23,804	23,804	23,804	23,804
Total non-current liabilities		23,804	23,804	23,804	23,804
Total liabilities		4,884,369	5,218,664	3,162,154	3,537,815
Net assets		25,133,184	18,481,466	24,394,727	17,473,852
Equity					
Reserves	22	13,887,284	6,943,407	14,282,751	6,943,407
Retained profits	23	10,095,871	10,252,185	10,111,976	10,530,445
Equity attributable to the owners of The Real Estate Institute of Victoria Ltd		23,983,155	17,195,592	24,394,727	17,473,852
Non-controlling interest	24	1,150,029	1,285,874	-	-
Total equity		25,133,184	18,481,466	24,394,727	17,473,852

The above statements of financial position should be read in conjunction with the accompanying notes

The Real Estate Institute of Victoria Ltd
Statements of changes in equity
For the year ended 30 June 2017

Consolidated	Reserves $	Non-Controlling Interest $	Retained Profits $	Total equity $
Balance at 1 July 2015	6,943,407	1,314,192	10,495,890	18,753,489
Loss after income tax benefit for the year	-	(33,448)	(243,705)	(277,153)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(33,448)	(243,705)	(277,153)
Transactions with owners in their capacity as owners:				
Increments in minority interest	-	5,130	-	5,130
Balance at 30 June 2016	6,943,407	1,285,874	10,252,185	18,481,466

Consolidated	Reserves $	Non-Controlling Interest $	Retained Profits $	Total equity $
Balance at 1 July 2016	6,943,407	1,285,874	10,252,185	18,481,466
Loss after income tax benefit for the year	-	(172,285)	(156,314)	(328,599)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(172,285)	(156,314)	(328,599)
Transactions with owners in their capacity as owners:				
Increments in minority interest	-	36,440	-	36,440
Land and building revaluation	6,943,877	-	-	6,943,877
Balance at 30 June 2017	13,887,284	1,150,029	10,095,871	25,133,184

The above statements of changes in equity should be read in conjunction with the accompanying notes

The Real Estate Institute of Victoria Ltd
Statements of changes in equity
For the year ended 30 June 2017

Parent	Reserves $	Non-Controlling Interest $	Retained profits $	Total equity $
Balance at 1 July 2015	6,943,407	-	10,876,561	17,819,968
Loss after income tax benefit for the year	-	-	(346,116)	(346,116)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(346,116)	(346,116)
Balance at 30 June 2016	6,943,407	-	10,530,445	17,473,852

Parent	Reserves $	Non-Controlling Interest $	Retained profits $	Total equity $
Balance at 1 July 2016	6,943,407	-	10,530,445	17,473,852
Loss after income tax benefit for the year	-	-	(418,469)	(418,469)
Other comprehensive income for the year, net of tax	395,467	-	-	395,467
Total comprehensive income for the year	395,467	-	(418,469)	(23,002)
Transactions with owners in their capacity as owners:				
Increments in the fair value of land	6,943,877	-	-	6,943,877
Balance at 30 June 2017	14,282,751	-	10,111,976	24,394,727

The above statements of changes in equity should be read in conjunction with the accompanying notes

The Real Estate Institute of Victoria Ltd
Statements of cash flows
For the year ended 30 June 2017

	Note	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Cash flows from operating activities					
Receipts from customers		20,700,658	19,753,129	9,633,254	9,585,672
Grants received		225,628	891,659	225,628	891,659
Payments to suppliers		(19,313,839)	(18,524,448)	(10,197,231)	(9,549,137)
Interest paid		(20,359)	(36,093)	-	-
Interest received		54,263	70,531	49,575	55,792
R & D tax benefit / Income taxes refunded		435,343	170,261	-	-
Net cash from/(used in) operating activities	34	2,081,694	2,325,039	(288,774)	983,986
Cash flows from investing activities					
Payments for investments		(21,901)	-	(21,901)	-
Payments for property, plant and equipment	13	(413,610)	(235,405)	(345,612)	(123,450)
Payments for intangibles	14	(2,344,495)	(1,828,373)	(195,166)	(178,124)
Proceeds from disposal of investments		-	568,856	-	-
Net cash used in investing activities		(2,780,006)	(1,494,922)	(562,679)	(301,574)
Cash flows from financing activities					
Repayment of borrowings		(209,048)	(246,670)	-	-
Net cash used in financing activities		(209,048)	(246,670)	-	-
Net increase/(decrease) in cash and cash equivalents		(907,360)	583,447	(851,453)	682,412
Cash and cash equivalents at the beginning of the financial year		2,767,761	2,184,314	2,741,055	2,058,643
Cash and cash equivalents at the end of the financial year	7	1,860,401	2,767,761	1,889,602	2,741,055

The above statements of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover both The Real Estate Institute of Victoria Ltd as an individual entity and the consolidated entity consisting of The Real Estate Institute of Victoria Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is The Real Estate Institute of Victoria Ltd's functional and presentation currency.

The Real Estate Institute of Victoria Ltd is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
335 Camberwell Road CAMBERWELL VIC 3124	335 Camberwell Road CAMBERWELL VIC 3124

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2010-8 Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets
The consolidated entity has applied AASB 2010-8 amendments from 1 July 2012. These amendments offer a practical approach for the measurement of deferred tax relating to investment properties measured at fair value, property, plant and equipment and intangible assets measured using the revaluation model. The measurement of deferred tax for these specified assets is based on the presumption that the carrying amount of the underlying asset will be recovered entirely through sale, unless the entity has clear evidence that economic benefits of the underlying asset will be consumed during its economic life.

AASB 10 Consolidated Financial Statements
The consolidated entity has applied AASB 10 from 1 January 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes.

AASB 12 Disclosure of Interests in Other Entities
The consolidated entity has applied AASB 12 from 1 January 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

Note 2. Significant accounting policies (continued)

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)
The consolidated entity has applied AASB 119 and its consequential amendments from 1 January 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared on an accrual basis on historical costs modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's and company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
These financial statements include the results of both the parent entity and the consolidated entity in accordance with Class Order 10/654, issued by the Australian Securities and Investments Commission.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of The Real Estate Institute of Victoria Ltd ('company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. The Real Estate Institute of Victoria Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Note 2. Significant accounting policies (continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Interests in subsidiaries are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Subscription revenue in advance is recognised as deferred income and brought to account over the life of the membership period.

Dividend revenue is recognised when the right to receive a dividend has been established.

Advertising revenue is recognised in the period over which the advertisements are placed.

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the Grant relates to an expenses item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The company income tax is calculated using the "principle of mutuality" to the revenues and expenses of the company. The principle of mutuality is a common law principle arising from the premise that a person cannot profit from himself. Accordingly, income from members is deemed to be mutual income and not subject to income tax and expenses in connection with mutual income is not deductable for tax purposes. All other income and expenses are classified for taxation purposes in accordance with taxation legislation.

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Note 2. Significant accounting policies (continued)

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 - 90 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable may be impaired.

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories
Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Note 2. Significant accounting policies (continued)

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

Property, plant and equipment
Property, plant and equipment is stated at cost or fair value less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Property
Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) based on periodic valuations performed by external independent valuers, less subsequent depreciation for buildings.

Freehold land and buildings were independently valued by a qualified real-estate Valuer as at 30 June 2017 and are stated in these accounts at such valuations. The valuations were provided by Mr Julian Valmorbida FAPI AREI of Wallace Commercial (Vic) Pty Ltd. The valuations were based on market value for accounting purposes. The financial effect of this change is detailed in note 12.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against the related revaluation reserve directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Plant and Equipment
Plant and equipment are measured at cost less depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The depreciable amount of all fixed assets, including buildings, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use.

Note 2. Significant accounting policies (continued)

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Buildings	4%
Plant and equipment	12%
Office furniture and equipment	20%
Library	10%
Computer equipment	35%
Motor vehicle	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

Impairment of Non-Financial Assets
At each reporting date, the company reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income. Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Website
Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7 years.

Note 2. Significant accounting policies (continued)

IT development and software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7 years.

IT development costs only include external direct costs of services and materials, direct payroll and payroll related costs of employees spent on the project. IT development costs only included those costs directly attributable to the development phase and are only recognised following the completion of technical feasibility and where the group has an intention and ability to use the asset.

Data development
Development costs are capitalised only when they can be reliably measured and future economic benefits are expected. Developments costs have a finite life and are amortised on a systematic basis matched to future economic benefits over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and amortisation method are reviewed at least at each financial year end. Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life.

Last year, the utilisations of database assets were reviewed to more accurately reflect their pattern of usage (remaining 5 years). My Home software was separated into its distinct asset categories being software, domain names trademarks, databases and goodwill on acquisition.

Class of Intangible Amortisation Rate

Software development 35%
PDOL data development 25% - 10% on a sliding scale

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 2. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Superannuation
The amount charged to the Statement of Comprehensive Income in respect of superannuation represents the contributions made by the entity to superannuation funds.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Note 2. Significant accounting policies (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 January 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 2. Significant accounting policies (continued)

AASB 10 Consolidated Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns (e.g. dividends, remuneration, returns that are not available to other interest holders including losses) from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights (e.g. voting rights, potential voting rights, rights to appoint key management, decision making rights, kick out rights) that give it the current ability to direct the activities that significantly affect the investee's returns (e.g. operating policies, capital decisions, appointment of key management). The consolidated entity will not only have to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. The adoption of this standard from 1 July 2013 may have an impact where the consolidated entity has a holding of less than 50% in an entity, has de facto control, and is not currently consolidating that entity.

This revised standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013. The amendments eliminate the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The amendments also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. This will require annual leave that is not expected to be wholly settled within 12 months to be discounted allowing for expected salary levels in the future period when the leave is expected to be taken. The adoption of the revised standard from 1 July 2013 is expected to reduce the reported annual leave liability and increase disclosures of the consolidated entity.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement
These amendments are applicable to annual reporting periods beginning on or after 1 July 2013, with early adoption not permitted. They amend AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No.1) now specify the KMP disclosure requirements to be included within the directors' report for annual reporting periods beginning 1 July 2013. The adoption of these amendments from 1 July 2013 will not have a material impact on the consolidated entity.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 January 2014 may increase the disclosures by the consolidated entity.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of receivables
The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations
As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Revenue

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Sales revenue				
Sales - products	1,032,692	1,103,996	1,032,692	1,103,996
Sales - online products	1,069,860	1,108,400	622,369	589,107
Sales - training registrations	2,710,392	2,855,855	2,710,392	2,855,855
	4,812,944	5,068,251	4,365,453	4,548,958
Other revenue				
Activities income	555,439	820,531	378,001	506,793
Dividends received	-	3,495	-	3,495
Interest received	54,263	70,531	49,575	55,792
Subscription income	10,863,171	10,101,889	2,819,227	2,617,294
Grants income	533,541	805,659	533,541	805,659
Other income	1,456,026	1,702,261	1,032,650	1,035,354
	13,462,440	13,504,366	4,812,994	5,024,387
Revenue	18,275,384	18,572,617	9,178,447	9,573,345

Note 5. Expenses

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Loss before income tax includes the following specific expenses:				
Cost of sales				
Cost of sales	4,202,610	4,168,004	1,880,527	1,985,861
Expenses				
Bad and doubtful debts	62,510	80,571	108	(819)
Depreciation and Amortisation				
Buildings	91,699	82,400	91,699	82,400
Plant and equipment	31,170	10,572	-	-
Motor vehicles	2,379	-	2,379	-
Office furniture, equipment and library	58,433	95,663	57,153	94,382
Computer equipment	26,887	27,846	24,496	25,476
Computer software	795,333	885,589	155,173	109,762
PDOL data development	1,149,283	836,809	-	-
Total Depreciation and Amortisation	2,155,184	1,938,879	330,900	312,020

Note 6. Income tax benefit

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Income tax benefit				
Adjustment recognised for prior periods	(170,281)	(9,236)	(170,281)	(9,236)
Deferred tax - origination and reversal of temporary differences	(174,361)	(155,366)	(164,885)	(288,919)
R & D tax benefit	(377,021)	(363,904)	-	-
Aggregate income tax benefit	(721,663)	(528,506)	(335,166)	(298,155)
Numerical reconciliation of income tax benefit and tax at the statutory rate				
Loss before income tax benefit	(1,050,262)	(805,659)	(753,635)	(644,271)
Tax at the statutory tax rate of 30%	(315,079)	(241,698)	(226,091)	(193,281)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:				
Non-deductible expenses	68,944	1,009	202	382
Net adjustment for mutual (income)/expenses	61,004	(96,020)	61,004	(96,020)
Loss on disposal of investments	-	170,657	-	-
Deferred tax assets not recognised / R & D tax benefit	(377,021)	(353,218)	-	-
Company tax rate difference	9,389	-	-	-
	(552,763)	(519,270)	(164,885)	(288,919)
Adjustment recognised for prior periods	(170,281)	(9,236)	(170,281)	(9,236)
Current year temporary differences not recognised	1,381	-	-	-
Income tax benefit	(721,663)	(528,506)	(335,166)	(298,155)

Under the concept of mutuality, the company is only assessed for tax purposes on the proportion of income derived from non-members (non-mutual).

Note 7. Current assets - cash and cash equivalents

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Cash on hand	720	720	720	720
Cash at bank	432,733	868,565	388,882	738,722
Cash on deposit	1,500,000	2,001,613	1,500,000	2,001,613
	1,933,453	2,870,898	1,889,602	2,741,055
Reconciliation to cash and cash equivalents at the end of the financial year				
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:				
Balances as above	1,933,453	2,870,898	1,889,602	2,741,055
Bank overdraft (note 18)	(73,052)	(103,137)	-	-
Balance as per statement of cash flows	1,860,401	2,767,761	1,889,602	2,741,055

The effective interest rate on short-term bank deposits was between 2.00% to 2.32% (2016: 2.70% - 2.93%); these deposits have a maturity date between 30 and 120 days.

Note 8. Current assets - trade and other receivables

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Trade receivables	1,089,536	1,581,417	389,166	491,720
Less: Provision for impairment of receivables	(96,279)	(149,260)	(9,561)	(10,988)
	993,257	1,432,157	379,605	480,732
Other receivables	117,454	51,433	129,723	70,689
R & D tax benefits	305,583	363,904	-	-
	423,037	415,337	129,723	70,689
GST receivable	-	69,000	-	69,000
	1,416,294	1,916,494	509,328	620,421

Trade debtors are receivable on 30 day trading terms. Grant settlements are receivable upon the entity meeting agreed performance criteria. The carrying value of trade receivable is considered a reasonable approximation of fair value due to the short-term mature of the balances.

Impairment of receivables
Current trade and term receivables are non-interest bearing loans and generally on 60- 90 day terms. Non-current trade and term receivables are assess for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

Movements in the provision for impairment of receivables are as follows:

Opening balance	149,260	56,010	10,988	12,617
Adjustment to provisions recognised	(52,981)	93,250	(1,427)	(1,629)
Closing balance	96,279	149,260	9,561	10,988

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $1,110,711 as at 30 June 2017 ($1,450,344 as at 30 June 2016).

The company did not consider a credit risk on the aggregate balances after reviewing credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

0 to 3 months overdue	685,908	879,922	338,500	336,228
3 to 6 months overdue	424,803	570,422	153,497	68,724
	1,110,711	1,450,344	491,997	404,952

Note 9. Current assets - inventories

Finished goods - at cost	48,265	35,236	48,265	35,236

Note 10. Current assets - available-for-sale financial assets

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Shares in Commercialview.com.au Ltd	-	379,238	-	-

Note 11. Current assets - other

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Accrued revenue	188,102	202,465	2,681	5,060
Prepayments	621,753	484,423	262,227	271,463
	809,855	686,888	264,908	276,523

Note 12. Non-current assets - available-for-sale financial assets

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Shares in Realestateview.com.au Ltd	-	-	3,780,534	3,215,580
Shares in Mortgage Fair Pty Ltd	73,051	73,051	73,051	73,051
Shares in Equity Investments	76,901	55,000	76,901	55,000
	149,952	128,051	3,930,486	3,343,631

The fair value of these investments has been determined by reference to their quoted market prices at balance date.

The fair value of unlisted available for sale financial assets cannot be reliably measured as they do not have a quoted market price in an active market. As a result, all unlisted investments are reflected at cost. Unlisted available for sale financial assets could be disposed of if required.

Note 13. Non-current assets - property, plant and equipment

	Consolidated 2017 $	Consolidated 2016 $	Parent 2017 $	Parent 2016 $
Land - at independent valuation	15,950,000	9,275,000	15,950,000	9,275,000
Buildings - at independent valuation	1,831,953	1,287,711	1,831,953	1,287,711
Less: Accumulated depreciation	(431,953)	(340,253)	(431,953)	(340,253)
	1,400,000	947,458	1,400,000	947,458
Plant and equipment - at cost	293,253	243,216	30,419	30,419
Less: Accumulated depreciation	(160,579)	(130,833)	(30,419)	(30,419)
	132,674	112,383	-	-
Motor vehicles - at cost	47,540	28,571	32,625	28,571
Less: Accumulated depreciation	(2,379)	(28,571)	(2,379)	(28,571)
	45,161	-	30,246	-
Computer equipment - at cost	437,922	429,098	422,522	416,741
Less: Accumulated depreciation	(401,373)	(376,909)	(390,723)	(368,649)
	36,549	52,189	31,799	48,092
Office furniture, equipment and library - at cost	1,612,160	1,580,316	1,605,760	1,573,916
Less: Accumulated depreciation	(1,534,832)	(1,476,400)	(1,530,139)	(1,472,986)
	77,328	103,916	75,621	100,930
	17,641,712	10,490,946	17,487,666	10,371,480

Note 13. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land - at fair value $	Buildings - at fair value $	Plant and equipment - at cost $	Computer equipment - at cost $	Office furniture, equipment and library - at cost $	Motor Vehicle - at cost $	Total $
Balance at 1 July 2015	9,275,000	950,064	14,761	58,717	173,480	-	10,472,022
Additions	-	79,794	108,194	21,318	26,099	-	235,405
Depreciation expense	-	(82,400)	(10,572)	(27,846)	(95,663)	-	(216,481)
Balance at 30 June 2016	9,275,000	947,458	112,383	52,189	103,916	-	10,490,946
Additions	-	275,365	50,037	8,824	31,844	47,540	413,610
Revaluation increments	6,675,000	268,877	-	-	-	-	6,943,877
Depreciation expense	-	(91,700)	(29,746)	(24,464)	(58,432)	(2,379)	(206,721)
Balance at 30 June 2017	15,950,000	1,400,000	132,674	36,549	77,328	45,161	17,641,712

Parent	Land - at fair value $	Buildings - at fair value $	Computer equipment - at cost $	Office furniture, equipment and library - at cost $	Motor Vehicle - at cost $	Total $
Balance at 1 July 2015	9,275,000	950,064	56,010	169,213	-	10,450,287
Additions	-	79,794	17,557	26,099	-	123,450
Depreciation expense	-	(82,400)	(25,475)	(94,382)	-	(202,257)
Balance at 30 June 2016	9,275,000	947,458	48,092	100,930	-	10,371,480
Additions	-	275,365	5,781	31,841	32,625	345,612
Revaluation increments	6,675,000	268,877	-	-	-	6,943,877
Depreciation expense	-	(91,700)	(22,074)	(57,150)	(2,379)	(173,303)
Balance at 30 June 2017	15,950,000	1,400,000	31,799	75,621	30,246	17,487,666

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The land and buildings were revalued on 30 June 2017 based on independent assessments by a member of the Australian Property Institute.

Note 14. Non-current assets - intangibles

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Goodwill - at cost	1,149,053	1,067,500	-	-
Goodwill - Myhome database	490,000	490,000	-	-
Patents and trademarks - at cost	65,290	-	-	-
Less: Accumulated amortisation	(1,675)	-	-	-
	63,615	-	-	-
Software - at cost	7,500,805	6,000,382	1,011,177	816,011
Less: Accumulated amortisation	(4,895,619)	(3,940,794)	(746,318)	(591,144)
	2,605,186	2,059,588	264,859	224,867
REIQ Platform - at cost	450,000	450,000	-	-
Less: Accumulated amortisation	(284,625)	(136,125)	-	-
	165,375	313,875	-	-
PDOL data development	7,719,796	6,941,015	-	-
Less: Accumulated amortisation	(5,740,095)	(4,900,050)	-	-
	1,979,701	2,040,965	-	-
	6,452,930	5,971,928	264,859	224,867

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill - at cost $	Goodwill - Myhome $	Software development - at cost $	Webtech software application - at cost & REIQ Platforms $	PDOL data development $	Patents and trademarks $	Total $
Balance at 1 July 2015	1,069,867	490,000	1,932,317	450,000	1,926,136	-	5,868,320
Additions	-	-	876,735	-	951,638	-	1,828,373
Revaluation decrements	(2,367)	-	-	-	-	-	(2,367)
Amortisation expense	-	-	(749,464)	(136,125)	(836,809)	-	(1,722,398)
Balance at 30 June 2016	1,067,500	490,000	2,059,588	313,875	2,040,965	-	5,971,928
Additions	-	-	1,500,424	-	778,780	65,290	2,344,494
Revaluation increments	81,553	-	-	-	-	-	81,553
Amortisation expense	-	-	(954,825)	(148,500)	(840,045)	(1,675)	(1,945,045)
Balance at 30 June 2017	1,149,053	490,000	2,605,187	165,375	1,979,700	63,615	6,452,930

Note 14. Non-current assets - intangibles (continued)

Parent	Software development - at cost $	Total $
Balance at 1 July 2015	156,504	156,504
Additions	178,124	178,124
Amortisation expense	(109,761)	(109,761)
Balance at 30 June 2016	224,867	224,867
Additions	195,166	195,166
Amortisation expense	(155,174)	(155,174)
Balance at 30 June 2017	264,859	264,859

Impairment Disclosures
The recoverable amount of the cash-generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 7-year period with the period extending beyond five years is extrapolated using an estimated growth rate. The cash flows are discounted using the yield of 7-year government bonds at the end of the period.

Development Costs
Development costs have been capitalised at cost. The intangible asset has been assessed as having a finite life and is amortised using the straight line method over a period of 3 years. If an impairment indicator arises, the recoverable amount in estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

Note 15. Non-current assets - deferred tax

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Deferred tax asset comprises temporary differences attributable to:				
Amounts recognised in profit or loss:				
Tax losses	1,453,569	752,886	1,312,450	690,856
Temporary differences	111,523	467,565	42,581	329,009
	1,565,092	1,220,451	1,355,031	1,019,865
Amounts recognised in equity:				
Available-for-sale reserve	-	-	(169,486)	-
Deferred tax asset	1,565,092	1,220,451	1,185,545	1,019,865

Note 16. Non-current assets - other

Loan - Propertydataonline.com.au	-	-	1,976,222	2,378,589

Note 17. Current liabilities - trade and other payables

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Trade payables	603,951	546,047	58,314	102,442
Sundry payables and accrued expenses	600,313	561,709	174,097	277,903
GST payable	197,713	185,804	107,954	95,882
Other payables	14,747	52,051	511	75,780
	1,416,724	1,345,611	340,876	552,007

Refer to note 25 for further information on financial instruments.

All amounts are short-term and the carrying values are considered to be a reasonable approximation of fair value.

Note 18. Current liabilities - borrowings

Bank overdraft	73,052	103,137	-	-
Bank loans	323,531	532,579	-	-
	396,583	635,716	-	-

Refer to note 25 for further information on financial instruments.

The group has a secured bank overdraft facility of $300,000 (2016: $500,000). At 30 June 2017, $73,052 of this facility was used (2016: $103,137).

Note 19. Current liabilities - employee benefits

Annual leave	281,095	333,038	155,920	208,401
Long service leave	253,853	384,026	153,528	289,967
	534,948	717,064	309,448	498,368

The current portion of these liabilities represents the company's obligations to which the employee has a current legal entitlement. These liabilities arise mainly from accrued annual leave entitlement at reporting date.

A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 2.

Note 20. Current liabilities - other

Repayment of training grant - Department of Education and Training	313,292	759,000	313,292	759,000
Deferred revenue	1,929,431	1,459,565	1,905,147	1,426,732
Revenue received in advance	227,612	203,009	227,612	203,009
Fund held in trust - Rental determination	41,975	74,895	41,975	74,895
	2,512,310	2,496,469	2,488,026	2,463,636

Note 21. Non-current liabilities - employee benefits

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Long service leave	23,804	23,804	23,804	23,804

Note 22. Equity - reserves

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Revaluation surplus reserve	6,943,407	6,943,407	6,943,407	6,943,407
Available-for-sale reserve	-	-	395,467	-
Land and building revaluation	6,943,877	-	6,943,877	-
	13,887,284	6,943,407	14,282,751	6,943,407

Revaluation surplus reserve
The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Available-for-sale reserve
The reserve is used to recognise increments and decrements in the fair value of available-for-sale financial assets.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Revaluation surplus $	Available-for-sale $	Total $
Balance at 1 July 2015	6,943,407	-	6,943,407
Balance at 30 June 2016	6,943,407	-	6,943,407
Land and building revaluation	6,943,877	-	6,943,877
Balance at 30 June 2017	13,887,284	-	13,887,284

Parent	Revaluation surplus $	Available-for-sale $	Total $
Balance at 1 July 2015	6,943,407	-	6,943,407
Balance at 30 June 2016	6,943,407	-	6,943,407
Revaluation - gross	-	564,953	564,953
Deferred tax	-	(169,486)	(169,486)
Land and building revaluation	6,943,877	-	6,943,877
Balance at 30 June 2017	13,887,284	395,467	14,282,751

Note 23. Equity - retained profits

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Retained profits at the beginning of the financial year	10,252,185	10,495,890	10,530,445	10,876,561
Loss after income tax benefit for the year	(156,314)	(243,705)	(418,469)	(346,116)
Retained profits at the end of the financial year	10,095,871	10,252,185	10,111,976	10,530,445

Note 24. Equity - non-controlling interest

Issued capital	1,150,029	1,285,874	-	-

Realestateview.com.au Ltd is incorporated in Australia. Percentage of ownership is 52.94% (2016: 54.96%)

Note 25. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk
Financial instruments used
The principal categories of financial instrument used by the Group are:
- Trade receivables
- Cash at bank
- Bank overdraft
- Bank loan
- Trade and other payables
- Available for sale financial assets

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The company's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the company to interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk. The policy is to maintain borrowings at fixed rate when necessary.

Note 25. Financial instruments (continued)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject of the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have an average maturity of 3 years.

Remaining contractual maturities
The following tables detail the consolidated entity's and company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	603,951	-	-	-	603,951
GST payable	-	197,713	-	-	-	197,713
Other payables	-	615,060	-	-	-	615,060
Interest-bearing - variable						
Bank overdraft	8.43%	73,052	-	-	-	73,052
Bank loans	7.67%	-	-	323,531	-	323,531
Total non-derivatives		1,489,776	-	323,531	-	1,813,307

Consolidated - 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	546,047	-	-	-	546,047
GST payable	-	185,804	-	-	-	185,804
Other payables	-	537,793	-	-	-	537,793
Interest-bearing - variable						
Bank overdraft	9.57%	103,137	-	-	-	103,137
Interest-bearing - fixed rate						
Bank loans	4.92%	-	-	532,579	-	532,579
Total non-derivatives		1,372,781	-	532,579	-	1,905,360

Note 25. Financial instruments (continued)

Parent - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	58,314	-	-	-	58,314
GST payable	-	107,954	-	-	-	107,954
Other payables	-	174,608	-	-	-	174,608
Total non-derivatives		340,876	-	-	-	340,876

Parent - 2016	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	102,442	-	-	-	102,442
GST payable	-	95,882	-	-	-	95,882
Other payables	-	353,683	-	-	-	353,683
Total non-derivatives		552,007	-	-	-	552,007

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 26. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Short-term employee benefits	910,345	1,025,872	726,241	797,380

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick Melbourne, the auditor of the company:

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Audit services - Hall Chadwick Melbourne Audit				
Audit of the financial statements	69,950	69,700	46,200	46,200
Other services - Hall Chadwick Melbourne				
Preparation of the statutory accounts, tax returns and consultancy	37,300	95,913	18,150	46,494
	107,250	165,613	64,350	92,694

Note 28. Contingent liabilities

The group had no known contingent liability existed at 30 June 2017.

Note 29. Commitments

The company had no known commitments for expenditure as at 30 June 2017.

Note 30. Related party transactions

Parent entity
The Real Estate Institute of Victoria Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 31.

Key management personnel
Disclosures relating to key management personnel are set out in note 26.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Sale of goods and services:				
Sale of services to subsidiaries	34,996	126,873	34,996	126,873

Receivable from and payable to related parties

	Consolidated		Parent	
	2017	2016	2017	2016
	$	$	$	$
Receivables:				
Receivables to controlling entity	2,021,427	2,448,772	2,021,427	2,448,772

Note 31. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	Principal place of business / Country of incorporation	2017 %	2016 %
Propertydataonline.com.au Ltd	335 Camberwell Road, CAMBERWELL, VIC 3124	100.00%	100.00%
Touch Base Telematics Pty Ltd	L12, 31 Queen Street, Melbourne, VIC, 3000	34.00%	34.00%

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 2:

		Parent		Non-controlling interest	
Name	Principal place of business / Country of incorporation	Ownership interest 2017 %	Ownership interest 2016 %	Ownership interest 2017 %	Ownership interest 2016 %
Realestateview.com .au Ltd	405 Riversdale Rd, Hawthorn East VIC 3123	52.94%	54.96%	47.06%	45.04%

Note 32. Economic dependency

The company acquires professional and support services at normal commercial terms that the company is dependent on. The accounts are prepared on the basis that these services will continue to be supplied for the foreseeable future.

Note 33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 34. Reconciliation of loss after income tax to net cash from operating activities

	Consolidated		Parent	
	2017 $	2016 $	2017 $	2016 $
Loss after income tax benefit for the year	(328,599)	(277,153)	(418,469)	(346,116)
Adjustments for:				
Depreciation and amortisation	2,155,184	1,938,879	330,900	312,020
Write off of property, plant and equipment	28,571	-	28,571	-
Net loss on disposal of non-current assets	-	823,857	-	-
Share of profit - associates	-	(4,878)	-	-
Provision - Department of Education and Training	-	690,000	-	690,000
R & D receivable	305,583	-	-	-
Other adjustments	-	(229,906)	-	-
Change in operating assets and liabilities:				
Decrease in trade and other receivables	497,221	307,748	194,221	113,123
Decrease/(increase) in deferred tax assets	(344,641)	(164,602)	(335,841)	(298,155)
Decrease/(increase) in other operating assets	(202,017)	(235,820)	269,738	744,233
Increase/(decrease) in trade and other payables	152,508	(518,476)	(168,973)	(230,061)
Decrease in employee benefits	(182,116)	(4,610)	(188,921)	(1,058)
Net cash from operating activities	2,081,694	2,325,039	(288,774)	983,986

The Real Estate Institute of Victoria Ltd
Directors' declaration
30 June 2017

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2017 and of their performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Joseph Walton
Director

18/09/2017
Melbourne

THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED
ABN 81 004 210 897

INDEPENDENT AUDIT REPORT
TO THE MEMBER OF
THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED

We have audited the accompanying financial statements of The Real Estate Institute of Victoria Limited (the company) which comprises the statement of financial position as at 30 June 2017 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017, a summary of significant accounting policies and other explanatory notes and the director's declaration.

Director's Responsibility for the Financial Statements

The director of the company is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the director also state, in accordance with Accounting Standard AASB 101: 'Presentation of Financial Statements', that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial statements, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED
ABN 81 004 210 897

INDEPENDENT AUDIT REPORT
TO THE MEMBER OF
THE REAL ESTATE INSTITUTE OF VICTORIA LIMITED

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the director of The Real Estate Institute of Victoria Limited would be in the same terms if provided to the director as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

a. The financial statements of The Real Estate Institute of Victoria Limited is in accordance with the Corporations Act 2001 including:

   (i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Hall Chadwick Melbourne Audit
Chartered Accountants
Level 14, 440 Collins Street
MELBOURNE VIC 3000

Partner: David Lissauer

MELBOURNE

Dated this 19th **day of** September **2017**

CONTACT US

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