



Annual Report 2005 – 2006



Tenancy in Tenants' Hands



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Tenancy in the ACT

Tenancy and housing figures vary in how up-to-date they are because different information is gathered at different times. Data is sourced from several Australian Bureau of Statistics ('ABS') publications as well as the Real Estate Institute of Australia. In 2004 the 342,300 usual residents of the ACT occupied more than 123,000 private dwellings (2001 figures only). Of these, 29% (35,670) were rented properties; the national average was 26%. In 2004 the average household size in the ACT was 2.5 people. Using this figure we can estimate that there are approximately 89,000 people in rental accommodation in the ACT. And these are figures from 2 years ago.



The comparatively high proportion of rented dwellings reflects the ACT's relatively mobile population, with more renters and hence a greater reliance on rental accommodation than other areas. This is supported by earlier data from the ABS 1999 Australian Housing Survey, which indicated that 31% of ACT residents were renters in that year compared with a national average of 27.3%.

Vacancy and rent rates

Statistics from the Real Estate Institute of Australia ('REI') indicate that in the quarter to June 2006 the vacancy rate in the ACT decreased by to a low 2%, below the June 2005 rate of 2.5% and puts Canberra back in the low level of vacancies it has experienced for many years. It would seem to indicate that high levels experienced last year were a reflection of the period of a vast amount of building at the high end of the property (apartment) market.

It is important to note that vacancy rates are only broad indicators of the 'true' vacancy rates at any particular point in time. They are an aggregate across all rented properties and do not qualify the level of rent in properties. A rise in vacancy rate doesn't automatically mean an increase in the availability of affordable rental properties and in fact can result in a decline in affordability as relatively affordable older stock is redeveloped. The only positive trend in the longer term may be an increase in affordability if a glut develops at the higher end and landlords are forced to drop rents. We are yet to witness such a change. In fact while the vacancy rate has dropped, rents have continued to increase. This has resulted in the ACT in the dubious position of maintaining the record of having the highest rents across the country.



The ACT rental figures for the June quarter 2006 continue to repeat trends of 2002/03, 2003/04 and 2004/05 with Canberra having the highest median rent across the country with \$320 for houses and \$300 for other dwellings. Median rents in Sydney were \$265; Darwin, \$300; Brisbane, \$280; Melbourne, \$230; Adelaide, \$240; Hobart, \$255 and Perth \$250. The tables below provide some across Canberra details.

House rents June Quarter 2006

City/Zone	Median \$/week	Change over year %	Lower quartile \$/week	Upper quartile \$/week	
Inner Central	2 b/r	372	28.3	315	420
	3 b/r	350	6.1	320	380
	4 b/r	465	4.5	410	560
Inner South	2 b/r	325	23.1	310	340
	3 b/r	330	10.0	310	350
	4 b/r	420	5.0	360	465
West & North	2 b/r	270	10.2	240	295
	3 b/r	310	6.9	290	340
	4 b/r	380	5.6	340	410
Outer South	2 b/r	260	NA	250	260
	3 b/r	300	7.1	280	320
	4 b/r	360	0.0	350	400

Figures from Real Estate Market Facts, June Quarter 2005, Real Estate Institute of Australia

Flats/units/townhouses rents June Quarter 2005

City/Zone	Median \$/week	Change over year %	Lower quartile \$/week	Upper quartile \$/week	
Inner Central	1 b/r	285	-1.7	205	320
	2 b/r	340	6.3	300	380
	3 b/r	400	2.6	350	450
Inner South	1 b/r	200	14.2	170	230
	2 b/r	255	2.0	230	290
	3 b/r	350	9.4	300	350
West & North	1 b/r	200	2.6	185	240
	2 b/r	265	6.0	250	280
	3 b/r	300	3.4	285	340
Outer South	1 b/r	200	NA	185	230
	2 b/r	260	4.0	250	300
	3 b/r	280	3.7	270	320

Figures from Real Estate Market Facts, June Quarter 2005, Real Estate Institute of Australia

These rent levels and vacancy figures significantly affect tenants' ability to move within the ACT, they limit choice and bargaining power. It is difficult to argue for shorter fixed terms, lower rent etc if the landlord knows they can just go to the next person on the list. Lack of choice regarding movement can also mean that tenants will stay, or take up tenancies they can't really afford because they have no other alternative. It has been widely acknowledged that the ACT has a serious problem with housing affordability and that tenants, and in particular private tenants, face an affordability crisis.

Other Tenures

At June 2006 public housing comprised approximately 9 per cent of all dwellings in the ACT. Housing ACT managed 11,577 properties, approximately 32 per cent of rental stock drop in, housing approximately 24,300 people.



At June 2005 the ACT government leased 285 properties to community and other organisations.

Other tenures are those now covered by occupancy agreements and include people in caravan parks, boarders and lodgers and those in student accommodation. It is hoped that next year we will have reliable figures for these groups.

Tenants' Union ACT: A Brief History

As the above figures suggest, tenancy has been an issue for ACT residents for many years. In 1990, galvanised by impending legislation to set up the Rental Bond Office, a community meeting of tenants and other concerned people decided to establish a group to represent public and private tenants in the ACT.

The first major achievement was when TU was successful in obtaining a small seeding grant that allowed the organisation to rent some premises, publish some information leaflets and begin to think seriously about opening for business. Then the ACT Government agreed that interest earned on tenant bonds should be spent for the collective good of tenants, and that an independent tenants' advice service would be an appropriate use for the money.

The TU and the Welfare Rights and Legal Centre worked together to explore the possibility of offering a joint service - something that it was thought would be an unbeatable combination with the Union bringing the tenants' perspective and WRLC providing the much needed expertise and experience in the legal side of tenancy matters (WRLC had already been providing tenancy advice through their advice lines). So when the Office of Rental Bonds advertised for expressions of interest, they were ready with a joint proposal.

The opening of the Tenants' Advice Service in August 1994 represented the culmination of a lot of hard work behind the scenes. Since 1994 the TAS has provided the focus for much of TU work, with TU employing staff as TAS workers. Through TAS, the TU has continually worked towards achieving its goals as stated in our Mission Statement and core values.

The TU is a member of the National Association of Tenants' Organisations (NATO). NATO is an unfunded group with members from most states, whose objective is to assist one another (a vital aim considering that many tenants groups are seriously under-funded and under-resourced), develop consistent national strategies regarding tenancy and respond to national initiatives impacting on tenancy. Through NATO Australian tenant organisations work towards providing a coherent voice for tenants on national issues.

On a broader level the TU also maintains its membership of, and involvement with, the International Union of Tenants'.

International Union of Tenants' website address: www.iut.nu



TU Mission Statement

The ACT Tenants' Union is an organisation for tenants by tenants that seeks to enable all tenants to enjoy appropriate, affordable, accessible and secure housing in the ACT

Core Values

The ACT Tenants' Union is a non-profit community organisation committed to:

- the participatory involvement of tenants to achieve its vision and aims
- promoting rental housing which meets the needs of tenants
- ensuring tenants' views are recognised and incorporated into decision making processes
- educating tenants and other stakeholders about their rights and responsibilities
- promoting self help mechanisms for tenants seeking dispute resolution
- fostering effective dispute resolution mechanisms
- ensuring provision of high quality assistance to tenants through input into effective delivery of a Tenants' Advice Service (TAS) and other tenancy support services
- fostering high morale and work satisfaction, and providing career and development opportunities for TU and TAS staff (as far as possible)
- the continued use of resources resulting from investment of tenants' bond money to support the rights of tenants, and increasing funds targeted to directly supporting the rights of tenants
- supplementing funded resources with effective voluntary resources and coordinating both to ensure the TU ACT is recognised as a well-managed organisation with effective internal and external stakeholder relationships.

Committee Membership

The Tenants' Union (TU) management committee is formed each year from volunteer members of the Union who are nominated and elected at the Annual General Meeting. Committee membership consists of four executive positions, six general positions and one staff representative. During 2005/6 the committee membership comprised:

President	Shae McCrystal
Treasurer	Anne Macduff
Secretary	Genevieve Bolton
Members	Tui Davidson (resigned)
	Kate Ward
	Viren Jackson
	Toni Hunt
	Maribeth Cole

Staff representative & Public Officer Deborah Phippen

The efforts of all committee members are greatly appreciated. Their contributions are hugely beneficial to the success of tenant support in the ACT.



We would also like to thank Tui Davidson for her years of support of the TU. She will be sorely missed. We all wish her well for the future.



Staff members

Current:

Executive Officer: Deborah Phippen
 Office Administrator: Beth Policarpio
 TAS Advice Workers:
 Helen Sexton
 Sandra Alonso
 Project Worker: Anne Macduff



Farewelled:



Lyn Starkis (resigned May 06)
 Michelle Worthington (resigned April 06)
 Kim Bolas (employed October 05, resigned March 06)
 Eduard Duyvan was employed by WRLC as the TAS advice worker for 6 years and resigned in September 2005.

Funding

The Tenants' Union receives funding through the ACT Department of Justice and Community Safety to provide the Tenants' Advice Service. Funds are sourced from interest on bonds lodged with the Office of Rental Bonds and held in the Bond Trust Account. The tables below show bond figures over the past three years.

	2003-04	2004-05	2005-06
No. of bonds lodged	12,141	12,774	12,581
No. of bonds refunded	12,187	12,611	12,675
Average value of bonds (\$)	1,088	1,1108	1,226

	2003-04	2004-05	2005-06
Value of bonds lodged (\$)	15,584,307	14,836,630	15,564,446
Value of bonds refunded (\$)	11,206,356	12,240,921	12,913,734
Value of bonds held at 30 June	23,492,291	26,218,658	28,790,458

This funding enables the Tenants' Union to provide high quality services for tenants throughout the ACT, including resourcing the Occupancy Project. During the previous year the TU received a minimal amount of additional funds from members and other projects and work.

This year the TU also received project money from the Department of Justice and Community Safety to run the Occupancy Project (see project report for details).



President's Report

The last 12 months at the Tenants' Union ACT have been exciting and challenging; exciting because the Tenant's Union undertook sole management of the Tenants' Advice Service and challenging for exactly the same reason!

On 1 October 2005, sole management of the Tenants' Advice Service was transferred to the Tenants' Union ACT after many years of joint management with Welfare Rights and Legal Centre. The experience of joint management was extremely valuable for the Tenants' Union, allowing our smaller organisation to receive the benefit of the experience and training of the Welfare Rights crowd. However, in accordance with the original vision for TAS, a tenants' service managed by a tenants' organisation, it was agreed that the Tenants' Union was well placed to solely manage TAS into the future. Instrumental in the change was staff of WRLC including Liz O'Brien and Genevieve Bolton. I sincerely thank them and all the other WRLC staff that have contributed to making TAS the terrific service that operates today. The Tenants' Union and WRLC continue to collaborate over important TAS related issues and I look forward to the future of this productive partnership.

Another success from the past year has been the Occupancy Project. Anne Macduff joined us as a project worker to examine the impact of the new occupancy principles on occupants in the ACT. Anne has pursued a number of projects as a part of this work and has been a great asset to the Tenants' Union. I would like to thank the ACT Department of Justice and Community Safety for funding this important work.

In addition, there have been significant changes in public housing. Deborah Phippen, our Executive Officer, has been kept busy attending forums and meetings to discuss potential changes to the Public Rental Housing Assistance Program. This is likely to present a significant challenge for the Tenants' Union next year as we work through the consequences of any changes to the program for existing and future ACT public tenants.

The implementation in March of the Federal Government's amendments to the Workplace Relations Act 1996 has also created challenges for our small organisation. As an ACT based organisation the Tenants' Union is automatically subject to the Workplace Relations Act. In consequence, we have been examining our employment practices in order to ensure that the organisation maintains best industrial practice for our staff.

Finally, it has been a busy year of new hiring after some sad farewells. Our beloved administrator Lynn Starkis left us to follow her grandchildren North, Edward Duyvan moved to a warmer climate in Queensland and Michelle Worthington left us in preparation for a trip overseas. I would like to thank them all for their dedication and service to the Tenants' Union. We have also welcomed three new faces, Elizabeth Policarpio, our new office administrator, Sandra Alonso and Helen Sexton our new TAS advisers. The office has had a make over and I warmly welcome our three new workers who have already made a fantastic contribution.



Finally it remains to thank our hardworking Executive Officer, Deborah Pippen, who dealt with the loss of our long term staff members with courage in the face of adversity, and the committee of management for continuing to volunteer their time and skills for the cause.

Shae McCrystal
President





Executive Officer's Report

Another year. More of the same, yet some very significant changes for the TU and TAS and some new work and activities, some new challenges and even a few wins.

As always we have had our work cut out for us trying to meet the high demand for tenancy advice from amongst the 90,000 or so tenants in the ACT with our 2 part-time phone lines. Many many thanks and murmurs of grateful appreciation to our wonderful tenancy advice workers who consistently provide high quality assistance to ACT tenants every day, and cope with the stress of knowing that while they work hard there are still many people who find it difficult to reach them. Unfortunately this pressure is not likely to disappear.

TAS

The figures for people contacting TAS are provided later in this report. In terms of management issues, the most significant change for the TAS has been the changeover to TU being solely responsible for the entire service. The significance of the change is that all staff are now employed by the TU and that the TU contracts with WRLC for legal supervision and relevant administrative matters. It has meant a new clarity and consistency for all staff (no longer to people have to come to terms with being employed by another organisation or having 2 lots of staff meetings), as well as relative simplification of management.

This has been a smooth process that has been supported by our funding body. We happily maintain very close links with Welfare rights and Legal Centre, yet now have a clear identity as the TU that provides the TAS.

A change in the TAS structure was necessary with the handover in order to allow for the TU having a different mechanism regarding salaries. We moved from having two full-time advice workers to one full-time advice and project worker and one part-time advice worker doing 4 shifts per week. There has been no change to access to advice for ACT tenants and staff are employed at appropriate levels. We also continue to review and reflect on how changes can be made to provide for greater access advice.

Issues

HOUSING ACT

During the year the Housing Minister's forums continued as a substitution for the disbanded Ministerial Housing Advice Committee. The forums were on specific issues including community housing, appeals mechanisms; joint ventures/public private partnerships and disability housing (the first in early 2005 was on Tenant Participation). They were convened by the Minister, attendance by invitation only and they ran for two hours. No record of meetings were received, the Department stressed that the meetings would be used to inform production of Issues Papers for the Minister's Housing Summit in February.

The event included to separate forums – the Housing Consumer Forum and the Housing Summit (we sent representatives to both). Disappointingly the Issue Papers were only released the week of the event, and did not cover all topics anticipated, notably appeals mechanisms. The Department and Minister hailed the events as a success, with approximately 260 stakeholders attending. This included tenants, tenant workers, workers



from support agencies and community peaks as well as the other side of the sector – real estate agents, housing providers, developers and other interested individuals. Topics covered included: access to social and community housing; tenure in social housing; management of public housing; building communities; social housing supply and private sector options. Unfortunately there was no opportunity for feedback/evaluation on the day, a missed opportunity; however the Department encouraged written submissions addressing issues (the TU produced a submission). It was stressed that the Summit would be considered in development of planning, in particular regarding Budget decisions. The Department did produce “Key Messages” documents. Considering some the changes that came out of the Budget it is difficult to see how much these views were actually regarded.

On other matters we continue to participate in ACT Housing/Community Sector Reference Group meetings. These meetings, chaired by ACT Shelter, are an opportunity for community stakeholders to communicate directly with HACT, raising issues and sharing information before problems arise, or before they become entrenched. Unfortunately the future of these meetings is being reconsidered in light of the funding cuts to ACT Shelter.

The Debt Working Group folded as the pilot debt review process ended in October 2005, there was a final meeting in November and it was hoped a report would be developed to outline Housing's plans regarding future processes. The project was a success and did lead to significant changes in Housing process and procedures regarding debt management. Unfortunately no report was produced. The separate process was subsumed into existing appeals process. Finally in a move that was not supported community members of the Working Group, in March the Department was successful in getting amendments to the RTA in relation to allowing HACT to link a new tenancy agreement and rent with previous debts from another separate tenancy.

In relation to tenant participation matters HACT has continued to convene Joint Champions meetings that provide selected HACT tenants with an opportunity to discuss HACT issues. The TU is not invited to these meetings. HACT also holds regional forums with tenants to raise issues. These were recommendations from the “Raising Our Voice” report.

Other very significant changes happened as a result of and following the ACT Budget and are noted later in my report.

ACT RESIDENTIAL TENANCIES LEGISLATION AND TRIBUNAL

As noted last year (and the year before) the long-awaited review of the Residential Tenancies Act 1997 began early in 2002 and the TU has continued to participate in the process. The deadline for completion was delayed and the first Amendment Act was tabled in August 2004.

The second raft of Amendments was tabled in August 2005 and included provisions relating to domestic violence, tenancy databases and some controversial changes relating to Housing ACT.

On the whole there were 10 republications of the RTA over 2005/6. Some of these were purely technical corrections however there were many significant changes/issues covered included:

- lodging of bonds for occupants
- providing that the RTT can restore and occupancy agreement where a person was evicted
- introduction of an inconsistent term that doesn't require endorsement of the RTT regarding ending a fixed term where parties have been posted



- changing “Prescribed Terms” to “Standard Residential tenancy Terms”
- adding financial penalties for failure to lodge bond
- new ground for immediate termination in relation to neighbourhood issues
- domestic violence provisions
- Regulation of tenancy databases.

These changes lead to a great deal of additional work for us. We have updated advice, produced new Tips sheets and produced additional information about the impact of these changes.

We continue to have contact with the RTT. Figures from the Tribunal (right) show that the numbers of applications have increased. This is due largely to increasing numbers of endorsement of inconsistent terms and highlights this process as one of continuing concern for the TU. Another ongoing and serious issue for the TU is the substantial difference between numbers of tenants accessing the RTT and the number of landlords. This is a difficult matter to address, but remains as a constant for all TUs.

	2005/2006	2004/2005
Total Applications	3712	2764
Apps – Endorsement	2896 (78%)	2018 (73%)
Apps – resolution of dispute	816	660
Endorsement granted	2885	2070
*Apps – tenant	140	149
*Apps – landlord	618	597
*Apps – Housing ACT	208	168

Note: App breakdown* does not include endorsements

COMMUNITY HOUSING

The expansion of community housing continues to be an issue that is hotly debated. The ACT Government retains its support for community housing

The TU has continued its support of the expansion of the sector (not at the expense of public housing) and has taken an active role in consultations and submissions regarding a community housing head leasing scheme and community housing appeals mechanisms.

AFFORDABLE HOUSING

This has continued to be a significant issue in the ACT, and nationally. At the ACT level the TU continued to monitor issues around affordable housing affecting the community, such as rent levels and public housing stock levels and allocation policies.

Affordable housing in the private sector made the news early in the year regarding rent levels and the practice of “rent auctions”. This resulted in media coverage and the TU produced comments and responses. The ACT’s poor record was confirmed by a TUV report in October 2005 on Rental Housing Affordability. It showed that in the ACT there was no affordable rental housing for people in receipt of Government assistance or those on low incomes.



HOUSING IS A HUMAN RIGHT

The TU was on the steering committee for the ACT Shelter project on promoting understanding of housing as a human right. A project worker worked very closely with a range of people and organisations including homeless people and the project resulted in the production of materials including a poster, postcards and stickers, as well as a submission on the Review of the ACT Human Rights Act.

This was a successful and very well received project. The materials have been distributed locally and nationally, even through our international networks.

NARRABUNDAH LONG STAY CARAVAN PARK

An issue that received a significant amount of community interest was the future of the Narrabundah long stay caravan park. The issue emerged when over 100 residents of long term park previously owned by ACT Govt and “sold” to community org (for \$1) in 2000, was then resold to developer for over \$2M. The developer immediately issued NTV to all residents. Residents sought help and were very proactive and generated a great deal of community support through networks and the media. They were able to get support from the ACT CLC network to fight the evictions, however in the last 2 weeks the ACT Govt had been successful in negotiating a land swap with the developer and the park will revert to ACT Govt ownership again. Still to see final details but looks like a win for this unique ACT community.



ACT BUDGET

The ACT Government widely promoted the 2006 Budget as being “tough” and that unpopular decisions and changes were made because of the need to be fiscally responsible and act in the interests of the long term future of the ACT. It has been widely recognised that there will be pain as a result of the decisions, however it is of concern that those already feeling pain and doing it tough will be the ones hardest hit. Issues of concern to the TU included:

- increase to property costs through increases in rates and the imposition of a fire and emergency levy, as well as an additional water fee. These are costs that will be passed on to tenants;
- initiatives regarding public and community housing that are essentially about doing more for less and tightening eligibility for that housing; and
- fifty per cent cuts to the funding of Canberra’s peak housing body, ACT Shelter. This is a significant blow to the ACT community sector and therefore the ACT community. This cut could easily be seen as a way to silence the voice of low income ACT housing consumers. It is a move not seen in other jurisdictions that continue to recognise and appreciate the value of our peaks.

ADVOCACY AND LAW REFORM

05 - 06 ISSUES

Submissions were produced on RTA Amendments, Ainslie Village tender process, community linkages, Disability Housing report, response to Ministerial Housing Summit, review of Renting Book, appearance before ACT Select Committee on Housing for People with a Mental Illness, ACT Budget review, compulsory smoke alarms, the Privacy Act, ACT Budget Estimates appearance.

Other issues covered by the TU and meetings attended during the year included: human rights forum, public housing tenant housing Forum, Disability and community Services Commissioner, RTT processes, Commonwealth Rent assistance, Office of Rental bonds, public housing audit, human rights training, HACT Debt review Committee and Debt working Group, community housing in the ACT , occupancy agreements, community housing rents, Public Rental Housing assistance Program, ACT Building codes, analysis of Affordable Housing Report, impact of water restrictions on tenants, Essential Services Consumer Council stakeholders meetings, ASSCC form on pre-paid metering, complaints and appeals in public housing, Australasian Residential Tenancies Tribunals conference, review of Green's analysis of Affordable Housing Report, managing disruptive behaviours in public housing, review of RTA amendments, ACT Housing Consumer Summit, Act Ministerial Housing Summit, Agents Act, YWCA debt inclusion project, tenancy regulation in Australia, REA Trainers meeting, ACTCOSS Budget review

Regular community forums

Other community forums and meetings that the TU have participated in include: the ACT Free Legal Advice Forum (a network of ACT legal services), Community Sector Reference Group, Currong Decommissioning Steering Committee, ACT Community Legal Centre Network, ACT Shelter Forums (regular forums involving the ACT housing sector), the Tenancy Week Coordinating Committee, the First Stop Steering Committee, the Disability Housing Working Group and the ACT Shelter Executive Committee (a TU representative is on the Committee for this housing peak).

COMMUNITY LEGAL EDUCATION AND PROMOTION

Tenancy Week

Tenancy Week 2005 provided the opportunity for us to raise community awareness of the TU and TAS, as well as tenancy issues generally. Information stalls at the major shopping centres were well attended and many tenants were able to discuss issues and collect our Keep It Together kits. We also provided (with Women's Legal Centre and Welfare Rights) a daylong workshop for community workers on domestic violence and tenancy law.

Website

The TU website continues to provide valuable information to a growing number of ACT tenants, receiving nearly 8,000 'hits' for the year. It continues to a challenge to keep it updated, however we have managed to keep on top of it.

We have also introduced a noticeboard page that provides the opportunity to highlight current issues





and events. In this way we have been able to provide information about legislative changes, give general responses and information in relation to issues that are raised in the local media (eg increasing rents) and promote projects and activities we are involved in or believe are relevant to tenants such as our occupancy project, the Housing is a Human Right campaign, Tenancy Week and even our newsletters.

Workshops, presentations

Workshops and presentations have included: ADFA international students, ANU international students, Woden Community Service staff, ANU Law Clinical students, North Ainslie Primary School, DV and Tenancy Workshop (joint workshop with WRLC and WLC), joint workshop with TUQ on Tenancy Tribunal in Australia at the Residential Tenancy Tribunal Conference, LJ Hooker Annual General Meeting, panel for hypothetical at the ACT Housing Minister's Housing Summit, panel for Public Form on Social Capital, solicitor training for First Stop legal service solicitors, Legal Studies classes at Dickson College (2) and ACTCOSS Budget Forum

Stalls

Information stalls have been held at ANU International Students Orientation (2 stalls), Tenancy Week Launch, Westfield Belconnen, Westfield Woden, Bus Depot Markets; ANU, UC, CIT campuses; ANU Law School information day, Law Week, Hawker College, Contact Canberra,

Publications, articles, media

This work has included the production of 2 Tenant News newsletters and an update of the tenancy chapter in the ACT law Handbook, as well as information in university handbooks and websites. Information is also updated on the website (stats for the site are in the TAS stats section). Our Tenancy Tips were also updated this year. There was also work on updating "Leaking Roofs" – an overview of tenancy legalisation across Australia.

Media coverage issues included: Tenancy Week, International Tenants' Day, Act rental market, affordability, Narrabundah Longstay Park, ACT Budget, rent increases, rent auctions.

Promotion for TAS was through weekly Fridge Door notices, weekly Canberra Times ads in the "To Let" section of Saturday's paper, notices in Shelter and ACTCOSS newsletters, and our annual community organisation mailout.

MEMBERSHIPS

NATO

The TU has continued to be an active member of the National Association of Tenants' Associations, participating in meetings and sharing information with other TUs and tenancy services throughout the country. This is an especially useful involvement since it provides us with access to the knowledge and experience of other services. The TU also holds the position as the NATO representative on National Shelter, working to ensure that tenancy issues are considered by this national peak.

National Association of Community Legal Centres

The TU continues its membership of NACLCC, and we are appreciative of the support we get through access to the national e-mail bulletin board. This is invaluable for access to



information about national tenancy and law reform issues, sharing ideas about tenancy advice and access to NATO members.

International Union of Tenants

Finally, we have maintained regular contact with the IUT. The IUT journal, 'Global Tenant', has become a valuable addition to the TU library. As associate members we receive requests for input into the newsletters, and also invitations to attend meetings held in Europe, unfortunately not something we have been able to take up this year.

ACT Shelter

The TU is a member of the ACT housing peak body and holds a position on the management committee of the organisation. The TU maintains close links with Shelter and supports its work.

ACTCOSS

The TU is a member of the ACT community peak body and was asked to nominate for a position on the management committee. This is an opportunity to ensure tenancy matters are considered by broader community interest.

STAFFING

I would like to thank my TU co-workers for their continual assistance and support. We are a very small team working within a sometimes very challenging environment.

In 2005 we farewelled Eduard Duyvan as he moved to Brisbane for a change of pace. To replace Eduard we welcomed Kim Bolas, Kim was known to us in her previous life as a WRLC case worker. Early in 2006 we welcomed Anne Macduff as the new project worker for the Occupancy Project - an overview of the project is included later in this report.

Unfortunately in April we farewelled Kim who took up full-time work with the South Eastern Aboriginal Legal Service. We also farewelled Michelle Worthington who left her advice worker position to take up work in Federal Attorney – Generals. Very unfortunately for us our timing was not good as we also lost our Admin Officer, Lyn Starkis as family called from Griffith and she could not ignore.

Although all of these wonderful workers are missed and our TU team was very diminished for a bit, happily for us our replacement people, Sandra, Beth And Helen have been providential and our new team is tops!

Finally I would like to take the opportunity to thank the TU Management Committee for their ongoing support and work. We all value and acknowledge the time that they give freely to the TU and TAS.

Deborah Pippen



Occupancy Project Report

This year the Tenant's Union was given extra funding by DJACs to conduct an Occupancy Project to investigate recent changes to the *Residential Tenancies Act*. In March 2005, amendments to the Act created a new framework for renting called Occupancy Agreements. Occupancy agreements gave some legal protection to renters who previously did not have any, for instance boarders and lodgers and those living in mobile parks. The aim of this project was to raise awareness in the community about these changes and to produce and distribute appropriate community education materials.

The first stage was to interview as many key organisations as possible whose clients were likely to have Occupant Agreements. I made contact with approximately 50 community groups. Once contact was made, a representative was interviewed about the changes and how those changes was affecting (both positively and negatively) their client group. From this information, a survey was constructed. Through these key community groups, individuals who were likely to have occupancy agreements were sent or given surveys. About 80 people from all types of occupancy settings participated in the survey, and some consented to follow up interviews. From the interview and surveys many practical scenarios were collected, as well as key issues and questions that occupants had. This became an "issues" list.

The second stage of the project was to construct appropriate educational material. This was to be done through community papers and a series of tip sheets.

Four articles about the changes to the Act and the Occupancy Project were written for relevant key interest groups. The Occupancy tip sheets attempt to answer the key questions that emerged in the issues list. The issues produced in Stage One provided an invaluable resource in structuring the tip sheets and provided examples hypothetical scenarios. At present there are 7 separate tip sheets that have been written covering the major issues. The tips sheets are due to be finalised and printed shortly. Revisions to some of the Tenancy Tip sheets have also been highlighted to update that information to include the new occupancy framework.

The third stage of the project will involve distributing the information back through the individuals and the networks established in Stage One of the project. At the same time, changes to the Act will be promoted in the local press and in significant areas through a poster and ads that are being specifically designed. This third promotional stage should be completed in the next month or so. The final stage, if there are extra funds, will also be to approach the grantors in the community to try and raise awareness of occupancy agreements to create a fair culture and adequate agreements.

So far the project has been successful in raising awareness of the issues in the community. Not only have key individuals been contacted, but a network of individuals has been established. Additionally, key organisations are also becoming aware of the issues and are in a position to identify and refer individuals to the Tenant's Union if they see potential problems. Although the success of the project is yet to be fully tested, the success of the project will be mostly measured at the promotions in Stage 3 and how much new interest is generated in the community.

I would like to thank the team at the Tenant's Union. It has been a pleasure working with the Tenant's Union on this project. The team is professional, supportive, flexible, and a lot of fun.

Anne Macduff



Life at Narrabundah Longstay Park. Photo by John Tucker



The Tenants' Advice Service

The Tenants' Advice Service (TAS) is an independent, non-profit service that provides free tenancy advice, assistance, information and referral to thousands of tenants each year. TAS has been operating since August 1994.

The TAS provides a much-needed service to the ACT community. Unfortunately our funding doesn't allow us to provide the access that the community requires as assistance is limited to two telephone lines, Monday to Friday 9.30am - 1pm.

Another method for providing limited general information is via our website. The service also provides community legal education to interested groups and organisations. This educative role has a very important function in raising the awareness tenants have of their rights and responsibilities.

Housing is an intricate part of a person's quality of life, and therefore knowing one's rights and having an understanding of strategies to enforce those rights are essential to a sense of well being and control.

Tenants continue to seek advice regarding their rights and responsibilities on breaking a lease, how to get repairs done, privacy and bond recovery. Security of tenure remains a major concern for all tenants as both public and private tenants have increasingly sought assistance on their rights when facing eviction.

Operations

Any ACT tenant needing tenancy advice can contact the service. The range of services provided is restricted by the amount of funding received. Presently services include phone and face-to-face advice and information; referral to more appropriate services; advocacy; education; community development and information provided on our website

Advice is continually reviewed. Following contact, the advice worker records statistical data, the problem and the details of the advice given. The advice is supervised by a WRLC solicitor to ensure it is accurate and consistent.

TAS works towards making tenancy law and legal processes understandable and accessible. Groups who have benefited from this work include young people, students, people of non-English speaking backgrounds, and public tenants. TAS maintains close working relationships with other community organisations in the ACT.

Community Education

Community education and development play a vital role in the operation of TAS and the TU. It is utilised as a way of reaching those tenants not able to access the TAS. Such work aims to assist participants to avoid tenancy problems and find ways to resolve tenancy problems by understanding their tenancy rights and responsibilities.

Printed information available from the TU

The Tenants' Advice Service and the Tenants' Union have produced the following list of leaflets to assist tenants. These are given to TU members on joining, and given to people who contact the TAS or TU. Copies are available from the TU office and are all available to download from the website. Leaflets have been updated during the year. Contact the TU office for details.

Leaflets available from TAS and TU are:

Access and Privacy

This leaflet is a summary of tenants' rights and responsibilities concerning access and privacy. A tenant has a right to privacy and quiet enjoyment of their home, however a landlord/agent also has certain rights in relation to access.

Bond

An outline of the process of bond lodgement, condition reports, fair wear and tear requirements and claiming a bond at the end of a tenancy.

Defending an Eviction

This leaflet outlines how a tenant facing eviction can represent themselves to defend the action in the Residential Tenancies Tribunal.

Ending a Tenancy and Breaking a Lease

Ending a tenancy in the ACT is subject to detailed regulation by the Act. A tenant who breaks a lease before the end of its term could face substantial liability. Tenants need to know both their rights and their responsibilities. This leaflet discusses some basic rules on how to reduce risks.

Eviction in the ACT

This leaflet outlines how evictions are carried out in the ACT and provides general information to tenants about how to defend an eviction where appropriate.

Evidence Checklist for the Residential Tenancies Tribunal

A useful guide highlighting how best to prepare for presenting or defending a matter in the Tribunal.

Making a Complaint about your Real Estate Agent

Agents in the ACT are bound by the Agents' Rules of Conduct when dealing with tenants. This leaflet explains the rules, and how a tenant can go about lodging a complaint against an agent who is in breach of these rules.

Rent Arrears

A common issue that can lead to very dire consequences. This leaflet outlines the process that must be followed by the landlord in relation to rent arrears if they want to take action against the tenant.



Rent Increases and Reductions

This leaflet discusses the law in relation to rent increases and rent decreases, what is appropriate, when and how.

Rent Increases: Formula & Figures

This leaflet provides CPI figures and an example to allow a tenant to determine whether or not the rent increase falls within the legislative guidelines.

Repairs

A big problem. Too often tenants have difficulty getting landlords to make repairs. This leaflet summarises tenants' rights and landlord's obligations concerning repairs.

Sale of Premises

The rights and responsibilities of tenants and landlords or agents are outlined when a decision has been taken to sell the property, including reasonable access and arrangements for inspections.

Tenancy Databases

Following an amendment to the Act in March 2006, Tenancy Databases – or "blacklists" are now regulated by law. This leaflet outlines the rules and procedures that an agent must follow if they wish to have a tenant listed, and remedies for tenants who find themselves wrongfully listed on a tenancy database.

Tenancy in the ACT: a general guide

This is a general guide to starting a new tenancy in the ACT and outlines the role of leases, condition reports, bond and Tenants' rights and responsibilities.

Also Available from the TU:

- Tenancy Checklist
- Standard Tenancy Agreement
- Condition of premises sample form
- Office of Rental Bonds forms
- Renting – How Much is it Going to Cost?
- Sample Share Housing Agreement

Upcoming Publications from the TU:

Sharing Housing Book

Leaflets are developed as the need is identified



TENANT NEWS

The newsletter for the TU and TAS is produced quarterly, and is distributed to TU members and a mailing list of ACT community organisations (and other relevant individuals). The publication aims to keep readers up-to-date and informed about housing issues, tenancy law and the work of the Tenants' Union and the Tenants' Advice Service. Reader feedback and contributions are welcomed and encouraged.

TAS Statistics

TOTAL TAS CONTACTS

2005/06	2004/05	2002/03*	2001/02
3,292	4,052	3844	3794

- Note that there were no TAS stats for 2003/4 because of a problem with the national database we are required to use
- The drop in advice figures reflects the steady increase of numbers of people accessing the TU website and obtaining basic tenancy advice/information they would have normally sought from TAS. The effect of this has been that people contacting the service are doing so with increasingly complex problems that take much longer for the advice workers to assist with. We still have reports of people finding it difficult to access the phone line because the workers are dealing with calls. Demand is still high and reaching those in need of assistance continues to be an issue.

PRIVATE TENANCY v PUBLIC TENANCY CONTACTS

	2005/06	2004/05	2002/03*	2001/02
Private Tenancy	95%	97%	98%	95%
Public Tenancy	3%	2.4%	2%	3%
Community Housing	0.3%	0.6%		

CONTACTS BY GENDER

	2005/06	2004/05	2002/03*	2001/02
Females	63.8%	64%	63.5%	64%
Males	35.2%	36%	35.5%	35%
Not Recorded	1%	-	1%	1%

TAS Top 4 - most common problems for tenants

	2005/06	2004/05	2002/03*	2001/02
1	Termination by tenant	Termination by tenant	Termination by tenant	Termination by tenant
2	Repairs	Repairs	Bond	Repairs
3	Bond	Bond	Repairs	Termination by landlord
4	Rent	Rent	Termination by landlord	Bonds – general rights and disputes

TU Statistics

Total TU contacts for Tenancy Advice/Information

	2005/06	2004/05	2003/04	2002/03
Calls	1130	1150	647	607
Written Information Supplied	13%	18%	24%	40%

Note: The drop in number of people receiving written information is related to the fact that the majority of all callers receive referrals to the website. These calls can also be referred to TAS or another service and can receive written information.

	2005/06	2004/05	2003/04	2002/03
Referrals - Total	1130	1150	647	607
Referrals - TAS	91%	92%	87%	86%
Referrals – WR&LC	3%	3%	3.5%	10%
Referrals – Interstate TAS		1%	0.5%	1%
Referrals – Legal Aid Advice line (landlords, agents, head tenants or co-tenants)	2%	3.3%	3%	1%
Referrals - Other	2%	0.7%	6%	2%

Website: The website (www.tenantsact.org.au) received a total of 11,764 hits (7,238 unique hits) in 2004/05. It is averaging 908 hits per month, with 603 unique hits. This continues the trend of increasing numbers of hits. The number of repeat hits is to be expected as people check information or access different information.

What you can do to contribute to the TU

The Tenants' Union has a Management Committee, which has responsibility for overseeing the TU and the Tenants' Advice Service. Participating in the TU gives you a say on issues that affect your housing and your home. Members of the committee are elected at each Annual General Meeting, usually held in October each year, and positions can also be filled during the course of the year when vacancies arise. Positions on the committee are President, Vice-President, Treasurer, Secretary, Public Officer, and General Members.

The TU also welcomes contributions to its newsletter.



Treasurer's Report

I am pleased to present the financial statements for the Tenants' Union for the period June 2005-2006.

As mentioned in previous financial reports, the Tenants' Union continues to seek funding opportunities for additional projects from the ACT government. In the financial year 2005-2006, the Tenants' Union successfully obtained additional funds to undertake an Occupancy Project funded by the ACT Department of Justice and Community Safety. 2005-2006 was also the first full financial year where the Tenants' Union has independently financially overseen and managed the Tenants Advice Service.

Together, these activities resulted in a significant increase in operational funds and liabilities of the Tenants' Union. In financial terms, this increase required changes in staffing levels, lines of budgeting, the amount of administrative duties and a change in responsibilities for the Executive Officer.

Expenditure was monitored closely, and I am pleased to report that the Tenants' Union finished the 2005- 2006 financial year with a surplus of \$385. In addition to our regular expenses, we able to purchase office equipment for our new staff, upgrade software, and design and purchase a new promotional banner. We were also able to ensure that our leave provisions are adequate.

There are a number of issues for the upcoming financial year which the Tenants' Union will need monitor. We will need to advocate for more funds to keep up with increased operational costs in areas including advertising, photocopying, promotion, printing and essential staff training. Some of the small surplus from last year has been put aside into new budget lines for promotion and projects to partially accommodate that need. However more funds will need to be sourced at some point in the near future.

Further, the issue of increased funding for the Tenants Advice Service continues to be an important issue, as we are unable to fully resource the service to meet the ever increasing demand of tenants. Further, the impact of the Federal Governments changes to the Workplace Relations Act1996 (Cth) on the industrial relations practices of the Tenants' Union is not yet clear.

I would like to thank the Management Committee for their informed contributions to our financial reports and budgets. I am also indebted to the efforts of the TU staff, and in particular to Deb Pippen, Lyn Starkis and Beth Policarpio who have maintained meticulous financial records throughout the year.

Anne Macduff
Treasurer

**TENANTS' UNION ACT
INCORPORATED**
*Financial Statements
For The Year Ended 30th June, 2006*

Houston & Hanna
Chartered Accountants
15/11 McKay Gardens
TURNER ACT 2601

Phone: 02-62498515 Fax: 02-62496792
Email: khanna@weboee.com.au



HOUSTON & HANNA
CHARTERED ACCOUNTANT

K D Hanna FCA (Principal)

Telephone: (02) 6249 8515
(02) 6248 8175
Facsimile: (02) 6249 6792

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11 McKay Gardens, Turner ACT
GPO Box 810, Canberra ACT 2601

email: khanna@webone.com.au

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
TENANTS' UNION ACT INCORPORATED
FOR THE YEAR ENDED 30TH JUNE, 2006**

Scope.

I have audited the attached financial statements of the Tenants' Union Incorporated (The Union) for the year ended 30th June 2006. The Committee is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Union.

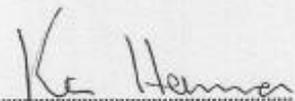
My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and Statutory requirements so as to present a view which is consistent with our understanding of the Union's position and the results of its operations.

The audit opinion in this report has been formed on the above basis.

Audit Opinion.

In my opinion,

- (a) The financial statements of the Union are properly drawn up:
- (i) So as to give a true and fair view of matters required by subsection 72(2) of the Associations Incorporation Act 1991 to be dealt with in the financial statements
 - (ii) in accordance with the provisions of the Associations Incorporation Act 1991; and
 - (iii) in accordance with proper accounting standards, being Applicable Accounting Standards;
- (b) I have obtained all the information and explanations required;
- (c) Proper accounting records have been kept by the Union as required by the Act; and
- (d) The audit was conducted in accordance with the rules of the Union.


.....
Kim Hanna FCA
Registered Company Auditor
Date..... 4/9/06



TENANTS' UNION ACT INC.

STATEMENT BY COMMITTEE MEMBERS

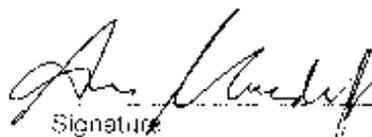
We the undersigned, being two members of the Committee state on behalf of the Committee that

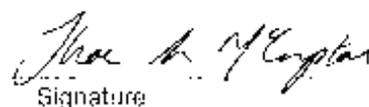
1. The Committee Members of the Association as at the date of this report are

Shao McCrystal	President
Anne Macduff	Treasurer
Gerrievie Bolton	Secretary
Deborah Pippen	Public Officer
Tui Davidson	Committee Member
Kate Ward	Committee Member
Viron Jackson	Committee Member
Tom Hunt	Committee Member
Willow Arthur	Committee Member

2. the principal activity of the Association during the year year ended 30 June 2006 was the provision of a tenants' advisory service
3. the net surplus/(Deficit) for the financial year ended 30th June 2006 was: \$ 385
4. in our opinion, the attached financial statements show a true and fair view of the financial position of the Association as at 30th June 2006, and the results of its operations and cash flows for the year ended on that date.

This report is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:


Signature


Signature

Treasurer
Committee Member

PRESIDENT
Committee Member

Dated this 1st day of SEPTEMBER 2006

TENANTS' UNION ACT INCORPORATED
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee of the Tenants' Union ACT Inc. the financial reports as attached

1. The statement of Financial Position and Statement of Financial Performance have been drawn up to give true and fair view of state of affairs of the Association as at 30 June 2006 and the trading results for the year ending 30 June 2006.
2. At the date of this statement, there are reasonable grounds to believe that the Tenants Union ACT Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for on behalf of the committee by:


Board Member


Board Member

Dated this 1st Day of SEPTEMBER 2006



TENANTS' UNION ACT INCORPORATED

INCOME STATEMENT
AS AT 30 JUNE 2006

2005		2006
\$		\$
196,961	Revenue from ordinary activities	225,579
(1,654)	Depreciation and amortisation expenses	(2,076)
<u>(195,107)</u>	Other expenses from ordinary activities	<u>(223,118)</u>
<u>200</u>	Profit from ordinary activities	<u>385</u>

THE ACCOMPANYING NOTES FORM PART OF THE ACCOUNTS

TENANTS' UNION ACT INCORPORATED

BALANCE SHEET
AS AT 30 JUNE 2006

2005 \$		NOTE	2006 \$
	CURRENT ASSETS		
50,349	Cash	2	80,944
5,037	Other	3	1,113
<u>55,386</u>	TOTAL CURRENT ASSETS		<u>82,057</u>
	NON-CURRENT ASSETS		
2,278	Fixed Assets	4	925
<u>2,278</u>	TOTAL NON-CURRENT ASSETS		<u>925</u>
<u>57,664</u>	TOTAL ASSETS		<u>82,983</u>
	LESS CURRENT LIABILITIES		
4,772	Trade Creditors		1,375
-	Unexpended Funds		11,310
10,980	Provisions	5	14,153
<u>15,752</u>	TOTAL CURRENT LIABILITIES		<u>26,838</u>
	NON-CURRENT LIABILITIES		
30,341	Provisions	5	44,189
<u>30,341</u>	TOTAL NON-CURRENT LIABILITIES		<u>44,189</u>
<u>46,093</u>	TOTAL LIABILITIES		<u>71,027</u>
<u>11,571</u>	NET ASSETS		<u>11,955</u>
	MEMBERS' FUNDS		
11,371	Opening Balance		11,571
200	Plus Operating Surplus/(Deficit)		385
<u>11,571</u>	TOTAL MEMBERS' FUNDS		<u>11,955</u>

THE ACCOMPANYING NOTES FORM PART OF THE ACCOUNTS

TENANTS' UNION ACT INCORPORATED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006

2005		2006
\$		\$
	CASH FLOWS FROM OPERATING ACTIVITIES	
187,296	Receipts from Members/Grants	231,659
1,277	Interest Received	2,700
(154,675)	Payments to Suppliers and Employees	(203,040)
33,898	NET CASH PROVIDED BY / TO OPERATING ACTIVITIES	31,319
	CASH FLOWS FROM INVESTING ACTIVITIES	
(907)	Payments for Property, Plant & Equipment	(724)
(907)	NET CASH FLOWS USED IN INVESTING ACTIVITIES	(724)
32,991	Net increase (decrease) in cash held	30,595
17,358	Plus Cash at the beginning of Year	50,349
50,349	CASH AT THE END OF THE FINANCIAL YEAR	80,945
	RECONCILIATION OF CASH FROM OPERATING ACTIVITIES TO OPERATING PROFIT AFTER TAX	
200	Operating Surplus/(Deficit)	385
	Non Cash Items in Operating Surplus:	
1,654	- Depreciation	2,076
	Changes in assets and liabilities	
31,681	- (Increase)/Decrease in Debtors & Prepayments	3,924
(907)	- (Increase)/Decrease in capital receivable	-
(5,889)	- Increase/(Decrease) in Trade Creditors & Accruals	7,913
7,168	- Increase/(Decrease) in Provisions	17,021
(8)	- Error adjustments	-
33,898	NET CASH FLOWS RELATING TO OPERATING ACTIVITIES	31,319

THE ACCOMPANYING NOTES FORM PART OF THE ACCOUNTS.

TENANTS' UNION ACT INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 1 : Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1991. The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1991 and the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date
AASB 118	Revenue
AASB 119	Employee Benefits

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

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. Income tax

No provision has been made for income tax as the Company is exempt from taxation under Section 50-5 of the Income Tax Assessment Act 1997.

b. Fixed assets

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

c. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

d. 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,

TENANTS' UNION ACT INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

e. Revenue

Government Grants / Membership Fees

Government grants are recognised as income on a systematic and rational basis over the periods necessary to match them with the related costs.

Interest revenue

Interest is recognised on an accrual basis.

f. 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.

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.

TENANTS' UNION ACT INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005 (Cont)

	2006	2005
	\$	\$
2. CASH		
Cash on Hand	50	100
Cash at Bank	80,894	50,249
	<u>80,944</u>	<u>50,349</u>
3. OTHER ASSETS		
Prepayments	1,113	484
Sundry Debtors - Income	-	3,645
- Capital	-	907
	<u>1,113</u>	<u>5,037</u>
4. FIXED ASSETS		
Plant & Equipment	6,975	6,251
Less Accumulated Depreciation	(6,049)	(3,973)
	<u>925</u>	<u>2,278</u>
5. PROVISIONS		
<i>CURRENT</i>		
Provision for annual leave	11,646	9,990
Provision for sick leave	2,507	990
	<u>14,153</u>	<u>10,980</u>
<i>NON-CURRENT</i>		
Provision for Long Service Leave	9,901	8,453
Maternity Leave Provision	11,400	5,600
Provision for Redunancies	10,017	10,017
General Provisions	12,871	6,271
	<u>44,189</u>	<u>30,341</u>