



12
13

tenants union of victoria
annual report
2012-2013

13

This page intentionally left blank

Tenants Union of Victoria Ltd
Annual Report 2012-2013

Acknowledgments

The Tenants Union of Victoria wishes to acknowledge and thank the following organisations for their financial and other contributions to our work in 2012/13.

- > 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 residential tenants
- > Commonwealth Attorney General's Department (Community Legal Services Program)
 - > funding for advice and specialist legal services for residential tenants
- > Consumer Affairs Victoria, Department of Justice
 - > funding for advocacy, outreach, training and policy for residential tenants

Contents

Acknowledgments	2
Major Achievements 2012/13	5
Chairperson's Report	6
Chief Executive Officer's Report	7
Strategic Direction	8
Social Change	12
Community Education	14
Publications	14
Training	15
General Education	16
Advice & Advocacy	17
Advice	17
Outreach	20
Advocacy & Casework	21
Specialist Legal Services	22
Personnel	24
Staff	24
Financial Statements	25
Directors' Report	25
Auditor's Independence Declaration	31
Statement of Comprehensive Income	32
Statement of Financial Position	33
Statement of Changes in Equity	34
Statement of Cash Flows	35
Directors' Declaration	45
Independent Audit Report	46
Compilation Report	48
Detailed Operating Statement	49

Vision

Genuine housing choice without social or economic disadvantage

Mission

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



Major Achievements 2012/13

- > Assisted more than **16,000** clients overall
- > Advocacy on behalf of **995** clients
- > More than **320** representations at VCAT (Residential Tenancies List) or other Courts
- > Outreach visits to **124** rooming houses and caravan parks
- > Publication of a broad range of self-help information including:
 - > 32 fact sheets on common tenancy problems
 - > 15 step by step guides for common tenancy problems
 - > specific fact sheets on common problems for public tenants, rooming house residents and 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 **250,000** fact sheets and step by step guides
 - > more than **28,460** handbooks
- > More than **428,460** visits to our website representing about **400,000** unique users
- > More than **260,000** downloads of multilingual information resources
- > Formal submissions to a range of bodies about issues and programs affecting residential tenancies
- > Periodic bulletins about highlighting private rental affordability problems
- > **41** articles or appearances in national, statewide and local media highlighting residential tenancies issues
- > 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 2012/13. 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.

Unfortunately the modest but steady flow of new social housing supply stemming from Commonwealth Government investment has now dried up and there has been no commitment to further investment in affordable housing from either the State or Commonwealth government.

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 remain proud of 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 acknowledge, **Patricia Roake, Greg Ireton, Emma Eastwood, Geoffrey Dickman, Michel Rowland** and **Maria Wastell** who all left the Board during this current financial year.



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. Unfortunately high staff turnover and industrial action by some staff ultimately effected our service levels.

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 decreased slightly this year to about 16,000 clients.

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 yet to release its Social Housing Framework in response to its previous 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 in this financial year.

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 terrific year's work under difficult circumstances.



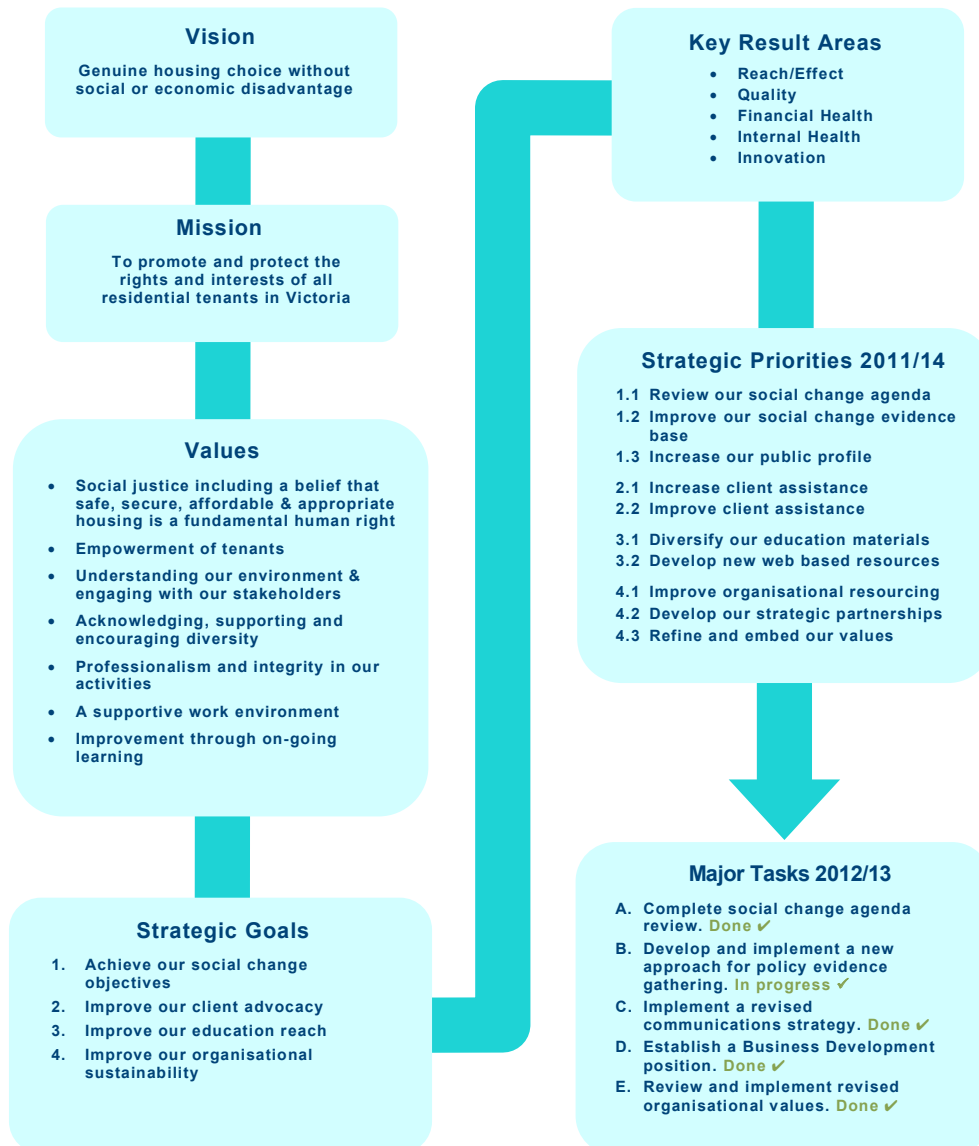
Mark O'Brien

Chief Executive Officer

Strategic Direction

The current Strategic Plan is outlined below. A status report against the Key Result Areas for the organisation for 2012/13 follows.

Tenants Union of Victoria, Strategic Plan 2011-14



Key Result Areas 2012/13

Result Area	Indicators	Status (at 30/6/2013)
Reach	1. Increase client and casework numbers by 5% by end 2013/14 [Based on 2010/11 results].	2010/11 results = 18,468 clients = 648 new cases 2011/12 results = 17,650 clients (-4.5%) = 636 new cases (-1.8%) 2012/13 results = 16,075 clients (-10.5%) = 830 new cases (+28.1%) These results have been volatile but we are expecting improved results by the end 2013/14.
	2. Increase downloads from website by 5% by end of 2013/14 [Based on 2010/11 results].	2010/11 result = 220,972 visits 2011/12 result = 269,607 visits (+22%) 2012/13 result = 428,462 visits (+93%)
Quality	3. Maintain net promoter score result from 2010/11 [Based on annual survey].	2010/11 result = 34.5% 2011/12 result = 25.2% (-9.3%) 2012/13 result = Not yet assessed
	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 2013/14 Social Change Action Plan.
Financial Health	5. Maintain existing grant levels in real terms (excluding program changes).	2011/12 grants = \$1,743,333 2012/13 grants = \$1,912,167 (+9.7%) 2013/14 grants = \$1,957,313 (+12.0%)
	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]	Business Development Manager has commenced. Pending evaluation.
	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 first stage business development priorities.
	10. Develop new education and web products by end 2013/14	In progress. Website redevelopment has commenced. New templates and resources under development.

Operational Scorecard 2012/13

	Annual Target	Annual Result	Variance	Notes
Reach				
Advocacy				
No. of new clients overall	20,000	16,075	82.7%	1
No. of phone enquiries	16,000	12,070	75.0%	2
No. of drop in enquiries	2,000	2,283	>100%	
No. of e-mail enquiries	2,000	2,257	>100%	
No. of organisational enquiries	1,000	676	67.6%	3
No. of public housing phone clients	700	682	97.4%	4
No. of public housing cases	90	144	>100%	
No. of new cases	500	830	>100%	
No. of active cases	800	995	>100%	
No. of VCAT appearances	350	327	93.4%	5
Amount of advocacy hours	4,300	4,760	>100%	
Education				
No. of leaflets distributed	80,000	253,889	>100%	
No. of handbooks distributed	20,000	28,464	>100%	
No. of web site sessions	100,000	428,462	>100%	
No. of multilingual page views	5,000	261,774	>100%	
No. of Tenant News distributed		(deferred)		
Amount of outreach hours	1,130	522	46.2%	6
No. of training sessions	18	18	100.0%	
No. of online training participants	20	0	0.0%	7
Social Change				
No. of media releases	6	6	100.0%	
No. of media articles	12	41	>100%	
Review communications strategy			0.0 days	8
No. of research papers/submissions	2	4	>100%	
Corporate				
No. of members	150	60	40.0%	9
No. of new members	50	28	56.0%	10
Quality				
Advocacy				
Abandoned call rate	<20%	46.4%	26.4%	11
Service guidelines exceptions	None	0	No	
No. of unresolved complaints	None	0	No	
Client satisfaction rate	85%	74.8%	(10.2%)	12
Education				
Training participant satisfaction rate	85.0%	85.0%	0.0%	
Publications vetting exceptions	None	0	No	
Publications satisfaction rate	%	79.9%	(5.1%)	13
Social Change				
Project completion exceptions	None	0	No	
Adoption of recommendations	>25%	0%	Yes	
Corporate				
No. of Director vacancies	<2	3	Yes	14
15 Director turnover	<2	6	Yes	15
Proportion of members renewed	50%	48.3%	(1.7%)	16
Finance				
Expenditure variance from Budget	±2%	(3.0%)	Yes	17
Expenditure variance from programs	±2%	(1.0%)	No	18
Proportion of discretionary income	>1%	8.4%	No	

	Annual Target	Annual Result	Variance	Notes
Retain effective funding levels	100%	102.0%	2.0%	
Reporting compliance exceptions	None	None	No	
Internal Health				
Rate of absenteeism	<3%	4.0%	Yes	19
Rate of staff turnover	<10%	64.0%	Yes	20
Staff satisfaction rate	>75%	0	Yes	21
EO & OHS compliance exceptions	None	0	No	
Innovation				
No. of new projects	0	0	No	
No. of new services	0	0	No	
No. of new alliances	0	0	No	

Notes:

- Overall clients** are below target due to lower phone clients. Both drop in and email contacts were above target.
- Phone clients** remained 25% below target. Calls answered declined (-9%) from 13,272 phone clients in 2011/12 to 11,994 clients this year. Average total call time in 2011/12 was 16.05 minutes compared to average call time of 18.12 minutes in 2012/13. The average total call time deteriorated in the last quarter as we were short staffed due to high staff turnover and the time required for recruitment.
- Organisational clients** were 33% below target but increased significantly (+25%) from 501 clients in 2011/12 to 676 clients this year. A large part of this increase was attributable to community legal centres. We are continuing to promote the service to other organisational client groups such as housing services.
- Public housing **advice** clients were slightly below target (-2.6%) but public housing **cases** were well above target (+50%).
- VCAT **appearances** were 6% below target due to high staff turnover in the TULS during the latter half of the year. We also experienced lower case numbers in April, May and June 2013. We are continuing to recruit towards full staffing and are expecting case and hearing numbers to increase proportionately.
- CAV **outreach** hours were significantly below target (-53.8%). This was largely due to inadequate reporting of activity during the last half of 2012 and coincided with the industrial unrest and staff turnover in the outreach program. This situation improved significantly in the last quarter and we expect further improvements this year.
- On line training** participation was below target due to the face to face training opportunities provided in 2012/13.
- The Social Change Action Plan was not approved by the Board until late June 2013. A communications plan is being developed.
- Total members** were well below target due to lower **new** members. See below.
- New members** were below target. This situation is unlikely to improve until we are able to offer new services consistent with our business development strategy. We are taking some minor steps to promote of membership in the meantime. Membership information will be provided to all case clients and other clients receiving printed information.
- The **abandoned call** rate for the phone advice service was well above target at 46.4%. This is a decline in service level from 42.9% in 2011/12. The abandoned call rate is a direct consequence of long call times and the service level deteriorated in the last quarter with a blowout in call times.
- The **client satisfaction** rate was below target (74.8%) for our survey conducted during July 2012 for clients in 2011/12. No further survey has been conducted this year but it is unlikely our satisfaction rate would have improved given the lower service levels in the last quarter.
- The **publications** satisfaction rate was below target (79.9%) for our survey conducted during July 2012 for clients in 2011/12. No further survey has been conducted this year but we are currently working on improvements to publications and the website.
- The maximum **number of Director** vacancies during this year was **3** (3 elected Director positions). The Board is continuing to look for ways to improve Director recruitment and retention.
- The **turnover of Directors** has been unexpectedly high during this financial year for a number of personal reasons. 6 Directors have resigned during the course of the year including 4 Directors whose terms ended or who chose to resign at the AGM.
- Membership renewal** was slightly below target (-1.7%).
- Consolidated expenditure** was under Budget. The consolidated Profit & Loss showed expenditure of \$1,931,123 compared to budgeted expenditure of \$1,991,729. This represents savings of \$60,606 or 3.0% of budget largely due to under spending on staffing.
- Program expenditure** was also under Budget. The Profit & Loss showed program expenditure of \$1,811,233 compared to budgeted expenditure of \$1,886,188. This represents savings of \$74,995 or 3.0% of program budgets due to under spending on staffing.
- Staff absenteeism** was slightly over target (+1.0%). This was a relatively good result considering the industrial disruption and high turnover during the course of the year.
- Staff turnover** was particularly high (64%) this year. A large part of the turnover occurred in the first half of 2013 with a number of longer term staff leaving following a period of industrial disputation in 2012.
- Staff satisfaction** has not been assessed this year.

Social Change

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

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

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

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

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

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

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

Across the four broad areas of our social change agenda our major achievements for 2012/13 were:

- > Promoted residential tenancies issues in both local and statewide media with **41** articles or interviews in print, radio and television including **24** 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:
 - > Department of Human Services, Social Housing Framework Discussion paper (September 2012)
 - > Department of Justice, VCAT Regulation Reform Project (September 2012)
 - > Commonwealth Department of Human Services, Centrepay Review (May 2013)

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

Late in 2012, the Commonwealth Department of Human Services began a review of the Centrepay system. Centrepay is a direct deduction facility offered by Centrelink and is similar to direct payment facilities offered by many banks and other financial institutions.

Centrepay does not currently have strong merchant accountability. A large number of rooming house residents use Centrepay for automatic payment of their rent to rooming house owners. The system is thus used by people who treat residents poorly and do not observe their obligations as rooming house owners.

We co-authored a submission to the review with the Council to Homeless Persons (Vic) recommending enhanced accountability for rooming house owners, including by submitting national police checks and satisfying authorities that the properties rooming house owners operate are registered with council.

In its final report the Independent review made the following recommendation:

It is recommended that the Department establish special approval criteria, and subsequent compliance monitoring criteria, for the boarding and rooming house category of service provision within Centrepay, to address the issues raised in the joint submission by the Tenants Union and Council to Homeless Persons in Victoria, and institute such other checks that might be pertinent to other State and Territory jurisdictions.

Community Education

Publications

The Tenants Union Publications Program continues to produce a wide 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 Legal Service to ensure legal currency and accuracy.

In 2012/13 we distributed:

- > more than **215,000** fact sheets covering 30 common residential tenancy problems now including some rooming house issues
- > more than **39,000** step by step guides to the process for resolving about 15 of the most common tenancy problems
- > more than **28,000** handbooks for public tenants and residents of rooming houses, caravan parks and transitional housing

In addition, there were more than **428,460** individual user sessions on the Tenant's Union website. This represented about 400,000 unique users. This was a further increase in the number of website visits from 2011/12.

From July 2013 all of our fact sheets and a number of step-by-step guides are translated into relevant community languages. During 2012/13, there were more than **260,000** downloads of multilingual information which was also a further increase on 2011/12.

“I had no idea so much information was available for non-English speaking tenants”

(Client feedback, March 2013)



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 2012/13 we presented **18** training sessions to almost **200** 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.

> Migrant Settlement Workers

This training focussed on the basic rights and responsibilities of tenants and landlords for migrant settlement workers located in Migrant Resource Centres operating across the Melbourne metropolitan region. The sessions include discussions on the most common tenancy problems experienced by newly-arrived migrant tenants as well as a brief discussion on how a hearing at VCAT can assist tenants resolve many of their tenancy problems.

> Indigenous Workers

This training focussed on the basic rights and responsibilities of tenants and landlords for indigenous workers operating across Victoria. The sessions include discussions on the most common tenancy problems experienced by indigenous tenants as well as a brief discussion on how a hearing at VCAT can assist tenants resolve many of their tenancy problems. With assistance of the Victorian Aboriginal Legal Service, the Tenancy Rights and Responsibilities training book was rewritten to place more emphasis on issues relevant to and affecting the indigenous community.

> 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.

Our participant satisfaction rating for training reached a new benchmark of 85% for each session and feedback from training sessions is addressed.



“The session was very clear and easy to understand...”

(March 2013)

General 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 achievements for 2012/13 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 9:00 am to 4:00 pm weekdays (except Wednesday) and from 12:30pm to 7:30 pm on Wednesday.

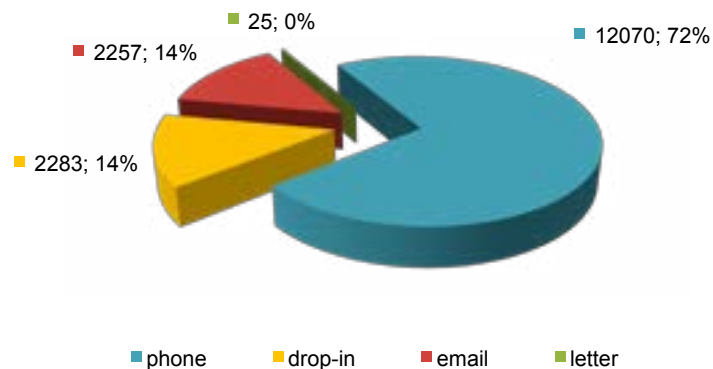
Drop-in services are available at our Fitzroy Office from 9:00am to 4:30pm weekdays and 12:30 pm and 7:30 pm each Wednesday.

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 2012/13, through the advice service we handled **16,635** advice enquiries. Figure 1 shows a breakdown of the method of contact for advice enquiries.

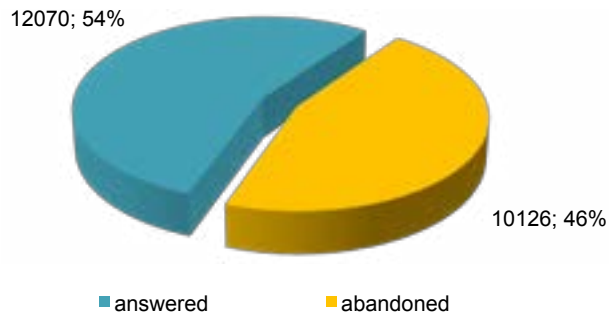
Figure 1: 2012/13 Enquiries by Method of Contact



During 2012/13 we also received **676 organisational** enquiries from a wide range of agencies and services across Victoria.

We continue to have difficulty managing the high demand for our telephone service, reflected in a high proportion of abandoned calls. Figure 2 shows the proportion of calls answered and calls abandoned during 2012/13. We are working through a range of strategies to reduce our abandoned call rate.

Figure 2: Calls Answered and Calls Abandoned 2012/13



During 2012/13 we assisted tenants with a vast range of tenancy issues and problems. Figure 3 shows a breakdown of primary problem types for 2012/13 enquiries.

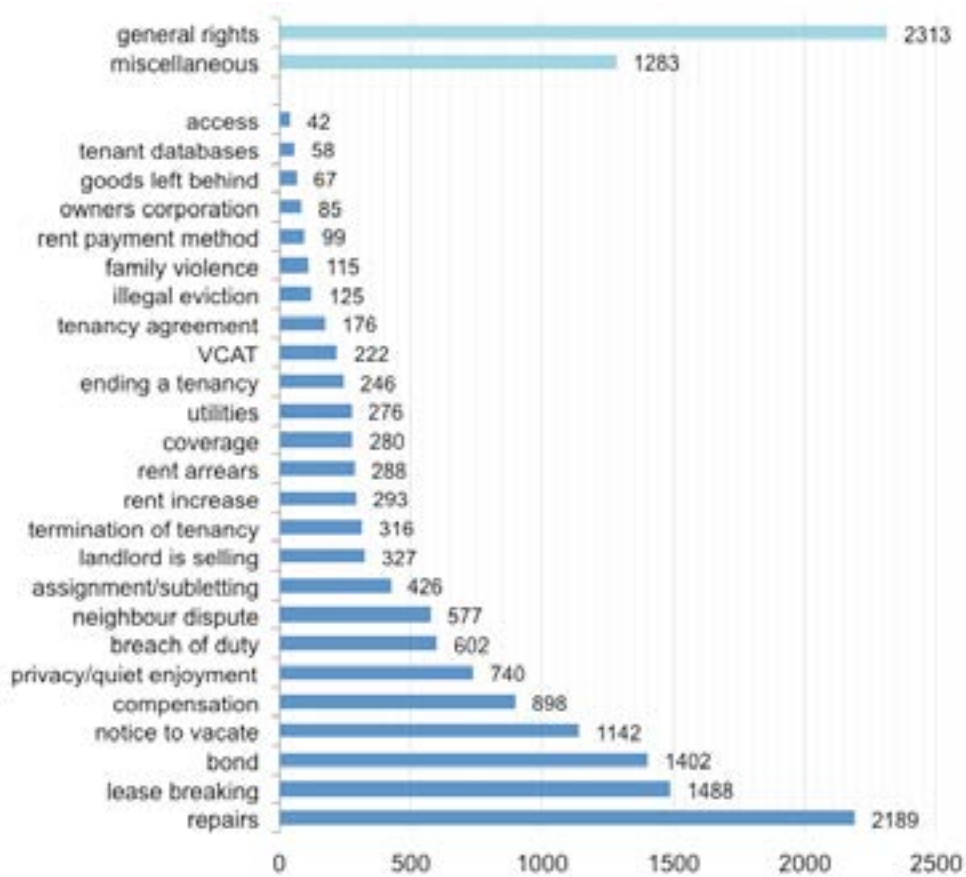
Advice Case Study: Getting Repairs Done

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.

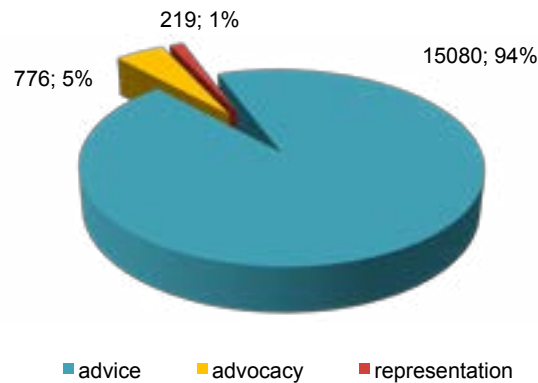
We contacted the tenant and advised them about the landlord's obligation to maintain the premises in good repair. We also advised them about initiating the breach of duty process for compensation and compliance. Unfortunately this example is very typical of the repair enquiries that we receive where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

Figure 3: 2012/13 Enquiries by Primary Problem Type



During 2012/13 we assisted 16,075 discrete clients, some with multiple matters. Nearly 94% 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: 2012/13 Clients by Type of Assistance



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 2012/13 were:

- > **128** visits to rooming houses, caravan parks and services
- > initial advice and information to more than **550** 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: Standard and repairs

The rooming house is in the Western suburbs. At the first visit there were a number of problems evident with the premises and its compliance with the rooming house standards. We made contact with some of the residents. The rooming house operator was present during this visit so it was difficult to communicate openly with the resident. There was large pile of old appliances and other rubbish at the rear of the premises. We advised the resident about the rooming house standards, the repairs process and the complaints process to Consumer Affairs Victoria.

At the time of the second visit, Consumer Affairs Victoria had inspected the premises following a complaint from the resident. The rooming house operator had known about the visit beforehand and had put up the house rules and fire exit signs the day before the inspection. The rooming house operator had addressed a number of issues but was still refusing to fix the heating. There remained large gaps under the external doors allowing rats to easily enter the premises. We assisted one resident to complete a Notice to the rooming house operator requesting repair of heater and properly sealing the doors so rats cannot get in.

At the third visit, the resident indicated he had now received a NTV for rent arrears which he believed was in retaliation for seeking repairs. The resident had initially withheld rent in order to seek repairs but had started paying rent again following the notice for repairs. The resident was referred to the advocacy service for assistance.

Advocacy & Casework

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

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

During 2012/13 we assisted **995 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, 2011/12 v 2012/13

	2011/12	2012/13
> No. cases open at 1 July	190	93
> No. of new cases	636	830
> No. of closed cases	733	725
> No. of cases open at 30 June	93	198

(Source: TUV Database)

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

Whilst we resolve about one-third of the matters for which we provide advocacy assistance, we are nevertheless required to appear at an increasing number of hearings at the Residential Tenancies List at the Victorian Civil & Administrative Tribunal (VCAT) to secure an outcome for our clients. In 2012/13 we undertook **327** appearances at VCAT.

“I would like to say how good it is to have a body to hear our voice and assist us with rental concerns.”

(Client feedback, April 2013)

Advocacy Case Study: Repairs and retaliatory Notice to Vacate

The tenant had been renting the premises with his family for about 10 months.

When they first moved in there were issues with repairs, some of which the landlord addressed after it was brought to their attention. Throughout the tenancy there have been numerous repair issues which the tenant repeatedly requested through the agent for the landlord to repair. The landlord didn't address the repairs and the tenant was not aware of the process of serving 14 days notice for repairs so there is no documentation.

The tenant finally had enough and contacted the agent to advise that if the repairs were not carried out, the tenant would carry them out himself and request for reimbursement. The next day, the agent carried out an inspection of the property. Two days after the inspection the tenant received a 120 days Notice to Vacate for no reason.

The tenant does not wish to leave the property as he has children attending schools nearby and he feels he is being asked to leave in retaliation for requesting repairs. He has always paid his rent on time and believes he is a good tenant. He wishes to remain in the property and wants to challenge the notice.

We assisted the tenant to:

- > Successfully challenge the notice to vacate on the grounds that the Notice was served in retaliation for the tenants exercising their right to request repairs to the premises
- > Initiate the proper process for repairs to the premises and received VCAT orders for repairs to be completed
- > Eventually defended a claim by the landlord for bond and compensation and successfully applied for compensation to be paid to the tenant

Specialist Legal Services

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

- > organisational advice or secondary consultation 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

We also produce Practice Notes on more complex areas of tenancy law for use by other services. This year we produced Practice Notes on:

- > Tenancy Agreements in Rooming Houses
- > Tenancy Agreements and the Australian Consumer Law
- > Rescinding a tenancy agreement
- > Unilateral termination of joint tenancies

This year we considered 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.

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.

Organisational Advice Case Study: Lease break process and charges

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

The organisation's client is an elderly client who moved out of her rented premises 6 weeks prior to end of fixed term. She advised that she signed a partially completed bond claim form and was not sure what parts of it were completed. The rented premises has been advertised but no a new tenancy has not yet commenced.

We advised the organisation:

- > That the tenant or they should contact the Residential Tenancies Bond Authority (RTBA) and check if the bond had been released. If not, then either the tenant or they should write to the REA revoking any consent to dealing with the bond and also to the RTBA asking that they put a hold on bond until dealt with by the Tribunal. The tenant would then need to apply to the Tribunal for refund of the bond.
- > About the types of compensation that were generally awarded to landlords when a lease was broken but that these had to reflect genuine and reasonable losses incurred by the landlord.
- > The landlord has obligation to mitigate their losses following a lease break by the expeditious reletting of premises. The tenant could raise this objection if the landlord was to attempt to seek compensation for the lease breaking.

This case study involves a number of issues including lease breaking and bond refund. Unfortunately many real estate agents do not follow the correct process for dealing with the bond in a lease breaking situation.

Personnel

Staff

Staff members at 30 June 2013 were:

Anne Smith	Administration Worker
Ben Cording	Senior Lawyer
Cassandra Laybourne	Tenant Advocate
Catherine Dyer	Outreach Worker
Catherine Miller	Lawyer
Claire Kenna	Lawyer (Locum)
Frank Spranger	Business Development Manager
Helen Littlejohn	Tenant Advocate
Helen Munro	Training Worker
Jenna Molan	Lawyer
Jenny Draffin	Librarian
Kenneth Tie	Legal Service Manager
Lyn Ryder	Legal Administration Worker
Marisol Bombal	Bookkeeper
Mark O'Brien	Chief Executive Officer
Mike Williams	Policy Worker
Nicholas Anderson	Lawyer
Ursula Dutkiewicz	Administration Worker
Victor Nieto	Administration and Finance Manager

The following staff left the organisation in 2012/13:

Adrienne Barrett	Research Assistant
Bill Swannie	Senior Lawyer
Catalina Perez	Tenant Adviser
Karen Bijkersma	Resources Worker
Kristy Fisher	Lawyer
Liz Turner	Tenant Adviser
Louisa Bassini	Tenant Advocate
Marian Hopkins	Lawyer
Patrick Easton	Tenant Adviser
Patrick Warner	Outreach Adviser
Richie Gallacher	Tenant Adviser
Ruth Hansen	Outreach Adviser
Sarah Elwood	Tenant Adviser
Shane McGrath	Tenant Adviser
Sophie Jordan	Research Worker
Stephanie Price	Tenant Advocate

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 2013.

Directors

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

Caroline Smith	Appointed 29/10/2012
Emma Eastwood	Resigned 25/2/2013
Geoffrey Dickman	Resigned 29/10/2012
George Lioukas	Appointed 27/4/2010
Graeme McDonald	Appointed 7/2/2011. Elected 24/10/2011
Greg Ireton	Resigned 29/4/2013
Kate Dempsey	Elected 29/10/2012
Maria Wastell	Resigned 29/10/2012
Marianne Webb	Appointed 12/9/2011
Michelle Rowland	Resigned 29/10/2012
Pam Williams	Appointed 8/4/2013
Patricia Roake	Resigned 29/10/2012
Philip Campbell	Appointed 29/10/2012
Stephen Fiyalko	Appointed 27/2/2012. Elected 29/10/2012

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 are confirmed for 2013/14 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 priorities which create 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 \$42,335 (2012: \$104,210).

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

Information on Directors

Dr Caroline Smith	Appointed 29/10/2012
Qualifications	Bachelor of Commerce (Hons), PhD (Human Resources)
Experience	Senior Commonwealth public servant with a focus on workforce, education and training.
Special Responsibilities	Policy Committee
Emma Eastwood	Resigned 25/2/2013
Qualifications	Bachelor of Laws, Bachelor of Arts
Experience	Experienced government policy adviser and lawyer.
Special Responsibilities	Policy Committee
Geoffrey Dickman	Resigned 29/10/2012
Qualifications	Grad Dip (Business)
Experience	Marketing and partnerships manager.
Special Responsibilities	Strategy Committee
George Lioukas	First appointed 8/2/2010
Qualifications	B. App.Sc (Electronics)(Hons), GradCertMgt (Tech Mgt)
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	Resigned 24/4/2013
Qualifications	MEd (Leadership & Management)
Experience	Senior policy advisor in regional development and human services.
Special Responsibilities	Strategy Committee, Governance Committee
Dr Kate Dempsey	Elected 29/10/2012
Qualifications	Bachelor of Arts (Psychology), PhD (Management)
Experience	Over 20 years management consulting experience within the public and community sectors.
Special Responsibilities	Governance Committee
Maria Wastell	Resigned 29/10/2012
Qualifications	BBus, Cert IV, AIMM, CAHRI
Experience	Senior manager in recruitment and human resources.
Special Responsibilities	Governance Committee
Marianne Webb	Appointed 12/9/2011
Qualifications	BAppSc
Experience	Financial analysis and expenditure review. Policy adviser.
Special Responsibilities	Finance Committee
Michele Rowland	Resigned 29/10/2012
Qualifications	LLB, BA (Hons)
Experience	Admitted to legal practice in 2002. Senior public servant and former policy adviser.
Special Responsibilities	Governance Committee
Pam Williams	Appointed 8/4/2013
Qualifications	BEd (Hons), AICD Member
Experience	Senior public servant with extensive experience in management, public policy and strategic projects.
Special Responsibilities	Governance Committee
Patricia Roake	Resigned 29/10/2012
Qualifications	MA (Public Relations)
Experience	Communications, public relations and marketing, contract, project and risk management. Currently program manager within the Commonwealth Government.
Special Responsibilities	Governance Committee

Philip Campbell	Appointed 29/10/2012
Qualifications	Bachelor of Engineering, AICD Member
Experience	A senior director and executive with over 30 years experience in national and international enterprises across a range of industries.
Special Responsibilities	Strategy 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 this financial year, 19 meetings of directors were held.

Attendances by each director during the year were as follows:

	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
Caroline Smith	5	1					1	1		
Emma Eastwood	6	4					1	1		
Geoffrey Dickman	2	2							-	-
George Lioukas	7	7	5	5						
Graeme McDonald	7	7			1	1	1	1		
Greg Ireton	5	4			2	1			1	-
Kate Dempsey	5	2			1	1				
Maria Wastell	2	2			-	-				
Marianne Webb	7	5	5	5						
Michelle Rowland	2	1			-	-				
Pam Williams	2	2			1	1				
Patricia Roake	2	2			-	-				
Philip Campbell	5	4							4	4
Stephen Fiyalko	7	6							4	3

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 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$380 (2012: \$480).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and forms part of the directors' report.

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



Graeme McDonald

Chairperson

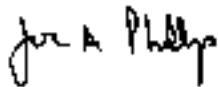
Dated this 9th day of September 2013

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 2013 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 9th day of September 2013
Melbourne

Statement of Comprehensive Income
for the year ended 30 June 2013
Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2013 \$	2012 \$
Revenue from ordinary activities		1,885,997	1,897,815
Employee benefits expense		(1,275,046)	(1,214,983)
Programs, publicity, printing and stationary		(131,041)	(184,049)
Occupancy expense		(166,826)	(145,805)
Communications		(82,346)	(65,957)
Depreciation expense		(12,485)	(14,776)
Library and resources		(27,940)	(31,344)
Equipment purchases	1(b)	(9,244)	(5,147)
Administration and other expenses		(138,734)	(131,544)
Surplus before income tax	2	42,335	104,210
Income tax expense	1(a)	-	-
Net surplus for the year		42,335	104,210
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		42,335	104,210
Total comprehensive income attributable to members of the entity		42,335	104,210

The accompanying notes form part of these financial statements.

**Statement of Financial Position
as at 30 June 2013**

Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	3	749,832	644,082
Trade and other receivables	4	84,430	62,783
Other current assets	5	4,824	6,474
TOTAL CURRENT ASSETS		839,086	713,339
NON-CURRENT ASSETS			
Trade and other receivables	4	4,610	4,610
Plant and equipment	6	17,813	25,979
TOTAL NON-CURRENT ASSETS		22,423	30,589
TOTAL ASSETS		861,509	743,928
CURRENT LIABILITIES			
Trade and other payables	7	41,877	88,398
Current tax liabilities	8	14,111	11,116
Short-term provisions	9	149,981	127,897
Other current liabilities	10	202,070	98,373
TOTAL CURRENT LIABILITIES		408,039	325,784
NON-CURRENT LIABILITIES			
Long-term provisions	9	13,175	20,184
TOTAL NON-CURRENT LIABILITIES		13,175	20,184
TOTAL LIABILITIES		421,214	345,968
NET ASSETS		440,295	397,960
EQUITY			
Accumulated surplus		425,295	382,960
Reserves	11	15,000	15,000
TOTAL EQUITY		440,295	397,960

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity
for the year ended 30 June 2013**

Tenants Union of Victoria Ltd ACN 081 348 227

	Accumulated Surplus \$	Capital Reserve \$	Total \$
Balance as at 1 July 2010	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
Comprehensive Income			
Surplus for the year	42,335	-	42,335
Other comprehensive income	-	-	-
Total comprehensive income	42,335	-	42,335
Transfer to reserves	-	-	-
Balance as at 30 June 2013	425,295	15,000	440,295

The accompanying notes form part of these financial statements.

Statement of Cash Flows
for the year ended 30 June 2013
Tenants Union of Victoria Ltd ACN 081 348 227

	Note	2013 \$	2012 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from government and other sources		2,133,096	2,066,452
Payments to suppliers and employees		(2,051,896)	(1,911,736)
Interest received		28,869	30,655
Net cash provided by operating activities	14	110,069	185,371
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(4,319)	(6,097)
Net cash used in investing activities		(4,319)	(6,097)
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash provided by financing activities		-	-
Net increase (decrease) in cash held		105,750	179,274
Cash and cash equivalents at beginning of financial year		644,082	464,808
Cash and cash equivalents at end of financial year	3	749,832	644,082

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 30 June 2013

Note 1: Statement of Significant Accounting Policies

The financial statements cover Tenants Union of Victoria Limited as an individual entity, incorporated and domiciled in Australia. Tenants Union of Victoria Limited is a company limited by guarantee. The financial statements were authorised for issue on the 9th September 2013 by the Directors of the company.

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 amounts presented in the financial statements have been rounded to the nearest dollar.

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.

	2013	2012
	\$	\$
Note 2: Surplus from Ordinary Activities		
Surplus from ordinary activities before income tax expense has been determined after:		
(i) Revenue		
Grant revenue		
Victoria Legal Aid – Commonwealth Funding	111,663	108,452
Victoria Legal Aid – State Funding	519,571	505,482
Consumer Affairs Victoria	526,756	436,563
Office of Housing	742,148	719,570
Other funding	37,419	112,924
Less: funds deferred until unconditional	(87,461)	(32,220)
Total Grant Revenue	<u>1,850,096</u>	<u>1,850,771</u>
Interest earned	28,869	30,656
Membership fees	1,965	2,015
Other income	5,067	14,373
Total Revenue	<u>1,885,997</u>	<u>1,897,815</u>
(ii) Expenses		
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 equipmen	-	63
Rental expense on operating leases	124,528	107,049
Note 3: Cash and Cash Equivalents		
Cash on hand	600	600
Cash at bank	268,379	183,101
Cash at bank on short term deposit	480,853	460,381
	<u>749,832</u>	<u>644,082</u>
Note 4: Trade and Other Receivables		
CURRENT		
Sundry debtors	<u>84,430</u>	<u>62,783</u>
NON-CURRENT		
Security deposits	<u>4,610</u>	<u>4,610</u>

	2013	2012
	\$	\$
Note 5: Other Current Assets		
Prepayments	4,824	6,474
Note 6: Plant And Equipment		
Plant and equipment - at cost	91,732	87,986
Less accumulated depreciation	(73,919)	(62,007)
	17,813	25,979
<i>Movements in carrying amounts</i>		
Written down value at the beginning of the financial year	25,979	34,721
Additions	4,319	6,097
Disposals	-	(63)
Depreciation for the year	(12,485)	(14,776)
Written down value at the end of the financial year	17,813	25,979
Note 7: Trade and Other Payables		
Trade creditors	14,388	60,627
Sundry creditors and accrued expenses	27,488	27,771
	41,876	88,398
Note 8: Tax Liabilities		
Net Tax Liabilities – GST	14,111	11,116
Note 9: Provisions		
SHORT-TERM		
Employee benefits	149,981	127,897
LONG TERM		
Employee benefits	13,175	20,184

	2013	2012
	\$	\$
Note 10: Other Liabilities		
CURRENT		
Grants received in advance - VLA	24,042	12,545
Grants received in advance – VLA ERO	6,550	-
Project Balances:		
CAV – Metro Advocacy	-	1,769
CAV – Outreach	8,053	-
CAV – Tenancy	11,289	-
OoH PHIP – Education	61,814	25,417
OoH PHIP – Policy	43,552	26,013
OoH PHIP – Special Grant	18,140	18,140
OoH PHIP – Training	2,915	924
OoH PHIP – SHASP	25,715	13,565
	<u>202,070</u>	<u>98,373</u>
Note 11: Reserves		
Capital Replacement Reserve	<u>15,000</u>	<u>15,000</u>

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 2013, the number of full members was 38 (2012: 48).

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.

	2013	2012
	\$	\$
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	42,335	104,210
Non-cash flows in surplus from ordinary activities		
Depreciation	12,485	14,776
Loss on disposal of plant and equipment	-	63
Changes in assets and liabilities		
Decrease/(increase) in receivables	(21,647)	(21,968)
Decrease/(increase) in other current assets	1,650	(3,418)
Increase/(decrease) in payables	(46,521)	27,508
Increase/(decrease) in provisions	15,075	33,799
Increase/(decrease) in tax liabilities	2,995	(3,000)
Increase/(decrease) in other liabilities	103,697	33,401
Cash inflows (outflows) from operations	110,069	185,371

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	48,357	114,000
- longer than 1 year but not longer than 5 years	-	57,000
- longer than 5 years	-	-
	48,357	171,000

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 on 29 December 2013, 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 these Accounting Standards.

AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2015).

The Standards are not expected to significantly impact the company's financial statements.

AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 July 2013).

The Standards are not expected to significantly impact the company's financial statements.

AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) (applicable for annual reporting periods commencing on or after 1 January 2013).

The Standards are not expected to significantly impact the company's financial statements.

Directors' Declaration

Tenants Union of Victoria Ltd ACN 081 348 227

The directors have determined that the company is not a reporting entity and that 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.

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



Graeme McDonald

Chairperson

Dated this 9th day of September 2013

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

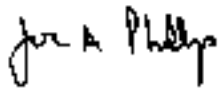
In our opinion, the financial report of Tenants Union of Victoria Limited is in accordance with the Corporations Act 2001, including:

- 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 9th day of September 2013
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 2013 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.

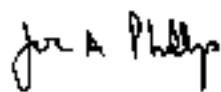
Our Responsibility

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 9th day of September 2013
Melbourne

Detailed Operating Statement
For The Year Ended 30 June 2013
Tenants Union of Victoria Ltd ACN 081 348 227

	2013	2012
	\$	\$
Income		
Grants – Recurrent	1,812,678	1,737,847
Grants – Non-recurrent	37,419	112,924
Interest earned	28,869	30,656
Membership fees	1,965	2,015
Other income	5,066	14,373
Total Income	1,885,997	1,897,815
Less Expenditure		
Accounting and audit fees	12,000	12,000
Archiving costs	2,532	3,530
Bank charges	1,637	1,842
Capital equipment	-	280
Catering – meetings	1,721	1,497
Cleaning	15,355	13,322
Computer software and consumables	9,244	4,867
Consultancy – IT support	74,858	62,097
Consultancy – other	30,168	57,575
Depreciation	12,485	14,776
Directory entries	7,017	5,248
Disbursements	10,431	4,459
Employment advertisements	2,870	866
Gas/electricity	14,575	7,344
Insurances	2,721	2,796
Library	21,203	18,577
Loss on disposal of assets	-	63
Miscellaneous	3,898	3,753
Payroll	1,165,047	1,113,368
Photocopying	11,431	10,398
Postage and freight	7,736	7,810
Practising certificates	2,555	1,632
Printing	26,182	28,904
Publications program	50,895	64,305

	2013	2012
	\$	\$
Expenditure (continued)		
Publicity	12,716	14,427
Rent	124,528	107,049
Repairs and maintenance	11,274	14,564
Security	813	4,949
Special projects	-	7,585
Staff amenities	13,282	13,183
Staff development and training	16,681	13,664
Stationery	11,081	11,253
Subscriptions and memberships	6,608	12,438
Superannuation	106,150	97,203
Telephone	27,778	27,850
Travel	20,611	21,713
Waste Removal	1,730	2,006
Workcover	3,849	4,412
Total Expense	1,843,662	1,793,605
Surplus for the Year	42,335	104,210

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

This page intentionally left blank

This page intentionally left blank

This page intentionally left blank



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

Website: www.tuv.org.au

Original cover painting by Damian Fitzgerald © 2002