

REI SUPERANNUATION FUND PTY LTD
ABN 68 056 044 770

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

The Directors submit their report for the Company for the year ended 30 June 2023.

Directors

The Directors of REI Superannuation Fund Pty Ltd ("the Company") at any time during or since the end of the financial year are:

Independent Directors	Directors
Claire Higgins (Chair)	Jonathan Blocksidge
Craig Dunstan	Dianne Helmich
Geoff Peck	Richard Simpson
	Nathan Jones
	Leanne Pilkington
	Cassandra Mason

Principal Activity

The principal activity of the Company during the year was to act as trustee of REI Super ("Fund").

State of Affairs

There were no significant changes in the activities of the Company during the year.

Results

The results of the Company after providing for income tax was a profit of \$581,250 (2022: loss of \$31).

Dividends Paid or Recommended Since the End of the Financial Year

No dividend has been paid or recommended to be paid during the financial year under review.

Review of Operations

The Company is the trustee of the Fund for which it charges fees commensurate with the Trustee services provided. Fees were higher during the financial year because the Company reassessed the risk it assumed for its role as the Trustee of the Fund.

Particulars of Directors

Claire Higgins (Independent Director and Chair)

Claire is a professional director with extensive executive experience with ASX listed corporates. She has held numerous Board Directorships, including as Chair, in various industries such as health services, aged and disability care, infrastructure, government, private and NZX listed organisations.

Craig Dunstan (Independent Director)

Craig is a professional director with over 35 years' experience in the financial services industry in governance, senior executive and investment roles.

Geoff Peck (Independent Director and Deputy Chair)

Geoff has over 35 years' experience in superannuation and life insurance including being an independent director of AIA Australia, Aracon Super (Chair) and Choice of Super Association (Chair).

Jonathan Blocksidge

Jonathan is Managing Director of real estate agent Blocksidge & Ferguson Pty Ltd.

Dianne Helmich

Dianne is Office Manager at Forsyth Real Estate.

Richard Simpson

Richard is a Partner and licensed estate agent at W.B. Simpson & Son.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Nathan Jones

Nathan has an extensive background and expertise in both banking and finance (Macquarie Bank and NAB) and Real Estate (Buxton Real Estate Group and Kay & Burton).

Leanne Pilkington

Leanne is Chief Executive Officer and Director of real estate agent Laing+Simmons.

Cassandra Mason

Cassandra is a Partner and heads up the Property Management Division at Arena Real Estate.

Directors' Meetings

The number of Directors' meetings held in the period each Director held office during the financial year and the number of meetings attended by each Director is:

	Directors Meetings	
	No of Meetings Eligible to Attend	No of Meetings Attended
Claire Higgins	6	6
Craig Dunstan	6	6
Geoff Peck	6	5
Jonathan Blocksidge	6	6
Dianne Helmich	6	6
Richard Simpson	6	6
Nathan Jones	6	6
Leanne Pilkington	6	6
Cassandra Mason	6	6

At the date of this report the Trustee also had finance, audit and compliance, governance remuneration and nomination, investment, membership and business development, risk and claims committees. These committees meet quarterly between board meetings, where participants attend as committee members.

Events Subsequent to Balance Date

Since the end of the financial year, the Directors are not aware of any matter or circumstance not otherwise dealt with in the report or accounts that has significantly or may significantly affect the operations of the company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Likely Developments

At the date of this report, the Directors are not aware of any developments likely to have a significant effect upon the Company's operations.

Directors' and Chairman Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.

During the financial year, some Directors were members of REI Super and their membership is on the same terms and conditions as other members of the Fund.

Indemnification and Insurance of Officers and Auditors

During the financial year, the Company paid premiums in respect of a contract insuring all the directors and officers of the Company against a liability incurred in their role as directors of the Company, except where:

- (a) The liability arises out of conduct involving dishonesty or a wilful breach of duty; or
- (b) There has been a contravention of Section 182 or 183 of the Corporations Act 2001 as permitted by Section 199B of the Corporations Act 2001; or
- (c) By virtue of the combined operation of Section 56 of the Superannuation Industry (Supervision) Act 1993 and Section 199A of the Corporations Act 2001, a liability is unable to be indemnified out of the Fund assets as it arises from a pecuniary penalty order under Section 1317G or a compensation order under Section 1317H of the Corporations Act 2001 that has not been successfully appealed.

There is no disclosure of the total amount of insurance cover provided by the trustee indemnity insurance policy as this is prohibited by the insurance contract.

Auditor's Independence Declaration

The Auditor's Independence declaration is included on page 15.

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the Corporation Act 2001.



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Director

Signed at Melbourne this 20th day of September 2023.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Revenues from ordinary activities	5	872,071	86,512
Expenses from ordinary activities		97,071	86,543
Profit/(loss) from ordinary activities before related income tax expense		775,000	(31)
Income tax expense relating to ordinary activities	6(a)	193,750	-
Profit/(loss) from ordinary activities after related income tax expense		581,250	(31)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		581,250	(31)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Equity Holders			
Share Capital			
Balance at start of year		2	2
Issue of share capital		-	-
		<hr/>	<hr/>
Total Share Capital	7	2	2
		<hr/>	<hr/>
Retained Earnings			
Balance at start of year		713	744
Profit/(loss) for the year		581,250	(31)
		<hr/>	<hr/>
Retained Earnings at end of year		581,963	713
		<hr/>	<hr/>
Total Equity		581,965	715
		<hr/>	<hr/>

REI SUPERANNUATION FUND PTY LTD
ABN 68 056 044 770

BALANCE SHEET
AS AT 30 JUNE 2023

	Notes	2023 \$	2022 \$
Assets			
Cash	9(b)	853,215	715
		<hr/>	<hr/>
Total Assets		853,215	715
		<hr/>	<hr/>
Liabilities			
GST Payable		77,500	-
Current tax liability	6(b)	193,750	-
		<hr/>	<hr/>
Total Liabilities		271,250	-
		<hr/>	<hr/>
Net Assets		581,965	715
		<hr/>	<hr/>
Equity			
Share capital	7	2	2
Retained profits		581,963	713
		<hr/>	<hr/>
Total Equity		581,965	715
		<hr/>	<hr/>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 \$	2022 \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		852,500	-
Cash payments in the course of operations		-	(31)
		<hr/>	<hr/>
Net Cash flows from/(used in) Operating Activities	9(a)	852,500	(31)
		<hr/>	<hr/>
Cash Flows from Investing Activities			
Net Cash flows provided by Investing Activities		-	-
		<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents		852,500	(31)
Cash and cash equivalents at 1 July		715	746
		<hr/>	<hr/>
Cash and cash equivalents at 30 June	9(b)	853,215	715
		<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

1. GENERAL INFORMATION

REI Superannuation Fund Pty Ltd (the Company) is a company domiciled in Australia. The address of the Company's registered office is:

Level 16, 385 Bourke Street, Melbourne, VIC 3000.

The Company is trustee of REI Super.

The Company has an Australian Financial Services Licence (AFS Licence No L0000314) and is therefore required to lodge audited financial statements with ASIC.

The financial statements cover the Company as an individual entity. The financial statements were approved by the Board of REI Superannuation Fund Pty Ltd, on 20 September 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements are general purpose financial statements that comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements of those Standards as modified by AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Unless covered in other notes to the financial statements, the principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB), and comply with other requirements of the law.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. Balances are expected to be recovered or settled within twelve months. All transactions, assets and liabilities are in Australian dollars.

The financial statements are prepared based on fair value measurement of assets and liabilities except where otherwise stated.

(c) New and amended standards adopted during the year

There are no new or amended accounting standards that applied during the financial year.

(d) New Standards and Interpretations not yet Adopted

Certain new accounting standards, amendments to standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Company. None of these are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(e) Use of Estimates and Judgements

The preparation of a financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Cash and cash equivalents are carried at face value of the amounts deposited or drawn.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Receivables

Receivables are stated at cost less impairment losses which approximates fair value.

(h) Trade and other payables

Payables are stated at fair value.

(i) Revenue Recognition

Revenue for trustee services is recognised as it accrues based on the agreement with the Fund. Revenue from the investment of Company assets, such as interest, is recognised on an accruals basis when the Company has a right to receive that income.

(j) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. TRUSTEE LIABILITIES AND RIGHT OF INDEMNITY

The Company acts solely as trustee for REI Super and the Company has incurred liabilities on behalf of the Fund in its capacity as trustee of that entity. The Directors believe that the assets of the Fund are both in a form appropriate and sufficient to meet the trustee's right of indemnity from the Fund for liabilities incurred on behalf of the Fund as and when they fall due.

The Fund's assets supporting the right of indemnity are not directly available to meet any liabilities incurred by the company in its own right. The book value of the assets of REI Super based on the Fund's accounting policies and as reflected in the Fund's Statement of Financial Position as at 30 June 2023 equal or exceed the liabilities of the Fund at that date.

	2023 \$	2022 \$
LIABILITIES		
Creditors and accruals	1,481,349	1,262,139
Employee entitlements	435,490	367,953
Lease liability	794,966	1,060,779
Current tax liabilities	8,058,260	15,324,308
Deferred tax liabilities	6,506,602	-
Member benefits	2,030,036,195	1,842,268,801
	<hr/>	<hr/>
TOTAL LIABILITIES	2,047,312,862	1,860,283,980
	<hr/>	<hr/>
RIGHT OF INDEMNITY	2,047,312,862	1,860,283,980
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

5. OTHER INCOME

	2023 \$	2022 \$
Trustee fees – Risk assumed	775,000	-
Trustee fees – Indemnity insurance	97,071	86,512
	<u>872,071</u>	<u>86,513</u>

6. INCOME TAX EXPENSE

(a) Numerical reconciliation between tax expense and profit before income tax

	2023 \$	2022 \$
Profit as per statement of profit of loss and other comprehensive income	775,000	(31)
Tax at 25% (2022 25%)	193,750	(8)
Tax effect of income not assessable or expenses not deductible in determining taxable income	-	8
Income tax expense related to ordinary activities	<u>193,750</u>	<u>-</u>

(b) Current tax liabilities

Balance at beginning of year	-	-
Income tax paid – current period	-	-
Current year income tax provision	193,750	-
	<u>193,750</u>	<u>-</u>

7. CONTRIBUTED EQUITY

	2023 \$	2022 \$
Issued and paid up share capital		
2 ordinary shares fully paid	<u>2</u>	<u>2</u>

There were no movements in share capital during the year.

Ordinary shares

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

8. AUDITOR'S REMUNERATION

	2023 \$	2022 \$
Amounts paid or due and payable to Ernst & Young for the following services:		
• Audit services	11,800	11,010
	<u>11,800</u>	<u>11,010</u>

REI Super pays all audit fees on behalf of the Company.

9. CASH FLOW INFORMATION

	2023 \$	2022 \$
<i>(a) Reconciliation of profit/(loss) after income tax to net cash flow from operating activities</i>		
Profit/(Loss) from ordinary activities after income tax	581,250	(31)
Movement in GST payable	77,500	-
Movement in tax payable	193,750	-
	<u>852,500</u>	<u>(31)</u>
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<u>852,500</u>	<u>(31)</u>
<i>(b) Reconciliation of cash and cash equivalents</i>		
Cash at bank	<u>853,215</u>	<u>715</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

10. RELATED PARTIES

(a) Directors

The following people were directors of the Company during the financial year for the periods indicated:

Independent Directors	Directors
Claire Higgins (Chair)	Jonathan Blocksidge
Craig Dunstan	Dianne Helmich
Geoff Peck	Richard Simpson
	Nathan Jones
	Leanne Pilkington
	Cassandra Mason

(b) Fees for Trustee services

The Company charged the Fund for the risk and responsibility associated with being the Trustee of the Fund and for the cost on insurance it carries. During the year, the Company received fees from REI Super of \$872,071 (2022: \$86,512) of which Nil (2022: Nil) was receivable at balance date.

(c) Key management personnel remuneration

Key management personnel include the Directors of the Trustee and the Fund's Chief Executive Officer of REI Super.

The remuneration of directors and other key management personnel are reviewed on an annual basis and approved by the Board. Remuneration is reviewed and determined with regard to current market rates and is benchmarked against comparable industry data. In the case of directors, fees are either paid to the directors or to the employer of the director. Key management personnel compensation (including Directors) in relation to services to the Fund was as follows:

	2023 \$	2022 \$
Short-term employee benefits	972,776	928,587
Post employment benefits	72,411	77,457
	<u>1,045,188</u>	<u>1,006,044</u>

All key management personnel were paid directly from the Fund.

The Directors have signed a declaration stating that they receive no income from the Fund other than that directly relating to their positions as a Director, including meeting attendance fees and reimbursement of travel, accommodation costs and out of pocket expenses. Their membership term and conditions, employer contributions and benefit entitlements are determined in accordance with the trust deed on the same terms and conditions as other members.

11. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the Company, in future financial years.

DIRECTORS' DECLARATION

The Board of Directors of REI Superannuation Fund Pty Ltd (ABN: 68 056 044 770) state that the accompanying Financial Statements have been made out in accordance with applicable approved accounting standards and that in their opinion.

- (a) The financial statements and notes set out on pages 5 to 13:
 - (i) give a true and fair view of the financial position of the Company as at 30 June 2023 and the performance as represented by the results of its operations and its cash flows for the financial year ended on that date in accordance with the accounting policies described in the notes to the financial statements.
 - (ii) are in accordance with the Corporations Act 2001 and comply with Accounting Standards and the Corporations Regulations, and other mandatory professional reporting requirements; and
- (b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



.....
Director

Signed at Melbourne this 20th day of September 2023.