

Amplifying our voice

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and there's more left on the dial.

It's been a busy year here at REINZ and we are proud of what we've achieved. In our constant drive to better provide support and leadership for our members we've focused on delivering more value through our strategic priorities of Innovation & Progress, Leadership & Advocacy and Education & Excellence.

And it doesn't stop there. We'll keep doing whatever we can to help our members. We will keep striving to support best practice, professionalism and progress in the real estate industry. We'll ask the questions, advocate for members and help shape the debate around the uncertainties and opportunities the future may bring.

REINZ — The Voice of Real Estate.

— Highlights and achievements

Our levels across the board.

THE REINZ FINANCIAL YEAR IN NUMBERS

\$72.3b

in real estate sales*

2,468

people attended education training sessions across the country

2,000+

attendees at more than 40 REINZ events

13,000+

views on our enhanced statistics training webinar

100+

face to face training sessions on enhanced statistics

10

new information sheets for members

2,772

media clippings (66% increase from the previous financial year)

855,327

social media impressions

16,800

words, making submissions to the New Zealand Government

19,957

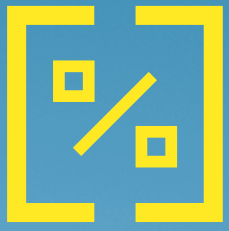
phone calls handled by the membership team

\$1.8m

provided in value of agreements

2.3m

million log-ins to REINZ statistics



Market snapshot.

AS AT 30 SEPTEMBER 2018



Median number of days to sell

NZ excluding Auckland

35

Auckland

39

36

Median price

NZ excluding Auckland

\$452,000

Auckland

\$850,000

\$550,000

Median price percentage change year-on-year

NZ excluding Auckland

+7.4%

Auckland

-1.0%

+4.8%

No. of properties sold in the past year

NZ excluding Auckland

54,405

Auckland

22,298

76,703

No. of properties sold percentage change year-on-year

NZ excluding Auckland

0%

Auckland

-1.1%

-0.3%

Percentage of properties sold by auction

NZ excluding Auckland

8.5%

Auckland

24.1%

13.1%

Median rental price

NZ excluding Auckland

\$384

Auckland

\$520

\$402



Chairman's report

There is certainly a tinge of sadness as I present my final Annual Report for REINZ. Sadness because I have had a wonderful eight years as Chair of the Board but excitement as we look to REINZ's ongoing success and leadership and support of its members. As a Board we have enormous pride in what REINZ is today, a preeminent and highly successful membership organisation but equally a very smart business. We feel confident as to its ongoing success and that it will continue to flourish with its robust leadership at both Board and executive level under Bindi Norwell. We are delighted about the continued innovation in data, education and events, advocating on behalf of our members and of course, promoting real estate and our members.

Of the original Board set up under the new structure of REINZ in 2011, there are three of us left. As you know, Philip Searle and I leave this month and Bryan Thomson is remaining for another year.

We were reflecting on some of these highlights which include:

- > Celebrating the REINZ centenary – it was an extraordinary opportunity to celebrate the past 100 years, but also to be involved with future proofing REINZ to ensure it is there for the next 100 years
- > Technology advances – over the years we've continued to provide our members with eForms and made significant enhancements to the statistics platform to ensure that our members have access to accurate and up-to-date market leading information
- > Establishing the REINZ Ambassador programme (formerly known as District Forum Leaders) to ensure there are people with strong leaderships in our regions
- > Opening the new purpose-built building which both REINZ and realestate.co.nz operate from. This building was years in the making and every time I visit the REINZ office I reflect on the journey the organisation has taken over the years and how far it's come
- > The creation of the REINZ Audit and Risk Committee to ensure that REINZ's governance is up to industry standards and that due process is followed

- > And of course, being involved with the many industry awards, auctioneering competitions and member meetings around the country which have allowed me to join in celebrating successes in the industry, but also to meet so many wonderful people from around the country
- > Retaining membership of REINZ at close to 96% in spite of moving from a compulsory to voluntary membership organisation!

But on the other hand, there have been some moments that have required resilience, perseverance and adaptability from the industry including:

- > The dramatically reduced market activity in 2011 due to the economic climate which resulted in the lowest ever level of monthly transactions being recorded in January 2011
- > The tragic earthquakes in Christchurch, in September 2010 and February 2011, which caused both catastrophic loss of life and unprecedented destruction of property, and brought an almost complete halt to all normal trade, including that of many of our members
- > Our frustration at successive governments not regulating the property management industry despite the chance that regulation would provide transparency and important protections for consumers, ensure accountability and guarantee minimum standards are adhered to. REINZ has made significant inroads in increasing the political pressure of late so I look forward to the day I open the New Zealand Herald and read that REINZ has been successful in regulating the industry. The opportunity to make a significant difference to the lives of renters doesn't come along every day which is why we're still urging the Government to seriously help renters who include some of our most vulnerable members of society.

Changes to the Board

At our upcoming AGM, we will be officially welcoming two new Independent Directors to our Board – Bridget Coates and Angela Bull. These appointments have occurred as a result of my retirement as Chairman and of David McConnell choosing to move on to other opportunities.

Bridget's current governance positions include being a Director of Tegel Group Holdings, the Chairperson and CEO of Kura Nutrition and White Cloud Dairy Innovation Limited, and a member of the Advisory Board for University of Auckland Business School. Bridget has just completed a term as Director of the Reserve Bank of New Zealand and was previously a Director of New Zealand Superannuation Fund, Sky City Holdings Ltd and Fisher and Paykel Appliances. In 2014 Bridget was awarded a New Zealand Order of Merit for her services to business.

Angela Bull is the Chief Executive of Tramco Group, a property investment company that includes significant large-scale land holdings, including the Viaduct Harbour precinct. Prior to this, Angela was General Manager Property Development at Foodstuffs North Island for 8 years. Angela is also an Independent Director and Deputy Chair of the NZ Institute of Economic Research and is a Director of Metro Performance Glass. Angela is also a qualified lawyer.

Additionally, Neville Falconer will also join REINZ in November as the new Director of Region 2 (Waikato, Bay of Plenty and Gisborne), in place of retiring Region 2 Director Philip Searle. Philip has completed his maximum number of years as a Director under the REINZ Rules and is therefore retiring as a director of REINZ. Philip's dedication to the Institute and his region over the past 8 years has been unwavering. Without his dedication, we would not have the strong Institute we have today.

While Philip will be greatly missed, we are privileged that Neville will be picking up the mantle for Region 2 when Philip retires. Throughout my discussions with Neville, I have been hugely impressed with his commitment to both the industry and REINZ. Neville will be well known to many in the industry as he has been in real estate for more than 30 years. He was made an AREINZ in 1990, awarded a REINZ Fellowship in 2007 and was appointed a Life Member in 2013. He is the Principal of Realty Link Marketing Ltd part of the LJ Hooker Group operating in Tauranga, Rotorua and Taupo. Neville is also President of the LJ Hooker Harveys Property Management Chapter, offering great leadership and guidance to others in the field of Property Management and compliance.

I'm delighted to share the news that at our Board meeting on 30 October, the Directors unanimously elected Bridget Coates as the new Chair of the REINZ Board and Miriam Dean as the Deputy Chair.

Further to this, Angela Bull will take on the role of Chair of the Audit & Risk Committee as Philip Searle steps down from his role on the Board.

Life Membership

During my eight years with REINZ we have approved 14 new Life Members and this year I'm delighted to announce that the REINZ Board has unanimously endorsed the nominations of Graham Crews, Euon Murrell and Brian Waldegrave. We will be voting on whether to approve Graham, Euon and Brian at this year's AGM.

Acknowledgements

One thing that is true of this industry – whether we're celebrating the highlights or commiserating – the friendship, camaraderie and collegiality of the real estate industry is not replicated in any other industry I know of. I want to particularly thank those Directors both past and current with whom I have had the privilege to work with on the REINZ Board. I have learnt much from you and have appreciated the team spirit we have shared.

As well as thanking my fellow Directors I would like to thank my fellow Board members, the CEOs and leaders that make up our Industry Leaders Group, the REINZ Ambassadors and last, but not least, the REINZ team. Thank you for your passion, hard work and dedication. It has been an absolute pleasure to work with you all and I look forward to reading about your continuing successes in the future.

I leave the last eight years behind with many fond memories, wonderful friendships and a very keen interest in the real estate industry that will without doubt see me scrolling through realestate.co.nz and leafing through the Property Press for many years to come.



DAME ROSANNE MEO DNZM, OBE
Chairman
Real Estate Institute of New Zealand



Chief Executive's report

It gives me great pleasure to present the 2017/18 REINZ Annual Report. The REINZ team has worked extensively over the past 12 months to deliver a solid financial performance for the 2017/18 year. The team has done this by ensuring that we adhered to the three-pronged strategy set in the previous financial year which sees us aiming to become a trusted partner that advocates on important industry issues, that innovates to provide value to members and the wider industry and continues to be a valuable and trusted resource for our members.

Key initiatives the team have delivered have fallen under our three pillars:

1: Innovation & Progress - Data, digital & thought leadership

REINZ continues to leverage its digital and data capability to add value for our members and deliver relevant data and market intelligence products for members.

Some of the key upgrades released during the financial year included releasing Location Profiler in Statistics, releasing Classic Search in Statistics and undertaking the acquisition of council sales and valuation data, which has been particularly useful for our Commercial and Industrial sector.

We developed a digital signing tool for members which will be launched in the 2018/19 financial year. This piece of work has been two years in the making and has involved a significant amount of effort from the team to bring this project to fruition. We also sought to maximise sales of DVR data to develop value add data tools for segments such as the Commercial & Industrial, Property Management and Residential sales segments.

We also continue to keep abreast and inform members on tech trends, innovations and opportunities and continue to work with realestate.co.nz on opportunities to align capability to add value to the industry.



2: Leadership & Advocacy – The voice for our industry

We continue to strive towards our purpose of being the voice of real estate through the leadership position we take, and the advocacy work we undertake on behalf of the industry. Key submissions made included on AML/CFT Act, the Residential Tenancies Amendment Act, the changes to the Overseas Investment Act, advocating for the regulation of the property management industry, including during submissions to the Select Committee, participating in the Unit Titles Working Group to review existing Unit Titles legislation, including assisting with development of new Unit Titles Act Amendment Bill, developing the new edition of the REINZ/ADLS Agreement for Sale and Purchase, to reflect legislative changes and improve usability and submitting on the IRD proposal to ring-fence rental losses.

REINZ's media coverage increased 66% when compared to our previous financial year with an average of 213 pieces of coverage each month compared to 139 clips per month in FY16/17 highlighting how REINZ has become a sought commentator on industry issues. We continue to educate media on a regular basis on the importance of using median house prices rather than average house prices.

Our social media strategy has seen some impressive growth with engagement growing 352% across all channels year-on-year, impressions growing 198% across all channels and link clicks growing 99% across all channels. We've also seen a significant growth in our follower numbers with Facebook up 72%, Twitter up 16% and LinkedIn 224%. Further growing our voice, an Instagram channel launch is planned for the 2018/19 FY.

3: Education & Excellence – Training & Events

From an education perspective we have sought to deliver relevant and current education services to inform, inspire and improve professionalism across the real estate industry. As part of this strategy we have increased face-to-face verifiable training, increased online verifiable and non-verifiable training options, delivered a range of external and internal facing workshops and launched Events on Khyber – our new, purpose-built events centre. So far, we've had good uptake in terms of bookings – particularly from our members with a number taking out repeat bookings.

From an events perspective we officially opened the new REINZ office on Friday 21 July with the Hon. Paula Bennett undertaking a ribbon cutting ceremony on the ground level following a whakataua and karakia. We held our annual sports tournaments including the REINZ Golf Tournament with just over 80 people registered for the sell-out tournament at the Hamilton Golf Club - St Andrews, the REINZ Fishing Tournament – which represented the 15th annual fishing championship which had 57 anglers vying to catch the largest fish and our 43rd annual Bowls Tournament held at the Balmoral Bowls Club in Auckland with 43 attendees vying to win the coveted Maurice Thompson trophy.

We also held our major annual events including the REINZ Awards for Excellence, the REINZ National Auctioneering Championships, the Women's Breakfast, our rural seminar, our Commercial & Industrial Breakfast, our Regional Update meetings and the REINZ National Conference.

Following feedback from the industry, we've taken more of a leadership role when it comes to supporting young people in the industry (or the young at heart or those new to the industry) and have stepped up our presence with YPIRE (Young Professionals in Real Estate) and have held regular events in Auckland and Wellington throughout the year and given their immense popularity they are usually sold-out events.

As always, we couldn't run these events without the support from our magnificent event partners – particularly our major event partners Property Press, realestate.co.nz and ABC Photosigns. Thank you for your unwavering support and on behalf of the REINZ team and Board we sincerely thank you.



Key personnel changes

At the beginning of the financial year we designed and implemented a new optimal and capable organisational structure to support collaboration, alignment and focus across the REINZ team. This meant bringing on board a new Education Director to help drive our education strategy particularly with the opening of Events on Khyber. It also saw us create a General Manager of Membership to allow further focus on one of our most important stakeholders – our members.

We also appointed a new Digital Products Manager to provide product leadership to the array of products which REINZ offers its members and other stakeholders. Our aim is to create truly valuable digital products which are intuitive to use and provide a delightful experience. REINZ, by having the most up-to-date and comprehensive property data in New Zealand, is in the unique position to use this data to help members provide the best possible service to their clients.

Financial Results

The 2018 financial year has been solid for REINZ with our operating surplus having increased year-on-year. This positive result has enabled us to invest in new products and services to benefit our members. A short summary is below, and a more detailed account can be found in pages 22 – 24:

\$NZD	2018	2017
Operating Revenue	\$5,727,073	\$5,087,999
Interest & Dividend Revenue	\$353,976	\$512,519
Income from PDIF	\$341,909	\$242,478
TOTAL REVENUE	\$6,422,958	\$5,842,996
Trading Surplus/ Operating Surplus	\$920,001	\$442,759

(less results of associates)

REINZ continues to invest heavily in technology, with internal and external staff developing applications purpose-built for members, as well as integrating with members' own systems. This development will continue into the foreseeable future to build reporting tools which will assist the industry in enhancing the professional relationships its members have with their customers, and in improving business performance.

Membership Renewal

Once again, we had strong renewal figures from our members with 99% renewing their membership during the 17/18 financial year. We were also pleased to welcome a number of new Agency Members to REINZ. This support from members shows us that we continue to provide meaningful and relevant products and services that help you on a day-to-day basis. Thank you for your support and we will endeavour to do our best to continue providing you with new, and exciting products and services that exceed your expectations.

This year the team again distributed more than 15,000 new ID cards to members around the country. These cards give our members access to our Member Benefits programme and are also used at REINZ's verifiable and non-verifiable training events. These cards were a prequel to our new look and feel which has been showcased throughout this Annual Report and you will see the new look and feel rolled out across all REINZ collateral in the coming weeks and months.

Our wonderful membership team provided fantastic support to our members and dealt with more than 19,000 phone calls to our members during the financial year.

Member Benefits

Our Member Benefits programme is one of the small ways that we say thanks for being a REINZ member and try and add some value back to your business. Our Member Benefits partners offer REINZ members significant discounts on a number of products and services.

During the financial year we brought on three new Member Benefits partners – Start Social, iStaging and Issue Clothing. Alongside providing significant discounts, these partners continue to add value to our members and we receive positive feedback around the partners we have in the programme. We continue to pursue new opportunities to expand the member benefits programme and bring on board new Member Benefits partners who will provide good value to the lives of our members.

Outlook for 2018/19

Over the coming 12 months we have a number of significant projects that are the result of months and sometimes years of hard work behind the scenes to bring these projects to fruition. All of the projects have been designed to help support our members in your day-to-day business and are designed to free you up from some of the more administrative areas of real estate in order to deliver the fantastic customer service that your clients look for.

We're excited about being able to launch FlexiSign our digital signing product, to roll out our new look and feel in relation to the REINZ brand, to provide more in-depth resources and support for the property management sector, and further build on our education services.

From a sector perspective, the upcoming financial year will see us host the Australasian Auctioneering Championships for our auctioneering sector, we're looking to develop a property management qualification for our RPM members alongside a continued push for regulation and we're also looking to develop data products for our Commercial & Industrial sector.

We also look forward to working with the industry to navigate the raft of legislation being implemented by the Labour government. There is certainly never a quiet moment.

Conclusion

As always there are a number of people that I would like to thank

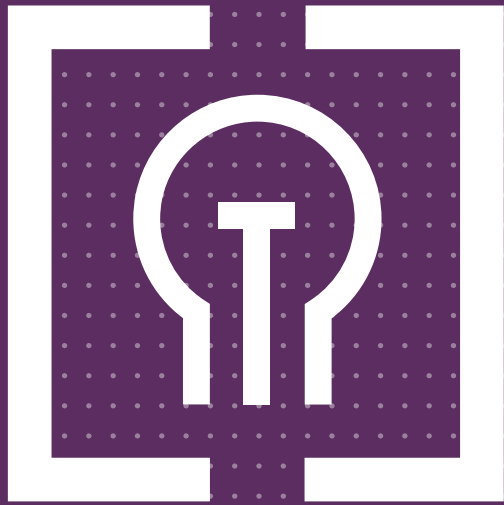
- > **my wonderful team** – you all work extremely hard throughout the year to deliver all the events, education, data, communications and support for our members
- > **our members** – your support is extremely important and we're grateful for your help and feedback on a regular basis
- > **our REINZ Ambassadors and sector specialists** – your knowledge, capability and support helps us consistently throughout the year
- > **the Board** – we have some wonderful, robust discussions but your unwavering support and expertise doesn't go unnoticed by myself and the team.

We look forward to achieving some fantastic results in the 2018/19 financial year.

Bindi Norwell

BINDI NORWELL
Chief Executive





Innovation & progress

DATA, DIGITAL & THOUGHT LEADERSHIP

REINZ aims to leverage its digital and data capability to deliver relevant market intelligence products for members.

Some of the key upgrades released during the financial year included:

> Custom Territories

Members can now bring up a map within the REINZ Enhanced Statistics portal and either draw their own boundary or click on several suburbs, wards, TA's or regions. These can be combined to create a custom area to report statistics on such as median sales price, sales count etc. Members are no longer restricted to reporting on predefined areas which is a significant step forward in technology. Alternatively, custom reporting allows members to 'draw' your own polygon with several clicks of the mouse to create a very precise and customised area, and then report on those areas as you would other standard areas.

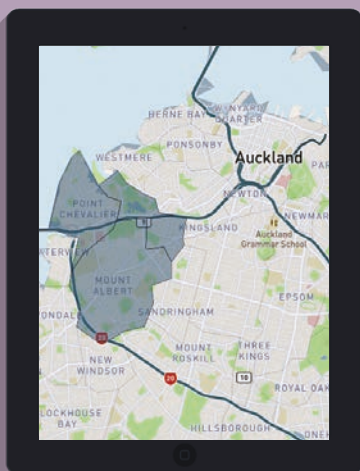
> Location Profiler

Location Profiler is a quick snapshot research tool that allows members to gather information from REINZ and Statistics NZ about specific suburbs, school zones, wards or regions. You are also able to compare two areas on the same screen by choosing the 'add comparison' option.

Once you have chosen an area you can review Sales Statistics for the last month and the last 12 months. This includes old favourites like Median Sales Price, Sales Count etc. It also includes Estimated Turnover which gives a percentage of properties sold compared to the number of properties in an area.

Members can also look at Census Statistics for the area including data about age, ethnicity, family type, household income, language, number in household, occupation, ownership, previous residence, qualifications, religion, smoking status and transport mode. Various charts can be generated to allow the visualisation of these statistics.

Location Profiler also allows a review of the Primary School, Intermediate School and High School zones that are in each area and what percentage of properties in the area belong in each school zone.



An example of REINZ Custom Territories

REINZ Focus Groups

In March, REINZ held a series of focus groups to better understand industry needs. Some of the topics addressed in these focus groups included:

- > How REINZ can better serve C&I through data
- > What enhancements can be made to the REINZ eForms platform
- > What reports generated in our new Statistics portal would be useful for agents.

The discussions and insights were extremely valuable as they help us to build products which are genuinely useful for our members and will add value for our members.

> Enhanced Statistics Platform training

REINZ held a number of webinars on the Enhanced Statistics Platform due to such high levels of demand for training.

More than 100 face-to-face agency trainings on Enhanced Statistics have been held this year and we are pleased that Enhanced Statistics Training is the number one watched webinar for the year, with more than 13,000 views.

> Releasing Classic Search in statistics

One of the most asked for features in the REINZ Statistics Portal was the use of a Classic Search which allows members to select the area they want through dropdowns (similar to the old Stats site). In March 2018 REINZ was delighted to be able to deliver on this for our members.

As a result of this launch, members can also quickly set filters such as Sale period and Number of Bedrooms through Quick Filters. We also made filters available and added the ability to type in the precise Land Area and Floor Area.

Classic Search also meant that members could quickly move between the three types of search (Map, Table and Classic) without losing your filters or areas selected and meant that searches could be performed from within Table view.

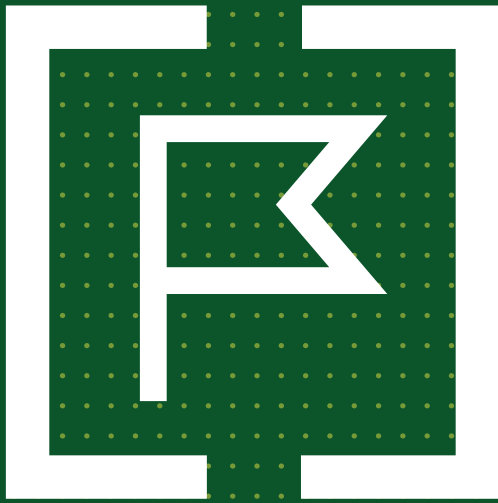
> Street Search

Street Search provides a new way of viewing sold real estate data in a visual, interactive format. Based on feedback, Street Search was frequently brought up as an important tool and this facility was added in December 2017.

Members just type the name of a street into search box under the search tab.

> Acquisition of council sales & valuation data

Members have been asking for years to have the council data available in one place, so they do not need to support multiple products along with the value of REINZ statistics. In January this year the digital team sourced data from all councils and in April released it in the form of Commercial and Industrial sales data to members.



Leadership & advocacy

THE VOICE FOR OUR INDUSTRY

Taking a leadership position on behalf of the industry continues to remain a key priority for REINZ – particularly with the significant raft of legislation currently proposed by the Government.

Anti Money Laundering and Countering Financing of Terrorism Act

REINZ has continued to assist members to understand their obligations and ensure they are well prepared ahead of the legislation coming into effect on 1 January 2019, including providing educational material and resources. In addition to submissions presented last year, this year REINZ filed a submission in respect of the first tranche of anti-money laundering regulations. REINZ continues to liaise with the Department of Internal Affairs to obtain clarity for the industry.

Residential Tenancies Act (RTA) and Letting Fee Ban

The Residential Tenancies Amendment Bill (No 2) addressed topical issues in the current rental market, including the extent to which tenants are liable for damage to rental premises, meth contamination in rental premises and tenancies over unlawful rental premises (such as unlawfully converted garages). REINZ made a submission on the Bill outlining concerns and commenting on aspects of the Bill affecting REINZ residential property managers. REINZ also submitted against the proposal to ban Letting Fees and presented its submissions orally to the Select Committee.

Foreign Buyer Ban

Following the announcement that the Government was going to follow through on its election promise to ban foreign buyers from purchasing residential property, REINZ made a submission on the proposed changes to the Overseas Investment Act. REINZ outlined that banning foreign buyers would not help improve affordability nor would it help first time buyers get a foot on the property ladder. Throughout the process of the ban becoming law, REINZ was extremely vocal in the media in making its views known. Additionally, we have been proactive in developing guidance material for members to assist with their understanding of the legislation.

Submission on TPPL Bill

REINZ submitted against the proposal in the Tribunal Powers and Procedures Legislation (TPPL) Bill to award penalties of up to \$100,000 against agents for unsatisfactory conduct. The REA submitted that the power to award this compensation should be made by CAC, which REINZ successfully opposed.

Regulation of the property management industry

For the nine years National was in Government REINZ lobbied for the regulation of the property management industry, but to no avail. So, when the Labour-New Zealand First coalition was announced, this presented an opportunity to increase our calls for regulation (particularly as a number of negative media stories have come to light over the past 12 months). REINZ has been extremely vocal during the 17/18 financial year in advocating for the regulation of the property management industry, including during submissions to the Select Committee. We also made considerable comments around the proposal to ban letting fees and the introduction of the Healthy Homes Guarantee Act.



REINZ Chief Legal Officer Lisa Gerrard presents to members

Other key activity

- > Developing the new edition of the REINZ/ADLS Agreement for Sale and Purchase, to reflect legislative changes and improve usability (due February 2019)
- > Implementing new Agency Agreement Templates for Business Listings and User Guides for the Business Agency Agreement Template
- > Making a submission to the Inland Revenue Department on the proposal to ring-fence rental losses
- > Submitting evidence to the Ministry of Justice opposing the New Zealand Institute of Forestry's application to undertake real estate agency work in the forestry sector without needing to be licensed under the Real Estate Agents Act 2008
- > Requesting clarity from the Principal Tenancy Adjudicator on how the Tenancy Tribunal intended to deal with certain issues relating to meth contaminated rental properties, in light of the release of the National Standard for the Testing and Decontamination of Methamphetamine Contaminated Properties
- > Sitting on the Meth Standards Committee with other industry bodies and government departments including the Ministry of Health to advocate on behalf of REINZ members. Following the release of the Gluckman report back in May we immediately called for clarification from the REA to help provide guidance for our members
- > Publishing information sheets on the Brightline Test, Dealing with the Real Estate Authority, Anti-Competitive Conduct, GST and Compulsory Zero-Rating, Dealing with Multiple Offers, Supervision, Release of the Deposit – Unit Titles and Pre-Auction Offers
- > Participating extensively in a working group that was set up to review the Unit Titles Act.



Education & excellence

TRAINING & EVENTS

Education and training are such a critical part of our members' lives so everything we do in this space seeks to inform, inspire and improve professionalism across the industry.

During the 2017/18 financial year we:

- > **Introduced several new workshops** and webinars in order to provide upskilling and learning opportunities to members across compliance, sales training and property management
- > **Increased face-to-face verifiable training**, increased online verifiable and non-verifiable training options and delivered a range of practical, hands on workshops
- > **Held more than 45 education training sessions** from Northland to Invercargill with more than 2,400 people attending these sessions
- > **Commenced an 'internal' marketing strategy** to our members for use of Events on Khyber as a venue space. So far, we've had good uptake with a number of members making repeat bookings. Going forward, the plan is to take this marketing strategy to a wider group of stakeholders
- > **Successfully delivered** a number of verifiable training sessions, with great feedback from attendees. We also delivered a number of in-house sessions, some of these taking place at Events on Khyber
- > **Introduced new training** for the auctioneering community aimed at 'fresh starters' and held training courses for our 'rising stars' (less than 10 auctions called) in order to help prepare them for the REINZ 2018 National Auctioneering Championship
- > **Introduced 'soft skills' training** including conflict management and social media in order to help agents upskill in areas that haven't previously been of focus
- > **Ran a sold out workshop** for Property Managers on prospecting strategies and then rolled this out around the country.

Going forward we have plans to:

- > **Bring Tom Panos to New Zealand.** Tom is one of the leading real estate coaches in New Zealand and Australia in helping agents to become '7 figure' salespeople. Tom conducts training sessions on getting more listings, increasing VPA, stay in touch strategies, buyer and seller negotiation, building your personal brand, buyer management, and using auctions to build an attraction business
- > **Record a series of workshops** with trainer Graham Crews on compliance and staying safe with the REA
- > **Focus on each of our sectors** and deliver training regionally including an AML roadshow
- > **Further upskill our members** to uphold professionalism, including the introduction of the New Zealand Certificate in Residential Property Management
- > **Deliver a new suite** of current and engaging webinars covering a variety of topics
- > **Provide various options for verifiable training** (online and face-to-face) including different speakers and learning packages
- > **Look to deliver** external, public facing workshops.

The new REINZ training and events facility, Events on Khyber



REINZ events form an important part of our members' social calendar and the 2017/18 year was no exception with a number of major events held around the country including:

- > **Regional Update meetings** – from Gisborne to Invercargill over the last financial year we held 9 meetings for our members around the country, meaning that more than 420 members had the opportunity to meet with both our Chairman and CEO in the regions
- > **The REINZ Office Opening** – The REINZ office was officially opened by the Hon. Paula Bennett on Friday 21 July 2017. The event was hosted by Chairman Dame Rosanne Meo, Board Director Bryan Thomson and CEO Bindi Norwell with invited guests participating in a whakatau, karakia and a ribbon-cutting ceremony
- > **The REINZ Awards for Excellence** – on Friday 25 August more than 350 people gathered at the Auckland Museum to celebrate the 'best of the best' in the real estate industry. MC Mike Puru and CEO Bindi Norwell handed out 37 awards during the evening
- > **The REINZ National Conference** was held at the Waipuna Hotel and Conference Centre in August 2017 for RPM and C&I members
- > **The 2018 REINZ National Auctioneering Championships** saw 24 competitors vie to be the best auctioneer in the country. The winner and runner up of the 2018 competition would compete in the Australasian Auctioneering Championships being held on home soil for the first time in four years so the stakes were even higher than usual
- > **Rural seminar** – We had a rural seminar in Hamilton. A significant feature of this seminar was Mycoplasma Bovis and the impact it's having on rural real estate and the sector more widely
- > **YPIRE** – In November REINZ initiated the first of a number of events specifically aimed at our Young Professionals in Real Estate. The 2017/18 financial year saw two sell out events held in Auckland. Events for Wellington and Christchurch are planned for the upcoming financial year
- > **AGM** – The AGM was held on Monday 27 November and saw two new Life Members appointed – Tim Mordaunt and Richard Cashmore.

Board of Directors

The REINZ Board is comprised of nine members, of which at least two are appointed Independents, one is an appointed Industry Representative from Region 1 and five are elected Regional Directors.

The current Board members are:



DAME ROSANNE MEO DNZM, OBE
INDEPENDENT

Auckland-based Dame Rosanne Meo has worked as a company director for over 25 years being amongst the first professional women directors in New Zealand. Her directorships have principally been in New Zealand but also in Australia, and cover both public and private companies, SOEs as well as extensive work in the voluntary sector, particularly in the arts and community support. She is currently Chair of Briscoes Group and AMP NZ Staff Superannuation Schemes, a director of realestate.co.nz and patron of the Auckland Philharmonia.



DAVID McCONNELL
INDEPENDENT

With a background in business development – specialising in property, construction and infrastructure – David has been a key influence in the direction and leadership of the McConnell Family’s business activities. David has recently been Chairman of Auckland Tourism, Events and Economic Development (ATEED), a council-controlled organisation with Auckland Council; and Chairman of the University of Auckland Business School Advisory Board.



MIRIAM DEAN CNZM QC
INDEPENDENT

Miriam is currently Chair of the Banking Ombudsman Scheme, immediate past chair of New Zealand on Air, and a director of Otakaro Limited and Crown Infrastructure Partners Limited. Previous roles include Deputy Chair of Auckland Council Investments Ltd, President of the New Zealand Bar Association, a member of the Auckland Transition Agency and trustee of the Royal New Zealand Ballet Company. Miriam is currently Chair of the Government’s Electricity Price Review and chair of the Legal Advisory Group, and a member of the Advisory Committee of the Government’s Greater Christchurch Claims Resolution Service to assist with resolution of outstanding claims from the Canterbury earthquakes.



BRYAN THOMSON FREINZ
APPOINTED DIRECTOR: REGION 1

Bryan has more than 25 years in the real estate industry working in positions ranging from sales consultant to senior management. An experienced director, Bryan was CEO of Harcourts New Zealand for 8 years before being appointed Head of Real Estate Operations for Harcourts Australasia. In 2013 Bryan established his own consultancy business, operating within and outside the real estate industry, Thomson & Associates. Bryan’s business has been retained by many leading real estate owners to assist in their success. A recognised professional speaker and presenter Bryan is also a highly respected auctioneer and oversees the Institute’s Auctioneers Sector Group.



WENDY ALEXANDER FREINZ
REGIONAL DIRECTOR: REGION 1

Wendy Alexander is a fellow of REINZ and has been actively involved in the real estate industry for nearly 40 years. A staunch supporter of the Institute, Wendy is Chairman of the Remuneration/HR Committee for REINZ and oversees the Commercial & Industrial Sector Group. After many years in the role, Wendy chose to retire from her position as CEO of Barfoot & Thompson in 2018 to create time to pursue other interests. In a consultancy capacity, she remains very active in the industry both in Auckland and in the Waikato, splitting her time between her homes in Auckland and Taupo.



PHILIP SEARLE FREINZ
REGIONAL DIRECTOR: REGION 2

Born and bred in Gisborne, Philip formerly served on the Institute’s Waikato/Bay of Plenty/Gisborne District Committee for close to a decade with three years as District President. In 2010, he was elected as Director of Region 2 for the Institute. Philip has extensive experience gained from his involvement with the Institute and community organisations, running an agency, property development and involvement in the horticultural industry. Philip oversees the Business Brokers Sector Group and serves on the Documents Committee and chairs the Audit and Risk Committee.



MARK COFFEY MBA, AREINZ
REGIONAL DIRECTOR: REGION 3

As the owner and Managing Director of Tommy's Real Estate in the Hutt Valley Mark has overseen the growth of the business since its beginnings in 2000 as a start-up to now being one of the largest firms in the Hutt Valley. Prior to real estate, Mark worked in mechanical engineering for almost 18 years. Following a change in direction, Mark completed his MBA through Henley Management College in 2001 and attained his AREINZ in 2003. As a Board member of the NZ Realtors group for several years and currently Chairman, Mark has the benefit of understanding the market dynamics of a number of regions throughout New Zealand.



JIM DAVIS AREINZ
REGIONAL DIRECTOR: REGION 4

Jim's real estate career spans 30 years, commencing with Gillman Real Estate as a salesperson. Following time as a consultant, Jim moved through management roles into business ownership. Since 2002, Jim has undertaken numerous roles with Harcourts. Jim understands the needs of independents, franchisees, large and small real estate operations having worked in all these areas. He previously served two terms on the old Canterbury/Westland REINZ committee and time on the old Regional Disciplinary and Mediation Committees. More recently, Jim has worked on the REINZ rural special interest group.



GAIL HUDSON AREINZ
REGIONAL DIRECTOR: REGION 5

Gail started her real estate career in Christchurch after a successful marketing and sales career. In 2010 Gail undertook a management/ownership role of a real estate business in Wanaka and in 2012 completed a Diploma in Business Studies in Real Estate. Gail's most recent role is as General Manager of Bayleys Queenstown and Southland. Gail has represented REINZ in the Queenstown Lakes District as District Forum Leader and with 15 years in the industry is now proud to represent Otago, Southland and Central Otago Lakes area as the Regional Board Member.

The incoming Board members are:



ANGELA BULL
INCOMING INDEPENDENT DIRECTOR

Angela Bull is the Chief Executive of Tramco Group, a property investment company that includes significant large-scale land holdings, including the Viaduct Harbour precinct. Prior to this, Angela was General Manager Property Development at Foodstuffs North Island for 8 years. Angela is also an Independent Director and Deputy Chair of the NZ Institute of Economic Research and is a Director of Metro Performance Glass. Angela is a qualified lawyer.



BRIDGET COATES
INCOMING INDEPENDENT DIRECTOR

Bridget's current governance positions include being a Director of Tegel Group Holdings, the Chairperson and CEO of Kura Nutrition and White Cloud Dairy Innovation Limited, a member of the Advisory Board for University of Auckland Business School. Bridget has recently completed a term as Director of the Reserve Bank of New Zealand and was previously a Director of New Zealand Superannuation Fund, Sky City Holdings Ltd and Fisher and Paykel Appliances. In 2014 Bridget was awarded a New Zealand Order of Merit for her services to business.



NEVILLE FALCONER
INCOMING REGIONAL DIRECTOR

Neville has been in real estate for more than 30 years. He is a Fellow of REINZ, an AREINZ and was appointed a Life Member in 2013. He has served on the Board of realestate.co.nz, is the Principal of Realty Link Marketing Ltd operating in Tauranga, Rotorua and Taupo. Neville is also Past-President of the LJ Hooker Harveys Property Management Chapter, offering great leadership and guidance to others in the field of Property Management and compliance.



Independent Auditor's Report

To the Members of The Real Estate Institute of New Zealand Incorporated

RSM Hayes Audit

Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023

+64 (9) 367 1656
www.rsmnz.co.nz

Opinion

The accompanying summary financial statements, which comprise the summary statement of financial position as at 30 June 2018, the summary statement of comprehensive revenue and expenses, summary statement of changes in net assets/equity and summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of The Real Estate Institute of New Zealand Incorporated for the year ended 30 June 2018.

In our opinion, the accompanying summary financial statements set out on pages 22-25 are consistent, in all material respects, with the audited financial statements, in accordance with FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by the Public Benefit Entity Standards Reduced Disclosure Regime (PBE RDR). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report of The Real Estate Institute of New Zealand Incorporated thereon which was issued on 3 October 2018. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Other information

The directors are responsible for the other information. The other information included in the Annual Report on pages 1 to 20 and 26 to 29 (but does not include the summary financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the summary financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the summary financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the summary financial statements 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 that we 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.

Directors' Responsibility for the Summary Financial Statements

Directors are responsible on behalf of The Real Estate Institute of New Zealand Incorporated for the preparation and of the summary financial statements in accordance with PBE FRS-43 (*Summary Financial Statements*).

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Other than in our capacity as auditor, we have no relationship with, or interests in, The Real Estate Institute of New Zealand Incorporated.



1 November 2018

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Summary consolidated statement of financial position

AS AT 30 JUNE 2018

\$NZD	2018	2017
ASSETS		
Current assets		
Receivables from exchange transactions	447,020	435,941
Prepayments	89,911	29,277
Cash and cash equivalents	1,932,295	592,386
Owed by related parties	–	23,000
Inventories	8,726	6,134
Tax receivable	25,300	991
	2,503,252	1,087,729
Non-current assets		
Property, plant and equipment	9,361,426	9,076,963
Intangible assets	821,252	575,077
Other financial assets	2,684,867	2,653,906
Investment in associate	1,710,537	1,752,466
	14,578,082	14,058,411
Total assets	17,081,334	15,146,140
LIABILITIES		
Current liabilities		
Borrowings	–	150,000
Payables from exchange transactions	2,631,606	1,556,001
Employee benefits	58,541	85,882
GST payable	353,502	168,744
Total liabilities	3,043,649	1,960,627
NET ASSETS/EQUITY		
Accumulated comprehensive revenue and expense	14,037,685	13,185,513
Net assets/equity attributable to owners	14,037,685	13,185,513
Total equity	14,037,685	13,185,513
Net assets	14,037,685	13,185,513

Pages 22 - 24 are summary financial statements taken from the audited Financial Statements of the Real Estate Institute of New Zealand Inc for the year ended 30 June 2018 which are prepared in compliance with PBE Standards. These individual full financial statements were authorised for issue on 25 September 2018 by the Board of the Real Estate Institute of New Zealand Inc (the Institute) and an unmodified audit opinion on those statements was issued on 3 October 2018 by RSM Hayes Audit. The full financial statements have been prepared in accordance with External Reporting for public benefit entities, are presented in NZ dollars (rounded to the nearest dollar) and contain a statement of compliance with PBE Standards Reduced Disclosure Regime. These summary financial statements cannot be expected to provide a complete understanding as provided by the full financial statements. For full financial statements, please view it on or download it from the Institute's website at www.reinz.co.nz [search "Annual Report"].

Summary consolidated statement of comprehensive revenue and expense

FOR THE YEAR ENDED 30 JUNE 2018

\$NZD	2018	2017
Revenue from exchange transactions	5,727,073	5,087,999
Total revenue (excluding gains)	5,727,073	5,087,999
Direct costs of services	771,643	735,454
Depreciation and amortisation	556,815	345,736
Salaries and wages	2,277,434	2,046,975
Other expenses	1,897,066	2,272,072
Total expenses	5,502,958	5,400,237
Finance and dividend income	461,322	619,875
Net finance and dividend income	461,322	619,875
Operating surplus	685,438	307,637
Other gains and losses	234,563	135,122
Profit from equity accounted investees	(67,829)	86,953
Net surplus for the year before income tax	852,172	529,712
Income tax expense/(benefit)	-	-
Net surplus after income tax	852,172	529,712
Other comprehensive revenue and expense for the year	-	-
Total comprehensive revenue and expense for the year	852,172	529,712
Surplus for the year is attributable to:		
Owners of the controlling entity	852,172	529,712

Summary consolidated statement of changes in net assets / equity

FOR THE YEAR ENDED 30 JUNE 2018

\$NZD	2018	2017
Accumulated funds 1 July	13,185,513	12,655,801
Total comprehensive revenue and expense for the year	852,172	529,712
Accumulated funds 30 June	14,037,685	13,185,513

Summary consolidated statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2018

\$NZD	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts	6,941,965	5,644,816
Interest and tax received	6,474	102,769
Dividends received	430,539	522,871
Cash paid to suppliers and employees	(4,981,123)	(4,712,465)
Net cash inflow/(outflow) from operating activities	2,397,856	1,557,991
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	182,407	(132,082)
Purchase of intangible assets	(620,052)	(549,907)
Purchase of property, plant and equipment	(467,401)	(4,005,210)
Proceeds from repayment of related party loans	(2,900)	111,950
Net cash inflow/(outflow) from investing activities	(907,946)	(4,575,249)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	(150,000)	150,000
Net cash inflow/(outflow) from financing activities	(150,000)	150,000
NET ASSETS/EQUITY		
Net increase/(decrease) in cash and cash equivalents	1,339,909	(2,867,258)
Cash and cash equivalents at 1 July	592,386	3,459,644
Cash and cash equivalents at 30 June	1,932,295	592,386

Notes to the summary financial statements

FOR THE YEAR ENDED 30 JUNE 2018

1. BASIS OF PREPARATION

The full consolidated financial statements from which these summary financial statements are extracted from are compliant with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Institute is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE Standards on the basis that it does not have public accountability and it is not defined as large. Full details of the policies adopted are available in those full financial statements. They are presented in New Zealand dollars.

These summary Financial Statements comply with PBE Standards as they relate to summary financial statements.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in these financial statements are consistent with those of the previous financial year.

3. RELATED PARTY TRANSACTIONS

a) realestate.co.nz Limited

The Institute is a shareholder of realestate.co.nz Limited via an intermediary REINZ Member Services Limited which is a wholly owned subsidiary of the Institute.

During the year, a total of \$606,793 was received from realestate.co.nz for software licence fees \$10,000 (2017: \$10,000), a dividend of \$350,000 (2017: \$500,000), sponsorship and advertising of \$47,237 (2017: \$21,500), rental income of \$169,139 (2017: nil), data sales of \$30,417 (2017: nil) and nil for reimbursement of construction works (2017: \$136,196).

b) REINZ Ventures Limited

The Institute is a shareholder of REINZ Ventures Limited via REINZ Member Services Limited.

During the year the Institute invoiced REINZ Ventures Limited (RVL) a total of \$101,703 for supply of inputs (2017: \$33,000), and advertising of \$4,470 (2017: nil). As at year end, there were total payables outstanding from RVL relating to supply of inputs of \$50,075 (2017: \$23,000).

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

4. CAPITAL COMMITMENTS

At balance date there were no capital commitments (2017: nil).

5. CONTINGENCIES

The Institute has no contingent liabilities at 30 June 2018 (2017: nil).

6. EVENTS SUBSEQUENT TO BALANCE DATE

The Institute entered into an agreement with the other shareholders of REINZ Ventures Limited to acquire their shares, giving the Institute 100% ownership of the company. The settlement date is 1 October 2018 at the latest.

There are no other events after the reporting period that would affect the consolidated financial statements (2017: Nil).

Chairman's Report 2018

To all our agents throughout New Zealand, "thank you" for your loyalty, support and belief in realestate.co.nz over the past 12 years. It has been privilege to work with you and contribute to your business.



This has never been so true as in year 2018, our 12th year. In these past few years we have progressively developed and grown in a buoyant and upbeat market. However, during the 2018 year we have seen significant and rapid change in both consumer expectations, changing market dynamics and an increasingly competitive environment.

The affordability of property, and the change in supply and demand profile of listings is now not only becoming a political platform but is a key news item through all mediums on a daily basis.

During the year, two new competitors entered the classified property portal space, both with significant resources to gain consumer brand awareness, a contemporaneous industry programme to target the agency network both at the corporate level and the high performing agents and a long-term strategy to dominate the media sector. The importance of realestate.co.nz for our industry has never been so important.

2018 activity and results may appear to be a little disappointing when benchmarked against the past three years. However, on reflection there were a number of significant achievements, which enhance and support our evolutionary growth and position as a leading property portal in the market place.

Brand Strength

Our brand recognition is a strong positive for the year. Our unprompted consumer brand recall improved from 24% to 29%. In support of this, Google Search improved and we remain prominent in this critical search area. The site receives more than 900,000 unique visitors per month and has more than 140,000 social media followers. These improvements were positively impacted by our move away from television marketing to focus on improving our digital advertising, along with a targeted approach to radio, billboards and a substantial social media program.

Listing Performance

Listing revenue performance was a highlight for the year in which net revenues increased 14% over the previous year, in a year where listing volumes were slightly lower. With our continuing improvements to the website and the planned launch of innovative products for both consumers and agents, we believe our revenue will continue to grow in the tough market environment projections ahead.

Technology Performance

Our technology, while achieving a major step in moving to a future-proofed technology platform, launched our new website which failed to meet both consumer and agent expectations, in performance and search capability. While it was re-designed and re-launched, this mistake had a detrimental impact on our credibility, especially in a period of considerable competitive activity. Our technology development strategy has subsequently undergone major internal change to align and prioritise development according to market needs. Recent product launches are reflecting this which is witnessed in a new API launch allowing for increased automation and future online bookings.

Evolution of Data Strength

This year we introduced a new division for the company to strategically leverage our data capability. The business community and our own research indicated this would become a valuable product opportunity due to the unique and relevant nature of our data, and would be in high demand. While the initial performance was below our expectations, the potential was not questioned and we recognised the groundwork needed to get the product to market, together with the steep learning curve in ways to position these opportunities in the marketplace. The division's current performance now reflects this groundwork and results to date are already above budget. The customers we are already working with are many of New Zealand's premium companies, where we have proven results in maximising their visibility and engagement with consumers. The growth in this division is rapidly becoming a strong revenue source to our business.

Organisational Change

During the year, we lost two senior members in management. In these times, organisations can drift however, in our situation the opposite occurred. The management team working under active guidance, encouragement and enthusiasm from directors, who exponentially stepped up. Innovation flourished and the drive to achieve our goals increased beyond our expectations. With change, there are opportunities and we are now rebuilding a pool of very smart leaders, all ambitious to deliver value to our customers and our business, focused at all times on achieving quality performance and financial results.

Recently we announced the appointment of our new CEO, Sarah Wood who brings to our business vast experience in brand marketing, digital online technology and a customer first focus in delivering value. We are delighted that such a high calibre leader has joined our company to take our business into the future and look forward to her starting in February.

Financial

Revenues in FY 2018 were 2% above the previous year, featuring strong positive results from premium advertising, and improved internal media revenue. Increased revenue was however offset from significant increase in costs.

Our strong agent support in 2018 continued, supporting our market statement that our site has 97% of listed properties from licensed agents.

Premium advertising revenue produced a strong result. Every year in the past 4 years, revenue from this area has increased despite no increases in our product pricing – this year revenue increased 13% over FY 2017.

Media advertising revenue, on the surface was disappointing ending up with a 5% reduction over FY 2017, however media had a real upside. During the year we terminated our external media sales company and transferred the operation in-house. Our in-house operation has now replaced and expanded the revenue previously flowing from our external provider.

The standout cost increase was the board's decision to replace the legacy IT system. This significant and strategic decision not only involved unwinding a very complicated legacy platform and redeveloping it, but also involved a number of third-party support products which all had to be reconstructed. This project ran in parallel, so our site could still operate effectively. The substantial cost increases during FY 2018 were in this platform and the increase in employee costs in undertaking this project. The majority of this cost of change was expensed as opposed to being capitalised and amortised over a 3-year period. Contemporaneous with these costs was an increase in license fees as our data was migrated to the AWS platform, giving us increased security, improved data product capabilities and future-proofed our platform according to best practice.

In summary, FY 2018 was a reasonable profit year but also a year of huge changes and developments in which costs were not fully reflected with increased revenue uplift. The FY 2019 forecast projects this balance will be returned showing substantially increased profits.

Our financial position continues to be healthy, meeting all the financial criteria as required under the solvency regulations. Our cash reserves are strong with a positive working capital. Shareholders equity continues to strengthen, reflecting sufficient reserves to continue our aggressive product development.

Our Vision - Our Focus

Our vision has not changed. "To be recognised by consumers and the industry as New Zealand's number one property portal. To maintain, consolidate and dominate this position". We have come a long way, yet there is an equal acceptance there is still a way to go. Our view is "good enough is never good enough" and we must continually enhance our value at all stages in the customer buying cycle and support our family of agents in this process.

The decisions and actions taken in FY 2018 will shape our direction in the year ahead. In FY 2019 we are looking forward with confidence to a substantially improved consumer and agent product platform, supported by a strengthened agent service offering. Recognising our customer loyalty will be paramount. We are forecasting healthy returns to ensure continued investment in the pace of change. This is a new era of competitive activity and we are totally focused on the requirements and opportunities ahead.

I would like to acknowledge the enormous efforts of our senior leadership team and my fellow directors, as well as both shareholders for their continual encouragement and support. This year was a real team performance.



FAIRFAX MORESBY
Chairman

Life members

Year Awarded	Full Name
2017	Richard Charles Cashmore
2017	Timothy John Mordaunt
2016	John Patrick Griffin
2016	Ian Gordon McDowell
2015	Jo-Anne Christine Clifford
2015	David Hugo Rankin
2015	John Charles Bayley
2013	Neville Cooper Falconer
2013	Colin John Richardson
2012	Charles Ross Foreman
2011	Stephen John Collins
2011	Peter James McDonald
2011	Peter John Thompson
2011	Michael Wade Elford
2009	Howard Louis Arthur Morley
2009	Paul Dudding
2009	Murray Stuart Cleland
2007	Graeme Alexander Woodley
2007	Roger Ian Stark
2006	Graham Keith Snell
2006	Henry Rex Hadley
2003	Max Robert Oliver
2003	Donald Kindley
2003	Joan Frances Harnett-Kindley
2001	Brian James MacPherson
2001	Colin Charles Brown
1998	Clyth Iain MacLeod
1995	Peter John Cook
1991	Trevor Ferguson Johnston
1991	Garth Barfoot

Year Awarded	Full Name
1990	William (Bill) Hills Matthewson
1988	William James Lindsay Simpson
1985	Mervyn Edward Neill
1979	Dudley Charles Willis
1979	Horace Yates Cassidy
1978	Richard Bruce Lugton
1977	Robert Keith Baker
1976	Edward (Ted) Millais Harcourt
1971	John Stanley Gillam
1969	Hon. Josiah (Ralph) R. Hanan
1965	D.C. Wilson
1965	Leonard Knowles Garlick
1963	Walter Heathcote Fisher
1963	N. Jones
1961	Raymond (Ray) H. Brookbanks
1959	F.C. Wilkinson
1958	G.J. Leech
1957	D. H. Cavers
1955	J.G. (Gordon) Harcourt
1953	G.S. Boyes
1951	R.S. Newcomb
1948	P.W. Stabb
1948	J.T. Carswell
1946	W.J.A. Thomson
1935	L.D. Ritchie
1935	H.W. Heslop
1935	A.A. Gellatly
1932	P.B. Foote
1926	G.B. Osmond

Directory

AS AT 30 JUNE 2018

Date of Incorporation	17 February, 1927 (Incorporated under The Incorporated Societies Act, 1908)
IRD Number	10 677 858
Incorporation Certificate Number	1927/3 (Currently Certificate 222891)
Auditor	RSM Hayes Audit
Bankers	Bank of New Zealand Newmarket, Auckland

