

**The Real Estate Institute
of Victoria Ltd**

**Annual Report
2021 - 2022**



REIV

PRESIDENT'S REPORT



It has been a challenging 12 months for the real estate sector with successive extensive lockdowns interspersed with lesser restrictions throughout 2020 and 2021 and into 2022, which have seen the resilience of all real estate professionals tested but really shine through.

Even with the challenges and limitations on where we could go and what we could do, the real estate sector continued to operate. Residential property managers were hit particularly hard having to contend with the special measures to protect residential renters and implementation of significant changes to the Residential Tenancies Act.

Commercial leasing agents also faced additional pressures as a result of the Commercial Tenancies Relief Scheme.

A number of our members have been reflecting on their futures with some deciding to leave real estate, whether through retirement or to pursue different careers. Staff losses, the increased duration of the Certificate IV course and the inability of trainees to undertake real estate activities until qualified are compounding pressures on real estate businesses. These issues are of utmost importance and the REIV is actively engaging with government on them and will, as a priority, engage with the new government to fast track the required legislative changes.

Despite the setbacks and challenges the year threw at us, I have been heartened by the enthusiasm and dedication of our members to their clients and each other. It is recognised that the challenges and changes imposed on our sector have adversely affected the way we operate, however the REIV and the Board is committed to being relevant, engaged, interested in your outcomes and adding value to every one of our members. The REIV continues to lobby all the political parties for better outcomes for the real estate sector as a whole.

The REIV

For the 2021/22 financial year, the REIV consolidated entity delivered a profit of \$475,995. The Audited Financial Statements for the consolidated entity are appended and performance against the 2021-23 Strategy is summarised in the body of this Annual Report.

Changes to the composition of the real estate sector are reflected both in REIV membership numbers and the reasons cited by those individual and office Members who have not renewed for 2022/23 or resigned or changed their membership status mid-year.

Real membership gains were recorded for Licensed Members. The overall reduction in membership as compared to 2020/21 has largely been in Agents' Representative, Sole Trader and Student members. Student members are primarily those undertaking the REIV Agents' Representative Certificate course. Student numbers in 2020/21 were

inflated owing to the flood of students who enrolled on the former Agents' Representative training before it became redundant.

As you know, the REIV continued to operate and provide services throughout the two plus years of lockdown but had to do so differently. Lower levels of real estate activity during lockdowns affected the demand for some services, such as REIV VicForms, and training provided through our Registered Training Organisation (RTO).

The Board

There have been a number of changes to the Board this year. In August 2022, Sam Hatzistamatis was appointed to fill the vacancy created by Adam Docking's resignation and Agata Jarbin was appointed as an Additional Director.

At the end of September 2022, Board Directors Noel Dyett, Sophie Lyon and Robyn Waters OAM completed their terms of office. The Board and the REIV are deeply indebted to them for their significant contributions over many years.

At the same time, Michael Clements stepped down after three years as an Additional Director. His insights, independence, knowledge and experience were invaluable.

I welcome the three enthusiastic new Directors to the Board in Hayley Mitchell, Darren Pearce and Wendy Steel, who joined the Board on 1 October 2022.

The Board's focus on corporate governance over the year is summarised in the body of this report.

The Leadership Team

Gil King completed his term as Chief Executive Officer at the end of December 2021. The new CEO, Quentin Kilian, joined the REIV on 18 February 2022, following a rigorous recruitment process and brings a wealth of relevant experience, not least from his former role as CEO of The Real Estate Institute of the Northern Territory, which he held for over 12 years.

As your new President, I am committed to meeting as many agents, agencies and franchise groups as possible to get your feedback on how and what the REIV could do to add value to your membership. Please feel free to reach out to me as I would love the opportunity to talk with you.

Finally, thank you to our dedicated REIV staff, led by CEO, Quentin Kilian. Their commitment and dedication to a new working environment is acknowledged and appreciated, ensuring that the REIV delivers relevant, high-quality services to our members.

On behalf of the Board, I commend this report to you.

It's a great day for Real Estate!

Andrew Meehan
President

THE BOARD

1 October 2021 to 30 September 2022

Adam Docking <i>Resigned 21/4/22</i>	Sophie Lyon
Jacob Caine	Megan Mander
Leah Calnan	Andrew Meehan
Michael Clements	Renee Reynolds
Noel Dyett	Richard Simpson
Sam Hatzistamatis <i>Joined 8/8/22</i>	Robyn Waters OAM
Agata Jarbin <i>Joined 8/8/22</i>	

From 1 October 2022

Jacob Caine	Hayley Mitchell
Leah Calnan	Darren Pearce
Sam Hatzistamatis	Renee Reynolds
Agata Jarbin	Richard Simpson
Megan Mander	Wendy Steel
Andrew Meehan	

THE LEADERSHIP TEAM

Quentin Kilian	Chief Executive Officer
Mindy Wilson	Company Secretary
Matthew Griffin	Membership Services Manager
Rushali Parikh	Training Manager (RTO)
Nicole Greenwell	Events and Partnerships Manager
Sarika Bhalla	Marketing and Communications Manager
Keith Tann	Finance Manager
Vikram Jain	IT Manager

CEO'S REPORT



It is my pleasure to contribute to my first REIV Annual Report. While I can only lay claim to leading the REIV for half of the 2021/22 financial year, it has certainly been an interesting one, and one of real change and growth.

My aim over this, and coming years, is to reinvigorate the REIV and to strengthen its relevance with members and wider stakeholders. This is a great organisation and one that holds much respect in the community, but like all businesses, it has taken a bit of a battering from the COVID lockdowns and lack of personal interaction during that extended period. So, there is some re-

building to be done.

The key principles I am working on are *Growth*, *Innovation*, *Evolution*, and – most importantly – *Value* to members.

Growth, as with any business, is vital to its longevity, and ours will come not only in growth of our membership, but also in the growth of the products and services we offer and growth in our reputation and advocacy.

Innovation is absolutely necessary if we are to remain relevant into the future and be an organisation that younger generations want to engage with and to support. Innovation comes not only through the use of technology, but also through modernisation of structures, including the corporate governance framework.

Evolution is about where we will be in 20 years, or even 50 years' time. What will our aims be then? What will our purpose be? How will we be expected to best serve our members? While we do not yet have the answers, we need to be asking the questions and then planning what the REIV might look like and how we evolve ourselves to embrace that future.

And most of all, everything we do must be of **Value** to members. It is fine to create new products, or introduce new services, but if they do not add value to our members then they are somewhat worthless. It is paramount that we continue to strive to make the work and social lives of our members better, easier and more productive through what we do for them and on their behalf.

We continue to advocate on behalf of our members and the sector. Since I joined the REIV in February 2022 we have advocated on, and responded to the following with the Minister, Shadow Minister, various government departments and in the media:

- **Interim Certificate** for Certificate IV students, to allow them to commence working while completing their studies.

- **Mutual Recognition** changes to enable the recognition of interstate and New Zealand skills for Agents' Representatives.
- **Property Market Review**, on which we lodged our submission in April, but have yet to see the final report despite ongoing engagement.
- **Taxation Reform**, where we have sought a Forum led by the Treasurer and potentially involving the Federal Treasurer or their Department, to tackle the issue of changing the property taxation regime and in particular getting rid of Stamp Duty.
- **Underquoting Task Force**, which is to be introduced at a cost to the taxpayer of nearly \$4M and is drawn from the, as yet unpublished, Property Market Review Report.
- **RTA Review**, where a full review of the RTA is required. As it is over 12 months since the 130 changes came into play, there are many things that are just not working or would benefit from a tweak. We are calling on Government to sit with us and do a full review of what needs to be fixed.
- **VCAT under staffing**. The Government promised to make resources available to VCAT to help with the backlog of cases – this has not occurred.
- **Section 55** of the Estate Agents Act needs alteration to allow both for the protection of the consumer through a declaration of interest, and to allow the Agent to be able to earn a commission for the work they have carried out.
- **Traineeships**, which are in place and delivered by the REIV, but lack guidance on what real estate work can be performed by trainee while undertaking their studies.
- **2022 State Election Priorities** were delivered to each of the political parties with a range of issues on which we required answers and commitments.

There is a lot of other advocacy work being developed, including ongoing vocalisation on the recently announced 'Underquoting Taskforce' plus issues such as commercial signage limitations in the CBD.

We have also made some changes within the REIV with some new staff members coming on board and a reinvigoration of the Leadership Team. We are currently recruiting in a number of areas.

The focus going forward is to look at the questions of relevance and value; to ascertain what it is that 'makes members tick'; what we currently provide or could provide that continues to make the REIV an indispensable part of our members' lives; and how can you, as members, be involved in shaping the REIV's future.

The entire team is very excited about our future and where we see the REIV going. We have a lot of work in front of us and we need members to be engaged with us on this journey. What an exciting journey it will be.

Quentin Kilian
Chief Executive Officer

CORPORATE GOVERNANCE

Governance matters addressed during the year included critical changes to the Constitution, establishment of a Nominations and Remuneration Committee, appointments of Quentin Kilian as CEO, a Director to fill a casual vacancy and an Additional Director, the appointment of the Company Secretary and review of the risk management framework.

Constitution

At the 2021 Annual General Meeting, members voted for important changes to Clause 7 of the Constitution – *Meetings of Members*. The primary change was to enable the REIV to hold wholly virtual General Meetings of Members to reflect changes to the Corporations Act. While it is not the intention that virtual General Meetings will be held as a matter of course, it is critically important that the REIV is able to do so should the need arise.

Other changes included the correction of errors and inconsistencies and the addition of provision for Direct Voting, which gives members greater choice. Where resolutions are to be put to a General Meeting, members can now choose whether to attend and vote, to appoint a proxy if they cannot attend or to vote in advance, without having to attend the meeting.

Nominations and Remuneration Committee

In the first instance a Nominations Committee was established solely to oversee the recruitment of the CEO on behalf of the Board, noting that the final decision on appointments is reserved to the Board.

The Committee also oversaw the processes to recruit:

- A replacement for Adam Docking to serve on the Board for the remainder of the unexpired term – to 30 September 2023. The Board was delighted with the response from Members and welcomed Sam Hatzistamatis onto the Board on 8 August 2022.
- An Additional Director given Michael Clements' intention to resign as Director. The Board was delighted to welcome Agata Jarbin on 8 August 2022.

Since those appointments, the Board extended the scope of the Committee to include Remuneration relating to the CEO, Directors and the President.

Company Secretary

Every company must have at least one Company Secretary. The Company Secretary is an Officer of the Company, sharing many of the same duties under the Corporations Act as Directors and is appointed by the Board. The role includes such duties as advising the Board on corporate governance matters, managing reporting requirements for the Board, managing the arrangements and materials for Board, Committee and General Meetings of Members. The REIV Company Secretary has traditionally been the CEO.

After careful consideration of a range of options, the Board appointed Merinda (Mindy) Wilson as Company Secretary from 23 May 2022.

Risk Management

Management has completely overhauled the REIV's corporate risk register and is reviewing and refreshing a range of associated materials. The outcome of these endeavours will be to embed understanding of risk across the organisation, deliver a culture of active risk management, provide for robust reporting and inspire greater Board confidence in the REIV's risk profile.

Members' Council, Chapter and Division Committees and Past Presidents' Council

On 31 December 2022, current Chapter and Division committee members will complete their two-year terms. As Members' Council is comprised of delegates appointed by each committee and the Past Presidents' Council, the current two year cycle for Members' Council will conclude on the same date.

Grateful thanks are extended to all committee members and Members' Council delegates, including Valda Walsh AM and Joseph Walton for the Past Presidents' Council, for their contributions over the past two years.

New Chapter and Division committees will serve for two years from 1 January 2023 and an induction event will be arranged for committee members early in the New Year.

OCCUPATIONAL HEALTH AND SAFETY

The Board is mindful of its accountabilities under the Occupational Health & Safety Act and accompanying Regulations (OHS).

Andrew Meehan served as the Board's OHS representative until 24 October 2022 when Hayley Mitchell took over the role. The Board OHS representative provides a point of contact for:

- The REIV management OHS lead; and
- Staff in the event of complaints against the CEO, Directors or other OHS concerns.

The CEO provides written reports to the Board both on reportable incidents, of which there have been none in the past 12 months, and issues that may, if not resolved, have potential for escalation. There have been no WorkCover or other claims against the REIV over the past year and there are none pending.

STRATEGY 2021-23



The current Strategy commenced on 1 July 2021 and runs through until 30 June 2023.

The Strategy is supported by a plan which originally included some 16 projects, but was reduced to 12 projects following Board review of achievements and general progress in March 2022.

The REIV's purpose as stated in the Constitution and summarised in the Mission Statement remains unchanged and a Vision statement was added in 2021:

Mission

To enhance the professional excellence of our members to the benefit of the communities they work within, and to advocate and represent their interests.

Vision

A Strong and Sustainable Victorian Property Sector.

PERFORMANCE HIGHLIGHTS

MEMBERSHIP

Total Membership (including Affiliates)

	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Office	2,403	2,449	2,415	2,434
Individual	6,885	7,495	5,821	5,581

Last year there was an increase of 13.8% in Sole Traders. This year, Sole Trader membership reduced by 16.2%. Licensed membership increased by 1.2% and Representative membership reduced by 4%. Student membership decreased by 28.5% reflecting both the conclusion of the membership period for former students and lower enrolments in the new Certificate IV course.

Affiliate numbers continue to increase and were up 33.7% on last year. Affiliates comprise a high number of real estate employees and service providers who are not eligible for individual membership. Access to REIV information, events and the opportunity to engage with others in the sector are the key drivers.

BE THE VOICE

In the eyes of the Government, the opposition, the media, commercial and residential property owners and the public, the REIV's position as the peak body for the real estate sector continues to grow.

Those matters on which the REIV has focused its advocacy and representation work over the past year are summarised in the CEO's report.

In addition to the REIV's focus on Victoria, the REIV participated actively in the development of a suite of Real Estate Institute of Australia (REIA) policies that provided the foundation for REIA and State and Territory campaigning by each Real Estate Institute in the run up to, and following, the Federal election. The policies cover housing supply, affordability, taxation, cities and regions, sustainability and essential support for real estate agency development.

The REIV's media profile provides a good indicator of the extent and success of its advocacy and representation work. Audience reach and advertising equivalent spend are monitored on a monthly basis.

Monthly Median	2021/22	2020/21	2019/20	2018/19
Advertising Equivalent Spend	\$3.63M	\$5.4M	\$1.05M	\$440,580
Audience Reach	43.5M	6.7M	5.2M	3.82M

A strong media presence supports strategy delivery by increasing awareness and understanding of the REIV throughout the wider community, including Government and the public. Consistent, evidenced based commentary on matters affecting members, the

real estate sector, clients and customers enhances the REIV's reputation and credibility and, by association, our members.

The REIV's data analysts play a key role in supporting our advocacy and media engagement by providing evidence-based commentary. Members also benefit from a wide range of data and insights, including weekly Auction Clearance Rates, monthly Research Bulletins, REIV RMX and regularly updated Local Government Area profiles.

UNITE THE SECTOR

Over the 2020 and 2021 calendar years, REIV's communication and marketing efforts centred on the Residential Tenancies Act and COVID related matters and particularly, timely delivery of reliable information and resources, managing the REIV's increasing social media presence and supporting members' mental health.

In 2022 work re-started on the next stage of *The Difference* campaign. In September 2022, the **REIV REAL** campaign was launched. So far, just under 500,000 views of the videos on Facebook have been achieved.

		2021/22	2020/21	2019/20	2018/19
<i>Monthly Median</i>					
Website Analytics	Website visits	98,794	95,300	99,106	83,800
Social Media (followers)	Instagram, Facebook, Linked In, Twitter	43,144	39,720	31,226	28,977

DELIVER QUALITY CONTENT

RTO

The REIV advocated for the new National Training Package for Property Services, and through its Training Manager, was closely involved in its development and engaged with CAV on its implementation in Victoria. The REIV launched its Certificate IV in Real Estate Practice for Agents Representatives in October 2020 and the Diploma was launched in March 2022.

	2021/22 Totals	2020/21 6 months
Certificate IV Enrolments	398	123
Certificate IV Completions	33	N/A
Diploma Enrolments	10 (4 months only)	N/A
Diploma Completions	N/A	N/A

The REIV receives funding for eligible students through the Skills First VET Funding Contract and passed audit successfully this year. The Traineeship program was supported by the Federal Boosting Apprenticeship Commencements funding scheme until 30 June 2022.

Recently, in response to the needs of real estate businesses and student feedback, REIV reduced the duration of its Certificate IV course to 6 months. In so doing, new recruits will be ready and available much earlier. On-line delivery is currently the only option, but in response to feedback from members and students, in person classes will be available from February 2023. A fast-track option is offered for those Agents' Representatives already working in the sector who had completed the previous short course, enabling these practitioners to upskill to current Certificate IV level.

Enrolments in the former Agents' Representative training tended to fluctuate in line with real estate market conditions. The same seems to be the case for the Certificate IV, with the REIV and equivalent RTOs experiencing drops in enrolments at this time.

CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

Commitment to ongoing development is expected of all members. Members are supported through REIV events and a range of training opportunities. In 2021/22 some 56 online and face to face events were held and there are now 39 online short courses, webinars and AFL Coach masterclasses available to members.

REIV professional development opportunities will be expanded, not least through:

- Conversion of Certificate IV and Diploma units into individual courses ;
- Re-launch of those specialist short courses that were put on hold during COVID. The Buyers' Agents, Business Brokers and Owners Corporation Chapter Committees are playing important roles in the process to review and update the content;
- An REIV conference, with the first for four years to be held in late March 2023.

The Board is in the process of reviewing the REIV CPD Scheme to consider what, if any, changes would be beneficial for members.

BUILD STRONG FOUNDATIONS

Core to this strategic pillar, is the digital transformation of our services and internal operations. For members, the most visible outcome will be a new website that provides for a personalised experience, enables greater self-service and improves accessibility to the wealth of information available. Considerable preparatory work has been done this year.

PROPERTYDATA ONLINE PTY LTD

Propertydata Online Pty Ltd is a wholly owned REIV subsidiary. Richard Simpson is the sole Director of the Company, with strategic decisions made by the REIV Board. As an REIV subsidiary, the Company's financial performance forms part of the REIV's consolidated accounts.

PDOL assets were sold to Property Data Pty Ltd, owned by R Smart Pty Ltd, trading as Hutly in November 2021. The REIV maintains ongoing access to data to underpin the research and reports available to members and to support our media commentary and advocacy and representation work.

MEMBER REPRESENTATION

At 30 June 2022

REIV BOARD COMMITTEES AND REIV BOARD APPOINTMENTS TO OTHER BODIES

Board Management and Finance Committee

Andrew Meehan Chair
Richard Simpson
Leah Calnan
Megan Mander
Jacob Caine

PropertyData OnLine Pty Ltd Director

Richard Simpson

REIA Director

Richard Simpson

Nominations and Remuneration Committee

Andrew Meehan Chair
Richard Simpson
Renee Reynolds
Jacob Caine

DIVISION COMMITTEES

Bendigo

Matt Bowles Chair and MC
Paul Byrne
Bradley Hinton
John Keating
Tom Maher MC
Jacinta McIvor
Andrew Murphy

Divisions without Committees:

Mallee, Wimmera, South West, Barwon, Central Highlands, Ovens Murray, Goulburn Murray, Gippsland

The Metropolitan Division is supported direct by the REIV and is not served by a Division Committee.

PAST PRESIDENTS' COUNCIL

Valda Walsh AM and Joseph Walton are the delegates to Members' Council.

CHAPTER COMMITTEES

The Chapter Committees formed on 1 January 2021 complete their terms on 31 December 2022. Committee members, Committee Chairs and Members' Council delegates at 30 June 2022 were:

Auction

Harry Li	Chair
Luke Banitsiotis	
Alisha Pitts	
Andy Reid	MC
Raoul Salter	
Paul Tzamalīs	MC
Jeremy Tyrell	
Steve Zervas	

Owners Corporation

Kate Yeowart	Chair/ MC
David Gluck	
Norman Mermelstein	MC
Michael Nardella	
John Ross	
Neville Sanders	
Alex Starr	
Lucas Taylor	

Business Brokers

Gloria Ammerlaan	Chair
Grita Angelucci	MC
Kevin Connolly	
Jamal Dabab	
Denise Hall	
Robert Hurst	
Ian Wollermann	MC

Property Management

Sam Hatzistamatis	Chair
Sabina Aldouby	MC
Amy Blackburn	
Amanda Bury	
Cindy Hartnett	
Kirsty Patterson	MC
Wendy Steel	
Courtney Thursfield	

Buyers' Agents

Eddie Van Pamelan	Chair
Bernard Corser	
Tonya Davidson	
Mark Errichiello	MC
Richard Kerr	
Paul Murphy	
Melissa Opie	MC
Janet Spencer	

Sales

Anthony Molinaro	Chair/MC
Greg Bowring	
Janet Fleet	
Peter Hannon	
Christine Henderson	
Adam Joske	
Evan Lykourinos	MC

Commercial and Industrial

Tim Mitchell	Chair/MC
Michael Di Carlo	
William Di Donna	MC
Christopher James	
Marni Lawson	

Valuers

Stephen Miles	Chair
Milton Cations	MC
Martin Fallon	MC
Jan Hancock	
Peter Lawrence	
Damian Lynch	
Simon Eishold	
Darrell Simpson	
Nicholas Walsh	

New Members

Megan Kimpton	Chair/MC
Jatinder Singh Aashat	MC
Wendy Chong	
Ali Ibrahim	
Rachel Lima	
Bailey White	

NOMINATIONS

For the financial year 2021/22

Presidential Appointments

Rental Determinations

The nomination of REIV Member qualified practising valuers to conduct market rent reviews of commercial and industrial premises and recommendations of REIV Member specialist retail valuers to the Victorian Small Business Commissioner to conduct market rent reviews of retail premises in accordance with the Retail Leases Act 2003.

Applications	30
Nominations	26
Withdrawn	4
On Hold	0

Miscellaneous Appointments

The nomination of REIV Member real estate agents and/or qualified practising valuers in accordance with Court Orders, Terms of Settlement or other agreements in relation to Family Law matters, the administration of Deceased Estates, Insurance Claims and other residential and commercial disputes.

Applications	30
Nominations	28
Withdrawn	6



The Real Estate Institute of Victoria Ltd and controlled entity

ABN: 81 004 210 897

Consolidated Financial report

For the year ended 30 June 2022

Pitcher Partners

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THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereinafter as the group or the consolidated entity) consisting of The Real Estate Institute of Victoria (referred to hereinafter as the company or parent entity) and the entity it controlled, Propertydataonline Pty Ltd, during or at the end of the year ended 30 June 2022 and auditor's report thereon.

Directors names

The names of the Directors of the company during the financial year and up to the date of this report, unless otherwise stated were:

Leah Calnan

Adam Docking (Resigned 21 April 2022)

Sophie Lyon (Expiry of term 30 September 2022)

Robyn Waters (Expiry of term 30 September 2022)

Richard Simpson

Michael Blake (Expiry of term 30 September 2021)

Noel Dyett (Expiry of term 30 September 2022)

Cameron Way (Expiry of term 30 September 2021)

Sotirios Hatzistamatis (Appointed 8 August 2022)

Agata Jarbin (Appointed 8 August 2022)

Michael Clements (Resigned 30 September 2022)

Andrew Meehan

Jacob Caine

Megan Mander (Appointed 1 October 2021)

Renee Reynolds (Appointed 1 October 2021)

Hayley Mitchell (Appointed 1 October 2022)

Darren Pearce (Appointed 1 October 2022)

Wendy Steel (Appointed 1 October 2022)

Sotirios (Sam) Hatzistamatis was appointed by the Board to fill the casual vacancy created by Adam Docking's resignation and will serve for the remainder of the resigning Director's term to 30 September 2023.

Agata Jarbin was appointed by the Board as an Additional Director for an initial 12 month term, renewable by mutual agreement.

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

DIRECTORS' REPORT

Results

The loss from continuing operations of the group for the year after providing for income tax amounted to \$446,931 (2021: Profit \$122,329). Total comprehensive income for the year amounted to \$5,478,581 (2021: \$780,537).

Significant changes in state of affairs

The sale of the Propertydataonline Pty Ltd asset to Property Data Pty Ltd was completed on 1 October 2021. The total value of the sale was \$3m less an agreed amount to cover employee entitlements. \$500,000 (less employee entitlements) of the sale amount was received in the 2021/22 financial year. A further \$250,000 will be received by the first anniversary of the sale and the remainder comprising a deferred consideration is to be paid within 5 years of the 1 October 2021 completion date.

In February 2022, realestateview.com.au Ltd issued 24,350,000 new shares to IMP increasing their shareholding to 72.18% and reducing the shareholdings of all other shareholders. REIV's shareholding reduced from 5.75% to 2.3%.

Objectives

The REIV Mission, Vision and 2021 to 2023 Strategic Plan were reviewed by the Board in March 2022. There were no changes to the four strategic pillars: Unite the Sector, Be the Voice, Deliver Valuable Content and Build Strong Foundations, with the Board approving the updated plan which reflected project completions, progress and essential adjustments consequent upon the sale of the Propertydataonline asset.

Mission

To enhance the professional excellence of our members to the benefit of the communities they work within, and to advocate and represent their interests.

Vision

A Strong and Sustainable Victorian Property Sector.

Financial performance was reviewed at each scheduled meeting. The Corporate Risk Register was reviewed quarterly, with issues arising and actions to address them being advised to the Board where necessary and addressed promptly. The Board Management and Finance Committee met with the Auditor twice during the financial year and each occasion included discussions without the presence of Management.

Strategic and operational performance and associated Critical Performance Indicators, together with updates on advocacy work were provided to the Board at each scheduled meeting.

Performance achievements in the financial year included:

- High Member retention levels and growth;
- Successful advocacy and representation on a wide range of policy matters including government directions pursuant to the management of the COVID-19 pandemic;
- Maintenance of the Company's media profile and continuing higher levels of audience reach, advertising equivalent spend and media responses;

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

DIRECTORS' REPORT

- Sustained social media engagement and followers;
- Delivery of virtual events providing considerable opportunity for Members throughout Victoria to invest in their professional development and the re-introduction of in person events in the latter half of the year;
- Enrolments in the new Agent's Representative Certificate IV course, launch of a Fast Track Program with Government funding and launch of the new Licensed Agent's Diploma course;
- Launch of Propel providing Members with a wide range of online short courses and other self-paced learning opportunities.
- Appointment of the new Chief Executive Officer from 18 February 2022.

Operational improvements continue to be delivered through active cost control, supplier management and risk management. Digital transformation is central to the strategic plan and the delivery of easy to access, personalised, content rich value added services to Members, provision of high quality essential information to the public and improving the efficiency and effectiveness of internal operations.

Principal activities

The principal continuing activities of the consolidated entity during the financial year were:

- The development of the Institute to support and promote the mutual interests of its Members;
- Advocacy and representation on behalf of the real estate sector in Victoria;
- The delivery of real estate and related education and training;
- The provision of events to support the continuing professional development of Members;
- The delivery of information to Members on real estate and related matters;
- The development of Propertydataonline Pty Ltd in line with its Business Plan until sale of the asset.

After balance date events

No matters have arisen since 30 June 2022 that have 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 as the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

DIRECTORS' REPORT

Information on directors

Leah Calnan	Vice President
Qualifications	CEA (REIV)
Experience	<p>A licensed real estate agent and proprietor and director of Metro Property Management Pty Ltd and Leah Calnan Consulting Pty Ltd. A property management specialist, an REIV accredited trainer and author of "Simple and Successful Property Management".</p> <p>First elected to the Board from the Metropolitan Zone from 1 October 2014 and re-elected in 2017 and 2020.</p> <p>Elected by the Board as President for two terms from October 2019 to October 2021.</p> <p>Previously REIV Vice President from 23 October 2017 to 8 October 2018 and REIV Senior Vice President from 8 October 2018 to 14 October 2019. Members' Council and Board Management and Finance Committee Chair from 8 October 2018 to 14 October 2019.</p>
Special responsibilities	<p>Elected by the Board as Vice President from 2 May 2022.</p> <p>Member of the Board Management and Finance Committee from 8 October 2018.</p>
Adam Docking	Director
Qualifications	FREI, CEA (REIV)
Experience	<p>A licensed real estate agent and auctioneer and Director of MJ Docking and Associates Pty Ltd, a family firm operating in the residential, commercial and property management sectors.</p> <p>Elected to the Board from 1 October 2017 from the Metropolitan Zone and re-elected for a second 3-year term from 1 October 2020. REIV Vice President from 8 October 2018 to 14 October 2019.</p> <p>Elected by the Board as REIV Senior Vice President from 14 October 2019 and re-elected for a second term to 4 October 2021. Chair of the Board Management and Finance Committee and Members' Council for two years from 14 October 2019 to 4 October 2021.</p> <p>Resigned as a Director on 21 April 2022.</p>
Special responsibilities	<p>Elected by the Board as President from 4 October 2021.</p> <p>Member of the Nominations Committee to 21 April 2022.</p>

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DIRECTORS' REPORT

Information on directors (Continued)

Sophie Lyon	Director
Qualifications	CEA (REIV), AREI
Experience	<p>A licensed real estate agent and Director and General Manager Property Management of Jellis Craig Boroondara. A specialist in property management, an REIV accredited trainer and a regular speaker at industry events in Australia, New Zealand and the USA.</p> <p>Elected to the Board from the Metropolitan Zone from 1 October 2016 and re-elected for a further term from 1 October 2019. Previously served as an REIV Director from 2008 to 2014.</p> <p>Chair of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.</p> <p>Chair of the REIV Charitable Foundation Board until its de-registration on 21 July 2021.</p> <p>Retired from the Board at the end of her second term on 30 September 2022.</p>
Robyn Waters OAM	Director
Qualifications	CEA (REIV), FREI, FRICS
Experience	<p>A licensed real estate agent operating as a sole trader, with extensive experience across all aspects of real estate practice. An active member of FIABCI and FIABCI World President in 2014. REIA Trustee to the International Ethics Standards Coalition. Ministerial appointment to the Estate Agents Council from 2015 to 2018. REIV representative to the REIA Board from December 2017 to December 2018.</p> <p>Elected to the Board from the Metropolitan Zone from 1 October 2016, re-elected to the Board from 1 October 2019 and served as a Director previously from 2001 to 2006. REIV President from 8 October 2018 to 14 October 2019 and Senior Vice President from 23 October 2017 to 8 October 2018.</p> <p>REIV Charitable Foundation Board Director until its de-registration on 21 July 2021.</p> <p>Elected to the FIABCI Australia Chapter Executive Committee from February 2022.</p> <p>Retired from the Board at the end of her second term on 30 September 2022.</p>
Special responsibilities	Member of the Board Management and Finance Committee from 8 October 2018 to 25 October 2021.

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DIRECTORS' REPORT

Information on directors (Continued)

Richard Simpson	President
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and managing partner of W B Simpson & Son, a long-standing family owned business that sells and leases residential and commercial property. Previously a Chartered Accountant with KPMG with a focus on the banking, financial and property development sectors. Elected to the Board from the Metropolitan Zone from 1 October 2015 and re-elected in 2018 and 2021. REIV President from 23 October 2017 to 8 October 2018. Chair of the Finance, Risk and Audit Committee and Chair of the Board Management Committee to 8 October 2018. Past REIV Charitable Foundation Board Director.
Special responsibilities	Elected by the Board as President on 2 May 2022. Elected by the Board as Senior Vice President from 4 October 2021 to 2 May 2022 Previously Vice President from 5 October 2020 to 4 October 2021. Member of the Board Management and Finance Committee from 8 October 2018 and Chair of the Committee from October 2021 to May 2022. Member of the Nominations and Remuneration Committee. REIV representative to the REIA Board for three years from December 2018 and 2021. Sole Director of Propertydataonline Pty Ltd
Michael Blake	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and auctioneer and a Sales Consultant with Youngs and Co Pty Ltd Shepparton. Elected to the Board from the Regional Zone from 1 October 2012 and re-elected for a third and final three-year term from October 2018 to 30 September 2021. Previously served as a Director from 2009 to 2011. Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee. Completed the maximum permitted consecutive terms as a Director on 30 September 2021.

DIRECTORS' REPORT

Information on directors (Continued)

Noel Dyett	Director
Qualifications	FREI, CEA (REIV), CPA
Experience	<p>A licensed real estate agent and auctioneer, previously practising in the Bendigo Division and now based in Geelong operating as a sole trader since July 2019. A qualified valuer and certified practising accountant, both non-practising.</p> <p>Previously served as a Director from 1999 to 2007 and as President in 2004 to 2005. Previously served as Victorian REIA Director from 2006-2009 and as REIA President 2008-2009. An REIV nominated Director of realestateview.com.au Ltd from 2016 to 2018. Elected to the Board from the Regional Zone from 1 October 2016 and re-elected from 1 October 2019. Retires from the Board on 30 September 2022 at the end of his second 3-year term having decided not to stand for election for a final term. Previously a member of the Finance Risk and Audit Committee. Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee. Retired from the Board at the end of his second term on 30 September 2022.</p>
Cameron Way	Director
Qualifications	FREI, CEA (REIV)
Experience	<p>A licensed real estate agent and REIV accredited auctioneer and Managing Director of Woodards Blackburn.</p> <p>Elected to the Board from the Metropolitan Zone from 1 October 2015 and re-elected from 1 October 2018. Previously a Member of the Board Management Committee, Chair of the Membership Committee to October 2018, Member of the Estate Agency Practice Committee until 25 June 2020 when it was disbanded by the Board and member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.</p> <p>Resigned from the Board at the end of his second term of office on 30 September 2021.</p>
Agata Jarbin	Director
Qualifications	LLB (Hons) BEc, GAICD
Experience	<p>An experienced CEO, Non-Executive Director and Board Chair with a background in law both as a Partner in an international law firm, King & Wood Mallesons, and as General Counsel and Company Secretary at State Trustees. Currently CEO of healthAbility, providing health and disability services and Chair of ERMHA a not for profit supporting people throughout Victoria and the Northern Territory with mental illness or disability. A member of the Law Institute of Victoria and Graduate of the Australian Institute of Company Directors.</p> <p>Appointed as an Additional Director by the Board from 8 August 2022.</p>

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DIRECTORS' REPORT

Information on directors (Continued)

Michael Clements	Director
Qualifications	B.Comm, LLB
Experience	A Director of Harris Carlson Lawyers, practising across a broad range of legal disciplines, including a longstanding reputation in residential and commercial property transactions. Appointed as an Additional Director by the REIV Board from 22 April 2019. Resigned from the Board on 30 September 2022.
Special responsibilities	Chair of the Disciplinary Committee from 1 June 2020.
Andrew Meehan	Senior Vice President
Qualifications	MBA, BAsC, CEA (REIV)
Experience	A licensed real estate agent, qualified land surveyor and holding an MBA with extensive senior management experience in a wide range of industries and experience as a Director on the Boards of a number of publicly listed companies in Australia and overseas. Currently Director of Nicholas Lynch Real Estate Group, which he co-founded in 2008, Director of Listing Loop Group and a member of FIABCI. Appointed by the Board from 14 September 2020 to fill a casual vacancy prior to commencing his first term on 1 October 2020 as an elected Director from the Metropolitan Zone.
Special responsibilities	Elected by the Board as Senior Vice President from 2 May 2022. Served as Vice President from 4 October 2021. Member of the Board Management and Finance Committee from 5 October 2020 and Chair of the Committee from 2 May 2022. Chair of Members Council Chair of the Nominations and Remuneration Committee
Jacob Caine	Director
Qualifications	MBA, BMus(Hons), ALM IR, CEA (REIV)
Experience	A licensed real estate agent, holding an honours degree in music, an MBA and a Masters in International Relations from Harvard University. Currently Group Chief Executive Officer, Dingle Partners/Caine Real Estate. Previously CEO of Caine Real Estate from 2012 to 2022. Appointed by the REIV Board as a Nominated Director on the Board of Realestateview.com.au Ltd from 2017 until 1 October 2020. Global ambassador for the Harvard Extension School. Elected to the Board from the Metropolitan Zone from 1 October 2020. Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.
Special responsibilities	Member of the Board Management & Finance Committee from 2 May 2022. Member of the Nominations and Remuneration Committee from 20 June 2022.

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DIRECTORS' REPORT

Information on directors (Continued)

Megan Mander	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent. Sole owner and Director of Urbane Commercial Pty Ltd and Director and owner of Megan Mander Consulting Pty Ltd from July 2022. A specialist in commercial property management and facilities management. Elected to the Board from the Metropolitan Zone from 1 October 2021.
Special responsibilities	Member of the Board Management & Finance Committee from 25 October 2021
Renee Reynolds	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and owner and Director of Release Property Management Pty Ltd. A specialist in property management. Elected to the Board from the Regional Zone from 1 October 2021.
Special responsibilities	Member of the Nominations and Remuneration Committee
Sotirios (Sam) Hatzistamatis	Director
Qualifications	CEA (REIV), BBus (Mktg), BBS
Experience	A licensed real estate agent holding a Bachelor of Behavioural Science, Bachelor of Business (Marketing) and a Certificate IV in Training and Assessment. Currently State Operations Manager (Property Management) for Harcourts Australia. As a specialist in property management, he has previously held senior property management roles with Harcourts Rata and Co and Philip Webb Real Estate and entered real estate as part of a family business setting up the property management division. He also has significant experience in corporate marketing in the automotive, banking and energy sectors. Appointed by the Board to fill a casual vacancy from 8 August 2022 to 30 September 2023.
Hayley Mitchell	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent specialising in property management. Previously a Director of Mitchell Property Management and Geelong Property Managers and currently a Director of BnB Property Managers and MitchellPT, which is a training and events company delivering training and events throughout Victoria. Elected to the Board from the Regional Zone from 1 October 2022.

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DIRECTORS' REPORT

Information on directors (Continued)

Darren Pearce	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and auctioneer also holding a Diploma of Business and a Certificate IV in Workplace Training and Assessment. Currently Head of Property Management at RT Edgar Toorak and previously, owner and Director of Ray White Heidelberg. Ongoing active involvement as a volunteer and in the management of a number of charitable organisations. Elected to the Board from the Metropolitan Zone from 1 October 2022
Wendy Steel	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent specialising in property management. Currently Head of Property Management for Max Brown Real Estate, having previously held Senior Property Manager roles with Barry Plant Croydon/Ringwood and Appleby Real Estate Croydon/Boronia. Actively involved in charitable fundraising in the local community. Elected to the Board from the Metropolitan Zone from 1 October 2022

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DIRECTORS' REPORT

Meetings of directors

The REIV Board of Directors met a total of 20 times during the financial year and the Board Management and Finance Committee met a total of 6 times during the financial year.

The number of meetings attended by each Director and those that were eligible to attend, are set out below.

In July 2021, the Board established a Nominations Committee solely to oversee the recruitment of a new Chief Executive Officer. The Committee comprised Andrew Meehan (Chair), Richard Simpson, Leah Calnan, Robyn Waters, Jacob Caine and Adam Docking.

In March 2022, the Board formally established an ongoing Nominations Committee to oversee Director succession planning, recruitment to fill casual vacancies, additional Director recruitment, CEO contract renewal and recruitment, appointments to external bodies and recommendations to Government for appointments and awards. At the end of the financial year, the Committee's scope and title had been changed to Nominations and Remuneration Committee and members were Andrew Meehan (Chair), Richard Simpson, Renee Reynolds and Jacob Caine.

Directors	Directors' meetings		Board Management & Finance Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Leah Calnan	20	20	6	5
Adam Docking	16	16	4	4
Sophie Lyon	20	15	-	-
Robyn Waters	20	17	2	1
Richard Simpson	20	19	6	6
Michael Blake	2	2	-	-
Noel Dyett	20	19	-	-
Cameron Way	2	2	-	-
Michael Clements	20	16	-	-
Andrew Meehan	20	20	6	6
Jacob Caine	20	16	1	1
Megan Mander	18	16	4	4
Renee Reynolds	18	15	-	-

Members guarantee

Every Member of the company is required to contribute to the assets of the company in the event of its being wound up while the Member is a member or within one year of ceasing to be a Member. The amount shall not exceed \$2 per Member. At 30 June 2022, the maximum amount for which serving Members were liable was \$17,604 based on 8,802 Members. (2021: \$19,114 based on 9,557 Members).

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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DIRECTORS' REPORT

Indemnity and insurance of officers

The company's indemnity and insurance commitments are set out in a Deed of Indemnity and Access issued to all directors on confirmation of their appointment.

The company has indemnified the officers of the company for costs and expenses incurred in defending any proceedings, in respect of any act or omission of the office as an officer of the company or related company and liabilities incurred, except where the liability arises out of a willful breach of duty or a contravention of sections 182 or 183 of the *Corporations Act 2001* or as excluded by other provisions in the *Corporations Act 2001*.

The company maintains an Association Liability Insurance policy that includes directors and officers insurance to the extent permitted by the *Corporations Act 2001*.

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*.

Environmental regulation

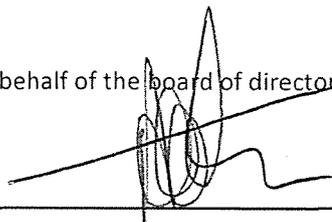
The group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Proceedings on behalf of the group

No person has applied for leave of Court to bring proceedings on behalf of the group or intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings.

Signed on behalf of the board of directors.

Director: _____



A handwritten signature in black ink, appearing to read 'Andrew Meehan', is written over a horizontal line. The signature is stylized and somewhat cursive.

Andrew Meehan

Dated 3 October 2022

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE REAL ESTATE INSTITUTE OF VICTORIA

In relation to the independent audit for the year ended 30 June 2022, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of The Real Estate Institute of Victoria and the entities it controlled during the year.



T LAPHORNE

Partner



PITCHER PARTNERS

Melbourne

Date: 4 October 2022

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue, gains and other income			
Revenue from contracts with customers	3	5,695,454	6,141,911
Other revenue	4	<u>955,030</u>	<u>1,339,668</u>
		<u>6,650,484</u>	<u>7,481,579</u>
Less: expenses			
Cost of sales	5	(1,145,953)	(1,032,926)
Depreciation and amortisation expense	5	(260,910)	(317,758)
Employee benefits expense	5	(3,736,075)	(3,844,579)
Occupancy expense		(254,478)	(231,224)
Repairs and maintenance expense		(42,654)	(55,341)
Advertising expense		(223,511)	(341,022)
Events		(165,853)	(57,503)
Professional Fees		(485,895)	(329,413)
Other expenses		<u>(795,222)</u>	<u>(808,433)</u>
		<u>(7,110,551)</u>	<u>(7,018,199)</u>
(Loss)/profit before income tax benefit/(expense)		(460,067)	463,380
Income tax (expense) / benefit	7	<u>13,136</u>	<u>(341,049)</u>
Net (loss)/profit from continuing operations		<u>(446,931)</u>	<u>122,331</u>
Net profit from discontinued operations		<u>922,926</u>	<u>506,565</u>
Profit for the year		<u>475,995</u>	<u>628,896</u>
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit and loss</i>			
Revaluation of property, plant and equipment, net of tax		5,002,585	-
Change in tax rate		<u>-</u>	<u>151,641</u>
Other comprehensive income for the year		<u>5,002,585</u>	<u>151,641</u>
Total comprehensive income		<u>5,478,580</u>	<u>780,537</u>
Total comprehensive income is attributable to:			
- Members of The Real Estate Institute of Victoria		5,478,580	780,537

The accompanying notes form part of these financial statements.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	8	4,689,529	6,352,945
Receivables	9	647,791	352,817
Inventories	10	62,703	66,942
Other assets	11	<u>1,365,580</u>	<u>373,196</u>
Total current assets		<u>6,765,603</u>	<u>7,145,900</u>
Non-current assets			
Receivables	9	1,721,656	-
Other financial assets	12	381,422	381,422
Intangible assets	13	105,484	1,614,437
Property, plant and equipment	14	25,134,014	18,542,304
Other assets	11	<u>500,000</u>	-
Total non-current assets		<u>27,842,576</u>	<u>20,538,163</u>
Total assets		<u>34,608,179</u>	<u>27,684,063</u>
Current liabilities			
Payables	15	673,064	1,082,322
Provisions	16	330,585	414,623
Other liabilities	17	<u>2,518,750</u>	<u>2,463,167</u>
Total current liabilities		<u>3,522,399</u>	<u>3,960,112</u>
Non-current liabilities			
Deferred tax liabilities	7	<u>4,806,458</u>	<u>2,923,210</u>
Total non-current liabilities		<u>4,806,458</u>	<u>2,923,210</u>
Total liabilities		<u>8,328,857</u>	<u>6,883,322</u>
Net assets		<u>26,279,322</u>	<u>20,800,741</u>
Equity			
Reserves	18	16,375,628	11,373,043
Retained earnings		<u>9,903,694</u>	<u>9,427,698</u>
Total equity		<u>26,279,322</u>	<u>20,800,741</u>

The accompanying notes form part of these financial statements.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Reserves \$	Retained earnings \$	Total equity \$
Consolidated			
Balance as at 1 July 2020	11,221,402	8,798,802	20,020,204
Profit for the year	-	628,896	628,896
Change in tax rate	<u>151,641</u>	<u>-</u>	<u>151,641</u>
Total comprehensive income for the year	<u>151,641</u>	<u>628,896</u>	<u>780,537</u>
Balance as at 30 June 2021	<u>11,373,043</u>	<u>9,427,698</u>	<u>20,800,741</u>
Balance as at 1 July 2021	11,373,043	9,427,699	20,800,742
Profit for the year	-	475,995	475,995
Revaluation of property, plant and equipment, net of tax	<u>5,002,585</u>	<u>-</u>	<u>5,002,585</u>
Total comprehensive income for the year	<u>5,002,585</u>	<u>475,995</u>	<u>5,478,580</u>
Balance as at 30 June 2022	<u>16,375,628</u>	<u>9,903,694</u>	<u>26,279,322</u>

The accompanying notes form part of these financial statements.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Cash flow from operating activities			
Receipts from customers		7,393,132	10,840,932
Grants received		632,475	478,462
Payments to suppliers and employees		(8,397,556)	(8,260,651)
Interest received		<u>8,895</u>	<u>4,520</u>
Net cash provided by / (used in) operating activities		<u>(363,054)</u>	<u>3,063,263</u>
Cash flow from investing activities			
Proceeds from sale of investments		-	1,002,670
Proceeds from sale of other non current assets		465,435	-
Payment for property, plant and equipment		(38,752)	(51,593)
Payment for investments (Term Deposits)		(1,500,000)	-
Payments for intangible assets		<u>(227,045)</u>	<u>(815,392)</u>
Net cash used in investing activities		<u>(1,300,362)</u>	<u>135,685</u>
Reconciliation of cash			
Cash at beginning of the financial year		6,352,945	3,153,997
Net increase / (decrease) in cash held		<u>(1,663,416)</u>	<u>3,198,948</u>
Cash at end of financial year	8	<u><u>4,689,529</u></u>	<u><u>6,352,945</u></u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

This financial report is the first financial report of the group prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the group's reported financial position, financial performance and cash flows.

The financial report covers The Real Estate Institute of Victoria and its controlled entity. The Real Estate Institute of Victoria is a company limited by guarantee, incorporated and domiciled in Australia. The Real Estate Institute of Victoria is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The following are the significant accounting policies adopted by the group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Significant accounting estimates and judgements

The preparation of the financial report requires the use of certain estimates and judgements in applying the group's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

(b) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is transferred to the group and are de-recognised from the date that control ceases.

(d) Revenue from contracts with customers

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the rendering of services including training services is recognised upon the delivery of the service to the customers.

Membership fees and Subscriptions:

The subscription year is based on the financial year, commencing 1 July. Subscriptions are payable annually in advance. Only those membership fees and subscription receipts, which are attributable to the current financial year, are recognised as revenue. Fees and subscription receipts relating to a period beyond the current financial year are shown in the Consolidated Statement of Financial Position as deferred income under the heading Other Current Liabilities.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Revenue:

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 expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate for 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 when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is measured net of the amount of goods and services tax (GST).

(e) Income tax

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

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

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.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax Consolidation

The parent entity and its subsidiary have implemented the tax consolidation legislation and have formed a tax-consolidated group from 1 July 2011. This means that:

- each entity recognises their own current and deferred tax amounts in respect of the transactions, events and balances of the entity.
- the parent entity assumes the current tax liability and any deferred tax assets relating to tax losses, arising in the subsidiary, and recognises a contribution to (or distribution from) the subsidiaries.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Income tax (Continued)

The tax-consolidated group also has a tax sharing agreement in place to limit the liability of subsidiaries in the tax-consolidated group, arising under the joint and several liability provisions of the tax consolidation system, in the event of default by the parent entity to meet its payment obligations.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

(g) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the group for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

All other financial liabilities recognised by the group are subsequently measured at amortised cost.

Trade and other receivables

Trade and other receivables arise from the group's transactions with its customers and are normally settled within 30 days.

Consistent with both the group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Impairment of financial assets

The following financial assets are tested for impairment by applying the 'expected credit loss' impairment model:

- (a) debt instruments measured at amortised cost;
- (b) debt instruments classified at fair value through other comprehensive income; and
- (c) receivables from contracts with customers, contract assets and lease receivables.

The group applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables. Under the AASB 9 simplified approach, the group determines the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

For all other financial assets subject to impairment testing, when there has been a significant increase in credit risk since the initial recognition of the financial asset, the allowance for credit losses is recognised on the basis of the lifetime expected credit losses. When there has not been an increase in credit risk since initial recognition, the allowance for credit losses is recognised on the basis of 12-month expected credit losses. '12-month expected credit losses' is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The group consider a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, significant changes in the value of collateral, and past due information.

The group assumes that the credit risk on a financial asset has not increased significantly since initial recognition when the financial asset is determined to have a low credit risk at the reporting date. The group considers a financial asset to have a low credit risk when the counterparty has an external 'investment grade' credit rating (if available) of BBB or higher, or otherwise is assessed by the group to have a strong financial position and no history of past due amounts from previous transactions with the group.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

The group assumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

The group has identified contractual payments more than 90 days past due as default events for the purpose of measuring expected credit losses. These default events have been selected based on the group's historical experience. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

The measurement of expected credit losses reflects the group's 'expected rate of loss', which is a product of the probability of default and the loss given default, and its 'exposure at default', which is typically the carrying amount of the relevant asset. Expected credit losses are measured as the difference between all contractual cash flows due and all contractual cash flows expected based on the group's exposure at default, discounted at the financial asset's original effective interest rate.

Financial assets are regarded as 'credit-impaired' when one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset. Indicators that a financial asset is 'credit-impaired' include observable data about the following:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) breach of contract;
- (c) the lender, for economic or contractual reasons relating to the borrower's financial difficulty, has granted concessions to the borrower that the lender would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the group has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the group. Recoveries, if any, are recognised in profit or loss.

(i) Property, plant and equipment

Each class of property, plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and any accumulated impairment losses.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Property, plant and equipment (Continued)

Property

Freehold land and buildings are measured at revalued amounts, being the fair value at the date of the revaluation, less any subsequent accumulated depreciation and any accumulated impairment losses. At each reporting date the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity. To the extent that the increase reverses a decrease of the same class of asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income; all other decreases are recognised in profit or loss.

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

Land is not depreciated. The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings at valuation	4%	Straight line
Plant and equipment at cost	12-25%	Straight line
Motor vehicles at cost	25%	Straight line
Furniture, fixtures and fittings at cost	10-20%	Straight line
Computer equipment at cost	15-35%	Straight line

(j) Intangible assets

Separately acquired intangible assets

Except for indefinite useful life intangible assets, which are not amortised but are tested annually for impairment, separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Intangible assets (Continued)

IT software development costs

Costs incurred in developing IT software are initially recognised as an asset, and are subsequently amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, IT software development costs recognised as an intangible asset are measured at cost, less accumulated amortisation and any accumulated impairment losses.

(k) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(n) Discontinued operations

A discontinued operation is a component of the group that has been disposed of in the current, or prior, reporting period or is classified as held for sale at the reporting date, and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are disclosed separately in the consolidated statement of profit or loss and other comprehensive income.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the group's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the group's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

(a) Income tax

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS		
Revenue from contracts with customers		
Sales - products	309,186	349,263
Sales - training registrations	1,156,993	1,951,547
Sales - online products	557,928	618,142
Sponsorship income	526,463	291,250
Subscription income	<u>3,144,884</u>	<u>2,931,709</u>
	<u><u>5,695,454</u></u>	<u><u>6,141,911</u></u>
NOTE 4: OTHER REVENUE AND OTHER INCOME		
Other revenue		
Interest income	8,895	4,503
Grants	691,811	478,462
Other revenue	<u>254,324</u>	<u>856,703</u>
	<u><u>955,030</u></u>	<u><u>1,339,668</u></u>
NOTE 5: OPERATING PROFIT		
Profit / (loss) before income tax has been determined after:		
Cost of sales	1,145,953	1,032,926
Depreciation and amortisation	260,910	317,758
Bad debts		
- Bad and doubtful debts	(61,708)	23,504
Impairment		
- Impairment of investments	-	76,901
- Write off of property, plant and equipment	-	22,304
- Impairment of debtors	50,595	-
Employee benefits	3,736,075	3,844,579

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 6: REMUNERATION OF AUDITORS		
Remuneration of auditors for:		
<i>Pitcher Partners (Melbourne)</i>		
Audit and assurance services		
- Audit or review of the financial report	72,500	71,750
Other non-audit services		
- Taxation services	<u>34,922</u>	<u>15,895</u>
Total remuneration of auditors	<u>107,422</u>	<u>87,645</u>
NOTE 7: INCOME TAX		
(a) Components of tax expense		
Deferred tax	215,719	275,043
Change in tax rate	<u>-</u>	<u>34,712</u>
	<u>215,719</u>	<u>309,755</u>
(b) Income tax reconciliation		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 25.0% (2021: 26.0%)	172,929	244,049
Add tax effect of:		
Non-deductible expenses	2,106	20,127
Change in tax rate	-	34,712
Correction in opening deferred tax	<u>5,000</u>	<u>109,618</u>
	7,106	164,457
Less tax effect of:		
Other non-assessable items	-	5,200
Net adjustment for mutual income/expenses	<u>(35,684)</u>	<u>93,551</u>
	<u>(35,684)</u>	<u>98,751</u>
Income tax expense attributable to profit	<u>215,719</u>	<u>309,755</u>

Income tax expense of \$228,855 has been attributed to Propertydataonline and is disclosed in the "Net profit from discontinued operations" line in the Consolidated Statement of Profit or Loss and Other Comprehensive Income (2021: benefit of \$31,294).

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 7: INCOME TAX (CONTINUED)		
(c) Deferred tax		
Deferred tax relates to the following:		
<i>Deferred tax assets</i>		
The balance comprises:		
Tax losses carried forward	617,262	838,049
Temporary differences	<u>34,821</u>	<u>29,753</u>
	<u>652,083</u>	<u>867,802</u>
<i>Deferred tax liabilities</i>		
The balance comprises:		
Land and buildings at fair value	<u>5,458,541</u>	<u>3,791,012</u>
Net deferred tax liabilities (at 25%, 2021: 25%)	<u>4,806,458</u>	<u>2,923,210</u>
(d) Deferred income tax (revenue)/expense included in income tax expense comprises		
Decrease in deferred taxes	215,719	275,043
Decrease in deferred taxes (tax rate change)	<u>-</u>	<u>34,712</u>
	<u>215,719</u>	<u>309,755</u>
(e) Deferred income tax related to items charged or credited directly to equity		
Increase in deferred tax liabilities (property revaluation)	1,667,529	-
Decrease in deferred tax liabilities (tax rate change)	<u>-</u>	<u>(151,641)</u>
	<u>1,667,529</u>	<u>(151,641)</u>
NOTE 8: CASH AND CASH EQUIVALENTS		
Cash on hand	500	500
Cash at bank	2,187,788	2,151,204
Cash on deposit	<u>2,501,241</u>	<u>4,201,241</u>
	<u>4,689,529</u>	<u>6,352,945</u>

Term Deposits with a maturity greater than 6 months from 30 June have been reclassified to Other Assets - See Note 11.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 9: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	150,183	363,462
Allowance for credit losses	<u>(10,000)</u>	<u>(99,185)</u>
	140,183	264,277
Other receivables	<u>507,608</u>	<u>88,540</u>
	<u>647,791</u>	<u>352,817</u>
NON CURRENT		
Other receivables	<u>1,721,656</u>	<u>-</u>

Receivables from contracts with customers

A receivable from a contract with a customer represents the group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due).

Other Receivables

\$339,437 of the other receivable classified as a current asset and the non current other receivable of \$1,721,656 are amounts owing to Propertydataonline Pty Ltd as a result of the Asset Sale Agreement completed on 1 October 2021.

NOTE 10: INVENTORIES

CURRENT		
<i>At cost</i>		
Finished goods	<u>62,703</u>	<u>66,942</u>

NOTE 11: OTHER ASSETS

CURRENT		
Prepayments	365,580	373,196
Term deposits	<u>1,000,000</u>	<u>-</u>
	<u>1,365,580</u>	<u>373,196</u>
NON CURRENT		
Term deposits	<u>500,000</u>	<u>-</u>

Term Deposits with a maturity greater than 6 months from 30 June have been reclassified from Cash to Other Assets.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 12: OTHER FINANCIAL ASSETS		
NON CURRENT		
<i>Financial assets at fair value through other comprehensive income</i>		
<i>Other financial assets at fair value</i>		
Realestateview.com.au	381,422	381,422
Other investment	76,901	76,901
Provision for impairment	<u>(76,901)</u>	<u>(76,901)</u>
	-	-
	<u>381,422</u>	<u>381,422</u>

Basis of determining fair value

The fair value of other investments 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, which is deemed to represent fair value.

NOTE 13: INTANGIBLE ASSETS

Software at cost	631,189	1,312,455
Accumulated amortisation and impairment	<u>(525,705)</u>	<u>(857,570)</u>
	105,484	454,885
PDOL data development	-	9,983,315
Accumulated amortisation and impairment	<u>-</u>	<u>(8,823,763)</u>
	-	<u>1,159,552</u>
Total intangible assets	<u>105,484</u>	<u>1,614,437</u>

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

<i>Software at cost</i>		
Opening balance	454,885	580,438
Additions	99,009	293,499
Disposals	(238,283)	-
Amortisation expense	<u>(210,127)</u>	<u>(419,052)</u>
Closing balance	<u>105,484</u>	<u>454,885</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 13: INTANGIBLE ASSETS (CONTINUED)		
(a) Reconciliations (Continued)		
<i>PDOL data development</i>		
Opening balance	1,159,552	1,262,306
Additions	140,942	521,893
Disposals	(1,153,497)	-
Amortisation	<u>(146,997)</u>	<u>(624,647)</u>
Closing balance	<u><u>-</u></u>	<u><u>1,159,552</u></u>
<i>Total Intangible assets reconciliation</i>		
Opening balance	1,614,437	1,842,744
Additions	239,951	815,392
Disposals	(1,391,780)	-
Amortisation	<u>(357,124)</u>	<u>(1,043,699)</u>
Closing balance	<u><u>105,484</u></u>	<u><u>1,614,437</u></u>
NOTE 14: PROPERTY, PLANT AND EQUIPMENT		
Land		
Freehold land		
At valuation	<u>21,895,000</u>	<u>17,226,772</u>
Buildings		
At valuation	3,900,496	1,898,610
Accumulated depreciation	<u>(795,496)</u>	<u>(724,975)</u>
	<u>3,105,000</u>	<u>1,173,635</u>
Total land and buildings	<u><u>25,000,000</u></u>	<u><u>18,400,407</u></u>
Plant and equipment		
Plant and equipment at cost	70,545	70,545
Accumulated depreciation	<u>(26,528)</u>	<u>(17,533)</u>
	44,017	53,012
Motor vehicles at cost	58,721	58,721
Accumulated depreciation	<u>(33,167)</u>	<u>(25,827)</u>
	25,554	32,894
Furniture, fixtures and fittings at cost	722,398	722,398
Accumulated depreciation	<u>(705,898)</u>	<u>(699,453)</u>
	16,500	22,945

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 14: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Computer equipment at cost	87,834	58,986
Accumulated depreciation	<u>(39,891)</u>	<u>(25,940)</u>
	<u>47,943</u>	<u>33,046</u>
Total plant and equipment	<u>134,014</u>	<u>141,897</u>
Total property, plant and equipment	<u><u>25,134,014</u></u>	<u><u>18,542,304</u></u>

(a) Valuations

The fair values of freehold land and buildings on freehold land have been determined by reference to an external independent valuation obtained for 30 June 2022 by valuer WBP Group Pty Ltd. The market value for the existing use is based on a depreciated replacement cost basis plus land value.

Refer to Note 1 (i) for additional information on the fair value of property, plant and equipment.

(b) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Freehold land

Opening carrying amount	17,226,772	17,226,772
Net revaluation increments	<u>4,668,228</u>	<u>-</u>
Closing carrying amount	<u><u>21,895,000</u></u>	<u><u>17,226,772</u></u>

Buildings

Opening carrying amount	1,173,635	1,273,228
Net revaluation increments	2,001,887	-
Depreciation expense	(70,522)	(81,508)
Write offs	<u>-</u>	<u>(18,085)</u>
Closing carrying amount	<u><u>3,105,000</u></u>	<u><u>1,173,635</u></u>

Plant and equipment

Opening carrying amount	53,012	61,695
Depreciation expense	<u>(8,995)</u>	<u>(8,683)</u>
Closing carrying amount	<u><u>44,017</u></u>	<u><u>53,012</u></u>

Motor vehicles

Opening carrying amount	32,894	40,743
Depreciation expense	<u>(7,340)</u>	<u>(7,849)</u>
Closing carrying amount	<u><u>25,554</u></u>	<u><u>32,894</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 14: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	22,945	21,861
Additions	-	18,581
Depreciation expense	(6,445)	(13,278)
Write offs	-	(4,219)
Closing carrying amount	<u>16,500</u>	<u>22,945</u>
 <i>Computer equipment</i>		
Opening carrying amount	33,046	12,750
Additions	38,752	33,012
Disposals	(4,222)	-
Depreciation expense	(19,633)	(12,716)
Closing carrying amount	<u>47,943</u>	<u>33,046</u>
 <i>Total property, plant and equipment</i>		
Carrying amount at 1 July	18,542,304	18,637,049
Additions	38,752	51,593
Disposals	(4,222)	-
Net revaluation increments	6,670,115	-
Depreciation expense	(112,935)	(124,034)
Write offs	-	(22,304)
Carrying amount at 30 June	<u>25,134,014</u>	<u>18,542,304</u>
 NOTE 15: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	207,922	470,946
Sundry creditors and accruals	<u>465,142</u>	<u>611,376</u>
	<u>673,064</u>	<u>1,082,322</u>
 NOTE 16: PROVISIONS		
CURRENT		
Employee benefits	<u>330,585</u>	<u>414,623</u>

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 17: OTHER LIABILITIES		
CURRENT		
Deferred income	2,358,158	2,297,292
Revenue received in advance	119,987	58,150
Funds held in trust - rental determination	<u>40,605</u>	<u>107,725</u>
	<u>2,518,750</u>	<u>2,463,167</u>

NOTE 18: RESERVES

Asset revaluation reserve	18(a) <u>16,375,628</u>	<u>11,373,043</u>
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(a) Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

Movements in reserve

Opening balance	11,373,043	11,221,402
Revaluation of property, plant and equipment, net of tax	5,002,585	-
Change in tax rate	<u>-</u>	<u>151,641</u>
Closing balance	<u>16,375,628</u>	<u>11,373,043</u>

NOTE 19: KEY MANAGEMENT PERSONNEL COMPENSATION

Total compensation paid or payable to key management personnel	<u>289,297</u>	<u>294,891</u>
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NOTE 20: RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel of the entity and their personally related entities

Some directors are also members and have transacted directly or indirectly through their related companies with the Real Estate Institute of Victoria and Propertydataonline Pty Ltd during the year through the purchase of forms, stationery, subscriptions and through attending events and training. These transactions are on normal commercial terms.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 20: RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with other related parties

Propertydataonline had several transactions with its parent entity, The Real Estate Institute of Victoria, during the year ended 30 June 2022.

Propertydataonline has an intercompany payable to The Real Estate Institute of Victoria of \$403,518 at 30 June 2022 (2021: \$860,890).

The Real Estate Institute of Victoria provided services to Property Data Online totaling \$75,000 for the year ended 30 June 2022 (2021: \$300,000)

NOTE 21: INTERESTS IN CONTROLLED ENTITIES

The following are the group's significant subsidiaries:

	Ownership interest held by the group	
	2022	2021
	%	%
Propertydataonline Pty Ltd	100	100

NOTE 22: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the company. At 30 June 2022 the number of members was 8,802 (2021: 9,557). The combined total amount that members of the company are liable to contribute if the company is wound up is \$17,604 (2021: \$19,114).

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 23: PARENT ENTITY DETAILS		
Summarised presentation of the parent entity, The Real Estate Institute of Victoria, financial statements:		
(a) Summarised consolidated statement of financial position		
Assets		
Current assets	6,775,705	7,624,116
Non-current assets	<u>26,120,920</u>	<u>19,130,628</u>
Total assets	<u>32,896,625</u>	<u>26,754,744</u>
Liabilities		
Current liabilities	3,518,647	3,890,668
Non-current liabilities	<u>4,806,458</u>	<u>2,923,210</u>
Total liabilities	<u>8,325,105</u>	<u>6,813,878</u>
Net assets	<u>24,571,520</u>	<u>19,940,866</u>
Equity		
Share capital	-	-
Retained earnings	8,195,892	8,567,823
Reserves		
Asset revaluation reserve	<u>16,375,628</u>	<u>11,373,043</u>
Total equity	<u>24,571,520</u>	<u>19,940,866</u>
(b) Summarised consolidated statement of profit or loss and other comprehensive income		
Profit / (loss) for year	(371,931)	422,330
Other comprehensive income for the year	<u>5,002,585</u>	<u>151,641</u>
Total comprehensive income for the year	<u>4,630,654</u>	<u>573,971</u>

**THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

NOTE 24: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2022 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2022, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2022, of the group.

NOTE 25: ENTITY DETAILS

The registered office of the group is:

The Real Estate Institute of Victoria
335 Camberwell Road
Camberwell VIC 3124

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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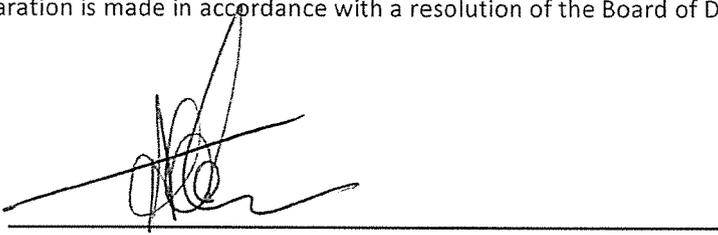
DIRECTORS' DECLARATION

The directors of the company declare that:

1. In the directors opinion, the financial statements and notes thereto, as set out on pages 14 - 38, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2022 and its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:

A handwritten signature in black ink, appearing to be 'Andrew Meehan', is written over a horizontal line. The signature is stylized and somewhat cursive.

Andrew Meehan

Dated 3 October 2022

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE REAL ESTATE INSTITUTE OF VICTORIA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Real Estate Institute of Victoria Ltd (Consolidated) "the Company" and its controlled entity, "the Group", which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

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

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE REAL ESTATE INSTITUTE OF VICTORIA

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report and Directors' Report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
ABN: 81 004 210 897

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE REAL ESTATE INSTITUTE OF VICTORIA

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



T LAPHORNE

Partner

Date 4 October 2022



PITCHER PARTNERS

Melbourne