

# **Real Estate Institute of South Australia Limited**

**ABN 82 286 272 500**

**Annual Report - 30 June 2024**

**Real Estate Institute of South Australia Limited**  
**Report by the Board**  
**30 June 2024**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Cain Cooke - Chair  
Emma Slape  
Matthew Smith  
Suzannah Toop  
Cathie Brown  
James Black  
David Colovic  
Marc Taintey

**Principal activities**

The Company is a business organisation representing the prosperity and success of real estate enterprises and persons in the profession through the promotion of the real estate agency, excellence, enterprise, education and integrity of the profession. The Company promotes the highest standards of ethics and provides services that enhance competitiveness and market opportunities for real estate enterprises including advocacy so as to achieve a more productive and competitive environment in which to engage in commerce and innovation.

There have been no significant changes in the nature of the Company's activities occurred during the financial year.

**Members guarantee**

Real Estate Institute of South Australia Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2 for members, subject to the provisions of the company's constitution.

At 30 June 2024 the collective liability of members was \$ 2,064 (2023: \$ 2,052).

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Directors' Meetings	
	Number eligible to attend	Number attended
Cain Cooke	7	7
Emma Slape	7	7
Matthew Smith	7	7
Suzannah Toop	7	7
Cathie Brown	7	5
James Black	7	6
David Colovic	7	5
Marc Taintey	7	7

**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.

**Real Estate Institute of South Australia Limited**  
**Report by the Board**  
**30 June 2024**

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

On behalf of the directors

---

\_\_\_\_\_ November 2024

**Real Estate Institute of South Australia Limited  
Auditor's independence declaration**

[This page has intentionally been left blank for the insertion of the auditor's independence declaration]

## **Real Estate Institute of South Australia Limited**

### **Contents**

**30 June 2024**

Statement of profit or loss and other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9
Consolidated entity disclosure statement	16
Directors' declaration	17
Independent auditor's report to the members of Real Estate Institute of South Australia Limited	18

### **General information**

The financial statements cover Real Estate Institute of South Australia Limited as an individual entity. The financial statements are presented in Australian dollars, which is Real Estate Institute of South Australia Limited's functional and presentation currency.

Real Estate Institute of South Australia Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

33 Dequetteville Tce, Kent Town SA 5067

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on \_\_\_\_ November 2024. The directors have the power to amend and reissue the financial statements.

**Real Estate Institute of South Australia Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Revenue</b>	3	1,807,819	1,748,777
<b>Expenses</b>			
Employee benefits expense		(663,330)	(562,879)
Events and catering		(352,716)	(370,540)
Depreciation and amortisation expense		(31,359)	(29,804)
Training and education		(76,853)	(77,239)
Consulting/contractors		(11,930)	(186,549)
Legal costs and settlements		(3,416)	(2,693)
REI costs and fees		(86,077)	(35,300)
Advertising expenses		(17,899)	(22,395)
Other expenses		(474,251)	(414,284)
<b>Surplus before income tax expense</b>		89,988	47,094
Income tax expense		-	-
<b>Surplus after income tax expense for the year attributable to the members of Real Estate Institute of South Australia Limited</b>	12	89,988	47,094
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land and buildings, net of tax		1,275,326	-
Other comprehensive income for the year, net of tax		1,275,326	-
<b>Total comprehensive income for the year attributable to the members of Real Estate Institute of South Australia Limited</b>		<u>1,365,314</u>	<u>47,094</u>

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

**Real Estate Institute of South Australia Limited**  
**Statement of financial position**  
**As at 30 June 2024**

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	516,034	533,466
Trade and other receivables	5	170,003	110,275
Inventories	6	12,086	26,186
Other	7	2,603	95,183
Total current assets		<u>700,726</u>	<u>765,110</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	<u>3,084,704</u>	<u>1,840,629</u>
Total non-current assets		<u>3,084,704</u>	<u>1,840,629</u>
<b>Total assets</b>		<u>3,785,430</u>	<u>2,605,739</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	626,441	826,721
Employee benefits	10	<u>76,016</u>	<u>60,371</u>
Total current liabilities		<u>702,457</u>	<u>887,092</u>
<b>Non-current liabilities</b>			
Employee benefits	11	<u>9,369</u>	<u>10,357</u>
Total non-current liabilities		<u>9,369</u>	<u>10,357</u>
<b>Total liabilities</b>		<u>711,826</u>	<u>897,449</u>
<b>Net assets</b>		<u>3,073,604</u>	<u>1,708,290</u>
<b>Equity</b>			
Reserves		1,275,326	-
Retained surpluses	12	<u>1,798,278</u>	<u>1,708,290</u>
<b>Total equity</b>		<u>3,073,604</u>	<u>1,708,290</u>

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

**Real Estate Institute of South Australia Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2024**

	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	1,661,196	1,661,196
Surplus after income tax expense for the year	47,094	47,094
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>47,094</u>	<u>47,094</u>
Balance at 30 June 2023	<u><u>1,708,290</u></u>	<u><u>1,708,290</u></u>

	<b>Asset Revaluation Reserve \$</b>	<b>Retained profits \$</b>	<b>Total equity \$</b>
Balance at 1 July 2023	-	1,708,290	1,708,290
Surplus after income tax expense for the year	-	89,988	89,988
Gain on revaluation of land and buildings	<u>1,275,326</u>	-	<u>1,275,326</u>
Total comprehensive income for the year	<u>1,275,326</u>	<u>89,988</u>	<u>1,365,314</u>
Balance at 30 June 2024	<u><u>1,275,326</u></u>	<u><u>1,798,278</u></u>	<u><u>3,073,604</u></u>

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



**Real Estate Institute of South Australia Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from members, customers and funding		1,922,900	2,078,750
Payments to suppliers and employees		(1,934,726)	(1,918,276)
Finance costs		(5,498)	-
		<u>                    </u>	<u>                    </u>
Net cash from/(used in) operating activities		(17,324)	160,474
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	8	(108)	(16,700)
		<u>                    </u>	<u>                    </u>
Net cash used in investing activities		(108)	(16,700)
		<u>                    </u>	<u>                    </u>
Net cash from financing activities		-	-
		<u>                    </u>	<u>                    </u>
Net increase/(decrease) in cash and cash equivalents		(17,432)	143,774
Cash and cash equivalents at the beginning of the financial year		533,466	389,692
		<u>                    </u>	<u>                    </u>
Cash and cash equivalents at the end of the financial year	4	<u>516,034</u>	<u>533,466</u>

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

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 1. Material accounting policy information**

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

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

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

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Revenue recognition**

The company recognises revenue as follows:

*Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

*Membership*

Revenue from memberships is recognised as and when the performance obligations of the membership subscription have been fulfilled.

*Subscription revenue*

Revenue from subscriptions is recognised as and when the performance obligations of the subscription have been fulfilled.

*Rental income*

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

*Other revenue*

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

**Note 1. Material accounting policy information (continued)**

**Income tax**

The Company is subject to the mutuality principle for calculation of any income tax payable in a financial year.

The mutuality principle is a legal principle established by case law and is based on the proposition that the Company cannot derive income from itself.

The principle provides that where a number of persons contribute to a common fund created and controlled by them for a common purpose, any surplus arising from the use of that fund for the common purpose is not income.

The principle does not extend to include income that is derived from sources outside the Company. All income and expenses derived or incurred from sources outside of the Company are included in the calculation of taxable income for the year.

As a result of the mutuality principle:

- receipts derived from mutual dealings with members are not assessable income (these are called mutual receipts); and
- expenses incurred to get mutual receipts are not deductible.

**Property, plant and equipment**

Land and buildings are measured using the revaluation model. In periods when the freehold land and buildings are not subject to an independent valuation the directors conduct valuations to ensure the carrying amount for the land and building is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus.

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

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5%
Plant and equipment	5% - 100%
Furniture, fixtures and fittings	9% - 100%
Computer equipment	25% - 33.3%
Computer software	25% - 60%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

**Note 2. Critical accounting judgements, estimates and assumptions**

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

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 2. Critical accounting judgements, estimates and assumptions (continued)**

*Estimation of useful lives of assets*

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

**Note 3. Revenue**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
training course fees	320,095	269,057
member subscriptions	779,373	685,930
commissions	6,360	10,583
events income	183,129	222,668
sponsorship received	203,389	221,795
rental income	16,716	21,100
forms NOW revenue	294,827	311,399
sale of goods	1,795	1,635
	<u>1,805,684</u>	<u>1,744,167</u>
<i>Other revenue</i>		
sundry revenue	2,135	4,610
Revenue	<u><u>1,807,819</u></u>	<u><u>1,748,777</u></u>

**Note 4. Current assets - cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	-	882
Cash at bank	516,034	532,584
	<u><u>516,034</u></u>	<u><u>533,466</u></u>

**Note 5. Current assets - trade and other receivables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	195,003	115,706
Less: Allowance for expected credit losses	(25,000)	(5,431)
	<u><u>170,003</u></u>	<u><u>110,275</u></u>

**Note 6. Current assets - inventories**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Stock on hand - at cost	<u><u>12,086</u></u>	<u><u>26,186</u></u>

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 7. Current assets - other**

	2024 \$	2023 \$
Accrued revenue	-	580
Prepayments	2,603	94,603
	<u>2,603</u>	<u>95,183</u>

**Note 8. Non-current assets - property, plant and equipment**

	2024 \$	2023 \$
Land - at directors valuation	2,275,326	1,000,000
Land and buildings - at directors valuation	875,000	875,000
Less: Accumulated depreciation	(100,326)	(78,450)
	<u>774,674</u>	<u>796,550</u>
Plant and equipment - at cost	17,785	17,785
Less: Accumulated depreciation	(13,100)	(12,232)
	<u>4,685</u>	<u>5,553</u>
Fixtures and fittings - at cost	13,359	13,359
Less: Accumulated depreciation	(9,191)	(8,989)
	<u>4,168</u>	<u>4,370</u>
Computer equipment - at cost	114,429	114,320
Less: Accumulated depreciation	(96,565)	(91,221)
	<u>17,864</u>	<u>23,099</u>
Computer software - at cost	12,280	12,280
Less: Accumulated depreciation	(4,293)	(1,223)
	<u>7,987</u>	<u>11,057</u>
	<u>3,084,704</u>	<u>1,840,629</u>

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

	Land \$	Buildings \$	Plant and equipment \$	Furniture, fixtures and fittings \$	Computer equipment \$	Computer software \$	Total \$
Balance at 1 July 2023	1,000,000	796,550	5,553	4,370	23,099	11,057	1,840,629
Additions	-	-	-	-	108	-	108
Revaluation increments	1,275,326	-	-	-	-	-	1,275,326
Depreciation expense	-	(21,876)	(868)	(202)	(5,343)	(3,070)	(31,359)
Balance at 30 June 2024	<u>2,275,326</u>	<u>774,674</u>	<u>4,685</u>	<u>4,168</u>	<u>17,864</u>	<u>7,987</u>	<u>3,084,704</u>

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 8. Non-current assets - property, plant and equipment (continued)**

*Valuations of land and buildings*

The Company's land and buildings, located at 33 Dequetteville Terrace, Kent Town, was purchased with settlement on the 29 November 2019. The amount recognised at 30 June 2024, reflects the independent valuation to apportion the purchase price between the land and the building performed by Herron Todd White, on the basis required by AASB 116 Property, Plant and Equipment.

The value of the building has been depreciated since the purchase date in line with the Company's accounting policies for Property, Plant and Equipment, as noted in note 1.

**Note 9. Current liabilities - trade and other payables**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade payables	66,043	151,452
PAYG clearing	47,206	17,032
Accrued expense	33,131	66,281
Income in advance	432,137	561,441
Other payables	47,924	30,515
	<u>626,441</u>	<u>826,721</u>

**Note 10. Current liabilities - employee benefits**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Annual leave	42,754	37,846
Long service leave	33,262	22,525
	<u>76,016</u>	<u>60,371</u>

**Note 11. Non-current liabilities - employee benefits**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Long service leave	<u>9,369</u>	<u>10,357</u>

**Note 12. Equity - retained surpluses**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Retained surpluses at the beginning of the financial year	1,708,290	1,661,196
Surplus after income tax expense for the year	89,988	47,094
Retained surpluses at the end of the financial year	<u>1,798,278</u>	<u>1,708,290</u>

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 13. Key management personnel disclosures**

*Compensation*

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	<u>302,783</u>	<u>293,500</u>

**Note 14. Remuneration of auditors**

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services -</i> Audit of the financial statements	<u>12,000</u>	<u>10,900</u>

**Note 15. 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 a maximum of \$2 each towards meeting any outstandings and obligations of the Company. At 30 June 2024 the number of members was 1,032 (2023: 1,026).

**Note 16. Contingent assets**

Capital Gains

In the opinion of the Directors, the Company does have a contingency at 30 June 2024 for the possible capital gains on the sale of 249 Greenhill Road, Dulwich property.

The capital gain related to the property is subject to crystallisation on sale of the 33 Dequetteville Terrace, Kent Town property.

The directors do not foresee a sale of this property in the imminent future and until the sale occurs, the magnitude of the capital gain cannot be quantified.

**Note 17. Related party transactions**

*Parent entity*

Real Estate Institute of South Australia Limited is the parent entity.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 13.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

**Real Estate Institute of South Australia Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 18. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.



**Real Estate Institute of South Australia Limited**  
**Consolidated entity disclosure statement**  
**As at 30 June 2024**

Real Estate Institute of South Australia Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

**Real Estate Institute of South Australia Limited**  
**Directors' declaration**  
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

On behalf of the directors

---

\_\_\_\_\_ November 2024

**Real Estate Institute of South Australia Limited**  
**Independent auditor's report to the members of Real Estate Institute of South Australia Limited**

[This page has intentionally been left blank for the insertion of page one of the independent auditor's report]

**Real Estate Institute of South Australia Limited**  
**Independent auditor's report to the members of Real Estate Institute of South Australia Limited**

[This page has intentionally been left blank for the insertion of page two of the independent auditor's report]