



03
04

tenants union of victoria
annual report
2003-2004

Contents

| | |
|---|-----------|
| Mission | 2 |
| Major Achievements | 2 |
| Chairperson’s Report | 3 |
| Chief Executive Officer’s Report | 4 |
| Strategic Plan | 5 |
| Social Change | 7 |
| Media Log | 8 |
| Legal Services | 9 |
| Advice Service | 9 |
| Rooming House Service | 10 |
| Casework | 11 |
| Specialist Legal Work | 11 |
| Regional Services | 12 |
| Western PHAP Service | 12 |
| Northern Consumer & Tenant Advice Service | 13 |
| Specialist Services | 15 |
| Community Education | 15 |
| Publications | 16 |
| Training | 17 |
| Administration Services | 18 |
| Personnel | 19 |
| Staff | 19 |
| Volunteers | 20 |
| Financial Statements | 21 |
| Directors’ Report | 21 |
| Statement of Financial Performance | 26 |
| Statement of Financial Position | 27 |
| Statement of Cash Flows | 28 |
| Notes to the Financial Statements | 29 |
| Directors’ Declaration | 34 |
| Independent Audit Report | 35 |
| Compilation Report | 37 |
| Detailed Operating Statement | 38 |

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 2003/2004

- > **28,000+** clients statewide including:
 - > 6,500+ public tenants
 - > 19,500+ private tenants
 - > 870 consumers
- > **975** clients assisted through casework
- > **200+** VCAT (Residential Tenancies List) representations
- > **1,400+** organisational clients statewide
- > **4,000+** NESB clients
- > **50+** education activities to a total audience of more than **1,500** tenants and services
- > publication of:
 - > the *Tenancy Worker's Survival Kit*, a comprehensive problem-solving manual for tenancy and housing workers
 - > the *Public Housing Tenant's Handbook*, an information guide for public housing residents
 - > the *Rooming House Resident's Handbook*, an information guide for rooming house residents
 - > *Tenants Rights*, a multilingual information guide for residential tenants
 - > *Tenancy Quarterly*, a journal for housing and tenancy workers
 - > *Tenant News*, a newsletter for Victorian tenants (distributed to more than 3,000 households per edition)
 - > 28 fact sheets on common residential tenancy problems
 - > **127,000+** individual user sessions on the TU website
- > **32 days** of training to tenancy workers across the state
- > **100+** articles or appearances in statewide and local media
- > **5,800+** clients assisted by the TU Western Region Public Tenant Service
- > **13,000+ hours** of community facilities usage for the benefit of public tenants in the Western metropolitan region
- > **640+** clients assisted by the TU Rooming House Service
- > **800+** consumer clients assisted by the TU Consumer and Tenant Advice Service Northern

Chairperson's Report

On behalf of the Tenants Union of Victoria Board of Directors I take great pleasure in presenting the Annual Report for 2003/04. The Annual Report documents the work of the organisation throughout the year and highlights the vital role the Tenants Union plays in promoting the rights and interests of residential tenants in Victoria.

Over the last twelve months the Board has continued to work towards the full implementation of our strategic direction. As part of our annual process of review we identified the need to clearly articulate our strategic intent to internal and external stakeholders. We completed our Statement of Strategic Intent in October last year.

Importantly the Statement of Strategic Intent correctly identified risk issues that were soon evident with the changes to program and funding arrangements announced by the Minister for CAV in November 2003. A key aspect of our strategic direction is the work we are undertaking to diversify our income base. This work has continued, albeit modestly, over the last twelve months and we are soon to undertake some critical market research to inform the next phase of our income diversification project.

We are very pleased that work has continued on the implementation of our Social Change Agenda. This year we have again made significant contributions to government reviews including the Commonwealth Inquiry into Poverty and Financial Hardship. The continuing deterioration in housing affordability has fortunately not affected the rental sector as much as access to first home purchase. However, lack of affordable private rental remains high, with the consequent financial hardship this creates for low-income tenants. There are of course many other non-financial issues also facing tenants. We are continuing to address the many challenges confronting tenants through implementing our Social Change Agenda and by focussing our work where it is likely to have the largest impact and make the most abiding difference.

Whilst we focus on our strategic direction we should not forget the important work undertaken on a day-to-day basis to assist so many individual tenants to solve their everyday 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.

We were disappointed that our overall client numbers declined below our target level for the first time in a number of years. We have no doubt that this is partly due to the uncertainty created by the program changes at Consumer Affairs Victoria (CAV), but we are continuing to investigate ways to reach out to tenants with our services.

I would like to thank my fellow Board members for the substantial commitment and effort they have given throughout this year, particularly in light of the additional time required to implement the strategic direction. In particular, I would like to acknowledge David Hayward who departed the Board this year and thank him for his contribution to the organisation. We are fortunate to have retained a fine range of interests and skills across the Board. It has been another highly productive year for the Tenants Union resulting in some very tangible benefits to the organisation and the people we represent.



Maree Arnason
Chairperson

Chief Executive Officer's Report

As the year ends we are confronted with a great deal of uncertainty with changes to the community program funded by CAV. The program provides advice and advocacy to tenants and consumers and is delivered by community organisations across the state. Following an announcement in November 2003, the State Government released a report by John Scheffer MP in March this year that recommended a radical overhaul of the current program.

In essence the Scheffer report recommended:

- > that all enquiries be centralised to CAV through a 1300 service
- > that CAV establishes regional offices in 5 regional centres in Victoria (Ballarat, Bendigo, Geelong, Wangaratta and Morwell)
- > that where appropriate CAV continues to refer vulnerable and disadvantaged consumers, who have specific needs requiring assistance at a local level, to community based legal organisations
- > that pilot programs be established for a panel of regional advocates to undertake advocacy for vulnerable and disadvantaged tenants and consumers
- > that the community education activity be centralised to CAV
- > that specialist functions to be determined be outsourced to relevant external agencies

A core group of community agencies, including the Tenants Union, has been asked to be involved in monitoring the implementation of the program changes and we are currently seeking to identify and agree on the critical success indicators for the changes and to ensure the best outcome for Victorian tenants.

While there are many aspects of the report that are positive, the Tenants Union remains very concerned about the future of our own service and the services provided to tenants generally. In addition, the scale and timing of the program changes have created a great deal of uncertainty for our staff and our clients.

We were fortunate however to secure an overall increase in recurrent funding in this financial year and wish to acknowledge the contribution of the following funding bodies in enabling the Tenants Union to work towards its objectives:

- > Consumer Affairs Victoria – Fair Trading Program
- > Office of Housing – Public Housing Advocacy Program
- > Victoria Legal Aid
- > Family and Community Services (Commonwealth)

Throughout this year, as the Annual Report makes evident, the staff of the Tenants Union has delivered 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 Union are a credit to the commitment and skills of all staff who should be commended for another excellent year's work.

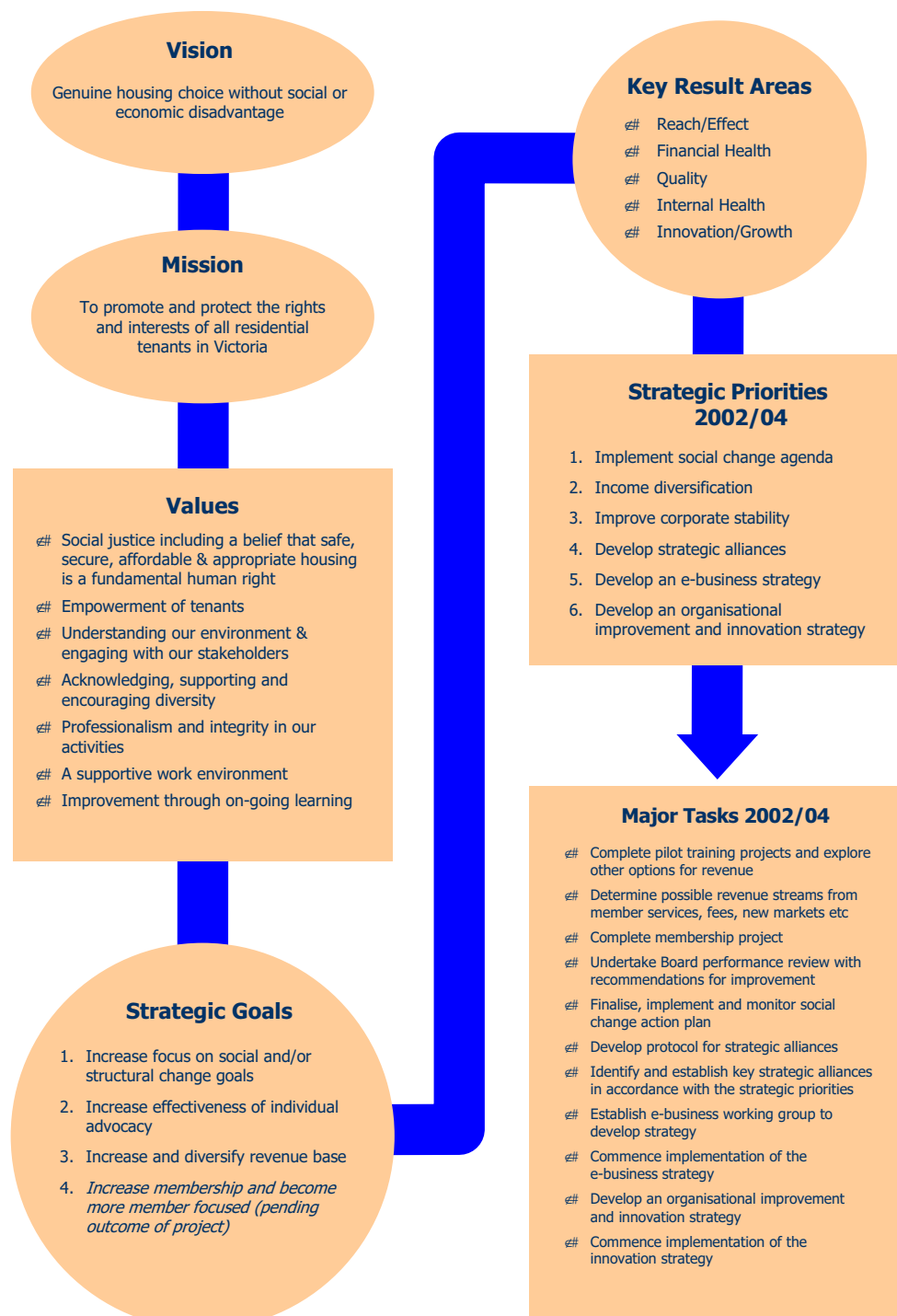


Mark O'Brien
Chief Executive Officer

Strategic Plan

The current Strategic Plan and a status report against the Key Result Areas and are outlined below.

Tenants Union of Victoria, Strategic Plan 2002/04



Tenants Union of Victoria, Key Result Areas 2003/04

| Area | Indicator | Target | Comment | |
|---------------------------------------|--|--|--|-----------|
| Reach | Achievement of social change goals | Report to Board x 6-monthly | Achieved. Refer to Social Change section of the Annual Report | |
| | Participation in policy reviews | Active participation in all relevant reviews | Participation in the following major policy reviews: > Review of Retirement Villages Act > Review of Disability Services > Federal Senate Inquiry into Poverty > Victorian Ministerial Housing Council | |
| | Campaign involvement | 1 major statewide campaign | Achieved. Refer to Social Change section of the Annual Report | |
| | Joint project involvement | Document joint projects x quarterly | Participation in the following joint projects: > VCOSS Housing & Human Rights project > Inner Urban Rooming House project | |
| | No. of media articles x type | 1 per month (local) 1 per month (statewide) | 50+ media appearances. Refer to Media Log in Social Change section of Annual Report | |
| | No. of clients overall | 34,100 tenants & 1,000 consumers p.a. Central Phone 22,000 Inner 2,000 West 8,000 North (tenants) 2,000 North (consumers) 1,000 | Total clients for 2003/04: Central Phone 17,391 -20.9% Inner 2,421 +20.1% West 5,873 -26.6% North (tenants) 1,595 -20.3% North (consumers) 877 -12.3% | |
| | No. of advocacy clients | 80% of clients advice & information assist only | 81% of clients advice & information assistance only | |
| | No. of research projects | 2 research papers per annum | Research papers prepared on: >Private Rental Investment >Commonwealth Rent Assistance | |
| | No. of education forums | 34 minimum (+ <10) forums per annum Inner 12 North 22 | Community education activities for 2003/04: Inner 60+ +100% North 60+ +100% | |
| | No. of days training provision | 30 days per annum | 32 days in 2003/04. Some cancellations due to funding and service changes | |
| | Distribution of publications | All targets per annum: Fact Sheets 100,000 Handbooks (x 5) 20,000 Tenant News 4 x 2,500 Web (user sessions)30,000 | Total distribution for 2003/04: Fact Sheets 124,326 +24.3% Handbooks (x 2) 3,154 -84% Tenant News 13,050 +30.5% Web (user sessions) 127,356 +325%! | |
| | Financial Health | Budget for social change work | % increase annually | No change |
| | | Proportion of discretionary funding | >1% | No change |
| Proportion of non/government funding | | >1% | No change | |
| Minimise accumulated deficits/surplus | | <+4% surplus, -0% deficit | No project deficits. Overall surplus of 6% | |
| Quality | Document service trends | Service Area reports x quarterly | Service Area reports provided. Service trends shown in Annual Report | |
| | Abandoned call rate (Fitzroy only) | Average <20% | Average abandoned call rate = 19% | |
| | Client satisfaction: advocacy | >80% | Surveys conducted in November 2003 and June 2004. Av. satisfaction rate = 95%+ | |
| | Client satisfaction: training | >90% | Survey conducted for each session. Av. satisfaction rate = 80%+ | |
| | Client satisfaction: publications | >90% | Surveys conducted in November 2003 and June 2004. Av. satisfaction rate = 95%+ | |
| | Compliance with service guidelines | No exceptions | No exceptions | |
| | No. of client complaints | No exceptions | 2 complaints | |
| Internal Health | Level of unplanned turnover | < 5% per annum | 16% total turnover app. 5% 'unplanned' | |
| | Level of absenteeism | < 3% average per annum | Approx. 4% absenteeism (393 lost days) | |
| | Staff satisfaction | +75% | Due to funding and service changes no survey conducted this year | |
| | Compliance with Workplace Diversity Policy | No exceptions | No exceptions | |
| | Compliance with EEO, OHS Workcover etc | No exceptions | No exceptions | |
| | Achievement of staff development goals | No exceptions | Some exceptions. Professional development process requires further refinement | |
| Innovation | New alliances developed | | Ongoing alliances established with VCOSS and Council to Homeless Persons | |
| | New services implemented | | No new services. Improvement in service evaluation | |
| | Service innovations implemented | | Focus on service improvement. No service innovations | |

Social Change

The Tenants Union undertakes research, policy formulation, lobbying and media work to represent the interests of tenants and to highlight the impact of living in the rental sector on tenants' everyday lives.

One of the key goals of the current Strategic Plan is to ensure an increased focus on the social change work undertaken by the Tenants Union. We have developed a comprehensive Social Change Agenda and Action Plan that focuses on four key problem areas in the rental sector:

- > **legitimacy:** to positively promote issues affecting tenants and the rental sector in the public domain and with government and industry decision makers
- > **affordability:** to address the parlous financial situation of many tenants, particularly in the private rental sector
- > **appropriateness:** to address the poor standard and location of rental housing and the essentially limited legislative protections for tenants
- > **accessibility:** to address non-financial barriers to housing in the rental sector including discrimination

The primary purpose of the Social Change Agenda is to ensure that we stay focused on the areas of most significant impact and reach.

In 2003/04 we:

- > continued to lobby the State Government in regard to amendments to the residential tenancies legislation, including caravan parks and rooming houses
- > continued to lobby the State Government to improve the policies and procedures for public housing through active participation in policy reviews
- > participated in the Victorian Ministerial Housing Council
- > participated in the VCAT Residential Tenancies List Users Group to identify systemic problems with VCAT processes and practice
- > participated in Quarterly Forums sponsored by the Director of CAV to maintain an overview of residential tenancies services
- > continued to provide feedback about the improvement of state and federal privacy legislation and its impact on private tenancy databases
- > promoted tenancy issues in both local and statewide media
- > lobbied the Federal Government and Opposition to ensure that federal housing policy is responsive to the needs of tenants in the private and public sectors
- > continued to lobby the State Government for funding for a peak consumer housing organisation
- > continued to participate in the National Association of Tenant Organisations

Major achievements in 2003/04 included:

- > more than **150** articles or interviews in print or on radio
- > submissions to Federal and State Inquiries including: Commonwealth Inquiry into Poverty & Financial Hardship; Commonwealth Inquiry into Housing Affordability; State Review of Disability Legislation; State Review of Retirement Villages Act
- > completion of a detailed discussion paper on Commonwealth Rent Assistance

Media Log

| Media | Date | Type of Contact | Topic |
|-------------------------------|-----------------|----------------------------------|---|
| Mildura Midweek | 1/7/03 | Media Release | Heating in Rooming Houses |
| Bendigo Advertiser | 3/7/03 | Media Release | Heating in Rooming Houses |
| Springvale Dandenong Leader | 7/7/03 | Interview | Rooming Houses |
| 774 ABC Radio | 22/7/03 | Interview | Public Housing Rent Increases |
| ABC Radio News | 22/7/03 | Quotes from Interview | Public Housing Rent Increases |
| ABC Regional Radio | 23/7/03 | Interview | Public Housing Rent Increases |
| The Age | 23/7/03 | Interview (media release) | Public Housing Rent Increases |
| The Melbourne Times | 23/7/03 | Interview (media release) | Public Housing Rent Increases |
| Emerald Hill Times | 23/7/03 | Interview (media release) | Public Housing Rent Increases |
| Sunraysia Daily (Mildura) | 23/7/03 | Interview (media release) | Public Housing Rent Increases |
| Herald Sun | 28/7/03 | Interview (media release) | Public Housing Rent Increases |
| Bendigo Advertiser | 28/7/03 | Interview (media release) | Public Housing Rent Increases |
| Melbourne Leader | 28/7/03 | Interview (media release) | Public Housing Rent Increases |
| Swan Hill Guardian | 1/8/03 | Interview (media release) | Public Housing Rent Increases |
| Portland Observer | 1/8/03 | Interview (media release) | Public Housing Rent Increases |
| The Sunday Age | 3/8/03 | Interview | Lack of Affordable Rental Housing |
| Melbourne Yarra Leader | 4/8/03 | Interview | Public Housing Rent Increases |
| SBS Radio | 6/8/03 | Interview | Costello Housing Affordability Inquiry |
| Channel 9 News | 6/8/03 | Interview | Loss of Rooming House Stock |
| 3AK | 8/8/03 | Interview | Public Housing Rent Increases |
| Riverine Herald | 8/8/03 | Interview (media release) | Costello Housing Affordability Inquiry |
| The Sunday Age | 17/8/03 | Interview (media release) | Public Housing Rent Increases |
| Herald Sun | 16/8/03 | Letter | Public Housing Tenants are Not Vandals |
| SBS Radio | 18/8/03 | Interview | Costello Housing Affordability Inquiry |
| Knox Journal | 20/8/03 | Quote (media release) | Costello Housing Affordability Inquiry |
| The Age | 5/9/03 | Feature article | Tenant Databases |
| Port Phillip Leader | 15/9/03 | Interview | Rooming Houses in Port Phillip |
| Moreland Leader | 29/9/03 | Mention TUV | Review of Body Corporates |
| Herald Sun | 2/10/03 | Interview | Complaints about REAs |
| Cranbourne News | 2/10/03 | Mention TUV | Review of Body Corporates |
| The Age | 4/10/03 | Interview | Commonwealth Rent Assistance |
| Community News Moreland | 21/10/03 | Interview | Costello Housing Affordability Inquiry |
| Stonnington Leader | 27/10/03 | Mention TUV | Review of Body Corporates |
| Melbourne Property Guide | 5/11/03 | Interview | SMS Rent Payment Scheme |
| Springvale Dandenong Leader | 10/11/03 | Interview | Affordability in the Rental Market |
| Berwick Leader | 11/11/03 | Interview | Affordability in the Rental Market |
| Pakenham Leader | 11/11/03 | Interview | Affordability in the Rental Market |
| Cranbourne Leader | 12/11/03 | Interview | Affordability in the Rental Market |
| 3AK | 25/11/03 | Interview | Tenant Databases |
| Bendigo Advertiser | 26/11/03 | Interview | Repairs |
| The Asian Times | December | Feature Interview | Tenancy Advice |
| Springvale Dandenong Leader | 1/12/03 | Interview | Funding to Tenancy Services |
| Stonnington Leader | 1/12/03 | Interview | Funding to Tenancy Services |
| Herald Sun | 19/1/04 | Mention TUV | Student Housing |
| Global Tenant | Jan edition | Extract from Tenant News | Housing Bubble |
| CHIRS Infoxchange website | 11/2/04 | Interview | Housing Associations |
| Melbourne Times | 18/2/04 | Media Release | Flood Damage Repairs |
| Hume Leader | 24/2/04 | Interview | Public Housing Waiting Lists |
| Brimbank Leader | 24/2/04 | Interview | Public Housing Waiting Lists |
| The Age – Domain | 28/2/04 | Interview | Co-tenant Disputes |
| Sunday Age | 29/2/04 | Interview | Property Managers |
| CHIRS Infoxchange website | 24/3/04 | Media Release | CAV Service Reforms |
| PHAP Infoxchange website | 24/3/04 | Media Release | CAV Service Reforms |
| Wangaratta Chronicle | 26/3/04 | Media Release | CAV Service Reforms |
| Parity | April | Article | Rooming House Service Model |
| Parity | April | Article | Rooming House Legislation |
| Parity | April | Article | Rooming House Policy Issues |
| 774 ABC Radio | 1/4/04 | Interview | CAV Service Reforms |
| Melbourne Times | 7/4/04 | Letter | Public Private Partnerships and Kensington |
| Wangaratta Chronicle | 7/4/04 | Mention TUV | CAV Service Reforms – Minister’s Response |
| CHIRS Infoxchange website | 14/4/04 | Interview | Spotlight on TUV |
| 3CR – women’s current affairs | 22/4/04 | Interview | Lack of Affordable Housing and Investment Issues |
| ABC Regional Radio | 23/4/04 | Media Release | Tenant Databases and Privacy Act |
| The Age – Domain Express | 24/4/04 | Interview | Tenant Disputes; Lack of Affordable Housing |
| PHAP Infoxchange website | 26/4/04 | Media Release | Tenant Databases and Privacy Act |
| PHAP Infoxchange website | 26/4/04 | Media Release | CAV Service Reforms |
| The Big Issue | 28/4/04 | Interview | Housing Investment |
| CHIRS Infoxchange website | 28/4/04 | Media Release | Tenant Databases and Privacy Act |
| Hume Leader | 11/5/04 | Interview | Housing Associations |
| Emerald Hill Times | 12/5/04 | Interview | Vacancy Rates and Affordability in Private Rental |
| Melbourne Yarra Leader | 17/5/04 | Media Release | Heating in Rooming Houses |
| Moonee Valley Leader | 17/5/04 | Media Release | Heating in Rooming Houses |
| Mildura Midweek | 18/5/04 | Media Release | Heating in Rooming Houses |
| Melbourne Times | 19/5/04 | Interview | Blank Bond Claim Forms |
| Melbourne Chinese Post | 21/5/04 | Media Release | Heating in Rooming Houses |
| The Age | 29/5/04 | Interview | Utility Connection Companies and Tenants |
| The Age | 26/06/04 | Interview | Rent Roll ‘Holiday’ Plan Under Scrutiny |

Legal Services

Advice Service

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

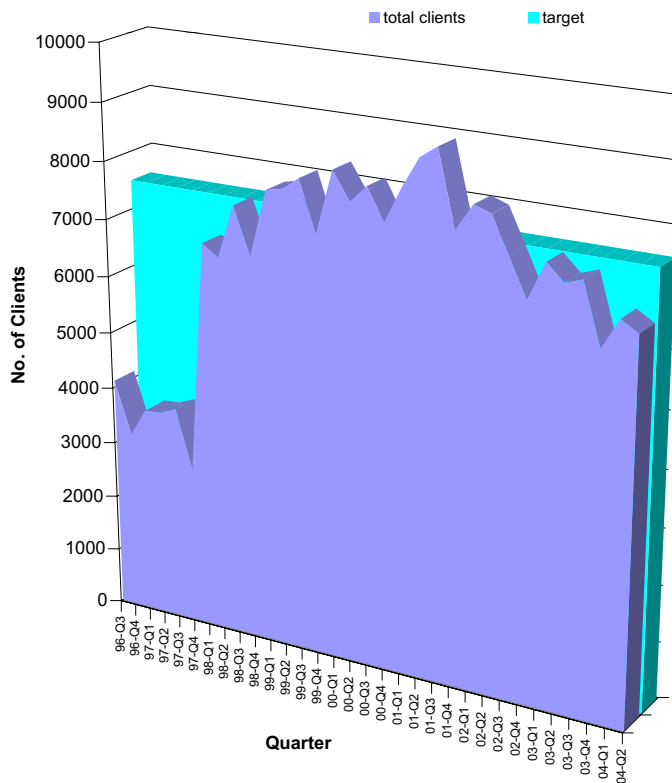
The service is structured to facilitate initial contact through the centralised telephone advice line, with queuing capacity for up to five callers. Where necessary, referrals are made to the Tenants Union’s own regional services or to public and private tenant services across the state.

The structure of the advice 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.

About 80% of all clients are assisted with basic advice and information, largely by telephone.

The figure below illustrates the trends in client assistance from 1996/97 to 2003/04.

Advice Service Clients x Quarter 1996/97 to 2003/04



(Source: TUV Client Service Data)

The centralised phone service operates with a minimum of two advisers from 9:00am to 4:30pm Monday, Tuesday, Thursday and Friday and from 4:30pm to 8:00pm on Wednesday.

As at 30 June 2004 the Tenants Union's general tenant advice (excluding the Western PHAP service) had locations at:

- > St Kilda
- > Epping
- > Glenroy
- > Preston

During 2003/04, through the general tenant's advice service we achieved a total of 21,443 client contacts comprising:

- > 18,070 telephone contacts
- > 2,746 in-person contacts
- > 627 mail contacts (largely through our newly established e-mail service)
- > a total of **488 new** casework clients
- > **more than 500** in-person clients from non-English speaking backgrounds
- > **more than 180** clients receiving VCAT/Office of Housing Appeals representation

During this period we assisted tenants with a vast range of tenancy issues and problems. The five most common specific issues were:

- > repairs 4,219 enquiries
- > bond recovery/retention 2,622 enquiries
- > lease breaking 2,456 enquiries
- > compensation 2,176 enquiries
- > notice to vacate 2,038 enquiries

Rooming House Service

The purpose of the Rooming House Service is to provide effective assistance to rooming house residents across Victoria. The service operates during normal business hours and provides both basic advice and information and casework services as required.

In 2003/04 the Rooming House Service:

- > provided telephone advice to 382 rooming house residents
- > provided drop-in advice to 247 residents
- > provided casework assistance for 131 residents
- > undertook 41 representations at VCAT

The Rooming House Service has developed and implemented a highly successful community education program focused on basic resident rights and working with agencies providing services to rooming house residents including local government.

The Rooming House Service staff has also conducted training on rooming house issues for a range of community sector workers in both metropolitan Melbourne and regional areas.

Casework

Casework services are provided to those clients who require more than basic advice and information. Casework services include negotiation with landlords and agents, drafting of letters or documents, preparation of submissions and where required, representation or support of clients at VCAT.

All casework is supervised by legally qualified staff.

During 2003/04 we assisted more than **881 new** clients with casework services. The table below summarises our continued assistance to tenants through casework services.

CLCP Casework Comparison 2002/03 v 2003/04

| | 2002/03 | 2003/04 |
|---------------------------------|---------|---------|
| Number of files open at 1 July | 722 | 68* |
| Number of cases opened | 391 | 435 |
| Number of cases closed | 509 | 357 |
| Number of files open at 30 June | 604 | 78 |

*A reconciliation of casework files occurred at 30 June 2004 in the changeover between the MS and CLSIS casework reporting systems

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

Specialist Legal Work

The Tenants Union also provides specialist legal services including:

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

During 2003/04 we assisted with **1,397** organisational enquiries from a wide range of agencies and services.

We also distributed a number of memos to tenancy workers across the state addressing complex legal issues or refinements in interpretation of the 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.

Regional Services

Western Region PHAP Service

The Western Region Public Housing Advocacy Program (PHAP) Service has two core component services:

- > public tenancy advice and referral service
- > community facilities management

Public Tenancy Advice and Referral Service

The aim of the Public Tenancy Advice and Referral Service is to provide accessible and effective advice and referral services to current and prospective public tenants within the Western metropolitan region.

To ascertain and improve accessibility, client statistics from both the regional telephone and drop-in advice services are monitored. Service locations are assessed and modified where necessary.

As at 30 June 2004 the Tenants Union PHAP service has service locations at:

- > Ascot Vale
- > Carlton
- > Flemington (inc. Crown Street)
- > Footscray (Gordon Street)
- > Kensington
- > Moonee Ponds
- > North Melbourne
- > Sunshine
- > Werribee
- > Williamstown

In addition we operate a regional telephone advice service 40 hours per week to ensure that all clients have easy and immediate access to basic advice and information.

During 2003/04, the PHAP service achieved a total of **5,873** client contacts comprising:

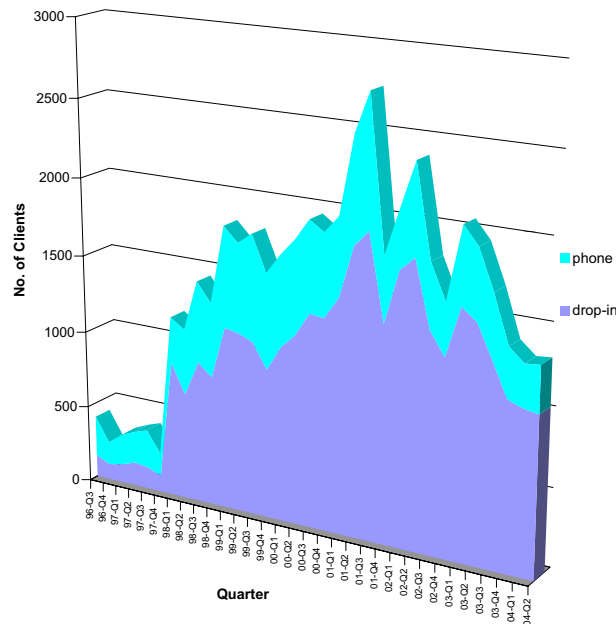
- > 4,418 drop-in contacts
- > 1,273 telephone contacts
- > **4,735 new** clients and 1,138 follow up contacts
- > **2149** contacts from **agencies/organisations** in the region
- > **more than 60%** of clients from non-English speaking backgrounds
- > **1,537** client interviews assisted by interpreting services or bilingual TU staff
- > **more than 150** clients receiving VCAT/Office of Housing Appeals assistance or representation

During the period we assisted clients with a vast range of tenancy issues and problems. The five most common specific issues were:

- > eligibility 1,848 enquiries
- > priority housing 1,632 enquiries
- > repairs 1,267 enquiries
- > transfer/priority transfer 1,253 enquiries
- > rental rebate 456 enquiries

The following graph indicates the continued improvement in client assistance since the establishment of the service:

PHAP Regional Service Clients x Quarter 96/97 to 03/04



(Source: TUV Client Service Data)

Community Facilities Management

The aim of community facilities management is to expand the range and hours of community facilities usage for the benefit of public tenants in the region.

During 2003/04 we achieved:

- > **13,052 hours** of specific purpose usage (a **20% increase** from 2002/03)
- > average regular usage of 617 hours per month (a slight decrease from 02/03)
- > average non-regular usage of 470 hours per month (an increase from 02/03)

The categories of facilities usage were:

- > tenant group meetings, social gatherings and administration duties (8,363 hours)
- > community agency support services such as health promotion activities, language classes, local government services, educational services (2,012 hours)

Northern Consumer & Tenant Advice Service

The Consumer & Tenant Advice Service Northern has responsibility for providing an accessible advice service for tenants and consumers and for undertaking community education in the Northern metropolitan region. The service covers the government areas of Darebin, Banyule, Whittlesea, Moreland, Hume, and Nillumbik.

The Northern region service delivers a total of 87.5 hours of access per week across the region from the central location in Preston and outreach service locations in Glenroy, Greensborough, Epping and Sunbury.

During 2003/04 the Consumer & Tenant Advice Service Northern achieved:

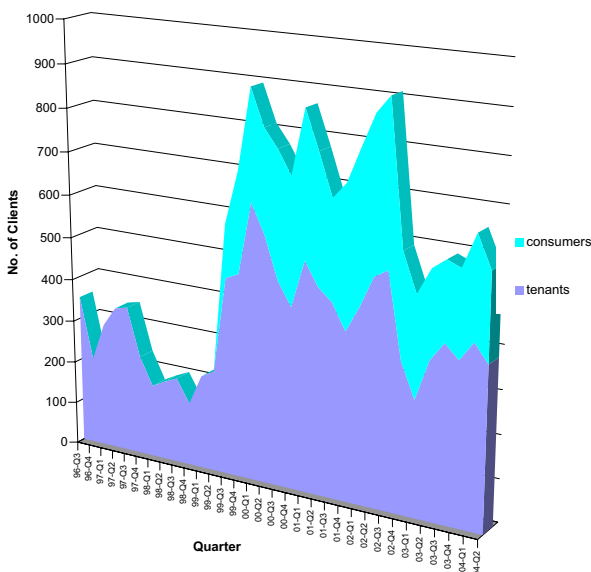
- > advice to **1,595** tenancy clients
- > advice to **877** consumer clients
- > advice to **52** organisational clients
- > casework services to **165** tenancy and consumer clients
- > **more than 60** regional community education activities
- > generation of or participation in regional media activities
- > publication of **2** editions of the consumer newsletter, *All Consuming*

The service was also involved in a number of regional networks including the North East Region Settlement Issues Network, the Hume and Moreland Multicultural Workers Networks, the Broadmeadows, Sunbury and Whittlesea Housing Networks, Darebin Aboriginal Support Network and the Consumer Support Workers Network.

During 2003/04 the service also participated in the following joint projects:

- > a joint project with the Smith Family to establish a positive car project for at risk young people in our region. Based on the successful NRMA *Jumpstart Program*, the pilot project offers an introduction to basic automotive skills for at risk young people
- > working with the (Broadmeadows) Smith Family, the Centre for Multicultural Youth Issues and Hume local government youth workers to establish the outline of a program to be offered weekly over a 10-week period
- > participation on a steering committee overseeing an online banking project. The project involved the development of teaching materials about online banking for low literacy adults
- > working with CAV to develop consumer curriculum for secondary schools

Northern Service Clients x Quarter 96/97 to 03/04



(Source: TUV Client Service Data)

Specialist Services

Community Education

A core objective of the Tenants Union is:

To take all reasonable steps to provide equitable and accessible services to individuals from socially, culturally and linguistically diverse backgrounds and situations.

To assist with the achievement of this objective the Tenants Union community education program has two key elements:

- > community education activities for tenants from linguistically and culturally diverse backgrounds and for relevant services and agencies
- > continued implementation of a comprehensive Workplace Diversity Policy

As part of our commitment to continuous improvement through ongoing learning we undertook a review of our community education activity in early 2003. The outcome of the review was a set of strategies to guide the development of our community education program. The key strategies are:

- > to establish a statewide role in the coordination, training and linking of community education projects for funded tenancy services
- > to develop alliances and undertake collaborative work with relevant groups to optimise the use of resources
- > to develop and implement an integrated community education program with key messages and identified target groups
- > to develop and implement a range of community education projects and resources that address the specific information needs of the relevant target groups
- > to develop the necessary resources for the effective delivery of the community education program, including information to directly assist tenants in resolving their tenancy issues
- > evaluation of each project and periodic evaluation of the community education program against the overall objectives and principles outlined above

During 2003/04 we achieved:

- > more than **60** regional community education activities to a total audience of **more than 1,500** non-English speaking tenants and multicultural service workers
- > at least one service promotion activity or meeting each week to a range of relevant services

To further assist with service referral the Community Education program workers are involved in key regional networks including Migrant Resources Centre (MRC) groups and Department of Immigration & Multicultural Affairs Settlement Advisory Committees.

In addition the following joint projects were commenced or undertaken this year:

- > a collaborative project with the Adult Multicultural Education Service (AMES) and the St Kilda Legal Service to address the information needs of newly arrived migrants on legal issues including tenancy
- > a collaborative project with AMES and the St Kilda Legal Service to address the information needs of small and emerging communities on specific legal issues including tenancy
- > a collaborative project with the South-Central and Eastern MRCs to identify 'best practice' housing information for newly arrived migrants

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 via our telephone and drop-in services, our community education program and other relevant services.

Publications or other resources distributed in 2003/04 include:

- > **124,000+** fact sheets covering 28 common residential tenancy problems
- > **3,152** handbooks for public tenants and residents of rooming houses
- > **250** updates to the *Tenancy Worker's Survival Kit*
- > **1** issue of *Tenancy Quarterly*, a journal for tenancy and housing services
- > **4** issues of *Tenant News*, a quarterly newsletter for tenants for **3,000+** readers each edition
- > **127,000+** individual user sessions on the TU website including **4,800+ page views** of our multilingual information

During 2003/04 the handbooks for transitional housing tenants and caravan park residents were revised and updated to incorporate the recent RTA amendments and were published in late June 2004.

All publications met the organisation's Style Guidelines and were vetted by Tenants Union solicitors to ensure legal currency and accuracy.



We continued to produce *Tenant News*, our quarterly newsletter for Victorian tenants. Each issue contains legal advice and information and articles of general interest to tenants. Each issue of *Tenant News* is also posted to our website. Articles are regularly quoted or reproduced by the media, particularly regional media, and resulted in a number of media interviews.



During this year we also reviewed and redesigned our entire range of fact sheets. The fact sheets address specific issues that tenants often contact us about. Fact sheets are also posted to our website.

Training

The Tenants Union Training Program is designed to provide initial and ongoing training to tenancy workers within the Tenants Union as well as tenancy workers funded under the CAV Fair Trading Program and the Office of Housing's Public Housing Advocacy Program.

The Tenants Union is a Registered Training Organisation. We currently provide one accredited course, Introduction to Tenancy Law, which includes training on rooming house and caravan park law and VCAT. Successful completion of the course and its assessment activities result in participants gaining a statement of attainment in 'Course in Residential Tenancy Law (Victoria)'.

A Tenancy Training Committee comprising workers from a number of tenancy services and funding bodies meets three times per year to assist us to develop and deliver effective training in line with the National Training Framework.

The following training was offered in 2003/04:

| | |
|-----------------------|--|
| July 2003 | PHAP Network Training CAV Network Training |
| August 2003 | VCAT Training |
| September 2003 | Intermediate Tenancy Law Caravan Park Law Introduction to Office of Housing Policies & Procedures |
| October 2003 | Introduction to Tenancy Law Rooming House Law Regional Advanced Network Training (Shepparton) |
| November 2003 | Intermediate Office of Housing Policies & Procedures CAV Network Training PHAP network Training |
| February 2004 | Introduction to Tenancy Law Advanced Tenancy Law |
| March 2004 | PHAP Network Training Introduction to Office of Housing Policies & Procedures CAV Workers Network Training |
| April 2004 | Intermediate Tenancy Law Rooming House Law VCAT Training |
| May 2004 | Intermediate Office of Housing Policies & Procedures |
| June 2004 | Introduction to Tenancy Law |

Based on feedback and evaluation following each workshop, the Training Program has consistently achieved high participant satisfaction, with **more than 80%** of participants rating the workshops **good or excellent**.

Work is continuing on accreditation of other Tenants Union training courses and the development of more flexible training approaches such as online delivery.

Administration Services

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

In 2003/04 Administration Services:

- > provided effective financial reporting and accountability to the Board, funding bodies and the Australian Securities and Investment Commission (ASIC)
- > developed and maintained the Tenants Union's information technology network with 50 work stations across 19 sites
- > maintained the Tenants Union library and other information resources with over 1800 catalogued items
- > provided effective reception services for the central office of the Tenants Union handling an average of 120 enquiries per day (excluding advice service calls)
- > handled **more than 420** orders for publications with **98%** of all orders filled and returned within 7 days of receipt

Personnel

Staff

Our thanks go to the following staff who left the organisation in 2003/2004 for all their commitment and work during their employment with the Tenants Union: Madonna Boman, Annie Paliwal, Peter Mott, Ben McCarthy, Marian Prickett, Mandy Walmsley, Nicolle Kuna and Corina Kahan.

Staff members as at 30 June 2004 were:

Specialist Services

| | |
|-----------------|----------------------------|
| Mark O'Brien | Chief Executive Officer |
| Michelle Marven | Policy and Liaison Worker |
| Annette McKail | Research Worker |
| Loren Polzot | Training Worker |
| Nona San Pedro | Community Education Worker |
| Karen Bijkersma | Publications Worker |

Western Region Services

| | |
|-----------------|---|
| Sheila Narayan | Western Region Manager |
| Claudia Alvear | Administration Worker/Tenant Worker |
| Amrit Crewe | Tenant Worker |
| Amara Chey | Tenant Worker |
| Anne Donovan | Tenant Worker |
| Ray Martinez | Tenant Worker |
| Larry Sutcliffe | Tenant Worker |
| Yvonne Tran | Tenant Worker |
| Angelica Varas | Tenant Worker |
| Ian Rogers | Tenant Worker |
| Cuong Tran | Tenant Worker |
| Andrew McMillan | Tenant Worker |
| Paul Jenkins | Kensington Redevelopment Project Worker |
| Simon Eramo | Community Facilities Worker |

Northern Services

| | |
|-------------------|----------------------------|
| Jill Newton | Community Education Worker |
| Lee Hansen | Caseworker |
| Annabelle O'Regan | Caseworker |
| Tamar Hopkins | Solicitor/Caseworker |
| Ursula Dutkiewicz | Administration Worker |

Administration Services

| | |
|----------------|----------------------------------|
| John Morgan | Finance & Administration Manager |
| Robyn Simonsen | Bookkeeper |
| Pam Barden | Reception Worker (Unpaid Leave) |
| Marisol Bombal | Reception Worker |
| Anne Smith | Administration Worker |

Legal Services

| | |
|-----------------|---------------------------------|
| Eric Plet | Legal Services Manager (Acting) |
| Cameron Horn | Principal Solicitor |
| Anna Forsyth | Solicitor |
| Bill Grimshaw | Senior Caseworker |
| Bill Darling | Caseworker |
| Brigitte Bailey | Caseworker |
| David Kinnear | Caseworker |
| Tania McKenna | Rooming House Caseworker |
| Colleen Power | Rooming House Caseworker |

Casual and Part-Time Tenant Advisers

Neil Farren

Volunteers

We would also like to gratefully acknowledge the assistance and support of the following volunteers:

Angus Chan
Annette Au-Yueng
Bill Swannie
Cherie Canning
Felicity Bell
Ghia Cari
Melanie Harang
Oliver Frubose

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

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 2004.

Directors

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

| | |
|----------------|-------------------------------------|
| Maree Arnason | Elected 14/11/02 |
| Andrew Walker | Elected 14/11/02 |
| Bruce Wade | Elected 8/10/01 |
| Heather Holst | Elected 14/11/02 |
| Jana Culkova | Elected 14/11/02 |
| Kellie Cheales | Elected 30/10/03 |
| Ross Ferris | Elected 14/11/02 |
| Brigid Henley | Elected 14/11/02. Retired 15/12/03. |
| David Hayward | Elected 8/10/01. Retired 16/3/2004. |

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

Principal Activities

The principal activities of the economic entity during the financial year were:

- > 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 preference
- > to take all reasonable steps to provide equitable and accessible services to individuals from socially, culturally and linguistically diverse backgrounds and situations

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

Operating Results

The surplus of the company for the year amounted to \$1,376.

Review of Operations

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

- > service reach remains strong, particularly in the key strategic area of social change activity, although there has been some decline in client demand over the current financial year
- > financial health remains strong with all projects in surplus and achievement of most funding and service agreement targets
- > service quality remains strong with consistently high client satisfaction levels and no significant exceptions in service audit processes
- > internal health is adequate. Higher turnover than expected due to future funding and service uncertainty

Significant Changes in State of Affairs

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

After Balance Date Events

NIL

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

The Board expects that the above developments will better position the company for future challenges and the delivery of its strategic goals.

Environmental Issues

The environmental issues that are likely to affect the operations of the company in future financial years are as follows:

- > CAV has initiated significant program changes the full extent of which are unclear. It is likely that this will affect both the level of grants and the process for service agreement and delivery
- > the Office of Housing is undertaking a review of the Public Housing Advocacy Program which may have implications for future funding and service levels

Information on Directors

| | |
|--------------------------|---|
| Maree Arnason | Chairperson (Non-executive) |
| Qualifications | BA (Journalism) |
| Experience | Senior manager in public affairs. Board member since 2001. Appointed Chairperson in November 2003 |
| Special Responsibilities | Member of the Governance Committee |
| Andrew Walker | Director |
| Qualifications | LLB (admitted to practice in Australia in March 2000) |
| Experience | Solicitor. Board member since 2002 |
| Special Responsibilities | Member of the Governance Committee |
| Bruce Wade | Director |
| Qualifications | BAppSc, Grad Dip (Applied Finance), MBA |
| Experience | Corporate Banker. Board member since 2001 |
| Special Responsibilities | Member of the Strategy Committee |
| Heather Holst | Director |
| Qualifications | BA, Grad Dip (Education), PhD (in progress) |
| Experience | Community worker. Board member since 2002 |
| Special Responsibilities | Member of the Policy Committee |
| Jana Culkova | Director |
| Qualifications | BA (Business Administration) |
| Experience | Organisational consultant. Board member since 2002 |
| Special Responsibilities | Member of the Strategy Committee |
| Kelli Cheales | Director |
| Qualifications | BA (Public Relations), MA (Marketing), MBA (in progress) |
| Experience | Board member since 2003 |
| Special Responsibilities | Member of the Governance Committee |
| Ross Ferris | Director |
| Qualifications | BEC, Grad Dip (Applied Finance), MBA |
| Experience | Senior manager. Board member since 2002 |
| Special Responsibilities | Member of the Finance Committee |

Directors' Benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, prepared in accordance with Schedule 5 of the Corporation Regulations, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Meetings of Directors

During the financial year, 25 meetings of directors (including committees of directors) were held. Attendances by each director during the year were:

| | Committee 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 |
| Maree Arnason | 6 | 5 | - | - | 5 | 4 | - | - | - | - |
| Andrew Walker | 6 | 4 | - | - | 5 | 4 | - | - | - | - |
| Bruce Wade | 6 | 3 | - | - | - | - | - | - | 4 | 4 |
| Heather Holst | 6 | 5 | - | - | - | - | 4 | 4 | - | - |
| Jana Culkova | 6 | 4 | - | - | - | - | - | - | 4 | 4 |
| Kelli Cheales | 6 | 3 | - | - | 4 | 3 | - | - | - | - |
| Ross Ferris | 6 | 4 | 6 | 6 | - | - | - | - | - | - |
| Brigid Henley | 3 | 3 | - | - | 3 | 2 | - | - | - | - |
| David Hayward | 4 | 3 | - | - | - | - | 3 | 3 | - | - |

Indemnifying Officers or Auditor

During or since the end of the financial year the company has given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

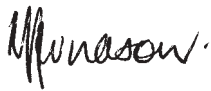
- > directors and officers insurance is held with Victorian Managed Insurance Authority, through the Department of Human Services. Liability is limited to \$20,000,000 for any one claim and \$20,000,000 in the aggregate per organisation subject to non-accumulation. This insurance indemnifies Director(s) and/or executive officer(s) against third party claims for wrongful acts which includes actual or alleged breach of duty, breach of trust, neglect, error, misstatement, misleading statement, omission, breach of warranty of authority or other act wrongfully committed. No premium is payable by the Tenants Union of Victoria Ltd in respect of this policy
- > Fidelity Guarantee insurance is held with CGU Insurance Ltd. Liability is limited to \$100,000 for any one claim and \$100,000 in the aggregate subject to non-accumulation. This insurance indemnifies the Tenants Union of Victoria Ltd for loss of money, securities or other property due to acts of fraud or dishonesty by its employees. A premium of \$2,045 per annum is payable for this policy

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

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



Maree Arnason
Chairperson

Dated this 30th day of September 2004.

Statement of Financial Performance
Tenants Union of Victoria Limited ACN 081 348 227
For the year ended 30 June 2004

| | Note | 2004 \$ | 2003 \$ |
|--|------|-------------|-------------|
| Revenues from ordinary activities | | 2,564,021 | 2,414,925 |
| Employee benefits expense | | (1,924,916) | (1,757,913) |
| Occupancy expense | | (148,438) | (142,185) |
| Depreciation expense | | (41,283) | (33,901) |
| Printing and publications | | (108,465) | (114,247) |
| Capital equipment | | (32,687) | (24,686) |
| Consultancy | | (31,029) | (40,587) |
| Special projects | | (27,793) | (23,677) |
| Other expenses from ordinary activities | | (248,034) | (273,887) |
| Surplus from ordinary activities before income tax expense | 2 | 1,376 | 3,842 |
| Income tax expense relating to ordinary activities | 1(a) | - | - |
| Net surplus from ordinary activities after income tax expense attributable to members of the company | 20 | 1,376 | 3,842 |
| Net (increase)/ decrease in capital reserve recognised directly in equity | | 24,034 | (21,120) |
| Total changes in equity other than those resulting from transactions with members as members | | 25,410 | (17,278) |

The accompanying notes form part of these financial statements.

Statement of Financial Position

Tenants Union of Victoria Limited ACN 081 348 227

As at 30 June 2004

| | Note | 2004 \$ | 2003 \$ |
|--------------------------------------|------|----------------|------------------|
| CURRENT ASSETS | | | |
| Cash assets | 3 | 670,490 | 902,455 |
| Receivables | 4 | 1,970 | 915 |
| TOTAL CURRENT ASSETS | | 672,460 | 903,370 |
| NON-CURRENT ASSETS | | | |
| Receivables | 4 | 5,443 | 5,443 |
| Plant and equipment | 5 | 80,323 | 104,357 |
| TOTAL NON-CURRENT ASSETS | | 85,766 | 109,800 |
| TOTAL ASSETS | | 758,226 | 1,013,170 |
| CURRENT LIABILITIES | | | |
| Payables | 6 | 144,937 | 50,173 |
| Tax liabilities | 7 | 54,165 | 101,612 |
| Provisions | 8 | 126,684 | 80,354 |
| Other | 9 | 282,417 | 601,394 |
| TOTAL CURRENT LIABILITIES | | 608,203 | 888,386 |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 8 | 23,863 | 54,854 |
| TOTAL NON-CURRENT LIABILITIES | | 23,863 | 54,854 |
| TOTAL LIABILITIES | | 632,066 | 888,386 |
| NET ASSETS | | 126,160 | 124,784 |
| EQUITY | | | |
| Capital reserve | 11 | 80,323 | 104,357 |
| Accumulated surplus | 12 | 45,837 | 20,427 |
| TOTAL EQUITY | | 126,160 | 124,784 |

The accompanying notes form part of these financial statements.

Statement of Cash Flows

Tenants Union of Victoria Limited ACN 081 348 227

For the year ended 30 June 2004

| | Note | 2004 \$ | 2003 \$ |
|---|------|-------------|-------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Receipts from government and other sources | | 2,212,917 | 2,448,123 |
| Payments to suppliers and employees | | (2,458,706) | (2,356,574) |
| Interest received | | 31,073 | 24,604 |
| Net cash provided by (used in) operating activities | 13 | (214,716) | 116,153 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant and equipment | | (17,249) | (55,022) |
| Net cash provided by (used in) investing activities | | (17,249) | (55,022) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Net cash provided by (used in) financing activities | | - | - |
| Net increase (decrease) in cash held | | (231,965) | 61,131 |
| Cash at beginning of year | | 902,455 | 841,324 |
| Cash at end of year | | 670,490 | 902,455 |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2004

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the *Corporations Act 2001*. The directors have determined that the company is not a reporting entity.

Tenants Union of Victoria Limited is a public company limited by guarantee, incorporated and domiciled in Australia.

The report has been prepared in accordance with the requirements of the *Corporations Act 2001*, and the following applicable Accounting Standards and Urgent Issues Group Consensus Views:

AASB 1002: Events Occurring After Reporting Date

AASB 1008: Leases

AASB 1018: Statement of Financial Performance

AASB 1020: Accounting for Income Tax (Tax-effect Accounting)

AASB 1025: Application of the Reporting Entity Concept and Other Amendments

AASB 1031: Materiality

AASB 1034: Financial Report Presentation and Disclosures

AASB 1040: Statement of Financial Position

No other Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

a. Income Tax

The company is exempt from income tax.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. Plant and equipment are measured on the cost basis. All assets, excluding freehold land, are depreciated on a straight line basis over their useful lives to the company.

c. Grants Received in Advance and Project Balances

The company receives government funding for its recurrent operations and for defined projects under signed agreements. The funding agreements require the company to spend these funds in accordance with the agreement. Surplus funds remain the property of the funding source until incurred. Consistent with the terms of the funding agreements, grant and project funds not spent at balance date are recognised as a liability and are not brought to account as income.

d. Comparative Figures

Comparative figures have been adjusted where necessary to conform with changes in presentation for the current year.

| Note | 2004 \$ | 2003 \$ |
|--|------------|------------|
| Note 2: Profit From Ordinary Activities | | |
| Profit from ordinary activities before income tax expense has been determined after: | | |
| a. Expenses | | |
| Depreciation of plant and equipment | 41,283 | 33,901 |
| Remuneration of auditor | | |
| audit or review | 7,500 | 5,460 |
| other services | - | - |
| Rental expense on operating leases | 89,746 | 87,571 |
| Note 3: Cash Assets | | |
| Cash on hand – petty cash | 1,400 | 1,435 |
| Cash at bank | 669,090 | 901,020 |
| | 670,490 | 902,455 |
| Note 4: Receivables | | |
| CURRENT | | |
| Sundry debtors and prepayments | 1,970 | 915 |
| NON-CURRENT | | |
| Security deposits | 5,443 | 5,443 |
| Note 5: Plant and Equipment | | |
| Plant and equipment – at cost | 214,058 | 220,580 |
| Less accumulated depreciation | (133,735) | (116,223) |
| Total Property, Plant and Equipment | 80,323 | 104,357 |

| | Note | 2004 \$ | 2003 \$ |
|---------------------------------------|------|------------|------------|
| Note 6: Payables | | | |
| Trade creditors | | 74,215 | 44,713 |
| Sundry creditors and accrued expenses | | 70,722 | 5,460 |
| | | 144,937 | 50,173 |
| Note 7: Tax Liabilities | | | |
| Net Tax Liabilities | | 54,165 | 101,612 |
| Note 8: Provisions | | | |
| CURRENT | | | |
| Employee benefits | | 126,684 | 80,354 |
| NON-CURRENT | | | |
| Employee benefits | | 23,863 | 54,854 |
| Number of employees at year end | | (No.) 40 | (No.) 38 |
| Note 9: Other Liabilities | | | |
| CURRENT | | | |
| Grants received in advance | | 151,800 | 520,561 |
| Project Balances: | | | |
| CAV - Inner Urban Regional | | 4,285 | 11,665 |
| CAV - Rooming House Service | | 930 | 4,993 |
| CAV - Specialist Tenancy Service | | 4,946 | 596 |
| CAV - Northern Regional | | 10,697 | 1,315 |
| CAV - PHAP Western Regional | | 64,945 | 28,241 |
| CAV - PHAP Advocacy & Legal | | 14,557 | 11,562 |
| CAV - PHAP Private Tenant Education | | 14,039 | 8,201 |
| VLA - Specialist CLC | | 16,218 | 14,260 |
| | | 282,417 | 601,394 |

Note 10: 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 2004 the number of full members was 41 (2003:62).

| | Note | 2004 \$ | 2003 \$ |
|-------------------------------------|------|------------|------------|
| Note 11: Reserves | | | |
| Capital Reserve | | 80,323 | 104,357 |
| Movements during the year: | | | |
| Opening balance | | 104,357 | 83,237 |
| Transfer (to)/from retained profits | 12 | (24,034) | 21,120 |
| Closing balance | | 80,323 | 104,357 |

The capital reserve records funds set aside for return to government agencies in event of termination of funding agreements.

The amount of the reserve is equal to the written down value of plant and equipment held by the company at each balance date. Refer also Note 15.

Note 12: Accumulated Surplus

| | | | |
|--|----|--------|----------|
| Accumulated surplus at the beginning of the financial year | | 20,427 | 37,705 |
| Net surplus/(deficit) attributable to members of the company | | 1,376 | 3,842 |
| Transfer (to)/from capital replacements reserve | 11 | 24,034 | (21,120) |
| Accumulated surplus at the end of the financial year | | 45,837 | 20,427 |

Note 13: 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 | | 1,376 | 3,842 |
| Non-cash flows in surplus from ordinary activities | | | |
| Depreciation | | 41,283 | 33,901 |
| Changes in assets and liabilities | | | |
| Decrease/(Increase) in receivables | | (1,055) | 2,201 |
| Decrease/(Increase) in other assets | | - | (443) |
| Increase/(Decrease) in payables | | 47,317 | 8,002 |
| Increase/(Decrease) in provisions | | 15,339 | 13,049 |
| Increase in income tax payable | | 0 | 0 |
| Increase/(Decrease) in Grants in Advance | | (318,976) | 55,601 |
| Cash flows from operations | | (214,716) | 116,153 |

| Note | 2004 | 2003 |
|--|-------------|-------------|
| | \$ | \$ |
| Note 14: Leasing Commitments | | |
| Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not capitalised in the financial statements: | | |
| Payable | | |
| not longer than 1 year | 833 | 10,000 |
| longer than 1 year but not longer than 5 years | - | 833 |
| longer than 5 years | - | - |
| | 833 | 10,833 |

Note 15: 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 16: Events Subsequent to Reporting Date

Since the end of the financial year the company has not encountered any significant change to its normal activities.

Note 17: Company Details

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

Tenants Union of Victoria Limited
55 Johnston Street, Fitzroy, Victoria 3065.

Directors' Declaration

Tenants Union of Victoria Limited ACN 081 348 227

For the year ended 30 June 2004

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

The directors of the company declare that:

1. The financial statements and notes, as set out in pages 21 to 39 are in accordance with the *Corporations Act 2001*:
 - a. comply with Accounting Standards as described in Note 1 to the financial statements and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the company's financial position as at 30 June 2004 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to 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.



Maree Arnason

Chairperson

Dated this 30th day of September 2004.

Independent Audit Report to the Members of Tenants Union of Victoria Limited

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Tenants Union of Victoria Limited (the company), for the year ended 30 June 2004.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and 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. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in 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 assumptions 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.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report is presented fairly in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1 are appropriate to the needs of the members.

We formed our audit opinion on the basis of these procedures, which included:

- > examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- > assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

Audit opinion

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

- a. the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2004 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - ii. complying with Accounting Standards in Australia to the extent described in Note 1 and the *Corporations Regulations 2001*; and
- b. other mandatory professional reporting requirements to the extent described in Note 1.



C.W. Stirling & Co
Chartered Accountants



John A. Phillips
Partner

Dated this 12th day of October 2004.
Melbourne.

Compilation Report to Tenants Union of Victoria Limited

Scope

On the basis of information provided by the Directors of Tenants Union of Victoria Limited, we have compiled in accordance with APS 9: Statement on Compilation of Financial Reports the special purpose financial report of Tenants Union of Victoria Limited for the period ended 30 June 2004.

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 October 2004.
Melbourne.

Detailed Operating Statement for the year ended 30 June 2004

| | Note | 2004 \$ | 2003 \$ |
|-------------------------------|------|------------------|------------------|
| Income | | | |
| Grants – recurrent | | 2,376,294 | 2,228,171 |
| Grants – non-recurrent | | 114,745 | 145,023 |
| Interest earned | | 31,073 | 24,604 |
| Membership fees | | 1,740 | 3,180 |
| Hire fees | | 1,675 | 2,490 |
| Training | | 4,375 | 4,575 |
| Other income | | 34,119 | 6,882 |
| Total Income | | 2,564,021 | 2,414,925 |
| Less Expenditure | | | |
| Accounting fees | | 5,430 | 5,046 |
| Bank charges | | 1,425 | 2,647 |
| Capital equipment maintenance | | - | 5,173 |
| Capital equipment | | 32,687 | 24,686 |
| Cleaning | | 22,632 | 17,717 |
| Community facilities | | 23,765 | 2,204 |
| Computer software | | 863 | 4,250 |
| Consultancy | | 31,029 | 40,587 |
| Depreciation | | 41,283 | 33,901 |
| Disbursements | | 4,932 | 1,757 |
| Employment advertisements | | 7,032 | 10,377 |
| Establishment costs | | - | 513 |
| Gas/electricity | | 9,890 | 9,840 |
| Insurances | | 7,149 | 5,915 |
| Library | | 24,588 | 20,275 |
| Locums | | - | 256 |
| Miscellaneous | | 1,044 | 556 |
| Payroll | | 1,706,334 | 1,576,812 |
| Photocopying | | 5,192 | 4,794 |
| Planning | | - | 3,146 |
| Postage and freight | | 16,649 | 18,918 |
| Practising certificates | | 1,120 | 196 |
| Printing | | 19,208 | 17,154 |
| Publications program | | 84,065 | 92,299 |
| Publicity | | 14,469 | 6,447 |

| | Note | 2004 \$ | 2003 \$ |
|---|------|------------------|------------------|
| Expenditure continued: | | | |
| Rates | | 722 | 974 |
| Redevelopment access worker | | 79,555 | 46,538 |
| Rent | | 89,746 | 87,571 |
| Repairs and maintenance | | 22,746 | 20,422 |
| Security | | 4,925 | 3,571 |
| Special projects | | 4,029 | 21,473 |
| Staff amenities | | 20,523 | 22,512 |
| Staff development | | 18,420 | 29,807 |
| Stationery | | 17,614 | 24,821 |
| Superannuation (employer) | | 139,028 | 134,563 |
| Telephone | | 43,108 | 46,318 |
| Training program | | 17,527 | 22,725 |
| Travel | | 39,256 | 35,316 |
| Workcover | | 4,663 | 9,007 |
| Total Expense | | 2,562,645 | 2,411,083 |
| Surplus/(Deficit) | | 1,376 | 3,842 |
| Transfers (to)/from capital reserve | | 24,034 | (21,120) |
| Surplus/(Deficit) after transfers to/from reserves | | 25,410 | (17,278) |

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

Notes



Yes, what else but home?

Robert Frost



55 Johnston Street Fitzroy

☎ 9411 1444

Fax: 9416 0513

PO Box 234 Fitzroy 3065

Email: admin@tuv.org.au

Website: www.tuv.org.au

Original cover painting by Damian Fitzgerald © 2002