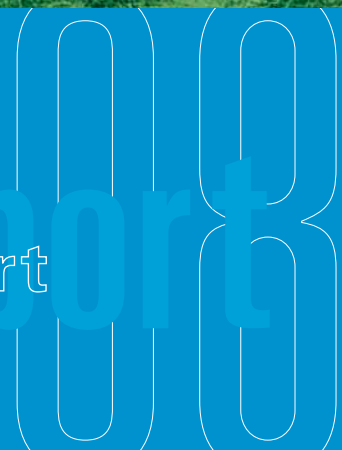




07  
08

tenants union of victoria  
annual report  
2007-2008



TENANTS UNION  
of Victoria Ltd



**Tenants Union of Victoria**  
Annual Report 2007-2008

blank

# Contents

|   |           |
|---|-----------|
| <b>Major Achievements 2007/08</b>       | <b>3</b>  |
| <b>Chairperson’s Report</b>             | <b>4</b>  |
| <b>Chief Executive Officer’s Report</b> | <b>5</b>  |
| <b>Strategic Direction</b>              | <b>6</b>  |
| <b>Social Change</b>                    | <b>8</b>  |
| Legitimacy                              | 8         |
| Accessibility                           | 9         |
| Affordability                           | 9         |
| Appropriateness                         | 9         |
| <b>Community Education</b>              | <b>11</b> |
| Special Projects                        | 11        |
| Outreach                                | 11        |
| Publications                            | 13        |
| Training                                | 14        |
| <b>Advice &amp; Advocacy</b>            | <b>15</b> |
| Advice                                  | 15        |
| Advocacy                                | 17        |
| Legal Service                           | 18        |
| <b>Administration Services</b>          | <b>20</b> |
| <b>Personnel</b>                        | <b>21</b> |
| Staff                                   | 21        |
| <b>Financial Statements</b>             | <b>23</b> |
| Directors’ Report                       | 23        |
| Auditor’s Independence Declaration      | 28        |
| Income Statement                        | 29        |
| Balance Sheet                           | 30        |
| Statement of Changes in Equity          | 31        |
| Statement of Cash Flows                 | 32        |
| Notes to Financial Statements           | 33        |
| Directors’ Declaration                  | 42        |
| Independent Audit Report                | 43        |
| Compilation Report                      | 43        |
| Detailed Operating Statement            | 46        |

## **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 2007/08

- > **14,787** clients overall
- > **3,500+** clients assisted with advocacy
- > **500+** VCAT (Residential Tenancies List) representations
- > Victorian Government commitment to improvements in private rooming house regulation and monitoring
- > Victorian Government commitment to extend legal protection to student accommodation
- > Formal submissions and presentations to:
  - > Residential Accommodation Discussion Paper (Consumer Affairs Victoria, August 2007)
  - > Equal Opportunity Act Options Paper (May 2008)
  - > National Rental Affordability Scheme, Technical Discussion Paper (Commonwealth Government, FaCSIA, June 2008)
- > Research papers about:
  - > rent setting
  - > offences and prosecution
  - > insurance
  - > utilities
- > **60+** articles or appearances in statewide and local media
- > Outreach visits to more than **80** rooming houses and **30** caravan parks
- > Review and publication of:
  - > **32** fact sheets on common residential tenancy and rooming houses problems
  - > **8** fact sheets on common residential tenancy problems for students
  - > handbooks for tenants or residents in private rental, caravan parks and rooming houses
  - > multilingual information in **12** community languages for residential tenants and people trying to access public housing, with the addition of our top 5 fact sheets
  - > *Tenant News*, a newsletter for Victorian tenants
- > Distribution of:
  - > more than **160,000** fact sheets
  - > more than **20,000** handbooks
  - > **3,000+** copies of *Tenant News* **per edition**
- > **148,000+** visits to the Tenants Union website
  - > downloads of more than **110,000** information resources
- > Delivery of training to tenancy and housing workers

## Chairperson's Report

On behalf of the Board of the Tenants Union of Victoria I take great pleasure in presenting the Annual Report for 2007/08. The Annual Report documents the work of the organisation throughout the year and highlights the vital role that the Tenants Union plays in protecting and promoting the rights and interests of residential tenants in Victoria.

The market conditions for residential tenants have remained difficult over the last twelve months with continuing indications of deteriorating affordability and appropriateness for private renters, particularly those on limited and low incomes.

The vacancy rate for the private rental sector dipped even further and has remained at historic lows making access to reasonable housing even more difficult for many tenants. The tight market has encouraged the continuation of exploitative practices such as rental bidding and the growth of marginal forms of housing such as informal rooming houses created by converting single occupancy dwellings into multiple occupancy dwellings.

We have also seen rents continue to increase at a rate much greater than the general level of inflation, with an increase in the median rent for metropolitan Melbourne of more than 12% in 2007/08. Most of the affordable rental housing remains well outside the suburbs that have reasonable access to employment, social services and transport. Concurrently, access to the social housing sector has continued to contract.

Unfortunately governments have not acted quickly despite the gathering evidence of a general problem with housing and a grave crisis in the rental sector. We continue to call on government to take a number of urgent and integrated actions to assist residential tenants.

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

We have continued our work to defend and extend our income particularly through the development of new services for members which will be implemented in the forthcoming financial year.

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 and households to solve their problems. The management and staff of the organisation are to be commended on their continuing efforts to improve our services and for their many individual successes.

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



Graham Barrington  
**Chairperson**



## Chief Executive Officer's Report

Over the last twelve months, we have continued to be confronted with the many consequences of a failing rental sector. We have endeavoured to assist tenants in the private market struggling with higher rents and tight vacancy rates. Unfortunately, these are conditions that generally dissuade tenants from exercising the limited rights they have. With limited access to the social housing sector, highly disadvantaged tenants are being increasingly exploited and forced into substandard rooming houses and caravan parks.

The overall number of tenants we have assisted has declined over the last few years due to a reduction in our funding and resources. However, we have continued to provide a very significant level of advocacy assistance, primarily targeted at vulnerable and disadvantaged renters. Over the course of the year we have provided advocacy assistance to more than 3,500 clients. Despite our excellent record of successfully resolving more than two-thirds of disputes we nevertheless undertook more than 500 representations of tenants at VCAT.

Consistent with empowering tenants through information, we have continued to refocus our education activities and better align them with our social change agenda. This year we successfully undertook a further extension of the resource materials available on our website. Our overall site visits have continued to increase and we are seeing unprecedented downloads of our publications and resources, which is greatly enhancing the reach already achieved by our printed materials. With the assistance of the Victorian Government we are gradually translating all of our residential tenancies fact sheets.

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

We have experienced a modest increase in funding this year and we wish to acknowledge the contribution of the following funding bodies in enabling the Tenants Union to work towards its objectives:

- |   |   |
|---|---|
| > Office of Housing,<br>Department of Human Services  | > Consumer Utilities Advocacy Centre  |
| > Victoria Legal Aid<br>(Community Legal Services Program)  | > Donkey Wheel  |
| > Commonwealth Department of<br>Family and Community Services<br>(Community Legal Services Program) | > Melbourne Community Foundation<br>(Ballandry Fund, Morawetz Social<br>Justice Fund, Coronella Fund) |
| > Consumer Affairs Victoria,<br>Department of Justice   | > Emily McPherson Trust   |
|   | > Reichstein Foundation   |

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



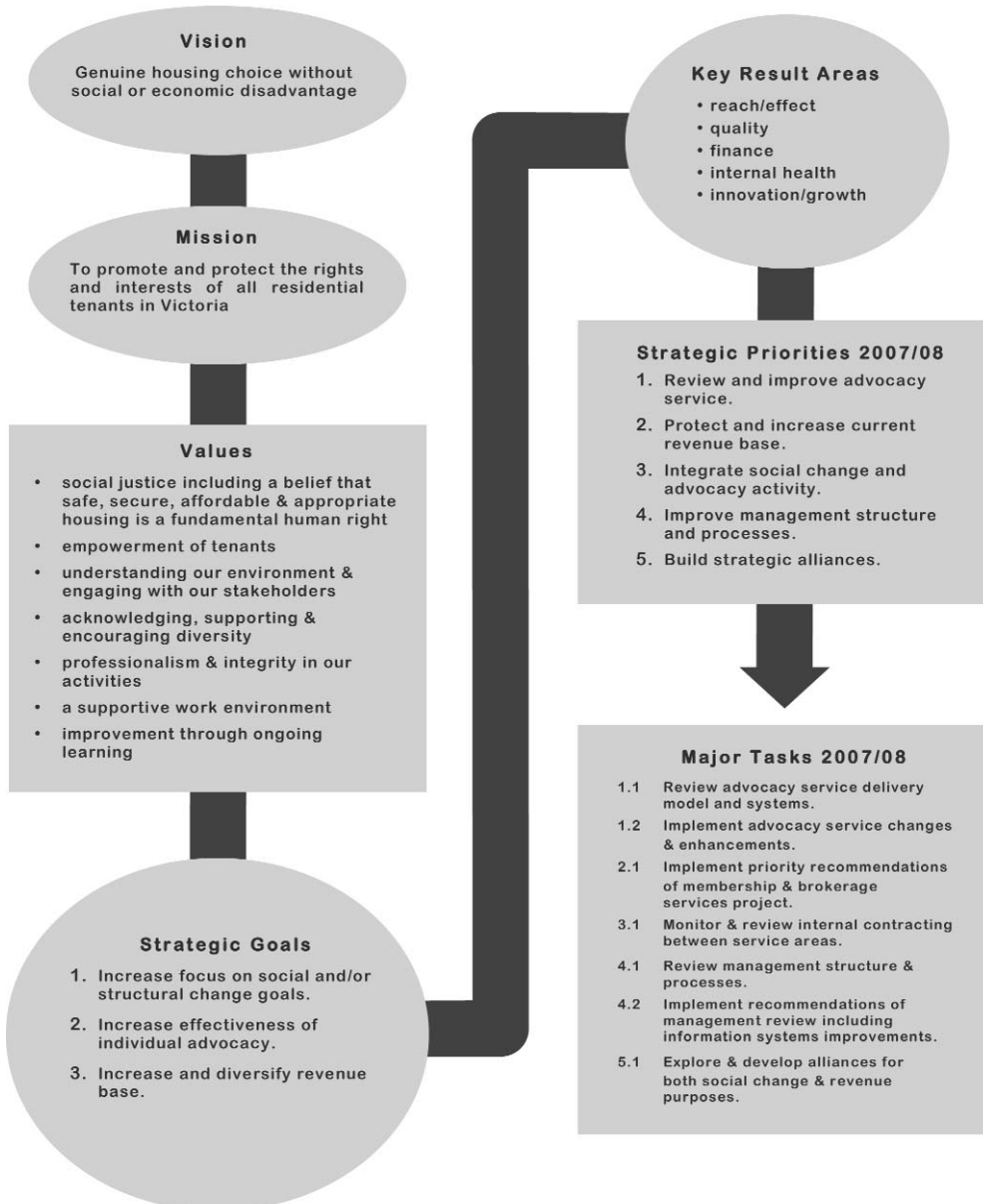
Mark O'Brien

**Chief Executive Officer**

# Strategic Direction

The current Strategic Plan is outlined below. A status report against the Key Result Areas for the organisation for 2007/08 follows.

## Tenants Union of Victoria, Strategic Plan 2005-08



## Tenants Union of Victoria, Key Result Areas 2007/08

|    | Key Result Area                        | Annual Target | YTD Actual | Variance | Notes |
|----|--|---------------|------------|----------|-------|
|    | <b>Reach</b>                           |               |            |          |       |
|    | <b>Advocacy</b>                        |               |            |          |       |
| 1  | No. of clients overall                 | 20,500        | 14,787     | 72.1%    | 1     |
| 2  | No. of phone clients                   | 18,000        | 11,103     | 61.7%    | 2     |
| 3  | No. of drop-in clients                 | 2,000         | 2,115      | >100%    |       |
| 4  | No. of email clients                   | 500           | 1,569      | >100%    |       |
| 5  | No. of caravan/rooming house clients   | 400           | 712        | >100%    |       |
| 6  | No. of public housing clients          | 750           | 719        | 95.9%    | 3     |
| 7  | No. of organisational clients          | 1,000         | 673        | 67.3%    | 4     |
| 8  | No. of new casework files              | 650           | 291        | 44.8%    | 5     |
| 9  | No. of active casework files           | 800           | 627        | 78.4%    | 6     |
| 10 | No. of metro advocacy clients          | 600           | 966        | >100%    |       |
| 11 | Advocacy \$ (metro TUV)                | \$120,000     | \$210,451  | >100%    |       |
| 12 | Advocacy \$ (metro total)              | \$180,000     | \$266,151  | >100%    |       |
| 13 | Advocacy \$ (caravan/rooming house)    | \$80,000      | \$45,120   | 56.4%    | 7     |
|    | <b>Education</b>                       |               |            |          |       |
| 14 | No. of leaflets distributed            | 80,000        | 163,889    | >100%    |       |
| 15 | No. of handbooks distributed           | 20,000        | 14,442     | 72.2%    | 8     |
| 16 | No. of Tenant News distributed         | 20,000        | 20,303     | >100%    |       |
| 17 | No. of website sessions                | 80,000        | 148,882    | >100%    |       |
| 18 | No. of leaflet page views              | 20,000        | 95,325     | >100%    |       |
| 19 | No. of multilingual page views         | 5,000         | 5,991      | >100%    |       |
| 20 | No. of outreach visits                 | 135           | 188        | >100%    |       |
| 21 | No. of tenant group sessions           | 24            | 1          | 4.2%     | 9     |
| 22 | No. of CAV sessions                    | 4             | 3          | 75.0%    | 10    |
| 23 | No. of SHASP sessions                  | 4             | 0          | 0.0%     | 11    |
| 24 | No. of training assessments            | 50            | 0          | 0.0%     | 12    |
|    | <b>Social Change</b>                   |               |            |          |       |
| 25 | No. of media releases                  | 12            | 4          | 33.3%    | 13    |
| 26 | No. of media articles                  | 12            | 63         | >100%    | 14    |
| 27 | No. of research papers/submissions     | 2             | 2          | 100%     |       |
| 28 | No. of alliances                       | 2             | 2          | 100%     |       |
|    | <b>Corporate</b>                       |               |            |          |       |
| 29 | No. of members                         | 150           | 168        | >100%    |       |
| 30 | No. of new members                     | 50            | 44         | 88.0%    | 15    |
| 31 | No. of AGM attendees                   | 8             | 10         | >100%    |       |
|    | <b>Quality</b>                         |               |            |          |       |
|    | <b>Advocacy</b>                        |               |            |          |       |
| 32 | Abandoned call rate                    | <20%          | 19.9%      | No       |       |
| 33 | Service guidelines exceptions          | None          | 0          | No       |       |
| 34 | No. of complaints                      | None          | 0          | No       |       |
| 35 | Client satisfaction rate               | 85%           | 95%        | >100%    |       |
|    | <b>Education</b>                       |               |            |          |       |
| 36 | Training participant satisfaction rate | 85%           | 95%        | >100%    |       |
| 37 | Publications vetting exceptions        | None          | 0          | No       |       |
| 38 | Publications satisfaction rate         | 85%           | 95%        | >100%    |       |
|    | <b>Social Change</b>                   |               |            |          |       |
| 39 | Project completion exceptions          | None          | 2          | Yes      | 16    |
| 40 | Adoption of recommendations            | None          | 0          | No       |       |
|    | <b>Corporate</b>                       |               |            |          |       |
| 41 | Proportion of members renewed          | 50%           | 71%        | >100%    |       |
|    | <b>Finance</b>                         |               |            |          |       |
| 42 | Expenditure variance from Budget       | 0%            | 0.0%       | No       |       |
| 43 | Expenditure variance from programs     | 0%            | 0.0%       | No       |       |
| 44 | Proportion of discretionary income     | 1%            | 1%         | 0.0%     |       |
| 45 | Reporting compliance exceptions        | None          | 3          | Yes      | 17    |
|    | <b>Internal Health</b>                 |               |            |          |       |
| 46 | Rate of absenteeism                    | 3%            | 2.9%       | 0.1%     |       |
| 47 | Rate of staff turnover                 | 5%            | 18.0%      | (13.0%)  | 18    |
| 48 | Staff satisfaction rate                | 75%           | 80%        | >100%    |       |
| 49 | Staff development exceptions           | None          | 0          | No       |       |
| 50 | EO & OHS compliance exceptions         | None          | 0          | No       |       |
|    | <b>Innovation</b>                      |               |            |          |       |
| 51 | No. of new projects                    | No target     | 2          | >100%    |       |
| 52 | No. of new services                    | No target     | 0          | No       |       |
| 53 | No. of new alliances                   | No target     | 1          | >100%    |       |

### Notes:

- Overall client numbers were below target due to lower phone service numbers.
- As noted previously phone advice clients have been declining over a prolonged period of time due to a number of factors. This was exacerbated during the year by variable service response due to staff turnover, recruitment difficulties and complexity of enquiries.
- Public housing clients were below target due to lower phone service numbers.
- Organisational clients were below target but should correct over next 12 months with extra staffing and promotion.
- New casework clients have declined due to changes in casework allocation and staffing gaps.
- Active casework clients are below target due to changes in casework allocation and reduction in new cases.
- Rooming house and caravan parks clients were below target due to reduced caravan park client numbers.
- Handbook distribution was below target but this is offset by other resources being over target.
- Tenant group training was below target due to lack of demand.
- CAV training sessions were below target due to limited CAV requests.
- SHASP training sessions have not occurred due to lack of demand. In the interim we have been developing online resources to extend the reach of our program.
- Training assessments are under target due to lower than anticipated demand for assessments.
- Media releases were under target but this was offset by strong media demand.
- This figure does not include the significant media coverage achieved through the Australians for Affordable Housing campaign.
- New members were below target but will improve when new member services are implemented.
- Some special projects were delayed due to recruitment difficulties and subsequent staffing shortages.
- Reporting was delayed due to financial systems and database problems which have now been rectified.
- Staff turnover was above target and mostly related to longer term and casual employees.

## Social Change

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

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

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

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

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

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

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

Across the four broad areas of our social change agenda our major achievements for 2007/08 were:

### Legitimacy

- > promoted tenancy issues in both local and statewide media with more than **60** articles or interviews in print, radio and television
- > lobbied the Victorian Government to implement its integrated housing strategy to improve the various forms of housing assistance provided by government
- > lobbied the Victorian Government to implement residential tenancies reform following the release of a residential accommodation discussion paper by Consumer Affairs Victoria (June 2007)
- > played an important leadership role in the development of a broad based community sector alliance to campaign for affordable housing
- > gave a presentation to the VCOSS Social Policy Congress (August 2007) on the important issue of the failure of the private rental market to deliver the basic human right of housing
- > met with relevant Victorian Government Ministers to provide a broad overview of the work of the Tenants Union and our policy reform agenda
- > lobbied the Commonwealth Government and Opposition to ensure that federal housing policy is responsive to the needs of tenants in the private and public sectors

## Accessibility

- > made a submission to the Equal Opportunity Review Discussion Paper to improve the reporting and redress for complaints about discrimination in rental housing (January 2008) and a subsequent submission to the Equal Opportunity Review Options Paper (May 2008)
- > lobbied the Federal Attorney General's Department and the Victorian Government on proposed amendments to the Federal Privacy Guidelines relating to residential tenancies databases
- > developed a number of education projects targeting particular groups of tenants affected by discrimination in the private rental market including newly arrived migrants, single parents and students

## Affordability

- > released national and state rental housing Affordability Bulletins (June to November 2007) reported in a number of capital city and national media
- > completed a successful Freedom of Information appeal process to secure the release of the Commonwealth Government's internal review of Commonwealth Rent Assistance
- > made a submission to the Commonwealth Government in response to the Technical Paper about the new National Rental Affordability Scheme (June 2008)
- > lobbied the Victorian Government to implement its commitment in the Victorian Integrated Housing Strategy to improve affordability for private renters

## Appropriateness

- > lobbied the Victorian Government to implement its commitment to improve regulation and monitoring of private rooming houses
- > lobbied the Victorian Government to implement its commitment to extend residential tenancies legislative protection to student accommodation
- > continued to lobby the Victorian Government to implement rental housing standards particularly in response to proposed significant increases in the cost of domestic energy and water
- > made submissions or reports to:
  - > Australian Energy Market Commission, Review of the Effectiveness of Full Retail Competition (July 2007)
  - > Essential Service Commission, Water Tariff Review (November 2007) and the Review Report (December 2007)
- > delivered research papers on:
 

|                                      |  |
|--------------------------------------|--|
| > Rent Setting Issues                | > Insurance Issues (for residential tenants) |
| > Residential Tenancies Act Offences | > Utilities Issues (for residential tenants) |

- > continued to lobby the Victorian Government to improve the policies and procedures for social housing
- > actively participated in the Victorian Civil & Administrative Tribunal (VCAT) Residential Tenancies List Users Group to identify systemic problems with VCAT processes and practice
- > actively participated in forums sponsored by the Director of Consumer Affairs Victoria to maintain an overview of residential tenancies services

### **Social Change Case Study: Australians for Affordable Housing**

In late 2006 a number of housing and homeless organisations commenced discussions about the importance of promoting the issue of affordable housing in the lead up to the 2007 Federal Election. The result of this process was the formation of an alliance to raise funds and develop a clear project proposal. From its inception, the Tenants Union was a significant contributor to the alliance.

A project proposal was presented to a broader range of community sector CEOs and managers along with a request for further contributions to enable the full project to be implemented. Contributions from members were both generous and numerous enabling the project to be launched in early 2007. One of the key features of the implementation of the project was the formalisation of the alliance as “Australians for Affordable Housing”. A key feature of the alliance was to articulate the broad significance of affordable housing beyond concerns about interest rate movements and to establish a voice for low- and middle-income households as an alternative to the industry dominated public debate. An important part of the alliance’s strategy was the secondment of the Tenants Union’s Policy and Liaison Worker, David Imber, to the role of media spokesperson.

Australians for Affordable Housing developed a comprehensive five-point plan to improve housing affordability for low- and middle-income households and engaged continuously with national and statewide media. A range of housing affordability bulletins were produced for a number of key regional areas across Australia accompanied by media and profile raising in each area. During the election period, the opinion of Australians for Affordable Housing was regularly sought on housing issues. A large part of the public comment provided by the alliance was the plight of private renters and the need to address private rental market failure.

During the election campaign the Labour Opposition made a number of commitments on housing issues that were consistent with the alliance’s five-point plan.

The Tenants Union provided the auspice and base for the alliance and our policy and research staff made a major contribution to its work. The Tenants Union is proud to have been one of the founding members and key contributors to this important community sector initiative. It is a wonderful example of collaboration towards a key social change objective.

# 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 2007/08 were:

- > continuation of the Somali Women's Community Leadership Project to work with a group of self-employed Somali women living in public housing. The purpose of the project was to improve community knowledge of Australian systems and promote community leadership
- > delivery of the Consumer Affairs Victoria (CAV) Refugee Education Program. The complete education program provided to CAV comprised two training programs; a 2 1/2 day training program for 'Community Trainers', and a 3 1/2 hour training session for 'Community Educators'
- > completion of a project to produce a multilingual DVD-based resource for first time users of the Victorian Civil and Administrative Tribunal (VCAT) Residential Tenancies List. The project includes a plain English written guide to VCAT titled 'A Day at the Bench'
- > participation in a number of working groups and project steering committees with a focus on residential tenants
- > delivery of community education activities including talks and stalls at significant community events

## Outreach

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

Our major achievements for 2007/08 were:

- > visits to more than **80** rooming houses and **30** caravan parks
- > advice and information to more than **500** residents
- > ongoing cooperation with Local Government Authorities to assist them to identify unregistered and substandard rooming houses and caravans parks
- > provision of information about systemic failures identified by the outreach program to assist the State Government in developing reform options for both caravan parks and rooming houses

### **Outreach Case Study: Unregistered Rooming Houses**

The outreach program discovered an unregistered rooming house in the outer Eastern suburbs. Eight residents were housed in a four-bedroom house. Two residents lived in an unconverted garage at the rear of the property.

The house was extremely unclean due to overcrowding and a lack of maintenance. The communal areas had never been cleaned. These areas were subject to rodent and cockroach infestation as well as severe mould in the kitchen and bathroom. The only toilet was leaking and required urgent repair. Because the rooming house was unregistered there was insufficient provision of rubbish and recycling bins by council. As a result there was a significant accumulation of rubbish in the communal areas as well as household and other rubbish around the property.

The rooming house provisions in the *Residential Tenancies Act (RTA) 1997* are inadequate to ensure that the rooming house operator guarantee that common areas are clean and maintained to a reasonable standard. While the RTA requires owners to address urgent repairs this does not ensure that repairs are conducted immediately. Repairs are often subject to an application to VCAT, listing and hearing of the matter and orders issued for repairs to be conducted within a set timeframe. If the order is not complied with residents are required to go back to VCAT. While residential tenants may arrange for urgent repairs costing up to \$1000 to be conducted, rooming house residents may have difficulty arranging this due to low income and the communal nature of the dwelling.

The RTA does not provide clear responsibility for cleaning communal areas. While operators are required to keep the property and communal areas in good repair, this does not extend to ensuring that the common areas are clean. The RTA requires a resident to ensure that their room is clean but remains silent on responsibilities in relation to the common areas. As a result common areas often remain uncleaned.

The Tenants Union contacted local government to inform them of the unregistered rooming house and to request an inspection of health and safety standards. The council met with the owner and the Tenants Union to conduct inspections of the property.

The Tenants Union distributed information handbooks to the residents and spoke at length with the residents about their rights and duties. The council and the Tenants Union have now developed a close working relationship

The Tenants Union accompanied the council officer on several inspections of the property and meetings with the owner. The council inspector issued notices to the owner to remove all rubbish, replace the toilet and clean all communal areas including the kitchen, bathroom and laundry. The building inspector issued notices to instal hardwired smoke detectors and improve fire safety provisions.

Once the notices were complied with the property was eventually registered.



## 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.

100% of respondents to our reader satisfaction survey found the information in our publications very useful and 91% of respondents found it easy to read and understand.

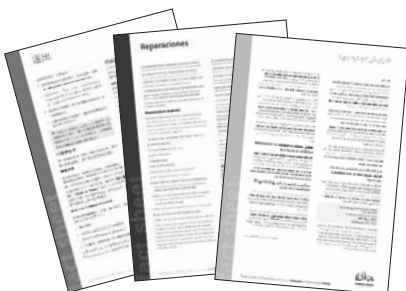
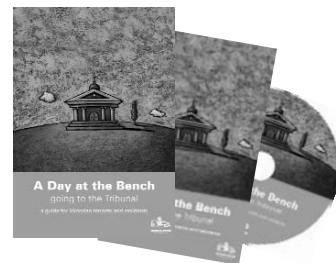
Some of the print publications distributed in 2007/08 include:

- > more than **160,000** fact sheets covering 30 common residential tenancy problems now including some rooming house issues
- > more than **21,000** handbooks for public tenants and residents of rooming houses, caravan parks and transitional housing
- > **3** issues of *Tenant News*, a quarterly newsletter for tenants with more than **3,000** readers each edition

In addition, there were more than 148,000 individual user sessions on the Tenants Union website including more than 4,800 downloads of our multilingual information. Other publications downloaded from our website included:

- > more than **80,000** fact sheets
- > more than **18,000** step-by-step guides
- > more than **9,000** handbooks
- > close to **4,000** copies of Tenant News

This year we worked closely with the Community Education Program to write and produce a much-needed resource in the form of 'A Day at the Bench', a 25-minute DVD and handbook designed to help tenants and residents who are going to a hearing at the Victorian Civil and Administrative Tribunal (VCAT) Residential Tenancies List.



For the first time we also produced a range of multilingual fact sheets, comprising our top 5 titles in 12 community languages. All 60 fact sheets were made available for download from the Tenants Union website.

## Training

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

The Tenants Union of Victoria is a Registered Training Organisation and currently provides one accredited course, Introduction to Tenancy Law, which includes training on residential tenancy law, rooming house and caravan park law and the Victorian Civil and Administrative Tribunal (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 as required to assist the Tenants Union to develop and deliver effective training in line with the National Training Framework.

The following training was offered in 2007/08:

- > Introductory Tenancy Law
- > Advanced Tenancy Law
- > Introductory Office of Housing Policies & Procedures
- > VCAT Advocacy
- > Renting in Victoria

Based on feedback and evaluation following each workshop, the training program has consistently achieved high participant satisfaction, with **more than 90%** of participants rating the workshops **good** or **excellent**.

The Renting in Victoria training session was presented to newly arrived migrants both in Melbourne and a number of country areas and also to two Regional Tenancy Councils in rural Victoria. All sessions were very well received.

The highlight in the training program for 2008 was the introduction of e-learning training facilities. This has enhanced the Tenants Union's ability to provide professional development to advocates and housing workers located in rural and remote parts of Victoria. The flexibility of e-learning allows for training sessions to be scheduled at a time that is negotiable with students, removing the reliance on in-person attendance at a pre-arranged time and venue.

While the system is in its early days, the overall assessment of the online training facilities has been very positive. At present, the only subject available through this medium is Introduction to Tenancy Law, however plans for introducing additional topics are underway.

## Advice & Advocacy

### Advice

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

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

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

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

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

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

During 2007/08, through the general tenant's advice service we achieved a total of **14,787** clients comprising:

- > 11,103 telephone contacts
- > 2,115 in-person contacts
- > 1,569 mail contacts (98% through our email service)

This was a 14% decline from 17,286 clients in 2006/07. Whilst contacts through both email and drop-in increased there was a significant decline in phone service contacts. This is unfortunately consistent with a longer term decline in phone enquires which is more than matched by significant increase in traffic and information downloads from our website.

During 2007/08 our mix of client types was as follows:

- > 13,474 private rental tenants
- > 750 public housing tenants
- > 924 rooming house residents
- > 234 caravan park residents
- > 114 crisis and transitional housing residents

During 2007/08 we assisted tenants with a vast range of tenancy issues and problems. The five most common specific problem enquiries were in regards to:

|                           |                  |
|---------------------------|------------------|
| > repairs                 | 10,370 enquiries |
| > notices to vacate       | 10,037 enquiries |
| > bond recovery/retention | 6,160 enquiries  |
| > lease breaking          | 4,259 enquiries  |
| > compensation            | 3,915 enquiries  |

During 2007/08 we also received **673 organisational** enquiries from a wide range of agencies and services.

#### **Advice Case Study: Change in Rent Payment Method**

The following enquiry is typical of enquiries we receive about this subject:

*The real estate agent has sent a letter advising they are going to use Rentmate as a means of rent payment and they want me to sign a direct debit form so Rentmate can debit a \$2.50 fee for each time I pay the rent. Is this allowed and isn't it just a form of rent increase? They do allow bank cheques and money orders but I think they cost even more. I think they are double dipping by charging the landlord a fee to manage the property and passing any costs on to me.*

We advised:

*From the information you have given it would appear the fee that the estate agent is attempting to charge is prohibited on two grounds:*

- 1. The new payment method constitutes a unilateral variation of the agreed rent payment method.*
- 2. The fee is possibly an offence under s.51(3) of the Residential Tenancies Act and you should ask Consumer Affairs Victoria to investigate.*

*You should write a letter to the estate agent explaining that the fee is an offence and prohibited on the two grounds above and that as such you are not obliged to pay it. Also see the attached fact sheet on how to make a complaint to Consumer Affairs Victoria about this estate agent.*

The tenant took our advice and was informed by the real estate agent that no changes would be made to the rent payment method until further notice.

## Advocacy

Advocacy assistance is provided to those clients who require more than basic advice and information.

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

### Advocacy Case Study: Disputed telephone costs

The following case study gives a good indication of the variety and complexity of some of the matters we are asked to assist with:

A tenant received a \$3500 phone bill related to a faulty alarm system that had been calling back to base for about six weeks over the Christmas period. They are relatively recently arrived from the Horn of Africa and have four children under the age of 9 with a fifth child on the way.

The tenants had never used the alarm, and had been advised it was decommissioned when they moved in three years earlier. The only indication they received of the problem was increasing interference with their phone line. They contacted their phone company to come and inspect what they thought was a line fault. They then received a phone call from their phone company advising them to expect a bill in excess of \$1500 as a result of repeated automatic phone calls from their alarm system to a security company. The tenant contacted their real estate agent and was told to bring in a copy of the bill when it arrived. Over the next three weeks they heard nothing more from the agent. They eventually sought assistance from their local church pastor who called the church's own security company to the tenant's premises to disconnect the alarm service. By this time the charges had reached \$3500.

The tenant made repeated requests for the landlord to pay this charge as it resulted from a fault in the repair of the alarm system. The landlord refused to pay, and instead helped the tenant to draft a letter to the company requesting that the debt be waived. Two months later the tenant's phone was disconnected and their internet cancelled as the landlord had not paid the amount. The tenant had signed their children up to an internet-based maths tutorial, which continued to cost them \$200 a month.

With the help of Victoria Legal Aid, the tenant lodged an application to VCAT for compensation from the landlord for the \$3500 phone charges and \$1000 compensation for their inability to use the maths tutorial system for 5 months. At the first hearing, VCAT expanded the application to include the phone company and the security company, and to include the Fair Trading Act 1997. The tenant attended our office for assistance in relation to their application.

We attended with the tenant at a second hearing, where the phone and security companies failed to attend. After hearing submissions from both the landlord and the Tenants Union on behalf of the tenant the Member made orders that the phone and security company be held jointly liable for the phone charges, and the phone company for the \$1000 compensation due to the disconnection. In addition they were to reconnect the phones at no charge.

Advocacy assistance is provided by paralegal advocates or legally qualified staff.

During 2007/08 we assisted more than **3,696 clients** with general advocacy services.

For those advocacy clients who require ongoing assistance we open case files. The table (below) shows a comparison of our casework activity for the last two financial years.

**Table 1: Comparison of Casework Activity, 2007/08 v 2006/07**

|                                | <b>2007/08</b> | <b>2006/07</b> |
|--------------------------------|----------------|----------------|
| > No. files open at 1 July     | 208            | 492            |
| > No. of new files             | 405            | 797            |
| > No. of closed files          | 247            | 1,081          |
| > No. of files open at 30 June | 366            | 208            |

*(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.

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

In 2007/08 we undertook more than **500** appearances at VCAT.

## **Legal Service**

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

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

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

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

### **Legal Service Case Study: Serial Breaches by Landlord**

The following case study is typical of a number of matters we have assisted with:

Mr B entered a rooming house at 375 Fitzroy Street, Fitzroy. The rent was set at \$805 per calendar month, and a bond of \$402.50 was requested. Mr B paid the bond and then a few days later paid the first month's rent in the amount of \$805.

Receipts were issued for both payments in the name of Inner City Towing & Smash Repairs Pty Ltd (Inner City). No bond was ever lodged with the Residential Tenancies Bond Authority (RTBA).

Mr B was only offered a cursory inspection of the property prior to accepting a room. When Mr B entered the property, the furniture and bed that the rooming house operator had promised to instal were not present. A few days later the rooming house operator provided some furniture, however it was in very poor condition.

Over the next two months, the rooming house operator undertook work on the rooming house including the installation of a fridge in the unfinished bathroom, claiming the room was now a combined kitchen and bathroom. The rooming house operator also installed a toilet that leaked and the only shower in the property (which did not have a shower screen) also leaked.

Mr B served a Breach of Duty Notice on the rooming house operator. Upon receiving the Notice, the rooming house operator attended the property and abused Mr B. This behaviour continued over a number of days, culminating in the rooming house operator telling Mr B in no uncertain terms where he could stick the Notice to Vacate.

Mr B gave verbal Notice of Intention to Vacate, which he then confirmed in writing, and vacated the property.

Mr B made a compensation claim at the Victorian Civil and Administrative Tribunal (VCAT), seeking the return of overpaid rent in addition to compensation for the reduced amenity and breaches of quiet enjoyment that he had suffered. VCAT ordered that Inner City Towing & Smash Repairs Pty Ltd pay to Mr B a total of \$843.13 in bond. The tenant has not received payment and a letter of demand for the outstanding money was returned to sender.

The rooming house operator has recently been prosecuted by Consumer Affairs Victoria for breaches of the *Residential Tenancies Act 1997*. We are still seeking to recover Mr B's money and have referred this particular matter to Consumer Affairs Victoria for further investigation.

## Administration Services

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

In 2007/08 Administration Services:

- > provided effective financial reporting and accountability to the Board, funding bodies and the Australian Securities and Investment Commission (ASIC)
- > maintained the Tenants Union's information technology network
- > maintained the Tenants Union library and other information resources with about 2000 catalogued items
- > provided effective reception services for the central office of the Tenants Union, handling an average of 150 enquiries per day (excluding advice service calls)
- > handled **more than 420** orders for publications with **89%** of orders filled and returned within 7 days of receipt



# Personnel

## Staff

Staff members as at 30 June 2008 were:

|                     |   |
|---------------------|---|
| Mark O'Brien        | Chief Executive Officer                 |
| Alexandra Kingsmill | Tenant Adviser                          |
| Alyena Mohummudally | Solicitor (Policy)                      |
| Anne Smith          | Administration Worker                   |
| Bill Darling        | Tenant Advocate                         |
| Catherine Newton    | Tenant Adviser                          |
| Catherine Thwaite   | Tenant Adviser                          |
| Cassandra Laybourne | Tenant Advocate                         |
| Christina Andrews   | Rooming House Advocate                  |
| Colleen Power       | Phone Adviser                           |
| Damian Stock        | Solicitor                               |
| Damon Keogh         | Tenant Adviser                          |
| Dominik Vukovic     | Solicitor                               |
| Helen Munro         | Training Worker                         |
| James Muldoon       | Tenant Adviser                          |
| Jenny Draffin       | Librarian                               |
| Karen Bijkersma     | Resources Worker                        |
| Karina Bonney       | Tenant Adviser                          |
| Lyn Ryder           | Legal Administrative Assistant          |
| Mariam Mohammed     | Project Worker (Somali Women's Project) |
| Marian Hopkins      | Solicitor                               |
| Marisol Bombal      | Bookkeeper                              |
| Maya Narayan        | Phone Adviser                           |
| Melinda Tew         | Community Education Worker              |
| Miles Browne        | Tenant Advocate                         |
| Neil Farren         | Phone Adviser                           |
| Oiza Ekong          | Phone Adviser                           |
| Raili Sjmolki       | Tenant Adviser                          |
| Sam Szoke-Burke     | Tenant Adviser                          |
| Ursula Dutkiewicz   | Administration Worker                   |

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

Our thanks also go to the following staff that left the organisation in 2007/08 for their commitment and work during their employment with the Tenants Union:

|                   |                                  |
|-------------------|----------------------------------|
| Alex Santamaria   | Phone Adviser                    |
| Alison Cook       | Finance & Administration Manager |
| Angelica Vargas   | Tenant Adviser                   |
| Annabelle O'Regan | Tenant Adviser                   |
| Casey McCowan     | Project Worker                   |
| Chris Povey       | Solicitor                        |
| David Imber       | Policy & Liaison Worker          |
| Deb Connell       | Tenant Advocate                  |
| Denis Nelthorpe   | Project Worker                   |
| Michelle Barnett  | Tenant Adviser                   |
| Morgan Waters     | Tenant Adviser                   |
| Paul Keating      | Caravan Park Advocate            |
| Rebecca Harrison  | Research & Policy Worker         |
| Sermin Uzuner     | Tenant Adviser                   |
| Sheila Narayan    | Operations Manager               |
| Shaun Keogh       | Tenant Adviser                   |
| Stephen Wilcox    | Solicitor                        |
| Vanessa Simpson   | Project Worker                   |

# 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 2008.

#### Directors

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

Graham Barrington (Chairperson)  
Anthony Wing  
Dat Nguyen  
Jacqueline Robinson  
Michelle Rowland (appointed 5/3/2008)  
Natasha Leigh  
Patricia Roake  
Ross Ferris (retired 28/11/2007)  
Shannon Walker

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 loss of the company for the year amounted to \$2,483 (2007: Surplus \$53,477).

### **Dividends**

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

### **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. There has been continued decline in overall client demand due largely to declining phone service levels

- > 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 staff turnover than expected is due to future funding and service uncertainty

### **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 company 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 continues to implement changes that affect the level of grants and the process for service agreement and delivery
- > we have experienced difficulties achieving performance requirements for some Office of Housing grants and programs due to decline in demand. Funding levels may be adversely impacted if demand does not increase

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 2008 has been received and forms part of the directors' report.

## Information on Directors

|                          |  |
|--------------------------|--|
| <b>Anthony Wing</b>      | Appointed 20/11/2006   |
| Qualifications           | LLB  |
| Experience               | Senior manager in Commonwealth regulator.<br>Substantial experience as a government policy advisor, regulator and lawyer |
| Special Responsibilities | Finance Committee  |
| <b>Dat Nguyen</b>        | Appointed 20/11/2006   |
| Qualifications           | MBA  |
| Experience               | IT project manager   |
| Special Responsibilities | Strategy Committee   |

|                            |  |
|----------------------------|--|
| <b>Graham Barrington</b>   | Appointed 11/11/2004   |
| Qualifications             | MB BS, MBA, MPH, M App Sc, BA, BSc, Grad Dip Hum AFCHSE  |
| Experience                 | Health sector management   |
| Special Responsibilities   | Chairperson. Strategy Committee  |
| <b>Jacqueline Robinson</b> | Appointed 23/6/2005  |
| Qualifications             | BA   |
| Experience                 | Arts and community development worker.<br>Organisational and training consultant                         |
| Special Responsibilities   | Governance Committee   |
| <b>Michelle Rowland</b>    | Appointed 5/3/2008   |
| Qualifications             | LLB, BA (Hons)   |
| Experience                 | Admitted to legal practice in 2002.<br>Senior public servant and former policy adviser                   |
| Special Responsibilities   | Governance Committee   |
| <b>Natasha Leigh</b>       | Appointed 21/6/2005  |
| Qualifications             | LLB, BA (Psychology)   |
| Experience                 | Admitted to legal practice in 2000, senior policy<br>and projects solicitor with consumer specialisation |
| Special Responsibilities   | Policy Committee   |
| <b>Patricia Roake</b>      | Appointed 20/11/2006   |
| Qualifications             | MA (Public Relations)  |
| Experience                 | Communications, public relations and marketing.<br>Currently senior advisor in Victorian public sector   |
| Special Responsibilities   | Governance Committee   |
| <b>Shannon Walker</b>      | Appointed 18/12/2006   |
| Qualifications             | BA (Journalism & Public Relations)   |
| Experience                 | Communications consultant  |
| Special Responsibilities   | Policy 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,<br>appointed Chief Executive Officer in 1998 |

## Meetings of Directors

During the financial year, 20 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 |
| Anthony Wing        | 5                         | 5               | 4                         | 4               |                           |                 |                           |                 |                           |                 |
| Dat Nguyen          | 5                         | 1               |                           |                 |                           |                 |                           |                 | 4                         | 4               |
| Graham Barrington   | 5                         | 5               |                           |                 |                           |                 |                           |                 | 4                         | 4               |
| Jacqueline Robinson | 5                         | 2               |                           |                 | -                         | -               |                           |                 |                           |                 |
| Michelle Rowland    | 2                         | 2               |                           |                 | 1                         | 1               |                           |                 |                           |                 |
| Natasha Leigh       | 5                         | 3               |                           |                 |                           |                 | 4                         | 4               |                           |                 |
| Patricia Roake      | 5                         | 3               |                           |                 | 3                         | 3               |                           |                 |                           |                 |
| Ross Ferris         | 2                         | 2               | 2                         | 2               |                           |                 |                           |                 |                           |                 |
| Shannon Walker      | 5                         |                 |                           |                 |                           |                 | 4                         | 4               |                           |                 |

## 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 or authority or other act wrongfully committed. No premium is payable by the Tenants Union of Victoria Ltd in respect of this policy.

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



Graham Barrington

**Director/Chairperson**

Dated this 1st day of September 2008

**Auditor's Independence Declaration under Section 307c  
of the Corporations Act 2001**

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been

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

C.W. Stirling & Co.  
Chartered Accountants



---

John A. Phillips

**Partner**

Dated this 1st day of September 2008



## Income Statement

Tenants Union of Victoria Ltd ACN 081 348 227

For the year ended 30 June 2008

|  | Note | 2008<br>\$  | 2007<br>\$  |
|--|------|-------------|-------------|
| Revenue  |      | 1,799,404   | 1,779,964   |
| Employee benefits expense                      |      | (1,186,258) | (1,198,240) |
| Occupancy expense                              |      | (112,125)   | (96,451)    |
| Depreciation expense                           |      | (10,426)    | (16,142)    |
| Printing, publications, stationery and postage |      | (115,179)   | (117,660)   |
| Capital equipment                              | 1(b) | (1,127)     | (23,664)    |
| Consultancy and subcontractor expenses         |      | (121,171)   | (122,037)   |
| Special projects                               |      | (49,874)    | (10,098)    |
| Administration and other expenses              |      | (205,727)   | (142,195)   |
| Surplus (deficit) before income tax            | 2    | (2,483)     | 53,477      |
| Income tax expense                             | 1(a) | -           | -           |
| Net surplus (deficit)                          |      | (2,483)     | 53,477      |

The accompanying notes form part of these financial statements.

**Balance Sheet****Tenants Union of Victoria Ltd ACN 081 348 227****As at 30 June 2008**

|                               | Note | 2008<br>\$    | 2007<br>\$    |
|-------------------------------|------|---------------|---------------|
| <hr/>                         |      |               |               |
| CURRENT ASSETS                |      |               |               |
| Cash and cash equivalents     | 3    | 381,946       | 442,539       |
| Trade and other receivables   | 4    | 133,713       | 67,093        |
| TOTAL CURRENT ASSETS          |      | <hr/> 515,659 | <hr/> 509,632 |
| NON-CURRENT ASSETS            |      |               |               |
| Trade and other receivables   | 4    | 4,610         | 4,610         |
| Plant and equipment           | 5    | 13,414        | 8,062         |
| TOTAL NON-CURRENT ASSETS      |      | <hr/> 18,024  | <hr/> 12,672  |
| TOTAL ASSETS                  |      | <hr/> 533,683 | <hr/> 522,304 |
| CURRENT LIABILITIES           |      |               |               |
| Trade and other payables      | 6    | 90,827        | 6,950         |
| Current tax liabilities       | 7    | 32,911        | 60,428        |
| Short-term provisions         | 8    | 64,122        | 79,482        |
| Other current liabilities     | 9    | 96,748        | 138,142       |
| TOTAL CURRENT LIABILITIES     |      | <hr/> 284,608 | <hr/> 285,002 |
| NON-CURRENT LIABILITIES       |      |               |               |
| Long-term provisions          | 8    | 22,204        | 7,948         |
| TOTAL NON-CURRENT LIABILITIES |      | <hr/> 22,204  | <hr/> 7,948   |
| TOTAL LIABILITIES             |      | <hr/> 306,812 | <hr/> 292,950 |
|                               |      | <hr/> 226,871 | <hr/> 229,354 |
| EQUITY                        |      |               |               |
| Capital reserve               | 10   | 13,414        | 8,062         |
| Accumulated surplus           |      | <hr/> 213,457 | <hr/> 221,292 |
| TOTAL EQUITY                  |      | <hr/> 226,871 | <hr/> 229,354 |

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity**  
**Tenants Union of Victoria Ltd ACN 081 348 227**  
**For the year ended 30 June 2008**

|                            | <b>Accumulated<br/>Surplus</b> | <b>Capital<br/>Reserve</b> | <b>Total</b> |
|----------------------------|--------------------------------|----------------------------|--------------|
|                            | <b>\$</b>                      | <b>\$</b>                  | <b>\$</b>    |
| Balance as at 1 July 2006  | 151,673                        | 24,204                     | 175,877      |
| Surplus for the year       | 53,477                         | -                          | 53,477       |
| Transfer from reserves     | 16,142                         | (16,142)                   | -            |
| Balance as at 30 June 2007 | 221,292                        | 8,062                      | 229,354      |
| Surplus for the year       | (2,483)                        | -                          | (2,483)      |
| Transfer to reserves       | (5,352)                        | 5,352                      | -            |
| Balance as at 30 June 2008 | 213,457                        | 13,414                     | 226,871      |

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 2008

|  | Note | 2008<br>\$  | 2007<br>\$  |
|--|------|-------------|-------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>           |      |             |             |
| Receipts from government and other sources           |      | 1,835,790   | 1,930,800   |
| Payments to suppliers and employees                  |      | (1,903,095) | (1,925,619) |
| Interest received                                    |      | 18,222      | 14,748      |
| Net cash provided by/ (used in) operating activities | 13   | (49,083)    | 19,929      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>           |      |             |             |
| Proceeds on disposal of plant and equipment          |      | -           | 636         |
| Payment for plant and equipment                      |      | (11,510)    | -           |
| Net cash provided by/ (used in) investing activities |      | (11,510)    | 636         |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>           |      |             |             |
| Net cash provided by financing activities            |      | -           | -           |
| Net increase (decrease) in cash held                 |      | (60,593)    | 20,565      |
| Cash at beginning of year                            |      | 442,539     | 421,974     |
| Cash at end of year                                  | 3    | 381,946     | 442,539     |

The accompanying notes form part of these financial statements.

## Notes to Financial Statements

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

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

The financial report is a special purpose financial report that has been prepared in accordance with the *Corporations Act 2001*. The financial report is for Tenants Union of Victoria Limited, a public company limited by guarantee, as an individual entity, incorporated and domiciled in Australia. The financial report was authorised for issue on 1 September 2008 by the board of directors.

#### Basis of Preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Australian Accounting Standards and Australian Accounting Interpretations:

AASB 101: Presentation of Financial Statements;

AASB 107: Cash Flow Statements;

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors;

AASB 110: Events after the Balance Sheet Date;

AASB 1004: Contributions;

AASB 1031: Materiality; and

AASB 1048: Interpretation and Application of Standards

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

#### Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

## **Accounting Policies**

### **a. Income Tax**

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

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

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

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

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

#### **Depreciation**

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

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

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

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

### **c. Financial Instruments**

#### *Recognition and initial measurement:*

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

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

*Derecognition:*

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

*Classification and subsequent measurement:**(i) Loans and receivables:*

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

*(ii) Financial liabilities:*

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

*Fair value:*

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

*Impairment:*

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

**d. Impairment of Assets**

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

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

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

**e. Employee Benefits**

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

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

**f. Unexpended Grants**

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

**g. Cash and Cash Equivalents**

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

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

**h. Revenue**

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

**i. Contributions**

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



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

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

**k. Comparative Figures**

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

**l. Economic Dependence**

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

|   | <b>2008</b> | <b>2007</b> |
|---|-------------|-------------|
|   | \$          | \$          |
| <b>Note 2: Deficit from Ordinary Activities</b>                                       |             |             |
| Deficit from ordinary activities before income tax expense has been determined after: |             |             |
| a. Expenses   |             |             |
| Depreciation of plant and equipment   | 10,426      | 16,142      |
| Remuneration of auditor   |             |             |
| - audit of the financial report   | 8,000       | 8,000       |
| - other audit related services  | 6,050       | 5,800       |
| Net (profit) loss on disposal of plant and equipment                                  | -           | (636)       |
| Rental expense on operating leases  | 75,048      | 66,078      |
| <b>Note 3: Cash and Cash Equivalents</b>  |             |             |
| Cash on hand  | 600         | 600         |
| Cash at bank  | 381,346     | 441,939     |
|   | 381,946     | 442,539     |
| <b>Note 4: Trade and Other Receivables</b>  |             |             |
| CURRENT   |             |             |
| Sundry debtors and prepayments  | 133,713     | 67,093      |
| NON-CURRENT   |             |             |
| Security deposits   | 4,610       | 4,610       |

|   | <b>2008</b>   | <b>2007</b>    |
|---|---------------|----------------|
|   | <b>\$</b>     | <b>\$</b>      |
| <b>Note 5: Plant And Equipment</b>      |               |                |
| Plant and equipment - at cost           | 56,363        | 40,584         |
| Less accumulated depreciation           | (42,949)      | (32,522)       |
|   | <u>13,414</u> | <u>8,062</u>   |
| <b>Note 6: Trade and Other Payables</b> |               |                |
| Trade creditors                         | 75,315        | 200            |
| Sundry creditors and accrued expenses   | 15,512        | 6,750          |
|   | <u>90,827</u> | <u>6,950</u>   |
| <b>Note 7: Tax Liabilities</b>          |               |                |
| Net Tax Liabilities – GST and PAYG      | <u>32,911</u> | <u>60,428</u>  |
| <b>Note 8: Provisions</b>               |               |                |
| SHORT TERM                              |               |                |
| Employee benefits                       | <u>64,122</u> | <u>79,482</u>  |
| LONG TERM                               |               |                |
| Employee benefits                       | <u>22,204</u> | <u>7,948</u>   |
| <b>Note 9: Other Liabilities</b>        |               |                |
| CURRENT                                 |               |                |
| Grants received in advance              | -             | 138,142        |
| Project Balances:                       |               |                |
| AAMI                                    | 987           | -              |
| CUAC                                    | 2,924         | -              |
| CAV – Legal & Policy                    | 5,027         | -              |
| OoH – HASS Accreditation                | 5,500         | -              |
| OoH PHIP – Education                    | 29,554        | -              |
| OoH PHIP – Policy                       | 4,500         | -              |
| OoH PHIP – Special Grant                | 5,297         | -              |
| OoH PHIP – Training                     | 3,211         | -              |
| Real Estate Agents Project              | 24,403        | -              |
| Somali Women’s Project                  | 15,345        | -              |
|   | <u>96,748</u> | <u>138,142</u> |

**Note 10: Reserves**

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 11: 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 2008 the number of full members was 37 (2007: 37).

**Note 12: Events Subsequent to Reporting Date**

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

|  | <b>2008</b> | <b>2007</b> |
|--|-------------|-------------|
|  | \$          | \$          |

**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  | (2,483)  | 53,477   |
| Non-cash flows in surplus from ordinary activities |          |          |
| Depreciation                                       | 10,426   | 16,142   |
| (Profit) Loss on disposal of plant and equipment   | -        | (636)    |
| Non-cash contribution received                     | (4,268)  | -        |
| Changes in assets and liabilities                  |          |          |
| Decrease/(increase) in receivables                 | (66,620) | (31,345) |
| Increase/(decrease) in payables                    | 83,877   | (40,452) |
| Increase/(decrease) in provisions                  | (1,104)  | (7,978)  |
| Increase/(decrease) in tax liabilities             | (27,517) | (5,308)  |
| Increase/(decrease) in other liabilities           | (41,394) | 36,029   |
| Cash flows from operations                         | 49,083   | 19,929   |

|  | <b>2008</b>    | <b>2007</b>   |
|--|----------------|---------------|
|  | \$             | \$            |
| <b>Note 14: Leasing Commitments</b>  |                |               |
| Operating Lease Commitments  |                |               |
| Non-cancellable operating leases contracted for but not capitalised in the financial statements: |                |               |
| Payable  |                |               |
| - not longer than 1 year   | 86,298         | 33,984        |
| - longer than 1 year but not longer than 5 years   | 140,000        | 1,298         |
| - longer than 5 years  | -              | -             |
|  | <u>226,298</u> | <u>35,192</u> |

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

#### **Note 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: Company Details**

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

#### **Note 17: Capital Management**

Management control the capital of the company to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

The company's capital consists of financial liabilities, supported by financial assets.

Management effectively manage the company's capital by assessing the company's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the company since the prior year. The strategy of the company is to ensure that sufficient cash is on hand to meet trade and sundry payables.

The gearing ratios for the years ended 30 June 2008 and 2007 are as follows:

|                                | <b>2008</b>    | <b>2007</b>    |
|--------------------------------|----------------|----------------|
|                                | <b>\$</b>      | <b>\$</b>      |
| Trade and other payables       | 90,827         | 6,950          |
| Less cash and cash equivalents | (381,946)      | (442,539)      |
| Net debt                       | (291,119)      | (435,589)      |
| Total equity and reserves      | <u>226,871</u> | <u>229,354</u> |
| Gearing ratio                  | n/a            | n/a            |

**Note 18: Accounting Policies**

The following Australian Accounting Standards which have been issued or amended and which are applicable to the company but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB 2007-8: Amendments to Australian Accounting Standards, AASB 101: Presentation of Financial Statements

The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of recognised income and expenditure. The application date of the standard is 1 January 2009. The application date for the company is 1 July 2009.

Accounting Standards affected by AASB 2007-8 are AASB 101: Presentation of Financial Statements

Accounting Standards affected by AASB 101 are AASB 101: Presentation of Financial Statements

## **Directors' Declaration**

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

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001:
  - a. comply with Accounting Standards and the Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the company.
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.



---

Graham Barrington

**Director/Chairperson**

Dated this 1st day of September 2008

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

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

### **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Tenants Union of Victoria Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### **Directors' Responsibility for the Financial Report**

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

### **Auditor's Responsibility**

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

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

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

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Tenants Union of Victoria Limited on 1 September 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

### **Audit opinion**

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

- a. giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

C.W. Stirling & Co.  
Chartered Accountants



---

John A. Phillips

**Partner**

Dated this 1st day of September 2008



## **Compilation Report for the Directors of the Tenants Union of Victoria Ltd**

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

On the basis of information provided by the Directors of Tenants Union of Victoria Limited, we have compiled in accordance with 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 2008 as set out on the following pages.

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

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

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

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

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

C.W. Stirling & Co.  
Chartered Accountants



---

John A. Phillips

**Partner**

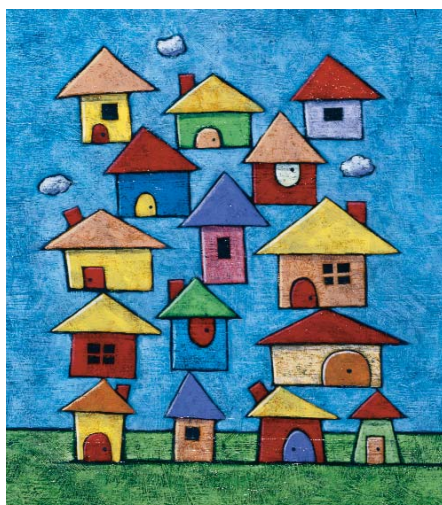
Dated this 1st day of September 2008

**Detailed Operating Statement**  
**Tenants Union of Victoria Ltd ACN 081 348 227**  
**For the year ended 30 June 2008**

|                                   | <b>2008</b>      | <b>2007</b>      |
|-----------------------------------|------------------|------------------|
|                                   | \$               | \$               |
| <b>Income</b>                     |                  |                  |
| Grants – recurrent                | 1,524,036        | 1,615,847        |
| Grants – non-recurrent            | 247,942          | 61,258           |
| Interest earned                   | 18,223           | 14,748           |
| Membership fees                   | 1,640            | 1,695            |
| Other income                      | 7,563            | 86,416           |
| <b>Total Income</b>               | <b>1,799,404</b> | <b>1,779,964</b> |
| <b>Less Expenditure</b>           |                  |                  |
| Accounting fees                   | 14,050           | 13,270           |
| Archiving costs                   | 4,918            | -                |
| Bank charges                      | 1,698            | 911              |
| Capital equipment maintenance     | 489              | -                |
| Capital equipment                 | 1,127            | 23,664           |
| Catering – meetings               | 2,505            | -                |
| Cleaning                          | 12,310           | 12,730           |
| Computer software and consumables | 2,272            | 3,970            |
| Consultancy – IT support          | 34,630           | 2,172            |
| Consultancy – other               | 59,268           | 48,961           |
| Depreciation                      | 10,426           | 16,142           |
| Disbursements                     | 6,814            | 9,990            |
| Employment advertisements         | 4,135            | 7,092            |
| Gas/electricity                   | 6,866            | 7,101            |
| Insurances                        | 3,695            | 4,542            |
| Library                           | 16,332           | 17,951           |
| (Profit)/Loss on Sale of Assets   | -                | (636)            |
| Miscellaneous                     | 4,051            | 416              |
| Payroll                           | 1,090,719        | 1,100,329        |
| Photocopying                      | 6,607            | -                |
| Postage and freight               | 9,934            | 8,629            |
| Practising certificates           | 635              | 660              |
| Printing                          | 24,318           | 10,169           |
| Publications program              | 65,471           | 90,985           |

|  | <b>2008</b>      | <b>2007</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| Publicity  | 486              | 3,311            |
| Rent   | 75,048           | 68,243           |
| Repairs and maintenance                                      | 10,793           | 7,869            |
| Security   | 833              | 508              |
| Special projects   | 49,874           | 10,098           |
| Staff amenities  | 10,909           | 10,962           |
| Staff development and training                               | 8,292            | 9,074            |
| Stationery   | 8,849            | 7,877            |
| Subcontractor costs  | 61,904           | 70,904           |
| Subscriptions and memberships                                | 18,053           | 10,927           |
| Superannuation   | 91,615           | 97,911           |
| Telephone  | 31,593           | 21,316           |
| Travel   | 45,088           | 26,041           |
| Waste removal  | 1,357            | -                |
| Workcover  | 3,923            | 2,398            |
| <b>Total Expense</b>   | <b>1,801,887</b> | <b>1,726,487</b> |
| <b>SURPLUS/ (DEFICIT)</b>                                    | <b>(2,483)</b>   | <b>53,477</b>    |
| Transfers from (to) capital reserve                          | (5,352)          | 16,142           |
| <b>SURPLUS/ (DEFICIT) after transfers from (to) reserves</b> | <b>(7,835)</b>   | <b>69,619</b>    |

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



*Yes, what else but home?*

Robert Frost



55 Johnston Street Fitzroy

PO Box 234 Fitzroy 3065

☎ 9411 1444

Fax: 9416 0513

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

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

Original cover painting by Damian Fitzgerald © 2002