

The Real Estate
Institute of Victoria Ltd

Annual Report

2020 - 2021



REIV

PRESIDENT'S REPORT



Over the past 18 months the pandemic has dominated our professional and personal lives. Circuit breakers became extended lockdowns, there were complex and changing restrictions, roadmaps, directions, stimulus incentives, relief packages and the separation of Metropolitan and Regional Victorian communities. Not to mention State and national border closures. Now, despite still high numbers of new and active coronavirus cases, there is light at the end of the tunnel.

Through it all, the real estate sector continued to operate, as it must, to support commercial, industrial and residential property owners, purchasers, new and continuing tenants and renters with their property related needs. It has been tough for everyone and I am immensely proud of how our Members have coped and responded.

While we all look forward to getting back to unrestricted working, it is important that the sector really learns from this experience and does not throw the baby out with the bath water. Businesses must ensure that they are well prepared, structurally, financially and operationally, for future disasters of whatever form and should capitalise on those key pandemic-inspired innovations that add real ongoing value for their clients and customers.

Through it all, the REIV demonstrated its value to Members and the wider community over and over again. *“Leading and representing the real estate industry”* and *“promoting the interests of Members to Government and the community”* are central to the REIV’s purpose. The REIV made sense of complex directions, relief schemes and new legislation, so that our Members, wherever located, could apply them safely; campaigned for inspections, so that our Members, their clients and prospective renters, tenants and purchasers could move forward; fought for concessions to apply equally to commercial, industrial and residential real estate; recognised the toll on Members’ mental health and provided support through webinars, discussions and signposts. And that is only the tip of a very large iceberg.

As a Member, I am deeply grateful for the support provided by the REIV in these extraordinarily challenging times. As a Director, I am proud that many Members feel the same, but also disturbed by the baseless criticism and abuse that has been directed at the CEO and his team. Frustration at the Government’s lack of interest, understanding and sometimes, downright intransigence on a range of matters is understandable, but to suggest that the REIV does not fight hard enough is absurd. Please treat REIV staff as you would wish to be treated – with respect.

Performance

This year’s results demonstrate the commitment and diligence of the CEO and his team not only rising to the particular challenges created by lockdown yo-yo, but also continuing to deliver and improve core services and developing significant projects in support of the strategic plan. The high Member retention rates and growth in Individual and Office membership and high numbers of Affiliates are testament to the REIV’s position as the peak body for real estate in Victoria and the value of the REIV’s services.

Performance against the 2018-21 strategy and the focus for the 2021-23 strategic plan are highlighted in the body of this report. The Audited Financial Statements for the Consolidated entity are appended to this Annual Report.

Acknowledgements

Gil King will complete his time as the REIV CEO at the end of December 2021. Gil's leadership has resulted in the REIV being in excellent strategic, financial and operational shape and has significantly improved the REIV's position as the peak body for real estate with Government, the opposition, the media, kindred associations and wider stakeholders. While the Board would have wished for Gil to continue as CEO, we respect his decision to retire and wish him well for the future. Recruitment is underway with the aim that the new CEO is appointed by the Board before Gil's departure. The recruitment process is being overseen by a Nominations Committee chaired by Andrew Meehan and supported by InterSearch.

Michael Blake and Cameron Way left the Board at the end of September having completed three and two consecutive terms respectively and were replaced by Renee Reynolds and Megan Mander. It is pleasing to see real gender balance on the Board.

Lean Calnan demands special mention having served as President for two very challenging years. She played a visible and significant role in raising the REIV's media profile to new heights, demonstrated her passion, commitment and care for our sector, our Members and the REIV every day of those two years and provided continuity for the Board, Members and external stakeholders when it was needed most. Thank you.

As your new President, I am following a class act. My style may be different, but my passion for real estate, my commitment to the REIV and desire to give back are just as strong. I look forward to meeting Members face to face and virtually over the next year and working with my fellow Directors, the CEO – outgoing and incoming - and Management to deliver the strategic plan.

A handwritten signature in blue ink, appearing to read "Adam Docking".

Adam Docking FREI

CEO'S REPORT



I am pleased to report that the REIV consolidated entity returned a profit of \$628,896, after providing for income tax, for the 2020/21 financial year.

This was despite hard lockdown for much of the first six months. While the REIV qualified for the Government's JobKeeper and other stimulus initiatives for part of the year, the full year result was largely the product of outstanding performance by the Training and Events departments coupled with cost savings arising from efficiencies and, of course, remote working.

Professional Development

The online Agents' Representative course was in high demand until October 2020 when it was superseded by the new Certificate IV and enrolments since then for the REIV's Certificate IV course are very healthy. The REIV's new Diploma course will launch early next year together with opportunities for Members to invest in their professional development without having to commit to the full Diploma.

The REIV fully supports the raising of standards for estate agents through the new National Training package and played an integral role in getting it implemented in Victoria. We are very much aware of the impact that the new Certificate IV course for Agents' Representatives is having on recruitment and productivity. We are actively working with CAV to identify activities that those in training could undertake at different stages as they progress through the course, so as to ameliorate current challenges. Members will be advised when we have something tangible to report.

Member Participation

A very wide range of both free and paid for webinars and meetings were offered with extraordinary levels of participation by Members, and for paid events, by non-Members too. We are looking forward to being able to put face to face events back onto the events calendar – including Auctioneering competitions, business breakfasts, Regional Connect events and, of course, our annual Awards for Excellence. However, we will continue to offer webinars and other online opportunities so that no Members are disadvantaged by virtue of their location.

The same remains true for Board meetings and Member participation in Chapter Committees, Members' Council and Past Presidents' Council. An important early project in the REIV's digital transformation was to equip the Boardroom, the Conference Hall and a Training Room with the necessary equipment to enable hybrid meetings. When we can open our doors, Members that can attend in person will be welcome to do so and those that can't, will still be able to participate virtually.

Advocacy and Representation

The delivery of strong advocacy and representation has continued unabated over the last year. COVID-19 related directions, residential and commercial tenancy relief schemes, business support schemes and more, dominated the landscape. I too was frustrated and disappointed at times by the Government's response, but it was not for want of trying –

very hard. I am grateful to all those Members who responded to surveys and provided case studies and did the right thing – it all helped. What didn't help was Government's poor underlying attitude toward our sector, which was fuelled by evidence of individuals and businesses not doing the right thing.

The strength of the REIV's voice is a product not only of our behind the scenes work with Government and other stakeholders, the quality of our arguments and submissions and our media presence, but also the behaviours of our Members and the wider real estate community. It follows that weaknesses in any one of those dimensions, can affect the power and credibility of the REIV's message.

Acknowledgements

I am proud of what has been achieved over the past year, and indeed, over the duration of my tenure as the CEO. The quality of the services the REIV provides, its financial and governance health and responsiveness to change and challenges is because of investment in people, processes, policies and systems and focus on risk management, planning and performance management.

I applaud the innovation, dedication and application of every member of the REIV team not only for embracing change, but also for what they have achieved and what is to come in the delivery of the 2021-23 strategic plan.

Since January 2017, I am fortunate to have worked alongside five outstanding REIV Presidents, each with their own special qualities and style and all of whom have made a lasting impression on me. I thank them all and the Board for its confidence and trust in me.

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line that curves upwards at the end.

Gil King

CORPORATE GOVERNANCE

The Board takes its responsibilities for the proper management and stewardship of the REIV seriously. This includes keeping abreast of developments in the governance landscape, which this year included temporary changes to the Corporations Act and forthcoming permanent changes, the introduction of Director Identification Numbers and changes to accounting standards.

In light of the impending permanent changes to the Corporations Act on arrangements for General Meetings of Members, the Board developed proposals for corresponding amendments and some additional associated changes to the REIV Constitution. Following wide engagement with Members, the finalised resolutions will be put to the 2021 Annual General Meeting.

In December 2020 all Board Policies, which are published on the REIV website, were reviewed, with the former Social Media Policy being updated into a broader External Communications Policy. A Director Skills Matrix was completed and a whole Board evaluation was conducted. The results of both were used to inform policy and process improvements, Director development needs and identify the additional skills, knowledge and expertise that would best be provided through the appointment of Additional Directors and the commissioning of external advice on an as needed basis. The Board was delighted that Michael Clements agreed to serve a further term; his legal credentials and independence providing for invaluable perspectives in Board decision making.

Chapters and Divisions

The Board's grateful thanks are extended to all Chapter and Division Committee members who served to 31 December 2020.

The Board was delighted with the response to the call for nominations for the new Chapter Committees to serve from 1 January 2021. The Constitution permits the Board to appoint eight people only to each Chapter Committee from the call for nominations, which resulted in some difficult decisions given the oversubscription for most Committees. The Board's decisions were guided by the need to provide both for continuity and to bring on board new perspectives. During the course of 2021, a number of further appointments have been made in response to recommendations from Committees. Chapter Committees are working very well, despite most not yet having met in person, and are supporting the REIV in the design and delivery of events and resources and acting as a sounding board on policy and other matters.

It was disappointing that only one Division Committee could be formed and it is unfortunate that the pandemic has rather hampered the Bendigo Division Committee's usual timetable of events for Division Members.

Despite these challenges, our Regional Members have not been left out in the cold. The Murray River road trip and some face to face Connect events were able to proceed and webinars and virtual meetings have kept us all connected.

Members' Council

Defining the scope and operation of Members' Council has made a real difference. New delegates are getting into the swing of things and Chapter and Division Committee reports are sparking discussion and providing essential food for thought for the Board.

The cross-fertilisation of ideas, the recognition of shared concerns and interests and the desire for cross Chapter collaboration is particularly pleasing.

Director Elections

The level of interest in joining the Board has really increased over the last four years, with more nominations than vacancies for Directors from the Metropolitan Zone in each year. The move to online elections has been embraced by Members, with high participation levels and positive feedback.

While it was with sadness that the Board bid farewell to Michael Blake as a Director from the Regional Zone, it was very pleasing that two very worthy candidates nominated and for our Regional Members to have the opportunity to participate in an online Director election.

OCCUPATIONAL HEALTH AND SAFETY

The Board is very mindful of its accountabilities under the Occupational Health & Safety Act and accompanying Regulations (OHS). In October 2020, Andrew Meehan was appointed as the Board's lead on such matters and acts as the first port of call for the CEO and People & Culture Manager. The REIV's OHS Framework has been reviewed and approved by the Board and we have familiarised ourselves with REIV workplace policies. This is such an important subject, that training for the Board is being arranged for later this year.

Over the course of the past 12 months there have been no reportable incidents. The REIV has a COVID Safe Plan which is actively managed and updated as required. In addition to ensuring staff understanding and compliance with the plan, the CEO and his Management team have attended to the mental wellbeing of staff, including provision of an employee assistance program.

STRATEGY 2018-21

The Board's three year strategy concluded at the end of June.

REIV Strategy – 2018 to 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		
Strategy statement	By 2021, we will be the respected voice of all Victorian real estate professionals offering quality representation, advocacy, education, networking opportunities and maintaining professional standards		
Goals	Mobilise the consumer to use an REIV member	Maximise the impact of our advocacy and representation work	Elevate professional standards and support the careers of real estate practitioners
Measures	Critical Performance Indicators Membership: Retention, penetration rates and new Members Consumer Mobilisation: Choose a Member page views and engagement, website visits and social media followers Professional Standards: CPD compliance, CPD opportunities, complaints and disputes raised Advocacy & Representation: Advertising equivalent spend, audience reach and media responses		

PERFORMANCE HIGHLIGHTS

MEMBERSHIP

REIV membership continued to grow throughout 2020/21, with such high numbers of Office and Licensed Members not having been seen since 2003.

Total Membership (including Affiliates)

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

The growth in Office membership was largely owing to a 13.8% increase in Sole Traders. While there was modest growth in the numbers of Company, Declared Corporation and

Partnership Members, as in 2019/20, there was a decline in the numbers of Branch Office Members through consolidation and restructuring.

Licensed memberships grew by 4%, outstripping the 1.9% growth seen in 2019/20. While Representative Member losses were less than in 2019/20, the decline continues to be of concern.

The significant increase in Individual membership was boosted by high numbers of enrolments in the online Agents' Representative course. Students enrolled in REIV eligible courses are automatically granted Student membership to enable them to access information and attend REIV events. This provides an important introduction to the REIV and attention is being paid to encourage transfer into membership on graduation.

Overall, this year's renewal campaign has been a success with 85% of total members renewing. This is an improvement on 2019/20, when renewals were deferred until 1 October and membership fees were maintained at prior year levels given the impact of the pandemic and hard lockdown on Members.

The number of Affiliates continues to grow and includes a high number of real estate employees and service providers who are not eligible for individual membership. Access to REIV information, including reliable pandemic related details, events and the opportunity to engage with others in the sector are the key drivers.

ADVOCACY AND REPRESENTATION

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. Property owners increasingly turn to the REIV for assistance. Their stories and those case studies and other evidence provided by Members have been critical to the REIV's extensive advocacy and representation work on pandemic related matters, including open letters and our major campaigns: "*Mr Premier, I don't think you understand*" in September 2020 and "*Locked Down and Locked Out*" in September 2021. Both campaigns had a positive impact and but for backroom discussions with Ministers and advisers across multiple departments at all times of the day and night on a host of other matters, the position could have been much worse.

The pandemic wasn't the only game in play. Key highlights included:

Property Management

After four long years, the Residential Tenancies Act (RTA) and accompanying Regulations came into effect at the end of March with numerous issues outstanding. The REIV continued to lobby privately and publicly to secure essential clarifications, some of which were eventually received in July. The REIV put in place an intensive and extensive training program and an online reference book, the latter being supported by the Victorian Property Fund. While the full impact of the new requirements will take time to be revealed, the combination of the changes, COVID 19 rent relief schemes and the attitude of the courts has already caused some property owners to sell and property managers to exit the sector. Needless to say, the REIV will continue to represent Members' interests actively in this space and provide training, information and support.

If the RTA wasn't enough, the VCAT jurisdictional issue and an ever growing backlog of VCAT cases, placed even more pressure on property managers and rental providers. After considerable, lengthy engagement with Government, the Victorian Civil and Administrative Tribunal and Other Act Amendment (Federal Jurisdiction and Other Matters) Bill 2021 was passed by Parliament and received Royal Assent on 10 August 2021. The backlog of VCAT cases continues as do REIV's discussions with Government on how it is to be addressed.

The situation for commercial landlords and REIV's Commercial and Industrial Members has been just as challenging, and latterly even more so with the bizarre exclusion of commercial premises from concessions that enabled private inspection of residential properties. After much discussion, private inspections were secured for commercial premises. The 2020 and 2021 versions of the Commercial Tenancy Relief Scheme were totally one-sided, with landlords bearing the brunt of the concessions they had to provide to eligible tenants. The REIV reviewed the legislation and assisted Members through the provision of detailed information and a very well attended webinar. Furthermore, most landlords were not eligible for many of the Government's stimulus schemes. While industry bodies, including the REIV, expended considerable time and effort in roundtable and other discussions, Government paid no more than lip service to their contributions. The real impact on the commercial sector has yet to be seen.

Owners Corporation Management

In February, the long awaited Owners Corporations and Other Acts Amendment Bill 2019 was finally passed. The REIV's Owners Corporation Chapter Committee played key roles in developing the REIV's original submissions and in informing subsequent discussions with Government which achieved a number of improvements. There are, however, gaps including the failure of the Act to address training and qualifications for owners corporation management. The REIV will continue to work with Government to help shape the future for this critical part of the real estate sector. The Owners Corporation Chapter Committee is providing expert input to the development of REIV resources to support Members in their understanding and application of the Act in practice.

Underquoting

In flat and declining markets, overquoting is a real risk. In hot markets with high demand, limited supply and limited recent and relevant transactions, there is a real risk of underquoting. In those all too short periods of no or limited restrictions, Melbourne and Regional Victoria saw frenzied market activity with FOMO – fear of missing out – fuelling bidding wars and properties selling for well above advertised price ranges. Even during hard lockdown, sale prices continued to rise. The REIV has liaised closely with CAV who acknowledge the role being played by current market conditions and are also investigating complaints made to them. Agencies that are found to have breached requirements will be penalised.

Tax

In May the whole of the Victorian property sector was blind-sided by the Government's announcements, with no prior industry engagement, for stamp duty and land tax increases and windfall gains tax changes in the 2021-22 State budget. The REIV joined with the Property Council, HIA, UDIA and MBV to oppose these tax changes in the strongest terms. The REIV believes that the Government's strategy of reliance on

inefficient property taxes to get the State budget back into the black is flawed. The REIV continues to work with those same kindred associations to campaign against these changes and seek a complete overhaul of property taxation.

REIA

With a Federal election expected in 2022, the REIV has participated actively in the development of a suite of REIA policies to provide the foundation for REIA and State and Territory REI campaigning. The policies cover housing supply, affordability, taxation, cities and regions, sustainability and essential support for real estate agency development. Those REIA policies have just been published in the *Getting Real* report.

MEDIA

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 and the median monthly results for 2020/21 were as follows.

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

A strong media presence supports the delivery of strategy 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 and its clients and customers enhances the REIV's reputation and credibility and, by association, its Members.

The REIV's data analysts play a key role in supporting our advocacy work 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.

MOBILISE CONSUMERS

Aside from the REIV's two major and very successful campaigns "*Please Mr Premier, I don't think you understand*" and "*Locked Down and Locked Out*", REIV's communication and marketing efforts were largely focused on Members – the timely delivery of reliable information and resources, managing the REIV's increasing social media presence and supporting Members' mental health.

		2020/21 (Median)	2019/20 (Median)	2018/19 (Median)
Website Analytics	Website visits	95,300	99,106	83,800
Social Media (followers)	Instagram, Facebook, Linked In, Twitter	39,720	31,226	28,977

The partnership with the AFL Coaches Association continued with the delivery of a number of Masterclasses.

When we are firmly out of lockdown, the next stage of *The Difference* campaign will be launched.

ELEVATE PROFESSIONAL STANDARDS

The REIV advocated for the new National Training Package for Property Services, was closely involved in its development and engaged with CAV on its implementation in Victoria. The Certificate IV in Real Estate Practice for Agents Representatives was launched by the REIV in October 2020 and enrolments to date are excellent, with a significant number undertaking their training through traineeships.

The REIV's Diploma of Property (Agency Management) for Licensed Agents will be launched in February 2022. There was a longer "teach out" period for enrolments and completions of the former Certificate IV course.

Looking ahead, we will be offering fast-tracking options for completion of the Certificate IV for those Agents Representatives already working in the sector who had undertaken the previous training. In addition, we are developing a micro-credentialling program that will enable people unwilling or unable to commit to full-time study, to complete single units of the Certificate IV and Diploma courses at their own pace. Some may choose to do one or two units simply to update their knowledge in specific areas. For some, the end-game will be the achievement of the Certificate IV or Diploma.

CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

The REIV's Continuing Professional Development program was relaunched in August 2020 after fundamental review. Commitment to ongoing development is expected of all Members. The program requires Members to earn a minimum of 12 CPD points in each CPD year which runs from 1 April to 31 March. Of those points, at least 8 must be earned from the REIV and include the compulsory annual Ethics module. Members are encouraged to keep track of their points tally through My REIV on the REIV website.

During 2020/21 a total of 154 CPD points were available from REIV events alone. Members can also earn points through a range of other activities including Chapter and Division Committee membership, providing articles published in EA magazine, speaking at REIV events and subscription to VicForms. Development activities undertaken elsewhere can also qualify for CPD points.

In June this year PropEL, the REIV's online self-paced learning platform was launched. It includes Masterclasses with AFL coaches, online short courses and on demand webinars. Since launch, 272 short courses and 188 on-demand webinars have been purchased. The range of short courses, webinars and other resources will be expanded so as to encourage and support Members' ongoing development.

VICFORMS

VicForms is a wholly REIV product that is going from strength to strength since the REIV appointed Hutly as its technology partner. Product reliability and stability has improved significantly and there are regular releases of new features, such as the facility to sign any document released in August 2021. Subscriber numbers are increasing steadily. The move to a subscription model, with an additional low usage tier having been added in light of feedback from Members, is proving to be more efficient for subscribers and the REIV than the previous pay as you go approach.

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.

The Company delivered a modest profit in the 2020/21 financial year, despite challenging trading conditions resulting in a net loss in subscribers and corresponding decrease in subscription revenue. Significant data integrations drove the positive result.

PDOL was established for Members to protect them and their data, with the expectation that Members would use it and provide their data. While concerted efforts had delivered real improvements to products and the business, the proportion of REIV Office Members subscribing to PDOL remained under 20% and declining, with an even smaller percentage providing data.

With significant financial, people, technical and marketing investment required for the company to compete successfully in such a fast moving and highly competitive market, the Board decided to entertain approaches. After considerable due diligence by the Board and management, the outcome was the sale of PDOL assets to Hutly in October 2021 and creation of a long term partnership between REIV and Hutly. Central to the decision were Hutly's track record in transforming VicForms as REIV's technology partner; protection of PDOL subscribers; the transfer of PDOL staff to the new company wholly owned by Hutly for the seamless provision of former PDOL services; REIV's ongoing access to data; the delivery of revenue over a number of years; and the commitment to develop new products and revenue streams.

REIV STRATEGIC PLAN 2021-23

The REIV's purpose as stated in the Constitution and summarised in the Mission Statement remains unchanged: *To enhance the professional excellence of our members to the benefit of the communities they work within, and to advocate and represent their interests.*

The articulation of an REIV vision places our purpose in a broader context: *A Strong and Sustainable Victorian Property Sector.*

Key themes arising from a Member survey were very much front of mind in developing the strategic pillars and range of projects:

- **Membership growth:** getting all agents and agencies into membership
- **Advocacy:** stronger representation and improved legislative outcomes
- **Public Awareness:** REIV membership should be a genuine differentiator
- **Training and Development:** easier access, higher quality and more cost effective

Unite the Sector

Realisation of the vision cannot be achieved by the REIV alone. The Plan recognises the need for the REIV to continue to grow membership, reflect diversity in our services and engagement and encourage, facilitate and spearhead greater collaboration, cooperation and connection both within membership and throughout the sector as a whole.

Be the Voice

At the same time, the REIV must also continue to increase the power and credibility of its voice. Central to this will be building capacity and capability to deliver evidence based active and reactive advocacy and representation and continuing to strengthen working relationships with key influencers and decision makers in government and elsewhere.

Deliver Valuable Content

Enhancing professional excellence throughout our membership is core to the REIV's purpose. Attention will be focused not only on broadening the range of high quality training, development opportunities, information, research and insights that we provide, but also ensuring ease of accessibility and greater personalisation of communication and offerings.

Build Strong Foundations

Digital transformation of our services and operations is central to delivery of the Plan. This will include: reinvention of the REIV website and its integration with other REIV platforms; optimising the use of our platforms; making effective use of the data to personalise and better target offerings and communication; and implementing digital solutions where appropriate to increase the efficiency and effectiveness of internal operations.

Work has started on delivery of the new Strategic Plan. The Board will be apprised of progress on an ongoing basis and Members will be informed of developments as they come on stream.



The Vision : A Strong and Sustainable Victorian Property Sector

Strategic Pillars



Unite the sector

Membership: Grow and diversify REIV membership through active retention and targeted growth campaigns.
Diversity: Tailor and personalise REIV service offers to reflect the variety of Members' interests and needs.
Connectivity: Facilitate greater connection and community within the property sector.
Collaboration: Collaborate with defined internal and external sector stakeholder groups for mutual benefit.



Be the voice

Confidence: Deliver a strategic, data-driven, and collaborative approach to advocacy and representation.
Leadership: Actively use horizon scanning to identify emerging opportunities and issues.
Trust: Cultivate strong working relationships with government, public servants, the opposition and media to position REIV as the "Go To" on property matters.



Deliver valuable content

Training: Facilitate access to quality training and education across market segments.
Development: Support and encourage professional standards, development, and career progression through the provision of a wide range of resources.
Insights: Develop and deliver high-quality research and insights.
Information: Inform and educate the public through the website, active use of media and resources for Members.

Build Strong Foundations

People: Align resourcing and planning with strategic and operational needs.
Systems: Deliver more accessible, personalised and interactive services and a positive user experience through digital transformation.
Finance: Build financial sustainability through data driven resource allocation and investment.
Governance: Align strategy and organisational governance, supported by policies and procedures that provide for nimble oversight and informed decision making.



MEMBER REPRESENTATION

At 30 June 2021

REIV BOARD COMMITTEES AND REIV BOARD APPOINTMENTS TO OTHER BODIES

Board Management and Finance Committee

Adam Docking Chair
Leah Calnan
Andrew Meehan
Richard Simpson
Robyn Waters

PropertyData OnLine Pty Ltd Director
Richard Simpson

REIA Director
Richard Simpson

DIVISION COMMITTEES

New Division Committees were formed from 1 January 2021 following a call for nominations. Of nine Regional Divisions, only one Committee could be formed.

Committee members, the Committee Chair and Members' Council delegates at 30 June 2021 were:

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

New Chapter Committees were formed from 1 January 2021. Committee members, Committee Chairs and Members' Council delegates at 30 June 2021 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	
Wendy Steel	
Courtney Thursfield	MC

Buyers' Agents

Eddie Van Pamelen	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	
Andrew Prowse	

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
Ali Ibrahim	
Bailey White	

APPOINTMENTS AND HEARINGS

For the financial year 2020/21

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	36
Nominations	34
Withdrawn	2
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	56
Nominations	46
Withdrawn	10

Complaints and Disputes

Member to Member

In accordance with the REIV Constitution and By Laws.

Disputes	0
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Public Complaints

The REIV does not manage complaints from consumers about Members. All such complaints are referred to Consumer Affairs Victoria.



The Real Estate Institute of Victoria Ltd and controlled entity

ABN: 81 004 210 897

Consolidated Financial report

For the year ended 30 June 2021

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, Property Data Online Pty Ltd, during or at the end of the year ended 30 June 2021.

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

Sophie Lyon

Robyn Waters

Richard Simpson

Michael Blake (Expiry of term 30 September 2021)

Noel Dyett

Cameron Way (Expiry of term 30 September 2021)

Lee Maher (Resigned 11 September 2020)

Frank Hellier (Resigned 30 September 2020)

Michael Clements

Andrew Meehan (Appointed 14 September 2020)*

Jacob Caine (Appointed 1 October 2020)

Megan Mander (Appointed 1 October 2021)

Renee Reynolds (Appointed 1 October 2021)

* The Constitution provides that Directors appointed to fill casual vacancies shall serve the remainder of the departing Director's unexpired term. Andrew Meehan was appointed by the Board from 14 September to 30 September 2020 to fill the casual vacancy created by Lee Maher's resignation two weeks before the expiry of her term of office. Mr Meehan continues as a Director having been elected by Members to serve for 3 years from 1 October 2020.

The 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 profit from continuing operations of the group for the year after providing for income tax amounted to \$628,896 (2020: \$152,173). Total comprehensive income for the year amounted to \$780,537 (2020: \$1,305,294).

Significant changes in state of affairs

The Company held 17.94% shares in Realestateview.com.au Ltd "REV" at July 2020 following the buy-back and cancellation by REV of 132,000 shares from small investors. In March 2021, the Company's shareholding reduced to 5.75% following REV buy-back and cancellation of 2,445,537 shares from the Company.

Objectives

The REIV Mission, Strategy Statement and Strategic Goals were reviewed by the Board in March 2021, with the Strategic Plan for the period 2021 to 2023 being approved in June 2021. While there was no change to the Mission, the Strategic Plan includes an overarching Vision and four strategic areas of focus.

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.

Strategic Pillars - 2021-23

There are four areas of focus and delivery will be supported by a detailed plan comprising some 16 projects to be executed over the period of the plan.

- Unite the Sector
- Be the Voice
- Deliver Valuable Content
- Build Strong Foundations

Strategic Goals

The Strategic Goals were adjusted through the merger of the two previous goals relating to professional standards and career pathways. The Strategic Goals for the 2020/21 financial year were:

- Mobilise the consumer to use an REIV Member
- Maximise the impact of our advocacy and representation work
- Elevate professional standards and support the careers of real estate practitioners

DIRECTORS' REPORT

Strategic Goals (Continued)

Financial performance was reviewed by both the Board Management and Finance Committee and the Board at each meeting. The Corporate Risk Register was reviewed quarterly, with any specific risks and/or risk mitigating actions being advised to the Board and addressed promptly. The Board Management and Finance Committee met with the Auditor three times during the financial year and each occasion included discussions without the presence of Management.

Strategic and operational performance in line with the Strategic Goals, associated Critical Performance Indicators and People and Technology enabling strategies were reported to each Board 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 and in relation to government directions pursuant to the management of the COVID-19 pandemic;
- A considerably heightened media profile, with higher levels of audience reach, advertising equivalent spend and media responses;
- Increased social media engagement and followers;
- Delivery of a significantly higher number of primarily virtual events providing considerable opportunity for Members throughout Victoria to invest in their professional development;
- Successful take up of online real estate training and launch of the new Agent's Representative Certificate IV and Licensed Agent's Diploma courses

Operational efficiencies continue to be delivered through active cost control, supplier management, risk management and continuous improvement of processes and policies. Strategic investment in IT systems continues to transform Member and public facing services and 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 to Government and other stakeholders;
- 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 continued development of PropertyData Online Pty Ltd in line with its Business Plan.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

DIRECTORS' REPORT

After balance date events

On 30 August 2021, the Board agreed, in principle, to sell the assets of Propertydataonline Pty Ltd subject to final taxation and legal due diligence.

Subsequent to the reporting date, the State Government of Victoria enacted a lockdown which commenced 5 August 2021. As at the date of the directors declaration, the directors have been unable to determine whether there will be any long term impact on the consolidated entity.

There has been no other matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the group.

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.

Information on directors

Leah Calnan	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and proprietor and director of Metro Property Management Pty Ltd. A property management specialist, an REIV accredited trainer and author of "Simple and Successful Property Management". First elected to the Board from the Metropolitan Zone from 1 October 2014 and re-elected for a second term from 1 October 2017. 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.
Special responsibilities	Elected by the Board as President from 14 October 2019 and re-elected for a second term from 5 October 2020 to 4 October 2021. Board Management and Finance Committee, from 8 October 2018.

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ABN: 81 004 210 897

DIRECTORS' REPORT

Information on directors (Continued)

Adam Docking	President
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>
Special responsibilities	<p>Elected by the Board as REIV Senior Vice President from 14 October 2019 and re-elected for a second term from 5 October 2020 to 4 October 2021. Elected by the Board as President from 4 October 2021.</p> <p>Chair of the Board Management and Finance Committee from 14 October 2019. Chair of Members' Council from 14 October 2019.</p>
Sophie Lyon	Director
Qualifications	CEA (REIV)
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. Chair of the REIV Charitable Foundation Board until its de-registration on 21 July 2021.</p>
Special responsibilities	<p>Chair of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.</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>
Special responsibilities	<p>Member of the Board Management and Finance Committee from 8 October 2018.</p>

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

DIRECTORS' REPORT

Information on directors (Continued)

Richard Simpson	Senior Vice 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. 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 Vice President from 5 October 2020 to 4 October 2021. Elected by the Board as Senior Vice President from 4 October 2021. Member of the Board Management and Finance Committee from 8 October 2018. REIV representative to the REIA Board for three years from December 2018. PropertyData Online Pty Ltd Director
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.
Special responsibilities	Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.
Noel Dyett	Director
Qualifications	FREI, CEA (REIV), CPA
Experience	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 accountant, both non-practising. Elected to the Board from the Regional Zone from 1 October 2016 and re-elected from 1 October 2019. 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. Previously a member of the Finance Risk and Audit Committee.
Special responsibilities	Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.

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

Information on directors (Continued)

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 and Chair of the Membership Committee to October 2018.</p>
Special responsibilities	<p>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>
Lee Maher	Director
Qualifications	CEA (REIV)
Experience	<p>A licensed real estate agent and Managing Director of Urban Property Melbourne Pty Ltd providing residential sales, property management services, owners corporation management, buyer advocacy and commercial tenant advocacy.</p> <p>Elected to the Board from the Metropolitan Zone from 1 October 2017. Member of the PropertyData.com.au Management Committee to 8 October 2018.</p>
Special responsibilities	<p>Member of the Board Management and Finance Committee from 8 October 2018 to 11 September 2020. Member of the Estate Agency Practice Committee until it was disbanded by the Board on 25 June 2020.</p>
Frank Hellier	Director
Qualifications	CEA (REIV), FREI
Experience	<p>A licensed real estate agent and auctioneer and a Senior Executive with Barry Plant Mordialloc, prior to which he operated and controlled four independent real estate offices in the Bayside area.</p> <p>A former member of the Estate Agents Council.</p> <p>REIV Charitable Foundation Board Director until March 2019. Elected to the Board from the Metropolitan Zone from 1 October 2017 and previously served as a Director from 1998 to 2009 and 2013 to 2016 and was President from 2002 to 2003. Member of the Propertydata.com.au Management Committee to 8 October 2018.</p>
Special responsibilities	<p>Member of the Membership Committee until 30 September 2020.</p>

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

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DIRECTORS' REPORT

Information on directors (Continued)

Michael Clements	Director
Qualifications	B.Comm, LLB
Experience	<p>A Director of Harris Carlson Lawyers, practising across a broad range of legal disciplines, including a longstanding reputation in residential and commercial property transactions.</p> <p>First appointed as an Additional Director by the REIV Board from 22 April 2019 and re-appointed for further 12 month terms from 22 April 2020 and 22 April 2021.</p>
Special responsibilities	Chair of the Disciplinary Committee from 1 June 2020.
Andrew Meehan	Vice President
Qualifications	MBA, BAsC, CEA (REIV)
Experience	<p>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 CEO and Director of Nicholas Lynch Real Estate Group, which he co-founded in 2008, and Chair of Listing Loop Group and a member of FIABCI.</p> <p>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.</p>
Special responsibilities	<p>Elected by the Board as Vice President from 4 October 2021.</p> <p>Member of the Board Management and Finance Committee from 5 October 2020.</p>
Jacob Caine	Director
Qualifications	MBA, BMus (Hons), CEA (REIV)
Experience	<p>A licensed real estate agent, holding an honours degree in music, an MBA and studying for a Master of International Relations with Harvard University. Appointed as CEO of Caine Real Estate from 2012 having gained hands on experience of all roles in the family agency over the previous 6 years.</p> <p>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.</p> <p>Elected to the Board from the Metropolitan Zone from 1 October 2020.</p>
Special responsibilities	Member of the Membership Committee until 8 February 2021 when the Board disbanded the Committee.

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

DIRECTORS' REPORT

Information on directors (Continued)

Megan Mander	Director
Qualifications	CEA (REIV)
Experience	A licensed real estate agent and owner and director of Urban Commercial Pty Ltd. A specialist in commercial property management and facilities management. Elected to the Board from the Metropolitan Zone from 1 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.

Meetings of directors

The REIV Board of Directors met a total of 18 times during the financial year, of which all but three were held wholly by videoconference in light of COVID-19 pandemic restrictions.

The Board Management and Finance Committee met a total of 9 times during the financial year, of which all but one were held wholly by videoconference in light of COVID-19 pandemic restrictions.

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

Directors	Directors' meetings		Board Management & Finance Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Leah Calnan	18	18	9	8
Adam Docking	18	17	9	9
Sophie Lyon	18	17	-	-
Robyn Waters	18	18	9	7
Richard Simpson	18	16	9	9
Michael Blake	18	18	-	-
Noel Dyett	18	18	-	-
Cameron Way	18	16	-	-
Lee Maher	4	4	2	2
Frank Hellier	4	4	-	-
Michael Clements	18	17	-	-
Andrew Meehan	14	14	6	6
Jacob Caine	14	11	-	-

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

DIRECTORS' REPORT

Members guarantee

Every Member of the company is required to contribute to the assets of the company in the event of it 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 2021, the maximum amount for which serving Members were liable was \$19,154 based on 9,557 Members at 30 June 2021 (2020: \$13,646 based on 6,823 Members).

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*.

Signed on behalf of the board of directors.



Adam Docking
2021.10.14 20:06:33
+11'00'

Director: _____

Adam Docking

Dated 14 October 2021

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

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF REAL ESTATE INSTITUTE OF VICTORIA

In relation to the independent audit for the year ended 30 June 2021, 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.



D A KNOWLES

Partner



PITCHER PARTNERS

Melbourne

Date: 14 October 2021

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 2021

	Note	2021 \$	2020 \$
Revenue, gains and other income			
Revenue from contracts with customers	3	7,996,919	8,201,245
Other revenue	4	<u>1,630,935</u>	<u>1,366,047</u>
		<u>9,627,854</u>	<u>9,567,292</u>
Less: expenses			
Cost of sales	5	(1,338,302)	(1,979,023)
Depreciation and amortisation expense	5	(1,167,733)	(1,291,485)
Employee benefits expense	5	(4,217,269)	(4,387,349)
Occupancy expense		(231,224)	(265,610)
Repairs and maintenance expense		(55,341)	(45,576)
Advertising expense		(441,222)	(331,763)
Events		(57,503)	(363,793)
Professional Fees		(343,923)	(189,340)
Other expenses		<u>(836,686)</u>	<u>(545,141)</u>
		<u>(8,689,203)</u>	<u>(9,399,080)</u>
Profit before income tax expense		938,651	168,212
Income tax expense	6	<u>(309,755)</u>	<u>(16,039)</u>
Net profit after tax from continuing operations		<u>628,896</u>	<u>152,173</u>
Profit for the year		<u>628,896</u>	<u>152,173</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		-	925,660
Change in tax rate		<u>151,641</u>	<u>227,461</u>
Other comprehensive income for the year		<u>151,641</u>	<u>1,153,121</u>
Total comprehensive income		<u>780,537</u>	<u>1,305,294</u>
Total comprehensive income is attributable to:			
- Members of The Real Estate Institute of Victoria		<u>780,537</u>	<u>1,305,294</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 FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	7	6,352,945	3,153,997
Receivables	8	352,817	539,333
Inventories	9	66,942	58,193
Other assets	10	<u>373,196</u>	<u>289,968</u>
Total current assets		<u>7,145,900</u>	<u>4,041,491</u>
Non-current assets			
Other financial assets	11	381,422	1,460,993
Intangible assets	12	1,614,437	1,842,744
Property, plant and equipment	13	<u>18,542,304</u>	<u>18,637,049</u>
Total non-current assets		<u>20,538,163</u>	<u>21,940,786</u>
Total assets		<u>27,684,063</u>	<u>25,982,277</u>
Current liabilities			
Payables	14	1,082,322	934,894
Provisions	15	414,623	343,106
Other liabilities	16	<u>2,463,167</u>	<u>1,918,977</u>
Total current liabilities		<u>3,960,112</u>	<u>3,196,977</u>
Non-current liabilities			
Deferred tax liabilities	6	<u>2,923,210</u>	<u>2,765,096</u>
Total non-current liabilities		<u>2,923,210</u>	<u>2,765,096</u>
Total liabilities		<u>6,883,322</u>	<u>5,962,073</u>
Net assets		<u>20,800,741</u>	<u>20,020,204</u>
Equity			
Reserves	17	11,373,043	11,221,402
Retained earnings		<u>9,427,698</u>	<u>8,798,802</u>
Total equity		<u>20,800,741</u>	<u>20,020,204</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 CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Reserves \$	Retained earnings \$	Total equity \$
Consolidated			
Balance as at 1 July 2019	10,068,281	8,646,629	18,714,910
Profit for the year	-	152,173	152,173
Revaluation of property, plant and equipment, net of tax	925,660	-	925,660
Change in tax rate	<u>227,461</u>	<u>-</u>	<u>227,461</u>
Total comprehensive income for the year	<u>1,153,121</u>	<u>152,173</u>	<u>1,305,294</u>
Balance as at 30 June 2020	<u><u>11,221,402</u></u>	<u><u>8,798,802</u></u>	<u><u>20,020,204</u></u>
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><u>11,373,043</u></u>	<u><u>9,427,698</u></u>	<u><u>20,800,741</u></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 2021

	Note	2021 \$	2020 \$
Cash flow from operating activities			
Receipts from customers		11,367,241	10,429,928
Payments to suppliers and employees		(8,308,498)	(8,962,438)
Interest received		<u>4,520</u>	<u>20,366</u>
Net cash provided by operating activities	22(b)	<u><u>3,063,263</u></u>	<u><u>1,487,856</u></u>
Cash flow from investing activities			
Proceeds from sale of investments		1,002,670	-
Payment for property, plant and equipment		(51,593)	(105,980)
Payments for intangible assets		<u>(815,392)</u>	<u>(886,388)</u>
Net cash used in investing activities		<u><u>135,685</u></u>	<u><u>(992,368)</u></u>
Reconciliation of cash			
Cash at beginning of the financial year		3,153,997	2,658,509
Net increase in cash held		<u><u>3,198,948</u></u>	<u><u>495,488</u></u>
Cash at end of financial year	22(a)	<u><u><u>6,352,945</u></u></u>	<u><u><u>3,153,997</u></u></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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

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 - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

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.

The World Health Organisation declared a pandemic in relation to COVID-19 on 11 March 2020. The Company continues to operate under the current level of restrictions imposed by the Federal and State governments. This pandemic may have an impact on the financial position and may impact the financial performance of the Company in the future.

(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.

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 2021

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.

Equity interests in a subsidiary not attributable, directly or indirectly, to the group are presented as non-controlling interests. Non-controlling interests are initially recognised either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. Non-controlling interests in the results of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of financial position respectively.

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

(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 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 2021

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 company. The principle of mutuality is a common law principle arising from the premise that a person cannot profit from himself. Accordingly, income from members is deemed to be mutual income and not subject to income tax, and expenses in connection with mutual income 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 2021

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) Inventories

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

(g) 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.

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (Continued)

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.

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (Continued)

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.

(h) 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.

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Property, plant and equipment (Continued)

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

(i) 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.

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) 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.

(k) 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.

(l) Comparatives

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Non-current assets and disposal groups held for sale

A discontinued operation is a component of the consolidated entity that has been disposed of, control has been lost, or is classified as held for sale 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 financial statements.

An impairment loss is recognised when the carrying amount of a non-current asset or disposal group held for sale exceeds its fair value less costs to sell and is recognised immediately in profit or loss. Any impairment loss on a disposal group is allocated first to any goodwill attributable to the disposal group, and then to the remaining assets and liabilities on a pro rata basis, except for inventories, deferred tax assets and assets otherwise measured at fair value on a recurring basis. Gains are recognised in respect of any subsequent increases in fair value less costs to sell of non-current assets or disposal groups held for sale, but only to the extent of any cumulative impairment losses previously recognised.

(n) Investments in associates

An associate is an entity over which the group is able to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The group's interests in associates are accounted for using the equity method after initially being recognised at cost. Under the equity method, the group's share of the profits or losses of the associate is recognised in the group's profit or loss and the group's share of other comprehensive income items is recognised in the group's other comprehensive income. Details relating to associates are set out in Note 22.

Unrealised gains and losses on transactions between the group and an associate are eliminated to the extent of the group's interest in the associate.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) Impairment of non-financial assets other than goodwill

All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the consolidated entity. Impairment triggers include declining product or manufacturing performance, technology changes, adverse changes in the economic or political environment and future product expectations. If an indicator of impairment exists the recoverable amount of the asset is determined.

The recoverable amount of a CGU is based on value in use calculations. These calculations are based on projected cash flows approved by management covering a minimum period of 1 year (maximum of five years). Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. The present value of future cash flows has been calculated using an average growth rate of 2.5% (2020: 2.5%) for cash flows in year two to five and which is based on the historical average, and a terminal value growth rate of 2.5% (2020: 2.5%), a discount rate within the range of 12% - 16% (2020: 12% - 18%) to determine value-in-use.

(b) 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
ABN: 81 004 210 897

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS		
Revenue from contracts with customers		
Sales - products	349,263	482,916
Sales - training registrations	1,951,547	1,578,713
Sales - online products	618,142	647,227
Subscription income	<u>5,077,967</u>	<u>5,492,389</u>
	<u><u>7,996,919</u></u>	<u><u>8,201,245</u></u>
NOTE 4: OTHER REVENUE AND OTHER INCOME		
Other revenue		
Interest income	4,520	20,366
Grants	478,462	555,068
Other revenue	<u>1,147,953</u>	<u>790,613</u>
	<u><u>1,630,935</u></u>	<u><u>1,366,047</u></u>
NOTE 5: OPERATING PROFIT		
Profit / (loss) before income tax has been determined after:		
Cost of sales	1,338,302	1,979,023
Depreciation and amortisation	1,167,733	1,291,485
Bad debts		
- bad and doubtful debts	44,972	19,528
Impairment		
- Impairment of investments	76,901	-
- Write off of property, plant and equipment	22,304	-
Employee benefits	4,217,269	4,387,349

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 6: INCOME TAX		
(a) Components of tax expense		
Deferred tax	275,043	(51,897)
Change in tax rate	<u>34,712</u>	<u>67,936</u>
	<u><u>309,755</u></u>	<u><u>16,039</u></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 26.0% (2020: 27.5%)	244,049	46,258
Add tax effect of:		
Non-deductible expenses	20,127	418
Change in tax rate	34,712	67,936
Correction in opening DTA	<u>109,618</u>	<u>-</u>
	164,457	68,354
Less tax effect of:		
Other non-assessable items	5,200	27,500
Temporary differences not previously recognised	-	21,189
Net adjustment for mutual expenses	<u>93,551</u>	<u>49,884</u>
	<u>98,751</u>	<u>98,573</u>
Income tax (benefit) / expense attributable to profit	<u><u>309,755</u></u>	<u><u>16,039</u></u>
(c) Deferred tax		
Deferred tax relates to the following:		
<i>Deferred tax assets</i>		
The balance comprises:		
Tax losses carried forward	838,049	1,158,036
Temporary differences	<u>29,753</u>	<u>19,523</u>
	<u>867,802</u>	<u>1,177,559</u>
<i>Deferred tax liabilities</i>		
The balance comprises:		
Land and buildings at fair value	<u>3,791,012</u>	<u>3,942,655</u>
Net deferred tax liabilities (at 26%, 2020: 27%)	<u><u>2,923,210</u></u>	<u><u>2,765,096</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 6: INCOME TAX (CONTINUED)		
(d) Deferred income tax (revenue)/expense included in income tax expense comprises		
(Increase) / decrease in deferred taxes	275,043	(51,897)
Decrease in deferred taxes (tax rate change)	<u>34,712</u>	<u>67,936</u>
	<u>309,755</u>	<u>16,039</u>
(e) Deferred income tax related to items charged or credited directly to equity		
Increase in deferred tax liabilities (property revaluation)	-	351,112
Decrease in deferred tax liabilities (tax rate change)	<u>(151,641)</u>	<u>(227,461)</u>
	<u>(151,641)</u>	<u>123,651</u>
NOTE 7: CASH AND CASH EQUIVALENTS		
Cash on hand	500	500
Cash at bank	2,151,204	2,453,497
Cash on deposit	<u>4,201,241</u>	<u>700,000</u>
	<u>6,352,945</u>	<u>3,153,997</u>
NOTE 8: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	363,462	299,496
Allowance for credit losses	<u>(99,185)</u>	<u>(79,000)</u>
	264,277	220,496
Other receivables	<u>88,540</u>	<u>318,837</u>
	<u>352,817</u>	<u>539,333</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). Invoicing of customers generally occurs on a monthly basis. Outstanding invoices are due for payment within 30 days of the invoice date.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 8: RECEIVABLES (CONTINUED)

Reconciliation of loss allowance

The following table provides a reconciliation from the opening balance to the closing balance of the loss allowance for receivables from contracts with customers:

	Total \$
Loss allowance at 1 July 2019	96,575
Decrease in provision	<u>(17,575)</u>
Loss allowance at 30 June 2020	<u>79,000</u>
Loss allowance at 1 July 2020	79,000
Increase in provision	<u>20,185</u>
Loss allowance at 30 June 2021	<u>99,185</u>

The following table provides information about the risk profile of receivables from contracts with customers using a provision matrix. The information in the below table does not distinguish between customer or product types as the group's historical credit loss experience does not show different patterns for different customer or product types.

	12-month expected credit losses					
	Days aged					
	Current	30	60	90	120+	Total
	\$	\$	\$	\$	\$	\$
2021						
Estimated total gross carrying amount at default	-	-	67,645	20,211	47,519	135,375
Expected credit loss rate	0.00 %	0.00 %	55.00 %	70.00 %	100.00 %	
Expected credit loss	<u>-</u>	<u>-</u>	<u>37,213</u>	<u>14,453</u>	<u>47,519</u>	<u>99,185</u>
2020						
Estimated total gross carrying amount at default	-	-	-	24,179	57,228	81,407
Expected credit loss rate	0.00 %	0.00 %	0.00 %	90.00 %	100.00 %	
Expected credit loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,772</u>	<u>57,228</u>	<u>79,000</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 9: INVENTORIES		
CURRENT		
<i>At cost</i>		
Finished goods	<u>66,942</u>	<u>58,193</u>
NOTE 10: OTHER ASSETS		
CURRENT		
Prepayments	<u>373,196</u>	<u>289,968</u>
NOTE 11: 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	1,384,092
<i>Financial assets measured at cost</i>		
Other investment	76,901	76,901
Provision for impairment	<u>(76,901)</u>	<u>-</u>
	<u>-</u>	<u>76,901</u>
	<u>381,422</u>	<u>1,460,993</u>

- (a) 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.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 12: INTANGIBLE ASSETS		
Software at cost	1,312,455	4,978,776
Accumulated amortisation and impairment	<u>(857,570)</u>	<u>(4,398,338)</u>
	454,885	580,438
PDOL data development	9,983,315	9,461,421
Accumulated amortisation and impairment	<u>(8,823,763)</u>	<u>(8,199,115)</u>
	<u>1,159,552</u>	<u>1,262,306</u>
Total intangible assets	<u><u>1,614,437</u></u>	<u><u>1,842,744</u></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	580,438	540,889
Additions	293,499	444,028
Amortisation expense	<u>(419,052)</u>	<u>(404,479)</u>
Closing balance	<u><u>454,885</u></u>	<u><u>580,438</u></u>
<i>PDOL data development</i>		
Opening balance	1,262,306	1,552,438
Additions	521,893	442,360
Amortisation	<u>(624,647)</u>	<u>(732,492)</u>
Closing balance	<u><u>1,159,552</u></u>	<u><u>1,262,306</u></u>
<i>Total Intangible assets reconciliation</i>		
Opening balance	1,842,744	2,093,327
Additions	815,392	886,388
Amortisation	<u>(1,043,699)</u>	<u>(1,136,971)</u>
Closing balance	<u><u>1,614,437</u></u>	<u><u>1,842,744</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT		
Land		
Freehold land		
At valuation	<u>17,226,772</u>	<u>17,226,772</u>
Buildings		
At valuation	1,898,610	2,011,034
Accumulated depreciation	<u>(724,975)</u>	<u>(737,806)</u>
	<u>1,173,635</u>	<u>1,273,228</u>
Total land and buildings	<u>18,400,407</u>	<u>18,500,000</u>
Plant and equipment		
Plant and equipment at cost	70,545	70,545
Accumulated depreciation	<u>(17,533)</u>	<u>(8,850)</u>
	53,012	61,695
Motor vehicles at cost	58,721	58,721
Accumulated depreciation	<u>(25,827)</u>	<u>(17,978)</u>
	32,894	40,743
Furniture, fixtures and fittings at cost	722,398	1,076,457
Accumulated depreciation	<u>(699,453)</u>	<u>(1,054,596)</u>
	22,945	21,861
Computer equipment at cost	58,986	360,882
Accumulated depreciation	<u>(25,940)</u>	<u>(348,132)</u>
	<u>33,046</u>	<u>12,750</u>
Total plant and equipment	<u>141,897</u>	<u>137,049</u>
Total property, plant and equipment	<u>18,542,304</u>	<u>18,637,049</u>

(a) Valuations

The fair values of freehold land, and buildings on freehold land have been determined by reference to director valuations, based upon the independent valuation obtained for 30 June 2020 by valuer WBP Group Pty Ltd. The Board have determined to value the Land & Buildings based on the existing use of the building and on the basis that there is no intention to sell the property at this time.

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

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Freehold land</i>		
Opening carrying amount	17,226,772	15,950,000
Net revaluation increments	<u>-</u>	<u>1,276,772</u>
Closing carrying amount	<u><u>17,226,772</u></u>	<u><u>17,226,772</u></u>
<i>Buildings</i>		
Opening carrying amount	1,273,228	1,320,757
Additions	-	63,086
Depreciation expense	(81,508)	(110,615)
Write offs	<u>(18,085)</u>	<u>-</u>
Closing carrying amount	<u><u>1,173,635</u></u>	<u><u>1,273,228</u></u>
<i>Plant and equipment</i>		
Opening carrying amount	61,695	30,442
Additions	-	39,384
Depreciation expense	<u>(8,683)</u>	<u>(8,131)</u>
Closing carrying amount	<u><u>53,012</u></u>	<u><u>61,695</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	40,743	46,987
Additions	-	1,096
Depreciation expense	<u>(7,849)</u>	<u>(7,340)</u>
Closing carrying amount	<u><u>32,894</u></u>	<u><u>40,743</u></u>
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	21,861	41,273
Additions	18,581	-
Depreciation expense	(13,278)	(19,412)
Write offs	<u>(4,219)</u>	<u>-</u>
Closing carrying amount	<u><u>22,945</u></u>	<u><u>21,861</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 13: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(b) Reconciliations (Continued)		
<i>Computer equipment</i>		
Opening carrying amount	12,750	19,352
Additions	33,012	2,414
Depreciation expense	<u>(12,716)</u>	<u>(9,016)</u>
Closing carrying amount	<u><u>33,046</u></u>	<u><u>12,750</u></u>
<i>Total property, plant and equipment</i>		
Carrying amount at 1 July	18,637,049	17,408,811
Additions	51,593	105,980
Net revaluation increments	-	1,276,772
Depreciation expense	(124,034)	(154,514)
Write offs	<u>(22,304)</u>	<u>-</u>
Carrying amount at 30 June	<u><u>18,542,304</u></u>	<u><u>18,637,049</u></u>

NOTE 14: PAYABLES

CURRENT

Unsecured liabilities

Trade creditors	470,946	184,748
Sundry creditors and accruals	<u>611,376</u>	<u>750,146</u>
	<u><u>1,082,322</u></u>	<u><u>934,894</u></u>

NOTE 15: PROVISIONS

CURRENT

Employee benefits	(a) <u>414,623</u>	<u>343,106</u>
(a) Aggregate employee benefits liability	414,623	343,106

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 16: OTHER LIABILITIES		
CURRENT		
Deferred income	2,297,292	1,821,201
Revenue received in advance	58,150	79,551
Funds held in trust - Rental determination	<u>107,725</u>	<u>18,225</u>
	<u><u>2,463,167</u></u>	<u><u>1,918,977</u></u>

NOTE 17: RESERVES

Asset revaluation reserve	17(a) <u><u>11,373,043</u></u>	<u><u>11,221,402</u></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	11,221,402	10,068,281
Revaluation of property, plant and equipment, net of tax	-	925,660
Change in tax rate	<u>151,641</u>	<u>227,461</u>
Closing balance	<u><u>11,373,043</u></u>	<u><u>11,221,402</u></u>

NOTE 18: KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation received by key management personnel of the group		
- short-term employee benefits	<u><u>294,891</u></u>	<u><u>295,000</u></u>

NOTE 19: RELATED PARTY TRANSACTIONS

(a) Transactions with other related parties

Property Data Online had several transactions with its parent entity, The Real Estate Institute of Victoria, during the year ended 30 June 2021.

Property Data Online has an intercompany payable to The Real Estate Institute of Victoria of \$860,890 at 30 June 2021 (2020: \$1,136,523).

The Real Estate Institute of Victoria provided services to Property Data Online totaling \$300,000 for the year ended 30 June 2021 (2020: \$300,000)

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 20: INTERESTS IN CONTROLLED ENTITIES

(a) Subsidiaries

The following are the group's significant subsidiaries:

	Country of incorporation	Ownership interest held by the group		Ownership interest held by NCI	
Subsidiaries of The Real Estate Institute of Victoria:		2021 %	2020 %	2021 %	2020 %
Propertydataonline Pty Ltd	Australia	100	100	-	-

NOTE 21: INTERESTS IN ASSOCIATES AND JOINT ARRANGEMENTS

(a) Associates and Joint Ventures

Interests are held in the following associated companies:

Former Associate	Nature of relationship	Ownership interest		Measurement basis
		2021 %	2020 %	
Realestateview.com.au Ltd	Investment	5.75	17.94	Fair value

Balance date: 30 June 2021

Country of incorporation: Australia

In March 2021, Realestateview.com.au Ltd bought back and cancelled 2,445,537 of REIV's shares at \$0.41c per share. This reduced REIV's shareholding to 5.75% and removed the REIV's entitlement to any seats on the REV Board. REIV do not have significant influence over Realestateview.com.au Ltd and no longer equity account the investment.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
NOTE 22: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to the related items in the consolidated statement of financial position as follows:		
Cash on hand	500	500
Cash at bank	2,151,204	2,453,497
At call deposits with financial institutions	<u>4,201,241</u>	<u>700,000</u>
	<u><u>6,352,945</u></u>	<u><u>3,153,997</u></u>
(b) Reconciliation of cash flow from operations with profit after income tax		
Loss from ordinary activities after income tax	628,896	152,173
Adjustments and non-cash items		
Amortisation / Depreciation	1,167,733	1,291,485
Reduction in provision for doubtful debts	20,185	(17,575)
Write off investments	76,901	-
Write off of property, plant and equipment	22,304	-
Changes in operating assets and liabilities		
(Increase) / decrease in receivables	166,331	(220,219)
Decrease / (Increase) in other assets	(83,228)	174,330
(Increase) / decrease in inventories	(8,749)	(15,069)
(Decrease) / increase in payables	147,428	(56,309)
Increase / (decrease) in other liabilities	544,190	155,047
(Increase) / decrease in deferred taxes	309,755	16,038
Increase / (decrease) in provisions	<u>71,517</u>	<u>7,955</u>
Cash flows from operating activities	<u><u>3,063,263</u></u>	<u><u>1,487,856</u></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 2021

NOTE 23: 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 2021 the number of members was 9,557 (2019: 6,823). The combined total amount that members of the company are liable to contribute if the company is wound up is \$19,154 (2019: \$13,646).

	2021	2020
	\$	\$
NOTE 24: 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	7,624,116	6,199,787
Non-current assets	<u>19,130,628</u>	<u>19,019,481</u>
Total assets	<u>26,754,744</u>	<u>25,219,268</u>
Liabilities		
Current liabilities	3,890,668	3,087,277
Non-current liabilities	<u>2,923,210</u>	<u>2,765,096</u>
Total liabilities	<u>6,813,878</u>	<u>5,852,373</u>
Net assets	<u>19,940,866</u>	<u>19,366,895</u>
Equity		
Share capital	-	-
Retained earnings	8,567,823	8,145,493
Reserves		
Asset revaluation reserve	<u>11,373,043</u>	<u>11,221,402</u>
Total equity	<u>19,940,866</u>	<u>19,366,895</u>
(b) Summarised consolidated statement of profit or loss and other comprehensive income		
Profit / (loss) for year	422,330	(137,923)
Other comprehensive income for the year	<u>151,641</u>	<u>1,153,121</u>
Total comprehensive income for the year	<u>573,971</u>	<u>1,015,198</u>

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

NOTE 25: EVENTS SUBSEQUENT TO REPORTING DATE

On 30 August 2021, the Board agreed, in principle, to sell the assets of Propertydataonline.com.au Pty Ltd subject to final taxation and legal due diligence.

Subsequent to the reporting date, the State Government of Victoria enacted a lockdown which commenced 5 August 2021. As at the date of the directors declaration, the directors have been unable to determine whether there will be any long term impact on the consolidated entity.

There has been no other matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the group.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY

ABN: 81 004 210 897

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 12 - 39, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 2021 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.



Adam Docking
2021.10.14 20:06:59
+11'00'

Director: _____

Adam Docking

Dated 14 October 2021

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 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 2021, 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 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 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 for the year ended 30 June 2021, 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 - Reduced Disclosure Requirements 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.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REAL ESTATE INSTITUTE OF VICTORIA

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.

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.

THE REAL ESTATE INSTITUTE OF VICTORIA LTD AND CONTROLLED ENTITY
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REAL ESTATE INSTITUTE OF VICTORIA

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

- 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.



D A KNOWLES

Partner



PITCHER PARTNERS

Melbourne

Date 14 October 2021