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tenants union of victoria

annual report

2011-2012



TENANTS UNION
of Victoria Ltd

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Tenants Union of Victoria Ltd
Annual Report 2011-2012

Acknowledgments

The Tenants Union of Victoria wishes to acknowledge and thank the following organisations for their financial and other contributions to our work in 2011/12.

- > Office of Housing, Department of Human Services
 - > funding for publications and specialist work on public tenancy
- > Victoria Legal Aid (Community Legal Services Program)
 - > funding for advice and specialist legal services for tenants
- > Commonwealth Attorney General's Department (Community Legal Services Program)
 - > funding for advice and specialist legal services for tenants
- > Consumer Affairs Victoria, Department of Justice
 - > funding for advocacy, outreach, training and policy for residential tenants

Contents

Acknowledgments	2
Major Achievements 2011/12	5
Chairperson's Report	6
Chief Executive Officer's Report	7
Strategic Direction	8
Social Change	12
Community Education	16
Publications	16
Training	17
Outreach	18
Community Education	19
Advice & Advocacy	20
Advice	20
Advocacy & Casework	23
Legal Service	24
Administration	26
Personnel	27
Financial Statements	28
Directors' Report	28
Auditor's Independence Declaration	33
Statement of Comprehensive Income	34
Statement of Financial Position	35
Statement of Changes in Equity	36
Statement of Cash Flows	37
Directors' Declaration	46
Independent Audit Report	47
Compilation Report	49
Detailed Operating Statement	50

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 2011/12

- > Assisted more than **18,500** clients overall
- > Advocacy on behalf of **875** clients
- > More than **330** representations at VCAT (Residential Tenancies List) or other Courts
- > Actively participated in the implementation of the Victorian Government's plan to improve private rooming house regulation and monitoring
- > Formal submissions to a range of bodies about issues and programs affecting residential tenancies
- > Published quarterly bulletins about private rental affordability
- > **137** articles or appearances in statewide and local media highlighting residential tenancies issues
- > Outreach visits to **124** rooming houses and caravan parks
- > Publication of a broad range of self-help information including:
 - > 36 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
- > Distribution of:
 - > more than **228,000** fact sheets
 - > more than **16,800** handbooks
- > More than **220,000** visits to our website
- > More than **250,000** downloads of information resources including nearly **95,000** multilingual resources
- > Delivery of tenancy training to community workers and volunteers across the state.
- > Presentations to a broad range of groups about residential tenancies issues

Chairperson's Report

On behalf of the Board of the Tenants Union of Victoria I take great pleasure in presenting the Annual Report for 2011/12. The Annual Report documents the work of the organisation throughout the year and highlights the vital role the Tenants Union plays in protecting and promoting the rights and interests of residential tenants in Victoria.

The market conditions for residential tenants have continued to ease somewhat over the last twelve months, however the perennial problems remain.

Accessibility to affordable and appropriate housing for private renters, particularly those on limited and low incomes, remains very difficult.

The general vacancy rate for the private rental sector has increased but remains below the balance between supply and demand. We have also seen rents continue to increase at a much greater rate than the general level of inflation, with most of the affordable rental housing remaining well outside the suburbs that have reasonable access to employment, social services and transport.

There has continued to be a steady flow of new social housing supply stemming from Commonwealth Government investment. However this supply alone is not enough to affect conditions in the private market nor to provide alternative housing for all those in need.

We continue to call on government to take a number of urgent and integrated actions to assist residential tenants.

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

This year we have again made important contributions to government reviews and have continued to work towards implementation of significant commitments to improve legislative protection for tenants including rooming house and caravan park residents.

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 effective year for the Tenants Union.

I would also like to especially acknowledge our former Chairperson, **Anthony Wing** who left the Board during this current financial year to pursue an interstate employment opportunity and our Acting Chairperson for some of the year, **Patricia Roake**.



Graeme McDonald
Chairperson

Chief Executive Officer's Report

Over the last financial year we have continued to consolidate our work through our three main areas of activity: individual assistance, education and social change.

We are continuing to provide a very significant level of advice and advocacy assistance, primarily targeted at vulnerable and disadvantaged renters. Our overall client numbers increased slightly this year to nearly 18,500 clients and as part of our advocacy work, we undertook more than 330 representations of tenants at VCAT.

Consistent with our aim of empowering tenants through information, we have continued to build a repository of self-help information on our website. The overall number of tenants we are assisting indirectly has continued to increase through an ever-growing number of website visits and greater downloads of our publications and resources. We are particularly pleased with the increasing access to multilingual information.

We have also continued to implement our social change agenda and to find opportunities for reform of unfair rental practices. This year saw some more important reforms to the residential tenancy law in the area of rooming house standards.

Unfortunately the market conditions for tenants, particularly low –income tenants, generally dissuade tenants from exercising the limited rights that they have. With restricted access to the social housing sector, highly disadvantaged tenants are being increasingly forced into substandard rooming houses, long stay caravan parks or homelessness. This is inconsistent with a truly fair society. Poor housing remains a cause and a consequence of poverty.

Whilst the private rental market continues to fail low income households, the State Government has released a discussion paper about the future of social housing in Victoria. The discussion paper canvasses some worrying options that would reduce the effectiveness of social housing as a proper alternative to the private housing market.

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

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



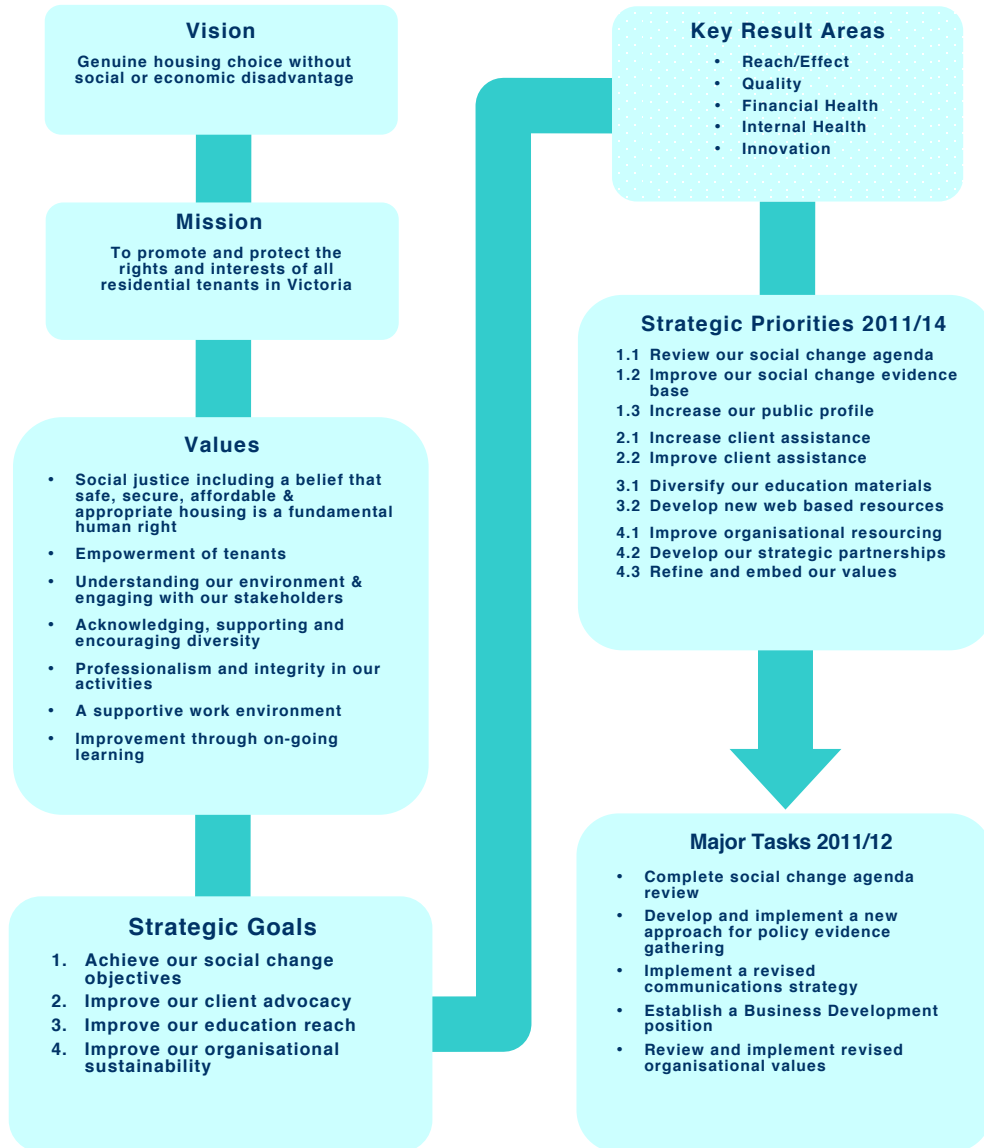
Mark O'Brien

Chief Executive Officer

Strategic Direction

The current Strategic Plan is outlined below. A status report against the Key Result Areas for the organisation for 2011/12 follows.

Tenants Union of Victoria, Strategic Plan 2011-14



Key Result Areas 2011/12

Result Area	Indicators	Status (at 30/6/2012)
Reach	1. Increase client and casework numbers by 5% by end 2013/14 [Based on 2010/11 results].	2010/11 = 18,468 clients = 648 new cases 2011/12 = 18,569 clients (+0.5%) = 636 new cases (-1.8%)
	2. Increase downloads from website by 5% by end of 2013/14 [Based on 2010/11 results].	2010/11 = 220,972 visits 2011/12 = 269,607 visits (+22%)
Quality	3. Maintain net promoter score result from 2010/11 [Based on annual survey].	2010/11 = 34.5% 2011/12 = 25.2% (-9.3%)
	4. Benchmark and improve social change success rate [Based on proportion of successful change recommendations at annual review].	A number of measures have been developed and included in the approved 2012 Social Change Action Plan.
Financial Health	5. Maintain existing grant levels in real terms (excluding program changes).	2011/12 = \$1,743,333 2012/13 = \$1,912,167 (+9.7%)
	6. Increase discretionary resourcing (measured as either an increase in income or an increase in other resources available).	Benchmark to be established by Strategy Committee.
Internal Health	7. Effectively implement Business Development position [Based on Board feedback and assessment]	Position Description has been approved and recruitment to occur during 2012/13.
	8. Maintain staff satisfaction levels at greater than 80% [Based on annual survey].	Not yet assessed.
Innovation	9. Effectively implement new services identified through business development process (subject to Board approval where applicable).	Pending implementation of the Business Development position.
	10. Develop new education and web products by end 2013/14	No progress.

Operational Scorecard 2011/12

	Annual Target	Annual Result	Variance	Notes
Reach				
Advocacy				
No. of new clients overall	20,000	17,650	88.3%	1
No. of phone clients	16,000	13,272	83.0%	2
No. of drop in clients	2,000	2,006	>100%	3
No. of e-mail clients	2,000	2,372	>100%	4
No. of organisational clients	1,000	501	50.1%	5
No. of public housing clients	700	680	97.1%	6
No. of public housing cases	100	142	>100%	
No. of new cases	500	636	>100%	7
No. of active cases	800	874	>100%	
No. of VCAT appearances	350	332	97.7%	8
Amount of CAV advocacy	\$271,700	\$298,991	>100%	
Education				
No. of leaflets distributed	80,000	228,626	>100%	
No. of handbooks distributed	20,000	16,832	>100%	
No. of web site sessions	100,000	269,607	>100%	
No. of multilingual page views	5,000	94,700	>100%	
No. of Tenant News distributed	(online distribution only)			
No. of outreach visits	100	124	>100%	
No. of training sessions	18	28	>100%	
No. of online training participants	20	0	0.0%	9
Social Change				
No. of media releases	6	16	>100%	
No. of media articles	12	137	>100%	
Review communications strategy	28/2/2012	4/4/2012	-36.0 days	10
No. of research papers/submissions	2	6	>100%	
Corporate				
No. of members	150	64	42.7%	11
No. of new members	50	25	50.0%	12
Quality				
Advocacy				
Abandoned call rate	<20%	42.9%	22.9%	13
Service guidelines exceptions	None	0	No	
No. of unresolved complaints	None	0	No	
Client satisfaction rate	80%	74.8%	(5.2%)	14
Education				
Training participant satisfaction rate	80%	85.0%	>100%	
Publications vetting exceptions	None	0	No	
Publications satisfaction rate	80%	79.9%	(0.1%)	15
Social Change				
Project completion exceptions	None	0	No	
Adoption of recommendations	>25%	30%	0.0%	
Corporate				
No. of Director vacancies	<2	1	No	
Director turnover	<2	2	No	
Proportion of members renewed	50%	25%	(25.0%)	16
Finance				
Expenditure variance from Budget	±2%	(0.5%)	No	
Expenditure variance from programs	±2%	0.4%	No	
Proportion of discretionary income	>1%	6.2%	No	

	Annual Target	Annual Result	Variance	Notes
Retain effective funding levels	100%	101.5%	No	
Reporting compliance exceptions	None	0	No	
Internal Health				
Rate of absenteeism	<3%	3.4%	(0.4%)	17
Rate of staff turnover	<10%	19.4%	(9.4%)	18
Staff satisfaction rate	>75%	-	Yes	
EO & OHS compliance exceptions	None	0	No	
Innovation				
No. of new projects	0	1	Yes	
No. of new services	0	0	No	
No. of new alliances	0	1	Yes	

Notes:

- 1 Overall new client numbers were less than 2010/11 and below target (88.3%) due to lower than target phone service numbers. All client contact types improved in the last six months of the year despite a period of industrial activity.
- 2 Phone service numbers were again less than 2010/11 and below target (82.3%) but improved over the last quarter. As discussed previously, we will need to reduce average call times to improve these results. The new staffing structure when implemented is expected to improve staffing and service levels.
- 3 Drop in service numbers were slightly below 2010/11 but above target.
- 4 E-mail service numbers were above 2010/11 and above target.
- 5 Organisational clients were well below target (50.1%). This is a demand driven service but the low result remains a problem for future funding. We will continue to promote access to the service.
- 6 Public housing phone clients were slightly below target (97.1%) but this was an improvement on 2010/11 results.
- 7 New cases were above target. We expect further improvements when the new staffing structure is implemented.
- 8 VCAT appearances were below target (94.0%) but are above the 2010/11 results.
- 9 Online training assessments were below target due to low demand while we are providing a lot of face to face training. We are continuing to develop and promote our on-line program but demand for online training is unlikely to improve whilst we are delivering the current volume of face to face training.
- 10 The communications strategy associated with the Social Change Action Plan was completed in February 2012 but not approved by the Board until April 2012.
- 11 Overall member numbers were below target due to lower than anticipated new members and renewals.
- 12 New members were also below target however only limited promotion of membership was undertaken this year.
- 13 The abandoned call rate remains well above target at 42.9%. As noted above, phone service levels will improve if call times are reduced.
- 14 The client satisfaction rate was below target at 74.8%. This was a very disappointing result particularly in light of some of the verbatim comments of respondents and will require remedial action.
- 15 Publications satisfaction was slightly below target at 79.9%. Whilst this result is not numerically significant, the verbatim comments again pointed to some areas for improvement.
- 16 Membership renewals were below target.
- 17 Staff absenteeism was only slightly above target.
- 18 Staff turnover was well above target however this includes a number of longer term staff who left over the course of the year and was a significant improvement on the 2010/11 result.

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 2011/12 were:

Legitimacy

- > Promoted residential tenancies issues in both local and statewide media with **137** articles or interviews in print, radio and television including **67** in statewide or national media
- > Lobbied Victorian Government Ministers for significant improvements to the *Residential Tenancies Act 1997*.
- > Played an important role in the development of Australians for Affordable Housing, a national community sector alliance to campaign for government action on housing affordability
- > Met with relevant Victorian Government Ministers to provide a broad overview of the work of the Tenants Union and our policy reform agenda
- > Lobbied the Commonwealth Government to ensure that federal housing policy is responsive to the needs of tenants in the private and public sectors
- > Met with the President and Deputy President of Victorian Civil & Administrative Tribunal to assist with improving tenant access to the Tribunal

- > Made formal submissions to:
 - > Parliament of Victoria, Scrutiny of Acts & Regulation Committee; Review of Victorian Charter of Human Rights and Responsibilities (July 2011, August 2011, September 2011)
 - > Department of Climate Change and Energy Efficiency, Regulatory Impact Statement, Residential Buildings Mandatory Disclosure of Energy Efficiency Standard (August 2011)
 - > Department of Broadband, Communications and the Digital Economy, Telecommunications Regulations 2001 [NBN rollout] (August 2011)
 - > Department of Human Services, Regulatory Impact Statement, Rooming House Standards (October 2011)
 - > ACTU, Insecure Work Inquiry (February 2012)

Accessibility

- > Continued to monitor the implementation of residential tenancy law provisions governing the use of residential tenancies databases. This represents the achievement of a long term policy objective of the Tenants Union

Affordability

- > Developed and promoted research on rental affordability, rent movements and CRA
- > Published four quarterly TUV Private Rental Affordability Bulletins, including National, Melbourne Metropolitan and Regional Victorian editions
- > Lobbied the Federal Government to increase CRA payments and review the effectiveness of CRA

Appropriateness

- > Lobbied the Victorian Government to implement its commitment to improve regulation and monitoring of private rooming houses
- > Continued to lobby the Victorian Government to implement rental housing standards particularly in response to proposed significant increases in the cost of domestic energy and water
- > Continued to lobby the Victorian Government to improve the policies and procedures for social housing
- > Actively participated in the Victorian Civil & Administrative Tribunal (VCAT) Residential Tenancies List Users Group to identify systemic problems with VCAT processes and practice
- > Actively participated in forums sponsored by the Director of Consumer Affairs Victoria to maintain an overview of residential tenancies and other consumer services

Social Change Case Study: Rooming House Standards

The vast majority of rooming houses are older dwellings, either large purpose built rooming houses or smaller rooming houses established in ordinary suburban dwellings often through head leasing. Rooming house residents regularly report concerns about inadequate provision of locks and security features which compromise fire safety, concerns relating to the safety of gas and electrical systems and appliances due to age and poor maintenance and the use of rooms which are not fit to be used as bedrooms and the inadequate provision of cooking and laundry facilities.

As part of the successful campaign to reform the rooming house sector in Victoria the Victorian Government established a Rooming House Standards Taskforce in July 2009. The Taskforce delivered a report to the Victorian Government in September 2009. The report contained 32 recommendations in four key areas including improving standards of safety and amenity

Following a long period of development, including consultation with key stakeholders, the proposed standards were released with a regulatory impact statement in October 2011. The minimum rooming house standards include:

- > any door used for entry to or exit from a resident's room must be fitted with a lock that is operated by a key from the outside, and can be unlocked from inside without a key
- > a resident's room must have at least two working power outlets
- > residents' windows must have a covering that provides privacy and can be opened and closed by the resident.
- > a shared bathroom or toilet must be fitted with a privacy latch that can be securely latched from the inside without a key
- > Each resident must have access to and use of adequate food preparation facilities either in the resident's room or a shared kitchen
- > enough chairs for the maximum number of residents that can be accommodated in a resident's room and a table that can comfortably accommodate this number of chairs.
- > a wash trough or basin plumbed to a continuous and adequate supply of hot and cold water and immediately next to the trough or basin, space with hot and cold water supply outlets suitable for a washing machine
- > a clothes line or other clothes drying facility.
- > an evacuation diagram that complies with section 3.5 and Appendix E of AS 3745 must be prominently displayed in each resident's room and in all shared areas.
- > internal rooms, corridors and hallways must have a level of natural or artificial light appropriate to the function and use of the room

- > habitable rooms must have access to natural light during daylight hours, and artificial light during non-daylight hours, appropriate to the function and use of the room
- > habitable rooms, bathrooms, shower rooms, toilets and laundries must have ventilation that complies with the relevant Building Code of Australia (see section 17 of the Regulations)
- > all gas installations and fittings must be checked at least once every two years by a licensed gas fitter
- > all electrical installations and fittings must be checked at least once every five years by a licensed electrician
- > all power outlets and electrical circuits must be connected to circuit breakers and switchboard-type residual current devices that comply with relevant standards
- > each external window that is able to be opened must stay securely closed or open without a key
- > each rooming house entrance must have a lock operated by a key from outside, and without a key from inside, the rooming house
- > the main entry must have a window, peep-hole or intercom system, and a working external light fitting that provides enough light during non-daylight hours to provide for safe access and to screen visitors to the rooming house.

The rooming house standards are set out in the Residential Tenancies (Rooming House Standards) Regulations 2012 and rooming house owners must comply with the standards from 31 March 2013. These standards represent another important step forward in rooming house reform and another successful social change process for our organisation.

Community Education

Publications

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

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

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

In 2011/12 we distributed:

- > more than **228,600** fact sheets covering 30 common residential tenancy problems now including some rooming house issues
- > more than **16,800** handbooks for public tenants and residents of rooming houses, caravan parks and transitional housing

In addition, there were more than **269,600** individual user sessions on the Tenant's Union website.

English language publications downloaded from our website included:

- > more than **120,000** fact sheets
- > more than **49,000** step-by-step guides
- > more than **10,400** handbooks

We have continued to translate our tenant information resources into relevant community languages. By the end of June 2012, all of our fact sheets and a number of step-by-step guides had been translated. During 2011/12, there were nearly **95,000** downloads of multilingual information.

“Your information resources are very helpful and easy to understand!”

(Client feedback, July 2012)



Training

The Tenants Union Training program is aimed at community sector workers and volunteers who provide assistance to residential tenants through a broad range of services and programs.

In 2011/12 we presented **28** training sessions to almost 300 participants.

The training sessions included:

> **Tenancy Rights and Responsibilities**

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

> **Residential Tenancies Amendment Act 2010**

This training focussed on the amendments to the residential Tenancies Act that came into effect from 1 September 2011 including Part 4A caravan parks residencies, residential tenancy databases, rooming house head lease changes, increased penalties and the urgent repair threshold.

> **Tenancy Rights and Responsibilities – Understanding VCAT**

As a follow-up to the basic rights and responsibilities training, this training focussed on the VCAT application and hearing process to enable participants to increase their knowledge of how VCAT hearings are conducted, what evidence is vital to the tenant's case and who, when and how to refer the client for advocacy assistance.

> **Overview of Tenants Union services**

This is very basic training for new workers and service user's about the role and services of the Tenants Union and features examples of the kind of common problems we encounter.

In addition to the formal training sessions we also conducted a training program for new tenancy advocates based at our main office. This training includes one-on-one mentoring for the telephone advice and client interview process. At the completion of training, participants are required to demonstrate competency in basic case file management, negotiation and interview skills and provide a knowledgeable understanding of the operational aspects at VCAT in terms of tenancy issues.

Our participant satisfaction rating for training remained above 80% for each session and feedback is addressed.

“Great presentation! Excellent material.”

(Training participant feedback)

Outreach

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

Our major achievements for 2011/12 were:

- > visits to more than **124** rooming houses and caravan parks
- > initial advice and information to more than **200** 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: Rogue rooming house operator

'Discipleship Housing' was essentially a rooming house business run using the 'head lease' model, under which the rooming house operator, John Williams, would become the tenant of a property and then find residents to occupy each room. Most residents were charged from \$160 to \$180 per week for a room and paid their rent either through Centrepay or directly into John Williams' personal bank account. There were at least 24 rooming houses in the Eastern suburbs of Melbourne, only 2 of which were registered with local council under the Public Health and Wellbeing Act, housing approximately 100 residents.

In April 2012 it emerged that John Williams had disappeared. We began receiving numerous inquiries from rooming house residents who had been issued with Notices to Vacate under RTA s 246 addressed to 'John Williams and all other occupants'. The residents had no idea what had occurred, as they had always paid their rent to John Williams and had not been advised by him of any threat to their residency rights. A decision was made to immediately inform the relevant housing services in the Eastern suburbs and advise them that there would be a significant increase in housing demand as the properties began closing. We organised a mass mail-out to residents to provide them with information about their rights in the event of a rooming house closure. Together with Consumer Affairs Victoria, we conducted visits to 14 of the rooming houses affected in order to give face-to-face advice to residents and to refer suitable clients for advocacy assistance.

In about half of the residents' cases, arrangements were made for residents to continue staying at the property. In other cases, Uniting Care Harrisons were able to quickly find alternative housing for residents facing homelessness.

Community Education

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

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

Our major achievements for 2011/12 were:

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

Advice & Advocacy

Advice

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

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

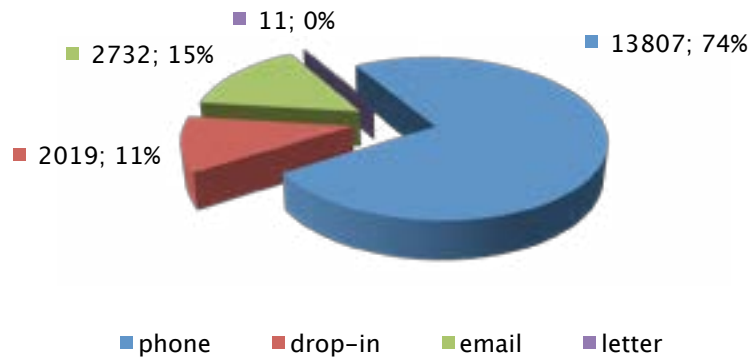
Drop-in services are available at our Fitzroy Office from 9:00am to 4:30pm weekdays except Wednesday, when services operate between 1:00pm and 8:00pm.

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

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

During 2011/12, through the advice service we handled **18,569** advice enquiries. Figure 1 shows a breakdown of the method of contact for advice enquiries.

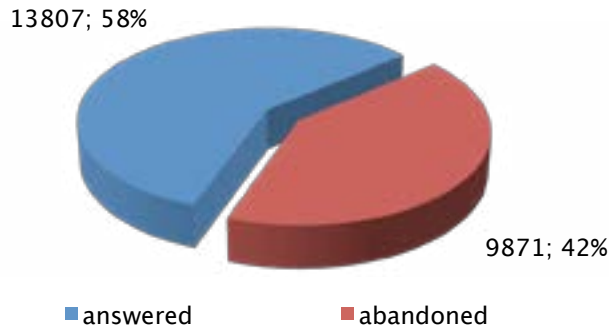
Figure 1: 2011/12 Enquiries by Method of Contact



During 2011/12 we also received **490 organisational** enquiries from a wide range of agencies and services across Victoria.

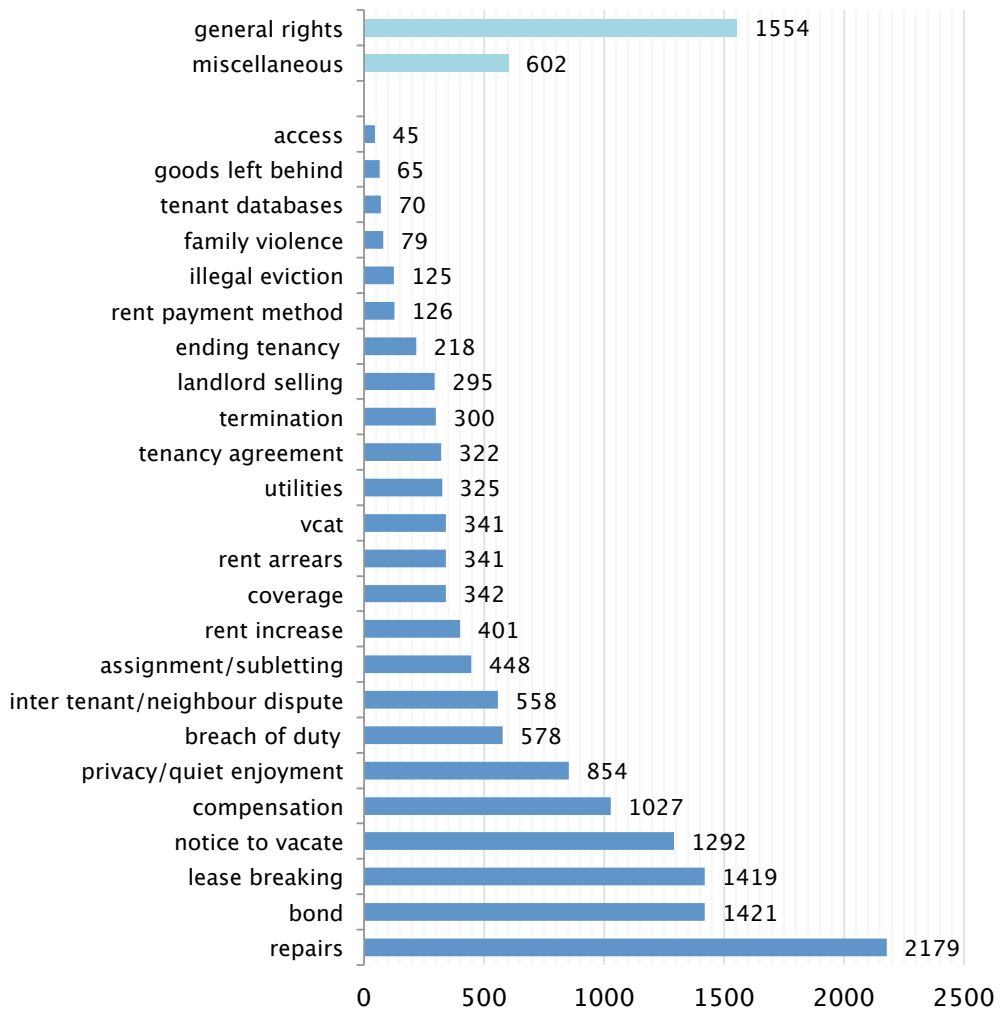
We have had difficulty with managing high demand for our telephone service which is reflected in a high proportion of abandoned calls. Figure 2 shows the proportion of calls answered and calls abandoned during 2011/12. We are working through a range of strategies to reduce our abandoned call rate.

Figure 2: Call Answered and Calls Abandoned 2011/12



During 2011/12 we assisted tenants with a vast range of tenancy issues and problems. Figure 3 shows a breakdown of primary problem types for 2011/12 enquiries.

Figure 3: 2011/12 Enquiries by Primary Problem Type



Advice Case Study: Getting Repairs Done

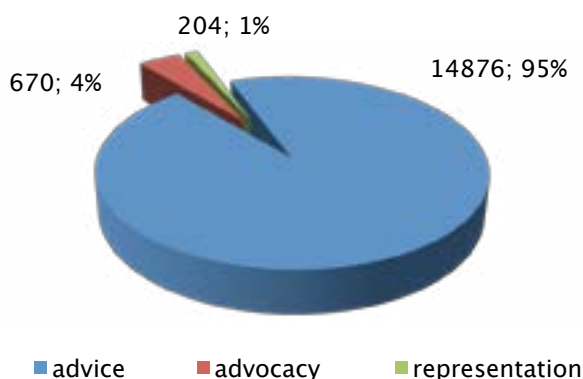
The following enquiry is typical of the advice enquiries we receive:

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

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

During 2011/12 we assisted **15,750** discrete clients, some with multiple matters. More than 90% of clients were assisted with advice and information only. The remainder of clients were provided with some form of advocacy assistance and where a dispute was unable to be resolved, assisted with representation, primarily at the VCAT. Figure 4 shows the breakdown of the type of assistance provided to clients.

Figure 4: 2011/12 Clients by Type of Assistance



“After contacting you, I was able to take the appropriate action to solve my tenancy problem.”

(Client feedback, July 2012)

Advocacy & Casework

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

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

During 2011/12 we assisted **874 clients** with some form of advocacy.

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

Table 1: Comparison of Case Activity, 2010/11 v 2011/12

	2010/11	2011/12
> No. cases open at 1 July 10/11	333	190
> No. of new cases	648	636
> No. of closed cases	791	733
> No. of cases open at 30 June 11/12	190	93

(Source: TUV Database)

Advocacy Service Case Study: Termination or Lease Breaking?

The tenant inspected the rented premises with a friend and interpreter and signed a tenancy agreement. The tenant paid a bond of \$1740.00 and one week's rent of \$400.00. The tenant asked whether the premises could be cleared of furnishings, cleaned and have the contents of the shed cleared also. The landlord agreed to this. The tenant understood that bills were also to be included in the weekly rent payable.

On the day the tenancy was to commence there was still another tenant occupying the rented premises. Two days later, the tenant attended the rented premises and found that the shed had not been cleared and that the house furnishings remained also. The tenant could not move her furniture into the rented premises as arranged. Consequently, the tenant cancelled removalists and did not possession of the rented premises.

A few days later a copy of the first page of the tenancy agreement was made available to the tenant and the tenant became aware that utility bills were not included in the rent. The tenant's friend phoned the landlord to advise that the tenant wished to terminate the tenancy agreement. About two weeks later, after having sought legal advice, the tenant served a written Notice to Landlord terminating the tenancy on the basis that the premises were not vacant.

The tenant applied to VCAT for return of the \$2140.00 paid in regards to the tenancy agreement and the landlord made a counter-claim for compensation in the amount of \$4258.

The Tribunal found that the tenant was entitled to terminate the tenancy and ordered the landlord to pay compensation in the amount of \$2140.00. The landlord's application was dismissed.

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

Whilst we resolve about one-third of the matters for which we provide advocacy assistance, we are nevertheless required to appear at an increasing number of hearings at the Residential Tenancies List at the Victorian Civil & Administrative Tribunal (VCAT) to secure an outcome for our clients. In 2011/12 we undertook **332** appearances at VCAT.

Legal Service

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

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

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

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

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

Legal Service Case Study: Insurance claim

The tenancy ended in October 2012. The rent per calendar month was \$1257 and a bond paid and lodged with the RTBA was \$1257.

Following the ending of a tenancy the landlord made a claim at VCAT for bond and compensation. VCAT initially made an Order releasing the bond and awarding \$2360.84 of compensation to the landlord. The Order included, amongst other items, rent owing being the sum of \$1299.98

The tenant was overseas at the time of the hearing and applied for a review Hearing at VCAT when they became aware of the order. At that Hearing, the landlord gave evidence that the sum being sought was \$1299.98

Subsequently the landlord lodged a claim under their insurance policy regarding alleged damage to the premises and loss of rent.

A debt collection agency sent a letter to the tenant seeking to collect the sum of \$6,775.27 excluding the bond already being paid to the Landlord. Included in the items claimed was \$1800 for unpaid rent. The debt collection agency then sent a "Final Notice" letter for the sum of \$6,775.27.

With our representation the tenant lodged an application for compensation to provide jurisdiction for VCAT to make orders as to cost in lieu of the bond, should any sum be required to be directed to the tenant. We also wrote to the debt collection agency requesting an explanation of the claim.

The debt collection agency then sent a letter with a reduced settlement offer of \$2360.84 in accordance with the original VCAT Order.

Following submissions to VCAT the matter was settled and whilst the bond was retained by the landlord it was agreed that this would be full and final settlement of all claims that the landlord and insurer would have otherwise had against the tenant.

Administration

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

In 2011/12 Administration Services:

- > provided effective financial reporting and accountability to the Board, funding bodies and the Australian Securities and Investment Commission (ASIC)
- > maintained the Tenants Union's information technology network
- > maintained the Tenants Union library and other information resources with about 2000 catalogued items
- > provided effective reception services for the registered office of the Tenants Union
- > handled **282** orders for publications with **91%** of orders filled and returned within 7 days of receipt

Personnel

Staff

Staff members at 30 June 2012 were:

Adrienne Barrett	Research Assistant
Anne Smith	Administration Worker
Ben Cording	Lawyer
Bill Swannie	Senior Lawyer
Cassandra Laybourne	Tenant Advocate
Catalina Perez	Tenant Adviser
Catherine Miller	Lawyer
Claire Kenna	Lawyer (Locum)
Helen Munro	Training Worker
Jenny Draffin	Librarian
Karen Bijkersma	Resources Worker
Liz Turner	Tenant Adviser
Louisa Bassini	Tenant Advocate
Lyn Ryder	Legal Administration Worker
Marian Hopkins	Lawyer
Marisol Bombal	Bookkeeper
Mark O'Brien	Chief Executive Officer
Patrick Easton	Tenants Adviser
Patrick Warner	Outreach Adviser
Richie Gallacher	Tenant Adviser
Ruth Hansen	Outreach Adviser
Sarah Elwood	Tenant Adviser
Shane McGrath	Tenant Adviser
Stephanie Price	Tenant Advocate
Ursula Dutkiewicz	Administration Worker
Victor Nieto	Administration and Finance Manager

The following staff left the organisation in 2011/12:

Cate Read	Tenant Adviser
Emma Heggie	Tenant Adviser
Maya Narayan	Senior Advocate
Melanie Cousins	Tenant Adviser
Retta Berryman	Tenant Adviser
Toby Archer	Policy Worker

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

Financial Statements

Directors' Report

Tenants Union of Victoria Ltd ACN 081 348 227

Your directors present this report on the entity for the financial year ended 30 June 2012.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Anthony Wing	Re-elected 8/11/2010. Resigned 11/1/2012
Emma Eastwood	Appointed 8/11/2010. Elected 24/10/11
Geoffrey Dickman	Re-elected 24/10/2011
George Lioukas	Appointed 27/4/2010.
Graeme McDonald	Appointed 7/2/2011. Elected 24/10/2011
Greg Ireton	Elected 24/11/2009. Re-elected 24/10/2011
Maria Wastell	Appointed 27/2/2012
Marianne Webb	Appointed 12/9/2011.
Michelle Rowland	Re-elected 8/11/2010.
Patricia Roake	Re-appointed 20/11/2010.
Stephen Fiyalko	Appointed 27/2/2012.

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

Long Term Objectives

The principal objective of the company is to:

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

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

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

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

Short Term Objectives

The company has identified the following short term objectives:

- > Achieve our social change objectives
- > Improve our direct client advocacy
- > Increase and diversify our discretionary revenue

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

- > Implemented a comprehensive action plan approved by the Board to guide our social change activity
- > Reviewed and improved our advice and advocacy service
- > Enhanced the delivery of our online client services
- > Continued to enhance membership services

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

Review of Operations

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

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

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

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

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

Future Developments

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

- > Work is continuing on income diversification strategies that will deliver additional discretionary income to the company.
- > Overall the new Victorian Government has yet to determine their funding and service priority which creates some uncertainty about future revenues.

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

Operating Results

The surplus of the company for the year amounted to \$104,210 (2011: \$869).

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

Information on Directors

Anthony Wing	First appointed 20/11/2006. Resigned 11/1/2012.
Qualifications	LLB
Experience	Senior manager in Commonwealth regulator. Substantial experience as a government policy advisor, regulator and lawyer.
Special Responsibilities	Chairperson, Finance Committee
Emma Eastwood	Appointed 8/11/2010. Elected 24/10/2011.
Qualifications	Bachelor of Laws, Bachelor of Arts
Experience	Experienced government policy adviser and lawyer.
Special Responsibilities	Policy Committee
Geoffrey Dickman	First appointed 24/8/2009. Re-elected 24/10/2011.
Qualifications	Grad Dip (Bus)
Experience	Marketing and partnerships manager.
Special Responsibilities	Strategy Committee
George Lioukas	First appointed 8/2/2010.
Qualifications	BSc, Grad Cert (Technology Management)
Experience	Telecommunications management and marketing.
Special Responsibilities	Finance Committee

Graeme McDonald	Appointed 7/2/2011. Elected 24/10/2011.
Qualifications	LLB
Experience	Admitted to legal practice in 1984. Senior roles in public service.
Special Responsibilities	Policy Committee, Chairperson
Greg Ireton	First appointed 18/12/2008. Re-elected 24/10/2011.
Qualifications	Med (Leadership & Management)
Experience	Senior policy advisor in regional development and human services.
Special Responsibilities	Strategy Committee
Maria Wastell	First Appointed 27/2/2012
Qualifications	BBus, Cert IV, AIMM, CAHRI
Experience	Senior manager in recruitment and human resources.
Special Responsibilities	Governance Committee
Marianne Webb	First Appointed 12/9/2011
Qualifications	BAppSc
Experience	Financial analysis and expenditure review. Policy adviser.
Special Responsibilities	Finance Committee
Michele Rowland	First Appointed 5/3/2008. Re-elected 8/11/2010.
Qualifications	LLB, BA (Hons)
Experience	Admitted to legal practice in 2002. Senior public servant and former policy adviser.
Special Responsibilities	Governance Committee
Patricia Roake	First appointed 20/11/2006. Reappointed 25/10/2010.
Qualifications	MA (Public Relations)
Experience	Communications, public relations and marketing, contract, project and risk management. Currently manager within the Commonwealth Government.
Special Responsibilities	Governance Committee
Stephen Fiyalko	First appointed 27/2/2012.
Qualifications	BA
Experience	Former CEO employment services, Program development
Special Responsibilities	Strategy Committee

Meetings of Directors

During the financial year, 22 meetings of directors were held.

Attendances by each director during the year were:

	Subcommittee Meetings									
	Directors' Meetings		Finance Committee		Governance Committee		Policy Committee		Strategy Committee	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Anthony Wing	3	2	2	2						
Emma Eastwood	6	4					3	3		
Geoffrey Dickman	6	5							4	4
George Lioukas	6	4	6	6						
Graeme McDonald	6	5					3	3		
Greg Ireton	6	6							4	4
Michelle Rowland	6	5			3	3				
Maria Wastell	2	2			3	3				
Marianne Webb	4	4	4	4						
Patricia Roake	6	6			3	3				
Stephen Fiyalko	2	2							2	2

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity 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 entity. At 30 June 2012, the total amount that members of the company are liable to contribute if the company is wound up is \$480 (2011: \$300).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and forms part of the directors' report.

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



Graeme McDonald

Chairperson

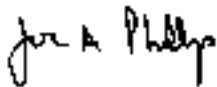
Dated this 28th day of September 2012

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 2012 there have been:

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

C.W. Stirling & Co.
Chartered Accountants



John A. Phillips

Partner

Dated this 18th day of September 2012
Melbourne

Statement of Comprehensive Income
for the year ended 30 June 2012
Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2012 \$	2011 \$
Revenue		1,897,815	1,878,799
Employee benefits expense		(1,214,983)	(1,295,081)
Programs, publicity, printing and stationary		(184,049)	(163,435)
Occupancy expense		(145,805)	(131,400)
Communications		(65,957)	(76,242)
Depreciation expense		(14,776)	(17,506)
Library and resources		(31,344)	(31,505)
Equipment purchases	1(b)	(5,147)	(6,055)
Administration and other expenses		(131,544)	(156,706)
Surplus before income tax	2	104,210	869
Income tax expense	1(a)	-	-
Net surplus for the year		104,210	869
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		104,210	869

The accompanying notes form part of these financial statements.

**Statement of Financial Position
as at 30 June 2012**

Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	3	644,082	464,808
Trade and other receivables	4	62,783	40,815
Other current assets	5	6,474	3,056
TOTAL CURRENT ASSETS		713,339	508,679
NON-CURRENT ASSETS			
Trade and other receivables	4	4,610	4,610
Plant and equipment	6	25,979	34,721
TOTAL NON-CURRENT ASSETS		30,589	39,331
TOTAL ASSETS		743,928	548,010
CURRENT LIABILITIES			
Trade and other payables	7	88,398	60,890
Current tax liabilities	8	11,116	14,116
Short-term provisions	9	127,897	110,018
Other current liabilities	10	98,373	64,972
TOTAL CURRENT LIABILITIES		325,784	249,996
NON-CURRENT LIABILITIES			
Long-term provisions	9	20,184	4,264
TOTAL NON-CURRENT LIABILITIES		20,184	4,264
TOTAL LIABILITIES		345,968	254,260
NET ASSETS		397,960	293,750
EQUITY			
Accumulated surplus		382,960	278,750
Reserves	11	15,000	15,000
TOTAL EQUITY		397,960	293,750

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity
for the year ended 30 June 2012**

Tenants Union of Victoria Ltd ACN 081 348 227

	Accumulated Surplus \$	Capital Reserve \$	Total \$
Balance as at 1 July 2010	292,881	-	292,881
Comprehensive Income		-	
Surplus for the year	869	-	869
Other comprehensive income	-	-	-
Total comprehensive income	869	-	869
Transfer to reserves	(15,000)	15,000	-
Balance as at 30 June 2011	278,750	15,000	293,750
Comprehensive Income			
Surplus for the year	104,210	-	104,210
Other comprehensive income	-	-	-
Total comprehensive income	104,210	-	104,210
Transfer to reserves	-	-	-
Balance as at 30 June 2012	382,960	15,000	397,960

The accompanying notes form part of these financial statements.

Statement of Cash Flows
for the year ended 30 June 2012
Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2012	2011
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from government and other sources		2,066,452	1,988,358
Payments to suppliers and employees		(1,911,736)	(2,011,940)
Interest received		30,655	24,444
Net cash provided by operating activities	14	185,371	862
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(6,097)	(24,149)
Net cash used in investing activities		(6,097)	(24,149)
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash provided by financing activities		-	-
Net increase (decrease) in cash held		179,274	(23,287)
Cash and cash equivalents at beginning of financial year		464,808	488,095
Cash and cash equivalents at end of financial year	3	644,082	464,808

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2012

Note 1: Statement Of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial reports. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements were authorised for issue on 28th September 2012 by the directors of the company.

Accounting Policies

a. Income Tax

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

b. Plant and Equipment

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

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

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

Depreciation

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

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

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

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

c. Financial Instruments

Recognition and initial measurement:

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

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

Derecognition:

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

Classification and subsequent measurement:

(i) Loans and receivables:

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

(ii) Financial liabilities:

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

Fair value:

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

Impairment:

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

d. Impairment of Assets

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

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

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

e. Employee Benefits

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

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

f. Unexpended Grants

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

g. Cash and Cash Equivalents

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

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

h. Revenue

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

i. Contributions

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

j. Goods and Services Tax (GST)

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

k. Comparative Figures

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

l. Economic Dependence

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

	2012	2011
	\$	\$
Note 2: Surplus from Ordinary Activities		
Deficit from ordinary activities before income tax expense has been determined after:		
Expenses		
Depreciation of plant and equipment	14,776	17,506
Remuneration of auditor		
- audit of the financial report	9,500	9,500
- other audit related services	2,500	2,500
Loss on disposal of plant and equipment	63	-
Rental expense on operating leases	107,049	97,495
Note 3: Cash and Cash Equivalents		
Cash on hand	600	600
Cash at bank	183,101	124,577
Cash at bank on short term deposit	460,381	339,631
	644,082	464,808
Note 4: Trade and Other Receivables		
CURRENT		
Sundry debtors and prepayments	62,783	40,815
NON-CURRENT		
Security deposits	4,610	4,610
Note 5: Other Current Assets		
Prepayments	6,474	3,056
Note 6: Plant And Equipment		
Plant and equipment - at cost	87,986	81,889
Less accumulated depreciation	(62,007)	(47,168)
	25,979	34,721
Note 7: Trade and Other Payables		
Trade creditors	60,627	35,084
Sundry creditors and accrued expenses	27,771	25,806
	88,398	60,890
Note 8: Tax Liabilities		
Net Tax Liabilities – GST	11,116	14,116

	2012	2011
	\$	\$
Note 9: Provisions		
SHORT-TERM		
Employee benefits	127,897	110,018
LONG TERM		
Employee benefits	20,184	4,264
Note 10: Other Liabilities		
CURRENT		
Grants received in advance	12,545	10,197
Project Balances:		
CAV – Metro Advocacy	1,769	188
OoH PHIP – Education	25,417	29,661
OoH PHIP – Policy	26,013	2,938
OoH PHIP – Special Grant	18,140	18,140
OoH PHIP – Training	924	255
OoH PHIP – SHASP	13,565	3,593
	98,373	64,972
Note 11: Reserves		
Capital Replacement Reserve	15,000	15,000

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

Note 12: Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity 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 entity. At 30 June 2012, the number of full members was 48 (2011: 30).

Note 13: Events Subsequent to Reporting Date

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

	2012	2011
	\$	\$
Note 14: Cash Flow Information		
Reconciliation of cash flow from operations with surplus from ordinary activities after income tax		
Surplus from ordinary activities after income tax	104,210	869
Non-cash flows in surplus from ordinary activities		
Depreciation	14,776	17,506
Loss on disposal of plant and equipment	63	-
Changes in assets and liabilities		
Decrease/(increase) in receivables	(21,968)	12,630
Decrease/(increase) in other current assets	(3,418)	10,126
Increase/(decrease) in payables	27,508	14,302
Increase/(decrease) in provisions	33,799	(7,935)
Increase/(decrease) in tax liabilities	(3,000)	12,751
Increase/(decrease) in other liabilities	33,401	(59,387)
Cash inflows (outflows) from operations	185,371	862

Note 15: Leasing Commitments

Operating Lease Commitments

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

Payable

- not longer than 1 year	114,000	105,000
- longer than 1 year but not longer than 5 years	57,000	165,000
- longer than 5 years	-	-
	171,000	270,000

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

Note 16: Company Details

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

Note 17: Contingent Liability

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

Note 18: New Accounting Standards for Application In Future Periods

The AASB has issued the following Accounting Standard which is mandatorily applicable for future reporting periods and is relevant to the company. The company has decided not to early adopt this Accounting Standard. The company's assessment of this Accounting Standard is set out below.

AASB 2011-9: Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss to profit or loss subsequently.

The Standard affects presentation only and is therefore not expected to significantly impact the company.

Directors' Declaration

Tenants Union of Victoria Ltd ACN 081 348 227

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

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards applicable to the company; and
 - b. give a true and fair view of the financial position as at 30 June 2012 and of the performance of the company for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Graeme McDonald

Chairperson

Dated this 28th day of September 2012

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

We have audited the accompanying financial report, being a special purpose financial report, of Tenants Union of Victoria Limited, which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial 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 such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 of the financial report that gives a true and fair view 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.

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*, which has been given to the directors of Tenants Union of Victoria Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Audit opinion

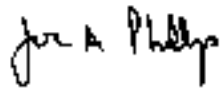
In our opinion, the financial report of Tenants Union of Victoria Limited is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis of Accounting

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

C.W. Stirling & Co.
Chartered Accountants



John A. Phillips

Partner

Dated this 18th day of September 2012
Melbourne

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

We have compiled the special purpose financial statements of Tenants Union of Victoria Limited, which comprise the Detailed Operating Statement for the year ended 30 June 2012 as set out on the following pages.

The Responsibility of the Directors of Tenants Union of Victoria Limited

The Directors of Tenants Union of Victoria Limited are solely responsible for the information contained in the special purpose financial statements and have determined that the accounting policies used are appropriate to meet their needs and for the purpose that the financial statements were prepared.

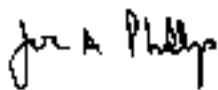
Our Responsibility

On the basis of information provided by the directors of Tenants Union of Victoria Limited we have compiled the accompanying special purpose financial statements in accordance with the APES 315: Compilation of Financial Information.

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

The special purpose financial statements were compiled exclusively for the benefit of the directors of Tenants Union of Victoria Limited. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

C.W. Stirling & Co.
Chartered Accountants



John A. Phillips

Partner

Dated this 18th day of September 2012
Melbourne

Detailed Operating Statement For The Year Ended 30 June 2012

Tenants Union of Victoria Ltd ACN 081 348 227

	2012	2011
	\$	\$
Income		
Grants – Recurrent	1,737,847	1,758,336
Grants – Non-recurrent	112,924	37,550
Interest earned	30,656	24,444
Membership fees	2,015	1,860
Other income	14,373	56,609
Total Income	1,897,815	1,878,799
Less Expenditure		
Accounting and audit fees	12,000	12,000
Archiving costs	3,530	4,082
Bank charges	1,842	1,872
Capital equipment	280	4,906
Catering - meetings	1,497	2,016
Cleaning	13,322	13,323
Computer software and consumables	4,867	1,291
Consultancy – IT support	62,097	90,536
Consultancy – other	57,575	6,980
Depreciation	14,776	17,506
Directory entries	5,248	6,365
Disbursements	4,459	6,998
Employment advertisements	866	2,756
Gas/electricity	7,344	7,771
Insurances	2,796	3,257
Library	18,577	19,819
Loss on disposal of assets	63	-
Miscellaneous	3,753	6,650
Payroll	1,113,368	1,186,648
Photocopying	10,398	9,194
Postage and freight	7,810	10,336
Practising certificates	1,632	1,373
Printing	28,904	41,114
Publications program	64,305	68,393

	2012	2011
	\$	\$
Publicity	14,427	12,843
Rent	107,049	97,495
Repairs and maintenance	14,564	5,878
Security	4,949	959
Special projects	7,585	25,784
Staff amenities	13,183	13,844
Staff development and training	13,664	12,513
Stationery	11,253	11,311
Subscriptions and memberships	12,438	11,645
Superannuation	97,203	106,095
Telephone	27,850	23,325
Travel	21,713	26,822
Waste Removal	2,006	1,892
Workcover	4,412	2,338
Total Expense	1,793,605	1,877,930
Surplus for the Year	104,210	869

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

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Yes, what else but home?
Robert Frost



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