

Annual report

2012–13

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ISSN 1838-8248

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About this annual report

The Residential Tenancies Authority (RTA) Annual report 2012–13 records our activities and achievements for the 2012–13 financial year. It also summarises our future priorities and challenges.

In line with the RTA Strategic Plan 2012–16 this report presents the RTA's performance against our three priorities: our clients, our sector and our organisation.

Each section starts with an overview, and there is a glossary of terms and an index at the end of the report.

Highlights 2012–13

Improved client service

- offered new online bond refund and lodgement facilities

Assisted more clients

- successfully managed a 13% increase in client demand for telephone enquiries and 15% increase in dispute resolution requests

Provided targeted tenancy information

- released updated *Pocket guide for tenants – houses and units* (Form 17a) and launched a new suite of publications translated into 14 languages

Progressed new systems

- designed new business systems and processes

Developed organisational culture

- expanded the ONE RTA framework and supported staff in preparation for the implementation of new core client systems

Financial summary

	2011–12 (\$'m)	2012–13 (\$'m)	% change
Operating revenue	39.64	45.72	15.3%
Operating expenses	33.80	41.06	21.5%
Total assets	727.79	778.05	6.9%
Total liabilities	667.88	713.48	6.8%
Value of bonds held	651.59	697.11	7.0%

(see *Our finances* page 61)

About us

We support the Queensland residential rental sector through accessible, flexible and targeted services within a legislative framework.

The Residential Tenancies Authority (RTA) is the Queensland Government statutory authority that administers the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). The income earned from the investment of rental bonds pays for our operating costs.

We work with all sector groups including tenants, property managers and lessors, community and industry stakeholder groups and the Queensland Government.

Our history

The RTA was established as the Rental Bond Authority under the *Rental Bond Act 1989*, offering primarily a rental bond service. The *Residential Tenancies Act 1994* replaced the *Rental Bond Act* and expanded these services to include tenancy information and dispute resolution and the organisation's name changed to the Residential Tenancies Authority. The *Residential Services (Accommodation) Act 2002* broadened tenancy legislation to cover rooming accommodation and in July 2009 the *Residential Tenancies and Rooming Accommodation Act 2008* replaced all other residential tenancy legislation.

Our structure

The RTA is responsible to the Minister for Housing and Public Works. The RTA is governed by a board of directors (page 10) which consists of a Chair and six directors. Board members are appointed by the Governor in Council.

Our role

The RTA's main functions are to:

- provide tenancy information
- manage rental bonds
- provide a dispute resolution service
- investigate offences under the Act and prosecute where appropriate
- provide community education
- provide advice to the Minister about residential tenancy and rooming accommodation issues and the operation of the Act, and
- monitor sector data and conduct research.

Our key services

Providing tenancy information

We are committed to delivering high quality tenancy information to our clients. Our website rta.qld.gov.au gives fast access to comprehensive information, we provide targeted printed materials, and our Client Contact Centre provides accurate, personalised information on tenancy matters to clients (see page 31).

Managing rental bonds

Rental bond money paid by tenants at the start of a tenancy must be lodged with the RTA. The RTA holds the bond until the end of the tenancy and refunds the money as directed on the bond refund form or by the Queensland Civil and Administrative Tribunal (QCAT) (see page 34).

Resolving tenancy disputes

The RTA provides a free dispute resolution service to help resolve disagreements between tenants and lessors or their agents, reducing the need for applications to QCAT. Impartial RTA conciliators help people make informed decisions and provide information about their tenancy rights and responsibilities (see page 37).

Conducting investigations

The RTA plays a key role in ensuring compliance with Queensland's rental laws, and investigates alleged offences against the Act committed by tenants, lessors or their agents. All clients are given an opportunity to respond to an allegation and provide information before the RTA decides on the most appropriate compliance action (see page 40).

Providing community education

The RTA keeps people informed about sector issues and helps clients and community groups understand the rules for renting through outreach events (page 47) and a range of publications (page 48).

Engaging with the sector

The RTA communicates and consults with clients, key stakeholder groups and the Queensland Government as we lead and support the sector. We work collaboratively, keeping in touch with policy and sector issues, and monitoring sector data enables us to identify emerging trends.

We are committed to delivering high quality
tenancy information to our clients

Our vision

Making a positive difference
to the Queensland residential rental sector

Realising our vision

Our strategic plan identifies the RTA's three priorities: our clients, our sector and our organisation.

Our clients (see page 29)

The RTA strives to meet the diverse and evolving needs of our clients by:

- providing tenancy information, bond management, dispute resolution and investigation services that are relevant, accurate, timely, accessible, efficient and impartial
- increasing the awareness of the RTA's role and improving access to services, and
- promoting compliance with Queensland's tenancy laws.

Our sector (see page 41)

The RTA collaborates with stakeholders to sustain a growing sector by:

- regulating the sector through effective legislative and policy frameworks
- engaging with stakeholders to identify emerging trends and improve understanding of issues affecting the rental sector, and
- providing support through education and industry analysis.

Our organisation (see page 49)

The RTA is committed to high standards of client service and corporate governance through:

- building a high-performance client-focused organisation based on a foundation of leadership, collaboration, planning and communication
- implementing sustainable improvements in systems, processes and governance standards to support business outcomes, add value and deliver measurable benefits to our clients and stakeholders, and
- maintaining financial accountability, sustainability and integrity.

Into the future

Service delivery

We are reviewing business processes and client service systems to ensure quality is maintained as our client base grows. We are also developing our online capability and service delivery options to meet the needs of the sector. To strengthen our client focus, we are refining service delivery channels so we can stay responsive to a changing environment (page 59).

Chair's message

Strategic direction

The RTA's vision is to make a positive difference to the Queensland residential rental sector. To ensure we stay on track, we are making significant changes to the RTA's business systems and technology.

In 2012–13 the RTA introduced online bond lodgement and refund facilities, helping Queensland tenants, property owners and agents at the start and end of tenancies. These new online bond management facilities are interim measures designed to give clients increased flexibility.

Meanwhile, work continues on the development of new finance and client relationship management systems. Making these changes will enable the RTA to continue to provide services that meet clients' evolving needs.

Review of the Act

In 2012–13 the RTA conducted a targeted review of the *Residential Tenancies and Rooming Accommodation Act 2008* to ensure the legislation remains relevant and appropriate in a changing residential rental sector.

Views from across the sector were taken into account during the review process, through public consultation and targeted engagement with the RTA's stakeholders.

Financial sustainability

Fulfilling its strategic objective to remain self-funding, the RTA maintained a solid financial position in 2012–13, achieving a surplus of \$4.7m and equity of \$64.6m.

Prudent financial management enabled the RTA to provide \$14.0m to the Department of Housing and Public Works to support affordable and social housing initiatives.

Thanks

My thanks to my fellow board members for their energy and commitment, and to the Minister for Housing and Public Works, Hon Tim Mander MP, for his ongoing support. I wish to acknowledge the former Chair, Mr John Battams, and previous board members.

My thanks also to General Manager Mr Fergus Smith and his executive team who are leading the RTA through this period of organisational transformation, and the RTA's staff for the work they do to support Queensland's residential tenancy sector.



Catherine Sinclair

RTA Board Chair

General Manager's message

Focus on client service

In 2012–13 we made good progress on improving our client services. We are developing new technologies and systems so we can provide our clients with more personal, flexible and online services.

As we prepare to implement the new business systems, we are continuing to develop a client-first culture and build our organisation's capabilities to deliver enhanced client services. Our priority remains people, not process.

Increased demand for our services

This financial year we responded successfully to a significant increase in client demand. I am proud that our staff continued to deliver high quality client services even with a 13% year-on-year rise in phone enquiries (to 383,431) and a record number of dispute resolution requests (25,444), representing a 15% increase on 2011–12.

Improved RTA publications

To help inform clients about their rights and responsibilities we revised all our tenancy publications. We transformed the information statement that owners or managers must give tenants at the start of a tenancy into a handy pocket guide. As part of our *Creating pathways* strategy, which helps everyone find a way to access useful tenancy information, we translated our tenancy information guides into 14 targeted languages.

Working together

In 2012–13 *Shaping our future together* workshops gave all RTA staff the opportunity to come together and share their ideas about working together better, resulting in an internal Client Service Charter. We introduced a contemporary leadership program, and we will continue to provide support and training for all staff in the lead-up to the implementation of our new business processes.

Future focus

In the year ahead we will complete the design of our new business systems and finalise detailed plans for their implementation. We will continue to ensure our organisation is in the best possible shape to prepare for the new systems' implementation.

My thanks to the Executive team for their ongoing dedication, and to all RTA staff for their daily commitment to making a positive difference to Queensland's residential tenancy sector.



Fergus Smith
RTA General Manager

RTA Board

The RTA Board of Directors provides ongoing leadership to Queensland's residential tenancy sector by establishing the RTA's strategic direction and corporate governance standards (see page 19).

Catherine Sinclair BSc, MA, FAICD, FAIM (Chair)

Ms Sinclair was appointed Chair of the RTA Board on 11 April 2013. She has extensive experience as a member of tribunals and boards. She is currently a Director of the National Board of the Committee for Economic Development of Australia, a Director of the Army and Air Force Canteen Service, and a Councillor of the Royal National Agricultural and Industrial Association of Queensland. Her previous experience includes appointments as Director of Brisbane Airport Corporation and LinkWater Projects, Deputy Chair of the Port of Brisbane, and Chair of the Advisory Board for City Business, Brisbane City Council. Ms Sinclair was awarded a Centenary Medal in 2001.

Roslyn Wallace

Ms Wallace was appointed as a Director on 7 April 2004. She gained tenancy expertise as a member and Secretary of the Property Owners' Association of Queensland (POAQ) and as a previous member of the RTA's Industry Development Forum (IDF). Ms Wallace is also a member of the Unit Owners' Association of Queensland. Ms Wallace brings first-hand knowledge of the sector through her experience in managing rental properties, and providing support to POAQ members with rental concerns.

Jane Seawright BA, LLB (Hons), MBus (Marketing), FAICD

Ms Seawright was appointed as a Director on 1 November 2012. She is an experienced corporate, commercial and finance lawyer, knowledge and information professional and business development leader. She has substantial board and senior executive experience in a range of environments. Ms Seawright has extensive legal practice experience advising listed and unlisted public and proprietary companies in corporate governance, capital raising, financing, commercial agreements and arrangements, intellectual property and mergers and acquisitions.

Deborah Duffy JP (CDec), MAICD

Ms Duffy was appointed as a Director on 7 April 2010. Ms Duffy is also on the Board of the Real Estate Institute of Queensland (REIQ). She has more than 28 years experience in the real estate sector, winning numerous accolades including Property Manager of the Year. Ms Duffy brings a wealth of knowledge of Queensland's rental sector to the board, in particular, housing issues in North Queensland.

Damian Eckersley BArch (Hons)

Mr Eckersley was appointed as a Director on 11 April 2013. Mr Eckersley is a Practice Director for the Brisbane studio of a national architecture firm. He has 10 years experience in the sector having joined the Steering Committee of the Tenants' Union of Queensland (TUQ) in 2002 and became Convenor (Chair) in 2003.

Darryl Mutzelburg CPA, BBus, MCom, FCPA

Mr Mutzelburg was appointed as a Director on 11 April 2013. He is currently Chief Financial Officer of the Port of Brisbane Pty Ltd and has held various senior financial roles within the commercial sector. Mr Mutzelburg has extensive experience in financial and management accounting, financial operations, treasury, risk management, insurance and business analysis as well as industrial property leasing and management.

Susan Rix BFin Admin, FCA, GAICD

Ms Rix was appointed as a Director on 11 April 2013. She is a Chartered Accountant and Partner at BDO (Qld) Pty Ltd and has more than 30 years business advisory experience. Over the past 20 years Ms Rix has served on a number of boards for government-owned corporations and statutory authorities and has extensive experience in governance and risk. Ms Rix currently serves on boards in the not-for-profit sector and a variety of committees and advisory boards.

Five-year performance summary

Our clients

	2012–13	2011–12	2010–11	2009–10	2008–09
Client Contact Centre enquiries	399,005	351,490	349,026	352,103	350,713
Bond lodgements ¹	259,810	260,699	256,748	245,080	241,835
Number of bonds held ² (30 June)	513,074	492,213	461,844	433,061	417,875
Value of bonds held ³ (\$'m 30 June)	697.11	651.59	581.47	525.22	490.27
Investigations commenced	617	646	509	523	589
Requests for dispute resolution	25,444	22,077	21,122	19,628	19,276
Client satisfaction results (rating/10)	N/A	8.2	N/A	8.4	N/A
Website visits	1,389,912	1,059,857	1,049,361	908,836	762,524

Our sector

	2012–13	2011–12	2010–11	2009–10	2008–09
Briefing notes and Ministerial correspondence	234	143	125	115	137
Response to rental sector data enquiries	291	387	268	233	276
Grant funding (\$'m)	14.04	6.35	6.82	3.90	3.73

Our organisation

	2012–13	2011–12	2010–11	2009–10	2008–09
Employees (full time equivalent) ⁴	183.4	177	183	177	167
Staff training (total hours) ⁵	4,205	3,437	10,848	2,991	4,290
Client and stakeholder engagement (as indicated in the Australasian Reporting Awards)	Gold	Gold	Gold	Gold	Gold
Quality assurance certification	Achieved	Achieved	Achieved	Achieved	Achieved
Operating surplus/deficit (\$'m)	4.66 surplus	5.84 surplus	10.89 surplus	13.22 surplus	16.65 deficit
Accumulated surplus (\$'m)	64.57	59.91	54.07	43.19	27.67

¹ Includes bond lodgements for general tenancies and rooming accommodation

² Includes bonds held for general tenancies and rooming accommodation

³ Excludes unclaimed bond money and Australia Post settlements

⁴ The measurement methodology was changed in 2012–13

⁵ All staff participated in internally run workshops in 2010–11 and 2012–13

Performance overview

	Objectives	Targets 2012–13
Our clients	Deliver effective client services	Maintain 85% of calls answered within two minutes. Implement transition to RTA processing all bond transactions.
	Understand our clients and respond to their needs	Maintain 85% of bond refunds processed within two working days. Achieve increased target of 70% of disputes resolved through participation in conciliation. Maintain 80% of all disputes finalised within 28 days of receipt. Maintain 90% of investigations finalised within six months of commencement.
	Educate and inform the sector on their rights and responsibilities	Consider findings of 2012 Client Satisfaction Survey when developing 2012–13 operational plans. Develop new business processes to support improved client services.
	Lead and support the sector through regulation, education, consultation, research and policy development	Improve access to tenancy information. Continue outreach and education activities with a focus on regional areas. Investigate new ways to provide community education support, targeting groups who may experience difficulties accessing our mainstream information and education channels.
Our sector	Build the RTA's capability to deliver services now and into the future	Review the <i>Residential Tenancies and Rooming Accommodation Act 2008</i> . Continue to engage with sector stakeholders and maintain quality consultative processes. Maintain high quality and regular sector data reporting and analysis. Provide funding of \$7.0m to the Department of Housing and Public Works to support affordable and social housing schemes.
Our organisation	Maintain accountability and financial sustainability	Enter into a contract with a vendor to design and build new business solution. Progress Organisational Change Management (OCM) strategy. Ensure the RTA is prepared for a crisis event with off-site back-up systems, disaster recovery plans and scenario testing.

Achievements 2012–13	Targets 2013–14
78% of calls answered within two minutes despite a 13% increase in client demand (page 32).	Achieve 85% of calls answered within two minutes.
Australia Post no longer provides services on behalf of the RTA. All bonds are now lodged and refunded through the RTA (page 36).	Increased usage of RTA online services for bond transactions.
Exceeded. 91% of bond refunds were processed within two working days (page 35).	Maintain 85% of bond refunds processed within two working days.
Exceeded. 76% of disputes resolved through participation in the conciliation process (page 37).	Achieve increased target of 80% of disputes resolved through participation in conciliation.
Exceeded. 85% of all disputes finalised within 28 days (page 37).	Maintain 80% of all disputes finalised within 28 days.
Exceeded. 93% of investigations finalised within six months of commencement (page 40).	Maintain 90% of investigations finalised within six months of commencement.
Objectives in operational plans delivered to improve client service (page 29).	Conduct 2013–14 Client Satisfaction Survey.
Achieved a score of 135 for the Client Service Benchmarking Australia report, an increase of 17 on the previous year and 15 points above the sector average (120).	Continue to measure quality of client service provision.
Introduced two new interim online options for clients to submit bond lodgements and refunds (page 34).	
Released new suite of RTA publications including new booklets for rooming accommodation managers and residents.	Improve access to tenancy information.
RTA website visits increased by 31% from 1,059,857 to 1,389,912.	
Piloted tenancy information webinar for lessors and property managers (page 47).	
Outreach activities were held in Brisbane, Toowoomba, Townsville, Hervey Bay, Bundaberg, Gold Coast, Sunshine Coast and Caboolture for property managers, caravan park and rooming accommodation managers, lessors, community support workers, tenants and residents.	Continue outreach and education activities with a focus on regional areas.
Expanded outreach activities to include key community support workers (page 46).	
Provided translated tenancy publications targeting tenants/residents from culturally diverse backgrounds.	Develop online videos of key tenancy information in several languages.
Launched <i>Pocket guide for tenants – houses and units</i> (Form 17a) translated into six languages and miniguides in eight languages.	
Provided tenancy information videos in Auslan in collaboration with Deaf Services Queensland (page 33).	
Targeted review conducted with sector and report on review submitted to the Minister for Housing and Public Works (page 43).	Facilitate introduction of amendment bill into Parliament.
Industry development forums held quarterly as well as individual meetings with stakeholder groups (page 45).	Continue to engage with sector stakeholders and maintain quality consultative processes.
Published a range of rental data on the website and supplied rental data to industry stakeholders (page 46).	Maintain high quality and regular sector data reporting and analysis.
Funding of \$14.0m provided to Department of Housing and Public Works to support social housing initiatives (page 47).	Provide funding of \$10.0m to Department of Housing and Public Works to support affordable and social housing initiatives.
The design of the new business solution progressed (page 59).	Complete design process then build, test and provide training on new solution to improve RTA's service delivery capabilities.
OCM initiatives implemented (page 54).	Continue to progress OCM strategy.
Upgraded IT&T infrastructure at RTA's disaster recovery site (page 60).	Undertake business continuity testing, continued maintenance and periodic upgrade of off-site core systems to minimise or eliminate technical failures and replace IT&T infrastructure.
RTA Green Awareness Group established to raise awareness and help reduce RTA's carbon footprint (page 58).	Continue to implement environmentally friendly initiatives and maintain organisational awareness.
6.3% return on investment (page 63).	Achieve target of 4.5% return on investment.

Queensland's residential rental sector

The RTA is the authoritative source of quarterly median rent data in Queensland. Economists, analysts, property managers, developers, employers and governments use our comprehensive data to analyse and report on residential rental trends.

About the data

The RTA monitors and reports on Queensland's residential rental sector by gathering data from bond lodgements and from other official and industry sources. Bond lodgement data includes general tenancies and rooming accommodation.

Bond records include the location of a rental property, dwelling type (including the number of bedrooms), weekly rent and the type of person managing the property (e.g. lessor/agent, moveable dwelling park owner, owner/manager). Combined with operational data, such as when transactions occur, this data is used for the analysis of:

- the type and location of properties rented (bonds held)
- turnover (bond lodgements and refunds)
- length of tenancies (length of time bonds are held)
- management of tenancies (who manages properties)
- rents charged for various types of dwellings (ranges and medians).

The increase in the number of bonds held by the RTA reflects the growth in the number of residential properties rented in Queensland.

The size of the sector

As at 30 June 2013 the RTA held 503,286 rental bonds for general tenancies (482,954 at 30 June 2012), excluding rooming accommodation. Even with an increase of refunds, the number of bonds held grew by 20,332 or 4.2% in 2012–13. In 2012–13 there were 249,495 new lodgements and 229,160 refunds for general tenancies.

Population growth, demand, dwelling type and household type have contributed to an increase in the number of bonds held over the last five years.

Bond lodgements, refunds and bonds held (at 30 June) – general tenancies
2008–09 to 2012–13

Bond refunds

2008–09	216,478
2009–10	221,598
2010–11	217,821
2011–12	220,114
2012–13	229,160

Bond lodgements

2008–09	233,844
2009–10	235,210
2010–11	245,634
2011–12	250,178
2012–13	249,495

Bonds held

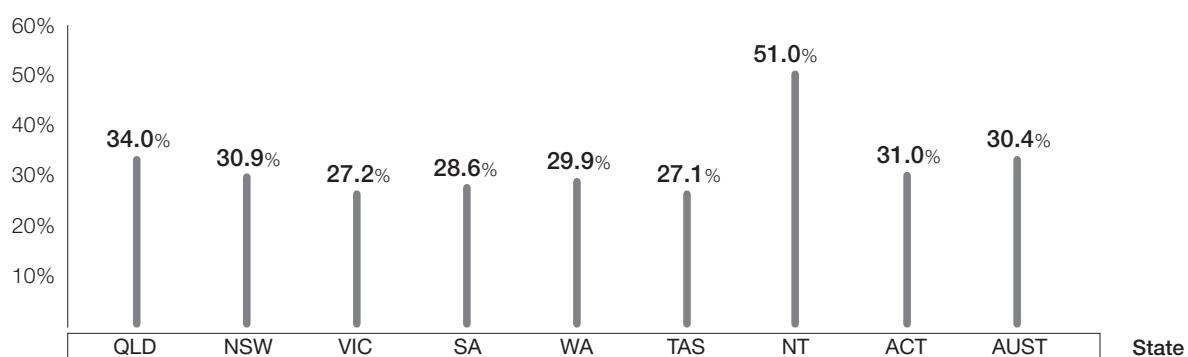
2008–09	411,542
2009–10	425,115
2010–11	452,878
2011–12	482,954
2012–13	503,286

Demand for rental housing

According to the 2011 *Census of Population and Housing*, there were 513,415 rented dwellings in Queensland, about 60,800 more than in 2006. Rented dwellings accounted for 34.0% of the 1,510,204 occupied dwellings (where tenure was known). The 2006 and 2011 censuses showed that 32.3% and 30.1%, respectively, of total dwellings were rented.

Queensland continues to have the highest proportion of rented dwellings of any Australian state.

Proportion of occupied private dwellings rented



For occupied private dwellings where tenure was known.

Source: ABS, 2011 Census of Population and Housing

Types of dwellings rented

At the time of the 2011 census 311,801 houses were rented in Queensland, representing 60.1% of all rented dwellings. Rented flats, units and townhouses numbered 194,162, representing 37.9% of all rented dwellings.

Rooming accommodation

Since 2002, rental bonds for rooming accommodation (e.g. private boarding houses, supported accommodation and student accommodation) have been lodged with the RTA.

As at 30 June 2013, the RTA held 9,788 rental bonds for rooming accommodation, an increase of 5.7% over the last 12 months. In 2012–13, there were 10,315 new bond lodgements and 10,037 refunds. Both lodgements and refunds decreased over the past year by 2.0% and 3.7% respectively. Rooming accommodation bonds account for 1.9% of all bonds held by the RTA. The average bond value was \$702 as at 30 June 2013.

About three quarters of these bonds related to student accommodation; 87.2% of all rooming accommodation is concentrated in South East Queensland.

Where are people renting?

The RTA's data provides a guide to the distribution of rental properties throughout Queensland (see page 18). As at 30 June 2013, 69.9% of rental properties where a bond was lodged were located in the south east corner of the state in the Brisbane, Gold Coast, Sunshine Coast and West Moreton regions. In comparison, 66.9% of the state's population (*2011 Census of Population and Housing*) and 62.1% of rented dwellings, not including those rented from the state housing authority, were in this area.

The Brisbane and Gold Coast regions saw the largest growth in bonds with a combined increase of 12,068 bonds, representing 57.8% of the total growth. Other areas experiencing noticeable growth include the Sunshine Coast region with growth of 1,677 or 8.0%, the Darling Downs region (1,418 or 6.8%), and the Fitzroy and Mackay regions which grew by 6.1% and 5.7% respectively. Growth was also experienced by other regions including the Northern region with 4.1% and the Far North region with 3.7%.

Who is renting in Queensland?

Of the 513,415 rented properties in Queensland (*2011 Census of Population and Housing*), 87.6% were rented in the private sector. According to the *2009–10 ABS Survey of Income and Housing*, household types most likely to rent are:

- group households, 63.5% are renters. Group households represent 3.6% of all households
- one parent and dependents households, 66.9% are renters. These household types represent 6.1% of all households
- lone person households, 39.2% are renters. They represent 22.5% of all households.

Lone person households, where the occupant is aged less than 35, account for 64.7% of renters and make up 21.9% of all lone households that rent. Couples aged 65 years and over are least likely to rent, representing 8.3% of all households and only 2.5% of all renters.

Who manages properties?

Information recorded on bond lodgement forms received by the RTA in 2012–13 shows that 91.7% of rental properties were being managed by licensed real estate agents, 8.1% were managed by property owners with 0.2% being managed by other parties.

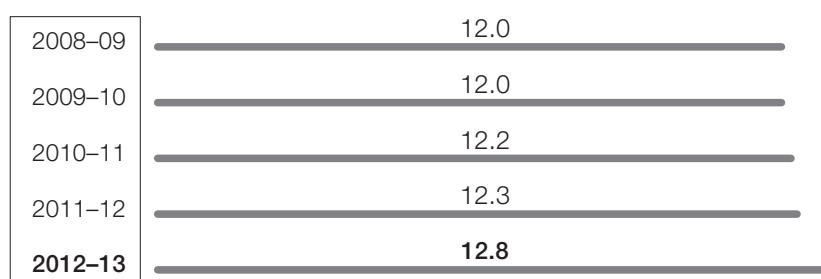
Length of tenancies

The length of time rental bonds are held by the RTA gives an indication of the length of tenancies. Based on bonds paid out in 2012–13, the median length of time bonds were held was 12.8 months, an increase on 2011–12. Forty-four and a half percent of bonds were finalised within 12 months of lodgement (47.4% in 2011–12). In comparison, the median length of time bonds were held in 2008–09 was 12 months, with 49.5% of bonds being finalised within 12 months.

Tenancies in houses are generally longer than those in flats/units. The median length of time bonds were held in 2012–13 for flats/units was 12.2 months (12 months in 2011–12), compared with 14.2 months for houses (13.6 months in 2011–12). The median length of time rooming accommodation bonds were held was 6.4 months in 2012–13.

Median length of tenancies (months)

2008–09 to 2012–13



Rents – capital cities

According to data published by the Real Estate Institute of Australia for the March 2013 quarter, at \$365 per week, Brisbane is ranked fifth in terms of median weekly rents for three bedroom houses after Darwin, Perth, Canberra and Sydney. Also, at \$370 per week, Brisbane is ranked fifth in terms of median weekly rents for two bedroom flats and townhouses after Darwin, Sydney, Perth and Canberra.

Rents – whole of Queensland

When a bond is lodged, the weekly rent is also recorded in the rental bond database. An analysis of this data provides a guide to sector rents for a particular period. Median weekly rents for Queensland have increased steadily since 2003. However, the median weekly rent from June 2012 to June 2013 remained at \$350.

Median weekly rents 2004 to 2013

based on new bonds lodged in June quarter each year for flats, houses and townhouses



Rents – centres throughout Queensland

Queensland is made up of a number of housing markets based on factors such as location and dwelling type. Listed below are changes in median weekly rents in selected areas of Queensland between June 2012 and June 2013 for the two most common types of dwelling.

Traditionally, the most expensive areas in terms of rents are in South East Queensland, particularly areas of Brisbane, the Gold Coast and Sunshine Coast. However, areas which experienced the most significant rent increases for houses and flats were Mount Isa and Gladstone. The Gold Coast experienced an increase in rents for houses.

Rent changes in regional areas are generally related to resource-driven activities.

Median weekly rents – two bedroom unit

based on new bonds lodged in June quarters 2012 and 2013

Location	2012	2013
Queensland	\$320	\$330
Cairns	\$260	\$265
Townsville	\$280	\$280
Mackay	\$360	\$350
Rockhampton	\$240	\$250
Gladstone	\$400	\$420
Mt Isa	\$360	\$410
Bundaberg	\$210	\$230
Hervey Bay	\$230	\$250
Maryborough	\$175	\$180
Roma	\$350	\$320
Sunshine Coast	\$300	\$310
Brisbane	\$385	\$390
Ipswich	\$245	\$240
Toowoomba	\$215	\$230
Gold Coast	\$350	\$350

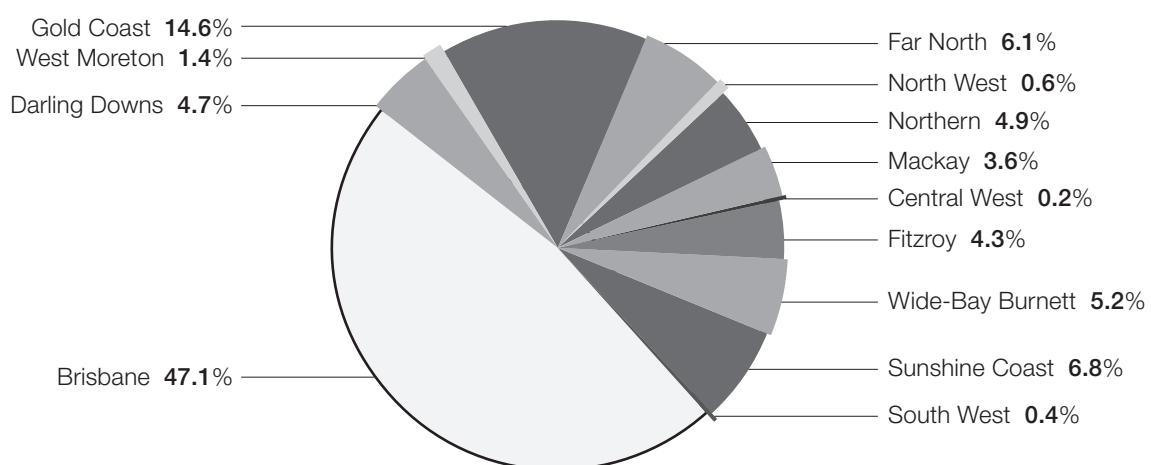
Median weekly rents – three bedroom house

based on new bonds lodged in June quarters 2012 and 2013

Location	2012	2013
Queensland	\$350	\$350
Cairns	\$320	\$330
Townsville	\$345	\$340
Mackay	\$460	\$440
Rockhampton	\$330	\$340
Gladstone	\$500	\$480
Mt Isa	\$540	\$580
Bundaberg	\$270	\$285
Hervey Bay	\$270	\$280
Maryborough	\$250	\$255
Roma	\$500	\$430
Sunshine Coast	\$370	\$380
Brisbane	\$400	\$410
Ipswich	\$280	\$290
Toowoomba	\$280	\$295
Gold Coast	\$405	\$420

Percentage of bonds held by area

as at 30 June 2013



Corporate governance

The RTA is committed to transparency, accountability and trustworthiness.

Strategic planning

The RTA Strategic Plan 2012–16 charts our course and confirms our vision: making a positive difference to the Queensland residential rental sector.

To deliver the best possible services to our clients, we are transforming the way we do business, with the introduction of new technologies (see page 60). We are reviewing our business processes and their supporting systems, developing our online capabilities, and refining our organisational culture.

Our Organisational Change Management (OCM) program will help prepare us for this change over the coming years.

The strategic plan supports the Queensland Government's 'Getting Queensland back on track' initiative, and improved and expanded service delivery and business systems will revitalise frontline services.

These developments are among the most significant in our history.

Corporate governance framework

The RTA's corporate governance framework defines current management structures and standards as well as internal and external mechanisms used to ensure the organisation meets statutory obligations and controls required for effective corporate governance.

The framework connects all documents that outline the way the RTA is governed and managed to achieve its strategic goals and operate with integrity. The framework is regularly reviewed and updated to reflect the changing needs of the organisation.

The RTA is committed to the Government's focus on accountability and will continue to improve corporate governance processes to support business outcomes and ensure accountability.

The RTA's corporate governance framework is based on the Queensland Auditor-General's model and includes two key elements: organisational processes and accountability processes.

Corporate governance framework diagram



The key to corporate governance is transparency in decision making, and we place a high priority on due diligence and compliance.

Our management structure and standards provide the RTA's leadership and direction.

Rigorous internal monitoring and review mechanisms combined with external accountability provide assurance that the RTA will achieve its objectives.

Organisational processes

The RTA Board

A Chair and six directors are appointed to the RTA Board by the Governor in Council.

In November 2012 Ms Jane Seawright was appointed as a director and in April 2013 Ms Catherine Sinclair was appointed Chair and Mr Damian Eckersley, Mr Darryl Mutzelburg and Ms Susan Rix were appointed directors.

An induction program for the new directors focused on governance, RTA operations and meeting key senior officers.

Board directors reflect the diversity of the sector and bring a wealth of knowledge and expertise in sector advocacy, property management, commercial activities, corporate governance and community service.

Remuneration for board directors is determined through Cabinet approved procedures, administered by the Department of Justice and Attorney-General.

The role of the board

The board's responsibilities are outlined in the Act and the Board Charter provides clarity of roles.

The board's specific responsibilities include:

- reviewing and approving strategy
- setting values and standards
- endorsing the RTA's annual budget
- monitoring business performance
- monitoring investment activities and financial position
- ensuring significant business risks are identified and managed effectively
- ensuring performance of the board and management is regularly assessed.

Board meetings

1 July 2012 – 5 April 2013

Directors	Full Board		Audit and Risk Committee (ARC)	
	Attended	Scheduled	Attended	Scheduled
John Battams (Chair)*	8	8	3	3
Deirdre Coghlan	8	8	-	-
Bradley Currie	8	8	-	-
Deborah Duffy	8	8	-	-
Jane Seawright**	3	4	-	-
Roslyn Wallace	8	8	3	3
Charles Ware	8	8	3	3
Cathy Blunt (Independent)	n/a	n/a	3	3

11 April – 30 June 2013

Directors	Full Board		Audit and Risk Committee (ARC)	
	Attended	Scheduled	Attended	Scheduled
Catherine Sinclair (Chair)*	4	4	2	2
Deborah Duffy	4	4	-	-
Damian Eckersey	4	4	-	-
Darryl Mutzelburg	4	4	2	2
Susan Rix	4	4	2	2
Jane Seawright	4	4	2	2
Roslyn Wallace	4	4	2	2
Cathy Blunt (Independent)	n/a	n/a	2	2

*Catherine Sinclair was appointed Chair of the RTA Board on 11 April 2013 and replaced previous Chair John Battams.

**Jane Seawright was appointed in November 2012.

The General Manager's role

The General Manager provides strategic policy advice to the Chair, Board and Minister on the operation and monitoring of Queensland residential tenancy legislation.

The General Manager is responsible for all aspects of management, staffing and administration, and providing monthly performance, operational and compliance reports to the board. The board also receives reports and updates on strategic policy issues.

The General Manager attends all board meetings and senior executives attend as required.

Audit and Risk Committee

The Audit and Risk Committee (ARC) ensures the RTA operates within an appropriate framework of internal control and risk management. The ARC Charter, reviewed annually, clearly defines the roles and responsibilities of its members.

The ARC meets on a quarterly basis and includes Susan Rix (ARC Chair/RTA Director), Darryl Mutzelburg (RTA Director), Jane Seawright (RTA Director), Roslyn Wallace (RTA Director), Catherine Sinclair (ex-officio member/RTA Chair) and Cathy Blunt (Independent member).

The ARC oversees RTA accounting policies and practices; the integrity of financial statements and reports; the scope, quality and independence of the RTA's external audit arrangements; the monitoring of the internal audit function and the effectiveness of risk measures. The committee is also responsible for monitoring overall legal and regulatory financial compliance.

The ARC approved the implementation of the Internal Audit Strategic Plan 2011–14. The plan was developed in conjunction with HLB Mann Judd, the RTA's internal auditors. The purpose of the plan is to maintain accountability, identify business processes to be audited each financial year, and ensure compliance (see below). The Auditor-General appointed MSI Taylor as the 2012 external auditor for the RTA and the Residential Tenancies Employing Office (RTEO) in accordance with section 30 of the *Auditor-General Act 2009*. Internal and external auditors attend each ARC meeting.

The committee Chair and the General Manager conduct entry and exit interviews with external auditors, oversee the conduct of the audit, discuss findings, and identify priorities requiring attention for the coming year.

Audit recommendations are reviewed quarterly, based on the audit reports received. These recommendations are monitored closely by the Executive team and updates on progress are provided at each ARC meeting.

The ARC achievements in 2012–13:

- reviewed and endorsed the annual financial statements
- reviewed and endorsed the annual Workers Compensation Declaration
- drafted a calendar aligned to the Internal Audit Strategic Plan 2011–14 to track tasks for completion throughout the year
- reviewed and assessed performance of internal auditors against the audit plan
- reviewed audits and risks associated with the Core Client Services Program
- reviewed the Risk Management Framework and Risk Register
- reviewed the ARC Charter
- reviewed and endorsed recommendations to improve business efficiency.

The ARC adhered to the terms of its charter, having due regard to the Queensland Treasury's Audit Committee Guidelines.

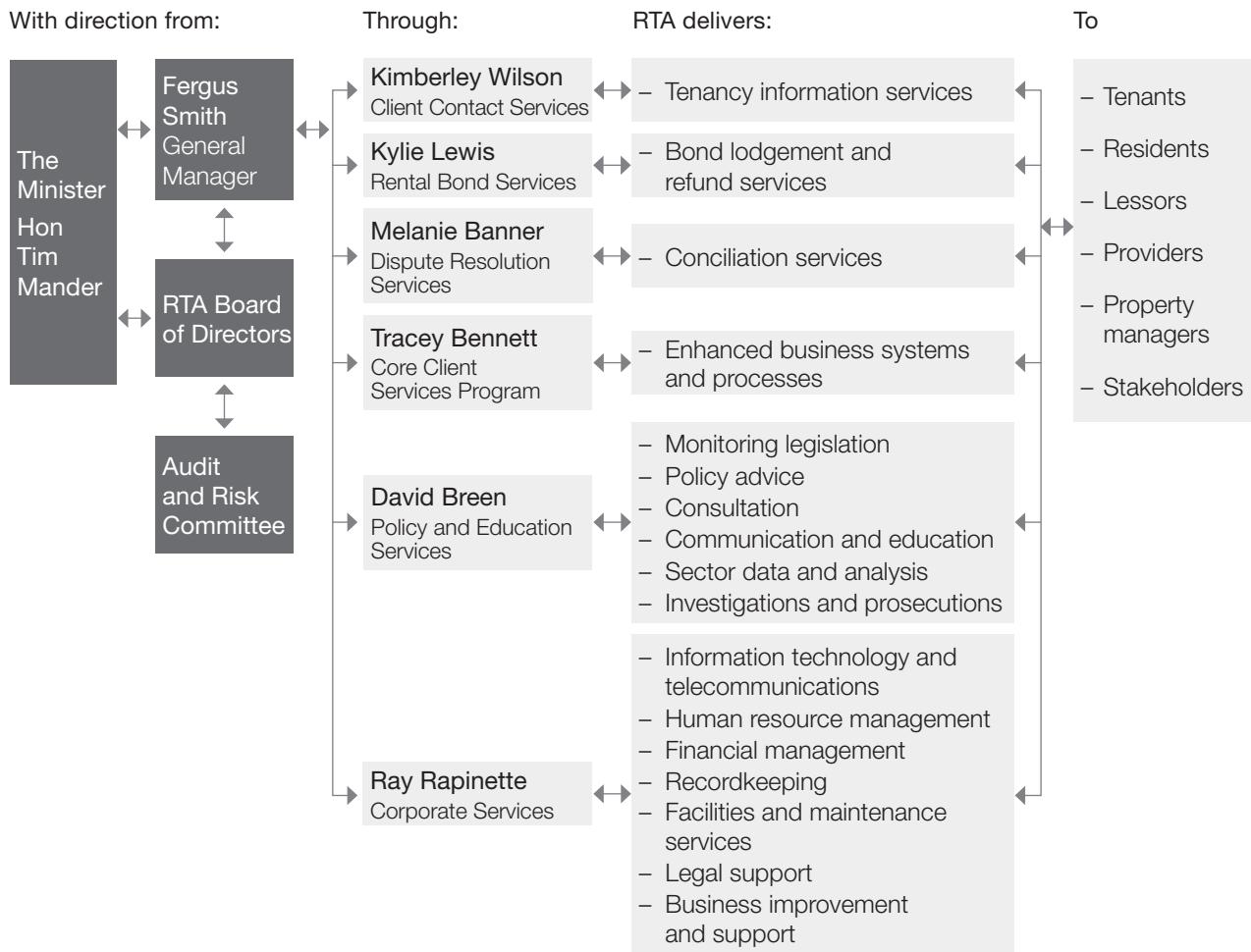
Identifying risk

The RTA maintains a comprehensive risk framework and risk register to closely monitor identified risks (see page 26). All staff are responsible for identifying potential risks to the RTA using a process based on the AS/NZ Standard 4360:2004 Risk Management Standard.

Audit recommendations
are reviewed quarterly

Organisational structure

The RTA's structure is aligned to the strategic plan, which is aimed at maximising the operational capability and capacity of management and staff (see diagram below).



RTA Executive team

The General Manager leads the RTA Executive team (page 51) which is composed of the divisional executive managers. The team meets weekly to ensure strategic priorities and operations are on track.

Consultative Committee

The RTA Consultative Committee provides a forum to discuss employee relations, and to ensure issues are managed when they arise. The committee meets quarterly and is made up of representatives of RTA staff, Together Queensland and RTA management.

Information Portfolio and Management Steering Committee

The committee is chaired by the General Manager and includes senior management and an external independent representative who provides advice on project management and emerging technologies.

The committee ensures corporate projects operate efficiently and effectively, and are sufficiently resourced to support the business and corporate needs of the RTA.

Management standards

Management standards are based on ethical standards such as the RTA's *Code of conduct*, as well as a range of government and organisational policies, procedures, guidelines and standards. Management standards are reviewed on an annual basis.

Ethical standards

The RTA's *Code of conduct* provides a framework for ethical conduct based on the principles and values of the *Public Sector Ethics Act 1994*. The code guides staff to carry out their duties with integrity and impartiality, accountability and transparency, and to promote the public good. The RTA continues to provide mandatory RTA *Code of conduct* training to RTA staff and officials, and the RTA has developed an online refresher package for RTA staff and officials. The RTA's Human Resources policies and procedures and Performance Development Scheme have been amended to reflect the RTA's *Code of conduct*.

Queensland Government Reconciliation Action Plan

The RTA conducts cultural awareness training for staff to appropriately, and respectfully, work with, and deliver services to, people from diverse backgrounds including Aboriginal and Torres Strait Islander people. Further strategies are being developed to strengthen our commitment to the action plan.

Recordkeeping

The RTA has policies and procedures in place – including a *Records management policy* – to inform staff of all aspects of recordkeeping practices and responsibilities. Each business unit is responsible for its own recordkeeping and the Recordkeeping Unit oversees the records management program.

In 2012 the Recordkeeping Project delivered the Business Classification Scheme and policies for the Records Management Framework. The Information Security Classification Scheme, supporting compliance with Information Standard: 40 Recordkeeping (IS40), was also updated.

A core business Retention and Disposal Schedule, endorsed by the General Manager, was forwarded to Queensland State Archives for approval. The temporary freeze on the disposal of records will be lifted when the schedule is approved.

Mapping of the Business Classification Scheme to the Retention and Disposal Scheme has also been completed.

Recordkeeping is now included in induction sessions for all new staff.

In February 2013, the RTA completed the Queensland State Archives Recordkeeping Survey of Queensland Public Authorities. The RTA has made considerable progress in recordkeeping since the 2009 and 2011 surveys.

Open data strategy

The RTA is developing an *Open data strategy*. Information relating to overseas travel and consultancies is published on the RTA's website (rtा.qld.gov.au).

Right to information

The *Right to Information Act 2009* (RTI Act) allows members of the public access to certain information controlled by government. The RTA supports RTI principles by operating in an open, transparent and accountable manner, while protecting the privacy of clients and staff. In 2012–13, the RTA received two applications for access to documents related to bonds and disputes under the RTI Act. Both applications were withdrawn.

The RTA's Administrative Access Policy allows members of the public access to certain types of information held by the RTA without having to apply through the formal RTI Act or the *Information Privacy Act 2009* (IP Act) application processes.

Where possible, the RTA will release information under its Administrative Access Policy.

Information privacy

The IP Act gives all members of the public the legal right to access and amend their personal information. It requires the RTA to safeguard the personal information it holds and disclose it only when the individual it relates to provides consent, or where it is required and authorised under law.

In 2012–13 the RTA received six applications from individuals for access to documents containing their personal information, and responded to more than 16,000 requests to disclose personal information to other organisations under law.

The RTA Board sets the strategic direction of the organisation

Public interest disclosure

The *Public Interest Disclosure Act 2010* (PID Act) provides direction on the reporting of suspected wrongdoing in the public sector. All employees have an ethical responsibility to report actual, or suspected, instances of official misconduct. The RTA received no disclosures during the period 1 July 2012 to 30 June 2013.

Business planning

The RTA's business planning processes are shown below. The RTA Board sets the strategic direction of the organisation, which is documented and formalised through the RTA Strategic Plan. (Download the plan from our website rta.qld.gov.au).

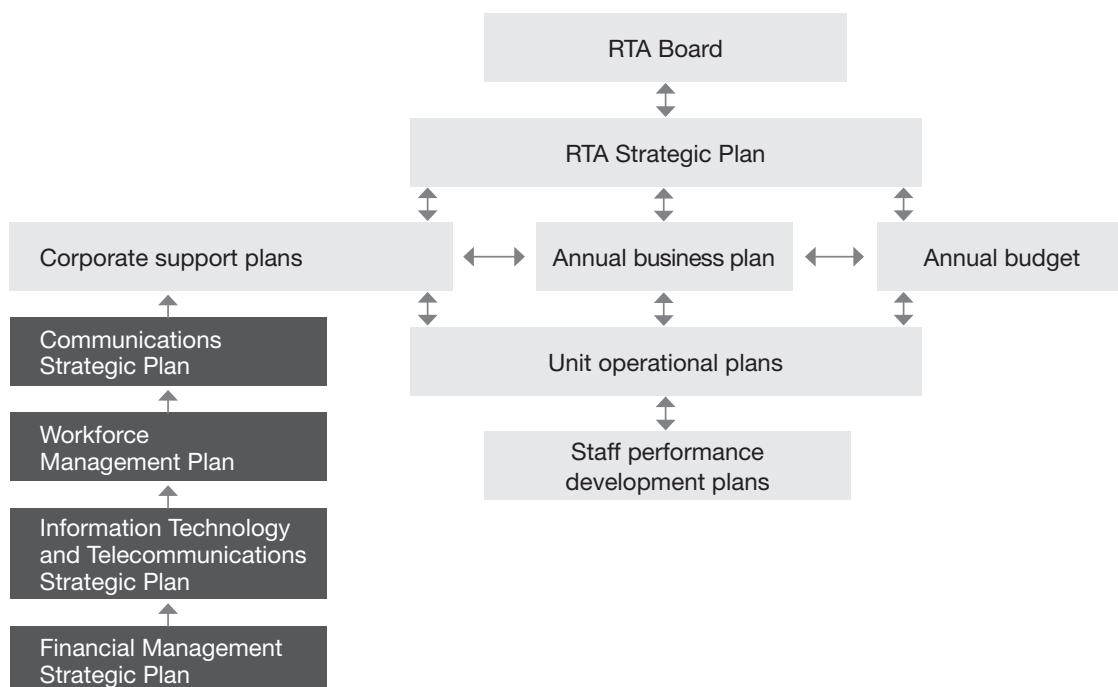
The 2012–16 Strategic Plan identifies the RTA's continuing strategic priorities relating to our clients, our sector and our organisation and progress is documented in the annual report. The RTA Strategic Plan is underpinned by corporate support plans, an annual business plan and unit operational plans specifying activities and performance levels to be achieved.

The RTA has four corporate support plans:

- Communications Strategic Plan
- Workforce Management Plan
- Information Technology and Telecommunications Strategic Plan
- Financial Management Strategic Plan

Staff members complete annual performance development plans with their line managers to identify their contribution to planning and performance, and to determine their professional development requirements.

Business planning overview



Business planning cycle

Client needs

The RTA uses all interactions with clients as opportunities to gain feedback on current services and suggestions for future developments, as well as conducting periodic client satisfaction surveys.

Government priorities

The RTA's business planning seeks to enhance its services to further support government objectives and in particular, contribute to the government's aim to revitalise frontline services.

Stakeholder views

The RTA works in partnership with all stakeholder groups supported by systematic consultation and monitoring of sector issues.



Financial planning

Business priorities are identified in the planning cycle and help determine budget allocations which are endorsed by the RTA Board each April ready for Ministerial approval.

Operational performance monitoring and environmental scanning are core parts of the business planning cycle. The board and executive team review performance, sector trends and stakeholder issues, particularly at the start of the cycle. This helps future financial planning.

The RTA's budget and operational performance are reviewed against monthly targets and a comprehensive mid-year budget review allows for internal reallocations to ensure these targets are achieved. The RTA reports to public stakeholders through the annual report, service delivery statements and Parliamentary Estimates processes.

The Executive team (see page 51) is responsible for the implementation of the planning cycle and ensuring staff undertake their individual roles and contribute to the process. The General Manager reports to the board and, with the Executive team, monitors progress. Senior management, team leaders and senior staff meet each month to ensure a team approach to decision making and strategic policy implementation.

Accountability processes

Internal and external accountability

Internal accountability processes include planning mechanisms for the management of risk and the associated internal audit function, the flow of information to and from the Executive team, and engagement with stakeholders. External accountability involves financial and non-financial reporting to the Queensland Parliament.

Risk management

The RTA's risk management framework helps staff implement risk management practices while encouraging a risk management culture. A risk register identifies strategic and corporate risks together with contributing factors and mitigating controls. The register is reviewed quarterly by the RTA's Full Management Team (and is tabled at each ARC meeting).

Legislative Compliance Register

The register is a risk management tool designed to monitor compliance. It helps identify and develop strategies to mitigate risks associated with non-compliance. The register is updated quarterly to include relevant government standards and document compliance actions.

Internal audit

The ARC contracted HLB Mann Judd to provide internal audit services: 2012–13 was the second year of a three-year contract.

The purpose of the internal audit was to assist with strategic goals by providing an independent review of identified areas. The reviews assisted with:

- reliability and integrity of financial and other operating information
- adequacy and effectiveness of systems and controls
- compliance with policies, laws and regulations
- prevention of fraud and corruption
- safeguarding of assets
- risk management planning
- economic and efficient use of resources.

The RTA's internal audit function is maintained under the *Financial and Performance Management Standard 2009*.

Under the standard, the RTA:

- maintains an internal audit charter to govern the operation of the internal audit function
- prepares strategic and annual internal audit plans
- reports to the ARC about each audit report and performance against the audit plan.

The internal audit methodology complies with the requirements of the Institute of Internal Auditors of Australia, the standards of the Auditing and Assurance Standards Board, and the Institute of Chartered Accountants of Australia. Where other standards impact the work of auditors, compliance is a priority. An example of these types of standards is the Risk Management Standard AS/NZS 4360:2004.

The Internal Audit Strategic Plan 2011–14 sets out internal audits that were conducted during the financial year 2012–13.

Audit reviews conducted

Review of bond receipts and cash management

- concluded that the RTA maintained effective control procedures for processing bond refunds.

Review of property, plant and equipment

- concluded that the RTA managed property, plant and equipment in accordance with the accounting standards and relevant directives set out by the Queensland Government.

Review of fraud policies

- concluded that the RTA has appropriate policies and procedures in place and this is supplemented by significant management oversight and staff awareness.

Review of requests for information by external agencies

- concluded that the RTA was compliant with the relevant legislation and has established procedures to comply with the *Information Privacy Act 2009* and the *Right to Information Act 2009*.

Review of Turbot Street facilities management

- concluded that the outsourcing of the RTA's facilities and maintenance services would provide greater efficiencies and cost savings.

Review of procurement practices

- concluded that the RTA was compliant with Queensland Government Chief Procurement Office (QGCPO) standards and State Procurement Policy.

Review of legislative compliance processes

- concluded that the RTA adhered to all relevant legislation and updates to legislation were appropriately monitored.

Stakeholder engagement

The RTA prides itself on its effective partnerships with external stakeholders and key business suppliers to provide responsive services to clients. These activities, along with formal and informal client feedback, are an integral part of the RTA's corporate governance.

The RTA's high standards of disclosure, responsibility and transparency are reflected in the ways it consults with stakeholders (page 44).

Industry Development Forum

The forum includes representatives from key residential rental sector stakeholders and is chaired by the RTA General Manager. Four forums were held in 2012–13, providing the RTA with feedback, opportunities for community engagement, and stakeholder input on policies and future directions (page 45).

Performance review framework

The RTA Board and General Manager are responsible for monitoring and reviewing the performance of the RTA. The performance review framework ensures this role is undertaken with comprehensive knowledge of the RTA's functions. The table below outlines the RTA's 2012–13 performance against key elements of this framework.

Performance review framework table

Function	Purpose	2012–13 achievements
Monthly financial reporting	Reports level of revenue and expenditure against the approved budget at each board meeting.	Comprehensive monthly financial reports provided at each board meeting.
Performance measures	Reports achievement against annual performance targets and quantity, quality, timeliness and location at each board meeting.	Full performance reports provided at each board meeting – majority of performance targets achieved.
Internal audit program	Reports progress and recommendations from internal audit to the board and the Audit and Risk Committee.	Full status of all audits provided to the Audit and Risk Committee.
Quality assurance certification	Maintains certification against the relevant ISO standard.	ISO 9001:2008 certification renewed.
Client satisfaction survey	Biennial survey to gauge satisfaction and identify areas for improvement through unit operational plans.	Achieved identified areas for improvement.
Service delivery statements	Contributes to the Minister's report on performance and budget results to the Parliament.	Sound financial position achieved.
Annual report	High reporting standards ensure accountability to the RTA's clients, sector and staff.	Achieved 11th consecutive gold award from the Australasian Reporting Awards.

OUR CLIENTS

We are committed to **making a positive difference** to Queensland's residential tenancy sector and aim to deliver high quality services to our clients.

Around one third (see page 15) of Queensland households rent their homes, and we provide targeted services for everyone involved in the sector including tenants, lessors, rooming accommodation residents and providers, real estate agents, onsite managers and caravan park managers. Client engagement is tailored to their diverse needs.

Our objectives

- deliver effective client services
- understand our clients and respond to their needs

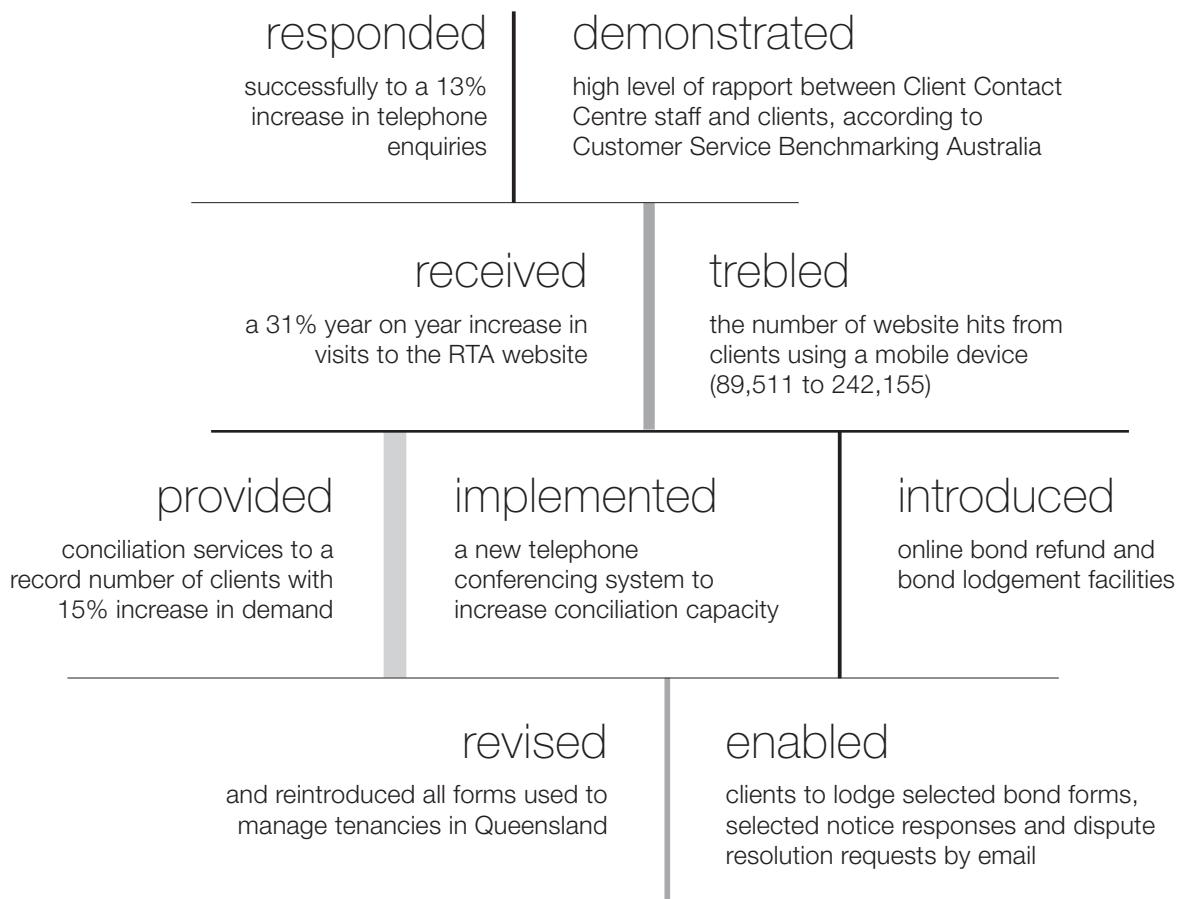
Our strategies for achieving our objectives

- provide high quality and timely services to clients
- streamline our service delivery channels
- further develop online and automated service capability
- engage with clients to identify and understand their needs
- develop and implement a client-focused service delivery model

Performance indicators

- deliver services within agreed standards
- highly satisfied clients

Our clients key results 2012–13



Future priorities 2013–14

- **continue to build** service capabilities to effectively manage anticipated increases in client demand
- **continue to provide** timely and high quality services to clients while **preparing for changes** to services and systems
- **introduce** an enhanced support service pilot to provide practical assistance and advice to clients who need extra help with their tenancy issues
- **continue commitment** to service monitoring and client feedback to ensure excellence in client service
- **improve targeting and effectiveness of conciliation services** by exploring the potential of the new telephone conferencing software, conducting face-to-face conferences where appropriate, and enhancing our quality monitoring program
- **continue to liaise with QCAT** to streamline service delivery for shared clients
- **support and maintain** online client services, such as online bond management facilities

Engaging with our clients

As Queensland's residential rental sector grows, so does the demand for our services. We deliver high quality tenancy information, primarily through our Client Contact Centre and website (rtaqld.gov.au).

Providing tenancy information to our clients

Our Client Contact Centre is an integral part of the RTA's frontline client service. People from across the state can call the RTA on 1300 366 311 for the cost of a local call. Client contact service officers provide people with information on their rights and responsibilities under Queensland tenancy laws. Where appropriate, people are referred to other RTA support services such as our dispute resolution service, or to external agencies. Staff also send targeted educational and tenancy information to clients via their preferred contact method.

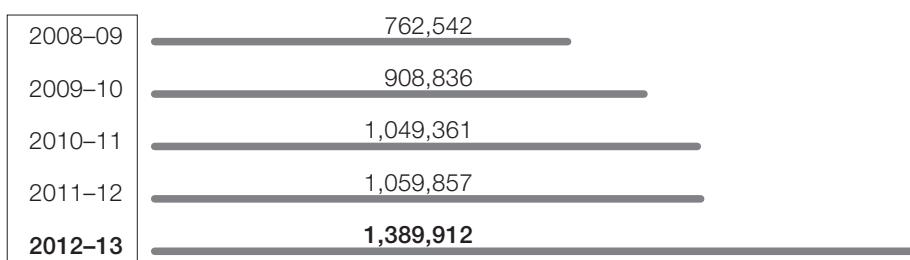
Our website is designed to keep pace with our clients' changing needs, giving them fast access to important tenancy information. Agents can access our online bond management system from the website as well as quick links to forms and fact sheets and *Open house*, the RTA's online publication for property managers and owners.

In 2012–13, we created new ways to engage with clients via our website, such as instructional videos. Tenancy information videos were also translated into Auslan (Australian Sign Language).

Visits to our website increased to almost 1.4 million in 2012–13, continuing the upward trend over the past five years. The number of users accessing the RTA website using a mobile device almost trebled from the previous year (from 89,511 in 2011–12 to 242,155 in 2012–13).

Website visits

2008–09 to 2012–13



Client Contact Centre delivers accurate, personalised information

The Client Contact Centre provides clients with information on matters relating to the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). Staff members provide accurate and helpful information applicable to each person's situation.

In 2012–13, staff in the Client Contact Centre responded to 383,431 enquiries on the phone and 15,574 online. Call volumes were up 13.2% in 2012–13 requiring an increase in phone lines to ensure client expectations were met.

In 2012–13 we continued to focus on providing clients with accurate information while maintaining high quality service standards and meeting performance targets.

Phone enquiries jump to record levels

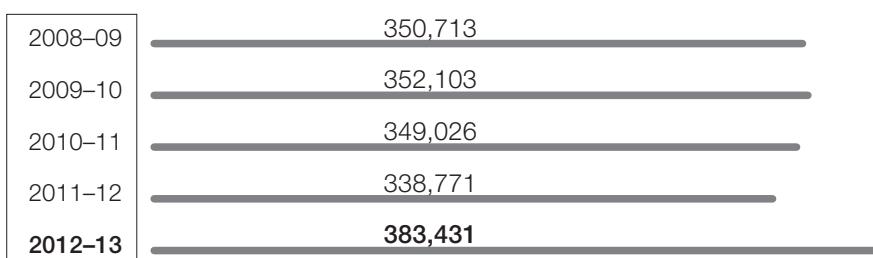
There has been an increase in demand for our frontline services. Staff responded to an average of 1,534 calls each working day in 2012–13 (1,350 in 2011–12). In the 2012–13 financial year the Client Contact Centre answered a total of 383,431 calls. This figure is higher than the 2011–12 figure of 338,771, and the increase is likely to be due to a growing sector coupled with increased visibility of the RTA.

Average talk time for callers was 292 seconds in 2012–13, compared with 256 seconds in 2011–12. This highlights the increased complexity of calls and the care and time staff members take with clients to ensure they are given all the information they need on the first call.

The Client Contact Centre maintained high service quality standards, with 65.0% of calls answered within 60 seconds (target 70%) and 77.7% within two minutes (target 85%). The average waiting time for callers was 75 seconds, compared with 52 seconds in 2011–12.

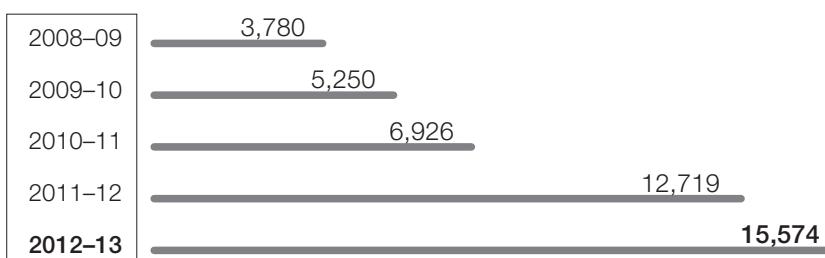
Calls answered by the Client Contact Centre

2008–09 to 2012–13



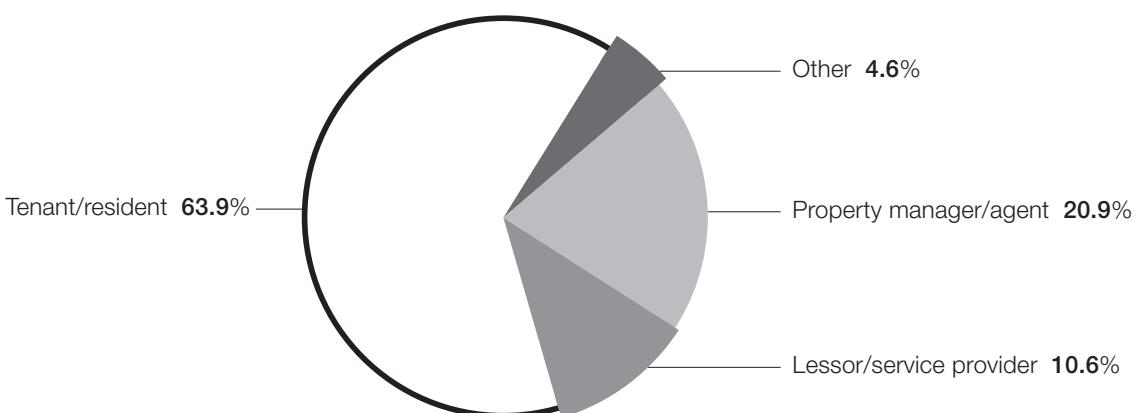
Online enquiries answered by the Client Contact Centre

2008–09 to 2012–13



Client Contact Centre calls by client type

2012–13



Reasons people call

The most common type of call continued to be related to rental bonds, accounting for 36.4% of calls, compared with 42.4% in 2011–12. The number of bond enquiries reduced in 2012–13 reflecting the increased use of eServices (see page 34). Ending a tenancy agreement and property maintenance issues were other common enquiries.

Benchmarking report shows excellent results

The latest Customer Service Benchmarking Australia (CSBA) benchmarking report confirmed significant improvements in key service areas relating to the development of rapport (up from 46 to 85 points), good product knowledge (up from 93 to 95 points) and the clarification of client needs (up from 65 to 80 points). The results also showed a significant improvement in providing a clear resolution, up 11 points to 97. Customised client service training, coaching and feedback sessions helped achieve these significant improvements.

Meeting the diverse needs of our clients

We are committed to making our services and information accessible to everyone in Queensland's large and diverse residential tenancies sector. By providing a variety of ways to access information and services, our clients can choose the best options suited to their needs. We continually seek to improve the services we offer by developing creative solutions to our clients' needs. The RTA is also committed to providing access to tenancy information resources to Culturally and Linguistically Diverse (CALD) clients (see below).

Improved access for CALD clients

The RTA's commitment to providing access to tenancy information to Culturally and Linguistically Diverse (CALD) clients is outlined in our Multicultural Action Plan (2011–14). The RTA's Client Action Reference Group, with representatives from across the organisation, reports quarterly to the Executive team on the RTA's progress.

In March 2013 the RTA launched a translated version of the *Pocket guide for tenants – houses and units* (Form 17a). The publication is now available in Chinese (simplified) and Chinese (traditional), Vietnamese, Korean, Japanese and Arabic as well as English, and outlines the basic rules for renting in Queensland.

Tenancy miniguide are available in Swahili, Kirundi, Dinka, Farsi, Dari, Somali, Karen, Tamil and English. These publications are part of the RTA's *Creating pathways* strategy (see page 47).

In 2012–13 the RTA supported CALD clients by:

- providing tenancy information videos in Auslan on our website, in collaboration with Deaf Services Queensland
- training staff in providing culturally aware services
- monitoring the quality of translated calls with CALD clients, ensuring benchmarks were met for appropriate use of translators and successfully overcoming language barriers
- strengthening community networks to raise awareness of the RTA and our services through information sessions, workshops and consultation sessions
- exploring options for online cultural awareness training modules to be used by frontline staff
- placing contact information for the Translating and Interpreting Service (TIS) on all publications, ensuring CALD clients can access tenancy information in their own language
- providing educational workshops for international students.

In 2012–13 the RTA received 540 phone calls using the TIS, with Korean, Mandarin and Arabic the most requested languages.

Complaints about RTA services remain low

The RTA formally responded to 71 complaints about its services from clients in 2012–13, an increase from 57 in 2011–12. With more than one million client interactions this financial year, this equals about one complaint for every 16,000 interactions.

Managing rental bonds

Independent management of bond money ensures fairness for everyone who rents or manages residential rental properties in Queensland.

Bond management by the RTA

Rental bonds are a security deposit paid by tenants and must be lodged with the RTA. Managing rental bonds is one of the RTA's key client service functions and includes the receipt of bond money, processing changes to bond accounts and refunding bond money.

In late 2012 we ended our arrangement with Australia Post to deliver over-the-counter services for the RTA as we have given our clients more online options which have proven extremely popular.

Clients can now submit agreed bond refund applications and single bond lodgements online.

Online services for bond management

The number of agents and property managers registering for our online bond management system eServices continues to grow. More than 84% of agents with more than 100 bonds are registered for the service (80% in 2011–12). The service offers many time-saving benefits including 24/7 access to detailed bond information, and allows bonds to be refunded directly into tenants' bank accounts when the full refund is being paid back to them. In 2012–13, 33,268 refunds were processed through eServices (15,306 in 2011–12) representing 13.9% of all refunds processed (5.2% in 2011–12).

The RTA is working to deliver more online services in the future and has responded to client demand by providing interim solutions for individual agreed bond refunds and lodgements.

Where all parties agree on a bond refund, a client can now submit a single refund application online. Since its November 2012 introduction, 26,314 refund applications (11.5%) have been lodged using this facility. Clients are also able to submit single bond lodgement forms online, and pay the bond using BPAY. A total of 79,287 lodgement forms have been processed since 1 April 2013 with 1,764 BPAY payments being processed (2.2%, a small but significant proportion of all lodgements).

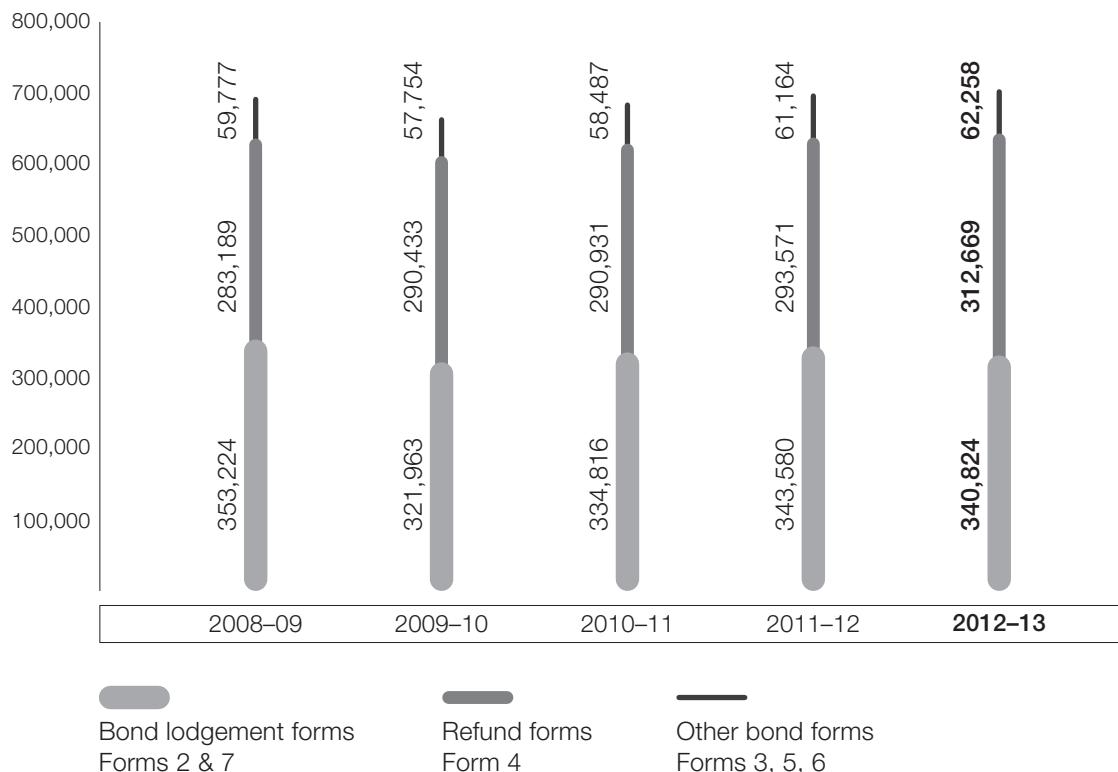
Increased demand for bond management

In 2012–13, demand for bond management services increased, with 2.4% more bond forms processed than the previous financial year. On average, RTA staff processed 2,863 forms each day (2,786 daily in 2011–12) amounting to 715,751 forms for the year.

December to March is traditionally the peak period for bond management services. During this period an average of 3,070 bond forms were received daily with a maximum daily average of 3,541 forms received in February 2013, a monthly record.

Forms received for bond processing

2008–09 to 2012–13



Bond lodgement forms (Forms 2 & 7) accounted for 340,824 of the total forms lodged (343,580 in 2011–12). Bond refund applications (Form 4) and bond change forms (transfers and changes to lessor, agent and tenants – Forms 3, 5 and 6) totalled 374,927 of the forms received (355,735 in 2011–12) (see table above).

Bond lodgements steady

There was little change in new bonds lodged with a slight decrease of 0.3% to 259,810 in 2012–13 from 260,699 in 2011–12. Nearly a quarter of bond lodgements processed were extra payments made to existing bonds ('top-ups') which generally occur in line with increased rent charged. Average daily lodgement figures increased slightly in the 2012–13 financial year with \$1.499m in bond lodgements, compared to \$1.468m in 2011–12.

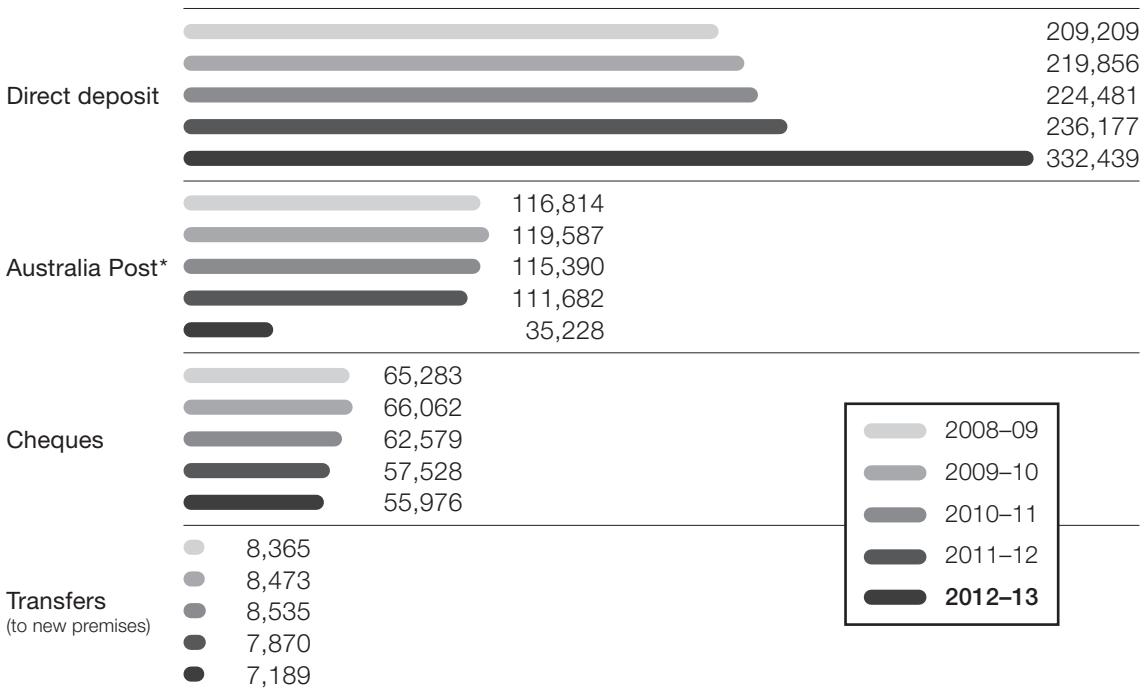
Increased demand for bond refund services

Bond refunds in 2012–13 increased to 957 per day, following an average of 918 refunds finalised daily in 2011–12. The daily average value of refunds increased to \$1.314m from \$1.191m in 2011–12. In 2012–13, the RTA processed 91.2% of bond refunds within two working days, exceeding the target of 85% (97.9% in 2011–12).

Of all bonds refunded, 67.9% were paid out as agreed by the people involved. Of the 'non-agreed' cases a significant proportion (around 82%) of bonds were finalised after a *Notice of claim* was issued and not disputed. In total, 72.6% of bond money was returned to tenants, showing an increase over 2011–12 (71.3%).

Bond refund transactions by refund option

2008–09 to 2012–13



*The RTA ended its agreement with Australia Post on 31 October 2012

Increased numbers of direct deposit bond refunds

Following the end of the RTA's arrangement with Australia Post in November 2012, direct deposits to client bank accounts has increased as a method for clients to receive refund payments. Around 84% of all transactions processed since November 2012 have used this method compared to 55.3% last year. Refunds to self-managing lessors via direct deposit have grown to 87.6% compared to 74.1% last financial year, and tenants' use of the service increased from 40.0% in 2011–12 to 82.6% since November 2012.

Helping tenants claim bond refunds

During the bond refund process, tenants can be disadvantaged if their forwarding address is not provided to the RTA. The RTA helps to ensure clients get their bond back by contacting them via SMS, prompting them to update their contact information, enabling refund payments to be issued correctly or giving them an opportunity to dispute a claim on a bond.

New versions of forms

In November 2012 the RTA completed a review of forms used to manage tenancies in Queensland and released new versions of all forms. Clients and staff provided feedback on the forms, and printing and distribution costs were reviewed to ensure they were cost effective.

The forms were redesigned to:

- simplify the instructions
- achieve consistency in language and design
- increase the amount and quality of information the RTA collects about clients (e.g. email addresses and dates of birth)
- provide more space for clients to provide their details
- merge general tenancy and rooming accommodation forms where practical. This was limited to bond and dispute notification forms (i.e. those forms returned to the RTA).

The RTA also completed a review of standard correspondence sent to clients, to ensure information and instructions are clear and concise, and to achieve consistency of language and style.

Resolving tenancy disputes

The RTA's dispute resolution service helps resolve disagreements between tenants and lessors or their agents, reducing the need for applications to the Queensland Civil and Administrative Tribunal (QCAT).

Helping people resolve their disputes

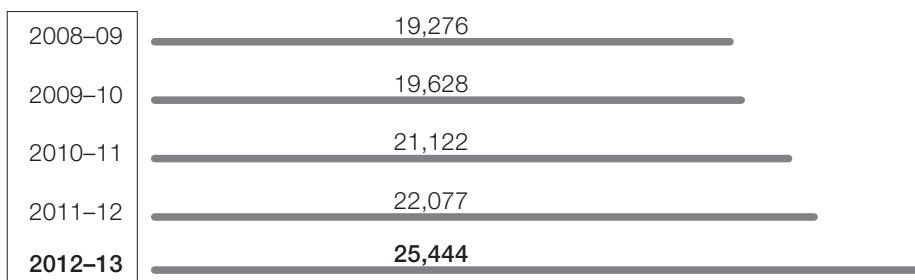
While most tenancies run smoothly, there are times when disputes occur. The RTA encourages clients to discuss problems with each other to reach a solution. However, when communication breaks down, the RTA's free dispute resolution service can help clients reach agreement through telephone or, in certain cases, face-to-face conciliation.

Informed choices

The dispute resolution process consists of two steps: conciliation facilitated by the RTA and/or adjudication by QCAT. Impartial conciliators educate clients about their rights and responsibilities to help them make an informed decision about their dispute.

Dispute resolution requests received

2008–09 to 2012–13



Dispute resolution works

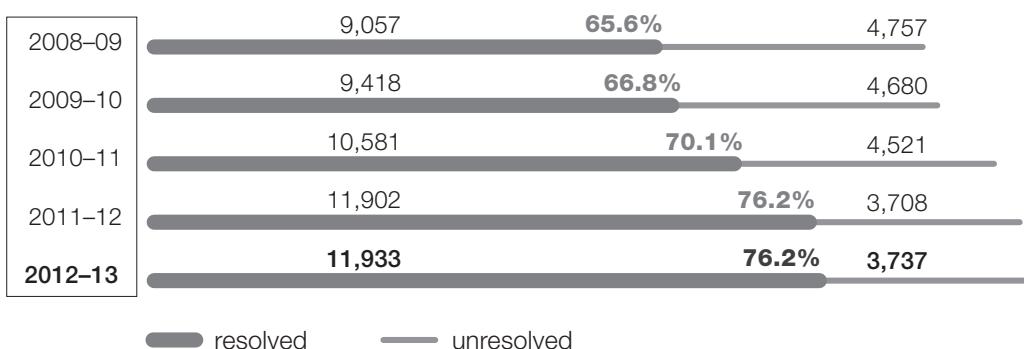
We received 25,444 dispute resolution requests in 2012–13, an increase of 15.3% from 2011–12. This is a relatively small proportion of the total number of residential tenancies in Queensland with the RTA holding 513,074 rental bonds (page 11). The RTA provides a conciliation process which is efficient and easy to access, and we continue to exceed resolution targets. When people participated in the conciliation process, 76.2% (76.2% in 2011–12) of disputes were resolved and positive outcomes were achieved in 47.7% of all disputes lodged (53.8% in 2011–12). In terms of timeliness, 85.1% of disputes were finalised within 28 days.

High resolution rates

The RTA achieved a resolution rate of 76.2% in 2012–13 (target 70%) where people agreed to take part in the conciliation process. This result compares with 76.2% in 2011–12, 70.1% in 2010–11, and 66.8% in 2009–10.

Unresolved disputes occur when negotiation has been attempted but agreement was not reached; when negotiation was refused; when we are unable to make contact with the person/s involved; or when the dispute is only partially resolved.

**Percentage of disputes resolved after parties participated in the conciliation process
2008–09 to 2012–13**



Continued focus on training

High-level training for our conciliators coupled with their experience facilitating telephone and face-to-face conferences ensures a professional, supportive experience for our clients.

Training continued to be a major focus in 2012–13, with nine conciliators attending intensive conciliation skills workshops conducted by the Peace and Conflict Studies Institute Australia (PaCSIA). The course exceeds the training requirements of the National Mediator Accreditation Standards. This training gave our staff the necessary knowledge and skills to maintain our high quality service. The RTA continues to support staff beyond this training by encouraging their professional development towards accreditation. In 2013–14 we will continue our relationship with PaCSIA.

The power of conferencing

Conciliation conferences, conducted over the phone or face to face, allow both sides to reach mutual agreement in a safe environment facilitated by an impartial conciliator. Clients say this helps them understand the other person's perspective and reach agreement.

Telephone conciliation is the most popular form of conferencing and newly installed software will help manage an increasing number of disputes more efficiently. Face-to-face conciliations in regional and metropolitan areas are conducted as required.

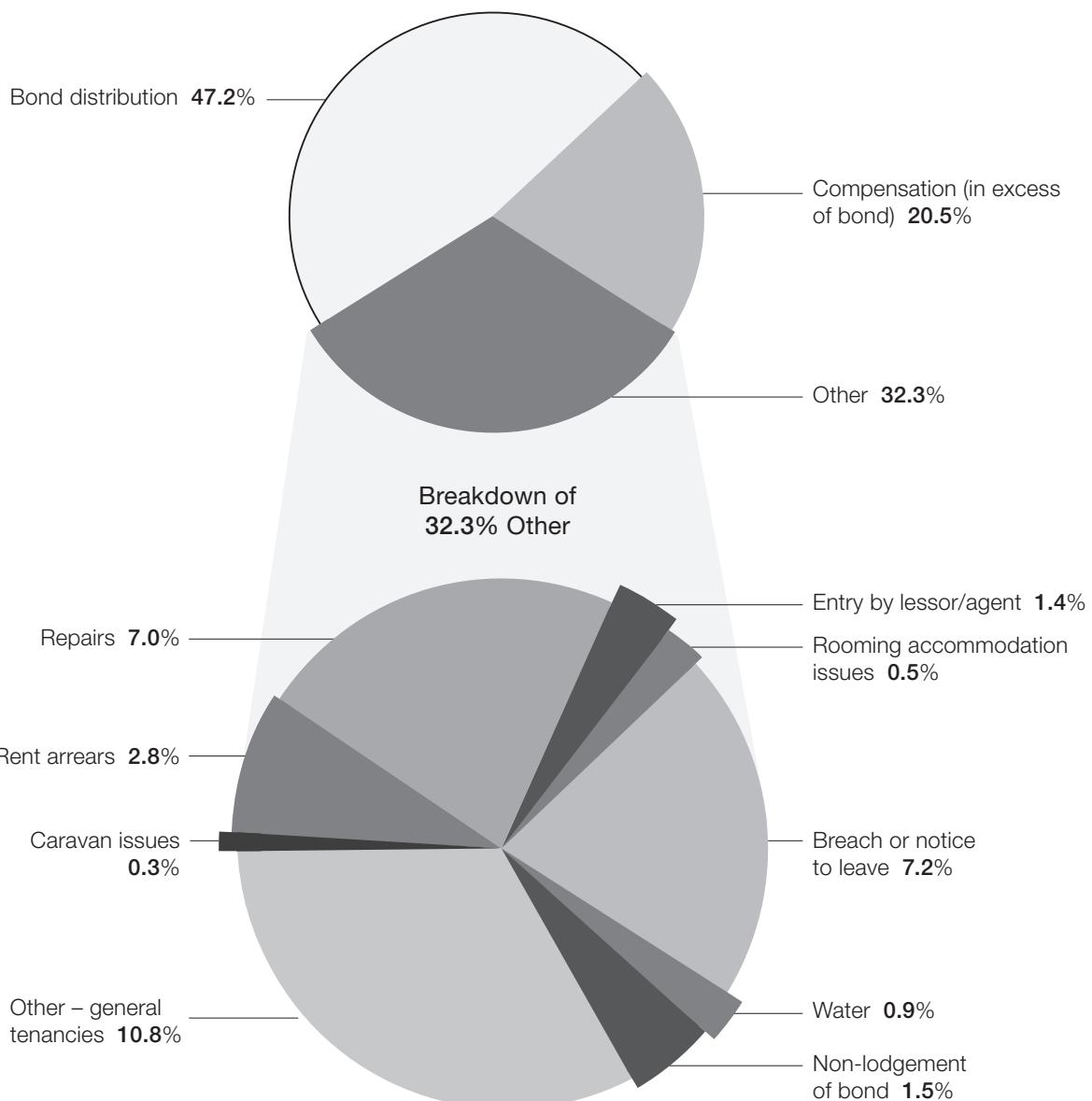
Reasons for disputes

Bond money is often the cause of disputes, accounting for 47.2% of all disputes received in 2012–13 (compared with 47.3% in 2011–12). Bond disputes include disagreements about outstanding rent, the state of the premises or water usage. Claims for compensation in excess of the rental bond or claims after the bond has been distributed account for 20.5% of all disputes.

A significant proportion of disputes occur during tenancies and account for 32.3% of all disputes. These disputes often relate to repairs and maintenance, rental arrears and ending a tenancy early.

Reasons for disputes

2012–13



Working with QCAT

QCAT makes decisions on residential tenancy disputes. People can lodge applications directly with QCAT for matters defined by the Act as urgent, such as requesting an order to terminate a tenancy or excessive hardship. If the dispute is non-urgent (defined by the Act) people must first attempt dispute resolution with the RTA.

As the RTA successfully resolves more than three quarters of all conciliated disputes where people agree to participate in the process, most non-urgent disputes are resolved without the need for the client to apply to QCAT.

If conciliation does not resolve the matter, an application can be made to QCAT. The RTA issues a *Notice of unresolved dispute* which must be given to QCAT, verifying agreement could not be reached through conciliation.

QCAT data showed only 14.5% of disputes that remained unresolved by the RTA led to the lodging of a tribunal application.

Investigations and prosecutions

The RTA plays a key role in ensuring compliance with Queensland's tenancy laws.

Types of investigations and prosecutions

The RTA investigates alleged offences against the Act committed by tenants, lessors or their agents. Most investigations start when a written complaint is received by the RTA. However, the RTA also carries out investigations in response to emerging sector issues, or as a result of information obtained through bond management or client service activities.

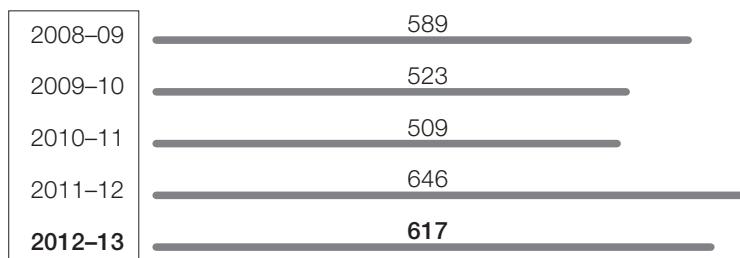
Offences often occur because clients are unaware of their obligations under the Act and most investigations result in offenders being educated about their responsibilities. This approach is a very successful and efficient use of resources, with identified instances of re-offending continuing to be extremely low.

However, the RTA will take enforcement action, such as prosecution through the Magistrates Court, if the circumstances are sufficiently serious, for example in the case of repeat offenders.

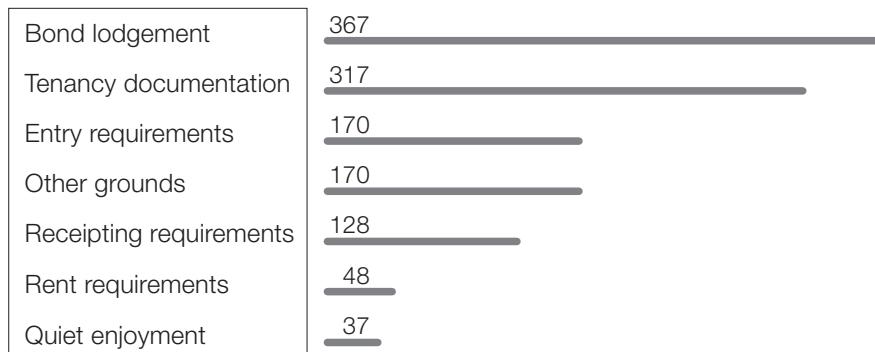
The RTA conducted 617 investigations (target 600) during 2012–13, a decrease on last financial year. Of the investigations carried out, 93.0% (target 90%) were resolved within six months. The RTA also carried out 11 prosecutions during 2012–13, all of which were successful. The most common types of investigation in 2012–13 related to failure to lodge bonds within the required timeframe and failing to provide appropriate documentation at the start of a tenancy.

Investigations into non-compliance with the Act

2008–09 to 2012–13



Grounds for investigations of complaints regarding breaches of offence provisions 2012–13



OUR SECTOR

To support Queensland's residential rental sector we consult with stakeholders, deliver tenancy information and community education, collect and publish sector data, and provide policy advice to government.

Our objectives

- educate and inform the sector on tenancy rights and responsibilities
- lead and support the sector through education, consultation, research, regulation and policy development

Our strategies for achieving our objectives

- develop and deliver targeted information campaigns
- promote the legislation and RTA services in diverse ways
- develop broader and stronger relationships with the sector
- identify and respond to challenges in the sector through research, consultation, education and policy development

Performance indicators

- high levels of community awareness of the legislation, the RTA and its services
- stakeholders are satisfied with the operation of the legislation

Our sector key results 2012–13

	provided community education to clients across Queensland, including 12 tenancy law workshops from Townsville to Toowoomba, 2 workshops for community support workers, and visited 33 caravan parks	
provided funding of \$14.0m to the Department of Housing and Public Works to support affordable and social housing initiatives	conducted a targeted review of the <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	introduced tenancy information webinars
provided Auslan tenancy information videos on the RTA website in partnership with Deaf Services Queensland	developed tenancy information videos available via the RTA website and for use in Outreach education activities	provided timely and accurate median rent and other data
launched new suite of translated tenancy information publications including the <i>Pocket guide for tenants – houses and units</i> (Form 17a) translated into six languages plus miniguide for tenants in eight languages		revised and released tenancy publications including the Form 17a information statement

Future priorities 2013–14

- **progress** the development of an amendment bill to implement government decisions following our review of the *Residential Tenancies and Rooming Accommodation Act 2008*
- **continue to create new pathways** to tenancy information through diverse communication channels to reach targeted client groups (including webinars, podcasts, videos, social media tools and additional translated publications)
- **commission audience research** to better understand our clients' needs with a view to improving communication of tenancy information and improve the effectiveness of targeted education activities
- **continue to provide** accurate and timely sector data
- **develop** Open data strategy to improve access to RTA information

Regulating the sector

The RTA ensures tenancy legislation is effective, relevant and supports government priorities.

We monitor the operation of the legislation and provide policy advice on residential tenancy issues to the RTA Board, the Minister and other government agencies. Policy advice is developed through analysis of operational data, monitoring sector trends and emerging issues, and consulting with stakeholders.

Reviewing the Act

The policy focus for much of the year was on reviewing the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act) to ensure it balanced stakeholder interests, posed no barriers to streamlined service delivery and, where possible, reduced the regulatory burden.

An RTA discussion paper formed the basis for public consultation between November and January and included legislative issues identified through ongoing monitoring and feedback.

Consultation included topics such as changing timeframes for the two months notice to leave without grounds process, proposed social housing reforms and rent payment methods.

Proposals to implement uniform legislation to regulate tenancy databases will be combined with the new amendment bill expected to be introduced into Parliament in 2013–14.

At the end of the consultation period, the RTA received 111 submissions. The RTA Board reviewed the report on the consultation process, which is now being considered by the Minister.

An RTA discussion paper formed the basis for public consultation

Liaising with other agencies

The RTA continued to work with other government agencies including the Office of Fair Trading, the Department of Justice and Attorney-General, and the Department of Housing and Public Works to discuss the legislative frameworks around residential tenancies and related issues, including proposed changes to social housing provisions.

Government reviews

The RTA provided input into other government reviews, including a review of the Queensland Civil and Administrative Tribunal (QCAT) and a water policy review conducted by the Department of Energy and Water Supply. The RTA also contributed to the Queensland Government's response to the Coroner's report on the death of an infant in a rental property and will assist with an awareness campaign.

Engaging with the sector

The RTA consults and works collaboratively with stakeholders to keep in touch with emerging policy and sector issues, and leads and supports Queensland's residential tenancy sector.

Our clients include tenants, rooming accommodation and caravan park residents, lessors, property managers, caravan park managers and rooming accommodation providers.

We maintain active relationships with these clients, key stakeholder groups and the Queensland Government through regular consultation and provide legislation and policy advice on tenancy laws and related issues. We also provide a range of services and education to clients and stakeholders.

We also work with a network of key stakeholders including the Queensland Government, which has a regulatory and policy agenda at state and local levels, as well as a number of industry and community organisations representing the interests of client groups.

We lead and coordinate the development and implementation of policies after consulting with the sector and stakeholders.

Liaising with stakeholder groups

The RTA liaises regularly with key stakeholder groups and peak bodies to monitor developments in the sector.

These relationships are strengthened through quarterly Industry Development Forums (IDF) hosted by the RTA (see page 45), individual liaison, reference groups, and targeted consultation to review and monitor the operation of the legislation.

Stakeholder groups include:

- Real Estate Institute of Queensland (REIQ)
- Property Owners' Association of Queensland (POAQ)
- Australian Resident Accommodation Managers' Association (Queensland) (ARAMA)
- Tenants' Union of Queensland (TUQ)
- Caravan Parks Association of Queensland (CPAQ)
- Caravan and Manufactured Home Residents' Association (CAMRA)
- Supported Accommodation Providers' Association (SARA)
- Queensland Shelter (QShelter)

Responding to sector issues

Best practice requires the government and the public sector to be responsive and accountable to clients. The RTA provides a support role to the Minister by providing expert advice on tenancy laws and sector issues. During the 2012–13 financial year the RTA:

- prepared information for 99 replies to Ministerial correspondence
- provided 35 briefing notes and 2 submissions including memorandums of approval and Cabinet submissions about tenancy law and related issues
- responded to 98 Minister's office and miscellaneous requests for other information.

The RTA also coordinated research and briefing papers for the RTA Board and the Minister on key legislative issues that might affect the residential rental sector.

Industry Development Forum

The RTA works with stakeholders to develop and implement legislation, policies, programs and services. This ensures all voices are properly represented when government decisions are made.

The RTA meets with peak bodies and stakeholder groups, and hosts quarterly IDF round-table discussions. These forums allow emerging policy and sector issues to be debated and views clarified.

In 2012–13 four forums were held and discussions included:

- review of the *Residential Tenancies and Rooming Accommodation Act 2008*
- revision of RTA-approved forms
- discontinuation of RTA services through Australia Post offices
- revamp of the suite of RTA publications, including the 17a and 17b information statements
- Queensland Government consultations, including electricity and water supply
- innovation to RTA services, including the interim solutions for bond lodgements and bond refunds, and progress on the development of new business systems.

Collaborating with other government agencies

Many sector issues are complex and multifaceted, requiring a whole-of-government approach that often involves the RTA participating in cross-government working groups.

The RTA has a strong partnership with the Department of Housing and Public Works, meeting regularly about issues and initiatives affecting the residential rental sector such as affordable housing and support programs for the private rental sector as well as discussions about proposed changes to the social housing system.

The RTA continued to liaise regularly with senior representatives from QCAT to improve service delivery between the two agencies.

These forums allow emerging policy and sector issues to be debated and views clarified

Supporting the sector

Monitoring sector data allows the RTA to provide key tenancy information to stakeholder groups and the general public, and to identify emerging trends.

Our website, publications, community support work, and program of outreach events keep people informed about the latest sector news and information.

Monitoring sector trends

The RTA is a key source of residential rental sector information for stakeholder groups and the general public through our analysis of rental bond lodgement data. Quarterly reports detailing median weekly rents, according to location and type of premises, are published on the RTA's website, as well as data on monthly operational activity (see page 14). The median weekly rent data is often cited in media reports on the current state of the Queensland residential rental market.

Client interactions, such as enquiries, types of dispute resolution requests and tribunal orders are used to monitor the Act's operation and inform policy advice. The RTA also analyses operational data and monitors emerging trends to target areas for community education activities.

In 2012–13, the RTA responded to 291 requests for rental market data and other statistical information from various government agencies, stakeholders, the housing industry and the community. This compared with 387 data requests in 2011–12. The requests are often complex and require data not available on our website.

Providing ongoing community education and support

The RTA is committed to providing state-wide tenancy education through a program of events and community support as well as targeted communications.

In 2012–13, the RTA:

- enhanced strategic partnerships with key industry stakeholders (see page 44)
- produced and distributed targeted information resources (see *Engaging with our clients*, page 31)
- provided tenancy education support to community organisations, especially our most disadvantaged clients
- delivered an outreach program of workshops, presentations and information stands at major events (see next page).

The RTA is a key source of residential rental sector information

Outreach program reaches thousands

In 2012–13 the RTA hosted 59 tenancy workshops, industry and peak body presentations, and other information sessions across Queensland. As well as supplying tenancy information to our clients, the presentations provide the RTA with an opportunity to listen to client concerns and issues.

The 2012–13 outreach program included workshops in Hervey Bay, Bundaberg, Toowoomba, Townsville and southern Brisbane. More than 565 property managers and 800 self-managing lessors registered for the free workshops. A pilot tenancy information webinar on property maintenance and repairs attracted more than 400 registrations.

We also hosted promotional information stands at several events including NAIDOC Week's Musgrave Park Family Fun Day, REIQ Property Managers' Annual Conference, Brisbane Welcomes International Students 2013 and World Refugee Day Community Festival. At these events and other presentations, our staff responded to more than 1,950 individual enquiries related to tenancy rights and responsibilities.

The presentations provide the RTA with an opportunity to listen to client concerns and issues

Communicating with the sector online

Open house, the RTA's online publication for property managers and owners, continues to keep people up to date on the latest tenancy news and information. Property managers, real estate agents, lessors, educational institutions, peak bodies and rooming accommodation providers have all registered to receive the publication, which is published every two months.

Subscriptions have continued to increase. In 2012–13 the total number of subscribers grew from 4,627 to 5,603 (at 30 June 2013).

Contributing to sector publications

Throughout 2012–13 the RTA delivered targeted tenancy information through articles provided to a range of sector publications including those published by the REIQ, TUQ, Caravanning Queensland, ARAMA (Qld) and POAQ. RTA articles were also published in the International Student Guide.

Grant funding to the Department of Housing and Public Works

In 2012–13, the RTA provided \$14.0 million in funding to the Department of Housing and Public Works to support affordable and social housing projects.

Creating pathways strategy

The RTA's *Creating pathways* strategy helps everyone find a way to access useful tenancy information in a medium that suits them. Clients may choose our website, videos, presentations, information booklets or the contact centre.

The *Creating pathways* strategy involves:

- building our understanding of the sector, our clients and their needs
- engaging and informing clients through a state-wide, targeted events program
- collaborating with the sector and other partners to engage with, and reach, more people, and
- creating innovative educational resources relevant to our clients' needs.

New projects such as an educational video for newly arrived refugees will build on this strategy over the coming year.

Publications review

In March 2013 the RTA launched its suite of new and updated tenancy information publications, reflecting the changing ways people consume information.

The renamed *Pocket guide for tenants – houses and units* (Form 17a) is a bright, engaging, easy-to-read booklet that informs tenants of basic renting rules. It replaced the *Renting a house or unit in Queensland* publication and is now a handy 12-page pocket guide. The booklet is also available in Arabic, Japanese, Korean, Chinese (Simplified), Chinese (Traditional) and Vietnamese.

Tenants in caravan parks also have a fresh new booklet, *Pocket guide for tenants – caravan parks* (Form 17b), to help guide them through tenancy matters and a new *Easy guide for residents – rooming accommodation* provides a summary of residents' rights and responsibilities.

When questions or problems arise during a tenancy we guide our clients to the RTA website which contains a wealth of information on a wide range of topics. Clients can download three supporting documents – *Moving in*, *During a tenancy* and *Moving out* – from our website.

The *Managing general tenancies in Queensland* booklet has been revised and remains a detailed and useful resource for self-managing lessors. Two new documents, *Managing caravan park tenancies in Queensland* and *Managing rooming accommodation tenancies in Queensland*, were created to inform managers and caretakers of caravan parks and rooming accommodation of their rights and responsibilities.

A new series of postcards helps raise tenancy awareness among different groups within the sector such as international students and lessors.

Tenancy publications – print and online

To help people understand their rights and responsibilities, the RTA provides our clients with tenancy information through a range of print and online publications. Clients can order or download the publications from the RTA website, or phone us on 1300 366 311 to request copies. Many of our publications are also available in languages other than English (see page 33).

Our printed publications:

Legislated publications

- *Pocket guide for tenants – houses and units* (Form 17a)
- *Pocket guide for tenants – caravan parks* (Form 17b)

Educational and promotional publications

- *Managing general tenancies in Queensland*
- *Managing caravan park tenancies in Queensland*
- *Managing rooming accommodation tenancies in Queensland*
- *Easy guide for residents – rooming accommodation*
- tenancy information postcards for lessors, tenants, students and Indigenous clients, and an RTA services postcard

Our website allows people to download free RTA forms and fact sheets as well as the legislated publications (see page 116).

OUR ORGANISATION

Our staff hold the key to our success, and we aim to create a flexible and dynamic workplace. Our organisation is going through a period of renewal and development as we transform the way we do business and continue to ensure we put clients first.

Our objectives

- build the RTA's capability to deliver services now and into the future

Our strategies for achieving our objectives

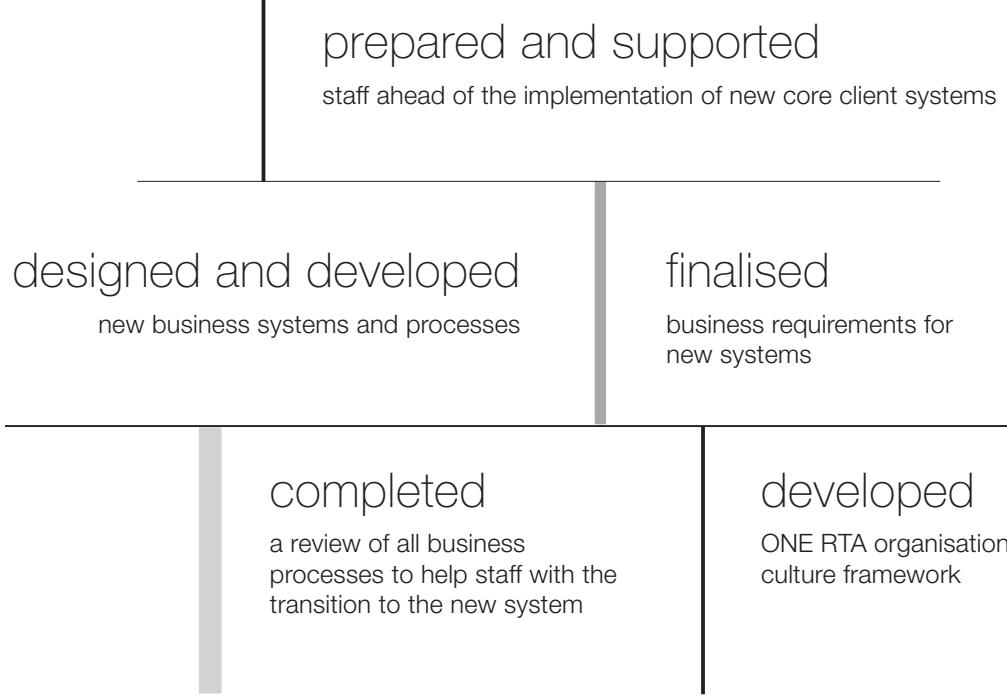
- encourage leadership and support professional development of staff
- review working arrangements to better meet client and organisational needs
- develop and implement improved business processes and supporting systems

Performance indicators

- maintain staff satisfaction levels
- maintain efficiency levels (cost per client activity)

Our organisation

key results 2012–13



Future priorities 2013–14

- **implement** new business systems allowing new ways for clients to do business with us
- **train and transition** staff to new business processes and systems to support excellence in client service
- **support staff** through organisational change
- **deliver** new service delivery channels
- **continue to support** the ONE RTA organisational culture framework

Executive team

Fergus Smith BSc, MA, MBA, GAICD General Manager

Mr Smith is responsible for the leadership, strategic direction and operation of the RTA. Mr Smith joined the RTA in 2002 as Corporate Services and Investigations Manager before being appointed General Manager in 2006. He brings extensive knowledge of the Queensland housing sector to the role with senior management experience in policy, strategic planning, research, performance management, housing systems initiatives and community housing with the former Department of Housing.

Kimberley Wilson Executive Manager, Client Contact Services

Mrs Wilson joined the RTA as Executive Manager of Client Contact Services in 2010. Her division informs clients about their rights and responsibilities under Queensland tenancy laws. Mrs Wilson has over 10 years experience in managing customer service and call centre environments in Australia and the United Kingdom. In 2010 she won an Australia Day Achievement Award for Innovation in Improving Client Service Delivery while working at TAFE Queensland.

Kylie Lewis BBus (Mgt) Executive Manager, Rental Bond Services

Ms Lewis joined the RTA in 1995 as Research Officer (Statistics) and was appointed Executive Manager, Rental Bond Services in May 2009. Her division manages the processing of all bond lodgements and refunds. She brings extensive public service experience to her role, having worked for the Lands Department, the Queensland Government Statistician's Office, the Department of Education and Corrective Services.

Melanie Banner Executive Manager, Dispute Resolution Services

Mrs Banner joined the RTA in 2008 as a team leader and was appointed Executive Manager in August 2011 after acting in the position since November 2010. Mrs Banner's division helps clients make informed decisions when resolving tenancy disputes. She brings 15 years public sector management experience to the RTA, at state and federal government levels.

David Breen BA (Hons), Grad Dip Soc Sci (Housing Mgt and Policy)

Executive Manager, Policy and Education Services

Mr Breen has managed Policy and Education Services since joining the RTA in 1999. His division undertakes research, policy development, communication, community education and investigations to maintain integrity and balance within Queensland's rental sector. He has a strong knowledge of Queensland's housing sector, having worked in program and operational areas of the Department of Housing. Mr Breen also worked in disability services in several states for 17 years.

Tracey Bennett BCom, CPA Executive Manager, Core Client Services Program

Ms Bennett joined the RTA as Manager, Finance in 2010. Her division is responsible for investigating, sourcing and facilitating the implementation of new business capabilities. The program will enable the RTA to deliver rapid, flexible and integrated services to clients. She has extensive senior management experience in government, commercial and the not-for-profit sectors in financial management, corporate services and information technology.

Ray Rapinette BCom, GAICD, MIPA Executive Manager, Corporate Services

Mr Rapinette has managed Corporate Services since joining the RTA in 2007. His division provides internal support through human resources, legal, financial management, information technology, recordkeeping and project assistance. He brings more than 20 years local government and 18 years banking experience to the RTA. He has previously held executive positions in local government in corporate governance, policy and organisational performance, strategic and operational planning, financial management, organisational development, information technology and telecommunications, and risk and facilities management.

Our people

The RTA is proud of the professionalism, dedication and enthusiasm of its staff, who work hard to put clients first.

Workforce profile

Full time equivalent staff (FTE) increased from 170.6 in 2011–12 to 183.4 at the end of 2012–13. The vast majority of this increase in staffing was in the areas of direct client service in response to increase in client demand.

Clients remain our priority with almost three quarters of staff in client service positions. All other staff members are in support and business management roles.

Employees (FTE) by division*

as at 30 June 2013

Office of the General Manager	2.0
Client Contact Services	44.3
Core Client Services Program	7.0
Corporate Services	30.7
Dispute Resolution Services	41.6
Policy and Education Services	21.3
Rental Bond Services	36.5
Total	183.4

*Note: This table does not include contract and temporary agency staff

High staff retention continued in 2012–13 and as at 30 June 2013, 44 employees recorded more than 10 years service at the RTA, representing 23.9% of our workforce. Of these, 28 employees (15.3% of the workforce) completed 15 or more years of service, and 11 employees (5.9% of the workforce) completed 20 or more years of service.

The annual separation rate for 2012–13 was 10.3% of the workforce. This rate includes those staff who resigned to take up roles elsewhere in the public service.

No redundancy payments were made in 2012–13 under Directive No.11/12 Early Retirement, Redundancy and Retrenchment.

Industrial environment

RTA staff are employed under the Residential Tenancies Authority Employees' Award – State 2002, with the RTA a party to the current negotiations over the State Government Departments' Certified Agreement. Management and unions continue to use our internal Consultative Committee (CC) to identify and discuss emerging employment issues.

Workforce management and planning

The Workforce Management Plan 2011–14 outlines the objectives, performance indicators and strategies that support and contribute to the overall implementation of the RTA's 2012–16 Strategic Plan.

The Workforce Management Plan ensures there is an appropriate mix of skills to meet the RTA's current and future needs. The plan also recognises the importance of developing and valuing staff by providing a work environment that encourages job satisfaction and supports wellbeing.

Considerable progress has been made on all strategies including:

- implementation of the Contemporary Leadership Program for the management team and ongoing implementation of the Emerging Leaders Program
- implementation of induction resources: the online *Welcome mat* and the *Life of a tenancy* video
- a comprehensive review of IT procedures to improve business processes
- two internal safety audits completed
- staff contributed significantly to developing and implementing interim online business systems.

Performance management framework

The RTA's Performance Development Scheme (PDS) links staff performance to the strategic plan, annual business plan, and unit operational work plans. Clearly defined duties, responsibilities and performance standards help staff members achieve their performance objectives.

The scheme also helps improve communication between staff and their team leaders, provides staff with regular feedback, and identifies training and development needs.

Where performance is below the standard required, a Performance Improvement Plan can be developed at any stage of the appraisal cycle to help staff meet required performance levels.

The RTA *Shared behaviours document*, shaped through staff feedback and discussions with senior staff, outlines behaviours that support our organisation's culture which have now been embedded in our Performance Development Scheme (PDS) templates.

Leadership development

Following the Emerging Leaders Program which commenced in 2012, the RTA initiated the Contemporary Leadership Program to help experienced managers, supervisors and team leaders by providing professional and current training relevant to an evolving workplace. The program is directed at all RTA senior staff and supervisors and since it started in February 2013, three elements have been completed:

- work health and safety
- managing positive and poor performance
- influencing and motivating team members and emotional intelligence.

The RTA is committed to providing its leaders and managers with current leadership tools and up-to-date skills to meet the challenges of tomorrow.

Focus on Organisational Change Management

We have developed an Organisational Change Management (OCM) strategy to prepare and support staff through this period of change.

The RTA has experienced significant change since the organisation was established 33 years ago, requiring substantial adjustments to our role, products and services.

Initiatives designed to prepare the organisation for the introduction of the new integrated business system continue to be rolled out. An extensive OCM agenda fosters a culture of client-focused service.

2012–13 achievements:

- developed an internal charter to increase staff collaboration and improve client service
- reviewed, updated and implemented the RTA's performance framework to ensure measures are meaningful and continue to reflect quality, quantity and timeliness
- worked with staff to develop and implement the new organisational culture framework, ONE RTA, which included team development activities
- delivered *Shaping our future together* staff workshops, attended by 150 staff, with the aim of improving client service
- reviewed, updated and implemented the RTA's revised Quality Procedural Review Framework
- reviewed and improved processes between business units
- position descriptions and PDS templates have been reviewed and updated to include the client service charter
- professional development program reviewed and included client service training for all new staff

Fostering reward and recognition

The RTA's annual reward and recognition program continues to recognise employees who strive for excellence or who achieve outstanding results.

In 2012–13 the high standard of nominations continued across all three categories: excellence in job performance, above and beyond the call of duty, and project/team work resulting in excellence in client service.

Sixty-two employees were recognised for their contributions either as individuals or team members.

At the annual presentation in December 2012, eight long-serving employees of the RTA were recognised and thanked for their service and commitment to the RTA for their 10, 15 or, in three cases, 20 years of service.

Improving work, family and lifestyle balance

The RTA has maintained its commitment to helping staff balance work, family and lifestyle. This year, 13.9% of our workforce (27 staff) were engaged in part-time work.

Employees may also accumulate time off, work variable hours and take compassionate and bereavement leave, leave without pay, long service leave at half pay, family leave, and 14 weeks paid parental leave.

'Keeping-in-touch' kits containing all-staff emails and other relevant corporate documents are sent to staff on extended leave through illness, secondment or parental leave. The kit keeps staff informed of workplace developments and facilitates their return to work.

The RTA supports the Carers' Charter and staff may apply for part-time work to accommodate caring responsibilities for children, elderly relatives or other family members. Employees can also use their sick leave to care for ill or injured immediate family members who are dependent on their care and support.

Employee Assistance Program

Davidson Trahaire Corpsych continues to deliver the RTA's Employee Assistance Program (EAP). This program provides free, confidential counselling services to staff including online support. Managers are also given strategies which include rehearsing approaches for dealing with difficult situations.

Promoting equity in our workplace

The RTA continues to promote a workplace that is free from discrimination by educating new staff about anti-discrimination law and providing information for all staff on the intranet.

In 2012–13 the Equity Committee developed a new Equal Employment Opportunity (EEO) Management Plan. The Equity Committee raised awareness of EEO matters by promoting activities such as International Day of Families, Mental Health Week, International Women's Day, Harmony Day, White Ribbon Day, Movember, NAIDOC Week and Disability Action Week.

Employees (headcount) by occupation and gender*

as at 30 June 2013

Occupation	Male	Female
Managers and administrators	3	4
Professionals	18	18
Clerical and administrative workers	41	115
Total	62	137

*Note: This table does not include contract and temporary agency staff

Strong safety record maintained

The RTA continued to maintain its high standard of workplace health and safety in 2012–13, with the incident rate remaining low. An average frequency rate of 1.05 occurred for every 10,000 hours worked.

The RTA Health and Safety Committee continues to ensure safety remains a priority with committee meeting minutes available to all staff on the intranet.

A Work Health and Safety Management Plan 2012–16 was endorsed in late 2012. This plan has four key strategic objectives:

- to establish and maintain an effective work health and safety governance framework
- to identify hazards and manage risk to a level as low as reasonably practicable
- to enhance our leadership and staff capability
- to engage and consult with our employees to lead our safety culture.

2012–13 activities that supported these objectives:

- two internal safety audits were conducted on emergency evacuations and equipment, and on chemicals in the workplace
- professional training on Work Health and Safety responsibilities was provided to management
- online manual handling training program was implemented in relevant work areas to raise awareness of safe lifting practices.

New staff also received mandatory Work Health and Safety induction training.

The RTA continues to support staff returning to the workforce after illness or injury by providing a rehabilitation program. Trained RTA rehabilitation officers work closely with returning staff, their team leader or manager, and their medical practitioner.

Maintaining a healthy workplace

The RTA is committed to providing opportunities for staff to maintain or improve their health and wellbeing.

The RTA's Health and Wellbeing program continues to be welcomed with a total of 38 staff (20.4%) participating in annual health assessments in November 2012. As a result of these assessments, activities were arranged to encourage staff to make positive lifestyle changes.

Influenza vaccinations were again offered to all RTA staff before the start of winter, and 85 staff (46%) participated in the program. Other health and wellbeing activities included a resilience workshop (February 2013) attended by 36 staff, skin cancer checks (April 2013) attended by 68 staff, one-on-one general health sessions (May 2013) attended by 36 staff, and a winter healthy eating and cooking demonstration (June 2013) attended by 17 staff.

The RTA is committed to providing opportunities
for staff to maintain or improve their health
and wellbeing

Communicating with our staff

Intranet collaboration and communication project

The intranet design refresh neared completion ahead of its July 2013 release. The revamp will make the intranet a more engaging and interactive communication tool for staff.

An internal campaign, including posters and *Our house* articles, raised staff awareness of the revamped tenancy publications (see page 48).

Regular emails from the General Manager to all staff provide corporate news and other information.

Regular team meetings provide another forum for information sharing across all levels of the organisation.

Style manual

In 2012–13 a web style guide and written style guide were added to the visual identity guide to create a complete RTA *Style manual*. This manual provides information necessary to ensure the integrity of the RTA's brand identity.

Supporting a positive RTA culture

In addition to the health and wellbeing program and individual team activities, a variety of whole-of-RTA initiatives encouraged interaction between divisions.

The ONE RTA slogan competition, held in late 2012, gave staff an opportunity to create a slogan and a video encapsulating what the term 'ONE RTA' meant to them.

The social club manages a number of gatherings including:

- regular after-work gatherings on the RTA balcony
- a Christmas function
- La Triviata, the RTA's trivia night
- Soup Day
- Biggest Morning Tea, which raised \$400 for the Queensland Cancer Council.

RTA activities also supported Brisbane's homeless community. Staff raised more than \$1,800 in 2012–13 for the Ecumenical Coffee Brigade (ECB) and Brisbane Youth Service through the Casual Friday initiative, where staff donated money in exchange for wearing casual clothes. In December 2012 the RTA's season's greetings message was sent by e-flyer. The money saved on print and postage costs (\$500) was donated to the ECB.

Our environment

The RTA is committed to environmentally friendly practices. We continue to support environmental initiatives including recycling, responsible energy use and water conservation.

Building a green organisation

The RTA offices in Turbot Street, Brisbane, are located in a building with a five star Green Star – Office Design v2 rating from the Green Building Council of Australia.

Recycling

Recycling bins are distributed to all work stations and staff kitchens, and cartridges and fluorescent tubing are recycled. In 2012–13 RTA staff recycled about 2.7 tonnes of paper.

Using energy wisely

The RTA's newsletter, *Open house*, and invitations for seminars are sent electronically, and our website encourages clients to download rather than print tenancy information.

The *Pocket guide for tenants – houses and units* (Form 17a), *Pocket guide for tenants – caravan parks* (Form 17b) and *Managing general tenancies in Queensland* publications have been redesigned and downsized, significantly reducing the amount of paper used.

The introduction of online bond lodgement reduces paper waste and a collaboration site on the intranet allows staff to view minutes and agendas online, further discouraging the use of paper.

Faxes to the RTA's main fax number are now received electronically, and our recordkeeping system captures emailed correspondence, further reducing the volume of paper.

All lights in the building are energy efficient and are turned off each night and on weekends through our Building Management System.

Conserving water

The RTA office building has impressive water conservation features:

- a 100,000 litre water tank is used to capture rainwater, with 10,000 litres for irrigation and the remaining 90,000 litres for the flushing of toilets
- condensation from air-conditioning units is fed back into the main water storage tank for re-use
- low-flow, water-efficient devices are installed in all showers, basins, toilets and urinals
- fire sprinkler test water is fed back into the water tank for re-use
- each floor is fitted with sub-metering, ensuring any water leaks are quickly detected and rectified.

Environmental awareness

The RTA encourages staff to travel to work by public transport or bike. The building is close to Brisbane's Central railway station and many bus stops, providing excellent access to public transport.

The RTA has 25 dedicated bike bays in the basement along with locker and shower facilities.

The RTA's Green Awareness Group was established to raise awareness and introduce initiatives to help improve the RTA's waste management and reduce its carbon footprint. The group encourages:

- double-sided printing in black and white where possible
- the use of scrap paper for notes
- staff to think before they print
- the use of recycling bins
- toner and newspaper recycling
- minimal copying and printing in colour.

Our business operations

To achieve our goal of delivering the best possible services to our clients, the RTA is making changes to its business processes.

We are responding to changing client expectations about how they access information and interact with the RTA. We are streamlining our information management processes and developing our business systems to prepare for the future.

Changing now for the future

After extensive consultation with clients, stakeholders and staff, we have determined our blueprint for the future.

- **We will put clients first** by providing a positive seamless experience.
- **We will develop our online capability** by introducing new cost-effective service delivery channels.
- **We will deliver more efficient services** by improving the way we collect, store and use information.
- **We will maintain compliance** by addressing changing legislative requirements and meeting information standards.
- **We will build a positive flexible workforce** by supporting staff to deliver fast, user-friendly and relevant services to clients.

New business system

Microsoft Dynamics has been chosen as the RTA's new integrated business system. A prototyping process was used to confirm it was the most robust, client-centric solution for the RTA's needs.

Business requirements have been approved and new business processes have been created.

The design process is progressing and once completed this will be followed by the appointment of an implementation vendor to configure and go live with the new core system in mid 2014.

The implementation of the new business system will be undertaken in the 2013–14 financial year, delivering significant improvements to the RTA's capacity to deliver services and increase online capability.

We have determined our
blueprint for the future

Significant investment in technology-based projects will ensure the delivery of timely, high quality services

Investing in technology

The RTA is set to replace ageing systems with a significant investment in technology-based projects. This will ensure the delivery of timely, high quality services.

Other activities included:

- developing and implementing an online bond refund facility to replace the Australia Post over-the-counter refund channel
- developing and implementing an online bond lodgement facility using BPAY to allow bond lodgement without cheques or money orders
- developing team capabilities to support the integration of new software.

Portfolio Management Office

The RTA's Portfolio Management Office (PMO) continues to help improve the development and implementation of RTA projects. The PMO:

- reports monthly to the Information Portfolio Management Steering Committee (IPMSC) and the RTA Board on the status of projects
- develops and manages the RTA's Portfolio Management Framework
- provides assurance of project documents to IPMSC through the Portfolio Assurance Forum
- assists and coordinates programs, projects and major activities
- provides support, coaching and mentoring to project managers
- ensures projects are linked to strategic goals
- facilitates the information management of project documentation and tracks milestones
- liaises with senior staff in relation to required resources.

Quality management

The RTA continued to review its processes and procedures throughout 2012–13, as opportunities for improvement continue to be explored. The Quality Review process is a key business driver that underpins our Quality Management System. The review is an ongoing program, with all processes and procedures reviewed on a cyclical basis.

The RTA retained its Quality Assurance Standard ISO 9001:2008, following a quality audit by SGS Australia Limited. The auditor's comments confirmed strong internal review processes that reinforce the RTA as a quality organisation.

OUR FINANCES

To continue delivering high quality services to a growing client base and to remain self-funded in a challenging investment market, smart investment strategies and prudent management are needed to ensure financial sustainability.

Our focus on business improvements continues through our review of financial systems and processes.

Our objectives

- maintain accountability and financial sustainability

Our strategies for achieving our objectives

- continually improve corporate support processes that balance governance requirements with business needs
- monitor and enhance financial strategies to maintain financial sustainability

Performance indicators

- achieve sound audit results
- remain self-funding

Our finances

key results 2012–13

achieved 6.3% return on investment	\$697.114m in bonds held	\$4.657m operating result
---------------------------------------	-----------------------------	------------------------------

Future priorities 2013–14

- **ensure continuing financial stability** based on prudent investment management
- **maintain commitment** to high standard of financial governance
- **build on** financial planning and reporting framework to further enhance monitoring and accountability
- **develop capacity** through implementation of business process and supporting system enhancements

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This financial report is a general purpose financial report of the Residential Tenancies Authority and its controlled entity and is presented in Australian currency. The Residential Tenancies Authority and its controlled entity are Queensland Government statutory bodies constituted under the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld). The RTA and its controlled entity are controlled by the State of Queensland which is the ultimate parent. The head office and principal place of business of the RTA is: Level 23, 179 Turbot Street, Brisbane Qld 4000.

Financial overview

The RTA is a self-funded statutory authority primarily funded from the investment of rental bonds.

Sound investment returns

The 2012–13 financial year provided steady growth in investments driven by an overall increase in bond lodgements of \$45.520m to \$697.114m, compared to \$651.594m in 2011–12.

The RTA's financial performance and position depend on achieving adequate investment returns. The average rate of return on investments of rental bonds was 6.3% against a budgeted return of 5.0%.

Investment returns were \$45.627m in 2012–13, reflecting the improvement in the global financial markets. The result has been an operating income of \$45.721m, up \$6.081m on the result achieved in 2011–12. Combined with responsible expenditure management, this resulted in a surplus from continuing operations of \$4.657m.

Net financial instruments held at the RTA as at 30 June 2013 were \$57.360m compared to \$52.940m the previous year. This includes financial assets of \$764.494m (cash and investments) less \$707.134m in financial liabilities (rental bonds and unclaimed monies held on behalf of clients).

Sound financial position

The RTA has a healthy balance sheet, with no debt and a high level of liquid assets. Total equity increased by 7.8% from 2011–12 and the sound performance in the past year has provided a solid financial position with total net assets of \$64.570m.

To address the issue of market volatility, three basic principles are used to manage investments:

- set a realistic annual target return based on conservative estimates of market returns and rental bond growth
- ensure the investment strategy is actively managed, monitored and applied proactively to address fluctuations in investment revenue
- maintain separate operational funds to ensure business sustainability during difficult economic times.

Positive financial outlook

The RTA is committed to ensuring prudent management of investments through agreed strategies and processes in line with the provisions of the *Statutory Bodies Financial Arrangements Act 1982*. Given continued market uncertainty, the RTA is working closely with fund manager Queensland Investment Corporation (QIC) to ensure investment risks are carefully managed.

Despite falling market yields and the need to meet increased service demands, the RTA anticipates an operating surplus of \$1.278m for the 2013–14 financial year, reflecting a forecast return on investment of 4.5%.

The RTA continues to monitor Queensland Audit Office reports and implements the general recommendations where appropriate. The RTA received an unqualified audit report for its financial statements for the 2012–13 financial year.

Financial performance

2008–09 to 2012–13

Financial year	Investment revenue	Expenditure	Surplus/deficit
	('\$m)	('\$m)	('\$m)
2008–09	7.169	23.816	-16.647
2009–10	40.305	27.083	13.222
2010–11	45.971	35.086	10.885
2011–12	39.640	33.799	5.841
2012–13	45.721	41.064	4.657

The financial performance of the RTA is shown above. The table highlights the relationship between the level of investment revenue, expenditure and the surplus or deficit achieved for the last five years.

The RTA had an operating surplus from continuing operations for 2012–13 of \$4.657m, due to sound investment returns coupled with prudent management of operating expenditure.

The RTA's accumulated surplus, which is used to fund all RTA business operating expenses and grants, grew to \$64.570m in 2012–13.

This reserve ensures that service delivery will continue at current or increased levels into the future without disruption.

The RTA is planning to sell its investment property at 33 Herschel Street, which it occupied until 2009.

Strategic investment management

The RTA manages its investments in accordance with Part 3, Division 5 of the *Residential Tenancies and Rooming Accommodation Act 2008* and invests in accordance with the *Statutory Bodies Financial Arrangements Act 1982*.

The RTA aims for best practice investment management by establishing clear investment goals, an overall investment strategy and investment risk tolerances. Reporting and monitoring arrangements are in place to ensure effective corporate governance. Earnings from the investment of rental bonds are divided into the Rental Bond Portfolio and the Business Operations Portfolio.

The Rental Bond Portfolio represents the investment of all rental bonds held. It is actively managed by fund manager QIC and funds are allocated across a range of asset classes according to the investment strategy adopted by the RTA Board.

The Business Operations Portfolio represents the earnings from investments and is used to fund all RTA business operating expenses and grants.

The Business Operations Portfolio is managed by the RTA with funds invested in Treasury-approved, short-term, liquid cash investments with financial institutions that meet the criteria of the investment strategy.

These funds are held in at-call accounts and short-term fixed deposits and managed in accordance with the *Statutory Bodies Financial Arrangements Act 1982*.

Allocation of investment funds managed through QIC

as at 30 June 2013

Fund type	Investment range	Amount invested	Proportional allocation
	('\$m)	('\$m)	('\$m)
Cash Enhanced Fund	0–100%	\$213.822	30.4%
QIC Bond Plus Fund	0–45%	\$81.387	11.6%
RTA Credit Fund	0–45%	\$280.826	40.0%
Global Credit Opportunities Fund	0–20%	\$30.060	4.2%
Property Fund	0–20%	\$88.520	12.6%
Overlay		\$8.168	1.2%
Total		\$702.783	

Selected financial and operating data

The RTA has compiled the financial information for the year ending 30 June 2013 from audited financial statements and related notes prepared in accordance with Australian Equivalents to International Financial Reporting Standards (where appropriate), the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards (including the Australian Accounting Interpretations).

These consolidated financial statements have been audited by an independent auditor, Mr Raj Prabhu, of MSI Taylor, appointed by the Queensland Audit Office.

Operating expenditure

This year, expenditure increased by \$7.265m (21.5%) to \$41.064m due to the payment of additional grant funding to the Department of Housing and Public Works.

Employee expenses

Staff levels have increased to improve service delivery and meet the demands of a growing residential rental market. However, employee expenses decreased by \$0.489m (3.3%) from \$14.959m in 2011–12 to \$14.470m in 2012–13 due to the capitalisation of a portion of employee expenses associated with the development of new systems.

Total expenditure by type

Expenditure	2011–12	2012–13
Salaries and related expenses	47.3%	35.9%
Investment fees	5.8%	4.1%
Grants and subsidies	18.8%	34.2%
Agency fees	4.6%	1.7%
Other expenses	23.5%	24.1%

Grants and subsidies

Grants increased by 221% from \$6.351m in 2011–12 to \$14.035m in 2012–13 (see below).

RTA grants

Grant	2011–12	2012–13
	('\$m)	('\$m)
Dept of Housing and Public Works	5.255	14.035
Lady Bowen Trust Grant	1.000	0
RTA Community Education Public Grants Scheme	0.035	0
QCAT	0.061	0
Total	6.351	14.035

Supplies and services

Supplies and services decreased by \$1.156m (10.2%) from \$11.337m in 2011–12 to \$10.181m in 2012–13 due to service delivery changes and the capitalisation of expenses associated with the development of new systems.

Improved efficiency reduces costs

The RTA continues to reduce transaction costs through the increasing use of electronic transactions such as direct deposit of bond refunds into clients' bank accounts.

The website remains a core strategy to reduce costs and improve efficiency, with clients using it to download forms and tenancy information. This reduces production, warehousing and distribution costs to the RTA.

The RTA also continues to focus on business improvements and on enhancing its internal and external processes through the continued review of these systems and processes. An example of this continued improvement is the introduction in March 2013 of a BPAY facility which allows lessors to lodge bonds electronically.

Cost per client activity

The RTA calculates the average cost to service a client to help analyse the financial effectiveness of service delivery. This analysis assists managers to maximise value and improve performance.

The table below outlines the average cost per client activity for four key services in 2011–12 and 2012–13:

- client enquiries to the Client Contact Centre
- bond forms processed (including lodgements, refunds and change of details)
- dispute resolution requests received
- investigations commenced

Activity	2011–12	2012–13
Client Contact Centre	\$14.39	\$12.34
Bond administration	\$11.25	\$9.21
Dispute resolution	\$266	\$204
Investigations	\$1,994	\$1,673

All overhead costs, including corporate support, governance and administration, are included in the activity costs and have been allocated using appropriate cost drivers.

For 2012–13, the cost to respond to a client enquiry was \$12.34, reduced from \$14.39 the previous financial year. The average cost to process a bond form decreased \$2.04 to \$9.21, down from \$11.25 in 2011–12. To lodge a dispute and manage the resolution process, the cost decreased to \$204 in 2012–13.

Although down from \$1,994 last year, investigations have the highest activity cost of all RTA services at \$1,673, as criminal law prosecutions may be involved and standards relating to the collection of evidence must be followed.

The complete 2012–13 RTA Financial report is available at rta.qld.gov.au/annualreport.

Financial statements

Statement of Comprehensive Income

for the year ended 30 June 2013

Notes	Group		Parent		
	2013	2012	2013	2012	
	\$'000	\$'000	\$'000	\$'000	
Income					
Investment Revenue	3	45,627	36,211	45,627	36,211
Other Revenue	3	94	28	94	28
Other Income:					
Gains	4	-	3,401	-	3,401
Total Income		45,721	39,640	45,721	39,640
Expenses					
Employee Expenses	5	14,470	14,959	236	308
Supplies and Services	6	10,181	11,337	24,418	25,989
Grants and Subsidies	7	14,035	6,351	14,035	6,351
Depreciation and Amortisation	8	801	881	801	881
Revaluation Decrement	9	1,347	-	1,347	-
Other Expenses	10	230	271	227	270
Total Expenses		41,064	33,799	41,064	33,799
Operating Result		4,657	5,841	4,657	5,841

The accompanying notes form part of these statements.

Statement of Financial Position

as at 30 June 2013

Notes	Group		Parent		
	2013	2012	2013	2012	
	\$'000	\$'000	\$'000	\$'000	
Current Assets					
Cash and Cash Equivalents	11	61,711	50,055	61,656	50,024
Other Financial Assets	12	702,783	663,526	702,783	663,526
Receivables	13	1,034	1,114	1,030	1,111
Assets Classified as Held for Sale	15	6,553	-	6,553	-
Other Assets	14	485	404	481	404
Total Current Assets		772,566	715,099	772,503	715,065
Non Current Assets					
Intangible Assets	16	1,865	707	1,865	707
Property, Plant and Equipment	17	2,338	2,619	2,338	2,619
Investment Property	15	-	7,900		7,900
Other Assets	14	1,281	1,466	1,281	1,466
Total Non Current Assets		5,484	12,692	5,484	12,692
Total Assets		778,050	727,791	777,987	727,757
Current Liabilities					
Payables	18a	1,742	1,452	4,593	4,305
Rental Bonds and Unclaimed Monies	18b	705,392	659,605	705,392	659,605
Accrued Employee Benefits	19	1,186	1,165	23	26
Other Liabilities	20	494	494	494	494
Total Current Liabilities		708,814	662,716	710,502	664,430
Non Current Liabilities					
Accrued Employee Benefits	19	1,787	1,790	36	42
Other Liabilities	20	2,879	3,372	2,879	3,372
Total Non Current Liabilities		4,666	5,162	2,915	3,414
Total Liabilities		713,480	667,878	713,417	667,844
Net Assets		64,570	59,913	64,570	59,913
Equity					
Accumulated Surplus	21	64,570	59,913	64,570	59,913
Total Equity		64,570	59,913	64,570	59,913

The accompanying notes form part of these statements.

Statement of Changes in Equity

for the year ended 30 June 2013

	Accumulated Surplus \$'000	Total Equity \$'000
	Group	
2013		
Balance at beginning of reporting period	59,913	59,913
<i>Other Comprehensive Income:</i>		
Operating Result	4,657	4,657
Balance at the end of the reporting period	64,570	64,570
2012		
Balance at beginning of reporting period	54,072	54,072
<i>Other Comprehensive Income:</i>		
Operating Result	5,841	5,841
Balance at the end of the reporting period	59,913	59,913
2013		
Balance at beginning of the reporting period	59,913	59,913
<i>Other Comprehensive Income:</i>		
Operating Result	4,657	4,657
Balance at the end of the reporting period	64,570	64,570
2012		
Balance at beginning of the reporting period	54,072	54,072
<i>Other Comprehensive Income:</i>		
Operating Result	5,841	5,841
Balance at the end of the reporting period	59,913	59,913

The accompanying notes form part of these statements.

Statement of Cash Flows

for the 12 months ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
<i>Inflows</i>				
Interest Income	3,059	2,694	3,059	2,694
Bond Lodgements	374,580	369,440	374,580	369,440
Investment Income	42,037	32,933	42,037	32,933
Other Operating Receipts	653	401	653	401
GST Collected on Sales	68	43	68	43
GST Refunds Received	2,533	1,741	2,533	1,741
<i>Outflows</i>				
Bond Claims	(328,794)	(298,047)	(328,794)	(298,047)
Employee Benefits and On-costs	(14,452)	(14,514)	(245)	(290)
Supplies and Services	(10,353)	(12,522)	(24,589)	(26,739)
Grants and Subsidies	(14,035)	(6,354)	(14,035)	(6,354)
Other Expenses	(256)	(351)	(251)	(348)
GST Paid on Purchases	(2,447)	(1,827)	(2,447)	(1,827)
Net cash provided by operating activities	52,593	73,637	52,569	73,647
Cash flows from investing activities				
<i>Inflows</i>				
Proceeds from sale of Property, Plant & Equipment	11	-	11	-
Proceeds from Sale of Investment Securities	55,000	28,100	55,000	28,100
<i>Outflows</i>				
Purchase of Property, Plant and Equipment	(164)	(120)	(164)	(120)
Purchase of Intangible Assets	(1,528)	(416)	(1,528)	(416)
Purchase of Investment Securities	(94,257)	(102,358)	(94,257)	(102,358)
Net cash used in investing activities	(40,938)	(74,794)	(40,938)	(74,794)
Net increase in cash and cash equivalents	11,656	(1,157)	11,632	(1,147)
Cash and cash equivalents as at beginning of financial year	50,055	51,212	50,024	51,171
Cash and cash equivalents at end of financial year	61,711	50,055	61,656	50,024

The accompanying notes form part of these statements.

Notes to and forming part of the financial statements

for the year ended 30 June 2013

Objectives and principal activities of the RTA

The Residential Tenancies Authority (the RTA) is a self funded regulatory authority committed to providing targeted services to meet the diverse needs of Queensland's residential rental sector. The RTA's core responsibility and principal activity is to administer the *Residential Tenancies and Rooming Accommodation Act 2008* (QLD) (the Act) and to provide services in accordance with the Act.

In terms of Section 468 of the Act, the RTA's functions are:

- (a) to ensure the proper administration and enforcement of this Act;
- (b) to receive, hold and pay rental bonds under this Act;
- (c) to give advice to the Minister about –
 - i. residential tenancy issues and rooming accommodation issues generally; and
 - ii. the operation of this Act in particular;
- (d) without limiting paragraph (c), to give advice to the Minister about –
 - i. the application of this Act to residential tenancy agreements, premises or entities; and
 - ii. the application of this Act to rooming accommodation agreements, rental premises or entities;
- (e) to provide information, educational and advisory services about the operation of this Act;
- (f) to collect and analyse information about residential tenancy issues and rooming accommodation agreements;
- (g) to provide a conciliation service to parties to disputes about residential tenancy agreements and rooming accommodation agreements;
- (h) to intervene in, or support, proceedings about the application of this Act to residential tenancy agreements and rooming accommodation agreements;
- (i) to perform other functions given to the authority under this Act or another Act; and
- (j) to perform functions incidental to its other functions.

The RTA is a statutory body under Section 9 of the *Financial Accountability Act 2009* (Qld). The RTA falls within the portfolio of the Minister for Housing and Public Works.

Section 491 of the Act establishes the Residential Tenancies Employing Office (RTEO) as a statutory body for the purposes of the *Financial Accountability Act 2009* (Qld).

The trading of the Residential Tenancies Employing Office (RTEO) commenced on 1 July 2008. In accordance with AASB 127 *Consolidated and Separate Financial Statements, Interpretation 112 Consolidation – Special Purpose Entities* and Part 1 of Queensland Treasury's *Guidance Paper: Financial Reporting Requirements for Queensland Government Agencies*, the RTEO is controlled by the RTA and the RTA is required to prepare consolidated General Purpose Financial Report for the 2012–13 financial year. Thus, this financial report covers the Residential Tenancies Authority (RTA) and its controlled entity.

To ensure full transparency of the services and functionality that the RTEO provides the RTA, a Work Performance Arrangement was developed in accordance with Section 493 of the Act. This document provides the authority under which employees of the RTEO perform work for the RTA and stipulates operational activities of the RTEO effective from 1 July 2008.

Information in relation to the RTA's principal activities and other information including financial statements are available on our website: www.rta.qld.gov.au

1. Summary of significant accounting policies

(a) Statement of Compliance

The Residential Tenancies Authority has prepared these statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with the Treasury's Minimum Reporting Requirement for the year ended 30 June 2013, other authoritative pronouncements and the requirements prescribed by:

- *Residential Tenancies and Rooming Accommodation Act 2008* (Qld); and
- *Statutory Bodies Financial Arrangements Act 1982* (Qld).

With respect to compliance with Australian Accounting Standards and Interpretations, the RTA has applied those requirements applicable to not-for-profit entities, as the RTA is a not-for-profit authority. Except where stated, the historical cost convention is used.

(b) Principles of Consolidation

A controlled entity is any entity over which the RTA has the power to govern the financial and operating policies so as to obtain benefits from its activities. The RTA controls only the RTEO and does not control any other entity.

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the RTA and the entity it controls.

All inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of the RTEO reflect those adopted by the RTA (parent entity).

(c) The Reporting Entity

This financial report includes the consolidated financial statements and notes of the RTA and its controlled entity ('Group'), and the separate financial statements and notes of the RTA as an individual parent entity ('Parent').

(d) Revenue Recognition

The RTA invests cash in accordance with Part 3 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld), the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and Regulations thereto. A majority of the cash is placed into investments that are managed by fund manager Queensland Investment Corporation Limited (QIC) and allocated across a range of investment funds in a unique portfolio as required by the Investment Strategy adopted by the RTA Board. Investments are measured at their net market value at each balance date. Changes in the net market value of investments in this portfolio, positive or negative, are recognised as income in the Statement of Comprehensive Income. Any interest derived on funds invested with other financial institutions is brought to account when earned.

(e) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions. It also includes investments with short periods to maturity that are readily convertible to cash at the RTA's option and subject to a low risk of changes in value.

(f) Other Financial Assets

Managed Funds, managed by fund manager QIC, are generally available at call. These investments are held at market value in a portfolio of five products covering various levels of investment risk and investment return (see note 13).

The RTA manages its exposure to interest rate risk on investments through compliance with the SBFA Act, Queensland Treasury Guidelines and a formal investment strategy approved by the RTA Board. The Treasurer must approve through Section 61A of the SBFA Act the strategic asset allocation parameters. The Treasurer approved the RTA to appoint QIC as its fund manager under section 59 of the SBFA Act on 23 November 2004.

The RTA does not engage in any transactions for speculative purposes.

(g) Receivables

The collectability of receivables is assessed periodically with full determination of the relevance for an allowance for impairment. All known impaired debts have been written off during the year.

All receivables are non-interest bearing and no security has been obtained.

(h) Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

(i) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings	\$10,000
Plant and Equipment	\$5,000
Land	\$1

Items with a lesser value are expensed in the year of acquisition.

Land improvements undertaken by the RTA are included with buildings.

(j) Revaluations of Non-Current Physical and Intangible Assets

Land, buildings, infrastructure and major plant and equipment are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's *Non-Current Asset Accounting Policies for the Queensland Public Sector*.

Where intangible assets have an active market, they are measured at fair value; otherwise they are measured at cost.

Plant and equipment, other than major plant and equipment, is measured at cost. The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Non-current physical assets measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that class. On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of the remaining useful life.

Only those assets, the total values of which are material compared to the value of the class of assets to which they belong, are comprehensively revalued. Separately identified components of assets are measured on the same basis as the assets to which they relate.

(k) Intangibles

Intangible assets with a cost or other value greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Each intangible asset, less any anticipated residual value, is amortised over its estimated useful life to the RTA. The residual value is zero for all the RTA's intangible assets.

It has been determined that there is not an active market for any of the RTA's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses (where applicable).

Purchased Software

The purchase cost of software has been capitalised and is amortised on a straight-line basis over the period of the expected benefit to the RTA, generally 3 years.

Internally Generated Software

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the RTA, generally 3 to 5 years.

The RTA is currently engaged in a major undertaking to develop in-house an improved and integrated Customer Records Management (CRM) system. Currently at the mid-point of the system-design phase, the RTA expects to implement a new CRM system within the next 2 years.

These development costs are currently accumulating as Work in Progress Capital until the work is complete, at which time the asset will be formally recognised as an intangible asset and will begin to be amortised over the asset's estimated useful life to the RTA.

The existing Bond Management System will be written down sooner than the general timeframe of 3 to 5 years if the new CRM System is implemented in the next 1 to 2 years.

(l) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment

Land is not depreciated as it has an unlimited useful life.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the RTA.

Any assets under construction (work-in-progress) are not depreciated until they reach service delivery. Where assets have separate identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the RTA.

Major additions purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold property is allocated progressively over the estimated useful life of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of the lease includes any option period where exercise of the option is probable.

For each class of depreciable asset, the depreciation and amortisation is determined on the straight line method based on the estimated useful life of the asset:

Class	Useful Life (years)
Plant and Equipment	3 to 20
Computer Hardware	3
Leasehold Improvements	10
Intangible Assets:	
Software Purchased	3
Software Internally Generated	3 to 5

(m) Impairment of Non-Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the RTA determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value, less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a valuation increase. Refer also note 1(j).

(n) Non-Current Assets Classified as Held for Sale

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next twelve months. This type of asset is shown as a separate item on its own in the 'Current Assets' section of the Statement of Financial Position.

Such assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are no longer amortised or depreciated upon being classified as held for sale (AASB 5 para 1).

In classifying its property as 'Held for Sale', the RTA has met the requirements of AASB 5 para 8, as follows:

- Management is committed to an asset disposal plan and has initiated an active program to locate a buyer and complete the disposal as per its plan.
- The asset is to be actively marketed for sale at a price that is reasonable in relation to its current fair value.
- The sale is expected to be completed within one year from the date of such classification, without the need for significant changes to its approved disposal plan.

For reporting purposes under the above standard, the RTA has adopted an independent commercial valuation by a certified professional valuer in order to determine the 'fair value' of its property at the time the asset was reclassified from an 'Investment Property' to a 'Non-current Asset Held for Sale'. The valuation adopted was considered the most appropriate of the six independent valuations the RTA received. In accordance with the standard, an initial impairment loss was recognised at the time of the asset's reclassification and is separately identified in the Notes to the Financial Statements. This loss on revaluation has been included in the total amount of a 'Revaluation Decrement' expense shown separately as a single item in the Statement of Comprehensive Income.

The Revaluation Decrement expense also includes an estimate of the 'costs to sell' the property. 'Costs to sell' have been estimated from information sourced from the appointed selling agent in respect of their marketing costs and agents' fees.

The two amounts above are combined to show a total Revaluation Decrement expense in the Statement of Comprehensive Income which corresponds to the total change in value of the asset from the previous year's closing carrying amount to the value reported as at 30 June 2013.

The result is a current asset reported in the Financial Statements at 'fair value less costs to sell', which is in line with the requirements of accounting standards when an asset is reclassified from 'Investment Property' to 'Non-current Asset Held for Sale'.

(o) Operating Leases

An operating lease is where the lessor retains substantially all risks and benefits associated with the ownership of the asset. Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed on a straight line basis over the term of the lease.

The RTA has no finance leases.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

(p) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

(q) Rental Bonds and Unclaimed Monies

In accordance with Section 116 of the *Residential Tenancies and Rooming Accommodation Act 2008 (Qld)* and regulations thereto, a person receiving a rental bond must, within 10 days of receiving it, pay it to the RTA. These bonds are withdrawn when the tenancies are terminated, which can be at any time following bond lodgement. In accordance with AASB 139 *Financial Instruments: Recognition and Measurement*, bonds are a financial liability and are regarded as being payable on demand. The fair value of a financial liability with a demand feature is not less than its carrying value. Bond lodgements are recognised as current liabilities.

Unclaimed monies represent cheques issued and returned or still un-presented. Such refunds of bonds are regarded as unclaimed 15 months following issue. These are disclosed as current liabilities and are recognised at the face value of the bond. Unclaimed monies do not lose the demand feature associated with the bond and are therefore recognised at face value and are not discounted.

(r) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the RTA becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Other financial assets – held at fair value through profit and loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The RTA does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents and managed funds, the RTA holds no other financial assets classified at fair value through profit and loss.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the RTA are included in Note 26.

(s) Employee Benefits

Wages, Salaries, Annual Leave, Long Service Leave, Time-off-in-lieu (TOIL) and Sick Leave

All employees of the RTEO and of the RTA are employed under the Act. No employees are employed under the *Public Service Act 2008 (Qld)* (Section 311C).

TOIL, long service leave and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement including on-costs in accordance with AASB 119 *Employee Benefits*.

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. For those entitlements not expected to be paid within 12 months, the liabilities are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Within the Statement of Comprehensive Income, on-costs such as payroll tax and workers' compensation insurance are a consequence of employing employees and are not included in an employee's total remuneration package. Hence they are recognised separately as employee related expenses rather than employee benefits. Employer superannuation contributions are regarded as employee benefits (refer Note 5).

Superannuation

All employer superannuation contributions are paid to QSuper at rates determined by the Treasurer on the advice of the State Actuary. The QSuper superannuation scheme is for Queensland Government employees. All superannuation contributions are expensed in the period in which they are paid or payable. The RTA and its controlled entity's obligations are limited to their contribution to QSuper and there is no responsibility by the RTA or its controlled entity to cover any shortfall in the funds' obligation to provide benefits to employees on retirement.

Therefore, no liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Key Executive Management Personnel and Remuneration

Key executive management personnel and remuneration disclosures are made in accordance with the section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to note 29 for the disclosures on key executive management personnel and remuneration.

(t) Financing/Borrowing Costs

Finance costs are recognised as an expense in the period in which they are incurred.

Finance costs include:

- Interest on bank overdrafts and short-term and long-term borrowings;
- Finance lease charges;
- Amortisation of discounts or premiums relating to borrowings; and
- Ancillary administration charges.

No borrowing costs are capitalised into qualifying assets.

(u) Insurance

The RTA's non-current physical assets and other risks are insured through various insurance companies managed by broker 'Willis Australia Pty Ltd'; all premiums being on a risk assessment basis.

The RTA and its controlled entity pay premiums to WorkCover Queensland in respect of their obligations for employee compensation.

(v) Taxation

The RTA and its controlled entity are State bodies as defined under the *Income Tax Assessment Act 1936* and are exempt from Commonwealth (Cth) taxation. They are also exempt from the State imposed Land Tax [(section 13(1) (a) *Land Tax Act 1915* (Qld)].

However, they are not exempt from other taxes such as Fringe Benefits Tax (Cth), Goods and Services Tax (GST) (Cth) or Payroll Tax (Qld). In addition, they must comply with Pay-As-You-Go (PAYG) withholding requirements (Cth).

GST

Both the RTEO and the RTA satisfy section 149–25(e) of the *A New Tax System (Goods and Services) Act 1999* (Cth) (the GST Act) and were able to form a "group" for GST purposes under Division 149 of the GST Act. This means that any transactions between the RTA and the RTEO do not attract GST. However, both entities are responsible for the payment or receipt of any GST for their own transactions. As such, GST credits receivable from/payable to the Australian Taxation Office (ATO) are recognised and accrued.

Investment activity of the RTA is part of the RTA's overall enterprise. Accordingly, the RTA is subject to Division 70 of the GST Act which reduces the entitlement for GST refundable for acquisitions for the purposes of investment portfolio management. Effectively, any GST paid on such expenditure is reduced by 25% (e.g. management fees). Additionally, a small percentage of GST paid on overall RTA operational costs is also disallowed.

Fringe Benefits Tax (FBT)

FBT is accounted for by both entities for any benefits provided to employees.

Payroll Tax

Both entities are liable for payroll tax pursuant to *Payroll Tax Act 1971* (Qld). In addition, the legislation provides for the compulsory "grouping" of related or associated businesses so that when their wages are aggregated they are not below the exemption threshold. The RTA would have fallen below the threshold. Both entities are responsible for the payment of payroll-tax on their own wages.

PAYG Withholding

PAYG withholding applies to both entities even if they are members of a consolidated group. Generally, each entity is obliged to withhold an amount from such payments at rates specified by the schedules issued under the *Taxation Administration Act 1953* (Cth) and then pay that amount to the Commissioner for Taxation within the timeframe imposed by that Act.

(w) Issuance of Financial Statements

The financial statements are authorised for issue by the RTA General Manager and Board Chairperson at the date of signing the Management Certificate.

(x) Judgments and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Intangible Asset – note 15

The Australian Government passed its Clean Energy Act in November 2011 with a start date of 1 July 2012. The legislation will result in the introduction of a price on carbon emissions made by Australian businesses from 1 July 2012.

The flexible market-based price phase of the carbon pricing mechanism will commence on 1 July 2015. It will be preceded by a three-year period during which the price of permits will be fixed at \$23 per tonne or carbon dioxide equivalent in year one, \$24.15 in year two and \$25.40 in year three.

Section 4.3.4 of Queensland Treasury's report on 'Carbon Price Impacts for Queensland' dated August 2011 indicates that, for non-residential construction activities, costs may increase by between 0.7 per cent and 0.8 per cent over the period 2012–13 to 2015–16.

On this basis and other information available, the introduction of the carbon pricing mechanism is not expected to have a significant impact on the RTA or its controlled entity's critical accounting estimates, assumption and management judgements.

(y) Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

(z) New and Revised Accounting Standards

The RTA and its controlled entity did not voluntarily change any of their accounting policies during 2012–13. Australian accounting standard changes applicable for the first time for 2012–13 have had minimal effect on the RTA and its controlled entity's financial statements, as explained below.

AASB 2010–4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB1, AASB7, AASB 101 & AASB 134 and Interpretation 13] became effective from reporting periods beginning on or after 1 January 2011. Given the RTA and its controlled entity's existing financial instruments, there was only a minor impact on the RTA and its controlled entity's financial instruments note (note 26), in relation to

disclosures about credit risk. The note no longer needs to disclose amounts that best represent the maximum exposure to credit risk where the carrying amount of the instruments already reflect this. As this was the case with all the RTA and its controlled entity's receivables as at 30 June 2012 (and as at 30 June 2011), receivables are not included in the credit risk disclosure in this year's financial statements.

As the RTA and its controlled entity hold no collateral or other credit enhancements in respect of its financial instruments, and did not renegotiate the terms of any financial assets, during the reporting periods presented in these financial statements, there were no other changes required to the RTA and its controlled entity's financial instruments note arising from the amendments to *AASB 7 Financial Instruments: Disclosures*.

AASB 1054 Australian Additional Disclosures became effective from reporting periods beginning on or after 1 July 2011. Given the RTA and its controlled entity's previous disclosure practices, *AASB 1054* had minimal impact on the RTA and its controlled entity. One of the footnotes to note 11 Other Expenses, regarding audit fees, has been slightly amended to identify the RTA and its controlled entity's auditor and clarify the nature of the work performed by the auditor.

AASB 2011–1 Amendments to Australian Accounting Standards arising from Trans-Tasman Convergence Project [AASB1, AASB5, AASB101, AASB107, AASB 108, AASB121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113] also became effective from reporting periods beginning on or after 1 July 2011. The only potential implication for the RTA and its controlled entity from the amending standard was the deletion from *AASB 101 Presentation of Financial Statements* of the requirement for disclosure of commitments. However, Treasury Department's Financial Reporting Requirements require continuation of commitments disclosures, so this deletion from *AASB 101* has no impact on the RTA and its controlled entity's commitments note (note 25).

The RTA and its controlled entity are not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the RTA and its controlled entity have not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The RTA and its controlled entity applies standards and interpretations in accordance with their respective dates.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian accounting standard with future commencement dates are as set out below.

AASB 2011–9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] applies as from reporting periods beginning on or after 1 July 2012. The only impact for the RTA and its controlled entity will be that, in the Statement of Comprehensive Income, items with the ‘Other Comprehensive income’ section will need to be presented in different subsections, according to whether or not they are subsequently re-classifiable to the operating result. Whether subsequent re-classification is possible depends on the requirements or criteria in the accounting standard/interpretation that relates to the item concerned.

AASB 13 *Fair Value Measurement* applies from reporting periods beginning on or after 1 January 2013. AASB 13 sets out a new definition of “fair value”, as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of the RTA and its controlled entity’s assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The potential impacts of AASB 13 relate to the fair value measurement methodologies used, and financial statement disclosures made in respect of, such assets and liabilities.

The RTA and its controlled entity has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don’t comply, changes will be necessary. While the RTA and its controlled entity is yet to complete this review, no significant changes are anticipated, based on the fair value methodologies presently used. Therefore, at this stage, no consequential material impacts are expected for the RTA and its controlled entity’s property, plant and equipment as from 2013–14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. To the extent that any fair value measurement for an asset or liability uses data that is not “observable” outside the department, the amount of information to be disclosed will be relatively greater.

AASB 9 *Financial Instruments* (December 2010) and AASB 2010–7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010) [AASB 1, 3, 4, 5, 7, 101, 108,

112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19, & 127] become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards on the RTA and its controlled entity are that they will change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The RTA and its controlled entity has commenced reviewing the measurement of its financial assets against the new AASB 9 classification and measurement requirements. However, as the classification of financial assets at the date of initial application of AASB 9 will depend on the facts and circumstances existing at that date, the RTA and its controlled entity’s conclusions will not be confirmed until closer to that time. At this stage, and assuming no change in the types of transactions the RTA and its controlled entity enters into, it is not expected that any of the RTA and its controlled entity’s financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from the 2013–14 financial statements, all of the RTA and its controlled entity’s financial assets are expected to be required to be measured at fair value, and classified accordingly (instead of the measurement classifications presently used in notes 1(r) and 26). The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income in respect of those financial assets. In the case of the RTA and its controlled entity’s current receivables, as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of fair value.

The most significant impact of the new measurement requirements on the RTA and its controlled entity is that the “held to maturity” investment described in notes 1 (f), 1(r) 13 and 26 will need to be measured at fair value. In addition, that investment will no longer be classified as “held to maturity”. The RTA and its controlled entity is not yet able to reliably estimate what the fair value of this investment will

be at the date of initial application of AASB 9. The difference between the carrying amount of this investment and its initial fair value will be recognised as an adjustment to the balance of Accumulated Surplus on initial application of AASB 9. In respect of this change, the 2013–14 financial statements will need to disclose a comparison between the previous measurement classification and carrying amount as at 30 June 2013 and the new classification and fair value amount as at 1 July 2013. AASB 9 allows an entity to make an irrevocable election, at the date of initial recognition, to present in “other comprehensive income” subsequent changes in the fair value of such an asset. Treasury Department is currently considering mandating this accounting treatment when AASB 9 becomes effective.

Changed disclosure requirements will apply once AASB 9 becomes effective. A number of one-off disclosures will be required in the 2013–14 financial statements to explain the impact of adopting AASB 9. Assuming no change in the types of financial instruments that the RTA and its controlled entity enters into, there will not be a significant ongoing disclosure impact.

The following new and revised standards apply as from reporting periods on or after 1 January 2013 –

- AASB 10 *Consolidated Financial Statements*;
- AASB 11 *Joint Arrangements*;
- AASB 12 *Disclosure of Interests in Other Entities*;
- AASB 127 (revised) *Separate Financial Statements*;
- AASB 128 (revised) *Investments in Associates and Joint Ventures*; and
- AASB 2011–7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* [AASB 1, 2, 3, 5, 7, 9, 2009–11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17].

These standards cannot be applied by not-for-profit entities prior to their effective date, as the AASB is presently considering modifying them for application by not-for-profit entities in an Australian context. Any such modifications are likely to clarify how the IASB's principles should be applied by not-for-profit entities. Hence the RTA and its controlled entity is not yet in a position to reliably determine the future implications of these new and revised standards for the RTA and its controlled entity's financial statements.

AASB 10 redefines and clarifies the concept of another entity, which is the basis for determining which entities should be consolidated into an entity's financial statements. Therefore, subject to any not-for-profit modifications yet to be made to AASB 10, the RTA will need to re-assess the nature of its relationship with other entities, including entities that aren't currently consolidated.

AASB 1 deals with the concept of joint control, and sets out new principles for determining the type of joint arrangements that exists – which, in turn, dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. Subject to any not-for-profit modifications yet to be made to AASB 11, the RTA and its controlled entity will need to assess the nature of any arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11.

AASB 12 contains a wide range of new disclosure requirements in respect of interest in other entities, whether those entities are controlled entities, associates, joint arrangements, or structured entities that aren't consolidated. The volume and nature of disclosures that the RTA and its controlled entity will be required to make as from its 2013–14 financial statements will depend on the RTA and its controlled entity's eventual assessment of the implications of the new and revised standards listed above, particularly AASB 10, AASB 11 and AASB 128.

A revised version of AASB 119 *Employee Benefits* applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively. Given the RTA and its controlled entity's circumstances, the only implications for the department are that the revised standard clarifies the concept of “termination benefits”, and the recognition criteria for liabilities for termination benefits will be different. If termination benefits meet the timeframe criterion for ‘short-term employee benefits’, they will be measured according to the AASB 119 requirements for “short-term employee benefits”. Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for “other long-term employee benefits”. Under the revised standard, the recognition and measurement of employer obligations for “other long-term employee benefits” will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 includes changed criteria for accounting for employee benefits as “short-term employee benefits”. The RTA and its controlled entity is not a member of the Queensland Government central schemes for annual leave and long service leave, however reviewing this change in criterion there will be minimal impact on the RTA and its controlled entity’s financial statements. The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. The RTA and its controlled entity only contributes to the QSuper defined benefit plan, and the corresponding employer benefit obligation is held by the State. Therefore, those changes to AASB 119 will have no impact on the RTA.

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements – Australian Accounting Standards (commonly referred to as “tier 1”), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as “tier 2”). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

Details of which disclosures in standards and interpretations are not required under tier 2 reporting are set out in amending standards AASB 2010–2, AASB 2011–2, AASB 2011–6 and AASB 2011–11 (which also apply from reporting periods beginning on or after 1 July 2013.) However, Treasury Department’s Financial Reporting Requirements effectively do not allow application of AASB 2011–6 in respect of controlled entities, associates or interests in jointly controlled entities.

Pursuant to AASB 1053, public sector entities like the RTA and its controlled entity may adopt tier 2 requirement for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the tier 1 requirements. In the case of the RTA and its controlled entity, Treasury Department is the regulator. Treasury Department has advised that its policy decision is to require adoption of tier 1 reporting by all Queensland Government departments (including the RTA and its controlled entity) and statutory bodies that are consolidated into the whole-of-government financial statements. Treasury’s policy also prohibits the early adoption of the arrangements outlined in AASB 1053 and

its accompanying amending standards. Therefore, the release of ASB 1053 and associated amending standards will have no impact on the RTA and its controlled entity.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the RTA and its controlled entity’s activities, or have no material impact on the department.

2. RTA funds management

The RTA is a custodian of rental bond monies and is unable to utilise such funds to support operations in accordance with Sections 152 and 153 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld).

The RTA manages cash in accordance with Part 3, Division 5 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld) and invests that cash in accordance with provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

The RTA has continued to distinguish RTA earnings from the main investment portfolio, via two portfolios, namely the Rental Bond Portfolio and the Business Operations Portfolio.

The Rental Bond Portfolio represents the investment of all rental bonds held. This portfolio is actively managed by fund manager QIC in accordance with the RTA Investment Policy.

The Business Operations Portfolio represents the earnings from investments and is used to fund all RTA business operating expenses and grants as provided in the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld). The Business Operations Portfolio is managed by the RTA. Funds are held in at-call accounts and short-term fixed deposits and managed in accordance with the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and the RTA Investment Policy.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
3. INCOME				
Investment Revenue				
Interest on Cash Assets and Investments				
Return on Investments	42,037	32,933	42,037	32,933
Bank Interest	3,031	2,905	3,031	2,905
Property Rental (refer note 15–2)	559	373	559	373
Total Investment Revenue	45,627	36,211	45,627	36,211
Other Revenue				
Sundry Income	91	26	91	26
Bad Debts Recovered	3	2	3	2
Total Other Revenue	94	28	94	28
Total Income	45,721	36,239	45,721	36,239
4. GAINS				
Gain on Sale of Property, Plant and Equipment	-	1	-	1
Land	-	3,350	-	3,350
Building	-	50	-	50
Total Gains	-	3,401	-	3,401

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
5. EMPLOYEE EXPENSES				
Employee Benefits				
Salaries and Wages	11,968	11,869	186	187
Allowances	127	106	-	-
Employee Leave Entitlements	179	578	(4)	17
Employer Superannuation Contributions	1,467	1,427	21	20
Less: Capitalised costs	(284)	(64)	-	-
Total Employee Benefits	13,457	13,916	203	224
Employee Related Expenses				
Fringe Benefits Tax	26	35	20	28
Workers' Compensation Insurance *	86	70	1	2
Payroll Tax *	651	661	12	34
Other Employee Related Expenses	250	277	-	20
Total Employee Related Expenses	1,013	1,043	33	84
Total Operating Employee Costs	14,470	14,959	236	308

* Costs of workers' compensation insurance and payroll tax are a consequence of employing employees, but are not counted in employees' total remuneration package. They are not employee benefits, but rather employee related expenses.

	Group		Parent	
	2013	2012	2013	2012
	No.	No.	No.	No.
The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:	202*	177	1	1

* Note: includes contract and agency staff

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
6. SUPPLIES AND SERVICES				
Advertising	51	89	34	23
Outsourced Services				
– Display Stands	39	136	39	136
– Incoming Mail	50	55	50	55
– Lodgements	41	119	41	119
– Mailout/EDI	148	184	148	184
– Refunds	350	1,027	350	1,027
– Mailing House	67	51	67	51
Archival Fees and Charges	47	45	47	45
Bank Charges	63	51	63	51
Board Fees	40	36	40	36
Board Expenses	8	10	8	10
Cleaning	60	59	60	59
Contractors and Consultants	4,202	3,896	4,202	3,816
Council Rates	105	100	105	100
Electricity	48	125	48	125
Equipment Expensed	410	173	410	173
Investment Fees	1,679	1,951	1,679	1,951
Legal Expenses	160	129	160	129
Operating Lease Rental	1,397	1,325	1,397	1,325
Postage	440	405	440	405
Printing and Stationery	316	220	316	220
Repairs and Maintenance	204	141	204	141
RTEO Service Fees	-	-	14,551	14,880
Software Maintenance	260	276	260	276
Telephone	191	230	191	230
Travel Expenses	60	100	60	99
Other Supplies and Services	969	404	956	387
Less: Capitalised Costs	(1,224)	-	(1,508)	(64)
Total Supplies and Services	10,181	11,337	24,418	25,989

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
7. GRANTS AND SUBSIDIES				
Lady Bowen Trust Grant	-	1,000	-	1,000
RTA Community Education Public Grants Scheme	-	35	-	35
Department of Housing and Public Works	14,035	5,252	14,035	5,252
Other Grants	-	64	-	64
Total Grants and Subsidies	14,035	6,351	14,035	6,351

8. DEPRECIATION AND AMORTISATION

Depreciation and amortisation were incurred in respect of:

Plant and Equipment	38	48	38	48
Computer Equipment	119	161	119	161
Leasehold Improvements	275	276	275	276
Intangible Assets				
Internally Generated Software	255	324	255	324
Purchased Software	114	72	114	72
Total Depreciation and Amortisation	801	881	801	881

9. REVALUATION DECREMENT

Land	1,207	-	1,207	-
Buildings	140	-	140	-
Total Asset Impairment	1,347	-	1,347	-

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

10. OTHER EXPENSES

	2013	36	23	35
External Audit Fees *	26		23	
Internal Audit Fees	101	100	101	100
Bad and Impaired Debts	37	59	37	59
Insurance Premiums	63	76	63	76
Loss from Disposal of Property, Plant and Equipment	3	-	3	-
Total Other Expenses	230	271	227	270

* Total external audit fees paid to Queensland Audit Office relating to the 2012–13 financial year are estimated to be \$29,300 for the Group and \$26,000 for the Parent (2012: \$32,300 for the Group and \$29,000 for the Parent). There are no non-audit services included in this amount.

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

11. CASH AND CASH EQUIVALENTS

	2013	6	1	6
Petty Cash	1		1	
Cash at Bank	3,210	3,549	3,155	3,518
Term Deposits	58,500	46,500	58,500	46,500
Total Cash and Cash Equivalents	61,711	50,055	61,656	50,024

Interest earned on cash held with the Commonwealth Bank of Australia ranged between 2.70% and 3.45% (2012: 3.45% to 4.70%). The term deposits earned interest between 4.12% and 4.57% (2012: 4.80% to 6.35%).

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
12. OTHER FINANCIAL ASSETS				
Managed Funds – QIC	702,783	663,526	702,783	663,526
Total Other Financial Assets	702,783	663,526	702,783	663,526

Represented by:

	Group			
	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual Allocation	Amount \$'000
QIC Investment Products as at 30 June 2013				
QIC Bond Plus Fund *		0 – 45%	11.58%	81,386
QIC Cash Enhanced Fund	4.25%	0 – 100%	30.43%	213,823
QIC Global Credit Fund	6.22%	0 – 45%	39.96%	280,826
QIC Global Credit Opportunities Fund	17.39%	0 – 20%	4.28%	30,060
QIC Property Fund	8.73%	0 – 20%	12.60%	88,520
Duration Overlay**			1.15%	8,168
Total Portfolio	6.32%		100.00%	702,783
QIC Investment Products as at 30 June 2012				
QIC Cash Enhanced Fund	5.13%	0 – 100%	38.92%	258,261
QIC Global Credit Fund	5.41%	0 – 45%	39.84%	264,368
QIC Global Credit Opportunities Fund	1.48%	0 – 20%	8.19%	54,365
QIC Property Fund	9.51%	0 – 20%	12.27%	81,412
Duration Overlay**			0.76%	5,120
Total Portfolio	5.45%		100.00%	663,526

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

12. OTHER FINANCIAL ASSETS (cont'd)

Represented by:	Parent			
	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual Allocation	Amount \$'000
QIC Investment Products as at 30 June 2013				
QIC Bond Plus Fund *	0.00%	0 – 45%	11.58%	81,386
QIC Cash Enhanced Fund	4.25%	0 – 100%	30.43%	213,823
QIC Global Credit Fund	6.22%	0 – 45%	39.96%	280,826
QIC Global Credit Opportunities Fund	17.39%	0 – 20%	4.28%	30,060
QIC Property Fund	8.73%	0 – 20%	12.60%	88,520
Duration Overlay**			1.15%	8,168
Total Portfolio	6.32%		100.00%	702,783
QIC Investment Products as at 30 June 2012				
QIC Cash Enhanced Fund	5.13%	0 – 100%	38.92%	258,261
QIC Global Credit Fund	5.41%	0 – 45%	39.84%	264,368
QIC Global Credit Opportunities Fund	1.48%	0 – 20%	8.19%	54,365
QIC Property Fund	9.51%	0 – 20%	12.27%	81,412
Duration Overlay**			0.76%	5,120
Total Portfolio	5.45%		100.00%	663,526

* Figures not available. The RTA received approval to invest in the QIC Bond Plus Fund in May 2013.

** The Duration Overlay is used by QIC to manage interest rate risk.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
13. RECEIVABLES				
Debtors	157	129	153	127
Other	1	-	1	-
GST Receivable	206	287	206	286
Sub Total Receivables	364	416	360	413
Accrued Interest Revenue	670	698	670	698
Total Receivables	1,034	1,114	1,030	1,111

Amounts due have been calculated in accordance with the terms and conditions of the respective debtors and do not bear interest. Amounts also include monies due from Departments and Agencies of the Government of Queensland and the Government of Australia.

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
14. OTHER ASSETS				
CURRENT				
Prepayments	271	191	267	191
Operating Lease Rights	214	213	214	213
Total Current	485	404	481	404
NON-CURRENT				
Operating Lease Rights	1,245	1,460	1,245	1,460
Prepayments	36	6	36	6
Total Non-Current	1,281	1,466	1,281	1,466
Total Other Assets	1,766	1,870	1,762	1,870

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
15. NON-CURRENT ASSETS HELD FOR SALE (previously 'Investment Property')				
LAND				
At 'Fair Value' less costs to sell *	5,686	-	5,686	-
	5,686	-	5,686	-
BUILDINGS				
At 'Fair Value' less costs to sell *	867	-	867	-
	867	-	867	-
Total Non-Current Assets Held for Sale	6,553	-	6,553	-

* **Reclassification and valuation of the asset** – Note 15-1

The RTA's investment property at 33 Herschel Street, Brisbane CBD, was reclassified as 'held for sale' in June 2013, following ministerial approval to sell the property according to management's asset disposal plan.

At this time the RTA commissioned an independent valuation of the land and buildings at 33 Herschel Street in order to determine the 'fair value' of Land and Buildings at the time this property was reclassified from 'Investment Property' to 'Non-current Asset Held for Sale'.

The RTA accepted the valuation of \$6.650M, received from professional commercial valuers Herron Todd White, for this purpose. This value assumes a yield of 7.75%, and a capitalisation rate of 7.75% over a weighted average lease expiry (WALE) of 9.24 years.

An adjustment of \$1.250M was therefore made to the carrying amount of this asset to reflect the change in value from \$7.900M (June 2012) to \$6.650M as at 30 June 2013.

Subsequent to 30 June 2013, the RTA has entered into a sales and marketing programme to divest itself of this asset. The commercial agents Jones Lang LaSalle have been appointed to sell the property on the RTA's behalf.

The valuation shown above for 'Non-current Assets Held for Sale' is the fair value of the asset less costs to sell, in line with Australian Accounting Standards. 'Costs to sell' of \$97,100 have been estimated from the selling agent's marketing budget and the selling agent's sales commission based on the expected sale price (fair value amount).

The 'Revaluation Decrement' of \$1.347M as shown in the Statement of Comprehensive Income is the total of the two amounts above: (i) loss on asset revaluation of \$1.250M; and (ii) 'costs to sell' of \$97,100.

The RTA has a reasonable basis for believing the property will be sold in less than 12 months.

Note 1(n) sets out the accounting policies for its reclassification of non-current assets as 'held for sale', and for the method used to determine the fair value of this asset.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

15. NON-CURRENT ASSETS HELD FOR SALE (cont'd) (previously 'Investment Property')

Non-Current Asset Held for Sale Reconciliation	Land	Land*	Buildings	Buildings*	Total	Total*
	2013	2012*	2013	2012*	2013	2012*
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Carrying amount at 1 July 2012	6,850	3,500	1,050	1,000	7,900	4,500
Revaluation Increments/(Decrements)	(1,207)	3,350	(140)	50	(1,347)	3,400
Carrying amount at 30 June 2013	5,643	6,850	910	1,050	6,553	7,900
Parent						
Carrying amount at 1 July 2012	6,850	3,500	1,050	1,000	7,900	4,500
Revaluation Increments/(Decrements)	(1,207)	3,350	(140)	50	(1,347)	3,400
Carrying amount at 30 June 2013	5,643	6,850	910	1,050	6,553	7,900

Note 15–2

Rental income recognised in the operating surplus from the investment property is \$0.559M (2012: \$0.373M).

Direct operating expenses primarily for repairs and maintenance on the property that did generate rental for the period were \$0.122M (2012: \$0.037M).

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal.

The RTA does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

* Note: For the 2011–12 Financial Year, the property was an Investment Property, but is shown here for purposes of ease of comparison.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
16. INTANGIBLE ASSETS				
SOFTWARE PURCHASED				
At cost	524	504	524	504
Less: Accumulated Amortisation	(341)	(227)	(341)	(227)
	183	277	183	277
SOFTWARE INTERNALLY GENERATED				
At cost	2,995	2,995	2,995	2,995
Less: Accumulated Amortisation	(2,821)	(2,565)	(2,821)	(2,565)
	174	430	174	430
WORK IN PROGRESS				
At cost	1,508	-	1,508	-
Total Intangible Assets	1,865	707	1,865	707

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

16. INTANGIBLE ASSETS (cont'd)

Intangible Assets Reconciliation

	Software Internally Generated	Software Purchased	Work In Progress	Total
	\$'000	\$'000	\$'000	
	Group			
2013				
Carrying amount at 1 July 2012	430	277	-	707
Acquisitions		20	1,508	1,528
Amortisation	(256)	(114)	-	(370)
Carrying amount at 30 June 2013	174	183	1,508	1,865
2012				
Carrying amount at 1 July 2011	607	80	-	687
Acquisitions	147	269	-	416
Amortisation	(324)	(72)	-	(396)
Carrying amount at 30 June 2012	430	277	-	707
	Parent			
2013				
Carrying amount at 1 July 2012	430	277	-	707
Acquisitions	-	20	1,508	1,528
Amortisation	(256)	(114)	-	(370)
Carrying amount at 30 June 2013	174	183	1,508	1,865
2012				
Carrying amount at 1 July 2011	607	80	-	687
Acquisitions	147	269	-	416
Amortisation	(324)	(72)	-	(396)
Carrying amount at 30 June 2012	430	277	-	707

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
17. PROPERTY, PLANT AND EQUIPMENT				
LEASEHOLD IMPROVEMENTS				
At cost	2,799	2,874	2,799	2,874
Less: Accumulated Depreciation	(917)	(717)	(917)	(717)
	1,882	2,157	1,882	2,157
PLANT AND EQUIPMENT				
At cost	279	439	279	439
Less: Accumulated Depreciation	(127)	(310)	(127)	(310)
	152	129	152	129
COMPUTER HARDWARE				
At cost	1,195	1,529	1,195	1,529
Less: Accumulated Depreciation	(891)	(1,196)	(891)	(1,196)
	304	333	304	333
Total Property, Plant and Equipment	2,338	2,619	2,338	2,619

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

17. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Property, Plant and Equipment Reconciliation	Leasehold Improvements	Plant and Equipment	Computer Hardware	Total
	\$'000	\$'000	\$'000	\$'000
	Group			
2013				
Carrying amount at 1 July 2012	2,157	129	333	2,619
Acquisitions	-	73	91	164
Disposals	-	(12)	(2)	(14)
Depreciation	(275)	(38)	(118)	(431)
Carrying amount at 30 June 2013	1,882	152	304	2,338
2012				
Carrying amount at 1 July 2011	2,433	170	383	2,986
Acquisitions	-	8	112	120
Disposals	-	-	(1)	(1)
Transfers between classes	-	-	-	-
Depreciation	(276)	(49)	(161)	(486)
Carrying amount at 30 June 2012	2,157	129	333	2,619
2013	Parent			
Carrying amount at 1 July 2012	2,157	129	333	2,619
Acquisitions	-	73	91	164
Disposals	-	(12)	(2)	(14)
Depreciation	(275)	(38)	(118)	(431)
Carrying amount at 30 June 2013	1,882	152	304	2,338
2012				
Carrying amount at 1 July 2011	2,433	170	383	2,986
Acquisitions	-	8	112	120
Disposals	-	-	(1)	(1)
Transfers between classes	-	-	-	-
Depreciation	(276)	(49)	(161)	(486)
Carrying amount at 30 June 2012	2,157	129	333	2,619

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
18. PAYABLES				
a. Payables				
Trade Creditors	1,674	1,440	1,429	1,173
GST Payable	6	-	6	-
Payables to RTEO	-	-	3,096	3,121
Payments Received in Advance	62	1	62	-
International Transfers	-	11	-	11
	1,742	1,452	4,593	4,305
b. Rental Bonds and Unclaimed Monies				
Rental Bonds	697,114	651,594	697,114	651,594
Australia Post Agency Net Settlement	-	658	-	658
Unclaimed Bond Monies	8,274	7,349	8,274	7,349
Unclaimed Other Monies	4	4	4	4
	705,392	659,605	705,392	659,605
Total Payables	707,134	661,057	709,985	663,910

19. ACCRUED EMPLOYEE BENEFITS

CURRENT				
Annual Leave	995	973	21	24
Long Service Leave	187	188	2	2
Time Off In Lieu	4	4	-	-
Total Current	1,186	1,165	23	26
 NON-CURRENT				
Long Service Leave	1,787	1,790	36	42
Total Non-Current	1,787	1,790	36	42
 Total Accrued Employee Benefits	2,973	2,955	59	68

The discount rate used to calculate the present value of non-current employee benefits is 3.20%(2012: 2.74%). All provisions include associated on-costs.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
20. OTHER LIABILITIES				
CURRENT				
Lease Incentive	494	494	494	494
Total Current	494	494	494	494
NON-CURRENT				
Lease Incentive	2,879	3,372	2,879	3,372
Total Non-Current	2,879	3,372	2,879	3,372
Total Other Liabilities	3,373	3,866	3,373	3,866

21. ACCUMULATED SURPLUS

Movements:			
Opening Balance at 1 July	59,913	54,072	59,913
Operating Result	4,657	5,841	4,657
Closing Balance as at 30 June	64,570	59,913	64,570

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

Group		Parent	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

22. RECONCILIATION OF OPERATING SURPLUS TO NET CASH FROM OPERATING ACTIVITIES

Reconciliation of Cash

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Total Cash & Cash Equivalents	61,711	50,055	61,656	50,024
Balance per Statement of Cash Flows	61,711	50,055	61,656	50,024
Operating Surplus	4,657	5,841	4,657	5,841
Add: Depreciation and Amortisation	801	881	801	881
Increase in Accrued Employee Benefits	17	397	(10)	17
Decrease in Other Assets (Operating Lease Rights)	214	213	214	213
Decrease in receivables	80	-	81	-
Decrease in Prepayments	-	45	-	(5)
Increase in Unclaimed Bonds	925	972	925	972
Increase in Rental Bonds	45,520	70,124	45,520	70,124
Loss on Sale of Assets	3	-	3	-
Revaluation Decrement	1,347	-	1,347	-
	53,564	78,473	53,538	78,043
Less:				
Decrease in Other Liabilities	493	494	493	494
Increase in Receivables	-	338	-	335
Decrease in Trade Creditors	368	604	370	167
Increase in prepayments	110	-	106	-
Gain on Revaluation of Investment Property	-	3,400	-	3,400
Net Cash from Operating Activities	52,593	73,637	52,569	73,647

23. FINANCING ARRANGEMENTS

Access was available at balance date to the following lines of credit:

Corporate Credit Cards	200	200	200	200
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Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

24. COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

The RTA and its controlled entity has no capital commitments as at the reporting date.

(b) Other Expenditure Commitments

Other expenditure committed for at the reporting date (inclusive of anticipated GST where applicable) but not recognised in the financial statements as liabilities:

Australia Post	-	980	-	980
Oakton Limited	980	893	980	893
Telecommunications	219	216	219	216
Information technology and Web	163	161	163	161
Temp Staffing – operational	433	411	433	411
Temp Staffing – Projects	484	440	484	440
Other Outsourced Services and Consultants	282	299	282	299
	2,561	3,400	2,561	3,400
These expenditures are payable:				
Not later than one year	2,527	3,314	2,527	3,314
Later than one year and not later than 5 years	34	86	34	86
	2,561	3,400	2,561	3,400

(c) Finance Lease Commitments

The RTA and its controlled entity has no finance lease commitments as at the reporting date.

(d) Non-cancellable Operating Lease Commitments

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Accommodation	16,384	18,438	16,384	18,438
<u>Total Future Minimum Lease Payments</u>				
Not later than one year	2,136	2,055	2,136	2,055
Later than one year and not later than 5 years	9,421	9,062	9,421	9,062
Later than 5 years	4,827	7,321	4,827	7,321
	16,384	18,438	16,384	18,438

In 2009–10, the RTA entered into an office accommodation operating lease agreement for its current premises, 179 Turbot St, Brisbane.

The lease agreement is for a term of 10 years and two months with a further term option of three years. Lease payments are fixed with allowance for a fixed percentage escalation on each anniversary of the commencement date of the agreement. The lease contains no restrictions on financing or other leasing activities.

A lease incentive was included as part of the terms of the lease agreement and allowed for a lessors contribution, rent free period and provision of office fit out costs. The leasehold incentive has been recognised as a liability and will be amortised over the period of the lease as prescribed by Interpretation 115 *Operating Leases – Incentives* refer Note 20.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

Notes	Group		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000

25. FINANCIAL INSTRUMENTS

(a) Categorisation of Financial Instruments

The RTA and its controlled entity have the following categories of financial assets and financial liabilities:

Category	11	12	13	18
Financial Assets				
Cash and Cash Equivalents	61,711		50,055	61,656
Other Financial Assets	702,783		663,526	702,783
Receivables	1,034		1,114	1,030
Total Financial Assets	765,528		714,695	765,469
Financial Liabilities				
Financial Liabilities measured at Amortised Cost:				
Payables	707,134		661,057	709,985
Total Financial Liabilities	707,134		661,057	709,985

(b) Financial Risk Management

The RTA's activities expose it to a variety of financial risks – interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Government and RTA policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the RTA and its controlled entity.

The RTA and its controlled entity have written principles for overall risk management as well as policies covering specific areas.

The RTA measures risk exposure using a variety of methods as follows –

Risk Exposure	Measurement Method
Credit Risk	Aging analysis, earnings at risk
Liquidity Risk	Sensitivity analysis
Market Risk	Interest rate sensitivity analysis

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

25. FINANCIAL INSTRUMENTS (cont'd)

(c) Credit Risk Exposure

Credit risk exposure refers to the situation where the RTA or its controlled entity may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the RTA and its controlled entity's maximum exposure to credit risk based on contractual amounts net of any allowances:

	Group		Parent	
	2013	2012	2013	2012
Maximum Exposure to Credit Risk	Notes	\$'000	\$'000	\$'000
Financial Assets				
Cash and Cash Equivalents	11	61,711	50,055	61,656
Other Financial Assets	12	702,783	663,526	702,783
Total Financial Assets		764,494	713,581	764,439

The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables is not included in the above disclosure.

No collateral is held as security and no credit enhancements relate to financial assets held by the RTA or its controlled entity.

The RTA and its controlled entity manage credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the RTA invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The method for calculating any provisional impairment for risk is based on past experience, current and expected changes in economic conditions and changes in client credit ratings. The main factors affecting the current calculation for provisions are disclosed below as loss events. These economic and geographic changes form part of the RTA and its controlled entity's documented risk analysis assessment in conjunction with historic experience and associated industry data.

There is no recognised impairment loss for the current year (2012: nil).

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amount as indicated.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

25. FINANCIAL INSTRUMENTS (cont'd)

(c) Credit Risk Exposure (Cont'd)

Aging of past due but not impaired are disclosed in the following tables:

	Due	Overdue					Total	Total Financial Assets
		Not overdue	Less than 30 days	30 to 60 days	60 to 90 days	Greater than 90 days		
		\$'000	\$'000	\$'000	\$'000	\$'000		
Group								
	2013							
Financial Assets								
Receivables		363	1	-	-	-	364	364
Accrued Interest		670	-	-	-	-	670	670
Total		1,033	1	-	-	-	1,034	1,034
	2012							
Financial Assets								
Receivables		415	1	-	-	-	416	416
Accrued Interest		698	-	-	-	-	698	698
Total		1,113	1	-	-	-	1,114	1,114
		Parent						
	2013							
Financial Assets								
Receivables		359	1	-	-	-	360	360
Accrued Interest		670	-	-	-	-	670	670
Total		1,029	1	-	-	-	1,030	1,030
	2012							
Financial Assets								
Receivables		412	1	-	-	-	413	413
Accrued Interest		698	-	-	-	-	698	698
Total		1,110	1	-	-	-	1,111	1,111

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

25. FINANCIAL INSTRUMENTS (cont'd)

(d) Liquidity Risk

Liquidity risk refers to the situation where the RTA and its controlled entity may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The RTA and its controlled entity are exposed to liquidity risk only in respect of payables. Presently, the RTA or its controlled entity have no borrowings.

The RTA and its controlled entity manage liquidity risk on the basis of the Funds Management Strategy and the Investment Policy. These policies aim to reduce the exposure to liquidity risk by ensuring the RTA and its controlled entity have sufficient funds available to meet employee and supplier obligations as and when they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities. Cash-flow management is performed daily.

The following table sets out the liquidity risk of financial liabilities held by the RTA and its controlled entity. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date.

	Notes	Payable in			\$'000
		≤ 1 year	> 1 year ≥ 5 years	> 5 years	
		Group			
2013					
Financial Liabilities					
Payables	18	707,134	-	-	707,134
Total Financial Liabilities		707,134	-	-	707,134
2012					
Financial Liabilities					
Payables	18	661,057	-	-	661,057
Total Financial Liabilities		661,057	-	-	661,057
2013					
Financial Liabilities					
Payables	18	709,985	-	-	709,985
Total Financial Liabilities		709,985	-	-	709,985
2012					
Financial Liabilities					
Payables	18	663,910	-	-	663,910
Total Financial Liabilities		663,910	-	-	663,910

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

25. FINANCIAL INSTRUMENTS (cont'd)

(e) Market Risk

The RTA and its controlled entity do not trade in foreign currency and are not exposed to material commodity price changes. The RTA is exposed to interest rate risk through its large investment with the QIC and other short term investments with financial institutions. Through the Investment strategy with QIC, the RTA is exposed to the risk of movements in domestic and international bond yields. A derivative overlay account exists to protect the portfolio from interest rate risk.

The RTA and its controlled entity continually assess interest rate exposure and the impact of market volatilities throughout the year. Generally, the analysis is based on forecasts with shifts in returns both positive and negative through applying volatility estimates. To reflect a similar analysis for the purpose of this report, with all other variables held constant, if the average investment return across the complete portfolio had varied + 20 or – 50 basis points for the 2012–13 year, the outcome for the RTA and its controlled entity is summarised in the table below:

	Return on earnings basis points				
	Carrying Amount	"Operating Surplus/(Deficit)"	Equity	"Operating Surplus/(Deficit)"	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
2013 Interest Rate Risk					
Investment Earning Variation	2013	50 pts less than actual		20 pts greater than actual	
	702,783	(3,514)	(3,514)	1,406	1,406
Actual Result		4,657	64,570	4,657	64,570
Changed Result		1,143	61,056	6,063	65,976
2012 Interest Rate Risk					
Investment Earning Variation	2,012	50 pts less than actual		50 pts greater than actual	
	663,526	(3,318)	(3,318)	3,318	3,318
Actual Result		5,841	59,913	5,841	59,913
Changed Result		2,523	56,595	9,159	63,231
Parent					
2013 Interest Rate Risk					
Investment Earning Variation	2013	50 pts less than actual		20 pts greater than actual	
	702,783	(3,514)	(3,514)	1,406	1,406
Actual Result		4,657	64,570	4,657	64,570
Changed Result		1,143	61,056	6,063	65,976
2012 Interest Rate Risk					
Investment Earning Variation	2,012	50 pts less than actual		50 pts greater than actual	
	663,526	(3,318)	(3,318)	3,318	3,318
Actual Result		5,841	59,913	5,841	59,913
Changed Result		2,523	56,595	9,159	63,231

(f) Fair Value

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Group		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
26. RECONCILIATION OF FINANCIAL INSTRUMENTS TO NET ASSETS				
Net Financial Assets				
Financial Assets	765,528	714,695	765,469	714,661
Financial Liabilities	(707,134)	(661,057)	(709,985)	(663,910)
	58,394	53,638	55,484	50,751
Non-financial Assets and Liabilities:				
Other Assets	1,766	1,870	1,762	1,870
Property, Plant and Equipment	2,338	2,619	2,338	2,619
Investment Property / Held For Sale	6,553	7,900	6,553	7,900
Intangible Assets	1,865	707	1,865	707
Accrued Employee Benefits	(2,973)	(2,955)	(59)	(68)
Other Liabilities	(3,373)	(3,866)	(3,373)	(3,866)
Net Assets as per Statement of Financial Position	64,570	59,913	64,570	59,913

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

27. BOARD DISCLOSURES

Section 471 of the Act provides for the RTA to have a Board of Directors. There is no legislative requirement for the RTEO to have a Board.

The Queensland Government determines appropriate payment for part-time chairs and members of government boards, committees and statutory authorities. Payments are made in accordance with the Department of Justice and Attorney-General procedures: "Remuneration of part-time Chairs and Members of Government Boards, Committees and Statutory Authorities issued on 26 April 2006".

(a) The RTA's Board is made up of the following members:

Member	Date of Appointment	"Date of Re-appointment"
The following members completed their terms in April 2013		
Mr John Charles Battams	December 2004	April 2007, April 2010
Mr Roy Charles Ware	April 2005	April 2007, April 2010
Ms Deirdre Coghlan	April 2010	
Mr Bradley Currie	April 2010	

Current Board

Ms Catherine Sinclair (Chair)	April 2013		
Ms Deborah Duffy	April 2010	April 2013	
Ms Jane Seawright	November 2012	April 2013	
Ms Helen Roslyn Wallace	April 2004	April 2007, April 2010, April 2013	
Mr Darryl Mutzelburg	April 2013		
Mr Damian Eckersley	April 2013		
Ms Susan Rix	April 2013		

Board Members Remuneration	Group		Parent	
	2013	2012	2013	2012
The number of Board Members who received or were due to receive total remuneration on balance date:	No.	No.	No.	No.
Remuneration Band:				
\$0 to \$999	1	-	1	-
\$1,000 to \$9,999	10	7	10	7
Total	11	7	11	7

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

27. BOARD DISCLOSURES (cont'd)

Board Members Remuneration (Cont'd)

	Group		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
The total remuneration paid to Board Members:				
Mr John Charles Battams (Chair)	4	6	4	6
Ms Catherine Sinclair (Chair)	3	-	3	-
Ms Lee Banfield	-	3	-	3
Ms Deirdre Coghlan	2	4	2	4
Mr Bradley Currie	2	3	2	3
Ms Deborah Duffy	8	7	8	7
Ms Helen Roslyn Wallace	4	4	4	4
Mr Roy Charles Ware	6	7	6	7
Mr Darryl Mutzelburg	1	-	1	-
Mr Damian Eckersley	1	-	1	-
Ms Jane Seawright	2	-	2	-
Ms Susan Rix	-	-	-	-
Total Board Member Payments	33	34	33	34

During 2012–13 board fees include fees of \$31,732 and superannuation of \$2069. The 2011–12 board fees include fees of \$32,349 and superannuation of \$1,686.

(b) Other Transactions with Board Members and Board Member Related Entities

The RTA has no dealings with another entity of which a Board Member has a related interest as declared in the Conflicts of Interest Register.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

(c) Board Members Appointments and Memberships

The following list comprises both current Board members and those who were Board members at any time during the year.

Board Members hold appointments and/or memberships as follows:

Mr John Charles Battams	Chair, Residential Tenancies Authority
	Member, Audit and Risk Committee, Residential Tenancies Authority
	Director, Lady Bowen Trust Board of Advice
	Management Committee Member, Northern Suburbs Hockey Club Inc
	President, Queensland Council of Unions
	Deputy Chairman, Sunsuper Board
	Director, Sunsuper Financial Services Pty Ltd
	Member, Sunsuper Investment Committee
	Member, Queensland Teachers' Union
	Director, Teachers' Union Health
	Director, Skills Queensland
	Director, Queensland Teachers' Union Health Fund Limited
	Director, Bundaberg Q.C.U. Pty Ltd
	Director, Gladstone Q.C.U. Pty Ltd
	Director, Q.C.U. Mackay Property Pty Ltd
	Director, Q.C.U. Toowoomba Pty Ltd
Ms Deirdre Coghlan	Board Member, Residential Tenancies Authority
	Life Member, Queensland Shelter
	Member, Queensland Tenants Union
	Member, Bric Housing Company
Mr Bradley Currie	Board Member, Residential Tenancies Authority
	General Manager, Mununjali Housing & Development Co.
	Chair, South-East Queensland Indigenous Housing Organisation
	Chair, Queensland Aboriginal and Torres Strait Islander Housing Council
Ms Deborah Duffy	Board Member, Residential Tenancies Authority
	Director, REIQ
	Director, KAM3 Pty Ltd
Mr Darryl Mutzelburg	Board Member, Residential Tenancies Authority
	Nil
Ms Susan Rix	Board Member, Residential Tenancies Authority
	Chair, Audit and Risk Committee, Residential Tenancies Authority
	Director, BDO (Qld) Pty Ltd
	Director, BDO Administration (QLD) Pty Ltd
	Director, BDO Audit Goodwill Co (QLD) Pty Ltd
	Director, BDO Group Holdings (QLO) Pty Ltd
	Director, BDO Private Wealth Advisers Pty Ltd
	Director, BDO Kendalls Group Finance Pty Ltd
	Director, Cerebral Palsy League of Queensland
	Director, QUT Enterprise Holdings Pty Ltd
	Director, MHM Higher Education Pty Ltd
	Director, Griffith Business School Strategic Advisory Board
	Director, RME Property Pty Ltd
	Director, RME Underground Pty Ltd
	Director, Russell Mineral Equipment Pty Ltd
	Director, Russell Mineral Equipment S.A.
	Director, Russell Mineral Equipment (South Africa) Pty Ltd
	Director, Russell Mineral Equipment (Pty) Ltd (Africa)
	Director, RME Mill Relining Systems (Canada) Inc.
	Director, RME Holdings No.2 Pty Ltd
	Director, RME Holdings Pty Ltd
	Director, Queensland Private Enterprise Committee

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

	Director, Archdiocesan Budget Recommendations Committee Director, Archdiocese of Brisbane Catholic Foundation Director, Brisbane Archdiocesan Catholic Education Council Finance Committee Director, Chartered Accountants Advisory Group Director, ICAA - Public Practice Advisory Committee Director, ATO Lodgement Working Group Director, Rix Savings Pty Ltd Director, Rixcourt Pty Ltd Director, Rix Superannuation Pty Ltd Director, Rix Practice Pty Ltd
Mr Damian Eckersley	Board Member, Residential Tenancies Authority Convenor, Tenants' Union of Queensland
Ms Jane Seawright	Board Member, Residential Tenancies Authority Member, Audit & Risk Committee, Residential Tenancies Authority Chair, Fisher Adams Kelly Pty Ltd Patent Attorneys Director, Energising Communities Limited President, Brisbane North Branch, Netball Queensland Company Secretary, CMTE Development Limited Trading as CRCMining and subsidiaries EdanSafe Pty Ltd, CBM Innovations Pty Ltd, GeoMole Pty Ltd, Unidig Pty Ltd, Unidig 2 Pty Ltd, Odyssey Technology Pty Ltd, EzyMine Pty Ltd, MineWare Pty Ltd, CMTE Share Plan Pty Ltd, UDDTek Pty Ltd, Dig Technologies Pty Ltd, Intellidrill Pty Ltd External Compliance Committee Member, 1Group Securities Limited. Fellow, Australian Institute of Company Directors Member, Queensland Law Society.
Ms Catherine Sinclair (Chair)	Board Member, Residential Tenancies Authority Member, Audit & Risk Committee, Residential Tenancies Authority Director, Army and Airforce Canteen Services Director, The Consultancy Bureau Director, National Board of Committee for Economic Development of Australia Councillor, Royal National Agricultural and Industrial Association of Queensland
Ms Helen Roslyn Wallace	Board Member, Residential Tenancies Authority Member, Audit and Risk Committee, Residential Tenancies Authority Secretary, The Property Owners' Association of Queensland Member, The Unit Owners Association of Queensland
Mr Roy Charles Ware	Board Member, Residential Tenancies Authority Chair, Audit and Risk Committee, Residential Tenancies Authority Director, Aquila Consulting Pty Ltd Director, C Management Services Pty Ltd Deputy Chancellor, Central Queensland University Director, Fitzroy Park Investments Pty Ltd Director, Fitzroy Park Pty Ltd Deputy Chairman, Gladstone Ports Corporation Ltd Member, Central Queensland Hospital and Health Board

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

28. KEY EXECUTIVE MANAGEMENT PERSONNEL AND REMUNERATION

(a) Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the RTA and its controlled entity during 2012–13. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive management.

Position	Responsibilities	Contract classification and appointment Authority	Current Incumbents Date appointed to position
General Manager	The General manager is responsible for the ensuring the authority is managed as required by the policies of the board.	Contract as determined by Governor in Council; s487 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 14 August 2006
Executive Manager – Corporate Services	Responsible for the management of the Corporate Services Team, providing internal support to the RTA through Human Resources, legal, financial management, Information technology, records management and project assistance.	SO-3; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 22 January 2007
Executive Manager – Rental Bonds Services	Oversees the RTA's provision of a rental bond custodial service including the processing of all bond lodgements and refunds.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 11 May 2009
Executive Manager – Dispute Resolution Services	Responsible for managing the RTA's Dispute Management Services team, providing support to RTA clients through specialist conciliation services to help resolve disputes arising in agreements under the Residential Tenancies and Rooming Accommodation Act 2008.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 29 August 2011
Executive Manager – Core Client Services Program	Temporary position, responsible for the Core Client Services Program team, with the primary objective to ensure better systems and business processes for the RTA.	SO2; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 17 September 2012
Executive Manager – Policy and Education	Heads the Policy and Education Services team, undertaking research, policy development, community engagement and investigations to maintain integrity and balance with Queensland's rental sector while supporting RTA clients through external communication channels.	SO-2; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 25 October 1999
Executive Manager – Client Contact Services	Heads the RTA's Client Contact centre which provides a free telephone information service for tenants, lessors, agents, residents and accommodation providers.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 4 October 2010

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

(b) Remuneration

Remuneration policy for the RTA and its controlled entity is provided for under the Act. Pursuant to this the executive officer is the same person who holds an existing appointment as the General Manager of the RTA. The RTA General Manager is appointed by Governor in Council and not under the Act.

The remuneration of the other terms of employment for the General Manager position are specified in the employment contract. The contract provides for the provision of benefits including a motor vehicle.

For the 2012–13 year, the remuneration of key executive management personnel increased by 2.2% for Senior Officers and Nil % for Administrative Officers, in accordance with government policy.

The remuneration packages for key executive management personnel comprise of the following components:-

- Short term employee benefits which include:
 - Base – consisting of base salary, allowance and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
 - Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post employment benefits.

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

(b) Remuneration (Cont'd)

1 July 2012 – 30 June 2013

Position (date resigned if applicable)	Short Term Employee Benefits					Total Remuneration
	Base \$'000	Non- Monetary Benefits \$'000	Long Term Employee Benefits \$'000	Post Employee Benefits \$'000	Termination Benefits \$'000	
General Manager	190	13	5	20	-	228
Executive Manager – Corporate Services	140	1	3	16	-	160
Executive Manager – Rental Bonds Services	118	0	3	14	-	135
Executive Manager – Dispute Resolution Services	114	-	3	14	-	131
Executive Manager – Core Client Services Program – (until 14/09/2012)	21	-	1	3	-	25
Executive Manager – Core Client Services Program – (from 17/09/2012)	99	-	2	11	-	112
Executive Manager – Policy and Education	132	3	3	15	-	153
Executive Manager – Client Contact Services	106	-	3	12	-	121

Notes to and forming part of the financial statements (cont'd)

for the year ended 30 June 2013

(b) Remuneration (Cont'd)

1 July 2011 – 30 June 2012

Position (date resigned if applicable)	Short Term Employee Benefits					Termination Benefits	Total Remuneration
	Base \$'000	Non- Monetary Benefits \$'000	Long Term Employee Benefits \$'000	Post Employee Benefits \$'000			
General Manager	191	12	5	20	-		228
Executive Manager – Corporate Services	136	1	3	16	-		156
Executive Manager – Rental Bonds Services	117	0	3	13	-		133
Executive Manager – Dispute Resolution Services (until 31/12/2011)	10	-	3	0	101		114
Acting Executive Manager – Dispute Resolution Services (21/06/2011 to 6/01/2012)	65	-	3	6	-		74
Executive Manager – Dispute Resolution Services/Acting Executive Manager – Client Contact Services	111	-	2	13	-		126
Executive Manager – Core Client Services Program	111	0	2	12	-		125
Executive Manager – Policy and Education	128	-	3	14	-		145
Executive Manager – Client Contact Services	79	-	2	9	-		90

29. CONTINGENT ASSETS AND LIABILITIES

The RTA and its controlled entity are not aware of any contingent assets or liabilities at reporting date or at the date of this financial report.

30. EVENTS OCCURRING AFTER BALANCE DATE

The RTA and its controlled entity are not aware of any event occurring after balance date that would impact this financial report.

RESIDENTIAL TENANCIES AUTHORITY AND CONTROLLED ENTITY

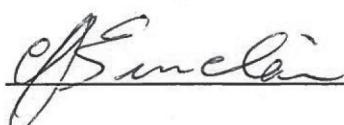
MANAGEMENT CERTIFICATE for the year ended 30 June 2013

This consolidated general purpose financial report has been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (Qld) (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Residential Tenancies Authority and its controlled entity for the financial year ended 30 June 2013 and of the financial position of the Authority and its controlled entity at the end of that year.



FERGUS SMITH
General Manager



CATHERINE SINCLAIR
Chairperson, RTA Board

11 September 2013



Independent auditor's report

To the Board of the Residential Tenancies Authority

Report on the Financial Report

I have audited the accompanying financial report of the Residential Tenancies Authority, which comprises the statement of financial position as at 30 June 2013, the statement of 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 certificates given by the Chairperson and General Manager of the entity and the consolidated entity comprising the Board and the entity it controlled at the year's end or from time to time during the financial year.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about 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 entity'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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The Auditor-General Act 2009 promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Residential Tenancies Authority and the consolidated entity for the financial year 1 July 2012 to 30 June 2013 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



C F DOUGHERTY CPA
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane

RTA Publications

Download RTA forms and publications from our website rta.qld.gov.au or call us on **1300 366 311**.

Guides

Pocket guide for tenants – houses and units (Form 17a)

This guide has also been translated into Arabic, Japanese, Korean, Chinese (Simplified), Chinese (Traditional) and Vietnamese.

Pocket guide for tenants – caravan parks (Form 17b)

Managing general tenancies in Queensland

Managing caravan park tenancies in Queensland

Managing rooming accommodation tenancies in Queensland

Easy guide for residents – rooming accommodation

Miniguide are available in Swahili, Kirundi, Dinka, Farsi, Dari, Somali, Karen and Tamil.

Forms

Forms for residential tenancies

These forms are for people living in, or managing, townhouses, flats, houses, moveable dwellings or houseboats.

- Form 1a *Entry condition report – general tenancies*
- Form 1b *Entry condition report – moveable dwelling/site*
- Form 2 *Bond lodgement*
- Form 3 *Transfer of bond*
- Form 4 *Refund of rental bond*
- Form 5 *Change of lessor or lessor's agent or manager/provider*
- Form 6 *Change of shared bond arrangement*
- Form 7 *Part-payment of rental bond**
- Form 8 *Signature record[#]*
- Form 9 *Entry notice*
- Form 10 *Notice of lessor's intention to sell premises*
- Form 11 *Notice to remedy breach*
- Form 12 *Notice to leave*
- Form 13 *Notice of intention to leave*
- Form 14a *Exit condition report – general tenancies*
- Form 14b *Exit condition report – moveable dwelling/site*
- Form 15 *Abandonment termination notice*
- Form 16 *Dispute resolution request*
- Form 17a *Pocket guide for tenants – houses and units*
- Form 17b *Pocket guide for tenants – caravan parks*
- Form 18a *General tenancy agreement*
- Form 18b *Moveable dwelling tenancy agreement*
- Form 19 *Notice to vacate from mortgagee to tenant/s[#]*
- Direct deposit nomination form*

Forms for rooming accommodation

Use these forms if you are living in, or managing, rented rooms in privately run boarding houses, aged rental, supported or student accommodation.

- Form R1 *Condition report*
- Form R9 *Entry notice*
- Form R11 *Notice to remedy breach*
- Form R12 *Notice to leave*
- Form R13 *Resident leaving*
- Form R18 *Rooming accommodation agreement*
- Form R19 *Notice to vacate from mortgagee to resident/s[#]*

* Merged with Form 2, November 2012

[#] Available online only

Glossary of terms

Acronyms and abbreviations

ABS	Australian Bureau of Statistics
Act, the	<i>Residential Tenancies and Rooming Accommodation Act 2008</i>
ARAMA	Australian Resident Accommodation Managers' Association
ARC	Audit and Risk Committee
CALD	Culturally and Linguistically Diverse
CC	Consultative Committee
CCSP	Core Client Services Program
CSBA	Customer Service Benchmarking Australia
EAP	Employee Assistance Program
EEO	Equal Employment Opportunity
FMT	Full Management Team
FTE	Full time equivalent (staff)
IDF	Industry Development Forum
IPMSC	Information Portfolio and Management Steering Committee
OCM	Organisational Change Management
PaCSIA	Peace and Conflict Studies Institute Australia
PDS	Performance Development Scheme
PID Act	<i>Public Interest Disclosure Act 2010</i>
PMO	Portfolio Management Office
POAQ	Property Owners' Association of Queensland
QCAT	Queensland Civil and Administrative Tribunal
QIC	Queensland Investment Corporation
REIQ	Real Estate Institute of Queensland
RTA	Residential Tenancies Authority
RTEO	Residential Tenancies Employing Office
RTI Act	<i>Right to Information Act 2009</i>
TIS	Translating and Interpreting Service
TUQ	Tenants' Union of Queensland

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Letter of compliance

20 September 2013

The Honourable Tim Mander MP
Minister for Housing and Public Works
GPO Box 2457
Brisbane Qld 4001

Dear Minister

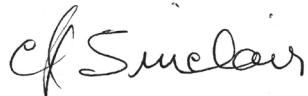
I am pleased to present the Annual report 2012–13 and financial statements for the Residential Tenancies Authority.

I certify that this Annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be accessed at rta.qld.gov.au/annualreport.

Yours sincerely



Catherine Sinclair
RTA Board Chair

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Text

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Kim Kelly

Printer

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The Residential Tenancies Authority (RTA) is the Queensland Government statutory body that administers the *Residential Tenancies and Rooming Accommodation Act 2008*.

The RTA makes a positive difference to the residential rental sector by providing tenancy information, bond management, dispute resolution, investigation, policy and education services.

Contact the RTA

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