



2 March 2015

Mr Derek Lynch
President
Real Estate Employers' Federation of South Australia and the Northern Territory
REI House
249 Greenhill Road,
DULWICH SA 5065

[Email: arvin@reefsant.org.au](mailto:arvin@reefsant.org.au)

Dear Mr Lynch

**Real Estate Employers' Federation of South Australia and the Northern Territory
Financial Report for the year ended 30 September 2014 - [FR2014/374]**

I acknowledge receipt of the financial report of the Real Estate Employers' Federation of South Australia and the Northern Territory for the year ended 30 September 2014. The document was lodged with the Fair Work Commission on 9 January 2015.

I also acknowledge receipt of your email of 17 February 2015 advising (after confirmation from your auditor) that there was a typographical error in the Committee of Management Statement lodged on 9 January 2015, and that in fact Tier 1 reporting requirements as per ASB1053 *Application of Tiers of Australian Accounting Standards* and item of the Reporting Guidelines had been applied.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 September 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found

on the Fair Work Commission website. In particular, I draw your attention to financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting. Section 268 of the RO Act, states that the full report and the designated officer's certificate are required to be lodged with the Fair Work Commission within 14 days of the meeting of members. The Designated Officer's Certificate indicates that this meeting occurred on 3 December 2014. If this is correct the full report should have been lodged with the Fair Work Commission by 17 December 2014. The full report was lodged on 9 January 2015.

If these dates are correct, the Real Estate Employers' Federation of South Australia and the Northern Territory should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 of the RO Act.

Please note that in future financial years if the Real Estate Employers' Federation of South Australia and the Northern Territory cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the required date of lodgement.

The financial report has now been filed.

If you have any queries regarding this letter, please contact me on (03) 8661 7639 or via email at orgs@fwc.gov.au.

Yours sincerely,



MARGARET WILLIAMS
Regulatory Compliance Branch



FULL REPORT

Financial Report 30 September 2014

**For
Fair Work Commission**

Prepared by:

Arvin Bisbal - Executive Officer

December 2014

General Manager
Fair Work Commission
Regulatory Compliance Branch
GPO Box 1994
MELBOURNE VIC 3001

Re:Lodgement of Financial Documents
Fair Work (Registered Organisation) Act 2009 (the RO Act)

The Real Estate Employers' Federation of South Australia and the Northern Territory (REEFSANT) is obliged under the Act to provide the Fair Work Commission (FWC) with a financial report 6 months after the end of our financial year.

I am pleased to advise that REEFSANT is now in a position to provide the FWC with a financial report for the year ending 30 September 2014.

Please find enclosed a copy of the:

- Notice of AGM to members
- Designated Officer's Certificate
- Committee of Management Statement
- Financial Statements for the year ending 30 September 2014
- Executive Committee Minutes – 6 November 2014.
- REEFSANT Annual Report for year ending 30 September 2014

I trust the report covers your entire requirement under the Act. However should you require further information please do not hesitate to contact me on 08 83664310 or email arvin@reefsant.org.au.

Kind Regards



Arvin Bisbal
Executive Officer

11 December 2014



Real Estate Employers' Federation of South Australia and the Northern Territory

Thursday 6 November 2014


AGM NOTIFICATION - REEF SA/NT - URGENT REPLY REQUIRED


Dear REEF SA/NT Members

1. Please find attached the **NOTICE AND REGISTRATION FORM OF THE ANNUAL GENERAL MEETING TO REEF SA/NT MEMBERS.**
2. **PLEASE SCAN AND EMAIL TO arvin@reefsant.org.au (or FAX 8366 4309) THE REGISTRATION FORM ADVISING YOUR ATTENDANCE OR APOLOGY.**
3. Attached are the **FINANCIAL STATEMENTS FOR YEAR ENDING 30 SEPTEMBER 2014 AS PER REEF SA/NT RULES.**
4. Don Tepper will take the opportunity of outlining what the Fair Work Commission's 4-yearly review of the Real Estate Industry Award means and what it involves. The union has already threatened to eliminate commission only and the debit/credit system but will they really do it?

Also the current hot topic is the union's push to continue after 31/12/14 the registration of employment agreements for the whole of Australia. Will it happen?

5. Please support REEF SA/NT with your attendance.

 [2014 Audit Report.pdf](#)

 [Notice Letter of AGM 2014.docx](#)



Don Tepper
CEO

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Arvin Bisbal
Executive Officer

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Real Estate Employers' Federation of
South Australia and the Northern Territory

REI House 249 Greenhill Road Dulwich SA 5065

www.reefsant.org.au

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**Real Estate Employers' Federation of South Australia and the Northern
Territory
ABN 25 834 475 718**

**Designated Officer's Certificate
For the year ended 30 September 2014**

I Derek Lynch being the President of the Real Estate Employer's Federation of South Australia and the Northern Territory (REEFSANT) certify:

- That the documents lodged herewith are copies of the full report, referred to in section 268 of Fair Work (Registered Organisation) Act 2009; and
- That the full report, was provided to the REEFSANT Board on the 6 November 2014 and the 'Committee of Management Statement' was approved and signed; and
- That the full report, was provided to members on 6 November 2014 immediately after the Board meeting; and
- That the full report was presented to a meeting of members (Annual General Meeting) of the reporting unit on 3 December 2014, in accordance with section 266 of the Fair Work (Registered Organisation) Act 2009.

Signature



Derek Lynch (President)

Date: 11 December 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**
OPERATING REPORT
For the year ended 30 September 2014

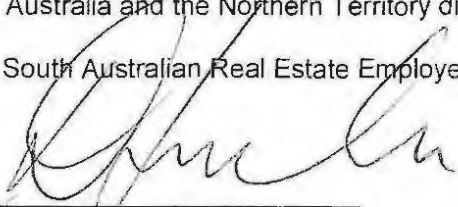
Committee Of Management Statement

On 6 November 2014 the Real Estate Employers' Federation of South Australia and the Northern Territory passed the following resolution in relation to the general purpose financial report (GPFR) of the association for the year ended 30 September 2014.

The Real Estate Employers' Federation of South Australia and the Northern Territory declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards Reduced Disclosure Requirements;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Real Estate Employers' Federation of South Australia and the Northern Territory for the financial year ended 30 September 2014;
- (d) there are reasonable grounds to believe that the Real Estate Employers' Federation of South Australia and the Northern Territory will be able to pay its debts as and when they become due and payable;
- (e) during the financial year ended 30 September 2014 and since the end of the financial year;
 - (i) meetings of the Real Estate Employers' Federation of South Australia and the Northern Territory were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Real Estate Employers' Federation of South Australia and the Northern Territory have been managed in accordance with the rules of the association; and
 - (iii) the Real Estate Employers' Federation of South Australia and the Northern Territory have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the Real Estate Employers' Federation of South Australia and the Northern Territory have been kept, as far as practicable, in a consistent manner; and
 - (iv) no information has been sought in any request of a member of the Real Estate Employers' Federation of South Australia and the Northern Territory or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (v) no orders for inspection of the financial records have been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) during the financial year ended 30 September 2014 the Real Estate Employers' Federation of South Australia and the Northern Territory did not participate in any recovery of wages activity.

For the South Australian Real Estate Employers' Federation of South Australia and the Northern Territory


Derek Lynch – President

6 November 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH
AUSTRALIA AND THE NORTHERN TERRITORY
ABN 25 834 475 718**

**Financial Statements
For the year ended 30 September 2014**

Ascensio Accountants

Suite 12, 116-120 Melbourne Street
NORTH ADELAIDE SA 5006

Phone: 08 8267 4800 Fax: 08 8239 0728

Email: nat@ascensio.com.au

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

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**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**
OPERATING REPORT
For the year ended 30 September 2014

This Operating Report covers the activities of the Real Estate Employers' Federation of South Australia and the Northern Territory, for the financial year ended 30 September 2014, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Association

The principal activities of the Association during the financial year were: Maintain proper industrial relation practices within the Real Estate Industry.

There were no significant changes in the nature of the branch's principal activities during the financial year.

2. Right of Members to Resign

All members of the Association have the right to resign from the Association in accordance with Rule 4A "Resignation" of the Association Rules and Section 174(1) of the Fair Work(Registered Organisations) Act 2009).

In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

3. Membership of the Association

There were 288 members of the Association as at 30th September 2014.

4. Employees of the Association

As at the 30th of September 2014 the Association employed 2 part time contractors. (No employee's).

5. Superannuation Trustee's

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

6. Association Committee of Management (REEFSA/NT Board)

The following persons were members of the Association Committee of Management (REEFSA/NT Board), during the year ended 30th September 2014:

POSITION	NAME	PERIOD
President	Derek Lynch	1 October 2013 – 30 September 2014
Deputy President	Nella Kikianis	1 October 2013 – 30 September 2014
Member	Mark Burns	1 October 2013 – 30 September 2014
Member	Grant Comley	1 October 2013 –1 August 2014
Member	John Druitt	1 October 2013 – 30 September 2014
Member	Samantha Ireland	1 October 2013 – 30 September 2014
Member	Paul Stanton	1 October 2013 – 30 September 2014
Member	Suzannah Toop	1 October 2013 – 30 September 2014

Executive Officer
Arvin Bisbal

7. Significant Changes in Financial Affairs

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718
OPERATING REPORT
For the year ended 30 September 2014**

There were no significant changes in the financial affairs of the branch during the financial year.

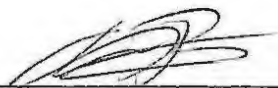
8. Result of Principle Activities

The Associations principal activities resulted in a deficit for the financial year of -\$5,996.00.

During the financial year the Association continued to protect/improve the members interests, maintain professional development and training for its members.



Derek Lynch – President



Arvin Bisbal – Executive Officer

Date: 6 November 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**
Detailed Balance Sheet as at 30 September 2014

	2014	2013
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank S A	12,893	22,328
Cash float	18	73
	12,911	22,401
Receivables		
Trade Debtors	55	0
	55	0
Current Tax Assets		
GST clearing	5,288	4,607
	5,288	4,607
Other		
Bank SA term deposit	102,667	98,576
	102,667	98,576
Total Current Assets	120,921	125,584
Non-Current Assets		
Property, Plant and Equipment		
Office equipment	10,186	8,147
Less accumulated depreciation	(5,766)	(4,774)
	4,420	3,373
Total Non-Current Assets	4,420	3,373
Total Assets	125,341	128,957

The accompanying notes form part of these financial statements.

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718

Detailed Balance Sheet as at 30 September 2014

	2014	2013
	\$	\$
Current Liabilities		
Payables		
Unsecured:		
Trade creditors	13,847	11,467
	<u>13,847</u>	<u>11,467</u>
Total Current Liabilities	<u>13,847</u>	<u>11,467</u>
Total Liabilities	<u>13,847</u>	<u>11,467</u>
Net Assets	<u>111,494</u>	<u>117,490</u>
Members' Funds		
Accumulated surplus (deficit)	111,494	117,490
Total Members' Funds	<u>111,494</u>	<u>117,490</u>

The accompanying notes form part of these financial statements.

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY – ABN 25 834 475 718

Statement of Changes in Equity

	Retained Profits	Total
Balance at 01/10/2012	118,593	118,593
Profit attributable to the members	(1,103)	(1,103)
Subtotal	117,490	117,490
Balance at 30/09/2013	117,490	117,490
Profit attributable to the members	(5,996)	(5,996)
Subtotal	111,494	111,494
Balance at 30/09/2014	111,494	111,494

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

**Statement of Comprehensive Income
For the year ended 30 September 2014**

	2014	2013
	\$	\$
Income		
Interest received	4,242	4,968
New Memberships	9,071	11,651
Membership Renewals	151,276	142,569
Training Income	4,410	1,300
Employment Reg Agreement Fee	6,905	7,700
OH & S Manuals	2,333	8,870
H R Manuals	2,700	4,200
Seminars	201	0
Total income	181,138	181,258
Expenses		
Advertising and promotion	0	127
Audit fees	700	660
Bank Fees And Charges	75	131
Book Keeper	5,000	5,000
Depreciation	992	1,365
H R & O H & S Manuals	0	300
Industrial Costs (Non-Office holder)	89,224	84,300
Insurance	4,881	4,844
Internet Web Site	11,860	7,148
Legal fees	2,386	9,643
Meeting Expenses	1,859	1,377
Office Equipment	395	143
Photocopying	1,200	1,200
Postage & courier	774	955
Printing & stationery	1,569	1,735
Rent	6,000	6,000
Secretarial (Office-holder)	36,931	36,000
Staff training	7,044	737
Subscriptions	3,925	5,334
Sundry	55	438
Superannuation	7,429	10,875
Telephone	2,537	2,681
Travel, accom & conference	2,298	1,368
Total expenses	187,134	182,361
Profit (loss) from ordinary activities	(5,996)	(1,103)
Net profit (loss) attributable to the association	(5,996)	(1,103)

The accompanying notes form part of these financial statements.

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718

Statement of Comprehensive Income
For the year ended 30 September 2014

	2014	2013
	\$	\$
Total changes in equity of the association	<u>(5,996)</u>	<u>(1,103)</u>
Opening retained profits	117,490	118,593
Net profit (loss) attributable to the association	<u>(5,996)</u>	<u>(1,103)</u>
Closing retained profits	<u>111,494</u>	<u>117,490</u>

The accompanying notes form part of these financial statements.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

**Statement of Cash Flows
For the year ended 30 September 2014**

	2014	2013
	\$	\$
Cash Flow From Operating Activities		
Receipts from members	176,841	176,290
Payments to Suppliers and employees	(184,443)	(181,570)
Interest received	4,242	4,968
Net cash provided by (used in) operating activities (note 2)	<u>(3,360)</u>	<u>(312)</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	<u>(2,039)</u>	<u>0</u>
Net cash provided by (used in) investing activities	<u>(2,039)</u>	<u>0</u>
Net increase (decrease) in cash held	(5,399)	(312)
Cash at the beginning of the year	<u>120,977</u>	<u>121,289</u>
Cash at the end of the year (note 1)	<u><u>115,578</u></u>	<u><u>120,977</u></u>

The accompanying notes form part of these financial statements.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

Statement of Cash Flows

For the year ended 30 September 2014

2014

2013

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank S A	12,893	22,328
Cash float	18	73
Bank SA term deposit	102,667	98,576
	<u>115,578</u>	<u>120,977</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit

Operating profit/deficit	(5,996)	(1,103)
Depreciation	992	1,365
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(55)	0
Increase (decrease) in trade creditors and accruals	2,380	767
Increase (decrease) in other creditors	0	(200)
Increase (decrease) in sundry provisions	(681)	(1,141)
Net cash provided by (used in) operating activities	<u>(3,360)</u>	<u>(312)</u>

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY - ABN 25 834 475 718
Depreciation Schedule for the year ended 30 September, 2014

	Total	Priv	OWDV	DISPOSAL		ADDITION		DEPRECIATION				Priv	CWDV	PROFIT		LOSS	
				Date	Consid	Date	Cost	Value	T	Rate	Deprec			Upto	+	Above	Total
Real Estate Employers' Federation of South Australia																	
MILE END OFFICE FURNITURE	2,854.00	0.00	1,242	06/01/10	0	0	1,242	D	20.00	248	0	994	0	0	0	0	0
DELL COMPUTER	2,935.00	0.00	592	09/08/10	0	0	592	D	40.00	237	0	355	0	0	0	0	0
OFFICEWORKS	100.00	0.00	0	01/02/10	0	0	0	D	100.00	0	0	0	0	0	0	0	0
COMPUTER	2,259.00	0.00	1,540	08/06/12	0	0	1,540	D	30.00	462	0	1,078	0	0	0	0	0
Laptop CEO	2,039.00	0.00	0	04/09/14	0	2,039	2,039	D	30.00	45	0	1,994	0	0	0	0	0
	<u>10,187</u>		<u>3,374</u>		<u>0</u>	<u>2,039</u>	<u>5,413</u>			<u>992</u>	<u>0</u>	<u>4,421</u>					
										Deduct Private Portion							
										Net Depreciation							

The accompanying notes form part of these financial statements.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715**

**Notes to the Accounts
For the year ended 30 September 2014**

1. Summary of Significant Accounting Policies

a) Basis of Preparation of Financial Reports

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisation) Act 2009.

The financial report has been prepared in accordance with the following applicable Accounting Standards and Urgent Issues Group Consensus Views.

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet date
AASB 108	Accounting Policies, changes in Accounting Estimates and Errors
AASB 114	Segment Reporting
AASB 136	Impairment of Assets

The financial report is prepared in accordance with the historical convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

b) Income Tax

The association is exempt from income tax pursuant to the Income Tax Assessment Act. Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the Accounts.

c) Goods and Services Tax

The Association is registered for Goods and Services Tax.

d) Non Current Assets – Office Equipment

Depreciation, using the diminishing value method, has been provided for in the Accounts on all Non-Current Assets, so as to allocate their cost over their estimated remaining useful life.

e) Employee Entitlements

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to balance date – the association has no employees.

f) Subscriptions

Members Subscription income has been brought to account on an accrual basis during the course of the year.

g) Going Concern Basis of Accounting

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

h) Fair Work (Registered Organisation) Act 2009

On 19 April 2010 the association was granted federal registration as an association effective from 3 May 2010.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715**

**Notes to the Accounts
For the year ended 30 September 2014**

2. Notice required under Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of Fair Work (Registered Organisations) Act 2009, which reads as follows:-

- (1) A member of the association, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) The association must comply with an application made under subsection (1).

3. Property Plant & Equipment

All fixed assets are recorded at cost and the depreciation rate used is as per the Australian Taxation Office.

4. Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The South Australian and Northern Territory Real Estate Employers' Federation makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgements in applying the South Australian Real Estate Employers' Federation accounting principles

There are no critical judgements that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities

5. Related Parties

There have been no transactions between related parties.

6. Financial Risk Management

General objectives, policies and processes

The association is exposed to risks that arise from its use of financial instruments. This note describes the association's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the association's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The association's financial instruments consist mainly of deposits with banks and receivables.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715**

**Notes to the Accounts
For the year ended 30 September 2014**

Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the association incurring in a financial loss. This usually occurs when debtors fail to settle their obligations owing to the association.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts.

Liquidity Risk

Liquidity risk is the risk that the association may encounter difficulties raising funds to meet commitments associated with financial instruments. The association is not significantly exposed to this risk; at 30 September 2014 it had \$120,921.00 of cash and cash equivalents to meet these obligations as the fall due. Financial liabilities at 30 September 2014 totalled \$13,847.00.

The association manages liquidity risk by monitoring cash flows.

Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because the changes in interest rates (interest rate risk) or other market factors (other price risk).

Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised as per the financials.

7. Subsequent Events

There are no subsequent events that have occurred or are likely to occur that require disclosure.

8. Contingent Liabilities

None to report.

9. The registered Office and Principal Place of Business of the Branch is:

REI House
249 Greenhill Road
Dulwich SA 5065

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 718
INDEPENDENT AUDIT REPORT
For the year ended 30 September 2014**

INDEPENDENT AUDIT REPORT

To the members of the Real Estate Employers' Federation of South Australia and the Northern Territory.

We have audited the general purpose financial report of Real Estate Employers' Federation of South Australia and the Northern Territory, which comprises the statement of financial position as at 30 September 2014, and the statement of comprehensive income, statement of changes in accumulated funds (losses) and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

Committee of Management and the Financial Report

The committee of management and the financial officer are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion the general purpose financial report of Real Estate Employers' Federation of South Australia and the Northern Territory, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

We have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Natale Rugari 
Director/Partner
Member of CPA, AUSTRALIA
And Holder of Current Public Practice Certificate
Registered Company Auditor
12/116 Melbourne Street
NORTH ADELAIDE SA 5006

6 November 2014

REAL ESTATE EMPLOYERS' FEDERATION SA/NT

Executive Committee Meeting

6 November 2014 8:00 am

REI House 249 Greenhill Road, Dulwich

Minutes of Meeting

Present	Derek Lynch (President) Nella Kikianis (D/President) Paul Stanton Suzannah Toop John Druitt	Professionals Modbury Ray White Semaphore Smallacombe (Kingswood) Toop & Toop Century 21 (Southern)
In Attendance:	Don Tepper Arvin Bisbal	Chief Executive Officer Executive Officer
Apologies:	Suzannah Toop Sam Ireland Mark Burns	Toop & Toop Harcourts South Coast L J Hooker Blackwood

1. **Welcome**

The President Derek Lynch chaired the meeting. Derek welcomed all attending today and opened the meeting.

2. **Competition and Consumer Act**

The "Competition and Consumer Act 2011" taken as read.

It is a criminal offence under the Competition and Consumer Act 2011 for us to discuss or agree on any matter that in any way restricts or reduces competition between real estate agents. Such discussions and or agreements are not limited to Board Meetings as a whole but also to discussions and or agreements between any two or more persons attending this meeting.

3. **Confirmation of Minutes of last meeting on 2 October 2014**

Paul Stanton moved and Nella Kikianis seconded that the minutes of the meeting held on October 2 2014 be accepted – *Carried*

4. **Business Arising from Minutes of last meeting on 2 October 2014**

Nil

5. **Correspondence**

1. Letter to Fair Work Commission to request elections 16 October 2014
2. Letter to Fair Work Commission to request extension of time for current Board members 16 October 2014
3. Letter to Fair Work Commission to request extension of time for conducting elections 27 October 2014

4. Letter from Fair Work Commission dated 29 October 2014 – approval of elections to be conducted

6. **Finance**

- (a) The EO tabled the Financial Reports for **September 2014**, namely:

- (i) Reconciliation Report – Bank SA (Cheque account)
- (ii) Profit and Loss
- (iii) Balance Sheet

John Druitt moved and *Paul Stanton seconded* that the financials for **September 2014** be received and approved – **Carried**

- (b) The EO tabled the Bank SA transaction history for 1 September to 30 September 2014

- (c) Float Details as at 30 September 2014

- (i) Float Balance \$200.00

- (d) EO tabled the accounts for payment.

- (i) Total for Approval \$14,546.51
- (ii) Bank SA Balance as at 30 September 2014 \$12,894.09
- (iii) Bank SA (Term Deposit) as at 30 September 2014 \$102,666.64
- (iv) Total Equity as at 30 September 2014 \$111,970.56

CEO raised the question of whether the current Term Deposit funds could be utilised for payment towards legal representation. The intent of the term deposit was that it was to be used for the purposes of paying legal costs incurred in dealing with legal matters such as Award reviews. Given that we are currently incurring travel, accommodation and other related costs in dealing with the Award reviews and transitional provisions, it was requested that the Board consider approval to use such funds for the current Award review matters.

The Board agreed that all financial expenses incurred for legal matters/ Fair Work matters on behalf of members be transacted through the Term Deposit account. However no money can be withdrawn from the Term Deposit account without the board approval at each Board meeting.

Nella Kikianis *moved* and John Druitt *seconded* that the accounts tabled on 6 November 2014 be approved for payment – **Carried**

7. **Membership**

- (a) *New Membership Applications for Approval*

SA - 1

- Raine & Home Oakbank

NT – Nil

- (b) *Resignations:*

Geoff Kurtze Real Estate – sold business to Adcorp

- (c) *Membership Dato Base as at 31 October 2014*

- (i) Members 289
- (ii) Financial 144
- (iii) Non financial 145

Nella Kikianis *moved* and John Druitt *seconded* that the membership be approved – **Carried**

8. **Chief Executive Officer's Industrial Relations Report for the month of October 2014**

The CEO tabled his report and went through the applicable items. The report had been sent to Board Members prior to the meeting and a copy may be viewed in the REEF SA/NT office.

Matters arising

- (a) Group 3 Award will be called upon for an initial conference in late 2014.
- (b) A draft submission and witness statement was provided at the Board meeting for Board members to review and provide their position on the Transitional Provision matter (Union claim for national registry of employment agreements – commission only)
- (c) In view of the fact that transitional provisions was to be dealt with on 19 November 2014 through a hearing at the Fair Work Commission in Melbourne and the union had submitted their claim, the Boards position on the matter was required urgently and the CEO called for an extraordinary meeting to be held on Wednesday 12 November 2014 at 8.00am. The purpose of the extraordinary meeting was to allow time between the Board meeting and the Extraordinary meeting for the Board to consider their position based on the claims lodged by the union, the CEOs draft submission and witness statement.

9. **Registered of Employment Agreements**

- (a) 9 new registrations for Oct 2014
- (b) 902 total registrations as from 18 January 2010

10. **Other Business**

1. Elections have been approved by Fair Work Commission – now waiting on the Australian Electoral Commission to start process
2. AGM – Board confirmed AGM to be held on 3 December 2014 at 11.00am
3. Board accepted Audit report 13 14 (Nella Kikianis ***moved*** and Paul Stanton ***seconded*** that the audit be accepted– ***Carried***)
4. NKM Accounting letter was signed off by the President
5. The EO tabled the draft letter to be sent to NKM Accounting advising them that REEFSANT approved the Audit.
6. EO put forward motion that all REEF SA/NT members receive a copy of the Audit Report and AGM Notification via email. (Nella Kikianis ***moved*** and John Druitt ***seconded*** that the notice be sent – ***Carried***)

11. **Next Meeting**

The next Board meeting will be held on Wednesday 3 December 2014 at 9.30am at REI House.

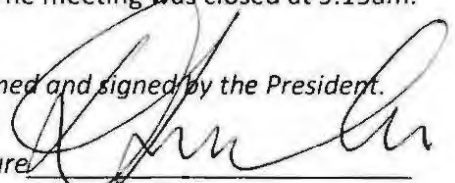
12. **Close**

The meeting was closed at 9.15am.

Confirmed and signed by the President.

Signature

Date.


3/12/14



ANNUAL REPORT

For year ended 30 September 2014

REI House 249 Greenhill Road Dulwich SA 5065

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AGENDA & NOTICE OF AGM



NOTICE OF ANNUAL GENERAL MEETING TO REEFSANT MEMBERS

In accordance with the Real Estate Employers Federation of South Australia and the Northern Territory (REEFSA/NT) Constitution and Rules, I advise all members that:

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING (AGM) WILL BE HELD AT THE REI HOUSE, 249 GREENHILL ROAD, DULWICH ON WEDNESDAY 3 DECEMBER 2014 AT 11.00am.

AGENDA

1. Welcome
2. Confirmation of Minutes of the 2013 AGM
3. Presentation of Annual Reports
 - * Presidents Report
 - * Financial Report
 - * Appoint Auditor (2014/2015)
 - * Industrial Report
4. Election Report
5. Other Business
6. Close

Attached are the formal AGM forms:

- Financial Reports (for year ending 30 September 2014)
- Annual General Meeting Registration Form (below)

Following the AGM the Chief Executive Officer, Don Tepper will give a 15 minute update on the Real Estate Award Review. He will also field any questions on industrial relations and human resources & safety management issues.

The presentation will be followed by a 'Light Buffet Lunch'.

**** To assist with seating and catering arrangements, please return the AGM Registration Form (below)**

Arvin Bisbal (Executive Officer)

6 November 2014

.....✕.....

ANNUAL GENERAL MEETING REGISTRATION FORM

RSVP to: Arvin Bisbal or Don Tepper by 30 November 2014

T: (08) 83664310

F: (08) 83664309

E: arvin@reefsant.org.au or don@reefsant.org.au

Name/s

Trade Name

I will be attending the AGM on 3 December 2014

I will not be attending – please record my apology

MINUTES OF 2013 AGM



REAL ESTATE EMPLOYERS FEDERATION SOUTH AUSTRALIA AND THE NORTHERN TERRITORY

Minutes of Annual General Meeting held 11.00am Wednesday 4 December 2013
at REI House 249 Greenhill Road, Dulwich

Present:

Derek Lynch	Professionals Modbury
Sam Ireland	Harcourts South Coast
Mark Forde	Harcourts South Coast
John Druitt	Century 21 Southern
Nella Kikianis	Ray White Adelaide
Peter Kikianis	Ray White Semaphore
Suzannah Toop	Toop & Toop
Peter Economou	L J Hooker Unley
Grant Comley	Remax Results
John Joyce	Brock Harcourts Magill
Ted Piteo	Professionals SA
Paul Stanton	Smallacomber Real Estate
Trevor Priest	Chateau Real Estate
Greg Sharp	First National Real Estate Sharp
Gary Smith	Gary Smith Real Estate
Annabelle Eckermann	Gary Smith Real Estate
Mark Burns	L J Hooker Blackwood
Paul Marshall	Marshall & Marshall
Roger Mueller	Raine & Horne North East
Graham Brown	Raine & Horne North East
Rob Heaslip	South Coast Realty
Peter Hooper	South Coast Realty
Emma Slape	Turner Real Estate
Mark Sanderson	Smallacombe Sanderson

In Attendance:

DonTepper	CEO
Hayden Creek	Executive Officer
Arvin Bisbal	Workplace Partners
Tom Kidman	Crawford Legal
Greg Troughton	CEO REISA

Apologies:

Susan Williams	Financial Services
Wayne Johnson	Century 21 Australia
Karen Nitschke	First National Pope Nitschke
Steve Kemp	Kemp Real Estate
Brett Williams	Urban Projects
Michael McDonald	Raine & Horne Head Office
Shawn Nitschke	Marschall First National
Vickie & Len Easter	L J Hooker Ardrossen
Paul Taylor	Taylor First National
Shari Olsson	Re/max Living
Colin Dix	Raine & Horne Whyalla
Geoff Ettridge	Raine & Horne Whyalla
Lucas Bradley	Elders Real Estate Goolwa
Enid Simpson	Elders Real Estate Goolwa
Jason Scott	Ray White Port Noarlunga
Tony Tagni	Elders Real Estate Aberfoyle
Attilio Carvolo	Ray White Flinders Park
Brenton Carson	Ray White Bordertown & District
Deb Tucker	Raine & Horne McLaren Vale

1. Welcome

President Derek Lynch welcomed members, thanked everybody for attending today's AGM and checked that all present had a copy of the annual report.

Special welcome to our visitors:

Greg Troughton (CEO REISA)
Arvin Bisbal (Workplace Partners)
Tom Kidman (Crawford Legal)

2. Apologies

The President confirmed that the EO has received nineteen (19) apologies from members. (Refer above)

3. Confirmation of Minutes (copy in annual report)

Peter Economou ***moved*** John Joyce ***seconded*** that the Minutes of the Annual General Meeting held 12 December 2012 be confirmed and accepted. **Carried.**

President confirmed and signed minutes.

4. Annual Reports

4.1 President's Report

Derek Lynch (President) provided the meeting with an overview for the 2012-2013 year.

The full president's report is contained in the annual report provided to attending members.

4.2 Financial Report

The Executive Officer (EO) referred all members present to the annual report which contained the "NKM Accounting Audit Report".

"At last year's AGM I advised that REEFSANT had set its budget for a small surplus in 2011/2012. However we ended up with a small deficit for the financial year of - \$1103 (refer third page of the Financial Statement).

I would like to thank the members for their continued loyalty during 2012/2013. In view of our financial stability and membership loyalty REEFSANT Board agreed that there would no need to increase subscriptions for 2013/2014.

Next year's 2013/2014 budget has been again set for a small surplus.

As at 30 September 2013 (end of financial year, refer to audit report page 5) REEFSANT assets were.

- Cash flow \$22,401.00 (2012 - \$27,509)
- Current Tax assets at \$4607 (2012 - \$3466)
- BankSA account \$98,576 (the Legal & Contingency Account) (2012 - \$93,780)
- REEFSA's total assets at the 30 September 2013 were \$125,584.(2012 \$124,755)

The REEFSANT Financial Statement was sent to all members on 8 November 2013 (via the REEFSANT Website). It is also contained in the Annual Report.

In the Independent Audit Report stated that:

"In our opinion the general purpose financial report of Real Estate Employer's Federation of South Australia, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009.

REEFSA is in a sound financial position".

Auditor 2013/2014

The President put a motion to the floor that "NKM Accounting continues to act as REEFSA auditor for 2013/2014".

Mark Burns ***moved*** and Ted Piteo ***seconded*** that NKM Accounting continues to act as REEFSANT auditor for 2013/2014. ***Carried***

4.3 Industrial Relations Report

The CEO Don Tepper provided the meeting with a comprehensive overview of industrial relations happenings during 2012/2013.

The full industrial relations report is contained in the annual report provided to attending members.

5 Australian Electoral Commission (AEC)

The President advise the members of the Election of the REEFSANT new Board Members undertaken by the AEC during 2012/2013

- Suzannah Toop – Toop & Toop replaced Theo Kaldis Commercial SA

Board Members 2012/2013

Refer copy of the annual report

6. Other Business

No other business arose for discussion at this meeting.

7. Close

The President thanked all for attending the AGM and wished everybody a Merry Christmas and prosperous New Year and closed the meeting at 11.50am.

Confirmed

Chairman

[Handwritten Signature]
3 / 12 / 14

REPORT FROM THE PRESIDENT

1. Overview

- In a difficult year for real estate, at least in South Australia, REEF SA/NT maintained its membership base. This is pleasing because it signifies, with many smaller agencies closing, that our Members consider REEF SA/NT services worth their subscriptions fees
- Many important issues during the year that impacted on Members' industrial relations interests occupied REEF SA/NT's time, including the 2014 Fair Work Commissions review of all modern awards including transitional provisions; the unions seeking to extend registration of employment agreements to all employees, the debit/credit system coming under union scrutiny and changes to the Fair Work Act.

2. Finances

I am pleased to report that REEF SA/NT is in a reasonable financial position as will be noted in the financials. REEF SA/NT has finished the year with a modest deficit when compared against the budget but still finished with a small surplus. The "Legal and Contingencies Fund" is primarily set aside by the Board to pay for legal fees in matters pertaining to industrial relations.

3. Membership

- REEF SA/NT finished the 2013/2014 financial year (which ends on 30th September) with 289 financial Members, which compares well with the previous 2 years. Not all Members have yet paid their subscriptions for the 2013/2014 financial year but we are well on the way to maintaining the membership base as compared to recent previous years
- It is interesting to note that where a Member has more than one office REEF SA/NT still only counts that situation as one Member; whereas if all offices were counted (which some associations would do) it would increase the membership base by some 50 members

4. Some matters the Board considered

Apart from standard agenda items like finance, the more major matters that the Board needed to consider for the last year included the following:

- 2014 Fair Work Commission review of the Real Estate Industry Award particularly the transitional provision relating to registration of employment agreements.
- Preparing for 2014 Fair Work Commission review of the Real Estate Industry Award. This will be a 'no holds barred' review with many changes being anticipated. The first hearing with the Fair Work Commission was held on 18 November 2014 and attended by the CEO – Don Tepper and Executive Officer – Arvin Bisbal.
- Considering how to advise Members about asbestos in residential rentals/sales. This is a work in progress
- Upgrading the Members Website to make it easier for members to navigate and access documents and information.
- Accepting Hayden Creek's resignation as Executive Officer in July 2014 and appointing Arvin Bisbal in the interim as Executive Officer.
- Considering and approving the successor of Don Tepper. Arvin Bisbal has been appointed and approved by the Board to step into the role of CEO from 1 April

2015. Don Tepper will step into the role of Executive Officer from 1 April 2015, we are thankful that he has accepted this position and will continue to service REEF.

- The CEO will cover these matters in more detail.

5. **Other Matters that the CEO Reported On to the Board**

During the year the CEO made the Board cognizant of the following matters:

- The unions from NSW and QLD amalgamating to form coverage for Australia
- Award wages increasing by 3% last July
- Strong use made by Members of the phone/email enquiry service
- Many Members purchasing REEF's Work Health & Safety Manual and HR Manual
- Changes made to the Fair Work Act including new bullying laws for 1/1/14 where an employee can now seek assistance from the Fair Work Commission
- The CEO assisting many Members throughout the year on matters such as unfair dismissals, redundancies, underpayment claims, in-house office training for discrimination, sexual harassment and bullying
- Change in motor vehicle allowance effective 1 January 2015 to apply to all employees under the Real Estate Industry Award.
- The 'Canavan' decision which has resulted in REEF advising employers that leave cannot be paid in advance for commission only employees.
- The CEO will cover these matters in more detail.

6. **REEF SA/NT Elections**

Grant Comley resigned from the Board in August 2014 and a casual replacement was not appointed as elections are currently underway.

Nominations opened on 24 November 2014 and will close on 15 December 2014.

The President's position, held by myself and the Deputy President's position held by Nella Kikianis, expired on 2 November 2014, after 2-year tenure. Nella and myself have indicated our willingness to be re-appointed and will be up for nomination.

7. **REISA**

The Board would like to thank Greg Troughton and his staff at the Real Estate Institute of South Australia for their continued friendly support and cooperation.

8. **REEF SA/NT Board and Contractors**

Finally I would like to extend my appreciation and thanks to Don Tepper, Arvin Bisbal, Susan Williams (Susan was critical in the new website development), Tom Kidman (REEF's preferred legal advisor from Crawford Legal) for all their hard work during the year and a special thanks to the Board Members for their excellent voluntary work and support during the year. The Board and contractors have provided REEF SA/NT with a real sense of direction for the future and they have been one of the most effective and constructive group of people that I have had the opportunity and pleasure to work with.

So have a great Christmas, a terrific New Year, drive safely and ENJOY LIFE.

Derek Lynch

President

FINANCE REPORT

Last year REEFSA/NT had set its budget for a small surplus in 2013/2014. However we ended up with a small deficit for the financial year of -\$5596.00 (refer to the Financial Statement at Annexure A). This deficit was mainly due to a change to rules requiring all board members to undertake an approved Finance and Governance training course in accordance with Fair Work (Registered Organisations) Amendment Act 2012 which requires that any person that held office in an organisation complete training by 30 June 2014.

I would like to thank the members for their continued loyalty during 2013/2014. In view of our financial stability and membership loyalty REEFSA/NT Board agreed that there would no need to increase subscriptions for 2014/2015.

Next year's 2014/2015 budget has been again set for a small surplus.

As at 30 September 2014 (end of financial year, refer to financial statement at Annexure A) REEFSA/NT assets were.

- Cash flow \$12,911 (2013 - \$24,401)
- Current Tax assets at \$5288 (2013 - \$4607)
- BankSA account \$102,667 (the Legal & Contingency Account) (2013 - \$98,576)
- REEFSA's total assets at the 30 September 2014 were \$120,921 (2013 – 125,584)

The REEFSA/NT Financial Statement was sent to all members on 6 November 2014 (via the REEFSA/NT Website). It is also contained in the Audit Report.

The Independent Audit Report stated that:

"In our opinion the general purpose financial report of Real Estate Employer's Federation of South Australia and the Northern Territory, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009.

We have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate."

Arvin Bisbal

Executive Officer

APPOINTMENT OF AUDITOR 2014-2015

I propose that we appoint Ascensio Accountants to verify and audit our financial statements for 2014-2015.

REPORT FROM THE CHIEF EXECUTIVE OFFICER

2014 AWARD REVIEW

- (a) The Fair Work Commission (FWC) is required by legislation to do a general review of all awards every four years. The first such review is the 2014 review.
- (b) All awards have been put into 4 groups and the Real Estate Industry Award is in Group 3 but it is expected that the FWC will not call on this award for review until early 2015.
- (c) On 19 November 2014 the FWC did deal with one matter in the Real Estate Industry Award, namely the continuation of the registration of employment agreements.
- (d) Registration, which is required by SA, NSW & QLD ceases on 31/12/14 but the union has applied for the registration of commission-only agreements to continue for every state and territory after 31/12/14.
- (e) This matter was arbitrated by the Full Bench of the FWC on 19/11/14 with the "REEF's" from SA, WA & VIC opposing the union's application, while with the "REEF's" from NSW & QLD supported the union's application.
- (f) A decision is expected to be handed down by the Full Bench before Christmas.
- (g) As to the general review for the Groups 3 & 4 awards the FWC will probably release a draft programming Statement mid December 2014.
- (h) If the union loses its application for the continuation of registration, which it probably will, it's game on as the SA union has indicated it will be making several applications to vary the Real Estate Industry Award with matters that will not please employers.

TRAINING

Several training sessions were held during the year for members on various industrial relations topics.

UNDERPAYMENT CLAIMS

This has been a busy year for underpayment claims which underscores the value of REEF membership and following its advice.

Over about the last 18 months approximately 15 claims for underpayment totalling about \$614,000.00 have been made against real estate employers in South Australia – the lowest claim being about \$5,000.00 and the highest about \$140,000.00. These are only the ones I know about because not all real estate employers come to REEF SA/NT for assistance when they receive a summons.

Probably about 80% did not have a written agreement and nearly all the claims concerned a dispute about commission and in particular being on commission-only in breach of the Real Estate Industry Award. An employer incurs a potential liability of about \$45,000.00 per annum if the employee is on commission-only when they should not be, so claims in the range of \$50K to \$80K are not uncommon.

WAGE ISSUES

- The Fair Work Commission increased award wages 3% as from 1/7/14 until 30/6/15

- Wage sheets were updated as needed and sent to Members
- The minimum award wage for a salesperson is now \$679.50; and for a property manager \$724; while the national minimum wage is **\$ \$640.90. Casuals receive a 25% loading**
- The award wages are gross + super + any applicable allowance, penalty or loading
- *Transitional wages are finished* and the minimum wages are now the wages as stated in the current awards.
- Car allowances for the Real Estate Industry Award are still in transition until 31/12/14 and then as from 1/1/15 new car allowances will apply to all employees covered by the Real Estate Industry Award, i.e. sales & property management. Up to 31/12/14 property managers would not have had an award car allowance but will have as from 1/1/15. Members have received several newsletters about this.

WRITTEN EMPLOYMENT AGREEMENTS

- Members were continually reminded of the importance of having written employment agreements especially for salespersons
- REEF continues to do many contracts of employment for Members through an easy email system
- Several agents terminated their collective agreements and reverted to individual contracts of employment

PHONE EMAIL ENQUIRIES

- Members make constant use of the phone/email enquiry service

WORK HEALTH & SAFETY (WHS)

- *Occupational Health & Safety (OHS)* is now known as **Work Health & Safety** (WHS) under the harmonised laws. The harmonised legislation commenced in Northern Territory on 1/1/12 and commenced a year later in South Australia on 1/1/13
- Members were periodically reminded of the importance of their WHS responsibilities for employees working alone
- Members who do not have a "Safety Management System" in place are running the gauntlet of severe fines or even gaol if there is a workplace serious accident or death.
- To help members be compliant REEF has produced a WHS Manual at a modest cost.

DISCRIMINATION, SEXUAL HARASSMENT & BULLYING

- Members were periodically reminded of the importance of staff training in these matters
- New laws on bullying started on 1/1/14 whereby an employee alleging bullying will be able to report the matter to the Fair Work Commission. However, over the last 11 months employees have very success in establishing their claim
- When there is a complaint for discrimination, sexual harassment or bullying the areas employers are consistently falling down in are:

- that there is either no investigation or an inadequate investigation; or
- the penalty for the accused is inappropriate;
- the employer does not have a policy and the staff have not received training in these areas
- REEF does in-house training in these matters
- Damages awarded against employers for discrimination, sexual harassment or bullying now fall in the category of around \$100,000 if there is psychological injury, which invariably there is

WEBSITE

- REEF re-did the members section of the website during the year which now makes it a lot easier to find things

MEMBERS' COMMUNICATION

- REEF now mainly communicates with Members by regular electronic newsletters

INDIVIDUAL MEMBER ASSISTANCE

- Many individual Members were assisted throughout the year with employee issues for:
 - ❖ Employment agreements
 - ❖ Dismissals for misconduct poor performance or dishonesty
 - ❖ Underpayment of wages and/or commission claims
 - ❖ Unfair dismissal claims
 - ❖ Adverse action claims
 - ❖ Bullying/harassment complaints
 - ❖ In-house training
 - ❖ Redundancies
 - ❖ Debit/credit system
 - ❖ Wages
 - ❖ All types of employment terms and conditions including annual/sick leave, probationary terms, annualise salaries, KPI's, restraints and so on

GUIDES/FACT SHEETS

- There are several guides/fact sheets now available to members including:
 - ❖ Dismissal procedures for various types of termination of employment
 - ❖ Leave accrual
 - ❖ A salesperson as a contractor
 - ❖ Pre-conditions to be commission-only
 - ❖ Template commission statements
 - ❖ Long Service Leave entitlements
 - ❖ Ready reckoner on where to find information on 14 common employment conditions

- ❖ Old/new employers obligations on a transfer of business and there are transferring employees
- ❖ Guide for the car allowances on 1/1/15

REEF'S SUCCESSION PLAN FOR CEO

- The REEF Board has approved a succession plan for CEO, Don Tepper, who has looked after REEF since 1996 while working for the Chamber of Commerce and Industry (Business SA) and then from 2002 as an independent association housed in the REISA building
- Don has been training **Arvin Bisbal** for 2 years to take his place. **Arvin** currently operates her own consultancy, "Workplace Partners" and possesses a Diploma in Occupational Health & Safety; Bachelor of Management (HR Management); Rehabilitation & Return to Work Coordinator (Accredited); and an anticipated completion in 2016 of a law degree
- Arvin has already assisted many employers in real estate with industrial relations and safety issues and workers comp

Don Tepper
CEO

MEMBERS OF THE REEF SA/NT BOARD 2013-2014

REEF SA/NT BOARD MEMBERS



PRESIDENT

Mr Derek Lynch
Professionals - Modbury
Clovercrest Plaza
Montague Road
MODBURY SA 5092

Mobile: 0438 826 251
Phone: 08 8265 0777
Fax: 08 8265 0600

dereklynch@saprofessionals.com.au



DEPUTY PRESIDENT

Mrs Nella Kikianis
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Phone: 08 8242 4777
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nella.kikianis@raywhite.com



BOARD MEMBER

Mr Mark Burns

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Fax: 08 8278 9122

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BOARD MEMBER

Mr Grant Comley
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BOARD MEMBER

Mr John Druitt

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MORPHETT VALE SA 5162

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Fax: 08 8384 3864

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BOARD MEMBER

Mr Paul Stanton

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BOARD MEMBER

Ms Sam Ireland

Harcourts South Coast
138 Hindmarsh Road
VICTOR HARBOR SA 5211

Mobile: 0400 666 495
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Fax: 08 8552 5744



BOARD MEMBER

Ms Suzannah Toop

Toop & Toop
23 The Parade
NORWOOD SA 5067

Mobile: 0413 594 258
Phone: 08 8366 0813
Fax: 08 8362 8898

ANNEXURE A – FINANCIAL STATEMENT

FINANCIAL STATEMENTS FOR YEAR ENDED 30 SEPTEMBER 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH
AUSTRALIA AND THE NORTHERN TERRITORY
ABN 25 834 475 718**

**Financial Statements
For the year ended 30 September 2014**

Ascensio Accountants
Suite 12, 116-120 Melbourne Street
NORTH ADELAIDE SA 5006

Phone: 08 8267 4800 Fax: 08 8239 0728
Email: nat@ascensio.com.au

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718

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Statement of Changes in Equity

Detailed Income Statement

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**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718
OPERATING REPORT
For the year ended 30 September 2014**

This Operating Report covers the activities of the Real Estate Employers' Federation of South Australia and the Northern Territory, for the financial year ended 30 September 2014, the results of those activities and any significant changes in the nature of those activities during the year.

1. Principal Activities of the Association

The principal activities of the Association during the financial year were: Maintain proper industrial relation practices within the Real Estate Industry.

There were no significant changes in the nature of the branch's principal activities during the financial year.

2. Right of Members to Resign

All members of the Association have the right to resign from the Association in accordance with Rule 4A "Resignation" of the Association Rules and Section 174(1) of the Fair Work(Registered Organisations) Act 2009).

In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

3. Membership of the Association

There were 288 members of the Association as at 30th September 2014.

4. Employees of the Association

As at the 30th of September 2014 the Association employed 2 part time contractors. (No employee's).

5. Superannuation Trustee's

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

6. Association Committee of Management (REEFSA/NT Board)

The following persons were members of the Association Committee of Management (REEFSA/NT Board), during the year ended 30th September 2014:

POSITION	NAME	PERIOD
President	Derek Lynch	1 October 2013 – 30 September 2014
Deputy President	Nella Kikianis	1 October 2013 – 30 September 2014
Member	Mark Burns	1 October 2013 – 30 September 2014
Member	Grant Comley	1 October 2013 –1 August 2014
Member	John Druitt	1 October 2013 – 30 September 2014
Member	Samantha Ireland	1 October 2013 – 30 September 2014
Member	Paul Stanton	1 October 2013 – 30 September 2014
Member	Suzannah Toop	1 October 2013 – 30 September 2014

Executive Officer
Arvin Bisbal

7. Significant Changes in Financial Affairs

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718
OPERATING REPORT
For the year ended 30 September 2014**

There were no significant changes in the financial affairs of the branch during the financial year.

8. Result of Principle Activities

The Associations principal activities resulted in a deficit for the financial year of -\$5,996.00.

During the financial year the Association continued to protect/improve the members interests, maintain professional development and training for its members.



Derek Lynch – President



Arvin Bisbal – Executive Officer

Date: 6 November 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718
OPERATING REPORT
For the year ended 30 September 2014**

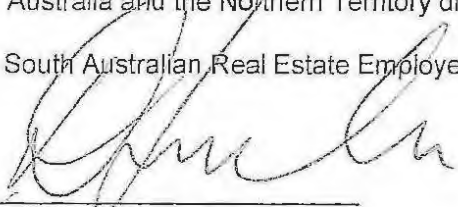
Committee Of Management Statement

On 6 November 2014 the Real Estate Employers' Federation of South Australia and the Northern Territory passed the following resolution in relation to the general purpose financial report (GPFR) of the association for the year ended 30 September 2014.

The Real Estate Employers' Federation of South Australia and the Northern Territory declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards Reduced Disclosure Requirements;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Real Estate Employers' Federation of South Australia and the Northern Territory for the financial year ended 30 September 2014;
- (d) there are reasonable grounds to believe that the Real Estate Employers' Federation of South Australia and the Northern Territory will be able to pay its debts as and when they become due and payable;
- (e) during the financial year ended 30 September 2014 and since the end of the financial year;
 - (i) meetings of the Real Estate Employers' Federation of South Australia and the Northern Territory were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Real Estate Employers' Federation of South Australia and the Northern Territory have been managed in accordance with the rules of the association; and
 - (iii) the Real Estate Employers' Federation of South Australia and the Northern Territory have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the Real Estate Employers' Federation of South Australia and the Northern Territory have been kept, as far as practicable, in a consistent manner; and
 - (iv) no information has been sought in any request of a member of the Real Estate Employers' Federation of South Australia and the Northern Territory or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (v) no orders for inspection of the financial records have been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) during the financial year ended 30 September 2014 the Real Estate Employers' Federation of South Australia and the Northern Territory did not participate in any recovery of wages activity.

For the South Australian Real Estate Employers' Federation of South Australia and the Northern Territory



Derek Lynch -- President

6 November 2014

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

Detailed Balance Sheet as at 30 September 2014

	2014	2013
	\$	\$
Current Assets		
Cash Assets		
Cash At Bank S A	12,893	22,328
Cash float	18	73
	<u>12,911</u>	<u>22,401</u>
Receivables		
Trade Debtors	55	0
	<u>55</u>	<u>0</u>
Current Tax Assets		
GST clearing	5,288	4,607
	<u>5,288</u>	<u>4,607</u>
Other		
Bank SA term deposit	102,667	98,576
	<u>102,667</u>	<u>98,576</u>
Total Current Assets	<u>120,921</u>	<u>125,584</u>
Non-Current Assets		
Property, Plant and Equipment		
Office equipment	10,186	8,147
Less accumulated depreciation	(5,766)	(4,774)
	<u>4,420</u>	<u>3,373</u>
Total Non-Current Assets	<u>4,420</u>	<u>3,373</u>
Total Assets	<u>125,341</u>	<u>128,957</u>

The accompanying notes form part of these financial statements.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**
Detailed Balance Sheet as at 30 September 2014

	2014	2013
	\$	\$
Current Liabilities		
Payables		
Unsecured:		
Trade creditors	13,847	11,467
	<u>13,847</u>	<u>11,467</u>
Total Current Liabilities	<u>13,847</u>	<u>11,467</u>
Total Liabilities	<u>13,847</u>	<u>11,467</u>
Net Assets	<u>111,494</u>	<u>117,490</u>
 Members' Funds		
Accumulated surplus (deficit)	111,494	117,490
Total Members' Funds	<u>111,494</u>	<u>117,490</u>

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY – ABN 25 834 475 718

Statement of Changes in Equity

	Retained Profits	Total
Balance at 01/10/2012	118,593	118,593
Profit attributable to the members	(1,103)	(1,103)
Subtotal	117,490	117,490
Balance at 30/09/2013	117,490	117,490
Profit attributable to the members	(5,996)	(5,996)
Subtotal	111,494	111,494
Balance at 30/09/2014	111,494	111,494

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

**Statement of Comprehensive Income
For the year ended 30 September 2014**

	2014	2013
	\$	\$
Income		
Interest received	4,242	4,968
New Memberships	9,071	11,651
Membership Renewals	151,276	142,569
Training Income	4,410	1,300
Employment Reg Agreement Fee	6,905	7,700
OH & S Manuals	2,333	8,870
H R Manuals	2,700	4,200
Seminars	201	0
Total income	<u>181,138</u>	<u>181,258</u>
Expenses		
Advertising and promotion	0	127
Audit fees	700	660
Bank Fees And Charges	75	131
Book Keeper	5,000	5,000
Depreciation	992	1,365
HR & O H & S Manuals	0	300
Industrial Costs (Non-Office holder)	89,224	84,300
Insurance	4,881	4,844
Internet Web Site	11,860	7,148
Legal fees	2,386	9,643
Meeting Expenses	1,859	1,377
Office Equipment	395	143
Photocopying	1,200	1,200
Postage & courier	774	955
Printing & stationery	1,569	1,735
Rent	6,000	6,000
Secretarial (Office-holder)	36,931	36,000
Stafftraining	7,044	737
Subscriptions	3,925	5,334
Sundry	55	438
Superannuation	7,429	10,875
Telephone	2,537	2,681
Travel, accom & conference	2,298	1,368
Total expenses	<u>187,134</u>	<u>182,361</u>
Profit (loss) from ordinary activities	<u>(5,996)</u>	<u>(1,103)</u>
Net profit (loss) attributable to the association	<u>(5,996)</u>	<u>(1,103)</u>

The accompanying notes form part of these financial statements.

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718

Statement of Comprehensive Income
For the year ended 30 September 2014

	2014 \$	2013 \$
Total changes in equity of the association	<u>(5,996)</u>	<u>(1,103)</u>
Opening retained profits	117,490	118,593
Net profit (loss) attributable to the association	<u>(5,996)</u>	<u>(1,103)</u>
Closing retained profits	<u>111,494</u>	<u>117,490</u>

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

Statement of Cash Flows

For the year ended 30 September 2014

	2014	2013
	\$	\$
Cash Flow From Operating Activities		
Receipts from members	176,841	176,290
Payments to Suppliers and employees	(184,443)	(181,570)
Interest received	4,242	4,968
Net cash provided by (used in) operating activities (note 2)	<u>(3,360)</u>	<u>(312)</u>
Cash Flow From Investing Activities		
Payment for:		
Payments for property, plant and equipment	<u>(2,039)</u>	<u>0</u>
Net cash provided by (used in) investing activities	<u>(2,039)</u>	<u>0</u>
Net increase (decrease) in cash held	(5,399)	(312)
Cash at the beginning of the year	<u>120,977</u>	<u>121,289</u>
Cash at the end of the year (note 1)	<u><u>115,578</u></u>	<u><u>120,977</u></u>

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN 25 834 475 718**

Statement of Cash Flows

For the year ended 30 September 2014

2014

2013

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank S A	12,893	22,328
Cash float	18	73
Bank SA term deposit	102,667	98,576
	<u>115,578</u>	<u>120,977</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit

Operating profit/deficit	(5,996)	(1,103)
Depreciation	992	1,365
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(55)	0
Increase (decrease) in trade creditors and accruals	2,380	767
Increase (decrease) in other creditors	0	(200)
Increase (decrease) in sundry provisions	(681)	(1,141)
Net cash provided by (used in) operating activities	<u>(3,360)</u>	<u>(312)</u>

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715

Notes to the Accounts
For the year ended 30 September 2014

1. Summary of Significant Accounting Policies

a) Basis of Preparation of Financial Reports

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisation) Act 2009.

The financial report has been prepared in accordance with the following applicable Accounting Standards and Urgent Issues Group Consensus Views.

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet date
AASB 108	Accounting Policies, changes in Accounting Estimates and Errors
AASB 114	Segment Reporting
AASB 136	Impairment of Assets

The financial report is prepared in accordance with the historical convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

b) Income Tax

The association is exempt from income tax pursuant to the Income Tax Assessment Act. Accordingly, Australian Accounting Standard AASB 112 has not been applied and no provision for income tax has been included in the Accounts.

c) Goods and Services Tax

The Association is registered for Goods and Services Tax.

d) Non Current Assets – Office Equipment

Depreciation, using the diminishing value method, has been provided for in the Accounts on all Non-Current Assets, so as to allocate their cost over their estimated remaining useful life.

e) Employee Entitlements

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to balance date – the association has no employees.

f) Subscriptions

Members Subscription income has been brought to account on an accrual basis during the course of the year.

g) Going Concern Basis of Accounting

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

h) Fair Work (Registered Organisation) Act 2009

On 19 April 2010 the association was granted federal registration as an association effective from 3 May 2010.

**REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715**

**Notes to the Accounts
For the year ended 30 September 2014**

2. Notice required under Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of Fair Work (Registered Organisations) Act 2009, which reads as follows:-

- (1) A member of the association, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) The association must comply with an application made under subsection (1).

3. Property Plant & Equipment

All fixed assets are recorded at cost and the depreciation rate used is as per the Australian Taxation Office.

4. Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The South Australian and Northern Territory Real Estate Employers' Federation makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgements in applying the South Australian Real Estate Employers' Federation accounting principles

There are no critical judgements that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities

5. Related Parties

There have been no transactions between related parties.

6. Financial Risk Management

General objectives, policies and processes

The association is exposed to risks that arise from its use of financial instruments. This note describes the association's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the association's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The association's financial instruments consist mainly of deposits with banks and receivables.

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 715

Notes to the Accounts

For the year ended 30 September 2014

Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the association incurring in a financial loss. This usually occurs when debtors fail to settle their obligations owing to the association.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts.

Liquidity Risk

Liquidity risk is the risk that the association may encounter difficulties raising funds to meet commitments associated with financial instruments. The association is not significantly exposed to this risk; at 30 September 2014 it had \$120,921.00 of cash and cash equivalents to meet these obligations as the fall due. Financial liabilities at 30 September 2014 totalled \$13,847.00.

The association manages liquidity risk by monitoring cash flows.

Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because the changes in interest rates (interest rate risk) or other market factors (other price risk).

Interest Rate Risk

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised as per the financials.

7. Subsequent Events

There are no subsequent events that have occurred or are likely to occur that require disclosure.

8. Contingent Liabilities

None to report.

9. The registered Office and Principal Place of Business of the Branch is:

REI House
249 Greenhill Road
Dulwich SA 5065

REAL ESTATE EMPLOYERS' FEDERATION OF SOUTH AUSTRALIA AND THE
NORTHERN TERRITORY - ABN: 25 834 475 718
INDEPENDENT AUDIT REPORT
For the year ended 30 September 2014

INDEPENDENT AUDIT REPORT

To the members of the Real Estate Employers' Federation of South Australia and the Northern Territory.

We have audited the general purpose financial report of Real Estate Employers' Federation of South Australia and the Northern Territory, which comprises the statement of financial position as at 30 September 2014, and the statement of comprehensive income, statement of changes in accumulated funds (losses) and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

Committee of Management and the Financial Report

The committee of management and the financial officer are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion the general purpose financial report of Real Estate Employers' Federation of South Australia and the Northern Territory, is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

We have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Natale Rugari 
Director/Partner
Member of CPA, AUSTRALIA
And Holder of Current Public Practice Certificate
Registered Company Auditor
12/116 Melbourne Street
NORTH ADELAIDE SA 5006

6 November 2014

**THANK YOU
FOR YOUR
SUPPORT & MEMBERSHIP**