

ANNUAL REPORT

2019



REINT

REAL ESTATE INSTITUTE
OF NORTHERN TERRITORY

Annual Reports and Accounts for the Real Estate Institute of Northern Territory Inc. (REINT) for the Year Ending 31 December 2019.

The REINT Board (2019)



PRESIDENT
Diane Davis
Elders Real Estate



VICE PRESIDENT
Carol Need
Carol Need Real Estate



TREASURER
Jeremy O'Donoghue
First National O'Donoghues



SOUTHERN DELEGATE
Andrew Doyle
First National Framptons



Matthew Knight
Knight Frank NT



Andrew South
Complete Real Estate



Sascha Smithett
Real Estate Central
(Retired August 2019)



Sue Brosnan
Tanami Rural Property



Allison O'Neill
The Property Shop



Joely Sullivan
Now Leasing

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The REINT

CHIEF EXECUTIVE OFFICER
Quentin Kilian

TRAINING MANAGER
Michelle (Mitch) Elton

STUDENT SERVICES MANAGER
Janine Brown

PROFESSIONAL DEVELOPMENT
Janette Moore

RECEPTION / PA
Christine Simpson

AUDITORS
Moore Stephens

BANKERS
Westpac Banking Corporation

REGISTERED OFFICE
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Darwin NT 0800
GPO Box 3869
Darwin NT 0801

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Web: www.reint.com.au
ABN: 15 717 052 155
RTO: 0382

REPORTS



President's Report



2019 was a productive year for the Institute and one that saw a lot of advocacy activity and some changes at Board level.

AT THE REINT BOARD TABLE

At the last AGM we saw a very closely fought challenge for a vacant Board position, that was won by Joely Sullivan of Now Leasing. Unfortunately this meant that Rob Harris of Ace Body Corporate was required to relinquish his role.

In August we sadly accepted the retirement of Sascha Smithett, who made the decision that she needed to focus more time on the business. The Board was very appreciative of the time she gave to the leadership of the Institute.

Sascha's retirement opened the way to invite Rob Harris back to the Board table to fill the vacant role on a casual basis.

AT THE NATIONAL BOARD TABLE

It was a busy year on the national level with a focus on restructuring the REIA. The key to this was to look at the activities, aims and desired outcomes of the REIA. It was agreed that the REIA needed to refocus its efforts on national policies for the real estate industry and national advocacy.

The national Board agreed to hold a National Policy Congress to consider Federal based policy issues, avoiding state based policies. The first level of action is taking place with policies being developed on:

- Capital Gains Tax
- Negative Gearing
- Anti-Money Laundering
- Climate Change including implications for the property sector i.e. when a property becomes uninsurable
- National Licensing and Mutual Recognition

At the next level the policy committee will be looking at:

- Land Tax
- Abolishing stamp duty
- Government to take a leadership role in moving from stamp duty to land tax on a uniform base, including a review of GST

Some of the other key activities was the restructuring of REISA, which has gone through some major financial upheaval over the past year, including the sale of their building in Adelaide and major downsizing of their staff levels. The Board also continued to work on finding an amicable solution to bringing REIQ back into the national group.

The P2P project was placed on hold due to unplanned roadblocks in the process that have led to much larger costs than planned.

The REIA also, sadly, accepted the resignation of the long serving CEO, Jock Kreitals, who has decided to retire – or at least semi-retire. The Board has completed a national search for a new CEO and the successful candidate will be announced soon.

The National CEO's group has been delivering excellent results, and our CEO plays a key role in that group. Apart from looking at policy issues, they are able to exchange information about State & Territory based activities and look at commercial opportunities that can be shared across the network. The NAR REACH Program – a program launched under the auspices of the National Association of Realtors in the US as an incubator for PropTech – is one such commercial opportunity. The national CEO's are working with REACH on bringing to market new PropTech opportunities.

NATIONAL EVENTS

AAC

The Australasian Auctioneering Championships were held in Melbourne and combined with REIV Awards. The NT was well represented by Daniel Harris of Real Estate Central and Dominic Miller from Framptons First National in Alice Springs.

REIA AWARDS

The national REIA Awards night was held in Perth at the Crown Casino in a glittering event. The Territory was well represented at the event but unfortunately we didn't come home with any awards. However, while it occurred in 2020 we must give special note to the team at Elders Katherine who picked up the national award for Small Residential Agency. This was to be presented to them at the 2020 Awards planned for April this year in Darwin, which sadly was cancelled due to the Coronavirus.

I would like to congratulate those who made the effort to enter the national awards, both in 2019 and 2020. I think the result that we saw from Elders Katherine show that the NT can win national awards when we put the effort in. So I would thoroughly encourage more of our Members to enter the REINT Awards and, if victorious on a local level, to push on to the national awards. The awards recognise excellence in real estate and they can only continue to exist with the support of our Members.

IN GENERAL

The Zoom Room is working well to provide access to training, meeting and PD sessions to Members outside of Darwin and even to our rural members who find it easier to join from their offices. We also welcomed new neighbours in the Law Society NT.

I would like to thank Quentin, as our CEO, and his hard working team at the REINT for their efforts again this past year. I would also like to thank my fellow Board Directors for giving up their time to serve on the Board.

As always I encourage you to engage with the REINT team throughout the coming year and let them know the types of Professional Development you would like to see, introduce them to new technologies you have come across or thoughts you have on how we can all continually improve our service delivery to you.



DIANE DAVIS
REINT President

CEO's Report



2019 proved to be another very trying year in both real estate activity and the Territory's economy in general. We continued to see a drop in population and general economic activity which impacted heavily on the major part of the year.

The median house price retreated almost 7 percent to around \$460,000. The December Quarter of 2019 saw some good news with a sizeable upswing in the volume of sales.

The REINT, as part of the NT Business Council, has continued to lobby Government for policies to revive population growth and economic recovery.

REINT MEMBERSHIP LEVELS

While it has been a tough year for every business in the Territory, especially real estate businesses that are so dependent on a growing population to drive the demand, 2019 saw our overall membership numbers remain strong, and in fact they grew towards the end of the year.

NATIONAL TRAINING PACKAGE

You may recall we spoke at length about the work that needed to go into preparing and implementing the new National Training Package.

After a lot of work by the REINT team, both in-house and on the national front, the REINT was able to produce a full curriculum package, including Restricted Sales & Property Management courses and the new Diploma components.

In addition, the REINT team have developed a modern online delivery platform - which launched on 1 May 2020 - allowing the REINT to deliver all of the training product online.

ADVOCACY

Towards the latter part of the year we were surprised by the launch of the Government's Discussion Paper on Residential Tenancies Act amendments. Unfortunately the Government did not see fit to consult with us prior to the release of this document, or even to advise us of its release.

That aside, the REINT managed to consult broadly with its Membership base and submit a comprehensive response to the Discussion Paper. I appeared before the Committee and, with the assistance of Board Director Allison O'Neill, also appeared before the Legislative Scrutiny Committee. This Committee agreed not to proceed with amendments to pets in rental properties, but as Members are aware, this was ignored by Government and very poor legislation was introduced in February 2020. However this legislation has not been enacted and we believe the lobbying and media attention brought to bear by the REINT, including an 8,300 signature petition, may force the Government to eventually repeal these amendments.

I also made representation to the Government committee on the proposed Sex Worker Bill which would have allowed legal brothels to operate in residential areas. While the REINT was not opposed to the legitimization of the Sex Worker industry in the Territory, we felt allowing residential operations would have a major impact on real estate. The Government has made no announcements on this Bill since late 2019.

The work we were doing on the proposed changes to the Agents Licensing Act has been shelved, yet again, by Government. The REINT and the Board spent a lot of time dissecting and commenting on proposed changes to the Act. At this stage we are unsure when the Government will bring this work back to their agenda, but we will remain ready to respond.

Our strata Members have been working closely with Robert Bradshaw on reshaping the Body Corporate acts into a single, workable Act. This has proven to be a complicated piece of work and will take longer than anticipated to complete. However the final aim is to have a single Act that is a lot easier to work to.

We have the Territory elections due in August 2020 and we are working on a 'wish list' for all major political parties.

IN GENERAL

We have had another busy year in PD. While the material we have presented has been well attended, we're always open to suggestions for PD sessions. The REINT Golf Day was a lot of fun and given the tougher economic conditions, was extremely well attended with 22 teams. The REINT-realestate.com.au Awards night, albeit smaller in numbers, was a lot of fun taking on a Ghosts and Ghouls theme for Halloween.

Overall it has been another busy year for us. Not the most successful we've had, but considering the general economic climate, we have come out of 2019 in a robust manner. I would like to thank my amazing staff for their support and ideas this year. They are the engine room of the REINT and I am so proud to work with them every day. I would also like to thank the Board for the time they give up throughout the year and for their guidance.

Now to get through 2020 and the COVID-19 interruptions.



QUENTIN KILIAN
Chief Executive Officer

Southern Delegate's Report



The Alice Springs market has remained sound with a reduction in the number of settled sales and median prices.

Transaction numbers decreased during 2019 with a total of 358 settlements of houses and units compared to 396 in 2018, down 9.6%

Median house price fell from \$475,000 to \$450,000 with 14 less houses selling, the median price falling 5.26%

The unit market contracted further with 123 sales down 24 from 147 in 2018. The median price was fell from \$327,500 to \$304,500 down 7%.

The land sub division at Kilgariff and South Edge have progressed well with a number of new homes being constructed in the last 12 months.

Our residential rental market remains solid with vacancy rates being recorded between 3.00% to 4.30% which has seen rents remain at existing levels.

With the uncertainty of COVID -19 we will wait to see what the short and long terms effects are on our market and Industry.

Regards

ANDREW DOYLE
Southern Delegate

Agents Licensing Board Report

REAL ESTATE INSTITUTE OF NORTHERN TERRITORY INC. ANNUAL GENERAL MEETING MAY 2020

REPORT FROM NORTHERN REGION INDUSTRY REPRESENTATIVE OF THE AGENTS LICENSING BOARD

1. Administration of Agents Licensing Act 1979

The Department of Attorney-General and Justice is responsible for the administration of the Agents Licensing Act 1979 and Auctioneers Act 1935. The Honourable Natasha Fyles is the Attorney-General and Minister for Justice.

The Agents Licensing Board (the Board) is responsible for considering applications for the grant of licences and registrations as an agent's representative and for the conduct of Inquiries into applications for disciplinary action against a licensed agent or agent's representative under the Act.

The Board is assisted by the Registrar of Land, Business and Conveyancing Agents and staff of Licensing NT.

2. Composition of Agents Licensing Board

The Board is a body corporate established under sections 6 and 7 of the Act and is comprised of the following members:

Name	Position	Date of Appointment	Expiry of Term
Mark Thomas	Chairperson	31/10/2017	30/10/2020
Gabrielle Martin	Alternate to Mr Thomas	31/10/2017	30/10/2020
Robert Bradshaw	Departmental Representative	18/04/2017	At Minister's pleasure
Hannah Clee	Alternate to Mr Bradshaw	18/04/2017	At Minister's pleasure
Lea Aitken	Consumer Representative	10/07/2013 Re-appointed 14/07/2016 Re-appointed 24/07/2019	23/07/2022
Christine Simpson	Alternate to Ms Aitken	24/07/2019	23/07/2022
Jo-Anne Pulsford	Industry Representative (Southern Region)	20/07/2012 Re-appointed 25/08/2015 Re-appointed 30/08/2018	29/08/2021
Carol Need	Alternate to Ms Pulsford	25/08/2015 Re-appointed 30/08/2018	29/08/2021
Diane Davis	Industry Representative (Northern Region)	04/09/2006 Re-appointed 04/09/2009 Re-appointed 25/09/2012 Re-appointed 03/03/2016 Re-appointed 24/04/2019	23/04/2022
Denise Meeking	Alternate to Ms Davis	04/09/2003 Re-appointed 04/09/2006 Re-appointed 04/09/2009 Re-appointed 25/09/2012 Re-appointed 03/03/2016 Re-appointed 24/04/2019	23/04/2022

3. Property Agents Licensing Group

The function of Property Agents Licensing is under the Occupational Licensing Unit, Licensing NT. The office is located at Level 3, NAB House, 71 Smith Street, Darwin. Mr Stephen Gelding holds the statutory appointment of Registrar.

Ms Marita Cabot, Manager Licesning Occupational holds the statutory appointment of Deputy Registrar.

4. The Agents Licensing Fidelity Guarantee Fund

The Agents Licensing Fidelity Guarantee Fund (the Fund) is a body corporate established under section 94 of the Act. The function of the Fund is to maintain and operate the moneys of the Fund comprised of contributions, levies, licence and registration fees, fines and interest paid to it.

During the reporting period the Act was amended to increase the Fund membership to five (5) persons (adding another finance and investment representative and an industry representative). Further the Act now mandates the annual audit of the Fund.

The Fund is comprised of the following members:

Name	Position	Date of Appointment	Expiry of Term
Stephen Gelding	Registrar & Fund Chairperson	05/08/2019	At Minister's pleasure
Mark Thomas	Member & Chairperson of the Board	31/10/2017	30/10/2020
Alex Pollon	Member	24/07/2014 Re-appointed 24/07/2016 Re-appointed 24/07/2018 Re-appointed 13/11/2019	12/11/2021
Vanessa Sutcliffe	Alternate to Mr PollonBradshaw	13/11/2019	12/11/2021
Diane Davis	Industry Representative	13/11/2019	12/11/2021
Trevor Tschirpig	Alternate to Ms Davis	13/11/2019	12/11/2021
John Cossons	Finance and Investment Representative	13/11/2019	12/11/2021

Details of Fund assets follow:

Assets	as at 28 February 2020	as at 28 February 2019	as at 28 February 2018
Colonial First State Wholesale Funds	n/a	\$21,157,655	\$20,510,370
JANA - JANA Moderate Trust	\$19,815,611	n/a	n/a
NAB - Operating Account	\$2,391,424	\$862,850	\$1,441,042
NAB -Unclaimed Monies Account	\$297,982	\$251,058	\$221,617
Property - 6 Lindsay Street, Darwin	\$2,500,000	\$2,500,000	\$2,500,000
TOTAL	\$25,005,017	\$24,771,563	\$24,673,029

There were no claims against the Fund during the reporting period.

The 2019 audit of the Fund was conducted by Merit Partners. Fund revenue for the period was \$1,195,595 (2018: \$1,461,814). Section 50 interest revenue was \$520,217 (2018: \$499,356). The licensing and registration fees were \$439,192 (2018: \$499,559).

5. Section 93 Grant

On 6 September 2019, a Funding Agreement was executed between the Fund and the REINT for the upgrading of technical equipment to enable full integration with the online Zoom Room facilities in the Training Room at Tenancy 2, 6 Lindsay Street, Darwin.

The Agreement provides for reporting and acquittal requirements.

6. Section 92 Grant

On 9 May 2019, a Funding Agreement was executed between the Board and REINT for continued funding for 3 years to conduct educational courses approved by the Board. The Agreement provides for base funding in 2019 of \$289,300, inclusive of GST (\$297,000 for 2020 and \$305,800 for 2021).

The Agreement provides for reporting and acquittal requirements.

On 15 August 2019, the Attorney-General and Minister for Justice consented for the use of monies from the Fund by the Registrar in the amount of \$205,700, inclusive of GST, for the development of training and assessment materials for the new units of competency.

A Funding Agreement was executed on 31 October 2019, between the Board and the REINT. The Agreement provides for reporting and acquittal requirements.

7. Tenancy Trust Account

On 16 August 2019, a payment of \$380,000 was made to the Tenancy Trust Account in accordance with the Ministerial Determination for the operation of the Commissioner of Residential Tenancies Office for the financial year 2019/2020.

On 19 July 2019, a payment of \$517,361 was made to the Tenancy Trust Account in accordance with the Ministerial Determination for provision of a tenant's advice service for the financial year 2019/2020.

8. Lease of Tenancy 1 and 2, 6 Lindsay Street

On 9 July 2019, a lease agreement was executed between the Fund and the REINT for Tenancy 1 and 2, 6 Lindsay Street, Darwin.

On 18 October 2019, a lease agreement was executed between the Fund and the Law Society NT for Tenancy 3, 6 Lindsay Street, Darwin.

9. Licences and Registrations

The total number of licences and registrations as at 31 March 2020:

• Real Estate and Business Agents Licences	438	(2019: 432)
• Registered Agent's Representatives	461	(2019: 400)
• Conveyancing Agent Licences	46	(2019: 44)
• Auctioneers Licences	78	(2019: 86)

10. Complaints and Applications for Disciplinary Action

During the reporting period the Board conducted two (2) Disciplinary Inquiries.

- Disciplinary Inquiry - Dani and Tade Delev and Isabel Ordogh against Whittles Body Corporate Management Pty Ltd was held 12 December 2019 and a decision is awaited.

- Disciplinary Inquiry - Registrar v A40F Group Pty Ltd trading as SA/NT Property Solutions and Natasha Henderson was held 25 February 2019.

The Board determined that SA/NT Property Solutions breached the rules of conduct, particularly Schedule 4 rules 8, 11 and 12 of the Agents Licensing Regulations 1979 (the Regulations) and imposed the following sanctions:

1. revoked company licence for a period of three (3) years effective on 11 March 2020; and
2. fined licensee 15 penalty units (i.e. \$2,355).

Further, the Board determined that Ms Natasha Henderson had not committed a breach of the rules of conduct for agents, set out at rules 11 and 12 of Schedule 4 of the Regulations.

During the year, the Board considered a number of Applications for Disciplinary Action some of which were rejected as the Board was satisfied that there were no grounds for holding, or there was insufficient evidence to hold, an inquiry.

11. Board Meetings

In 2019, the Board held meetings in March, July, October and December (Alice Springs).

Proposed meeting dates for 2020 follow - 26 March, 1 June, 7 September and 7 December. The Alice Springs meeting is yet to be decided.

As a part of a standing arrangement, the REINT CEO and President AICNT are invited to attend the meeting to raise and discuss matters of mutual concern.

12. Board Policies

There were five (5) policies determined during the period:

- Issue of Restricted Licence - Sales or Property Management;
- Registration re-application;
- Issue of Restricted Registration - Sales or Property Management;
- Conversion between Registrations as an Agent's Representative; and
- Conversion between Real Estate Agent and Business Agent Licences.



DIANE DAVIS
Industry Member
Agents Licensing Board

6 April 2020

REINT ANNUAL ACCOUNTS

FINANCIAL YEAR ENDING 31 DECEMBER 2019



Treasurer's Report



Dear Members,

With the assistance of the CEO I have prepared an overview of the Financial Year ending 31 December 2019 for the REINT.

Following a tough year in 2018, the REINT bounced back with a good surplus this year. The REINT recorded a surplus for the year that accounts for a turnaround in excess of \$100,000 for the year.

2019 KEY FINANCIAL ASPECTS

Income & Expenditure

Income increased by \$294,143 to \$1,190,989, which is the first time we have seen income above the million dollar mark. The key

items were:

- Grant funding increased by \$266,556. This is predominantly attributed to a grant for the re-writing of the new curriculum which was just over \$205,000 in total. While this amounts to no surplus to the REINT, it did pass through our books as an income and expenditure.
- Education (Training) income was reduced by \$1,089. This is predominantly due to the continued cutbacks on staffing and training by REINT Members.
- Membership income increased by \$16,546.
- Industry Awards income was down by \$2,196.
- Product Sales rose by \$967.
- Other Income, which includes rent for Unit 2 and rental of the Training Room, increased by \$13,829.

On the other side of the equation with Expenses

- Employee costs increased by \$25,677. This takes into account moving our Bookkeeper from an hourly billing to Casual Staff, and the increase in Employee Leave Provisions with the Student Services Manager adding a second round of Long Service Leave and the CEO adding Long Service Leave provisions.
- Operating costs were down by \$7,754.
- Administration costs were up by \$166,044. This covers all other costs and includes the increase in rental costs of \$65,000, additional costs in Accounting for added tax advice, \$25,000 in additional costs for data preparation for the RELM and reports we sell to 3rd parties.
- Overall expenses also takes into account the expenditure on the S92 grant for the new curriculum development.

Year End Position

- Surplus before tax is \$94,298, compared to a deficit of \$18,086 in 2018.
- Surplus after tax is \$94,298, compared to a deficit of \$57,087 in 2018.
- Accumulated surplus at the end of the financial year was \$300,313.

Investments

We have completed the payments on our purchase of a 1 percent shareholding in RECON Oz. RECON is the Real Estate Conversation e-mag that Members receive (or can receive) in their inbox daily; RECON Jobs; and now a range of on-line publications globally on real estate and hotels including RECON in the middle east and Asia.

We are not anticipating these shares to pay dividends for some years yet as RECON goes through the early stages of establishment.

Overall

I am pleased to see the financial position return to a surplus in 2019, and quite a healthy surplus. This surplus may be needed to carry us through 2020 given the unexpected impact of COVID-19. 2020 will also see a decrease in the level of grant funding.

While this report relates to 2019 I can advise Members that the Board & the CEO are keeping a close eye on the finances as we travel through the COVID-19 crisis and have done modelling on potential impacts. At present, and for the foreseeable future, the REINT remains in a sound financial position.

I am happy with the financial position we ended the year in, and I remain confident in the fiscal management that our CEO has applied to the REINT accounts.

I, and the Auditors, are confident that we are in a position to meet our accounts as they fall due.

JEREMY O'DONOGHUE

Treasurer

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Financial Statements

For the Year Ended 31 December 2019

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

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For the Year Ended 31 December 2019

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Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Board Report 31 December 2019

The board members submit the financial report of the Association for the financial year ended 31 December 2019.

Board members

The names of board members throughout the year and at the date of this report are:

Diane Davis	President
Carol Need	Vice President
Jeremy O'Donoghue	Treasurer
Andrew Doyle	
Allison O'Neill	
Andrew South	
Matthew Knight	
Susan Brosnan	
Joely Sullivan	Appointed April 2020
Rob Harris	Resigned February 2020
Sascha Smithett	Resigned August 2019

Principal activities

The principal activities of the Association during the financial year were:

1. To facilitate the business transactions and protect and conserve the business interests of real estate and business agents.
2. To secure mutual co-operation and effort in connection with business transactions as between members and also as between members and their principals.
3. To improve the technical and general knowledge of persons engaged in the said professions and with a view thereto to disseminate professional knowledge, to hold or contribute to or co-operate in the holding of classes; to provide for the delivery of lectures and to secure efficiency on the part of those admitted as members; to teach and approve the Law applicable to the sale, leasing and management of all property, both real and personal; and to co-operate with colleges, institutes and universities for the purpose of lecturing and providing lectures in such subject matter; to conduct seminars and conferences for the purpose of further disseminating the aforesaid professional knowledge; and generally do all that is necessary to establish and improve the technical and general knowledge of those engaged in such property transactions.
4. To foster good relations between members of the Association, other agents and members of the general public to improve the standing of members within the community.
5. To provide for the internal working and management of the Association.
6. To test and settle or to assist members in testing and settling any question - legal or otherwise - which in the opinion of the Board is one of the general interest to members; including the protection of members from claims and demands, which in the opinion of the Board are oppressive.
7. To provide for the maintenance of the honour, reputation and status of members.
8. To suspend, remove from membership, or discipline members of the Association in a manner provided for in the constitution.
9. To use the funds of the Association exclusively for the carrying out of its objects.
10. To borrow, or raise, or secure the payment of money in such a manner as the Board thinks fit.
11. To do all such other things as are incidental or conducive to the attainment of its objects.
12. To provide rooms and other facilities for any purpose that the Board may from time to time determine.
13. It is the intention that each and all powers specified in the preceding sub-clauses shall not be limited or restricted by reference to or interference from the terms of any sub-clause or of the main objects as first mentioned.

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Board Report 31 December 2019

Significant changes


No significant change in the nature of these activities occurred during the year.

Operating result

The profit/(loss) after taxation of the Association for the financial year amounted to \$ 94,298(2018: \$ (57,087)).

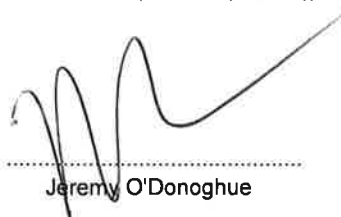
Signed in accordance with a resolution of the members of the board:

Board member:



Diane Davis

Board member:



Jeremy O'Donoghue

Dated 16 April 2020

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Income Statement

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
Grants and funding	527,356	260,800
Education	296,272	297,361
Membership income	163,547	147,001
Product sales	155,612	154,645
Industry awards	32,422	34,618
Interest income	798	1,268
Other income	14,982	1,153
Total income	1,190,989	896,846
Employee costs	(474,797)	(449,120)
Depreciation expense	(6,667)	(8,131)
Finance costs	(5,932)	(6,676)
Operating costs	(193,664)	(201,418)
Administration expenses	(415,631)	(249,587)
Surplus/(deficit) before income taxes	94,298	(18,086)
Income tax expense	-	(39,001)
Surplus/(deficit) from ordinary activities after tax	94,298	(57,087)
Accumulated surplus at the beginning of the financial year	206,015	263,102
Accumulated surplus at the end of the financial year	300,313	206,015

The accompanying notes form part of these financial statements.

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Assets and liabilities statement

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	414,832	265,635
Trade and other receivables		22,326	25,418
Inventories		3,370	3,967
TOTAL CURRENT ASSETS		440,528	295,020
NON-CURRENT ASSETS			
Other financial assets		10,000	10,000
Plant and equipment	4	11,896	18,563
TOTAL NON-CURRENT ASSETS		21,896	28,563
TOTAL ASSETS		462,424	323,583
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	57,762	13,622
Financial liabilities	6	11,173	5,164
Employee benefits	7	89,811	77,150
Current tax liabilities		3,365	21,630
TOTAL CURRENT LIABILITIES		162,111	117,566
TOTAL LIABILITIES		162,111	117,566
NET ASSETS		300,313	206,017
MEMBERS' FUNDS			
Retained earning/profit		300,313	206,015
TOTAL MEMBERS' FUND		300,313	206,015

The accompanying notes form part of these financial statements.

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Notes to the Financial Statements

For the Year Ended 31 December 2019

The financial statements cover Real Estate Institute of Northern Territory Incorporated. Real Estate Institute of Northern Territory Incorporated is a not-for-profit Association incorporated in the Northern Territory under the *Northern Territory of Australia Associations Act*.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the Board of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Northern Territory of Australia Associations Act*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

For the Year Ended 31 December 2019

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Membership

Membership fee is recognised when it is received or when the right to received payment is established.

Interest

Interest income is recognised when accrued.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(b) Income Tax

The Association is considered to be a taxable entity under the mutuality principle.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

(e) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash on hand	550	615
Bank balances	414,282	265,020
	<u>414,832</u>	<u>265,635</u>

4 Property, plant and equipment

Office equipment		
At cost	115,564	115,564
Accumulated depreciation	(103,668)	(97,001)
Total office equipment	<u>11,896</u>	<u>18,563</u>

5 Trade and Other Payables

Note

Trade payables	43,300	6,968
PAYG withholding	14,462	6,656
	<u>57,762</u>	<u>13,624</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

6 Other Financial Liabilities

Novated lease	318	-
American Express Corporate Card	10,855	5,164
Total	<u>11,173</u>	<u>5,164</u>

7 Employee Benefits

Annual leave	11,795	17,161
Long service leave	78,016	59,989
	<u>89,811</u>	<u>77,150</u>

8 Events Occurring After the Reporting Date

Subsequent to 31 December 2019, the emergence of the COVID-19 virus has caused significant disruption to the global economy. It is possible that such disruption may have flow on effects to the entity's operations and in particular, the entity's community and financial affairs. The Association has assessed the potential impact on its cashflow and expect to be affected minimally due to the nature of their income.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Real Estate Institute of Northern Territory Incorporated

ABN 15 717 052 155

Statement by Members of the Board

In our opinion:

1. the accompanying financial report as set out on pages 3 to 7, being a special purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 31 December 2019 and the results of the Association for the year ended on that date;
2. the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
3. there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

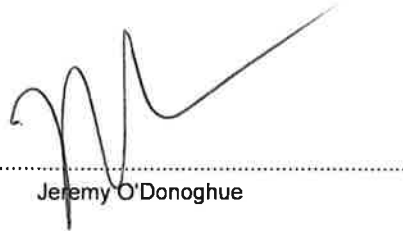
Signed at Darwin on 16 April 2020

Board member



Diane Davis

Board member



Jeremy O'Donoghue

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Real Estate Institute of Northern Territory Incorporated

Independent Audit Report to the members of Real Estate Institute of Northern Territory Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Real Estate Institute of Northern Territory Incorporated (the Association), which comprises the statement of assets and liabilities as at 31 December 2019, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and statement by members of the board.

In our opinion, the accompanying financial report of the Association for the year ended 31 December 2019 presents fairly, in all material respects, the financial position of Real Estate Institute of Northern Territory Incorporated as at 31 December 2018, and its financial performance for the year then ended.

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 Association in accordance with the auditor independence requirements of 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in meeting the reporting requirements of the Northern Territory of Australian Associations Act.. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

Impact of COVID-19

As outlined in Note 8, subsequent to 31 December 2019, the emergence of the COVID-19 virus has caused significant disruption to the global economy. It is possible that such disruption may have flow on effects to the entity's operations and in particular, the entity's community and financial affairs. The Association has assessed the potential impact on its cashflow and expect to be affected minimally due to the nature of their income.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Note 1, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 on the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

MOORE STEPHENS



Graeme Rodda
Director

Adelaide

17 April 2020

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SALES CONTRACT CHANGES



Thursday 26 September 2019

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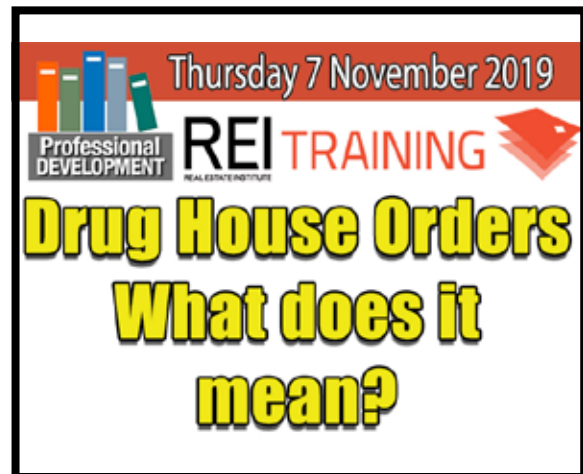
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Early termination of a lease and the RT08



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