



22 January 2018

Ms Arvin Bisbal  
Chief Executive Officer  
Real Estate Employers' Federation of South Australia and the Northern Territory

Sent via email:

Dear Ms Bisbal

**Re: – Real Estate Employers' Federation of South Australia and the Northern Territory  
- financial report for year ending 30 September 2017 (FR2017/281)**

I refer to the financial report of the Real Estate Employers' Federation of South Australia and the Northern Territory. The documents were lodged with the Registered Organisations Commission ('the ROC') on 20 December 2017.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether 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.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist when preparing the next financial report. Please note the financial report for the period ending 30 September 2018 may be subject to an advanced compliance review.

Auditor's report: declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they 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. This declaration was not included in the auditor's statements.

Reporting Requirements

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Please note that new Reporting Guidelines will apply to organisations and branches with financial years *commencing* on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett  
Financial Reporting  
Registered Organisations Commission

**From:** Arvin Bisbal [<mailto:arvin@reefsant.org.au>]  
**Sent:** Wednesday, 20 December 2017 1:51 PM  
**To:** ROC - Registered Org Commission  
**Cc:** Admin  
**Subject:** HPRM: ON CMS FR2017/281 LGD2017/281 REEFSANT Lodgement of Financial Report; Statement of loans etc; Annual Return of Information  
**Importance:** High

**Fair Work Commission**

Dear Sir/Madam

1. In accordance with Section 268(a) of the Fair Work (Registered Organisations) Act please find attached a copy of the full report of the Real Estate Employers' Federation SA/NT for the financial year ending 30 September 2016. Also attached is the certificate in accordance with section 268 (c) signed by the President.
2. In accordance with Section 237 of the Fair Work (Registered Organisations) Act please find attached a copy of the Statement of Loans, Grants and Donations exceeding \$1000 for financial year ending 30 September 2017. It is a 'NIL' return and signed by the President.
3. An Annual Return of Information is also attached. There is no requirement for any elections until late 2018.

If we have missed any critical information required, please do not hesitate to contact me.

Kind Regards  
Arvin

**Arvin Bisbal**  
Chief Executive Officer



Please note that our office will be closed for the Christmas break from 5.00pm Thursday 21 December 2017 and reopen on Monday 8 January 2018.

Merry Christmas and Happy New Year!

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Annual Return  
2017.pdf



Statement of loans  
grant & donations 20



Financial Report  
2017.pdf

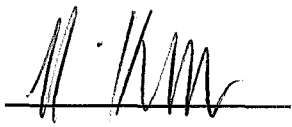


7 December 2017

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

**RE: CERTIFICATE SECTION 268 (c) FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

I, Nella Kikianis, President of the Real Estate Employers' Federation SA/NT, being a prescribed designated officer, certify that the attached copy of the **full** financial report for the year ended 30 September 2016 is a copy of the report provided to all Members on Wednesday 15 November 2017 via electronic newsletter and is also a copy of the report presented to Members at the Annual General Meeting held on Thursday 7 December 2017.

 (signature)

Nella Kikianis

President

Real Estate Employers' Federation SA/NT

**REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA  
AND THE NORTHERN TERRITORY**

**ABN 25 834 475 718**

**FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA  
AND THE NORTHERN TERRITORY**

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# **REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

## **OPERATING REPORT**

The Committee of Management, for the purposes of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*, presents its operating report of the Real Estate Employers Federation of South Australia and the Northern Territory for the financial year ended 30 September 2017.

The Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is a 'not for profit' entity, a registered organisation under *RO Act*.

### **Review of the State's Principal Activities**

The principal activities of the Federation during the financial year were: Maintain proper industrial relation practices within the Real Estate Industry. This has been done primarily by way of industrial awards; enquiry service; newsletters; training; tribunal/court representation; and employment agreements.

### **Significant Changes in Principal Activities**

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

### **Results of Principal Activities**

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

REEF SA/NT's principal activities resulted in a surplus for the financial year of **\$4,555**

### **Significant Changes in Financial Affairs**

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

### **The Right of Members to Resign**

All members of the Federation have the right to resign from the Federation 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.

### **State Officers or Members who are Trustees of a Superannuation Entity**

No officer or member of the Federation 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.



**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**OPERATING REPORT (cont'd)**

**Other Relevant Information**

The Federation is not aware of any other relevant information.

**Prescribed Information Required Under the Fair Work (Registered Organisations) Regulations 2009**

**Number of Members**

- (a) The number of persons who were recorded in the register of members on 30 September 2017 was 264.

**Number of Employees**

- (b) The number of persons who were employees of the reporting unit on 30 September 2017 was 0 (NIL).

**Names of Committee of Management Members and period positions held during the financial year**

- (c) The name of each person who has been a member of Committee of Management (REEFSA/NT Board), at any time during the reporting period, and the period for which he or she held such a position is as follows:

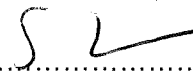
<b>Name</b>	<b>Period Position Held</b>
Nella Kikianis	Full term of reporting period
Samantha Forde	Full term of reporting period
Paul Stanton	Full term of reporting period
Suzannah Toop	Full term of reporting period
Andrew Harvey	Full term of reporting period
Emma Slape	Full term of reporting period
Patricia Capone	3 August 2017 to current
Linda Baker	7 September 2017 to current

Signed in accordance with a resolution of the Real Estate Employers Federation of South Australia and the Northern Territory



Nella Kikianis

President



Samantha Forde

Deputy President

2<sup>nd</sup> November 2017

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

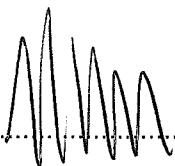
**COMMITTEE OF MANAGEMENT STATEMENT**

On 2<sup>nd</sup> November 2017 the Committee of Management of Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT Board) passed the following resolution in relation to the general purpose financial report (GPFR) of the Federation for the year ended 30 September 2017.

The Board declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards.
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of *the Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Federation for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Federation committee of management were held in accordance with the rules of the organisation and of the branch concerned; and
  - (ii) the financial affairs of the Federation have been managed in accordance with the rules of the; and
  - (iii) the financial records of the Federation have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the Federation have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
  - (v) no information has been sought in any request by a member of the Federation or General Manager duly made under Section 272 of the RO Act; and
  - (vi) no orders for inspection of financial records has been made by Fair Work Commission under section 273 of the *RO Act*.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management (REEF SA/NT Board):



.....

President – Nella Kikianis

2<sup>nd</sup> November 2017

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 30 SEPTEMBER 2017**

	Note	2017 \$	2016 \$
<b>INCOME</b>			
New Memberships		12,810	15,373
Membership Renewals		158,042	165,725
Training Income		3,100	3,420
OH&S Manuals		900	2,673
HR Manuals		600	2,075
Interest Income		3,896	2,731
Sundry Income		525	240
Sponsorship		-	1,000
Capitation Fees		-	-
Levies		-	-
Grants and/or Donations		-	-
Membership Contributions		-	-
<b>TOTAL INCOME</b>		<u>179,873</u>	<u>193,237</u>
<b>EXPENDITURE</b>			
Affiliation Fees		-	-
Bank charges		60	84
Bookkeeper		-	96
Capitation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Computing		1,980	6,427
Conference & meeting expenses		2,358	1,580
Depreciation		2,789	1,821
Fees/allowances – meeting and conferences		-	-
Grants or donations		-	-
Insurance		3,349	3,352
Internet Web Site		1,290	1,176
Office Equipment		928	962
Marketing		118	-
Penalties – via RO Act or RO Regulations		-	-
Photocopying		800	1,000
Postage		863	563
Printing & Stationery		806	1,947
Professional Services	3	4,967	4,609
Rent	4	7,000	6,500
Software		425	464
CEO Retainer		93,282	92,705
EO Retainer		49,429	51,619
Subscriptions		1,015	913
Sundry		-	1,418
Telephone		1,200	1,500
Travel & Accommodation		2,659	906
<b>TOTAL EXPENDITURE</b>		<u>175,318</u>	<u>179,443</u>
<b>NET SURPLUS/ (DEFICIT)</b>		<u>4,555</u>	<u>13,794</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>4,555</u>	<u>13,794</u>

The above statement should be read in conjunction with the notes

REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY

STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2017

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
<b>Cash Assets</b>			
Bank SA Cheque Account		40,658	39,176
Cash Float		51	200
		<u>40,709</u>	<u>39,377</u>
<b>Current Tax Assets</b>			
GST Clearing		3,273	3,028
		<u>3,273</u>	<u>3,028</u>
<b>Other Current Assets</b>			
Receivables		-	(22)
Accrued Interest		2,173	-
Bank SA Term Deposit		88,168	86,554
		<u>90,341</u>	<u>86,554</u>
<b>Total Current Assets</b>		<u><b>134,323</b></u>	<u><b>128,937</b></u>
<b>NON-CURRENT ASSETS</b>			
<b>Plant &amp; Equipment</b>			
Office Equipment	5	14,162	11,852
Less: Accumulated Depreciation		<u>(11,260)</u>	<u>(8,471)</u>
		<u>2,902</u>	<u>3,381</u>
<b>Total Non-Current Assets</b>		<u><b>2,902</b></u>	<u><b>3,381</b></u>
<b>TOTAL ASSETS</b>		<u><b>137,225</b></u>	<u><b>132,318</b></u>
<b>CURRENT LIABILITIES</b>			
Employee provisions		-	-
Trade and other payables	6	352	-
<b>Total Current Liabilities</b>		<u><b>352</b></u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u><b>352</b></u>	<u>-</u>
<b>NET ASSETS (LIABILITIES)</b>		<u><b>136,873</b></u>	<u><b>132,318</b></u>
<b>MEMBER'S FUNDS</b>			
Accumulated surplus (deficit)		136,873	132,318
<b>TOTAL MEMBER'S FUNDS (LOSSES)</b>		<u><b>136,873</b></u>	<u><b>132,318</b></u>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note	Accumulated Funds (Losses) \$
<b>Balance at 30 September 2015</b>		118,524
Net Surplus (Deficit) for the year		13,794
Total comprehensive income for the year		<u>13,794</u>
<b>Balance at 30 September 2016</b>		<u>132,318</u>
Net Surplus (Deficit) for the year		4,555
Total comprehensive income for the year		<u>4,555</u>
<b>Balance at 30 September 2017</b>		<u>136,873</u>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note		
<b>Cash Flow from Operating Activities</b>			
Receipts from customers		173,782	190,979
Payments to Suppliers and employees		(172,422)	(177,992)
Interest received		<u>3,896</u>	<u>2,731</u>
Net cash provided by (used in) operating activities	8b	<u>5,256</u>	<u>15,718</u>
<b>Cash Flow from Investing Activities</b>			
<b>Payment for:</b>			
Payments for property, plant and equipment		<u>(2,310)</u>	<u>(1,666)</u>
Net cash provided by (used in) investing activities		<u>(2,310)</u>	<u>(1,666)</u>
Net increase (decrease) in cash held		2,946	14,052
Cash at the beginning of the year		<u>125,931</u>	<u>111,879</u>
<b>Cash at the End of the Year (note 1)</b>	8a	<u><b>128,877</b></u>	<u><b>125,931</b></u>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Fair Work (Registered Organisations) Act 2009 (RO Act)*. For the purpose of preparing the general purpose financial statements, the Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is a not-for-profit entity.

The financial report is for the Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT). The Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is an organisation registered under the *RO Act*. In accordance with the *RO Act* the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Federation is not subject to the *Corporations Act 2001*.

The financial report has been prepared on an accrual basis and in accordance with historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**Comparative amounts**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Accounting Estimates and Judgements**

Estimates and judgments 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 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 judgments in applying the Federation's accounting principles**

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

The following is a summary of the significant accounting policies adopted by REEF SA/NT in the preparation of the financial report.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

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

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(i) Expenditure**

Expenses represent amounts paid directly by the Branch for operational costs. Other operational expenses e.g. salaries which relate to the Branch are paid for by the National Council and are included in the financial report of the National Council only.

**(ii) Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

**(iii) Income Tax**

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

**(iv) Goods and Services Tax (GST)**

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

The net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables as appropriate.

Cash flows are included in the statement of cash flows on a gross basis.

**(v) Property, Plant & 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.

The depreciation rate used for each class of depreciable asset are:

<u>Class of Asset</u>	<u>Depreciate Rate</u>
Office Equipment	33.33%

**(vi) Financial Assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.



## NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017 (Cont'd)

### 1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

#### *Fair value through profit or loss*

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

#### *Held-to-maturity investments*

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

#### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Adoption of New Australian Accounting Standard requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year and have not been impacted by any new standards adopted in the current financial year.

**Future Australian Accounting Standard requirements**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 September 2017. These are outlined in the table below.

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date for the Branch
AASB 1058	Income of Not-for-Profit Entities	This standard establishes principles and guidance when accounting for: a. Transactions where the consideration given to acquire an asset is significantly less than its fair value, in order to enable the entity to further its objectives; and b. The receipt of volunteer services.	For financial years commencing after 1 January 2019	The Federation is yet to assess its full impact.	1 October 2019
AASB 15	Revenue from contracts with customers	This standard provides a single comprehensive framework for determining whether, how much and when revenue is recognised. The core principle of the standard is that an entity will recognise revenue when control of goods or services is transferred rather than on transfer of risks and rewards as is currently the case under AASB118: Revenue.	For financial years commencing after 1 January 2019	The Federation is yet to assess its full impact.	1 October 2019
AASB 16 (issued February 2017)	Leases	This standard eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It requires the entity to bring most leases onto its balance sheet in a similar way to how existing leases are treated under AASB117. An entity will be required to recognise a lease liability and a right of use of the asset in its balance sheet. There are some exemptions such as leases with a period of 12 months or less and low value leases are exempted.	For financial years commencing on or after 1 January 2019.	The Federation is yet to assess its full impact.	1 October 2019

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**2. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL  
MANAGER OF FAIR WORK COMMISSION – SECTION 272**

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, 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) A reporting unit must comply with an application made under subsection (1).

**3. PROFESSIONAL SERVICES**

Auditors - Auditing the financial report	750	2,000
- Other Services	-	220
<b>Legal Costs*</b>		
Litigation	-	-
Other Legal Matters	4,217	2,389
	<u>4,967</u>	<u>4,609</u>

**4. LEASES**

The rental of office space occupied by REEF SA/NT at REI House, 249 Greenhill Rd, Dulwich is done on short-term basis and reviewed annually.

Future Minimum Lease payments are as follows:

	\$
Not later than 1 year	7,000
Later than 1 year and not later than 5 years	-
Later than 5 years	-

Amounts recognised as an expense in the reporting period are:

	\$
Minimum Lease payments	7,000
Contingent Rents	-
Sublease payments	-

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**5. PROPERTY, PLANT & EQUIPMENT**

**Office Equipment**

Net book Value as at 1 July	3,381
Additions	2,310
Revaluations	-
Impairments	-
Depreciation Expense	(2,789)
Disposals	-
Net book Value as at 30 June	<u>2,902</u>

<b>2017</b>	<b>2016</b>
<b>\$</b>	<b>\$</b>

**6. TRADE AND OTHER PAYABLES**

Trade and other payables	352	-
Other payables – legal costs	-	-
Consideration to employers for payroll deductions	-	-
Payables to other reporting units	-	-
	<u>352</u>	<u>-</u>

**7. RELATED PARTIES**

- (a) No amount of remuneration was paid to officers during the financial year.
- (b) No amount was paid during the financial year to a superannuation plan in respect of elected full-time officials.  
A fee for retention of service (retainers) were paid to officers as follows:
- |                         |          |
|-------------------------|----------|
| Chief Executive Officer | \$93,282 |
| Executive Officer       | \$49,429 |

(c) There have been no other transactions between the officers and the Federation other than those relating to their membership of the Federation and the reimbursement by the Federation in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**8. CASH FLOW**

- (a) For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.

Cash at bank	128,877
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- (b) Reconciliation of cash flow from operations with Net Surplus (Deficit)

Net Surplus (Deficit)	4,555
Depreciation	2,789
Changes in Assets and Liabilities:	
(Increase) decrease in receivables	(2,195)
Increase (decrease) in payables	352
Increase (decrease) in sundry provisions	(245)

<b>CASH FLOW FROM OPERATIONS</b>	5,256
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**9. FINANCIAL RISK MANAGEMENT**

- (a) *General objectives, policies and processes*

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

There have been no substantive changes in the Branch'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 Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The State Council have overall responsibility for the determination of the Branch's risk management objectives and policies.

- (b) *Credit risk*

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

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.

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

(c) *Liquidity risk*

Liquidity risk is the risk that the Federation may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 30 September 2017 it had \$128,877 of cash and cash equivalents to meet these obligations as they fall due.

Financial liabilities at 30 September 2017 totaled \$352

The Branch manages liquidity risk by monitoring cash flows.

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017  
(Cont'd)**

**9. FINANCIAL RISK MANAGEMENT (Cont'd)**

*(d) Market risk*

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

*(e) Interest rate risk*

The Federation'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.

*(f) Other Price Risks*

The Federation does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

*(g) Foreign Exchange Risk*

The Federation is not directly exposed to foreign exchange rate risk.

**10. SUBSEQUENT EVENTS**

There were no events that occurred after 30 September 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of REEF SA/NT.

**11. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

None to report.

**12. ADDITIONAL BRANCH INFORMATION**

The registered office and principal place of business of the Branch is:

REI House  
249 Greenhill Road  
Dulwich SA 5065

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Real Estate Employers Federation of South Australia and Northern Territory, which comprises the statement of financial position as at 30 September 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Real Estate Employers Federation of South Australia and Northern Territory, presents fairly, in all material respects the reporting unit's financial position as at 30 September 2017 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and Part 3 of the *Fair Work (Registered Organisations) Act 2009*.

#### 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 reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Real Estate Employers Federation of South Australia and Northern Territory operating report, 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 on the other information obtained prior to the date of this auditor's report, 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 Committee of Management for the Financial Report**

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

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


A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

#### **Declaration by the auditor**

I, Natale Rugari, declare that I am an approved auditor, a member of CPA Australia and hold a current Public Practice Certificate.



Natale Rugari, Principal

North Adelaide, 2<sup>nd</sup> November 2017

Registration Number AA2017/32(as registered by the RO Commission under the Act)