



10  
11

tenants union of victoria  
annual report  
2010-2011



TENANTS UNION  
of Victoria Ltd



**Tenants Union of Victoria Ltd**  
Annual Report 2010-2011

## **Acknowledgments**

The Tenants Union of Victoria wishes to acknowledge and thank the following organisations for their financial and other contributions to our work in 2010/11.

- > Office of Housing, Department of Human Services
- > Victoria Legal Aid (Community Legal Services Program)
- > Commonwealth Attorney General's Department  
(Community Legal Services Program)
- > Consumer Affairs Victoria, Department of Justice
- > Consumer Utilities Advocacy Centre

# Contents

Acknowledgments	ii
<b>Major Achievements 2010/11</b>	<b>3</b>
<b>Chairperson's Report</b>	<b>4</b>
<b>Chief Executive Officer's Report</b>	<b>5</b>
<b>Strategic Direction</b>	<b>6</b>
Key Result Areas	7
<b>Social Change</b>	<b>9</b>
<b>Community Education</b>	<b>13</b>
Publications	13
Training	14
Outreach	15
Community Education	15
<b>Advice &amp; Advocacy</b>	<b>17</b>
Advice	17
Advocacy & Casework	20
Legal Service	22
<b>Administration</b>	<b>24</b>
<b>Personnel</b>	<b>25</b>
<b>Financial Statements</b>	<b>27</b>
Directors' Report	27
Auditor's Independence Declaration	32
Statement of Comprehensive Income	33
Statement of Financial Position	34
Statement of Changes in Equity	35
Statement of Cash Flows	36
Directors' Declaration	45
Independent Audit Report	46
Compilation Report	48
Detailed Operating Statement	49

## **Vision**

Genuine housing choice without social or economic disadvantage

## **Mission**

To promote and protect the rights and interests of all residential tenants in Victoria



## Major Achievements 2010/11

- > Handled more than **18,850** individual tenancy advice enquiries through telephone, email, letter and in person
- > Assisted more than **16,400** clients overall
- > Provided advocacy on behalf of more than **1,000** clients including about **320** representations at VCAT (Residential Tenancies List) or other Courts
- > Actively participated in the implementation of the Victorian Government's plan to improve private rooming house regulation and monitoring
- > Formal submissions to a broad range of bodies about issues and programs affecting residential tenancies
- > Published research papers about:
  - > private rental affordability
  - > private rental and utilities
  - > private rental access
- > **137** articles or appearances in statewide and local media highlighting residential tenancies issues
- > Presentations to:
  - > NACLCL National Conference
  - > Kildonan Energy & Water Forum
- > Outreach visits to **105** rooming houses and caravan parks
- > Publication of a broad range of self-help information including:
  - > 32 fact sheets on common residential tenancy and rooming houses problems
  - > 8 fact sheets on common residential tenancy problems for students
  - > handbooks for tenants or residents in private rental, caravan parks and rooming houses
  - > multilingual information in 12 community languages for residential tenants and people trying to access public housing, with the addition of **26** fact sheets and step-by-step guides
- > Distribution of:
  - > more than **199,000** fact sheets
  - > more than **17,500** handbooks
- > More than **220,000** visits to the TU website
- > More than **200,000** downloads of information resources including nearly **65,000** multilingual resources
- > Delivery of training projects about residential tenancies to more than **760** participants

## Chairperson's Report

On behalf of the Board of the Tenants Union of Victoria I take great pleasure in presenting the Annual Report for 2010/11. The Annual Report documents the work of the organisation throughout the year and highlights the vital role the Tenants Union plays in protecting and promoting the rights and interests of residential tenants in Victoria.

While the market conditions for residential tenants have eased somewhat over the last twelve months, the perennial problems remain.

Accessibility to affordable and appropriate housing for private renters, particularly those on limited and low incomes, remains very difficult. The Australia Bureau of Statistics recently reported that affordability for low income private renters had improved over the ten year period from 1998 to 2008 yet **44%** of low income private renters remain in housing stress.

The general vacancy rate for the private rental sector has eased but has not redressed the balance between supply and demand. We have also seen rents continue to increase at a much greater rate than the general level of inflation, with most of the affordable rental housing remaining well outside the suburbs that have reasonable access to employment, social services and transport.

The tight market conditions continue to encourage exploitative practices such as rental bidding and the growth of marginal forms of housing such as informal rooming houses created by the conversion of single occupancy dwellings into multiple occupancy dwellings.

We have at least seen the steady flow of new social housing supply stemming from the Commonwealth Government's economic stimulus package. However this supply alone is not enough to affect conditions in the private market nor to provide alternative housing for all those in need. We continue to call on government to take a number of urgent and integrated actions to assist residential tenants.

Despite the deterioration of the market environment for many tenants, we remain pleased with the continuing implementation of our social change agenda and action plan. This year we have again made important contributions to government reviews and have continued to work towards implementation of significant commitments to improve legislative protection for rooming house and caravan park residents.

We have continued our work to defend and extend our income particularly through the development of new services for members.

Whilst the big picture remains challenging, we should remember the important work undertaken by the Tenants Union on a day-to-day basis to assist so many individual tenants and households to solve their problems. The management and staff of the organisation are to be commended on their continuing efforts to improve our services and for their many individual successes.

I would like to thank all my fellow Board members for the substantial commitment and effort they have given throughout this year. We continue to have a fine range of interests and skills on our Board. It has been another difficult but effective year for the Tenants Union.



Anthony Wing  
**Chairperson**

## Chief Executive Officer's Report

Over the last financial year we have assisted many tenants in the private rental market struggling with higher rents and tight vacancy rates. These market conditions have enabled the continuation of profiteering and exploitation. Unfortunately, these are conditions that generally dissuade tenants from exercising the limited rights that they have. With restricted access to the social housing sector, highly disadvantaged tenants are being increasingly forced into substandard rooming houses and caravan parks.

One of our continuing frustrations is that there remain five or six large problem areas that drive most disputes in the rental sector. These problems include getting repairs done, lease breaking, getting your bond back, getting a notice to vacate and seeking or defending a compensation claim due to a breach of the tenancy by the other party.

Interestingly, while these problem areas form the bulk of the problems that we advise tenants about, tenant initiated applications to VCAT about these issues are small in number. In particular, the difficulty in getting repairs done is a cause of great dissatisfaction to many tenants yet there are relatively few applications to VCAT.

The overall number of tenants we have assisted directly has increased over the last twelve months despite no real increase in funding. We are continuing to provide a very significant level of advice and advocacy assistance, primarily targeted at vulnerable and disadvantaged renters. During 2010/11 we provided advocacy assistance to more than 1,000 clients. As part of our advocacy work, we undertook more than 300 representations of tenants at VCAT.

Consistent with our aim of empowering tenants through information, we have continued to refocus our education activities and better align them with our social change agenda. The overall number of tenants we are assisting indirectly has continued to increase through an ever-growing number of website visits and greater downloads of our publications and resources. This year we undertook a very substantial redesign of our website to improve useability.

We have also continued to implement our social change agenda through the execution of our action plan. In particular, through our communications strategy we have continued to maintain a high profile in the media and in policy debate.

Our sincere thanks to all the organisations that have made financial or other contributions to our work.

Our Annual Report makes evident that the staff of the Tenants Union continue to deliver highly professional and effective services to Victorian tenants and a wide range of organisations that work with tenants. The details of the range and complexity of activities undertaken by the staff are a credit to their commitment and skills and they should be commended for another excellent year's work.



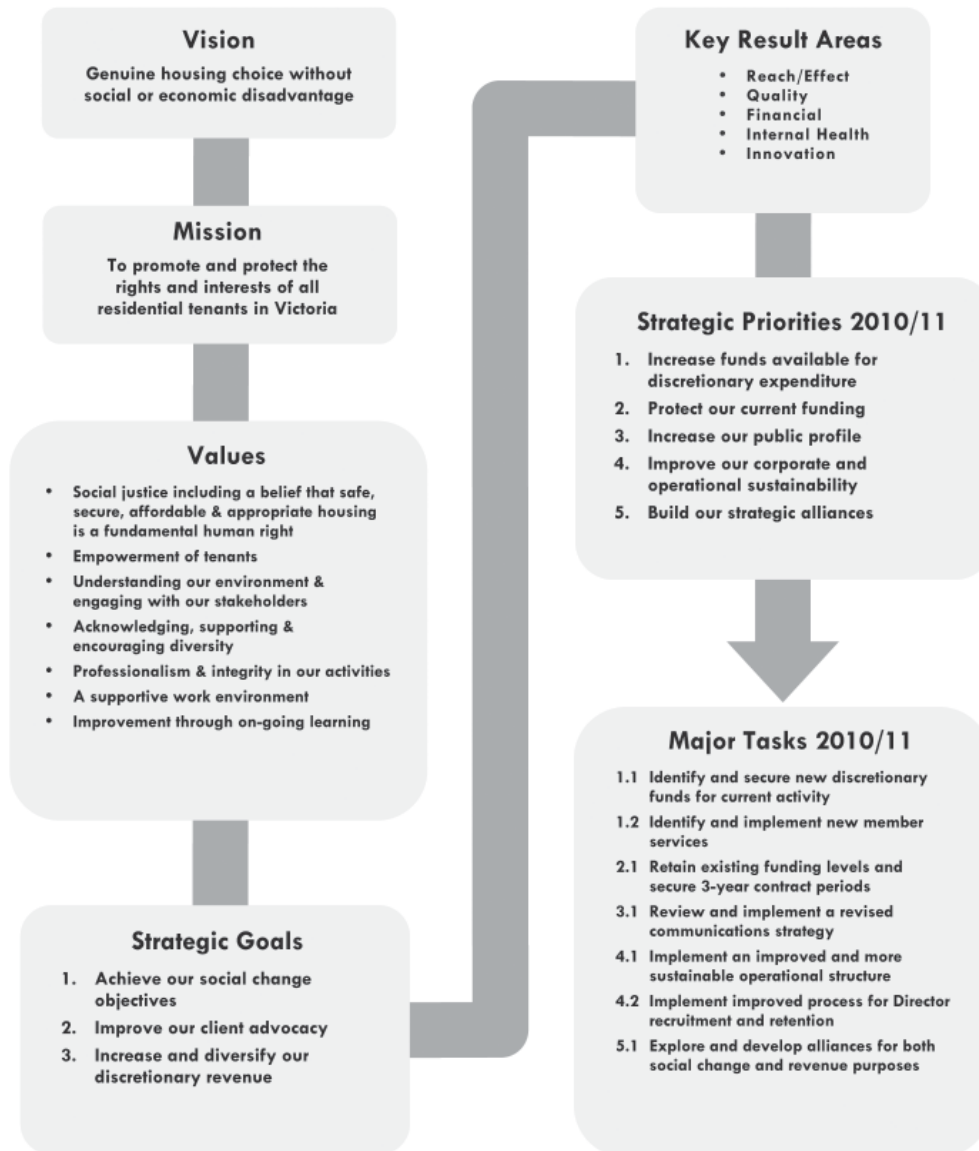
Mark O'Brien

**Chief Executive Officer**

# Strategic Direction

The current Strategic Plan is outlined below. A status report against the Key Result Areas for the organisation for 2010/11 follows.

## Tenants Union of Victoria, Strategic Plan 2008-11



## Tenants Union of Victoria, Key Result Areas 2010/11

	Annual Target	Actual	Variance	Notes	
<b>Reach</b>					
<b>Advocacy</b>					
1	No. of <b>new</b> clients overall	20,500	18,468	<b>90.1%</b>	1
2	No. of phone clients	17,500	14,215	<b>81.2%</b>	2
3	No. of drop-in clients	2,000	2,137	>100%	
4	No. of email clients	1,000	2,116	>100%	
5	No. of organisational clients	1,000	539	<b>53.9%</b>	3
6	No. of public housing clients	700	655	<b>93.6%</b>	4
7	No. of public housing cases	100	136	>100%	
8	No. of <b>new</b> casework files	500	348	<b>69.6%</b>	5
9	No. of <b>active</b> casework files	800	938	>100%	
10	No. of VCAT appearances	400	317	<b>79.3%</b>	6
11	Amount of CAV advocacy \$	\$260,000	\$260,334	>100%	
<b>Education</b>					
12	No. of leaflets distributed	80,000	199,090	>100%	
13	No. of handbooks distributed	20,000	17,134	<b>85.7%</b>	7
14	No. of website sessions	100,000	220,972	>100%	
15	No. of multilingual page views	5,000	64,954	>100%	
16	No. of Tenant News distributed	20,000	8,251	<b>41.3%</b>	8
17	No. of outreach visits	100	124	>100%	
18	No. of SHASP training sessions	4	20	>100%	
19	No. of online training participants	20	0	<b>0.0%</b>	9
<b>Social Change</b>					
20	No. of media releases	12	14	>100%	
21	No. of media articles	12	137	>100%	
22	Review communications strategy	<end Feb 2011	7/2/2011	21.0 days	
23	No. of research papers/submissions	2	3	>100%	
<b>Corporate</b>					
24	No. of members	150		0.0%	10
25	No. of new members	50		0.0%	11
<b>Quality</b>					
<b>Advocacy</b>					
26	Abandoned call rate	<20%	43.0%	<b>23.0%</b>	12
27	Service guidelines exceptions	None	0	No	
28	No. of unresolved complaints	None	0	No	
29	Client satisfaction rate	85%	83.8%	<b>(1.2%)</b>	13
<b>Education</b>					
30	Training participant satisfaction rate	>85%	90%	>100%	
31	Publications vetting exceptions	None	0	No	
32	Publications satisfaction rate	>85%	86%	>100%	
<b>Social Change</b>					
33	Project completion exceptions	None	1	Yes	14
34	Adoption of recommendations	>25%		No	
<b>Corporate</b>					
35	No. of Director vacancies	<2	3	<b>Yes</b>	15
36	Director turnover	<2	4	<b>Yes</b>	16
37	Proportion of members renewed	50%	40%	<b>(10.0%)</b>	17
<b>Finance</b>					
38	Expenditure variance from Budget	±2%	0.0%	No	
39	Expenditure variance from programs	±2%	0.0%	No	
40	Proportion of discretionary income	>1%	1.0%	No	
41	Retain effective funding levels	100%	104%	No	
42	Reporting compliance exceptions	None	0	No	
<b>Internal Health</b>					
43	Rate of absenteeism	<3%	3.0%	0.0%	
44	Rate of staff turnover	<10%	28.0%	<b>(18.0%)</b>	18
45	Staff satisfaction rate	>75%		0.0%	19
46	EO & OHS compliance exceptions	None	0	No	
<b>Innovation</b>					
47	No. of new projects	0	1	Yes	
48	No. of new services	0	0	No	
49	No. of new alliances	0	1	Yes	

**Notes:**

- 1 Overall clients are below target due to lower number of phone clients. Both drop-in and email contacts were above target. Drop-in clients were about 7% above target and email clients were more than double the target.
- 2 Phone clients remain below target. Calls answered improved by considerably from 2009/10. [2009/10: 12,927 v 2010/11: 14,215 (+9.9%)]. Call times improved from last year. [2009/10: 15.9 mins v 2010/11: 14.5 mins] but are still too high causing a high abandoned call rate. We are continuing to implement strategies to reduce call times further.
- 3 Organisational clients remain well below target. We are continuing to promote the service to specific organisational client groups such as community legal centres, housing and tenancy services.
- 4 Public housing advice clients were below target (-7.5%) but public housing advocacy clients were well above target (+36%).
- 5 New casework files were below target but active advocacy clients are above target.
- 6 VCAT appearances were below target due to extended absences in the advocacy team during the last quarter of 2010 and lower than expected case numbers. We also experienced lower case numbers in March, May and June 2011. We have adjusted the filter for new advocacy clients to increase case numbers.
- 7 Handbooks were below target but continue to improve [2009/10: 15,438 v 2010/11: 17,134 (+11%)] through combined print and web distribution.
- 8 Distribution of Tenants News was below target although the current mailing list is about 3,000. The cost of print production and distribution through the mail house is not funded. We have converted our current mailing list to an email distribution list and have moved to a soft copy newsletter.
- 9 On line training participation was below target due to the high number of face to face training opportunities provided in 2010/11.
- 10 Total member numbers were below target due to lower number of new members. See Note 11 below.
- 11 New members were below target. We have established a payment facility on our website and will use the website to actively promote membership including the lease advice service. Unfortunately this work took longer than anticipated to complete.
- 12 The abandoned call rate for the phone advice service was well above target at 43.0%. This is a slight improvement on 2009/10. The abandoned call rate is a direct consequence of long call times. Unfortunately February 2011 was particularly bad and the number of call abandoned exceeded the number of calls answered.
- 13 The client satisfaction rate was slightly below target (83.8%) for our survey conducted during March 2011 for clients in the period July to December 2010.
- 14 Completion of the Residential Tenancies and Utilities Project funded by CUAC was delayed and completed in late October 2010.
- 15 The maximum number of Director vacancies was 4 (3 elected and 1 appointed Director).
- 16 The turnover of Directors has been unexpectedly high during this financial year for a number of personal reasons.
- 17 Renewal of members was below target which is also contributing to the decline in overall member numbers. See Note 11 above.
- 18 Staff turnover was particularly high in the last half of 2010 with a number of longer term staff leaving and some continued turnover amongst the advice service casual staff. We are still looking at ways to reduce this turnover and ameliorate the effects on both services and morale.
- 19 Staff satisfaction has not been assessed this year.

## Social Change

The Tenants Union undertakes a broad range of social change activities to represent the interests of tenants and to highlight the impact of living in the rental sector. This work includes research, policy formulation, lobbying and media liaison.

One of our key strategic goals is to ensure an increased focus on our social change work. We have developed a comprehensive social change agenda based on four broad problem areas in the rental sector:

**legitimacy:** to address the often negative portrayal of issues affecting tenants and the rental sector in the public domain and to positively promote our agenda with government and industry decision makers

**accessibility:** to address non-financial barriers to housing in the rental sector including discrimination

**affordability:** to address the poor financial situation of many tenants, particularly in the private rental sector

**appropriateness:** to address the poor standard and location of rental housing, poor management practices and the limited legislative protections for tenants

We have also established an annual Action Plan to ensure that within these four broad areas we focus on addressing the problems with the most significant impact and reach.

Across the four broad areas of our social change agenda our major achievements for 2010/11 were:

### Legitimacy

- > Promoted residential tenancies issues in both local and statewide media with **137** articles or interviews in print, radio and television including **53** in statewide or national media
- > Lobbied Victorian Government Ministers for significant improvements to the *Residential Tenancies Act 1997*. The *Residential Tenancies Amendment Act 2010* implemented significant reform, including the regulation of tenancy databases, improved protection for rooming house residents, expanded powers of Consumer Affairs inspectors and increased penalties
- > Briefed Victorian Government Ministers, Shadow Ministers and minor party spokespeople on the *Residential Tenancies Amendment Act 2010*
- > Lobbied the Victorian Government to implement its integrated housing strategy to improve the various forms of housing assistance provided by government
- > Played an important role in the development of Australians for Affordable Housing, a national community sector alliance to campaign for government action on housing affordability
- > Met with relevant Victorian Government Ministers to provide a broad overview of the work of the Tenants Union and our policy reform agenda

- > Lobbied the Commonwealth Government to ensure that federal housing policy is responsive to the needs of tenants in the private and public sectors
- > Met with the President and Deputy President of Victorian Civil & Administrative Tribunal to assist with improving tenant access to the Tribunal

### **Accessibility**

- > Lobbied the Victorian Government on the adaption of national model legislative provisions on residential tenancies databases. *The Residential Tenancies Amendment Act 2010* introduced provisions governing the use of residential tenancies databases for the first time in Victoria. This represents the achievement of a long term policy objective of the Tenants Union
- > Made formal submissions to:
  - > Parliament of Victoria, Scrutiny of Acts & Regulation Committee; Equal Opportunity Bill 2010 (March 2010)

### **Affordability**

- > Developed and promoted research on rental affordability, rent movements and CRA
- > Published four quarterly TUV Private Rental Affordability Bulletins, including National, Melbourne Metropolitan and Regional Victorian editions
- > Lobbied the Federal Government to increase CRA payments and review the effectiveness of CRA
- > Lobbied the Victorian Government to implement its commitment in the Victorian Integrated Housing Strategy to improve affordability for private renters
- > Made formal submissions to:
  - > Parliament of Victoria, Outer Suburban/Interface Services and Development Committee; Inquiry Liveability Options for the Outer Suburbs (May 2011)
  - > Department of Human Services; Review of the Housing Establishment Fund (December 2010)

### **Appropriateness**

- > Lobbied the Victorian Government to implement its commitment to improve regulation and monitoring of private rooming houses
- > Lobbied the Victorian Government to implement its commitment to extend residential tenancies legislative protection to student accommodation
- > Continued to lobby the Victorian Government to implement rental housing standards particularly in response to proposed significant increases in the cost of domestic energy and water
- > Continued to lobby the Victorian Government to improve the policies and procedures for social housing

- > Actively participated in the Victorian Civil & Administrative Tribunal (VCAT) Residential Tenancies List Users Group to identify systemic problems with VCAT processes and practice
- > Actively participated in forums sponsored by the Director of Consumer Affairs Victoria to maintain an overview of residential tenancies and other consumer services
- > Made formal submissions to
  - > Commonwealth Department of Families, Community Services, Housing and Indigenous Affairs; Not-For-Profit Housing Sector Regulation Discussion Paper (July 2010)
  - > Victorian Civil & Administrative Tribunal; Transforming VCAT Discussion Paper (July 2010)
  - > Victorian Competition and Efficiency Commission; Inquiry in the Victoria's Regulatory Framework (September 2010)
  - > Premier of Victoria; Scrutiny of Acts Committee Review of the Charter of Human Rights and Responsibilities (June 2011)
  - > Australian Bureau of Statistics; Methodological Review of Counting the Homeless 2006 Discussion Paper (June 2011)

### **Social Change Case Study: Tenancy Database Regulation**

The Tenants Union of Victoria has campaigned for the regulation of residential tenancy databases since their emergence in the 1980s. Residential tenancy databases are electronic databases that contain information about tenants and their rental history.

The absence of regulation has resulted in many tenants being unfairly excluded from rental housing. Until the commencement of these laws there have been no regulations specifying what information can be listed, the reasons for making an adverse listing and how long a listing can be stored.

Many tenants have been listed for trivial or malicious reasons. Some have listings from many years ago which have prevented them from accessing rental housing. Because there has been no independent adjudication, tenants have been forced to endure this unfair treatment without any recourse.

Amendments to the *Residential Tenancies Act 1997* in September 2010 implemented the national model provisions developed under the guidance of the Ministerial Council on Consumer Affairs (MCOCA).

The implementation of the new provisions represents the culmination of many years of concerted social change activity by the Tenants Union. The Tenants Union played an influential role in the decision by the Victorian Law Reform Commission to investigate Residential Tenancy Databases in 2006. The subsequent report provided much of the impetus to establish the national MCOCA process. Parallel to these processes the Tenants Union devoted considerable resources to investigating the effect of databases on low income tenants and promoting the benefits of improved regulation.

Real estate agents are now required to inform tenants that they use a tenancy database and only make listings in certain circumstances. Tenants will have the right to challenge an unfair or out of date listing at VCAT.

The new Part 10A of the *Residential Tenancies Amendments Act 2010* requires that:

- > listings can only occur in certain circumstances including when the tenancy has ended and there has been a specific breach which either results in a debt that is more than the bond or a possession order
- > listings can only remain on a database for a maximum of 3 years
- > listings must be removed if the debt was paid within 3 months of the amount becoming due or a VCAT order has been revoked
- > agents and landlords must notify a prospective tenant that a database check will occur, which database will be used and notify the tenant when a listing has been found
- > agents and landlords must instruct database operators to amend or remove a listing where the listing is inaccurate, ambiguous or out of date

If the above does not occur a tenant may seek remedies including VCAT orders for prohibition, removal or amendment of a listing.

# Community Education

## Publications

The Tenants Union Publications Program produces a range of publications and resources for tenants, rooming house and caravan park residents, as well as tenancy workers.

Print publications are distributed through our telephone and drop-in services, our community education program and other relevant services. Publications are available to interested organisations by order.

All publications are regularly reviewed and vetted by the Tenants Union solicitors to ensure legal currency and accuracy.

In 2010/11 we distributed:

- > more than **199,000** fact sheets covering 30 common residential tenancy problems now including some rooming house issues
- > more than **17,130** handbooks for public tenants and residents of rooming houses, caravan parks and transitional housing

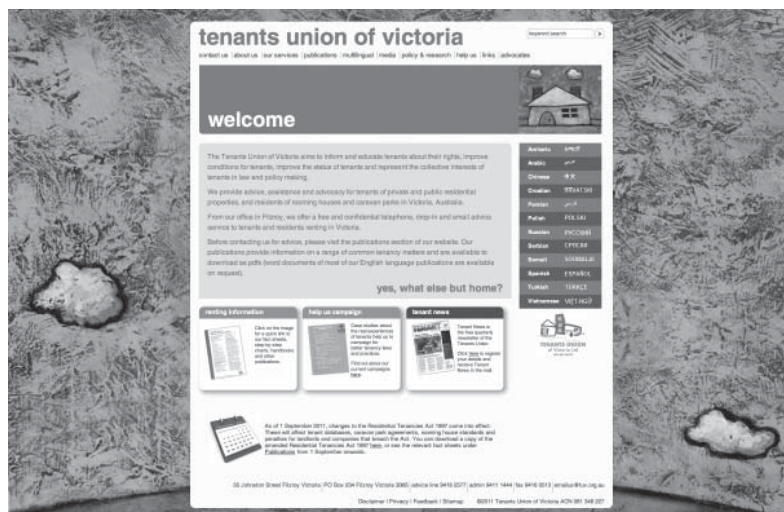
In addition, there were more than **220,970** individual user sessions on the Tenant's Union website.

English language publications downloaded from our website included:

- > more than **100,000** fact sheets
- > more than **26,000** step-by-step guides
- > more than **7,900** handbooks

We have continued to translate our tenant information resources into relevant community languages. By the end of June 2011, nearly all of our fact sheets and a number of step-by-step guides had been translated. During 2010/11, there were nearly **65,000** downloads of multilingual information.

During 2010/11 we also undertook a major redesign of our website to improve useability.



## Training

In response to a training need identified by a number of focus groups sponsored by Consumer Affairs Victoria's (CAV) Volunteer Engagement Initiative 2007, Community Information Vic (CIVic) and the Tenants Union combined resources to conduct a total of 35 professional development sessions for community sector employees and volunteers throughout Victoria during 2010 and 2011.

**Great presentation!  
Excellent material.**

*(Training participant feedback)*

The training focused on basic rights and responsibilities of tenants and landlords as well as instructing community workers and volunteers on how best to provide clients with support and information on simple tenancy issues. The tuition stressed the importance of advisors seeking expert advice when required.

Initially, the project was to run from July to December 2010 however the decision to extend the training period into 2011 was influenced by a number of important factors. These included consistently high enrolment rates, positive feedback during and after the training coupled with the importance of actively providing much needed support for community workers and volunteers in Victoria. During the training, participants freely acknowledged that without a basic understanding of the *Residential Tenancies Act 1997* (RTA) they would struggle to provide adequate support and advice for their clients.

In all, over 397 attendees took part in the first 17 sessions followed by 370 in the following 18 sessions. A total of 767 trainees completed the training, resulting in an overall increase in the higher-end predicted participation rate by approximately 28%. As a follow-up to this very successful project, the Tenants Union is proposing to run advanced training sessions in both metropolitan and regional areas in Victoria in 2012.

The audience for these sessions will be sourced from the organisations that participated in the previous TUV/CIVic project. It is anticipated that the sessions will attract attendees who provide the initial support for clients but do not advocate on behalf of tenants at VCAT. The purpose of the training is to enable staff members to increase their knowledge about the RTA and the steps involved in attending a hearing at VCAT. The opportunity to discuss and analyse tenant case studies will form the basis of the training.

We believe that by providing community and housing workers with a clearer understanding of how VCAT hearings are conducted, what evidence is vital to the tenant's case and who, when and how to refer the client will greatly assist the transition and efficacy of the referral from the originating organisation to the advocacy service provider.

**Very good resource for  
community social workers.**

*(Training participant feedback)*

We are currently providing training to CAV staff and funded advocates on the *Residential Tenancies Amendments Act 2010* which came into effect as of 1 September 2011. The training provides an overview of the tenancy law amendments, specifically those involving Part 4A – Caravan Parks, tenancy databases and the new rooming house provisions.

The first of these sessions, held specifically for CAV funded workers, took place on 16 August 2011 with four more RTA presentations planned for regional Victoria in October and November. The target audience for this training will be housing workers, tenant advocates, community legal centres, social housing workers and student housing officers.

We are now planning to introduce new tenant advocate training. Instruction will focus on a work-based practical program of basic knowledge about the *Residential Tenancies Act 1997* and advocacy practice. Initially, the training format will include one-on-one mentoring for the telephone advice and client interview process. At the completion of training, participants will be required to demonstrate competency in basic case file management, negotiation and interview skills and provide a knowledgeable understanding of the operational aspects at VCAT in terms of tenancy issues. Dates for the commencement of this project are yet to be finalised but are scheduled to take place in 2012.

## Outreach

To assist our work in informing vulnerable renters and residents about their rights and responsibilities we have been undertaking a broad outreach program to rooming houses and caravan parks. The outreach program also provides a valuable pathway to our advice and advocacy services.

Our major achievements for 2010/11 were:

- > visits to more than **124** rooming houses and caravan parks
- > initial advice and information to more than **150** residents
- > ongoing cooperation with local government authorities to assist them to identify unregistered and substandard rooming houses and caravans parks
- > provision of information about systemic failures identified by the outreach program to assist the State Government in developing reform options for both caravan parks and rooming houses

## Community Education

Presentations have been delivered to newly arrived migrants, overseas students and those considered to youth at risk of homelessness.

To assist linguistically and culturally diverse tenants to better access residential tenancies services including the Tenants Union, we initiate and participate in special projects targeting specific groups of tenants.

Our major achievements for 2010/11 were:

- > participation in a number of working groups and project steering committees with a focus on residential tenants
- > delivery of community education activities including talks and stalls at significant community events

### **Outreach Case Study: Urgent repair problems**

In January 2011 the Tenants Union Outreach Team visited a rooming house in the Western suburbs of Melbourne. The rooming house is registered, has five bedrooms and usually accommodates five residents. During the first visit we met a group of three men living at the property, each paying \$180 per week for their rooms. Various repair issues were identified including:

- > only one of the four stove-top burners was working
- > leaking taps in the bathroom and kitchen
- > ceiling fan in the bathroom leaking water in the rain
- > oven which has never been cleaned and is very unhygienic
- > lights in the kitchen all broken with residents forced to cook with a torch at night.

The Tenants Union assisted the residents to fill out a Notice to Rooming House Owner in relation to the above repairs, and provided the residents with some general information about their rights as rooming house residents.

About one month later when the Outreach Team returned to the property, the men had moved on but one of the new residents confirmed that they had sent off the repairs paperwork with the result that all the lights in the kitchen had been replaced, but the other repairs issues were still outstanding.

We assisted this new resident to follow the repairs process, filling out relevant paperwork on her behalf, and also encouraging her to first speak to the rooming house owner and warn him that if the issues couldn't be resolved informally then she would look to pursue legal avenues.

When we subsequently visited the property, the residents informed us that after they'd spoken to the owner and mentioned they'd received legal advice from the Tenants Union about the repairs issues and the owner had attended the property himself and fixed all outstanding repairs. We also referred one of the residents interested in lodging a public housing application and continues to visit this property on a regular basis.

## Advice & Advocacy

### Advice

The aim of the general Advice Service is to provide accessible and effective assistance to residential tenants across Victoria, with a particular focus on metropolitan Melbourne.

The centralised phone service operates with a minimum of two advisers from 9:00am to 4:00pm weekdays (except Wednesday) and from 1:00pm to 8:00pm on Wednesday.

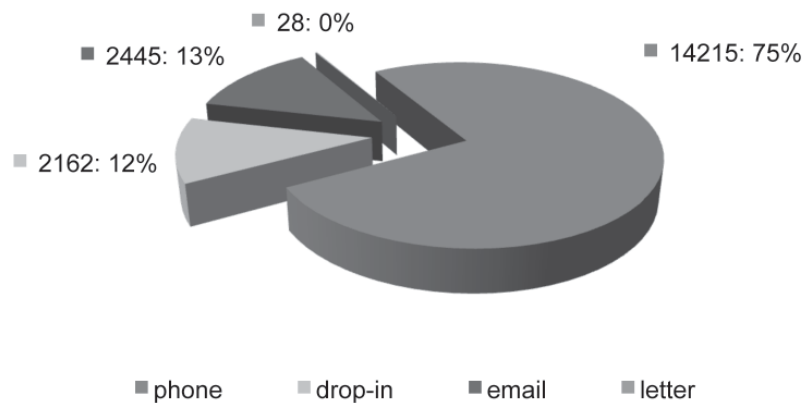
Drop-in services are available at our Fitzroy office from 9:00am to 4:30pm weekdays except Wednesday, when services operate between 1:00pm and 8:00pm.

The service is structured to facilitate initial contact through our centralised telephone advice service. Where necessary, referrals are made to our drop-in service or to public and private tenant services across the state. Referrals to other community service organisations are made as required.

The structure of the service enables clients with simple issues to be efficiently assisted with basic advice and information. Clients with more complex issues or those with problems requiring documents to be sighted can be referred to in-person services for follow-up assistance.

During 2010/11, through the advice service we handled **18,850** advice enquiries. Figure 1 shows a breakdown of the method of contact for advice enquiries.

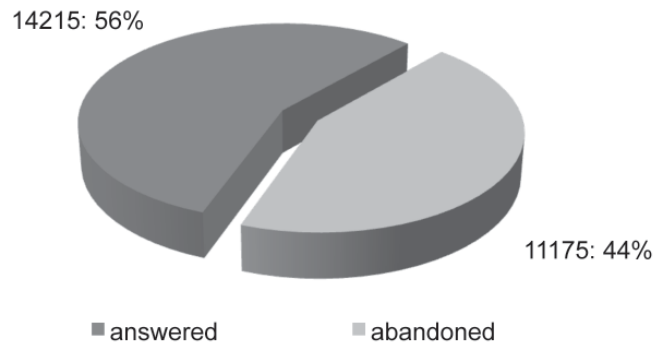
**Figure 1: 2010/11 Enquiries by Method of Contact**



During 2010/11 we also received **531 organisational** enquiries from a wide range of agencies and services across Victoria.

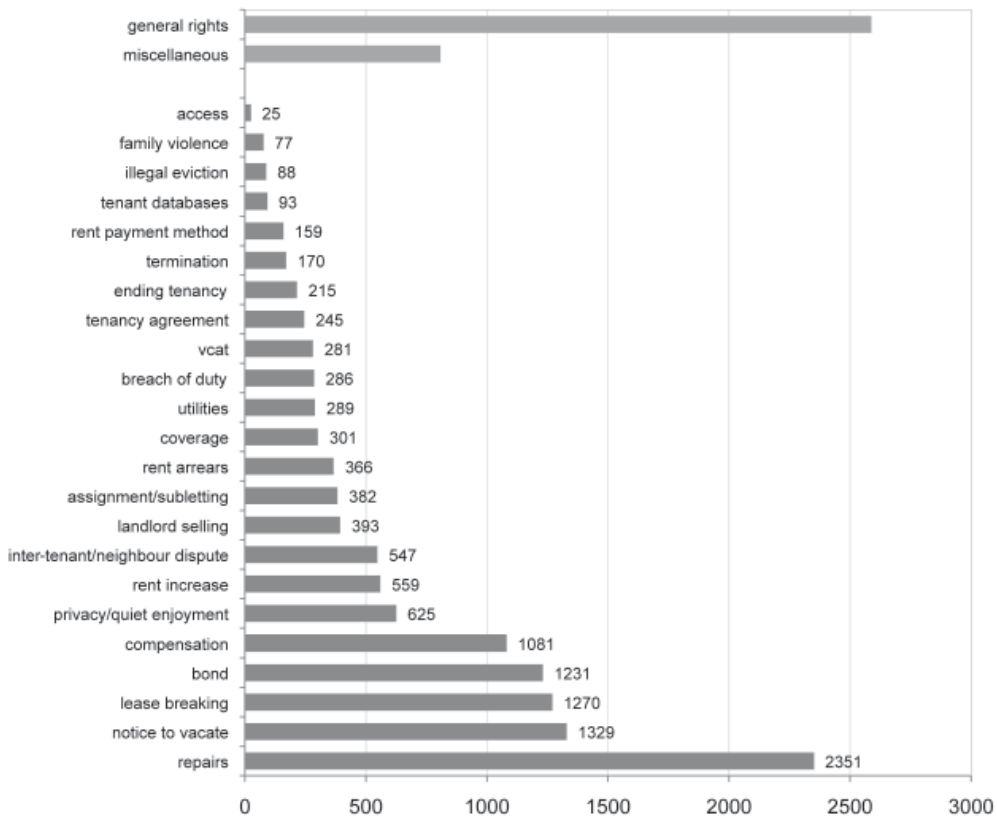
We have had difficulty with managing high demand for our telephone service which is reflected in a high proportion of abandoned calls. Figure 2 shows the proportion of calls answered and calls abandoned during 2010/11. We are working through a range of strategies to reduce our abandoned call rate.

**Figure 2: Call Answered and Calls Abandoned 2010/11**



During 2010/11 we assisted tenants with a vast range of tenancy issues and problems. Figure 3 shows a breakdown of primary problem types for 2010/11 enquiries.

**Figure 3: 2010/11 Enquiries by Primary Problem Type**



### **Advice Case Study: Getting repairs done**

The following enquiry is typical of the advice enquiries we receive:

*I would like to inquire regarding my situation. We are renting a small house which is handled by a real estate agent. The house is equipped with a central heating and also a heat pump located in the lounge (where we asked for it to be installed and they increased the rent for this matter). Anyway, our central heating had broken down and we filed a maintenance request form on the 17th May. They said that they would repair it but it is taking a very long time. Winter is almost over (5th August) and its not fixed yet. They had a guy look at it where he came and got part numbers etc and he came back the week after saying he got the wrong part number. Please let know of what I can do regarding this matter. Thank you very much.*

We contacted the tenant and advised them about the landlord's obligation to maintain the premises in good repair. We also advised them about initiating the breach of duty process for compensation and compliance. Unfortunately this example is very typical of the repair enquiries that we receive where tenants have persevered for quite some time trying to get the repairs done before initiating the formal repair process.

During 2010/11 the mix of tenancy types for clients was:

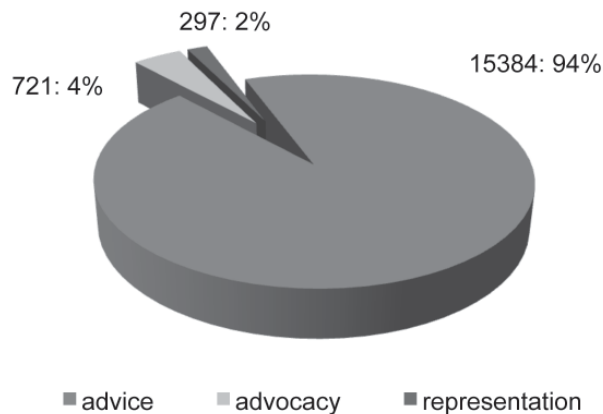
- > 91.1% private rental tenants
- > 5.1% social housing tenants
- > 3.0% rooming house residents
- > 0.8% caravan park residents

***"...can only sing your praises! I find the printed info available on the website especially helpful as well. Thanks so much for being there!!!"***

**(Client feedback, Feb 2011)**

During 2010/11 we assisted 16,402 discrete clients, some with multiple matters. More than 90% of clients were assisted with advice and information only. The remainder of clients were provided with some form of advocacy assistance and where a dispute was unable to be resolved, assisted with representation, primarily at the VCAT. Figure 4 shows the breakdown of the type of assistance provided to clients.

**Figure 4: 2010/11 Clients by Type of Assistance**



### Advocacy & Casework

Advocacy assistance is provided to those clients who require more than basic advice and information. It is provided by paralegal advocates or legally qualified staff.

Advocacy assistance includes negotiation with landlords and agents, drafting of letters or documents, preparation of submissions and where required, representation or support of clients at VCAT.

During 2010/11 we assisted **1,018 clients** with some form of advocacy.

For those advocacy clients who require continuing assistance we open case files. Table 1 shows a comparison of our casework activity for the last two financial years.

**Table 1: Comparison of Case Activity, 2009/10 v 2010/11**

	2009/10	2010/11
> No. cases open at 1 July 09/10	268	333
> No. of new cases	1,153	648
> No. of closed cases	1,088	791
> No. of cases open at 30 June 10/11	333	190

*(Source: CLSIS, CMR1.1; TUV Database)*

The continued refinement of our casework assistance guidelines and administrative processes has resulted in a slight overall decline in our legal casework activity over the past twelve months. The service guidelines have assisted us to target our assistance to those clients most in need.

Whilst we resolve about one-third of the matters for which we provide advocacy assistance, we are nevertheless required to appear at an increasing number of hearings at the Residential Tenancies List at the Victorian Civil & Administrative Tribunal (VCAT) to secure an outcome for our clients.

### **Advocacy Service Case Study: Repairs and Compensation**

The tenant moved into the rented premises in 2008. During 2010 the tenant noticed a significant mould problem developing in the premises. The tenant showed the real estate agent the problem at a routine inspection on 8 June 2010, although the problem had existed prior to this.

A building report showed that the mould and dampness were likely to be caused by a seemingly recent extension of the garage, which blocks natural light and ventilation, especially ventilation to the underside of the property.

The tenant became more aware of the problem when she started to notice plates in the kitchen were becoming mouldy, and a wallet that she left in the spare room was covered in mould completely beyond repair.

The tenant consistently followed up the problem until serving a Notice to Landlord and Breach of Duty Notice on 1 September 2010 when she had lost all patience.

The following day, the tenant was served with a Notice to Vacate for the end of the fixed term tenancy (which had been signed in 2010 despite her continuous occupation) and was advised by the real estate agent that they didn't intend to undertake repairs. The tenant resolved to vacate.

Because of the nature of the mould, the tenant didn't realise the full extent of the damage to her goods and the premise until she vacated. The tenant attempted to salvage many of the damaged items with mould remover but they could not be saved.

We assisted the tenant with a claim for compensation for damage to goods and represented the tenant at VCAT. The tenant was awarded \$6150 in compensation.

As this ordered remained outstanding for some time the matter was also referred to Consumer Affairs Victoria for prosecution.

In 2010/11 we undertook **317** such appearances at VCAT.

## Legal Service

The Tenants Union also provides specialist legal services through the Tenants Union Legal Service including:

- > organisational assistance to a wide range of government and non-government agencies across the state
- > specialist representation and public interest legal work in both VCAT and higher jurisdictions such as the County Court and the Supreme Court
- > legal research on tenancy and related matters

### Legal Service Case Study: Illegal Use of Premises

After a number of years living in temporary accommodation as a result of various issues, K had secured public housing in 1998 and had been living at the same address since that time. As a result of a covert Police operation a search warrant was executed on K's rented premises in late 2009. No illegal substances were found at the premises but he was charged with drug trafficking offences related to the covert operation by the Police. K subsequently plead guilty to six charges of drug trafficking and was sentenced to a community based order that involved treatment and rehabilitation for drug and alcohol addiction. After the charges were laid, K received a letter from the Office of Housing requesting that he attend an interview. At the interview K did not have a legal representative or interpreter present. Following this interview K contacted the local Community Legal Centre who sent a letter to the Office of Housing asking them to reconsider any decision to issue a Notice to Vacate to K. They were concerned that any eviction from his public housing would undermine K's rehabilitation prospects. A second letter from the CLC outlined the details of K's community based order and the difficulty he would have complying with that order were he to be evicted. Subsequently the Office of Housing issued a Notice to Vacate for illegal use of the rented premises and some ten days later applied to VCAT for possession.

K was represented at VCAT by Counsel and assisted by the Tenants Union Legal Service. At the subsequent hearing it was alleged that K sold drugs to an undercover Police officer in areas around his rented premises on one or more occasions. The submissions on behalf of K were that whilst some offences may have been committed, at no time was the rented premises central to the commission of those offences which is the requirement for possession for illegal use. There were also a number of submissions made about the Office of Housing's lack of compliance with the Victorian Charter of Human Rights.

The VCAT decision was reserved but ultimately the Office of Housing's application was dismissed and K was allowed to continue residing at the premises.

This year we initiated a number of appeals to the Supreme Court against VCAT determinations. We would like to acknowledge the assistance of the numerous schemes overseen by PILCH for these actions. Without the pro bono assistance provided through PILCH we would not be able to initiate or undertake this important public interest work.

We also distributed a number of practice notes to tenancy workers across the state addressing complex legal issues or refinements in interpretation of the residential tenancies legislation.

Research into areas of legal ambiguity occurs regularly. Liaison with senior members of VCAT, particularly through participation in the VCAT Residential Tenancies List Users Group, has also assisted with clarification of some issues and improvements in the practice of the Residential Tenancies List.

## Administration

Administration services are fundamental to facilitate the effective work of the Tenants Union.

In 2010/11 Administration Services:

- > provided effective financial reporting and accountability to the Board, funding bodies and the Australian Securities and Investment Commission (ASIC)
- > maintained the Tenants Union's information technology network
- > maintained the Tenants Union library and other information resources with about 2000 catalogued items
- > provided effective reception services for the registered office of the Tenants Union
- > handled **431** orders for publications with **93%** of orders filled and returned within 7 days of receipt

# Personnel

## Staff

Staff members at 30 June 2010 were:

Adrienne Barrett	Research Assistant
Anne Smith	Administration Worker
Ben Cording	Lawyer
Bill Swannie	Senior Lawyer
Cassandra Laybourne	Tenant Advocate
Cate Read	Tenant Adviser
Helen Munro	Training Worker
Jenny Draffin	Librarian
Karen Bijkersma	Resources Worker
Liz Turner	Outreach Adviser
Louisa Bassini	Tenant Advocate
Lyn Ryder	Legal Administration Worker
Marian Hopkins	Lawyer
Marisol Bombal	Bookkeeper
Mark O'Brien	Chief Executive Officer
Maya Narayan	Senior Advocate
Patrick Warner	Outreach Adviser
Retta Berryman	Tenant Adviser
Ruth Hansen	Outreach Adviser
Stephanie Price	Tenant Advocate
Toby Archer	Policy Worker
Ursula Dutkiewicz	Administration Worker
Victor Nieto	Administration and Finance Manager

The Tenants Union would like to express its thanks to our staff for their consistent hard work and dedication.

Our thanks also go to the following staff that left the organisation in 2010/11 for their commitment and work during their employment with the Tenants Union:

Allan Martin	Outreach Adviser
Alyena Mohummudally	Solicitor (Policy & Training)
Anu Nager	Tenant Adviser
Bill Darling	Senior Advocate
Colleen Power	Phone Adviser
Damian Stock	Senior Solicitor
David Llewellyn	Tenant Advocate
Hannah Pearson	Tenant Advocate
James Muldoon	Tenant Adviser
Lee Hansen	Solicitor (Policy)
Melanie Cousins	Tenant Adviser
Miles Browne	Solicitor
Nuwan Dias	Tenant Adviser
Zane Lovitt	Tenant Adviser

We would especially like to acknowledge and thank **Colleen Power**. Colleen had been involved with the Tenants Union since the 1980s and had been employed for a few stints during that time, including helping us out on our advice roster for the last five years. Colleen was a very experienced tenancy worker and has been a fabulous asset to the organisation and a great colleague. We wish her all the best for her retirement.

# Financial Statements

## Directors' Report

### Tenants Union of Victoria Ltd ACN 081 348 227

Your directors present their report on the company for the financial year ended 30 June 2011.

#### Directors

The names of directors in office at any time during or since the end of the year are:

Anthony Wing	Re-elected 8/11/2010
Emma Eastwood	Appointed 8/11/2010
Geoffrey Dickman	Re-elected 24/11/2009
George Lioukas	Appointed 27/4/2010
Graeme McDonald	Appointed 7/2/2011
Greg Ireton	Elected 24/11/2009
Michelle Rowland	Re-elected 8/11/2010
Miriam Scurrah	Re-elected 24/11/2009, Resigned 4/2/2011
Natasha Leigh	Re-elected 18/12/2008, Resigned 8/11/2010
Patricia Roake	Re-appointed 20/11/2010
Shannon Walker	Re-elected 24/11/2009, Resigned 8/11/2010

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Long-Term Objectives

The principal objective of the company is to:

- > provide advice and assistance on legal and other rights relevant to residential tenancies to socially or economically disadvantaged tenants, with the aim of providing direct relief of their poverty, helplessness or misfortune, to represent tenants and speak for the collective interests of tenants

To fulfil its principal objectives the company's principal activities are:

- > to represent tenants and speak for the collective interests of tenants
- > to work towards the improvement of the status and rights of tenants and to promote alternatives to the present forms of rental housing
- > to work towards more just and equitable systems of regulating both rental housing and the rights of tenants
- > to act with individual tenants and tenants as a group in order to ensure better conditions in rental housing, fairer leases and conditions of tenancy, a more equitable supply of rental housing and the prevention of deceitful, oppressive or unjust practices in the rental market
- > to promote the establishment of resource centres, advice and coordination services for tenants and to promote, as far as possible, autonomous local and regional groups of tenants, affiliated with the Tenants Union of Victoria Ltd

- > to inform and educate tenants as widely as possible as to their existing rights and of conditions in the rental market, and to conduct research about such conditions and about the specific needs and problems of tenants
- > to encourage participation by members and tenants groups in all activities concerning tenants and in the activities of the Tenants Union of Victoria Ltd
- > to ensure representation by, and participation of tenants as far as possible in law and policy making as it affects tenants or housing
- > to promote the provision of rental housing that is safe, convenient, and available to all people regardless of gender, age, religious or political beliefs, marital status and family composition, disability or sexual orientation
- > to take all reasonable steps to provide equitable and accessible services to individuals from socially, culturally and linguistically diverse backgrounds and situations

### **Short-Term Objectives**

The company has identified the following short-term objectives:

- > achieve our social change objectives
- > improve our direct client advocacy
- > increase and diversify our discretionary revenue

To fulfil its short-term objectives the company has undertaken the following activities:

- > implemented a comprehensive action plan approved by the Board to guide our social change activity
- > reviewed and improved our advice and advocacy service policies and procedures
- > enhanced the delivery of our online client services including training delivery
- > continued to enhance membership services

The short-term objectives of the company are subject to annual review by the Board.

### **Review of Operations**

The Board has developed a comprehensive set of indicators to monitor and review the performance of the company.

Having reviewed the operations of the company the Board notes as follows:

- > Service reach remains broad, particularly in the key strategic area of social change activity. Media profile and engagement with relevant issues has been comprehensive. Overall client services have increased and the decline in phone service levels has been arrested. New advice services through email have increased. Website access, particularly to multilingual resources continues to increase.
- > Financial health remains strong with no projects in deficit after transfers from project balances. Very limited exceptions to the achievement of funding and service agreement targets. All grants confirmed for 2011/12 financial year.

- > Service quality remains strong with consistently high client satisfaction levels and no significant exceptions in service audit processes.
- > Internal health is adequate. Staff turnover and absenteeism reduced following higher results in the last few years due to future funding and service uncertainty.

The full set of performance indicators are provided in the Annual Report.

### Future Developments

The likely developments in the operations of the company and the expected results of those operations in future financial years are as follows:

- > work is continuing on income diversification strategies that will deliver additional discretionary income to the company
- > Consumer Affairs Victoria has flagged a review of some service arrangements that may affect the level of grants and the process for service agreement and delivery
- > overall the new Victorian Government has yet to determine their funding and service priority which creates some uncertainty about future revenues

The Board expects that income diversification activities will better position the company for future challenges and the delivery of its objectives.

### Operating Results

The surplus of the company for the year amounted to **\$869** (2010: Surplus \$20,050).

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

### Information on Directors

<b>Anthony Wing</b>	First appointed 20/11/2006, Re-elected 8/11/2010
Qualifications	LLB
Experience	Senior manager in Commonwealth regulator. Substantial experience as a government policy advisor, regulator and lawyer.
Special Responsibilities	Chairperson, Finance Committee
<b>Emma Eastwood</b>	Appointed 8/11/2010
Qualifications	Bachelor of Laws Bachelor of Arts
Experience	Experienced government policy adviser and lawyer
Special Responsibilities	Policy Committee
<b>Geoffrey Dickman</b>	First appointed 24/8/2009, Elected 24/11/2009
Qualifications	Grad Dip (Bus)
Experience	Marketing and partnerships manager. Victorian public service.
Special Responsibilities	Strategy Committee
<b>George Lioukas</b>	First appointed 8/2/2010
Qualifications	BSc, Grad Cert (Technology Management)
Experience	Telecommunications management and marketing
Special Responsibilities	Finance Committee

<b>Graeme McDonald</b>	Appointed 7/2/2011
Qualifications	LLB
Experience	Admitted to legal practice in 1984. Senior roles in public service.
Special Responsibilities	Policy Committee
<b>Greg Ireton</b>	First appointed 18/12/2008, Elected 24/11/2009
Qualifications	Med (Leadership & Management)
Experience	Senior policy advisor in regional development and human services
Special Responsibilities	Strategy Committee
<b>Michele Rowland</b>	First Appointed 5/3/2008, Re-elected 8/11/2010
Qualifications	LLB, BA (Hons)
Experience	Admitted to legal practice in 2002. Senior public servant and former policy adviser.
Special Responsibilities	Governance Committee
<b>Miriam Scurrah</b>	Appointed 18/12/2008, Resigned 8/2/2011
Qualifications	BEd (Hons) (Adult & Vocational Education)
Experience	Management of not for profit organisations, business development and government relations
Special Responsibilities	Deputy Chairperson, Governance Committee
<b>Natasha Leigh</b>	Appointed 21/6/2005, Resigned 8/11/2010
Qualifications	LLB, BA (Psychology)
Experience	Admitted to legal practice in 2000, senior policy and projects solicitor with consumer specialisation
Special Responsibilities	Policy Committee
<b>Patricia Roake</b>	First appointed 20/11/2006, Re-appointed 25/10/2010
Qualifications	MA (Public Relations)
Experience	Communications, public relations and marketing. Currently senior advisor in Victorian public sector.
Special Responsibilities	Governance Committee
<b>Shannon Walker</b>	First appointed 18/12/2006, Resigned 8/11/2010
Qualifications	BA (Journalism & Public Relations)
Experience	Communications consultant
Special Responsibilities	Chairperson, Policy Committee

## Meetings of Directors

During the financial year, 18 meetings of directors (including subcommittees) were held. Attendances by each director during the year were:

	Subcommittee Meetings									
	Directors' Meetings		Finance Committee		Governance Committee		Policy Committee		Strategy Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Anthony Wing	5	4	4	3						
Emma Eastwood	3	2					3	3		
Geoffrey Dickman	5	5							3	3
George Lioukas	5	4	4	4						
Graeme McDonald	2	2					3	3		
Greg Ireton	5	4							3	3
Michelle Rowland	5	3			3	3				
Miriam Scurrah	3	1			3	3				
Natasha Leigh	2	-					-	-		
Patricia Roake	5	4			3	3				
Shannon Walker	2	1					1	1		

## Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2011 has been received and forms part of the directors' report.

## Amount which each class of member is liable to contribute if the company is wound up

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of full members was 30 (2010: 37). At 30 June 2011 the collective liability of members was \$300 (2010: \$370).

Signed in accordance with a resolution of the Board of Directors.



**Anthony Wing**

Chairperson

Dated this 12th day of September 2011

**Auditor's Independence Declaration  
under Section 307c of the Corporations Act 2001  
Tenants Union of Victoria Ltd ACN 081 348 227**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- i. no contraventions of the auditor independence requirements set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

C.W. Stirling & Co.  
Chartered Accountants



---

**John A. Phillips**

Partner

Dated this 12th day of September 2011  
Melbourne

**Statement of Comprehensive Income**  
**for the year ended 30 June 2011**  
**Tenants Union of Victoria Ltd ACN 081 348 227**

	<b>Note</b>	<b>2011</b>	<b>2010</b>
		<b>\$</b>	<b>\$</b>
Revenue		1,878,799	1,944,238
Employee benefits expense		(1,295,081)	(1,290,232)
Printing, publications, stationery and postage		(141,006)	(146,285)
Occupancy expense		(131,400)	(136,535)
Information technology and website expenses		(89,827)	(112,817)
Depreciation expense		(17,506)	(14,521)
Special projects		(25,784)	(13,830)
Consultancy & subcontractor expenses		(6,980)	(29,092)
Capital equipment	1(b)	(4,906)	(1,435)
Administration and other expenses		(165,440)	(179,441)
Surplus before income tax	2	869	20,050
Income tax expense	1(a)	-	-
Net surplus for the year		<u>869</u>	<u>20,050</u>
Other comprehensive income:			
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>869</u>	<u>20,050</u>

The accompanying notes form part of these financial statements.

**Statement of Financial Position  
as at 30 June 2011**

**Tenants Union of Victoria Ltd ACN 081 348 227**

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	464,808	488,095
Trade and other receivables	4	40,815	53,445
Other current assets	5	3,056	13,182
<b>TOTAL CURRENT ASSETS</b>		<b>508,679</b>	<b>554,722</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	4	4,610	4,610
Plant and equipment	6	34,721	28,078
<b>TOTAL NON-CURRENT ASSETS</b>		<b>39,331</b>	<b>32,688</b>
<b>TOTAL ASSETS</b>		<b>548,010</b>	<b>587,410</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	60,890	46,588
Current tax liabilities	8	14,116	1,365
Short-term provisions	9	110,018	116,864
Other current liabilities	10	64,972	124,359
<b>TOTAL CURRENT LIABILITIES</b>		<b>249,996</b>	<b>289,176</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	9	4,264	5,353
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>4,264</b>	<b>5,353</b>
<b>TOTAL LIABILITIES</b>		<b>254,260</b>	<b>294,529</b>
<b>NET ASSETS</b>		<b>293,750</b>	<b>292,881</b>
<b>EQUITY</b>			
Accumulated surplus		278,750	292,881
Reserves	11	15,000	-
<b>TOTAL EQUITY</b>		<b>293,750</b>	<b>292,881</b>

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity  
for the year ended 30 June 2011**

**Tenants Union of Victoria Ltd ACN 081 348 227**

	<b>Accumulated Surplus \$</b>	<b>Capital Reserve \$</b>	<b>Total \$</b>
Balance as at 1 July 2009	272,831	-	272,831
Comprehensive Income			
Surplus for the year	20,050	-	20,050
Other comprehensive income	-	-	-
Total comprehensive income	20,050	-	20,050
Balance as at 30 June 2010	292,881	-	292,881
Comprehensive Income			
Surplus for the year	869	-	869
Other comprehensive income	-	-	-
Total comprehensive income	869	-	869
Transfer to reserves	(15,000)	15,000	-
Balance as at 30 June 2011	278,750	15,000	293,750

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**  
**for the year ended 30 June 2011**

**Tenants Union of Victoria Ltd ACN 081 348 227**

	<b>Note</b>	<b>2011</b> \$	<b>2010</b> \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from government and other sources		1,988,358	2,121,076
Payments to suppliers and employees		(2,011,940)	(2,138,967)
Interest received		24,444	14,217
Net cash provided by/ (used in) operating activities	14	862	(3,674)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		(24,149)	(15,630)
Net cash used in investing activities		(24,149)	(15,630)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net cash provided by financing activities		-	-
Net increase (decrease) in cash held		(23,287)	(19,304)
Cash at beginning of year		488,095	507,399
Cash at end of year	3	464,808	488,095

The accompanying notes form part of these financial statements.

## **Notes to the financial statements for the year ended 30 June 2011**

### **Note 1: Statement Of Significant Accounting Policies**

The directors have prepared the statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of the Corporations Act 2001.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

#### **Accounting Policies**

##### **a. Income Tax**

No provision for income tax has been raised, as the company is exempt from income tax.

##### **b. Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at fair value of the asset at the date it is acquired.

##### **Depreciation**

The depreciable amount of all fixed assets are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. All assets with a cost base of under \$1,000 are expensed on acquisition.

The depreciation rates used for plant and equipment range from 20% to 33%.

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

### **c. Financial Instruments**

#### *Recognition and initial measurement:*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by market place convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below:

#### *Derecognition:*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

#### *Classification and subsequent measurement:*

##### *(i) Loans and receivables:*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

##### *(ii) Financial liabilities:*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

#### *Fair value:*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

#### *Impairment:*

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Income Statement.

**d. Impairment of Assets**

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**e. Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

**f. Unexpended Grants**

The company receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the company to treat grant monies as unexpended grants in the balance sheet where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

**g. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### **h. Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

#### **i. Contributions**

When the company receives non-reciprocal contributions from the Government and other parties for no or a nominal value, these contributions are recognised at the fair value on the date of acquisition upon which time an asset is taken up in the balance sheet and revenue in the income statement.

#### **j. Goods and Services Tax (GST)**

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

#### **k. Comparative Figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### **l. Economic Dependence**

Tenants Union of Victoria Ltd is dependent upon the Office of Housing, Victoria Legal Aid and Consumer Affairs Victoria for the majority of its revenue used to operate the business. At the date of this report the board of directors has no reason to believe that these organisations will not continue to support the company.

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: Surplus from Ordinary Activities</b>		
Deficit from ordinary activities before income tax expense has been determined after:		
a. Expenses		
Depreciation of plant and equipment	17,506	14,521
Remuneration of auditor		
- audit of the financial report	9,500	9,000
- other audit related services	2,500	2,000
Loss on disposal of plant and equipment	-	117
Rental expense on operating leases	97,495	92,500
<b>Note 3: Cash and Cash Equivalents</b>		
Cash on hand	600	680
Cash at bank	124,577	265,675
Cash at bank on short-term deposit	339,631	221,740
	464,808	488,095
<b>Note 4: Trade and Other Receivables</b>		
CURRENT		
Sundry debtors and prepayments	40,815	53,445
NON-CURRENT		
Security deposits	4,610	4,610
<b>Note 5: Other Current Assets</b>		
Prepayments	3,056	13,182
<b>Note 6: Plant And Equipment</b>		
Plant and equipment - at cost	81,889	58,551
Less accumulated depreciation	(47,168)	(30,473)
	34,721	28,078
<b>Note 7: Trade and Other Payables</b>		
Trade creditors	35,084	10,943
Sundry creditors and accrued expenses	25,806	35,645
	60,890	46,588
<b>Note 8: Tax Liabilities</b>		
Net Tax Liabilities – GST	14,116	1,365

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<b>Note 9: Provisions</b>		
SHORT-TERM		
Employee benefits	110,018	116,864
LONG-TERM		
Employee benefits	4,264	5,353
<b>Note 10: Other Liabilities</b>		
CURRENT		
Grants received in advance	10,197	35,845
Project Balances:		
CUAC	-	2,924
CAV – Legal & Policy	-	3,995
CAV – Metro Advocacy	188	-
CAV – Outreach	-	24,249
OoH PHIP – Education	29,661	36,059
OoH PHIP – Policy	2,938	1,452
OoH PHIP – Special Grant	18,140	18,140
OoH PHIP – Training	255	1,695
OoH PHIP – SHASP	3,593	-
	64,972	124,359
<b>Note 11: Reserves</b>		
Capital Replacement Reserve	15,000	-

The company has established a capital replacement reserve for the purpose of retaining funds for the acquisition of assets.

**Note 12: Members' Guarantee**

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of full members was 30 (2010: 37).

**Note 13: Events Subsequent to Reporting Date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

	2011	2010
	\$	\$
<b>Note 14: Cash Flow Information</b>		
Reconciliation of cash flow from operations with surplus from ordinary activities after income tax		
Surplus from ordinary activities after income tax	869	20,050
Non-cash flows in surplus from ordinary activities		
Depreciation	17,506	14,521
Loss on disposal of plant and equipment	-	117
Changes in assets and liabilities		
Decrease/(increase) in receivables	12,630	20,879
Decrease/(increase) in other current assets	10,126	(13,182)
Increase/(decrease) in payables	14,302	(11,879)
Increase/(decrease) in provisions	(7,935)	12,666
Increase/(decrease) in tax liabilities	12,751	(24,197)
Increase/(decrease) in other liabilities	(59,387)	(22,649)
Cash inflows (outflows) from operations	862	(3,674)

**Note 15: Leasing Commitments**

## Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

## Payable

- not longer than 1 year	105,000	47,500
- longer than 1 year but not longer than 5 years	165,000	-
- longer than 5 years	-	-
	270,000	47,500

Details of significant leasing arrangements: The company's property lease is a non-cancellable lease with a three-year term, with rent payable monthly in advance. At the expiry of the current lease term, the company has an option to extend the lease for a further period of three years.

**Note 16: Company Details**

The registered office and principal place of business of the company is:  
55 Johnston Street, Fitzroy VIC 3065.

**Note 17: Contingent Liability**

The company operates programs and in return receives funding under agreement with the Victorian and Commonwealth Governments. It is a condition of receipt of these grant funds that in the event of the company ceasing to operate the programs under agreement, or upon voluntary winding up of the company, the company is required to return control of the assets to the Victorian and Commonwealth Governments.

**Note 18: Accounting Policies**

The following amendments have been identified which may impact the entity in the period of initial application. These are available for early adoption at 30 June 2011, but have not been applied in preparing these financial statements:

AASB 9 *Financial Instruments* includes requirements for the classification and measurement of financial assets resulting from the first Phase 1 of the project to replace AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 will become mandatory for the entity 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The company has not yet determined the potential effect of the standard.

AASB 124 Related Party Disclosures (revised December 2009) simplifies and clarifies the intended meaning of the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities. The amendments, which will become mandatory for Company's 30 June 2012 financial statements, are not expected to have any impact on the financial statements.

## **Directors' Declaration**

### **Tenants Union of Victoria Ltd ACN 081 348 227**

The directors have determined that the company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 of the financial statements.

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001 and:
  - a. comply with Accounting Standards; and
  - b. give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**Anthony Wing**

Chairperson

Dated this 12th day of September 2011

**Independent Audit Report**  
**To the Members of Tenants Union of Victoria Limited**  
**Tenants Union of Victoria Ltd ACN 081 348 227**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Tenants Union of Victoria Limited, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Tenants Union of Victoria Limited on 12 September 2011, would be in the same terms if provided to the directors as at the date of this auditor's report.

### **Audit opinion**

In our opinion, the financial report of Tenants Union of Victoria Limited is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

C.W. Stirling & Co.  
Chartered Accountants



---

**John A. Phillips**

Partner

Dated this 12th day of September 2011  
Melbourne

**Compilation Report  
For the Directors of Tenants Union of Victoria Limited  
Tenants Union of Victoria Ltd ACN 081 348 227**

On the basis of information provided by the Directors of Tenants Union of Victoria Limited, we have compiled in accordance with APES 315: Compilation of Financial Information, the special purpose financial report of Tenants Union of Victoria Limited for the period ended 30 June 2011 as set out on the following pages.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the company and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

C.W. Stirling & Co.  
Chartered Accountants



---

**John A. Phillips**

Partner

Dated this 12th day of September 2011  
Melbourne

## Detailed Operating Statement For The Year Ended 30 June 2011

Tenants Union of Victoria Ltd ACN 081 348 227

	2011	2010
	\$	\$
<b>Income</b>		
Grants – recurrent	1,758,336	1,701,958
Grants – non-recurrent	37,550	117,207
Interest earned	24,444	14,981
Membership fees	1,860	1,535
Other income	56,609	108,557
<b>Total Income</b>	<b>1,878,799</b>	<b>1,944,238</b>
<b>Less Expenditure</b>		
Accounting and audit fees	12,000	11,000
Archiving costs	4,082	7,015
Bank charges	1,872	951
Capital equipment	4,906	1,435
Catering – meetings	2,016	1,814
Cleaning	13,323	13,227
Computer software & consumables	1,291	6,722
Consultancy – IT support	90,536	102,587
Consultancy – other	6,980	29,092
Depreciation	17,506	14,521
Disbursements	6,998	9,806
Employment advertisements	2,756	1,031
Gas/electricity	7,771	6,756
Insurances	3,257	813
Library	19,819	19,368
Loss on disposal of assets	-	117
Miscellaneous	6,650	5,588
Payroll	1,186,648	1,170,997
Photocopying	9,194	7,863
Postage and freight	10,336	9,054
Practising certificates	1,373	1,801
Printing	41,114	33,813
Publications program	68,393	91,462
Publicity	12,843	20,840

<b>Expenditure</b> (continued)	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
Rent	97,495	92,929
Repairs and maintenance	5,878	13,450
Security	959	1,565
Special projects	25,784	13,830
Staff amenities	13,844	12,145
Staff development and training	12,513	22,936
Stationery	11,311	10,630
Subscriptions and memberships	11,645	14,773
Superannuation	106,095	113,631
Telephone	29,690	27,028
Travel	26,822	26,401
Waste Removal	1,892	1,593
Workcover	2,338	5,604
<b>Total Expense</b>	<b>1,877,930</b>	<b>1,924,188</b>
<b>Surplus for the Year</b>	<b>869</b>	<b>20,050</b>

The detailed operating statement should be read in conjunction with the attached Compilation Report of C.W. Stirling & Co., Chartered Accountants.





*Yes, what else but home?*  
Robert Frost



55 Johnston Street Fitzroy  
PO Box 234 Fitzroy 3065

☎ 9411 1444

Fax: 9416 0513

Email: [admin@tuv.org.au](mailto:admin@tuv.org.au)

Website: [www.tuv.org.au](http://www.tuv.org.au)

Original cover painting by Damian Fitzgerald © 2002