

Real Estate Institute of South Australia Limited

ABN 82 286 272 500

Annual Report - 30 June 2025

Real Estate Institute of South Australia Limited
Report by the Board
30 June 2025

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

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
Mark Lands (Appointed November 2024)
John Taarnby (Appointed November 2024)
Cathie Brown
James Black
David Colovic
Marc Taintey
Suzannah Toop (Resigned November 2024)

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 2025, the collective liability of members was \$2,038 (2024: \$ 2,064).

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Directors' Meetings	
	Number eligible to attend	Number attended
Cain Cooke	8	8
Emma Slape	8	7
Matthew Smith	8	8
Mark Lands	4	4
John Taarnby	4	4
Cathie Brown	8	6
James Black	8	7
David Colovic	8	7
Marc Taintey	8	7
Suzannah Toop	4	4

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 2025

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 2025

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

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Real Estate Institute of South Australia Limited

Contents

30 June 2025

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	15
Directors' declaration	16
Independent auditor's report to the members of Real Estate Institute of South Australia Limited	17

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 2025. 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 2025

	Note	2025 \$	2024 \$
Revenue	3	1,930,507	1,807,819
Expenses			
Employee benefits expense		(625,907)	(663,330)
Events and catering		(476,020)	(352,716)
Depreciation and amortisation expense		(30,746)	(31,359)
Training and education		(228,417)	(76,853)
Consulting/contractors		-	(11,930)
Legal costs and settlements		(20,046)	(3,416)
REI costs and fees		(77,783)	(86,077)
Advertising expenses		(28,108)	(17,899)
Other expenses		(376,072)	(474,251)
Surplus before income tax expense		67,408	89,988
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Real Estate Institute of South Australia Limited	13	67,408	89,988
Other comprehensive income			
<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
Total comprehensive income for the year attributable to the members of Real Estate Institute of South Australia Limited		<u>67,408</u>	<u>1,365,314</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 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	4	414,101	516,034
Trade and other receivables	5	127,439	170,003
Inventories	6	10,286	12,086
Other	7	28,159	2,603
Total current assets		<u>579,985</u>	<u>700,726</u>
Non-current assets			
Property, plant and equipment	9	3,055,055	3,084,704
Intangibles		20,758	-
Total non-current assets		<u>3,075,813</u>	<u>3,084,704</u>
Total assets		<u>3,655,798</u>	<u>3,785,430</u>
Liabilities			
Current liabilities			
Trade and other payables	10	406,738	626,441
Employee benefits	11	92,203	76,016
Total current liabilities		<u>498,941</u>	<u>702,457</u>
Non-current liabilities			
Employee benefits	12	15,845	9,369
Total non-current liabilities		<u>15,845</u>	<u>9,369</u>
Total liabilities		<u>514,786</u>	<u>711,826</u>
Net assets		<u>3,141,012</u>	<u>3,073,604</u>
Equity			
Reserves		1,275,326	1,275,326
Retained surpluses	13	1,865,686	1,798,278
Total equity		<u>3,141,012</u>	<u>3,073,604</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 2025

	Asset Revaluation Reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2023	-	1,708,290	1,708,290
Surplus after income tax expense for the year	-	89,988	89,988
Other comprehensive income for the year, net of tax	1,275,326	-	1,275,326
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>

	Asset Revaluation Reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2024	1,275,326	1,798,278	3,073,604
Surplus after income tax expense for the year	-	67,408	67,408
Gain on revaluation of land and buildings	-	-	-
Total comprehensive income for the year	<u>-</u>	<u>67,408</u>	<u>67,408</u>
Balance at 30 June 2025	<u><u>1,275,326</u></u>	<u><u>1,865,686</u></u>	<u><u>3,141,012</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 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from members, customers and funding		2,170,378	1,922,900
Payments to suppliers and employees		(2,262,664)	(1,934,726)
Finance costs		(8,549)	(5,498)
		<u>(100,835)</u>	<u>(17,324)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment	9	<u>(1,098)</u>	<u>(108)</u>
Net cash used in investing activities		<u>(1,098)</u>	<u>(108)</u>
		<u>-</u>	<u>-</u>
Net cash from financing activities			
Net decrease in cash and cash equivalents		(101,933)	(17,432)
Cash and cash equivalents at the beginning of the financial year		<u>516,034</u>	<u>533,466</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>414,101</u></u>	<u><u>516,034</u></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 2025

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 2025

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

	2025	2024
	\$	\$
<i>Revenue from contracts with customers</i>		
training course fees	423,391	320,095
member subscriptions	758,662	779,373
commissions	7,304	6,360
events income	338,319	183,129
sponsorship received	216,386	203,389
rental income	10,937	16,716
forms NOW revenue	174,103	294,827
sale of goods	446	1,795
	<u>1,929,548</u>	<u>1,805,684</u>
<i>Other revenue</i>		
sundry revenue	959	2,135
Revenue	<u><u>1,930,507</u></u>	<u><u>1,807,819</u></u>

Note 4. Current assets - cash and cash equivalents

	2025	2024
	\$	\$
Cash on hand	150	-
Cash at bank	413,951	516,034
	<u><u>414,101</u></u>	<u><u>516,034</u></u>

Note 5. Current assets - trade and other receivables

	2025	2024
	\$	\$
Trade receivables	230,983	195,003
Less: Allowance for expected credit losses	(103,544)	(25,000)
	<u><u>127,439</u></u>	<u><u>170,003</u></u>

Note 6. Current assets - inventories

	2025	2024
	\$	\$
Stock on hand - at cost	<u><u>10,286</u></u>	<u><u>12,086</u></u>

Real Estate Institute of South Australia Limited
Notes to the financial statements
30 June 2025

Note 7. Current assets - other

	2025 \$	2024 \$
Prepayments	<u>28,159</u>	<u>2,603</u>

Note 8. Non-current assets - investments accounted for using the equity method

The company acquired 909,295 shares in REI Coinvest Pty Ltd on 12 January 2025 for nil consideration. At 30 June 2025, the shares are valued at nil.

Note 9. Non-current assets - property, plant and equipment

	2025 \$	2024 \$
Land - at directors valuation	<u>2,275,326</u>	<u>2,275,326</u>
Land and buildings - at directors valuation	875,000	875,000
Less: Accumulated depreciation	<u>(122,201)</u>	<u>(100,326)</u>
	752,799	774,674
Plant and equipment - at cost	18,090	17,785
Less: Accumulated depreciation	<u>(13,916)</u>	<u>(13,100)</u>
	4,174	4,685
Fixtures and fittings - at cost	14,151	13,359
Less: Accumulated depreciation	<u>(9,420)</u>	<u>(9,191)</u>
	4,731	4,168
Computer equipment - at cost	114,429	114,429
Less: Accumulated depreciation	<u>(101,321)</u>	<u>(96,565)</u>
	13,108	17,864
Computer software - at cost	12,280	12,280
Less: Accumulated depreciation	<u>(7,363)</u>	<u>(4,293)</u>
	4,917	7,987
	<u>3,055,055</u>	<u>3,084,704</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 2024	2,275,326	774,674	4,685	4,168	17,864	7,987	3,084,704
Additions	-	-	306	792	-	-	1,098
Depreciation expense	-	<u>(21,875)</u>	<u>(817)</u>	<u>(229)</u>	<u>(4,756)</u>	<u>(3,070)</u>	<u>(30,747)</u>
Balance at 30 June 2025	<u>2,275,326</u>	<u>752,799</u>	<u>4,174</u>	<u>4,731</u>	<u>13,108</u>	<u>4,917</u>	<u>3,055,055</u>

Real Estate Institute of South Australia Limited
Notes to the financial statements
30 June 2025

Note 9. 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 independently revalued at 30 June 2024, 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 10. Current liabilities - trade and other payables

	2025	2024
	\$	\$
Trade payables	119,015	66,043
PAYG clearing	8,348	47,206
Accrued expense	47,378	33,131
Income in advance	216,510	432,137
Other payables	15,487	47,924
	<u>406,738</u>	<u>626,441</u>

Note 11. Current liabilities - employee benefits

	2025	2024
	\$	\$
Annual leave	57,489	42,754
Long service leave	34,714	33,262
	<u>92,203</u>	<u>76,016</u>

Note 12. Non-current liabilities - employee benefits

	2025	2024
	\$	\$
Long service leave	<u>15,845</u>	<u>9,369</u>

Note 13. Equity - retained surpluses

	2025	2024
	\$	\$
Retained surpluses at the beginning of the financial year	1,798,278	1,708,290
Surplus after income tax expense for the year	67,408	89,988
Retained surpluses at the end of the financial year	<u>1,865,686</u>	<u>1,798,278</u>

Note 14. 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:

	2025	2024
	\$	\$
Aggregate compensation	<u>316,793</u>	<u>302,783</u>

Real Estate Institute of South Australia Limited
Notes to the financial statements
30 June 2025

Note 15. Remuneration of auditors

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

	2025	2024
	\$	\$
<i>Audit services</i>		
Audit of the financial statements	<u>12,300</u>	<u>12,000</u>

Note 16. 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 2025 the number of members was 1,019 (2024: 1,032).

Note 17. Contingent assets

Capital Gains

In the opinion of the Directors, the Company does have a contingency at 30 June 2025 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 18. 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 14.

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.

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 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 2025

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 2025

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 2025 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 2025

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

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

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