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tenants union of victoria  
annual report  
2015-2016





**Tenants Union of Victoria Ltd**  
Annual Report 2015-2016

## **Acknowledgments**

The Tenants Union of Victoria wishes to acknowledge and thank the following organisations for their financial and other contributions to our work in 2015/16.

- > Department of Health & 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
- > Victorian Women's Benevolent Trust (Con Irwin Sub-fund)

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## **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 2015/16

- > Handled more than **18,160** enquiries
- > Provided assistance in almost **15,500** matters overall
- > Advocacy on behalf of tenants in more than **940** matters
- > Representation of tenants in **243** hearings at VCAT or other Courts
- > More than **250** outreach visits to rooming houses, caravan parks and services
- > 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 **220,000** fact sheets and step by step guides
  - > more than **15,000** handbooks
- > More than **1,000,000** visits to our website from about **390,000** unique visitors
- > More than **360,000** views of multilingual information resources
- > Publication of the Family Violence and Residential Tenancies Kit
- > Formal submissions to a range of bodies about issues and programs affecting residential tenancies including six detailed submissions to the Residential Tenancies Act review
- > Quarterly bulletins highlighting private rental affordability problems
- > More than **560** articles or appearances in national, statewide and local media highlighting residential tenancies issues
- > Delivery of tenancy training to community workers across the state.
- > Presentations to a broad range of groups about residential tenancies issues

## Family violence and tenants

As is now widely recognised, family violence is a significant issue adversely affecting many members of our community. In April 2016, we were very pleased to launch our Family Violence Protection Tenancy Kit.

The main objective of the Kit is to raise awareness among lawyers, housing and community services workers and tenants about the significant influence of the Family Violence Protection Act in tenancy matters. The purpose of the Kit to promote the current tenancy law provisions relating to family violence to help secure early intervention and prevent homelessness or housing stress, particularly for female victims of family violence.

The Kit gives examples of how the Family Violence Protection Act may be used in conjunction with the residential tenancies law to provide support and protection for tenants that, due to family violence issues, may:

- > be at risk of becoming homeless,
- > need to break a lease to move to more secure accommodation,
- > want to take over the lease of their current property,
- > be fearful of being made accountable for damage to property after the victim has left the premises, or
- > be required to attend a hearing at the Victorian Civil and Administrative Tribunal (VCAT).

The Kit has been well received by a range of users and is regularly viewed or downloaded from our website. We sincerely hope that the Kit will advance the protection afforded to victims of family violence in Victoria.

The Kit was made possible by a grant from the Victorian Women's Benevolent Trust (Con Irwin Sub-fund) who we gratefully acknowledge.





## Chairperson's Report

On behalf of the Board of the Tenants Union of Victoria I take great pleasure in presenting the Annual Report for 2015/16.

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.

We remain very 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. Client feedback indicates that when people do receive a service they are generally very satisfied with the assistance we provide and would willingly recommend our services. 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.

That doesn't mean there isn't room for further improvement. The Board remains very committed to our existing service model as the best way to achieve the broadest and most practical assistance for tenants. We believe our service model helps us to identify and assist more vulnerable and disadvantaged tenants than we would otherwise. However, we have agreed to work constructively with our funding bodies collectively to see if we can identify opportunities for better services.

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.

However, accessibility to affordable and appropriate housing for private renters, particularly those on limited and low incomes, remains very difficult. We continue to call on government to take a number of urgent and integrated actions to assist residential tenants. We are very pleased that the State Government has commenced a major review of the residential tenancies law in Victoria and we look forward to a rental housing sector that is fairer and safer for tenants.

The high demand for our assistance and advocacy continues to strengthen our resolve to improve organisational resourcing by a range of different means. If we are to be true to our mission of making a long term difference for tenants we must find innovative ways to resource the organisation's important work.

I would like to thank all my fellow Board members for the substantial commitment and effort they have given throughout this year. Particular thanks go to our former Chairperson, Graeme McDonald, for his steady stewardship and to George Lioukas who resigned this year. We continue to have a fine range of interests and skills on our Board.



Marianne Webb

**Chairperson**

## Chief Executive Officer's Report

Over the last financial year we have continued our work through our three main areas of activity: direct client 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. Following some disappointing operational results in 2013/14 we responded with our best results for more than a decade in 2014/15. Whilst our 2015/16 results are not quite as good as the previous year we have nevertheless maintained significant reach and depth in our direct client services and continued our high standard of assistance.

Consistent with our aim of empowering tenants, we have continued to build a repository of self-help information on our website. The overall number of tenants we are assisting indirectly through the website has continued to increase. We are constantly refining and expanding our resources and making them accessible through translation into 12 community languages.

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 minor but important reforms to the residential tenancy law and the commencement of a comprehensive review of the tenancy law in Victoria. One of our longer term goals, a licensing scheme for rooming house operators was realised this year. We hope the licensing scheme will provide more ammunition to rid the rental sector of unscrupulous slum landlords exploiting the most vulnerable.

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 rental housing remains a cause and a consequence of poverty.

This year we continued our work with the statewide and peak bodies in housing and homelessness in the community sector to advocate for a fairer and more sustainable social housing system in Victoria. These alliances are critical for promoting positive change for tenants.

Our sincere thanks to all the individuals and 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 an excellent year's work.



Mark O'Brien

**Chief Executive Officer**

# Strategic Direction

The Board of Directors adopted a new strategic plan in early 2016. The current Strategic Plan is outlined below. We are continuing to develop our major strategies.

## Tenants Union of Victoria, Strategic Plan 2015-18



## Operational Scorecard 2015/16

We maintain a balanced scorecard to monitor and assess organisational performance across the key result areas. Results for 2015/16 are outlined below.

	Annual Target	Annual Result	Variance	Notes
<b>Reach</b>				
<b>Advocacy</b>				
No. of enquiries overall	20,000	18,162	90.8%	1
No. of phone enquiries	16,000	13,712	85.7%	2
No. of drop in enquiries	2,000	2,034	>100%	
No. of e-mail enquiries	2,000	2,405	>100%	
No. of organisational enquiries	1,000	1,079	>100%	
No. of public housing clients	700	809	>100%	
No. of public housing cases	90	170	>100%	
No. of new cases	500	733	>100%	
No. of active cases	800	947	>100%	
No. of VCAT appearances	350	240	68.6%	3
Amount of advocacy hours	4,300	4,871	>100%	
<b>Education</b>				
No. of leaflets distributed	80,000	227,284	>100%	
No. of handbooks distributed	20,000	15,643	>100%	
No. of web site sessions	100,000	1,004,045	>100%	
No. of multilingual page views	5,000	369,346	>100%	
No. of newsletters distributed	5,000	2,544	50.9%	4
Amount of outreach hours	1,301	1,388	>100%	
No. of outreach visits	100	289	>100%	
No. of training sessions	18	26	>100%	
<b>Social Change</b>				
No. of media releases	6	11	>100%	
No. of media articles	12	568	>100%	
Review communications strategy	30/5/2015	30/6/2015	Yes	
No. of research papers/submissions	2	10	No	
<b>Corporate</b>				
No. of members	150	65	43.3%	5
No. of new members	50	13	26.0%	6
<b>Quality</b>				
<b>Advocacy</b>				
Abandoned call rate	20%	49.2%	(29.2%)	7
Service guidelines exceptions	0	0	No	
No. of unresolved complaints	0	0	No	
Client satisfaction rate	85%	76.4%	(8.6%)	8
<b>Education</b>				
Training participant satisfaction rate	85%	87.5%	2.5%	
Publications vetting exceptions	0	0	No	
Publications satisfaction rate	85%	79.8%	(5.2%)	9
<b>Social Change</b>				
Project completion exceptions	0	0	No	
Adoption of recommendations	>0	1	No	
<b>Corporate</b>				
No. of Director vacancies	2	5	Yes	10
Director turnover	2	2	No	
Proportion of members renewed	50.0%	16.9%	(33.1%)	11

	Annual Target	Annual Result	Variance	Notes
<b>Finance</b>				
Expenditure variance from Budget	±2%	(7.8%)	No	
Expenditure variance from programs	±2%	(7.0%)	No	
Proportion of discretionary income	1.0%	3.8%	No	
Retain effective funding levels	100%	102.5%	No	
Reporting compliance exceptions	0	0	No	
<b>Internal Health</b>				
Rate of absenteeism	3.0%	(7.8%)	No	12
Rate of staff turnover	10.0%	(7.0%)	No	13
Staff satisfaction rate	75%	3.8%	No	14
EO & OHS compliance exceptions	0	102.5%	No	
<b>Innovation</b>				
No. of new projects	0	1	No	
No. of new services	0	1	No	
No. of new alliances	0	1	No	

**Notes:**

1. Overall **enquiries** are below target due to lower phone and email enquiries. See below.
2. **Phone enquiries** were below target. Calls answered declined slightly from the previous financial year. We have continued to work on strategies to address service staffing and call times.
3. **VCAT appearances** were again below target as we manage our casework demand. More emphasis is being placed on self-help and negotiated outcomes.
4. **Newsletter** circulation recommenced in December 2015 and the annual target was adjusted accordingly. Since that time the subscriber list has increased about 5% per month.
5. **Total members** were well below target due to lower new members. See below.
6. **New members** were below target. We are no longer actively promoting membership per se however we will continue to look for new services consistent with our business development strategies.
7. The **abandoned call rate** for the phone advice service was well above target and a slight decline on the previous financial year due to higher average times per call.
8. The **client satisfaction rate** was below target and slightly below the previous financial year results. Access issues caused by resource constraints are affecting overall satisfaction.
9. The **publications satisfaction rate** was below target and we are currently working on improvements to publications and the website.
10. The maximum number of **Director vacancies** during this year was 5. The Board is continuing to look for ways to improve Director recruitment and retention.
11. **Membership renewal** was well below target. See above.
12. The rate of **absenteeism** has increased this year and is slightly over target due to a range of factors.
13. The level of **staff turnover** was higher than the previous year as a number of staff moved on after 3-4 years of employment.
14. **Staff satisfaction** was not 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 2015/16 were:

- > Promoted residential tenancies issues in both local and statewide media with articles or interviews in print, radio and television including statewide or national media (including syndicated articles we had more than **560** media appearances)
- > Lobbied Victorian Government Ministers for significant improvements to the *Residential Tenancies Act 1997*.
- > 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 CEO of Victorian Civil & Administrative Tribunal to assist with improving tenant access to the Tribunal
- > Made formal submissions to:
  - > Consumer Affairs Victoria: Residential Tenancies Act Review – Laying the Groundwork (August 2015)
  - > Department of Economic Development, Jobs, Transport and Resources: Review of the General Exemption Order Issues Paper (September 2015)
  - > Consumer Affairs Victoria: Residential Tenancies Act Review – Security of Tenure (December 2015)
  - > Victorian Department of Justice and Regulation: Access to Justice Review (February 2016)

- > Consumer Affairs Victoria: Review of the Consumer Property Acts – Issues Paper 1 (March 2016)
- > Consumer Affairs Victoria: Review of the Consumer Property Acts – Issues Paper 2 (April 2016)
- > Consumer Affairs Victoria: Residential Tenancies Act Review – Rent, Bonds and Other Charges (April 2016)
- > Victorian Department of Justice and Regulation: Victorian Civil and Administrative Tribunal Fees Regulations 2016 (May 2016)
- > Consumer Affairs Victoria: Residential Tenancies Act Review – Rights and Responsibilities of Landlords and Tenants (May 2016)
- > Consumer Affairs Victoria: Residential Tenancies Act Review – Dispute Resolution (July 2016)
- > Lobbied the State Government for the adoption of recommendations in the joint paper, *Making Social Housing Work*, with a number of other statewide organisations and peak bodies including Council to Homeless Persons; the Community Housing Federation of Victoria; Victorian Public Tenants' Association; Justice Connect; Domestic Violence Victoria; and VCOSS
- > Published four TUV Private Rental Affordability Bulletins, including National, Melbourne Metropolitan and Regional Victorian editions comparing incomes for a range of household types to rent levels.
- > Lobbied the Federal Government to increase CRA payments and review the effectiveness of CRA based on our ongoing analysis of affordability issues in the private rental market
- > Lobbied the Victorian Government:
  - > to implement its commitment to improve regulation and monitoring of private rooming houses particularly the establishment of a licensing scheme for rooming house operators
  - > to implement rental housing standards in the mainstream residential tenancies sector in response to persistent increases in the cost of domestic energy and water particularly the comparative cost for low-income households
  - > to improve the policies and procedures for social housing including ensuring that operational guidelines for public housing remain publicly available
- > 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
- > Convened the Tenancy Working Group of the Federation of Community Legal Centres (Victoria) which brings together a group of legal centres and other organisations providing services to residential tenants

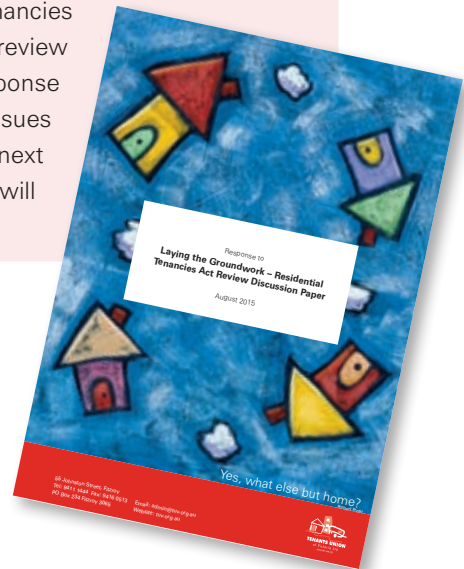
The Tenants Union welcomes the commencement of a comprehensive review of the residential tenancies law in Victoria. This review is long overdue and provides a valuable opportunity to improve outcomes for Victoria's more than one million tenants.

### **Social Change Case Study: Residential tenancies law review**

We have been campaigning for quite some time for the modernising of Victoria's tenancy law. The Residential Tenancies Act has not been comprehensively reviewed since the consolidated Act was established in 1997. Before that, the Act had remained largely unchanged since its inception in 1980. During that time the residential tenancies sector has changed dramatically. Pathways into home ownership have become more constricted and delayed and for many low-income Victorians home ownership is unachievable and they face lifelong renting. Access to social housing has also declined over this period meaning that many vulnerable and disadvantaged households will be renting from the private market.

In contrast with many other parts of the world, residential tenancies law in Victoria has not kept pace with these social changes and remains almost feudal with the balance of the law disproportionately in favour of insecurity through easy eviction and escalating rents. Basic problems are hard to resolve and tenants feel fearful of retaliation.

Since the commencement of the review of residential tenancies law in mid-2015 we have been actively participating in the review processes. We have prepared detailed submissions in response to the initial background paper and the subsequent issues papers. This will remain an important area of work for the next twelve months and we remain hopeful that this process will result in substantial positive change for tenants.



## Community Education

### Publications

The Tenants Union Publications Program continues to produce a wide range of publications and resources for tenants, rooming house residents, caravan park residents and services.

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

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

In 2015/16 through a combination of website and print we distributed:

- > more than **220,000** fact sheets and step by step guides covering 30 common residential tenancy problems and rooming house issues
- > more than **15,000** handbooks for tenants and residents of rooming houses and caravan parks

In addition, there were more than **1,000,000** visits to our website representing about **390,000** unique users.

From July 2013 all of our fact sheets and a number of step-by-step guides are translated into twelve relevant community languages. During 2015/16, there were more than **369,000** views of our multilingual information.

This year we continued to review and restructure the content of our website to build on the significant redesign in 2014.

**“The information provided is easy to find, very tightly written and easy to follow. It was hugely valuable in my situation... thank you!”**

*(website user)*



## **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 2015/16 we presented a total of **26** training sessions to about **550** 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. The sessions included 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 included 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.

### **> Family Violence**

This training is focussed on the content and use of the family violence provisions in the Residential Tenancies Act. Suitable for community service workers who assist people experiencing family violence who are residential tenants. Promotion is assisted by DVVic

### **> Overview of Tenants Union services**

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

All training sessions are assessed for participant satisfaction. Our participant satisfaction rating for training was greater than or equal to 85% for each session. Feedback from participants and suggestions for improvement are incorporated into future sessions where possible.



In addition to the general training program we are also providing specialist training for tenant advocates. In 2015/16 we conducted **7** training sessions on the following topics:

- > Residential Tenancies and the Australian Consumer law
- > Rooming House Law
- > Cross Examination at VCAT
- > MOOT Court [VCAT]
- > Caravan Parks
- > Residential Tenancies Case Studies
- > Family Violence

We also provide **New Advocate Induction Training** which is a 2-3 day course that includes both text based and practical training for new tenant advocates.

## General Education

Presentations have been delivered to newly arrived migrants, overseas students, public housing tenants and those at risk of homelessness.

To assist vulnerable and disadvantaged tenants to better access residential tenancies services, including the Tenants Union, we also initiated and participated in special projects targeting specific groups of tenants.

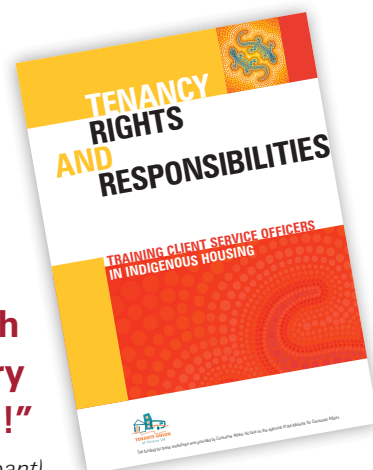
Our achievements for 2015/16 were:

- > 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

This year we undertook **6** general community education sessions.

**“I found the issues discussed both relevant to my work and very interesting. Excellent!!”**

*(training participant)*



## Advice & Advocacy

### How did we help?

#### 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.

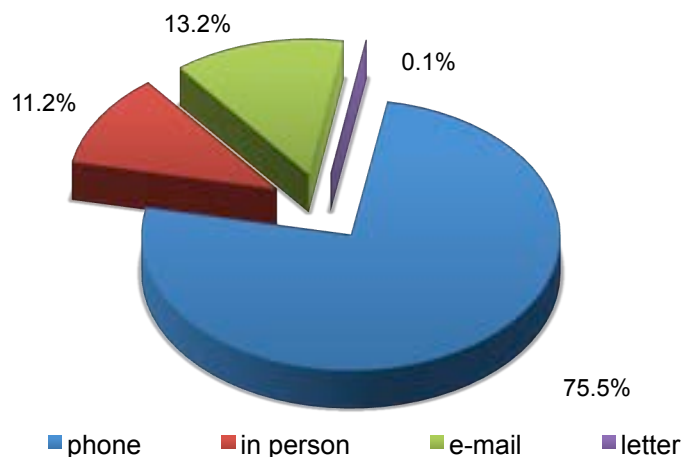
Email advice is provided through our website, subject to a gateway that closes once we receive our maximum number of enquiries per day.

Our 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 2015/16, through the advice service we handled **18,162** advice enquiries. Figure 1 shows a breakdown of the method of contact for advice enquiries.

**Figure 1: 2015/16 Enquiries by Method of Contact**

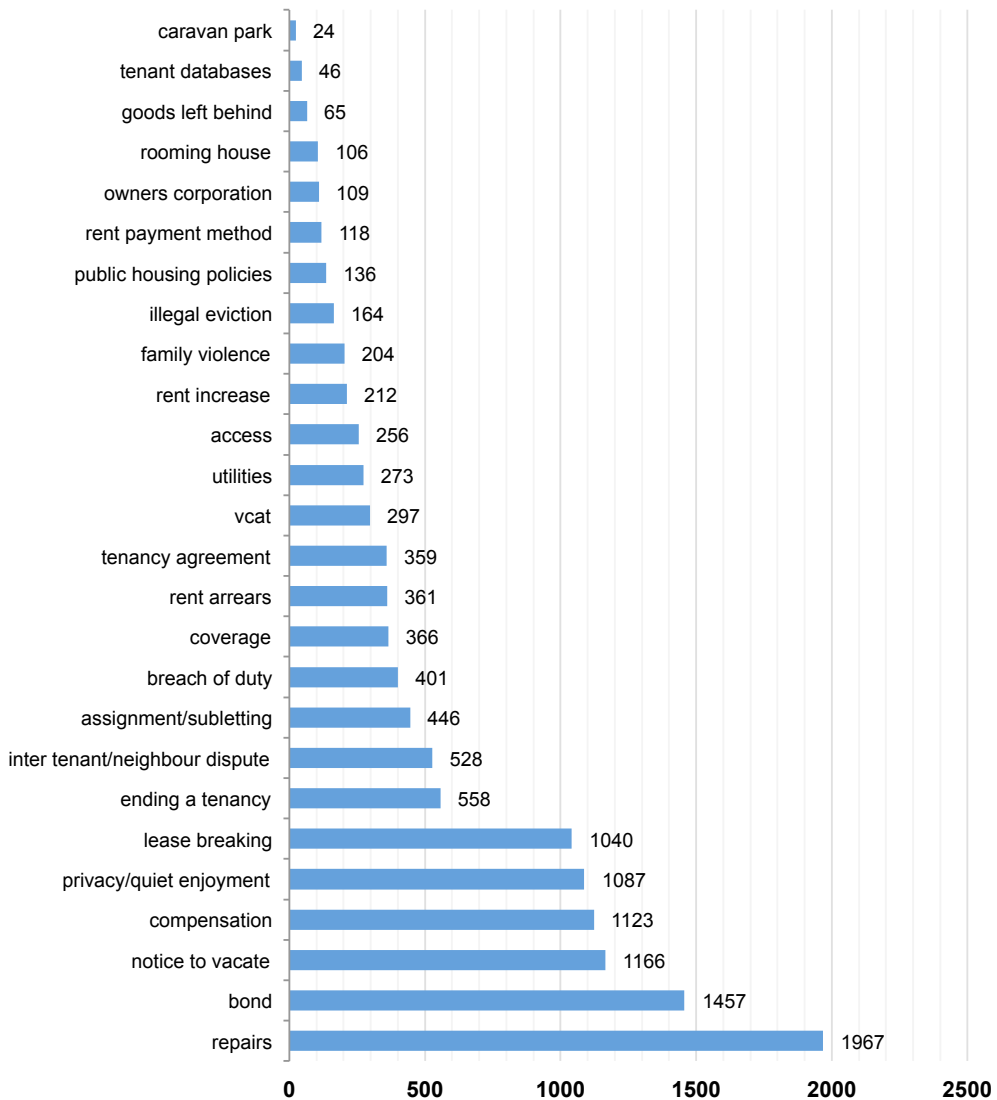


We continue to have difficulty managing the high demand for our telephone service, reflected in a high proportion of abandoned calls. About **49%** of phone callers abandoned their calls before we were able to provide assistance. This was a **slight increase (2%)** in the abandoned call rate from 2014/15.

We are also experiencing increased demand for our drop in service. During 2015/16 we had to turn away about **22%** of clients (**450** clients) seeking advice in person as we did not have sufficient resources available to provide assistance.

During 2015/16 we assisted tenants with a vast range of tenancy issues and problems. Figure 2 shows a breakdown of primary problem types for 2015/16 enquiries.

**Figure 2: 2015/16 Enquiries by Primary Problem Type**



**Advice Case Study: Bond refund**

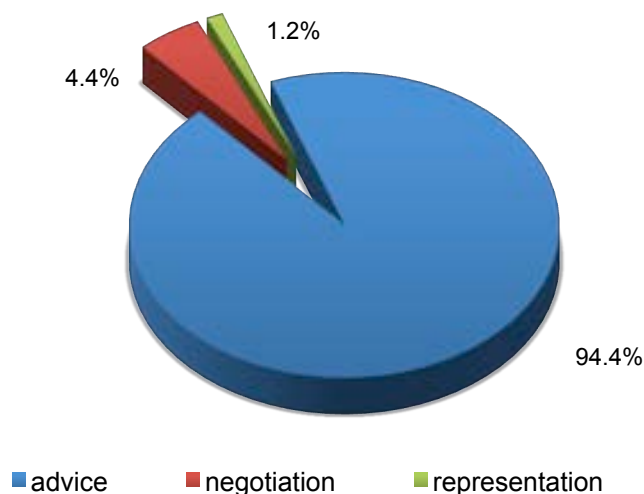
The following email enquiry [verbatim] is typical of the many problems tenants seek our advice about:

*Me and my husband were tenants, after evacuate renting property we had bonds dispute with real estate staff. We could not agree with she accused of house condition and amount of bonds we could claim. We eventually went to VCAT so this dispute could be solved. However, I miss first hearing because the bus I usual taking to train station was delay because accident, I also have email from Metro to prove my words. I applied second hearing in the same day of first hearing in VCAT building and it was approved. At second hearing the judge accept excuse I was missed first hearing. He released another order after hearing, however, I was told by bond Authority they already released bond as following first order. I was bit confused that should Bond authority wait for the last hearing result? I asked VCAT they admitted they was not aware the bond already released, however, my request for second hearing was approved at same day of first hearing before 12 pm. I don't know which organisation should I go to get advice this days. We don't want to claim bond as first order as it was not fair for me and my husband.*

As this client was within our funded service catchment we were able to refer them to our drop in advice service for further assistance.

During 2015/16 we provided assistance in **15,427** discrete client matters. Nearly **95%** of client matters were assisted with advice and information only. The remainder of clients were provided with some form of advocacy assistance including negotiation and, where a dispute was unable to be resolved, assistance with representation at VCAT.

**Figure 3: 2015/16 Matters by Type of Assistance**



**“...The service you provide is so badly needed, and so very much appreciated....”**

*(Client feedback)*

## **Outreach**

We have an outreach program to rooming houses and caravan parks to enable us to better inform these vulnerable renters and residents about their rights and responsibilities and to provide a pathway to our advice and advocacy services.

Our major achievements for 2015/16 were:

- > more than **250** visits to rooming houses, caravan parks and services
- > initial advice or information to more than **500** residents
- > ongoing cooperation with local government authorities to assist them to identify unregistered and substandard rooming houses and caravans parks
- > provision of information about systemic failures identified by the outreach program to assist the State Government in developing reform options for rooming houses

### **Outreach Case Study: Unsuitable older person's housing**

The Outreach Team attended a rooming house in the inner northern metro region.

At the rooming house the Team spoke to a number of residents in particular an elderly female resident. That resident advised that she had been given two rent increases in the last 2 years and the rent was now more than 30% of her income. In addition she had been promised a larger room following one of the rent increases but the new room had not been provided. There were also a few minor repair issues but the resident was reluctant to take any action about those. A few months after the initial visit the resident suffered a heart attack and became even more anxious about her living conditions at the rooming house.

As it appeared that the residents primary issue was the inappropriateness of the housing, the Outreach Team explored possible re-housing options for her which resulted in a warm referral to an elderly person's service for assistance with finding more suitable housing.

Often the residents that the Outreach Team makes contact with have multiple and overlapping issues and simple legal problems and solutions are rare.

## **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 2015/16, we assisted in **947** matters with some form of advocacy. A large proportion of these matters require once off or very limited advocacy to resolve problems at an earlier stage. Of the 947 matters, 23% were continuing matters, that is matters that had been active prior to 1 July 2015 and **743** were new matters.

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 advocacy assistance to those clients most in need.

For those advocacy clients who require ongoing assistance for more complex matters we open case files. Table 1 shows our case file activity for this financial year.

**Table 1: 2015/16 Case File Activity**

> No. cases open at 1 July 2015	266
> No. of new cases	281
> No. of closed cases	254
> No. of cases open at 30 June 2015	293

*Source: TUV Advice Database*

Whilst we resolve about one-third of the matters for which we provide advocacy assistance, we are nevertheless required to appear at a number of hearings in the Residential Tenancies List at the Victorian Civil & Administrative Tribunal (VCAT) to secure an outcome for our clients. In 2015/16 we undertook **243** appearances at VCAT.

## 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 publish Residential Tenancies Practice Notes on more complex areas of tenancy law for use by other services. This year we published Practice Notes on:

- > Burgess Eviction in Two Decisions (December 2015)
- > Witness and Documents Summons (December 2015)
- > Lease breaking and the alternatives (June 2016)
- > Supported Residential Services (June 2016) (add)

This year we undertook one Supreme Court appeal against a VCAT determination and considered a number of others. We would like to acknowledge the assistance of the numerous schemes overseen by Justice Connect for these actions. Without the pro bono assistance provided through Justice Connect 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.

### **Advocacy Case Study: Repairs and poor tenancy management**

Rahel, a tenant from a non-English speaking background, reliant on a Government pension, was originally referred to us by a homelessness service in late 2013, for assistance with a repair issue in her community housing premises.

Despite an initial order from VCAT and continued assurances by the landlord that the repairs would be undertaken, the issue remained unresolved 7 months later. The repairs involved some serious structural defects and some consequential internal works. As there was some dispute about responsibility for the repairs, VCAT subsequently ordered the Owners Corporation for the premises to be joined as an interested party and that the repairs be completed by July 2014. Once again the repairs were not completed in accordance with the VCAT orders and the matter was again renewed. Just prior to the renewal Hearing, the landlord advised that the repairs would proceed in September 2014. Based on this assurance the tenant agreed to a further 3 month adjournment to allow the work to be completed. Unfortunately the landlord and the owners corporation again did not complete the works as promised. So a further renewal was requested. Another VCAT order was made for the landlord and the owners occupation to complete the works but the works had not commenced by March 2015 more than 18 months after the initial report. Due to the ongoing difficulties we assisted the tenant to request a transfer from her current premises. The landlord responded by issuing the tenant with a 60 day notice to vacate which we successfully challenged on the tenants behalf and VCAT declared invalid. The landlord sought a review of the VCAT decision but at the subsequent Hearing the landlord agreed to transfer the tenant to another premises. During this time, Rahel was diagnosed with a medical condition that required her to have quick access to hospital. The landlord offered Rahel a transfer to premises that were situated some distance from her hospital and the hospital was sufficiently concerned about her treatment that they advised her not to accept the transfer. It was now more than two years after the original report of repairs. The landlord again sought to get possession of the premises with no alternative housing offer for the tenant. Fortunately, at this time with a referral to another service we were able to assist the tenant with a transfer to public housing which occurred in late October 2015. This was a long drawn out matter involving some legal complexity but ultimately recourse to a transfer to public housing as the most effective resolution.

Rahel's situation highlights many systemic problems with the law and community housing practices.

## Who did we help?

### People

About **88%** of all enquiries were from metropolitan Melbourne. The remainder of enquiries were largely from regional Victoria with a small number from interstate or overseas related to previous tenancies in Victoria.

SEIFA is an index of relative disadvantage developed by the Australian Bureau of Statistics. In 2015/16 we assisted with **4,411 matters** from postcodes in the lowest two quintiles of disadvantage based on SEIFA.

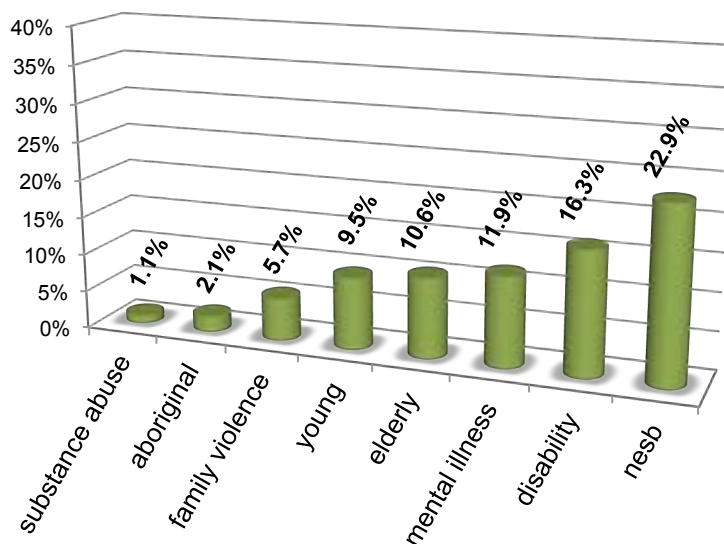
We do not collect data about vulnerability and disadvantage from our phone and email enquiries as this would affect service capacity. We do however collect relevant data for all drop-in and casework clients based on a number of indicators of vulnerability and disadvantage.

In 2015/16 we assessed **2,231 clients** (drop in and casework) as being vulnerable or disadvantaged.

Nearly **50%** of all assessed clients had at least two indicators of vulnerability or disadvantage and more than 10% had three indicators. For case clients, more than 90% had at least two indicators and about 46% had three indicators.

Figure 4 shows a summary of client disadvantage indicators for 2015/16. About **63%** of all assessed clients were reliant on a **Centrelink** benefit or pension.

**Figure 4: 2015/16 Client Disadvantage Indicators**



## Organisations

During 2015/16 we received **1,069 enquiries** from **309 discrete** organisations representing a wide range of agencies and services across Victoria. Our secondary consultations enable these community services to provide better responses to their clients and for us to extend the reach of our assistance.

Table 2 outlines the number of enquiries from different broad service types.

**Table 2: 2015/16 Organisational Advice Service Types**

<b>Service Type</b>	<b>Count</b>	<b>%</b>
Aboriginal	63	5.9%
Community Information	25	2.3%
Community Legal	234	21.9%
Disability	23	2.2%
Financial	1	0.1%
Government	39	3.6%
Health/Medical	107	10.0%
Housing/Homelessness	135	12.6%
Local Government	4	0.4%
MP Electorate Office	5	0.5%
Multicultural	56	5.2%
Student	29	2.7%
Substances Abuse	6	0.6%
Tenants Advice	160	15.0%
Welfare	133	12.4%
Women's	13	1.2%
Youth	35	3.3%

*Source: TUV Advice Database*

### Organisational Advice Case Study:

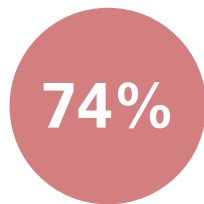
The following enquiry from a general welfare service is typical of the organisational advice requests we receive:

*...the tenant has a fixed term tenancy agreement. They have been paying their rent weekly. The real estate agent has now written to them to say that the rent must be paid monthly. Can they do this? The tenant is worried that they will not be able to keep the money set aside for a month. Can the real estate agent ask for the rent to be paid a month in advance?*

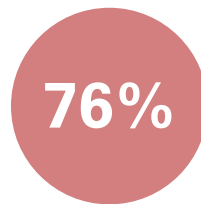
The provisions around rent payment methods can cause a lot of practical difficulty for low income households particularly if the tenancy agreement prescribes a particular method of payment. Typically low income households find it easier to budget for smaller more regular payments and some prefer to use automated deductions such as Centrepay to ensure that rent is paid first. Whilst not overly complicated, problems with rent payment methods may need to be resolved by general contractual principles which most mainstream services are unlikely to be aware of.

### What did our clients think of our services?

We conducted a client survey to assess the level of satisfaction with our services for clients from 2015/16. The vast majority of negative feedback was from clients dissatisfied with the difficulty getting access to our services.



**satisfied** with  
**access** to our services



**satisfied** with the  
**assistance** we provided



**net promoter score**

This Net Promoter Score result was slightly less than last year's result (+34.2). The average Net Promoter Score in the charitable sector in Australia is about **+27** (McCindle, May 2016).

## Personnel

The Tenants Union would like to express its thanks to our staff, past and present, for their consistent hard work and dedication. Staff members during 2015/16 were:

Adrian Champion	Training Officer
Andrew Vincent	Outreach Lawyer
Anne Smith	Administration Worker
Ben Cording	Principal Lawyer
Brendan O'Hanlon	Lawyer
Cassandra Laybourne	Tenant Advocate
Cath McLeish	Lawyer
Catherine Dyer	Outreach Worker
Catherine Miller	Senior Lawyer
David Smeathers	Publications Assistant
Hannah Dodd	Lawyer
Jenna Molan	Lawyer
Jenny Draffin	Librarian
Jenny Sharp	Lawyer
Kenneth Tie	Legal Service Manager
Leah Hecht	Lawyer
Liam Cooper	Research Officer
Lyn Ryder	Legal Administration
Marisol Bombal	Bookkeeper
Mark O'Brien	Chief Executive Officer
Nicholas Anderson	Lawyer
Olivia Ridley	Lawyer
Sharon Bigg	Lawyer
Sunita McGregor	Publications Officer
Thomas Randla	Lawyer
Tracey Ryan	Lawyer
Ursula Dutkiewicz	Administration Worker
Victor Nieto	Finance & Administration Manager
Yaelle Caspi	Policy Officer

We would also like to thank the contract staff who assisted us with our publications, Tom Harrison and David Smeathers.

We would also like to acknowledge our external information tech and telephony partners:

Cloudrecover	Futurised	David Leeuwenburgh (Dave IT)
IT Register	Kiandra IT	

## Donors

The Tenants Union would like to extend its sincere thanks to the following individuals or organisations that made financial donations during 2015/16:

Adrienne Huber	Helen Heather	Neisha Dallamora
Alexis Gray	Helen Apostolos	Nicholas Brown
Aodong Zhang	Henrik Nordstrom	Pam Crook
Azumi Sutherland	Iain Murray	Pam Crook
Brad Knox	Jacinta Blanch	Paul Stratov
Brendon Wickham	Jeanine Williams	Paulo Raposo
Brendon Wickham	Jenny Liang	Peter Parsons
Brett Inder	Jo Bramble	Rahul Satheesan
Brian Mier	Joan Cortes	Rebecca Ard
Cam Van Steel	John Kam	Robert Hudson
Cameron Stevens	Joseph Chacko	Rodney Baker
Cameron Hankins	Julia Stammers	Rohan Tillekeratne
Carmel Locaso	Kailing Chen	Rosalie Dunstone
Charmaine Papadakis	Katherine Cozens	Sarah Fitzgerald
Christine Qian	Leah Healy	Simon Hampton
Christopher Younie	Leith Thomas	Simon Cameron
Danny Borland	Lu Jin	Siriboon Deewan
David Milburn	Lucy Hayward	Sridharan Thangaraju
David Piper	Lynne Oldfield	Susan Trenholm
Denis Selegatto	Marc Schnekenburger	Thanapoom Sirichang
Elizabeth Davie	Marie O'Connor	Theo Milonakos
Ella Fabry	Mark Farrell	Theresa Savage
Eunhye Ahn	Matthew Schultz	Therese Dynon
Eunhye Ahn	Matthew Schultz	Varinder Mason
Fei Zhan	Michael Collas-Smith	Vitor Colho
Gareth Baker	Michael Chadwick	Xinyun Zhang
Giuliana Piccari	Natasha Hulse	Zhe Zhang
Graciela Castro	Nathan Dyer	
Hamish Macleod	Nathan Kaberry	

Donations of \$2 or more are tax deductible.



# Financial Statements

## Directors' Report

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

Your Directors present this report on the entity for the financial year ended 30 June 2016.

#### Directors

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

Dr Caroline Smith	Appointed 29/10/2012. Elected 25/11/2013. Resigned 29/8/2016.
George Lioukas	Appointed 27/4/2010. Resigned 24/2/2016.
Graeme McDonald	Appointed 7/2/2011. Elected 24/10/2011. Resigned 27/6/2016.
Dr Kate Dempsey	Elected 29/10/2012.
Luke Cuttance	Appointed 21/3/2016.
Marianne Webb	Appointed 12/9/2011.
Philip Campbell	Appointed 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
- > Improve our educational reach
- > Improve our organisational sustainability

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 2016/17 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 remained stable.

A full set of performance indicators is 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 Victorian Government is reviewing and changing some funding and service priorities 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 **\$236,635** (2015: Loss of \$40,375).

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

### Information on Directors

<b>Dr Caroline Smith</b>	Appointed 29/10/2012. Elected 25/11/2013. Resigned 29/8/2016.
Qualifications	Bachelor of Commerce (Hons), PhD (Human Resources)
Experience	Senior Commonwealth public servant with a focus on workforce, education and training.
<b>George Lioukas</b>	First appointed 8/2/2010. Resigned 24/2/2016
Qualifications	BSc, Grad Cert (Technology Management)
Experience	Telecommunications management and marketing.
Special Responsibilities	Audit & Risk Committee
<b>Graeme McDonald</b>	Appointed 7/2/2011. Elected 24/10/2011. Resigned 27/6/2016
Qualifications	LLB
Experience	Admitted to legal practice in 1984. Senior roles in public service.
Special Responsibilities	Chairperson
<b>Julie Zhou</b>	Appointed 22/7/16.
Qualifications	LLB, Master of Law
Experience	Admitted to practice in 2012. 4 years of legal practice within the Victorian public service. Community legal centre volunteer.
<b>Dr Kate Dempsey</b>	Elected 29/10/2012.
Qualifications	Bachelor of Arts (Psychology), PhD (Psychology)
Experience	Over 20 years management consulting experience within the public and community sectors.

<b>Luke Cuttance</b>	Appointed 21/3/16.
Qualifications	Bachelor of Asian Studies, Master of Professional Accounting, Member, CPA Australia
Experience	Public service financial accounting, human resources and research management roles; prior not-for-profit board role in community health education.
Special Responsibilities	Audit & Risk Committee
<b>Marianne Webb</b>	Appointed 12/9/2011.
Qualifications	BAppSc
Experience	Financial analysis and expenditure review. Policy adviser.
Special Responsibilities	Chairperson from 27/6/2016, Audit & Risk Committee
<b>Philip Campbell</b>	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.

### Meetings of Directors

During this financial year, 18 meetings of directors were held.

Attendances by each director during the year were as follows:

	Board of Directors' Meetings		Subcommittees	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Dr Caroline Smith	11	8		
George Lioukas	7	6	3	3
Graeme McDonald	11	11		
Dr Kate Dempsey	11	8		
Luke Cuttance	4	4	4	4
Marianne Webb	11	10	7	7
Philip Campbell	11	11		

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 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$400 (2015: \$240).

### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and forms part of the directors' report.

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



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**Marianne Webb**

Chairperson

Dated this 26th day of September 2016.

**Auditor's Independence Declaration  
Under Subdivision 60-C Section 60-40 of  
Australian Charities and Not-For-Profits Commission Act 2012  
to the Directors of Tenants Union of Victoria Limited**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2016 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 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



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**John A. Phillips**

Partner

Dated this 26th day of September 2016.  
Melbourne.

**Statement of Profit or Loss and Other Comprehensive Income  
for the year ended 30 June 2016**

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

	<b>Note</b>	<b>2016</b> \$	<b>2015</b> \$
Revenue from ordinary activities		2,421,554	2,207,618
Employee benefits expense		(1,572,814)	(1,462,081)
Programs, publicity, printing and stationery		(104,644)	(242,248)
Occupancy expense		(176,207)	(166,932)
Communications		(118,660)	(130,732)
Depreciation expense		(10,384)	(11,322)
Library and resources		(43,188)	(37,584)
Equipment purchases	1(b)	(1,891)	(31,111)
Administration and other expenses		(157,131)	(165,983)
Profit (Loss) before income tax	2	236,635	(40,375)
Income tax expense	1(a)	-	-
<b>Net profit (loss) for the year</b>		<b>236,635</b>	<b>(40,375)</b>
<b>Other comprehensive income</b>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income (loss) for the year</b>		<b>236,635</b>	<b>(40,375)</b>
Total comprehensive income (loss) attributable to members of the entity		236,635	(40,375)

The accompanying notes form part of these financial statements.



## Statement of Financial Position as at 30 June 2016

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

	Note	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	962,187	845,672
Trade and other receivables	4	94,547	84,410
Other current assets	5	17,156	16,664
<b>TOTAL CURRENT ASSETS</b>		<b>1,073,890</b>	<b>946,746</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables	4	10,000	4,610
Plant and equipment	6	21,982	22,480
<b>TOTAL NON-CURRENT ASSETS</b>		<b>31,982</b>	<b>27,090</b>
<b>TOTAL ASSETS</b>		<b>1,105,872</b>	<b>973,836</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	67,205	86,858
Current tax liabilities	8	10,293	14,379
Short-term provisions	9	145,998	167,258
Other current liabilities	10	257,313	324,888
<b>TOTAL CURRENT LIABILITIES</b>		<b>480,809</b>	<b>593,383</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	9	49,735	41,760
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>49,735</b>	<b>41,760</b>
<b>TOTAL LIABILITIES</b>		<b>530,544</b>	<b>635,143</b>
<b>NET ASSETS</b>		<b>575,328</b>	<b>338,693</b>
<b>EQUITY</b>			
Retained surplus		560,328	323,693
Reserves	11	15,000	15,000
<b>TOTAL EQUITY</b>		<b>575,328</b>	<b>338,693</b>

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity  
for the year ended 30 June 2016**

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

	<b>Retained Surplus \$</b>	<b>Capital Reserve \$</b>	<b>Total \$</b>
<b>Balance as at 1 July 2014</b>	364,068	15,000	379,068
Comprehensive Income			
Loss for the year	(40,375)	-	(40,375)
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	(40,375)	-	(40,375)
Transfer to reserves	-	-	-
<b>Balance as at 30 June 2015</b>	323,693	15,000	338,693
Comprehensive Income			
Profit for the year	236,635	-	236,635
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	236,635	-	236,635
Transfer to reserves	-	-	-
<b>Balance as at 30 June 2016</b>	560,328	15,000	575,328

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**  
for the year ended 30 June 2016

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

	<b>Note</b>	<b>2016</b> \$	<b>2015</b> \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from government and other sources		2,559,852	2,456,787
Payments to suppliers and employees		(2,449,142)	(2,418,569)
Interest received		16,704	24,579
Net cash provided by operating activities	14	127,414	62,797
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		(10,899)	(15,268)
Net cash used in investing activities		(10,899)	(15,268)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Net cash provided by financing activities		-	-
Net increase in cash held		116,515	47,529
Cash and cash equivalents at beginning of financial year		845,672	798,143
Cash and cash equivalents at end of financial year	3	962,187	845,672

The accompanying notes form part of these financial statements.

## **Notes to the financial statements for the year ended 30 June 2016**

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 26th September 2016 by the directors of the company.

### **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 Australian Charities and Not-for-profits Commission Act 2012. 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 Australian Charities and Not-for-profits Commission Act 2012 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 those of previous periods 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**e. Employee Benefits**

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

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

**f. Unexpended Grants**

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

**g. Cash and Cash Equivalents**

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

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

**h. Revenue**

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

**i. Contributions**

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

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

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

**k. Comparative Figures**

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

**l. Economic Dependence**

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



	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: Profit from Ordinary Activities</b>		
Loss from ordinary activities before income tax expense has been determined after:		
<b>(i) Revenue</b>		
Grant revenue		
Victoria Legal Aid – Commonwealth Funding	131,284	119,853
Victoria Legal Aid – State Funding	611,460	563,574
Consumer Affairs Victoria	650,321	610,105
Office of Housing	842,204	809,712
Other funding	53,673	43,795
Add: prior year funding now unconditional	240,821	43,647
Less: funds deferred until unconditional	(138,257)	(29,301)
Total Grant Revenue	2,391,506	2,161,385
Interest earned	16,704	24,579
Membership fees	1,210	1,745
Other income	12,134	19,909
Total Revenue	2,421,554	2,207,618
<b>(ii) Expenses</b>		
Remuneration of auditor		
- audit of the financial report	12,000	11,500
- other audit related services	6,953	7,500
Rental expense on operating leases	126,727	120,398
<b>Note 3: Cash and Cash Equivalents</b>		
Cash on hand	600	600
Cash at bank	431,097	325,124
Cash at bank on short term deposit	530,490	519,948
	962,187	845,672
<b>Note 4: Trade and Other Receivables</b>		
CURRENT		
Accrued income and sundry debtors	94,547	84,410
NON-CURRENT		
Security deposits	10,000	4,610

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 5: Other Current Assets</b>		
Prepayments	17,156	16,664
<b>Note 6: Plant And Equipment</b>		
Plant and equipment - at cost	122,388	110,650
Less accumulated depreciation	(100,406)	(88,170)
	21,982	22,480
<i>Movements in carrying amounts</i>		
Written down value at the beginning of the financial year	22,480	19,308
Additions	10,899	15,268
Assets written off	(1,013)	(774)
Depreciation for the year	(10,384)	(11,322)
Written down value at the end of the financial year	21,982	22,480
<b>Note 7: Trade and Other Payables</b>		
Trade creditors	28,317	59,059
Sundry creditors and accrued expenses	38,888	27,799
	67,205	86,858
<b>Note 8: Tax Liabilities</b>		
Net Tax Liabilities – GST	10,293	14,379
<b>Note 9: Provisions</b>		
SHORT-TERM		
Employee benefits	145,998	167,258
LONG TERM		
Employee benefits	49,735	41,760

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 10: Other Current Liabilities</b>		
Grants received in advance - VLA	3,133	17,262
Grants received in advance - VLA ERO	92,443	57,455
Project Balances:		
CAV – Legal & Policy	17,108	9,859
CAV – Outreach	-	3,697
CAV – Tenancy Projects	27,702	13,621
OoH PHIP – Education	89,246	78,864
OoH PHIP – Policy	9,426	84,263
OoH PHIP – Special Grant	-	18,140
OoH PHIP – Training	4,617	7,143
OoH PHIP – SHASP	13,638	34,584
	<u>257,313</u>	<u>324,888</u>
<b>Note 11: Reserves</b>		
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 2016, the number of full members was 40 (2015: 24).

#### **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.

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Note 14: Cash Flow Information</b>		
Reconciliation of cash flow from operations with profit from ordinary activities after income tax		
Profit (Loss) from ordinary activities after income tax	236,635	(40,375)
Non-cash flows in surplus from ordinary activities		
Depreciation	10,384	11,322
Plant and equipment written off	1,013	744
Changes in assets and liabilities		
Decrease/(increase) in receivables	(10,137)	21,345
Decrease/(increase) in other current assets	(5,882)	(9,049)
Increase/(decrease) in payables	(19,653)	51,951
Increase/(decrease) in provisions	(13,285)	3,795
Increase/(decrease) in tax liabilities	(4,086)	(6,025)
Increase/(decrease) in other liabilities	(67,575)	29,059
Cash inflow from operations	127,414	62,797

**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	244,250	126,333
- longer than 1 year but not longer than 5 years	-	244,250
- longer than 5 years	-	-
	244,250	370,583

Details of significant leasing arrangements: The company's property lease runs for three years from 1 May 2015.

**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 a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of the new and amended pronouncements. The directors anticipate that adoption of the new and amended Accounting Standards may have an impact on the Company's financial statements, however it is impracticable at this stage to provide a reasonable estimate of such impact.

## **Directors' Declaration**

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

In accordance with a resolution of the directors of Tenants Union of Victoria Limited, the directors declare that:

1. The financial statements and notes, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 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 2016 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



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**Marianne Webb**

Chairperson

Dated this 26th day of September 2016.

**Independent Audit Report  
to the Members of Tenants Union of Victoria Limited  
Tenants Union of Victoria Limited 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 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

This audit report has also been prepared for the members of the Society pursuant to Australian Charities and Not-for-profits Commission Act 2012.

**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 Australian Charities and Not-for-profits Commission Act 2012 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 Australian Charities and Not-for-profits Commission Act 2012.



### **Audit opinion**

In our opinion, the financial report of Tenants Union of Victoria Limited is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2016 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 Australian Charities and Not-for-profits Commission Regulations 2013.

### **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 Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

C.W. Stirling & Co  
Chartered Accountants



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**John A. Phillips**

Partner

Dated this 26th day of September 2016.

Melbourne.

**Compilation Report  
For the Directors of Tenants Union Of Victoria Limited  
Tenants Union of Victoria Limited 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 2016 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



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**John A. Phillips**

Partner

Dated this 26th day of September 2016.  
Melbourne.

## Detailed Operating Statement For The Year Ended 30 June 2016

Tenants Union of Victoria Limited ACN 081 348 227

	2016	2015
	\$	\$
<b>Income</b>		
Grants – recurrent	2,337,833	2,117,590
Grants – non-recurrent	53,673	43,795
Interest earned	16,704	24,579
Membership fees	1,210	1,745
Other income	12,134	19,909
<b>Total Income</b>	<b>2,421,554</b>	<b>2,207,618</b>
<b>Less Expenditure</b>		
Accounting and audit fees	18,953	22,100
Archiving costs	3,634	3,864
Bank charges	1,438	1,655
Capital equipment	240	4,650
Catering - meetings	2,070	3,382
Cleaning	19,172	17,261
Computer software and consumables	1,650	26,461
Consultancy – IT support	50,045	58,730
Consultancy – other	25,364	100,565
Depreciation	10,384	11,322
Directory entries	7,728	7,181
Client disbursements	7,189	7,495
Employment advertisements	1,329	1,520
Gas/electricity	10,635	10,463
Insurances	4,571	4,284
Internet and website	80,945	84,497
Library	23,142	22,608
Miscellaneous	6,923	2,788
Payroll	1,444,639	1,332,704
Photocopying	25,062	25,584
Postage and freight	6,050	7,544
Practising certificates	2,856	3,246
Printing	19,704	19,606
Publications program	1,026	38,711

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Expenditure (continued)</b>		
Publicity	18,674	19,576
Rent, rates and outgoings	132,685	120,398
Repairs and maintenance	7,128	12,069
Security	989	1,230
Special projects	6,111	29,567
Staff amenities	15,336	15,180
Staff development and training	28,954	24,964
Stationery	8,703	8,639
Subscriptions and memberships	20,047	14,975
Superannuation	124,341	125,943
Telephone	23,937	31,511
Travel	15,505	18,541
Waste Removal	1,964	1,647
Workcover	5,796	5,532
<b>Total Expense</b>	<b>2,184,919</b>	<b>2,247,993</b>
<b>Profit (Loss) For The Year</b>	<b>236,635</b>	<b>(40,375)</b>

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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