



04
05

tenants union of victoria
annual report
2004-2005



TENANTS UNION
of Victoria Ltd

Tenants Union of Victoria
Annual Report 2004-2005

Contents

Mission	2
Major Achievements	3
Chairperson’s Report	4
Chief Executive Officer’s Report	5
Strategic Plan	6
Social Change	8
Legal Services	10
Advice Service	10
Advocacy & Casework	10
Rooming House Service	12
Specialist Legal Work	12
Regional Services	14
Western Region PHAP Service	14
Northern Consumer & Tenant Advice Service	16
Community Education	17
Special Projects	17
Publications	18
Training	19
Administration Services	20
Personnel	21
Staff	21
Volunteers	22
Financial Statements	23
Directors’ Report	23
Statement of Financial Performance	29
Statement of Financial Position	30
Statement of Cash Flows	31
Notes to the Financial Statements	32
Directors’ Declaration	37
Independent Audit Report	38
Compilation Report	40
Detailed Operating Statement	41

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 2004/05

- > **22,470** clients statewide including:
 - > 2,700+ public tenants
 - > 19,500+ private tenants
 - > 270 consumers
- > **980** clients assisted through casework
- > **288** VCAT (Residential Tenancies List) representations
- > **900+** organisational clients statewide
- > **50+** education activities to a total audience of more than **1,500** tenants and services
- > Publication of:
 - > *Tenancy Worker's Survival Kit*, a comprehensive problem-solving manual for tenancy and housing workers
 - > *Public Housing Tenant's Handbook*, an information guide for public housing residents
 - > *Rooming House Resident's Handbook*, an information guide for rooming house residents
 - > *Caravan Park Residents Handbook*, an information guide for caravan park residents
 - > *Transitional Housing Handbook*, an information guide for residents living in transitional housing
 - > *Tenants Rights*, a multilingual information guide for residential tenants
 - > *Tenant News*, a newsletter for Victorian tenants (distributed to more than 3,000 households per edition)
- > 28 fact sheets on common residential tenancy problems
- > **130,000+** visits to the TU website
- > **27 days** of training to tenancy and housing workers across the state
- > **120+** articles or appearances in statewide and local media
- > **2,600** clients assisted by the TU Western Region Public Tenant Service
- > **16,000+ hours** of community facilities usage for the benefit of public tenants in the Western metropolitan region
- > **500+** clients assisted by the TU Rooming House Service

Chairperson's Report

On behalf of the Board of the Tenants Union of Victoria I take great pleasure in presenting the Annual Report for 2004/05. 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.

During our strategic review this year, the Board affirmed the underlying strategic goals. Substantially the external environment remains the same. The very significant funding program and service changes implemented by the State Government confirmed the risks identified in our Statement of Strategic Intent. Importantly, there remain strong indications of deteriorating affordability and appropriateness for private renters particularly those on limited and low incomes.

Given the high state of flux with our principal funding, State Government grants, we have expended a lot of organisational energy defending our current income base. Unfortunately this has meant we haven't progressed our work to diversify our income sources as far as we would have liked. We have commenced the next phase of income diversification with some critical market research to inform our membership and brokerage services project.

We are very pleased with the continuing implementation of our social change agenda and action plan. This year we have again made significant contributions to government reviews and have made significant progress with legislative protection for rooming house residents in shared rooms, caravan park residents and people with disabilities in community residential accommodation. Time will tell if these efforts come to full fruition.

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 have again declined. We have no doubt that this is partly due to the uncertainty created by the program changes at Consumer Affairs Victoria (CAV) but 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 Bruce Wade, Andrew Walker, Jana Culkova and Nicole Rich who departed the Board this year and thank them for their contribution to the organisation. We continue to have a fine range of interests and skills on our Board. It has been a difficult but effective year for the Tenants Union.



Ross Ferris
Chairperson

Chief Executive Officer's Report

Over the last twelve months the staff of the organisation have had to deal with the significant uncertainty created by changes in the funding programs managed by Consumer Affairs Victoria. These changes ultimately resulted in the closure of our Northern region service at the end of this financial year.

We also had to go through an open tender process to secure the significantly reduced funding for our advocacy services to private sector tenants. Fortunately we were able to maintain our current funding levels for statewide activity funded by CAV. This includes aspects of our policy and research, training and legal support to other organisations.

Throughout this process we have been strongly supported by the Attorney General, the Hon Rob Hulls, and Victoria Legal Aid. This resulted in some additional funding through the Community Legal Services Program for the 2005/06 financial year to offset potential service reductions.

As the year ends we are again confronted with a great deal of uncertainty with changes to the Public Housing Advocacy Program (PHAP). The PHAP provides advice and advocacy to public tenants across the State and has been a significant source of funding since 1998.

The State Government has announced a new Social Housing Advocacy and Support program with a much greater emphasis on the provision of support services to sustain social housing tenancies. We have publicly expressed our concerns at the diminution of advocacy services and will participate with interest in the evolution of this new program.

We were fortunate however to secure a small 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 (Community Legal Services Program)
- > Commonwealth Family and Community Services (Community Legal Services Program)

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

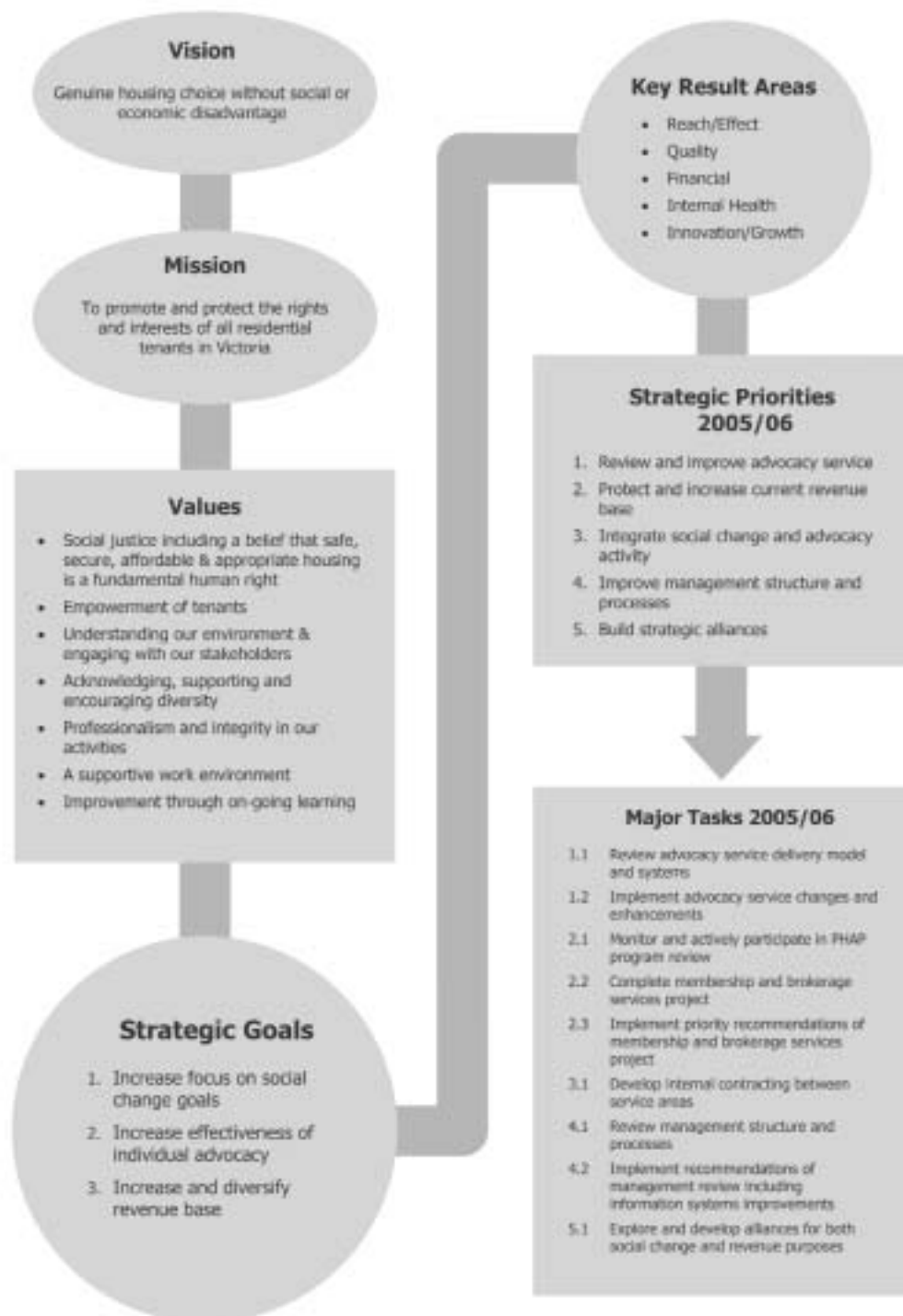


Mark O'Brien
Chief Executive Officer

Strategic Direction

The current Strategic Plan is outlined below. A status report against the Key Result Areas for the organisation for 2004/05 follows.

Tenants Union of Victoria, Strategic Plan 2005-08



Tenants Union of Victoria, Key Result Areas 2004/05

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/processes: > Victorian Ministerial Housing Council > RTA Amendments: Shared Rooms > Rental Housing Standards Working Group > FaCS CRA Consultations	
	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: > Human Rights Project (+VCOSS) > Housing Alliance Project (+VCOSS) > Caravan parks project (+CHP)	
	No. of media articles x type	1 per month (statewide) 1 per month (local)	70+ statewide media appearances 50+ local media appearances	
	No. of clients overall	25,000 tenants x 1,000 consumers p.a. Central Phone 18,000 Inner 2,000 West 3,500 North (tenants) 1,500 North (consumers) 1,000	Total clients for 2004/05: Central Phone 16,200 Inner 2,315 West 2,917 North (tenants) 933 North (consumers) 271	
	No. of advocacy clients	80% of clients advice & information assist only	90% of clients advice & information assistance only	
	No. of research projects	2 research papers per annum	Research papers prepared on: > Commonwealth Rent Assistance > Rental Housing Standards > Rooming House Issues > Caravan Park Issues	
	No. of education forums	34 minimum forums per annum Inner 12 North 22	Community education activities for 2004/05: Inner 13 North 18	
	No. of days training provision	30 days per annum	27 days in 2004/05. Some cancellations due to funding and service changes	
	Distribution of publications	All targets per annum: Fact Sheets 100,000 Handbooks (x5) 20,000 Tenant News 4 x 2,500 Web (user sessions) 30,000	Total distribution for 2004/05: Fact Sheets 65,100 Handbooks (x4) 5,900 Tenant News 14,200 Web (user sessions) 130,000	
	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		No deficit, less than 4% surplus	Overall operating surplus of 1.6%	
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%	Satisfaction rate = >90% Survey conducted in February 2005.	
	Client satisfaction: training	>90%	Av. satisfaction rate = >90% Survey conducted for each session.	
	Client satisfaction: publications	>90%	Satisfaction rate = >90% Survey conducted in February 2005.	
	Compliance with service guidelines	No exceptions	No exceptions	
	No. of client complaints	No formal complaints	3 formal complaints	
Internal Health	Level of unplanned turnover	< 5% per annum	25% total turnover. >5% 'unplanned'	
	Level of absenteeism	< 3% average per annum	<5% absenteeism (397 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 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
- > **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

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 2004/05 were:

Legitimacy

- > Promoted tenancy issues in both local and statewide media with more than **120** articles or interviews in print or on radio including more than 70 appearances in statewide media.
- > Actively participated in the Victorian Ministerial Housing Council
- > 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
- > Convened and continued to actively participate in the National Association of Tenant Organisations (NATO)

Affordability

- > Completion of issues papers on the shortcomings of Commonwealth Rent Assistance (CRA)
- > Actively participated in a limited consultation process by Commonwealth Department of FaCS about CRA
- > Release of Rental Housing Affordability Bulletins (October 2004, February 2005)
- > Submission and presentation of evidence to Commonwealth Student Income Support Inquiry focussing on CRA effectiveness and exclusions
- > Submission to the Victorian Utilities Hardship Inquiry focusing on housing costs, housing standards and utilities

Appropriateness

- > Continued to lobby the State Government in regard to amendments to the residential tenancies legislation, including caravan parks and rooming houses. Amendments to residential tenancies legislation regarding coverage for shared rooms in rooming houses are expected to pass Parliament in September
- > Joint submission with the Council to Homeless Persons and the Victorian Public Tenants Association about the Victorian Housing Agencies Bill & Regulations. Adoption of a number of TUV suggestions in the performance standards
- > Continued to lobby the State Government to improve the policies and procedures for public housing. Active involvement in the development of the Office of Housing's Integrated Complaints Process
- > 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 Quarterly Forums sponsored by the Director of CAV to maintain an overview of residential tenancies services

Accessibility

- > Continued to provide feedback about the improvement of state and federal privacy legislation and its impact on private tenancy databases
- > Submission to the Commonwealth Privacy Act Review
- > Successfully lobbied the Victorian Law Reform Commission to consider the issue of tenant databases as a community law reform project
- > Submission to Consumer Affairs Victoria in response to the Rural Tenancies Project Discussion Paper

Social Change Case Study: Shared Rooms Law Reform

Following a Supreme Court case in 1997 residential tenancies law no longer protected residents occupying shared rooms in rooming houses.

The Tenants Union commenced lobbying for legislative protection immediately. The problem was initially deemed too hard to fix and was left unaddressed in the legislative reviews that followed.

Finally after some five years of protracted lobbying a small working group was established to review the issue in early 2004.

The Tenants Union successfully argued that legislative protection was possible and a recommendation for legislative amendments was subsequently made to the Minister for Housing.

This process culminated with amendments being introduced into the Victorian Parliament in July 2005.

Advocacy & 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 centralised phone service operates with a minimum of two advisers from 9:00am to 4:30pm weekdays except Wednesday and from 4:30pm to 8:00pm on Wednesday. Drop in services are available at the Fitzroy Office from 12:30pm to 4:30pm weekdays except Wednesday and from 4:30pm to 8:00 pm on Wednesday. Drop in service is also available at St Kilda from 1:00pm to 4:30pm weekdays except Friday. Limited appointments are also available outside these times.

The service is structured to facilitate initial contact through our centralised telephone advice line and drop in. 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 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.

More than 80% of all clients are assisted with basic advice and information.

During 2004/05, through the general tenant's advice service we achieved a total of **18,642 new** client contacts comprising:

- > 16,189 telephone contacts
- > 1,603 in-person contacts
- > 850 mail contacts (largely through our e-mail service)

During 2004/05 we assisted tenants with a vast range of tenancy issues and problems. The five most common specific issues were:

- | | |
|--------------------------|-----------------|
| >repairs | 3,411 enquiries |
| >bond recovery/retention | 1,990 enquiries |
| >lease breaking | 1,961 enquiries |
| >notice to vacate | 1,943 enquiries |
| >compensation | 1,460 enquiries |

Advocacy & 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.

Casework services are provided by paralegal advocates and supervised by legally qualified staff.

Advocacy Case Study: Repairs and Retaliatory Eviction

In early 2004 the tenant (a single parent with 2 children) requested our assistance to challenge a Notice to Vacate (NTV) for extensive repair. The landlord had apparently issued the notice after various requests for repairs by the tenant.

We represented the tenant at VCAT in May 2004. VCAT ordered the landlord to carry out the repairs requested by the tenant. The landlord's agent withdrew the Notice to Vacate.

In October 2004, the landlord served a notice to vacate for no reason. We again represented the tenant at VCAT. VCAT declared the notice invalid because it was served in retaliation for the tenant exercising her rights.

After further requests for repairs, the landlord served another NTV for extensive repair. We again represented the tenant at VCAT in March 2005. An agreement was reached at VCAT that the tenant could remain in the premises until July and the landlord would carry out the repairs required.

The landlord then sent a letter to the tenant advising that she could continue to reside at the premises on the condition that the rent would be increased immediately. We again represented the tenant at VCAT. VCAT ordered that the tenant could continue to reside at the premises and that the landlord must comply with the relevant provisions of the law for any proposed rent increase.

In August 2005, the landlord served another Notice to Vacate for extensive repair. We again represented the tenant at VCAT. VCAT dismissed the notice as disingenuous and retaliatory.

We then assisted the tenant to make an application for compensation and for rent to be paid into the Rent Special Account. In September 2005, VCAT ordered that rent be paid into the Rent Special Account (effective immediately) and adjourned the application for compensation. The landlord was again ordered to carry out the repairs required.

We are continuing to assist this tenant

During 2004/05 we assisted more than **980 new** clients with general casework services. Of these, legal casework was provided to **413 new** clients.

The table (below) shows a comparison of our legal casework activity for the last two financial years.

Table 1: Comparison of Legal Casework Activity, 2003/04 vs 2004/05

> No. files open at 1 July 03/04	*	80
> No. of new files	435	413
> No. of closed files	357	333
> No. of files open at 30 June 04/05	80	160

(Source: CLSIS, CMR1.1)

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.

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 2004/05 the Rooming House Service assisted **493 new** clients. In summary the service:

- > provided telephone advice to 305 rooming house residents
- > provided drop-in advice to 182 residents
- > provided casework assistance to 77 residents
- > undertook 29 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.

Despite this program, the overall number of clients declined this year. We are now investigating an assertive outreach model to further enhance accessibility for rooming house residents.

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 the Supreme Court
- > legal research on tenancy and related matters

During 2004/05 we assisted with **993** organisational enquiries from a wide range of agencies and services. This was a slight decline on the previous year.

We also distributed a number of memos 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.

Specialist Legal Case Study: Smith vs Office of Housing & VCAT

Alice Smith is an 80 year old public tenant living in Lakes Entrance. The Office of Housing sought to evict her in October 2004 following an altercation between her grandson and a Housing Officer at her flat.

She was assisted by the local tenancy service but unfortunately VCAT made an order to evict her at short notice.

The case was referred to us and we launched an appeal at the Supreme Court against the VCAT decision. We were assisted pro bono at appeal by Alex Richards QC and Sam Hopper, Counsel.

The Appeal was successful which enabled Alice to remain in her flat.

The Appeal also established some important principles for all tenants; that notices and applications to VCAT must have adequate details to properly invoke the jurisdiction and that VCAT cannot unilaterally grant itself the right to hear defective applications.

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.

At the 30th June 2005 the Tenants Union PHAP service had service locations at:

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

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.

To further enhance accessibility we commenced assertive outreach to some public housing estates.

During 2004/05, the Western Metro PHAP service assisted a total of **1,913** new clients comprising:

- > 1,584 drop-in contacts
- > 329 telephone contacts
- > 40 enquiries from agencies/organisations in the region
- > more than 65% of clients from non-English speaking backgrounds
- > 423 client interviews assisted by interpreting services or bilingual TU staff
- > more than **140** clients receiving VCAT/Office of Housing Appeals assistance or representation
- > conducted **12** information sessions on maintenance to groups of public tenants

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

> priority housing	961 enquiries
> eligibility	699 enquiries
> repairs	500 enquiries
> rental rebate	202 enquiries
> rent arrears	132 enquiries

Western Region Case Study: Compensation & VCAT advocacy

In September 2004 a public tenant was awarded compensation by VCAT for removalist costs after being forced to relocate to private rental because of a foul smell that the Office of Housing didn't rectify.

The Office of Housing deducted some alleged rent arrears from the compensation payment based on a claim that the keys to the premises were returned late.

Our Western Region service represented and advocated for the tenant at VCAT. The VCAT member questioned why the compensation had not been paid as ordered and endeavoured to ascertain when the rent was paid to. The Office of Housing representative was unable to satisfactorily answer either question.

VCAT ruled in favour of the tenant for the full amount of compensation.

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 2004/05 we achieved:

- > **16,269 hours** of specific purpose usage (a **25% increase** from 2003/04)
- > Average regular usage of **643 hours per month** (an increase from 2003/04)
- > Average non-regular usage of **713 hours per month** (a significant increase from 2003/04)

The categories of facilities usage were:

- > tenant group meetings, social gatherings and administration duties (4,799 hours)
- > community agency support services such as health promotion activities, language classes, local government services, educational services (10,127 hours)

Due to funding and program changes announced by the Office of Housing, the Western Metro region PHAP service will cease operation from 31st December 2005.

Northern Consumer & Tenant Advice Service

The Northern Consumer & Tenant Advice Service 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 2004/05 the Northern Consumer & Tenant Advice Service achieved:

- > advice to **988** tenancy clients
- > advice to **271** consumer clients
- > advice to **39** organisational clients
- > casework services to **82** tenancy and consumer clients
- > **more than 20** regional community education activities
- > appearances in regional media

Northern Region Case Study: Summerhill Residential Park

Summerhill Residential Park is a 280 site caravan park in Preston catering mainly to older residents.

After initial contact from one resident, we attended a meeting at the park with a number of residents present. The residents outlined a series of problems relating to both the residential tenancies and the general consumer law.

The service subsequently acted on behalf of 14 residents in a representative action at VCAT.

The park owner is now claiming to be exempt from the residential tenancies law.

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

During 2004/05 the service also participated in the following joint projects:

- > working on *Poll Position*, a joint project with WorkForce Plus to establish a positive car project for at risk young people in our region. The project ran for 10 weeks with 14 participants
- > working with AMES on a consumer resource project for adult literacy students

Regrettably, due to funding and program changes initiated by Consumer Affairs Victoria, the Northern Region Consumer & Tenants Service closed on the 30th June 2005.

Community Education

Special Projects

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 disadvantaged tenants.

Our major achievements for 2004/05 were:

- > Near completion of a collaborative project with the St Kilda Legal Service to address the information needs of students sharing rented accommodation.
- > Development of a collaborative project with the South-Central and Eastern Migrant Resource Centres to identify 'best practice' housing information for newly arrived migrants.
- > Development of a collaborative project with the Equal Opportunity Commission (EOC) and the Victorian Aboriginal Legal Service to identify the issues faced by indigenous people in private rental. The project has now been offered funding by Consumer Affairs Victoria.
- > Development of a project to produce a web-based resource specifically for post-secondary students and first time renters in consultation with the Student Housing Officers Association in Victoria.
- > Development of a project to produce a multilingual DVD based resource for first time users of the Victorian Civil and Administrative Tribunal, Residential Tenancies List. We are now seeking funding for this project.
- > Development of a project for international students who are renting to establish how they would like to receive housing information and to identify the barriers to successful housing outcomes.
- > Commenced development of a collaborative project with the EOC and the Council for Single Mothers and their Children addressing the problems experienced by single parents in the private rental market.

During 2004/05 we also undertook:

- > more than **30** regional community education activities to a total audience of **more than 300** non-English speaking tenants and multicultural service workers
- > at least one service promotion activity or meeting each week to a range of relevant services

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.

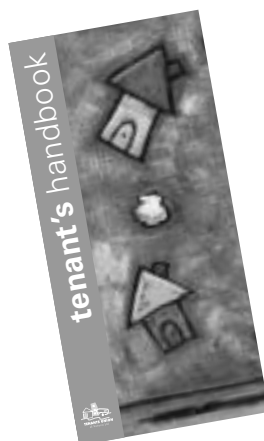
All publications are regularly reviewed and vetted by the Tenants Union solicitors to ensure legal currency and accuracy.

Publications distributed in 2004/05 include:

- > More than **65,000** fact sheets covering 28 common residential tenancy problems
- > **5,894** handbooks for public tenants and residents of rooming houses, caravan parks and transitional housing
- > **4** issues of *Tenant News*, a quarterly newsletter for tenants with more than **3,000** readers each edition

In addition, there were more than **130,000** individual user sessions on the TU website including more than 2,000 page views of our multilingual information.

This year we commenced a major redesign of our web site. The entry page will feature the “full house” image used for our postcard campaign. We are rearranging key elements of the site to facilitate access for all types of users but are particularly hoping to improve access for people with visual impairment.



We have also redesigned and redrafted our general tenants handbook. This handbook provides general information for residential tenants. As with all our publications it is legally vetted prior to publication to ensure accuracy and completeness.

Training

The Tenants Union's Training Program is designed to provide initial and ongoing training to tenancy and housing workers.

We are a Registered Training Organisation and 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 industry representatives meets three times per year to assist us to develop and deliver effective training in line with the National Training Framework.

Delivery of the Training Program this year has been seriously hampered by the uncertainty surrounding the funding for both private and public tenancy services.

The following training was offered in 2004/05:

July 2004	PHAP Network Training CAV Network Training
August 2004	Introduction to Office of Housing Policies & Procedures Intermediate Tenancy Law
September 2004	VCAT Training Rooming House Law
October 2004	Introduction to Tenancy Law Intermediate Office of Housing Policies & Procedures
November 2004	Regional Network Training
February 2005	Introduction to Tenancy Law
March 2005	PHAP Network Training VCAT Training Introduction to Office of Housing Policies & Procedures
April 2005	Intermediate Tenancy Law Intermediate Office of Housing Policies & Procedures
May 2005	VCAT Training
June 2005	Advanced Tenancy Law PHAP Network Training

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 2004/05 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 480** orders for publications with **96%** 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 2004/2005 for all their commitment and work during their employment with the Tenants Union: Annette McKail, Nona San Pedro, Amrit Crewe, Amara Chey, Ian Rogers, Andrew McMillan, Paul Jenkins, Tamar Hopkins, Eric Plet, Jill Newton, Annabelle O'Regan, Cameron Horn, Bill Grimshaw, David Kinnear, Tania McKenna and Colleen Power.

Staff members as at 30 June 2005 were:

Specialist Services

Mark O'Brien	Chief Executive Officer
David Imber	Policy and Liaison Worker
Rebecca Harrison	Research Worker
Loren Polzot	Training Worker
Melinda Tew	Community Education Worker
Neil Plueckhahn	Publications Worker
Karen Bijkersma	Publications Worker (maternity leave)

Western Region Services

Anne Donovan	Western Region Manager
Angelica Varas	Tenant Worker
Claudia Alvear	Tenant Worker
Cuong Tran	Tenant Worker
Larry Sutcliffe	Tenant Worker
Ray Martinez	Tenant Worker
Yvonne Tran	Tenant Worker
Aaron Williams	Tenant Worker
Simon Eramo	Community Facilities Worker
Virginia Ramraj	Administration Worker

Northern Services

Jill Newton	Education Worker
Lee Hansen	Caseworker
Lauren Walker	Solicitor/Caseworker
Ursula Dutkiewicz	Administration Worker

Administration Services

John Morgan	Finance & Administration Manager
Robyn Simonsen	Bookkeeper
Marisol Bombal	Reception Worker
Pam Barden	Reception Worker (unpaid leave)
Anne Smith	Administration Worker

Legal Services

Sheila Narayan	Legal Services Manager
Deborah Di Natale	Principal Solicitor
Fonda Gazis	Senior Solicitor
Anna Forsyth	Solicitor
Greg Quinn	Solicitor
Ann Jorgensen	Solicitor
Bill Darling	Caseworker
Brigitte Bailey	Caseworker
Lee Hansen	Caseworker
Mary Mc Devitt	Caseworker
Christina Andrews	Rooming House Caseworker
Annabelle O'Regan	Rooming House Caseworker

Casual and Part-Time Tenant Advisers

Neil Farren
Frank Heyes
Maya Narayan

Volunteers

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

Felicity Bell
Gia Cari

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 2005.

Directors

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

Andrew Sprague	Appointed 16/4/2005
Graham Barrington	Appointed 11/11/2004
Heather Holst	Appointed 14/11/2002
Jaqueline Robinson	Appointed 23/6/2005
Kelli Cheales	Appointed 30/10/2003
Maree Arnason	Appointed 14/11/2002
Natasha Leigh	Appointed 21/6/2005
Ross Ferris	Appointed 14/11/2002
Andrew Walker	Appointed 14/11/2002. Retired 20/1/2005
Bruce Wade	Appointed 8/10/2001. Retired 1/9/2004
Jana Culkova	Appointed 14/11/2002. Retired 11/11/2004
Nicole Rich	Appointed 11/11/2004. Retired 3/3/2005

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 \$10,515.

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.

Dividends

The Constitution of the company specifically prohibits the payment of any dividends.

Capital

The company is a company limited by guarantee and does not have share capital.

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

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 economic entity in future financial years.

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 implemented significant program changes which have affected the level of grants and the process for service agreement and delivery.
- > Office of Housing 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 Board expects that the income diversification work will better position the company for future challenges and the delivery of its strategic goals.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

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.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2005 has been received and forms part of the directors report.

Information on Directors

Ross Ferris	Chairperson (Non-executive)
Qualifications	BEd, Grad Dip. (Applied Finance), MBA
Experience	Senior health sector manager. Board member since 2002.
Special Responsibilities	Member of the Finance Committee.
Andrew Sprague	Director
Qualifications	B Eng (Hons), MBA (in progress)
Experience	Senior manager in telecommunications. Business development responsibilities
Special Responsibilities	Member of the Strategy Committee.
Graham Barrington	Director
Qualifications	MB BS, MBA, MPH, M App Sc, BA, BSc, Grad Dip Hum AFCHSE
Experience	Health sector management
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.

Jacqueline Robinson Director
 Qualifications BA
 Experience Arts and community development worker.
 Organisational and training consultant
 Special Responsibilities Not yet allocated

Kelli Cheales Director
 Qualifications BA (Public Relations), MA (Marketing), MBA
 Experience Board member since 2003.
 Special Responsibilities Member of the Governance Committee.

Natasha Leigh Director
 Qualifications LLB, BA (Psychology)
 Experience Admitted to legal practice in 2000, senior policy and projects
 solicitor with consumer specialisation
 Special Responsibilities Member of the Policy Committee

Maree Arnason Director
 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.

Information on Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mark O'Brien
 Qualifications BA
 Experience Commenced at Tenants Union of Victoria in 1991,
 appointed Chief Executive Officer in 1998.

Meetings of Directors

During the financial year, 29 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
Andrew Sprague	3	1	-	-	-	-	-	-	2	2
Graham Barrington	5	5							4	4
Heather Holst	7	6	-	-	-	-	6	6	-	-
Jaqueline Robinson	1	-	-	-	-	-	-	-	-	-
Kelli Cheales	7	6	-	-	6	5	-	-	-	-
Maree Arnason	7	7	-	-	6	5	-	-	-	-
Natasha Leigh	1	1	-	-	-	-	-	-	-	-
Ross Ferris	7	5	6	6	-	-	-	-	-	-
Andrew Walker	3	1	-	-	2	2	-	-	-	-
Bruce Wade	1	1	-	-	-	-	-	-	1	1
Jana Culkova	2	1	-	-	-	-	-	-	1	1
Nicole Rich	2	2	-	-	-	-	-	-	-	-

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.

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



Ross Ferris
Chairperson

Dated this 20th day of September 2005.

Auditor's Independence Declaration
Under Section 307C of the Corporations Act 2001
to the Directors of Tenants Union of Victoria Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2005 there have been:

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

C.W. Stirling & Co.
Chartered Accountants



John A Phillips
Partner

Dated this 28th day of September, 2005 at Melbourne.

Statement Of Financial Performance
Tenants Union of Victoria Ltd ACN 081 348 227
For The Year Ended 30 June 2005

	Note	2005 \$	2004 \$
Revenues from ordinary activities		2,648,465	2,564,021
Employee benefits expense		(1,925,093)	(1,924,916)
Occupancy expense		(152,991)	(148,438)
Depreciation expense		(37,914)	(41,283)
Printing and publications		(133,251)	(108,465)
Capital equipment		(41,320)	(32,687)
Consultancy		(78,419)	(31,029)
Special projects		(5,774)	(27,793)
Other expenses from ordinary activities		(263,188)	(248,034)
Surplus from ordinary activities before income tax expense	2	10,515	1,376
Income tax expense relating to ordinary activities	1(a)	-	-
Net surplus from ordinary activities after income tax expense attributable to members of the company	12	10,515	1,376
Net (increase)/ decrease in capital reserve recognised directly in equity	11	24,193	24,034
Total changes in equity other than those resulting from transactions with members as members		34,708	25,410

The accompanying notes form part of these financial statements.

Statement Of Financial Position
Tenants Union of Victoria Ltd ACN 081 348 227
As At 30 June 2005

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets	3	708,286	670,490
Receivables	4	8,280	1,970
TOTAL CURRENT ASSETS		716,566	672,460
NON-CURRENT ASSETS			
Receivables	4	5,443	5,443
Plant and equipment	5	56,130	80,323
TOTAL NON-CURRENT ASSETS		61,573	85,766
TOTAL ASSETS		778,139	758,226
CURRENT LIABILITIES			
Payables	6	212,384	144,937
Tax liabilities	7	84,919	54,165
Provisions	8	110,432	126,684
Other liabilities	9	212,379	282,417
TOTAL CURRENT LIABILITIES		620,114	608,203
NON-CURRENT LIABILITIES			
Provisions	8	21,350	23,863
TOTAL NON-CURRENT LIABILITIES		21,350	23,863
TOTAL LIABILITIES		641,464	632,066
NET ASSETS		136,675	126,160
EQUITY			
Capital reserve	11	56,130	80,323
Accumulated surplus	12	80,545	45,837
TOTAL EQUITY		136,675	126,160

The accompanying notes form part of these financial statements.

Statement Of Cash Flows

Tenants Union of Victoria Ltd ACN 081 348 227

For The Year Ended 30 June 2005

	Note	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from government and other sources		2,548,206	2,212,917
Payments to suppliers and employees		(2,520,600)	(2,458,706)
Interest received		23,911	31,073
Net cash provided by/ (used in) operating activities	13	51,517	(214,716)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(13,721)	(17,249)
Net cash provided by/ (used in) investing activities		(13,721)	(17,249)
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash provided by/ (used in) financing activities		-	-
Net increase (decrease) in cash held		37,796	(231,965)
Cash at beginning of year		670,490	902,455
Cash at end of year		708,286	670,490

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Tenants Union of Victoria Ltd ACN 081 348 227

For The Year Ended 30 June 2005

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. All assets with a cost base of under \$1,000 are expensed on acquisition.

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	2005 \$	2004 \$
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	37,914	41,283
Remuneration of auditor		
- audit or review	7,500	7,500
- other services	1,500	-
Rental expense on operating leases	97,509	89,746
	144,423	138,529
Note 3: Cash Assets		
Cash on hand – petty cash	1,150	1,400
Cash at bank	707,136	669,090
	708,286	670,490
Note 4: Receivables		
CURRENT		
Sundry debtors and prepayments	8,280	1,970
NON-CURRENT		
Security deposits	5,443	5,443
Note 5: Plant And Equipment		
Plant and equipment - at cost	227,779	214,058
Less accumulated depreciation	(171,649)	(133,735)
	56,130	80,323

	Note	2005 \$	2004 \$
Note 6: Payables			
Trade creditors		122,103	74,215
Sundry creditors and accrued expenses		90,281	70,722
		<u>212,384</u>	<u>144,937</u>
Note 7: Tax Liabilities			
Net Tax Liabilities		<u>84,919</u>	<u>54,165</u>
Note 8: Provisions			
CURRENT			
Employee benefits		<u>110,432</u>	<u>126,684</u>
NON-CURRENT			
Employee benefits		<u>21,350</u>	<u>23,863</u>
Number of employees at year end		<u>No. 32</u>	<u>No. 40</u>
Note 9: Other Liabilities			
CURRENT			
Grants received in advance		67,663	151,800
Project Balances:			
CAV – Inner Urban Regional		-	4,285
CAV – Rooming House Service		-	930
CAV – Specialist Tenancy Service		2,127	4,946
CAV – Northern Regional		40,205	10,697
CAV – PHAP Western Regional		76,291	64,945
CAV – PHAP Advocacy & Legal		4,229	14,557
CAV – PHAP Private Tenant Education		5,753	14,039
VLA – Specialist CLC		16,111	16,218
		<u>212,379</u>	<u>282,417</u>

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 2005 the number of full members was 37 (2004: 41).

	Note	2005 \$	2004 \$
Note 11: Reserves			
Capital Reserve		56,130	80,323
Movements during the year:			
Opening balance		80,323	104,357
Transfer (to)/from retained profits	12	(24,193)	(24,034)
Closing balance		56,130	80,323

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		45,837	20,427
Net surplus/(deficit) attributable to members of the company		10,515	1,376
Transfer (to)/from capital replacements reserve	11	24,193	24,034
Accumulated surplus at the end of the financial year		80,545	45,837

Note 13: Cash Flow Information

Reconciliation of Cash Flow from Operations with Surplus from Ordinary Activities after Income Tax

Surplus from ordinary activities after income tax		10,515	1,376
Non-cash flows in surplus from ordinary activities			
Depreciation		37,914	41,283
Changes in assets and liabilities			
Decrease/(Increase) in receivables		(6,310)	(1,055)
Decrease/(Increase) in other assets		-	-
Increase/(decrease) in payables		98,201	47,317
Increase/(decrease) in provisions		(18,765)	15,339
Increase in income tax payable		-	-
Increase/(Decrease) in other liabilities		(70,038)	(318,976)
Cash flows from operations		51,517	(214,716)

Note	2005	2004
	\$	\$
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
- longer than 1 year but not longer than 5 years	-	-
- longer than 5 years	-	-
	<hr/>	<hr/>
	-	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 Ltd ACN 081 348 227

For The Year Ended 30 June 2005

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 29 to 36 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 30th June 2005 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.



Ross Ferris
Chairperson

Dated this 20th day of September 2005.

Independent Audit Report To The Members of the 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 2005.

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*.

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration which forms part of the Directors' Report, has not changed as at the date of providing our audit opinion.

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 2005 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

CW Stirling & Co
Chartered Accountants

John A Phillips

John A Phillips
Partner

Dated this 28th day of September 2005 at Melbourne.

Auditors' Statement on Additional Information to the Members of Tenants Union Of Victoria Limited

Scope

Our examination of the financial statements of the Tenants Union of Victoria Limited at 30 June 2005 and for the year then ended included tests of the accounting records from which the additional information presented on pages 41 to 42 has been taken. This additional information is not, in our opinion, necessary for a fair presentation of the company's financial position, result of operations, or changes in financial position. Our examinations were intended primarily for the purpose of formulating an opinion on the basic financial statements taken as a whole and were not such as to enable us to express an opinion as to the fairness of all the details of the additional information, accordingly, we do not express an opinion thereon.



CW Stirling & Co
Chartered Accountants



John A Phillips
Partner

Dated this 28th day of September 2005 at Melbourne.

Detailed Operating Statement for the Year Ended 30 June 2005

	Note	2005 \$	2004 \$
Income			
Grants – recurrent		2,484,522	2,376,294
Grants – non-recurrent		98,040	114,745
Interest earned		23,911	31,073
Membership fees		1,985	1,740
Hire fees		875	1,675
Training		2,330	4,375
Other income		36,802	34,119
Total Income		2,648,465	2,564,021
Less Expenditure			
Accounting fees		9,460	5,430
Bank charges		1,788	1,425
Capital equipment maintenance		1,497	-
Capital equipment		41,320	32,687
Cleaning		19,018	22,632
Community facilities		5,774	23,765
Computer software		4,053	863
Consultancy		78,419	31,029
Depreciation		37,914	41,283
Disbursements		8,316	4,932
Employment advertisements		3,878	7,032
Gas/electricity		9,781	9,890
Insurances		6,814	7,149
Library		29,122	24,588
Miscellaneous		964	1,044
Payroll		1,710,908	1,706,334
Photocopying		3,185	5,192
Planning		2,541	-
Postage and freight		15,114	16,649
Practising certificates		1,483	1,120
Printing		22,305	19,208
Publications program		107,761	84,065
Publicity		11,982	14,469
Rates		1,315	722

	Note	2005 \$	2004 \$
Expenditure continued:			
Redevelopment access worker		67,992	79,555
Rent		97,509	89,746
Repairs and maintenance		34,080	22,746
Security		4,460	4,925
Special projects		-	4,029
Staff amenities		20,908	20,523
Staff development		9,685	18,420
Stationery		20,209	17,614
Superannuation (employer)		146,193	139,028
Telephone		47,575	43,108
Training program		8,182	17,527
Travel		40,112	39,256
Volunteer Program		495	-
Workcover		5,838	4,663
Total Expense		2,637,950	2,562,645
Surplus		10,515	1,376
Transfers from capital reserve		24,193	24,034
Surplus after transfers from reserves		34,708	25,410

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

☎ 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