

2017-2018 Annual Report

of the Financial & Consumer Rights Council



FCRC

Financial & Consumer
Rights Council Inc.

About FCRC

The Financial & Consumer Rights Council Inc (FCRC) is the peak body for over 220 financial counsellors in Victoria.

It is a non-profit organisation whose purpose is to:

- › Advocate for vulnerable Victorian consumers who are experiencing financial difficulty
- › Support the financial counselling sector through its casework, advocacy and law reform
- › Adopt and maintain best industry practice.

Financial counsellors provide free and independent advice and advocacy for people on low-incomes, in debt, or when financial circumstances change, putting individuals and families in financial hardship. Loss of employment, marriage breakdown, natural disasters and the easy availability of credit are some of the common reasons people seek assistance.

FCRC supports financial counsellors by providing training and professional development and sets the standards for the profession in Victoria. FCRC also provides a voice for Victorians in financial hardship and works across a range of industries, including banking, utilities and telecommunications.





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Acknowledgement of Country

FCRC acknowledges the Aboriginal and Torres Strait Islander peoples as the traditional custodians of the lands on which we work and live. We pay our respects to ancestors and elders, past and present.

Chairperson's report

Julie Barrow

The value of writing a piece for FCRC's Annual Report is the opportunity it presents to stop and reflect on the year that has been and the future ahead of us.

One theme that continues to present to us as a sector are the words "Royal Commission". Not only have we witnessed major changes following the Royal Commission into Family Violence, we are yet to see the impacts of the current Royal Commission into the Banking and Finance Industries on the work we do with clients. Our clients' stories have been instrumental in demonstrating the poor behaviours that have impacted the most vulnerable in our community. Our input into both of these significant enquiries highlights the breadth of the work financial counsellors cover and the level of knowledge across many areas of expertise that is crucial in providing the best outcomes for our clients.

In reflecting on the work of our organisation, key achievements over the past 12 months include:

- › The appointment of our new Executive Officer, Dr Sandy Ross.
- › Completion of Consumer Affairs Victoria (CAV) review into the Financial Counselling Program (FCP) support services provided by FCRC resulting in signing of a 3 year funding agreement.
- › Successful funding submission to Department of Health & Human Services (DHHS) to establish an elder abuse project to pilot the role of financial counselling in integrated care models.
- › Development of relationships and funding from Victorian Responsible Gambling Foundation (VRGF) to continue to support our gambling-specialist financial counsellors.
- › Improving mechanisms to support member conversations and contributions through the development of sub-committees of the Board. Most recently involving members in the review of the constitution and professional supervision policy review both at a state and national level.
- › FCRC has developed positive relationships with diploma providers and students who are the future of financial counselling and the Board are keen to ensure support for our new members coming into the sector.
- › Member and client representation at Parliament House, Canberra in a delegation led by Consumer Action Law Centre, Financial Counselling Australia and Choice to advocate for clients around responsible lending and the Royal Commission.

An ongoing opportunity for our sector is the continued path towards professionalisation of financial counselling, along with building a sense of support and compassion, as financial counsellors, for our colleagues to be able to work together to change many injustices we see our clients face in our daily work.

Finally, I would like to acknowledge the significant contribution Kay Dilger has made as Secretary to the FCRC Board over the past six years. Working tirelessly in the role, she has witnessed many changes in our profession. We wish Kay well and know that she will continue to advocate for our profession in her role as a Director on the Financial Counselling Australia Board. I would also like to acknowledge and thank Jenny Elvey who has also announced she will be stepping down from the FCRC Board after four years of service. Jenny has been a fantastic advocate for our regional members and will be greatly missed at the Board table.



Julie Barrow
Chair of the Board



FCRC Board Chair Julie Barrow (left), pictured with financial counsellor, Eleanor Mason.

Secretary's report

Kay Dilger

As my six years as FCRC Secretary draws to an end, I reflect on my journey over that time. I have learned much personally and professionally, experienced many insights, challenges and rewards. Like financial counselling practice, being an effective Board member takes consideration of the views of others, ongoing reflection, professional development and continuous learning, and at times the ability to step back from my own views to examine what is good for FCRC, and financial counselling as a profession.

Walking the tightrope of strategic direction and governance that sit with the Board and operational matters that vest with the FCRC EO and staff, while getting the balance right with communication with members is something that has been a conscious focus of the Board this year, and I'm sure the ongoing Board will continue to improve over time.

To FCRC EO and staff, you do an amazing job with the meagre resources available. Your capabilities and passion are evident and I appreciate your efforts. In particular, I recognise the efforts of Sandy and James who are now the foundation that FCRC, and we as members, rely upon.

To members, I thank you for the opportunity to be a part of some wonderful change on our sector's journey of ongoing professionalisation and shared identity. For me, my time on the Board has been about being a part of a strong FCRC; and about the continuing evolution of financial counsellors as recognised, relevant and credible to be able to continue to advocate both individually and at a systemic level for the communities we have the privilege to work with and alongside.

Thank you to my fellow board members who willingly volunteer their time and intellectual efforts, and do their best to fit FCRC responsibilities around their own workplace and family obligations: your leadership and commitment to FCRC and financial counselling is inspiring.

To future Board members, I wish you well in your endeavours as FCRC continues to grow and thrive. Challenges and rewards lay ahead and these are all opportunities for learning and growth.



FCRC Board Secretary Kay Dilger (right)

Executive Officer's report

Sandy Ross

This is my first Annual Report in my role as Executive Officer for FCRC, and provides a great opportunity to reflect on my first nine months in the role for the period up to 30 June 2018.

As someone who has come from outside the sector, it is a real privilege to work on behalf of such a passionate, effective and influential profession seeking to achieve justice and social change.

I have pledged to get around the state and, over time, visit all FCs in their agencies. I still have an enormous amount to learn about financial counselling and, in my experience, nothing beats talking to people in their workplaces. In my initial period, I have attended a range of network and working group meetings, and visited a number of sites, including Mortgage Wellbeing Service in Melton, Odyssey House Victoria and Uniting ReGen, Shepparton agencies, Geelong agencies, Bendigo agencies, Mallee Family Care in Mildura, and Upper Murray Family Care in Wodonga. I am looking forward to spending more time visiting agencies this year.

Our staff

I have the pleasure of working with a fantastic team of staff at FCRC. During 2017-18:

We appointed **Donna Letchford** in a 1 day per week role working on building capacity in family violence financial counselling.

In March 2018, we sadly bid farewell to our Training Coordinator, **Anna Lienhop** who left for greener pastures, but in May 2018 we welcomed **Tanja Haeusler** as our new training manager. Tanja has brought fantastic skills, interest and enthusiasm to the role, and will help drive a strategic approach to training that ensures PD is well run, up to date and articulated with diploma training, and skill needs.

James Degenhardt continues to manage the communications and membership areas, with skill and insight. During 2017-18 James successfully managed a transition of our membership from a 20th century style spreadsheet to a 21st century style CRM system that will enable massive improvements in our capacity to support members and agencies with better record keeping, matching and other functionalities.

Ron Rowley continues as our bookkeeper one day per week, and in good humour pays the bills and the staff, manages the money and ensures we remain solvent. During 2017-18 Ron managed a major software upgrade of our accounting systems.

Highlights of the year

I enjoyed a very smooth handover with Peter Gartlan in spring of 2017, and I am pleased to say he continues to work in the sector and stay in touch. One highlight for which Peter should take much of the credit was the 2017 FCRC Conference. This was a great event, with strong attendance from FCs and industry stakeholders, and saw continued development of relationships, skills and knowledge amongst FCs and our stakeholders.

Successful campaigning

In November 2017 the State Government shifted its position and introduced instalment payment options for car registration. This demonstrated the impact of the campaigning on this issue since 2015, ably led by FCRC Board Chair Julie Barrow.

In September 2017, in the latest step of a long-standing campaign pushed along by our Utilities Working Group, I wrote to the State Government asking for a range of reforms to the Utility Relief Grants Scheme (URGS). In the State Budget in May 2018 the Government delivered a long-awaited increase in the URGS cap (from \$500 to \$650), and initiated a deep and serious review process that promises to improve the operation of the scheme, including its accessibility, flexibility and fairness. These are major achievements by financial counselling advocacy.

FCRC's *Rank the Telco* report continued to have a big impact, with its research providing crucial support for consumer groups advocating for improved regulation in the sector, and some improved regulation by the Australian Competition and Consumer Commission (ACCC) and the Australian Communications and Media Authority (ACMA), and important shifts in the approach of the ombudsman. In December 2017 the Federal Government announced a review of consumer safeguards in telecommunications.

The establishment of the Financial Services Royal Commission was another win for the consumer advocacy sector, and FCRC members have played a valuable role, along with other FCs interstate, in providing client stories and witnesses to the Commission.

New funding agreements

Following the completion of a review of its relationship with FCRC, Consumer Affairs Victoria (CAV) committed to a new three year funding agreement for FCRC, commencing 1 July 2018. The agreement brings with it a more strategic approach

to the relationship and an appreciation of FCRC's leadership role in the sector that is most welcome.

Victorian Responsible Gambling Foundation (VRGF) as a key sector funder, has now agreed to provide FCRC with funding for the first time in 2018-19, in recognition of our support for gambling specialists, and generalist financial counsellors dealing with gambling harms. I welcome that new relationship and look forward to it developing further.

The Department of Health and Human Services (DHHS) has accepted and funded a proposal from FCRC to build financial counselling capacity as part of its Integrated Model of Care for people experiencing suspected elder abuse. This project, led by **Bernadette Pasco**, will help train financial counsellors in specialist skills relevant to supporting clients possibly experiencing elder abuse harms, and will also build a stronger understanding of financial counselling amongst aged care and health professionals.

Challenges

It is not all beer and skittles, however. Despite our best efforts as part of a team of organisations led by Consumer Action Law Centre, legislation to regulate pay day lending, despite being drafted and agreed on by government, is yet to be passed and may be derailed by the next election. Advocacy for improved benefits levels, especially to Newstart, and improved access and support from Centrelink for recipients continues to be important.

FCRC is also deeply concerned about the stress and mental health risks faced by financial counsellors in their work. There is much talk about demand pressures, heavy and complex case loads, exposure to vicarious trauma and burnout in the sector. These have been identified by FCRC Board as issues that require FCRC as the peak body to engage in data collection, compile evidence and advocate for better and more safely structured work environments for financial counsellors. They also highlight the vital importance of our member structures providing peer support to financial counsellors as a protective mechanism.



FCRC Executive Officer Sandy Ross (left)

Thanks

I want to thank:

The FCRC Board, who all volunteer to keep the FCRC ship afloat and sailing in the right direction. The FCRC Board is supportive and engaged and deeply concerned with protecting the wellbeing of financial counsellors and advancing the sector, while discharging its leadership role with care and diligence.

The convenors and secretaries of our working groups and networks, whose work is so important for maintaining these valuable avenues for members to get together and support each other and FCRC.

Our sibling state bodies and Financial Counselling Australia, who are part of our sector and work alongside us to build financial counselling interstate and at the federal level.

Our funding bodies during the year, in particular Consumer Affairs Victoria, who have worked to build and nurture a mature and respectful relationship with FCRC, and who remain deeply committed to the financial counselling sector as the major funder and supporter both inside and outside government. VRGF provides fantastic support to its funded financial counsellors in the gambling help services, and is now extending support to FCRC as well.

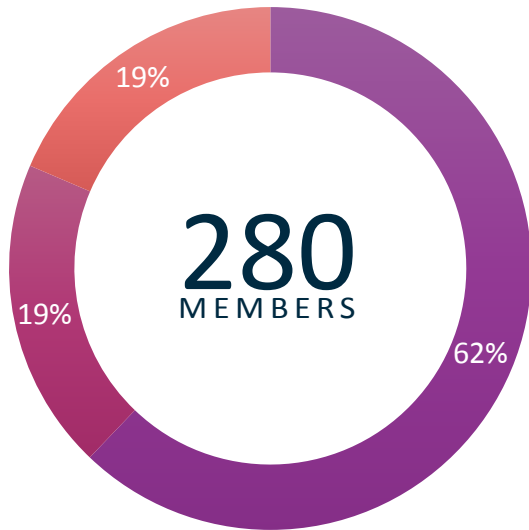
Our industry and wider stakeholders, in particular the partners we have through Thriving Communities Partnership, which promises to have a major impact in shifting industry thinking on hardship.

Our friends in Consumer Action Law Centre (CALC) who show what is possible when you marry financial counsellors, lawyers, policy expertise and a lot of passion and nous. Also, CALC rent us our office space, they provide a lot of support for our professional development program, and a vibrant and positive office atmosphere.

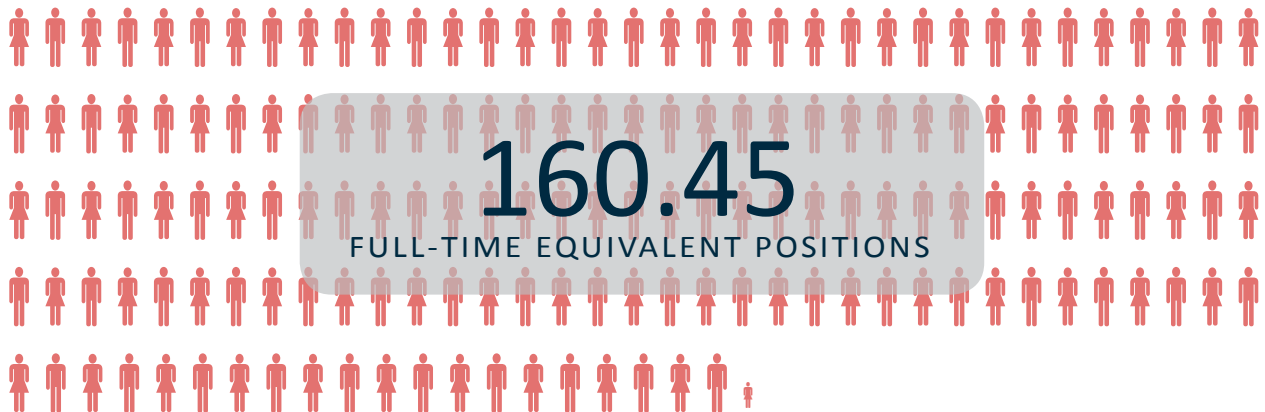
Lastly, I want to thank the members for the massive difference they make every day and every week to the lives of Victorians living in hardship or vulnerable circumstances.

Dr Sandy Ross
Executive Officer

Membership 2017-18



■ Full ■ Associate ■ Affiliate



FCRC Board & Staff: July 2017 - June 2018

BOARD

Chair
Secretary
Treasurer
Board members

Julie Barrow
Kay Dilger
Mark Phillips
Carly Baker
Heather Barclay
Cathy Clark
Trish Dennis
Jenny Elvey
Colin Harte
Norm McMurray

STAFF

Executive Officer
Training Coordinator
Training Manager
Membership
Family Violence project worker
Special Projects
Accounts

Dr Sandy Ross
Anna Lienhop
Tanja Haeusler
James Degenhardt
Donna Letchford
Bernadette Pasco
Ron Rowley

Training report

Tanja Haeusler

31 Professional development sessions

24 days of Family Violence training

11 Regional deliveries

5 Online deliveries

1053

total attendances

81%

survey evaluation completion rate

A lot has been going on in the training space at FCRC in the past year as you can see from the statistics above. A wide range of topics were covered, sector wide Family Violence Training was rolled out and our new Members' Portal started operating.

Since starting as the Training Manager in May 2018 I've observed a keen interest in actively shaping and participating in professional development activities from the sector. Many sessions were facilitated or co-facilitated by financial counsellors, and we continued to receive positive feedback on those deliveries.

Session topics ranged from 'Self-managed super funds', 'Small business failures', 'Predatory for-profit debt business' and 'Consumer leases', to 'Get those cased notes done', 'Letters with punch', 'Complex needs' and 'The role of financial counselling in prisons' to name just a few. Evaluation analysis suggests that the chosen topics were 'relevant', 'interesting' and 'useful'.

The training focus of the second half of this financial year was on the rollout of the Family Violence training provided by Women's Legal Service Victoria (WLSV) and WIRE. There were a total of 24 days of Family Violence training held, including foundation level delivery and advanced unit delivery with a total of 195 attendances.

Looking at numbers, we recorded an increase in regional deliveries over the past year compared to the previous reporting period, from three to eleven. Furthermore, we had five sessions delivered through online modalities. This shows our ongoing commitment to make professional development as accessible as possible for all financial counsellors in Victoria, including those in rural and remote areas.

In terms of technology, we were excited to launch our new Members' Portal in December of last year. The portal functions

as a one-stop-shop for all professional development needs. It provides a platform for members to view their recent and upcoming CPD sessions, and keep track of their supervision hours. Attendance in training sessions provided by FCRC are recorded automatically, including associated PD points. It also allows our financial counsellors to record additional PD on an ongoing basis, as well as access learning materials and other resources.

Lastly, I'd like to mention the Professional Development Advisory Group (PDAG), which continued to be an integral part of our training business, with Annette Lumsden as the chair of the group. It provided a valuable sounding board and source of advice on training needs in the sector. Changes to membership of the PDAG in the past 12 months were:

- › Melanie Hallam (Financial Ombudsman Service) joined the PDAG in February 2018 as an external stakeholder
- › Tanja Haeusler came on-board as the new Training Manager for FCRC in May 2018, replacing Anna Lienhop
- › Fiona Collison (Good Shepherd) and Chris Stuart-Walker (EWOV) have both left the PDAG

Other members of PDAG as at the end of the 2017-18 financial year were:

- › Colin Handreck (CAFS Ballarat)
- › Kay Dilger (SECL)
- › Sandy Ross (FCRC)
- › Preethi Vergis (CALC)

Moving forward the PDAG is no longer a requirement under the new CAV funding agreement. FCRC, after consulting with CALC and the PDAG, has decided to continue to operate this group with an expanded membership involving a wider range of financial counsellors.

Working Group reports

Working groups connect financial counsellors with FCRC's advocacy work; linking casework and policy. The groups consist of FCRC members, however, relevant professionals are regularly involved on an invitational basis.

Not only can group members make a difference to systemic issues, but working groups offer the chance to develop new skills and gain valuable experience, not to mention excellent networking opportunities with other FCs, industry and government representatives.

At the end of the 2017-18 financial year, there were four FCRC working groups, each of which operates within their own terms of reference. These groups are:

- › Centrelink
- › Gambling Issues
- › Infringements
- › Utilities





Centrelink Working Group

Joy Mason

The Centrelink Working Group began at the 2017 FCRC Conference where expressions of interest were called for input into forming a group to work on Centrelink issues and concerns.

A number of FCs nominated and at the FCRC Board meeting the Board agreed to form the group and financial counsellors were appointed to have input into the group. This is by no means a closed group – FCs are welcome to attend any of the meetings by phone or in person.

Partners such as CALC and Social Security Rights Victoria (SSRV) were also invited to join and the group met on 8 March 2018. The group discussed the terms of reference, Liz Stary was gracious enough to accept the position of Secretary with myself as Convenor.

The group elected to create a workplan with the following items considered as the first level of concern –

- › Centrepay
- › Dedicated Centrelink/DHHS contact for FCs counsellors
- › Robo-Debt
- › ATO/Centrelink/Child Support Agency linkages
- › Access to MyGov for disadvantaged and vulnerable clients
- › Disability Support Pension (DSP) application process
- › Rent assistance payment level

Since that time we have had input from a number of our partners who are working on particular areas and who have previously had numerous meetings and conversations with Centrelink.

The main area of concern and interest for FCs is that Centrelink are often not open to talking with FCs when we contact and don't accept the guidelines relating to privacy authorities. Further, there are major concerns for our already vulnerable clients when it comes to them trying to access Centrelink through long wait times with phone calls and being unable to use MyGov and the internet.

The Working Group is currently reviewing the information we have and making decisions about how we can effect change.

We are very mindful that there are elections coming up and perhaps FCs and organisations can take the opportunity to speak with their local parliamentarians regarding these significant areas of concern.



Gambling Issues Working Group

Annette Devereaux

The Gambling Issues Working Group (GIWG) has a commitment to continue to support those financial counsellors working with gambling harm. Although we have had to cancel a couple of meetings due to training conflict and low numbers, we remain on track to continue bi-monthly meetings at FCRC (meetings are available via teleconference link for those unable to attend in person).

The support received from FCRC to continue this working group and resource the working groups accordingly is met with appreciation. As financial counsellors know too well, competing demands, high caseloads and at times, a lack of understanding of the value of the GIWG within management structures impacts on attendance.

We have continued to provide education to the banking sector regarding gambling harm and have undertaken some regional presentations at local branches which has been well received.

We had an informative presentation from Chris Howse, Whittlesea Community Legal Service, who informed us about their fight to oppose further pokies in their local community – and they won! Chris encouraged other legal services and individuals to fight applications to increase pokies in their area. He also discussed the importance of highlighting the impact of gambling harm on the community (crime, increase in mortgage stress, higher unemployment, etc.) as well as family and friends who are impacted – citing the Victorian Civil and Administrative Tribunal (VCAT) needs to hear this evidence and peoples' stories.

Members of the GIWG were approached to undertake presentations for FCRC training which have been held for Self-Managed Superannuation Funds (SMSF) and Section 271 bankruptcy issues - these were well received. Further presentations around working with clients with addictions, another SMSF presentation and working with couples and ensuring financial transparency are also planned.

We look forward to continued discussions regarding reducing the stigma of gambling-related harm (problem gamblers or those affected by someone else's gambling) and case/practice discussions that occur at our meeting. Thank you to those who participate in the GIWG, including Sandy Ross and FCRC staff. A big thank you to Susan Orchard who has recently stepped down from the role as secretary and a welcome to Jacinta Morris who volunteered to take this on.

We warmly extend an invitation to new members or those interested in gambling-related issues, as well as to previous members wishing to attend. We are looking forward to a great year with the support from FCRC and Victorian Responsible Gambling Foundation.



Co-convenors: *Cameron Lavery (Justice Connect) Shifrah Blustein (WEstjustice); Joanne Parkin (Uniting ReGen)*

The Infringements Working Group (IWG) is a joint-working group of Financial and Consumer Rights Council, Federation of Community Legal Services and Victoria Legal Aid. The IWG involves 36 member organisations, and has worked closely with government and other stakeholders to highlight the challenges faced by vulnerable people trying to navigate the complex infringement system. The IWG is well attended and through strong advocacy has built upon the positive relationship with Department of Justice and Regulation. Our highlights last financial year included:

Implementation of Fines Reform

The Social Justice Initiatives of Work and Development Permit and Time Served Scheme commenced at July 2017. The implementation of these schemes has not been as smooth as hoped and we continue to advocate for better access to the Social Justice Initiatives to assist those who are not able to pay their infringement debts.

There have been significant changes and challenges in the Fines Reform space including the new IT systems, and we have fed back these difficulties to the Department of Justice and Regulation and some workarounds have been offered in the meantime.

Family Violence Scheme

This Scheme was developed in response to the IWG submission to the Royal Commission into Family Violence. The IWG continued to advocate for a scheme which would safely meet the needs of people with infringements who have experienced family violence. The scheme commenced in January 2018 and the IWG continues to monitor the accessibility and effectiveness of this scheme.

PD Day

The IWG developed and delivered a very successful Professional Development day in late 2017 attended by over 200 people. Special thanks to Garry Rothman who once again drove this event for benefit of the sector. There are some excellent resources available on the FCRC website if you were not able to attend. Special thanks to Brendan Lacotta, Principal Lawyer, Moonee Valley Legal Service for the excellent written resources and to the other sponsors for making the day such a success.

Strategic advocacy with other stakeholders including Public Transport Victoria, Victorian Ombudsman, Tolling Ombudsman, Vic Roads and State Trustees.

Sheriff Seven Day Notice Resource

We have continued our development of the Sheriff Resource for people issued with a Seven-Day Notice, as after this notice expires there will be very few options available.

Asylum Seekers and Refugees

Successful empowerment and advocacy including a resource for Asylum Seekers.

Melbourne, don't criminalise homelessness

Justice Connect successfully led this advocacy to prevent the proposed criminalisation of homeless people sleeping rough in the City of Melbourne.

Special Circumstances List at Melbourne Magistrates Court

We continue to advocate for the maintenance of the Special Circumstances List at Melbourne Magistrates Court for matters not withdrawn by issuing agencies.

We continue to advocate for an accessible and effective Fines system because vulnerable people and agencies which support them continue to experience difficulties accessing information and fair outcomes.

Issam Alameh

Establishing the Utilities Working Group (UWG) was to address different utilities related issues. The main concern being how industry and the regulator are responding to the long-term energy poverty: when people are in severe hardship due to high energy bills, and retailers are not taking proactive measures to protect the consumers from falling behind in payments and the impacts on their lives.

The UWG started its meetings on 26 June 2018 after being inactive for a period. This meeting introduced the new Energy Retail Code, which was developed through collaboration between stakeholders such as Essential Services Commission (ESC), Energy Australia, Energy & Water Ombudsman Victoria (EWOV), Origin, and financial counsellors.

The new code shifted the theme of the industry from being 'retailer centric' to become more 'consumer centric'. The objective of the new code is to avoid debts and make it easier for consumers to pay their bills, and leave disconnections as a last resort.

The new code has established the consumer's entitlements to different forms of assistance and made retailers obliged to comply with these entitlements.

The new retail code lifted the minimum disconnection amount from \$120 (excluding GST) to \$300 (including GST).

Retailers now must be proactive with consumers and contact them within 21 days of a missed payment.

The UWG aims to make sure that financial counsellors are familiar with the new retail code and can use it as a tool to support the people they are working with, and discuss any concerns associated with the application of the new code, as well as report feedback through the proper channels.

The UWG will work with FCRC to develop professional development to assist financial counsellors to have a better understanding of the new retail code so that they can use it to advocate on behalf of the people.

The UWG will meet every three months. We will promote the UWG through social media and conferences, and through formal and informal communication with financial counsellors as we are doing through this report.

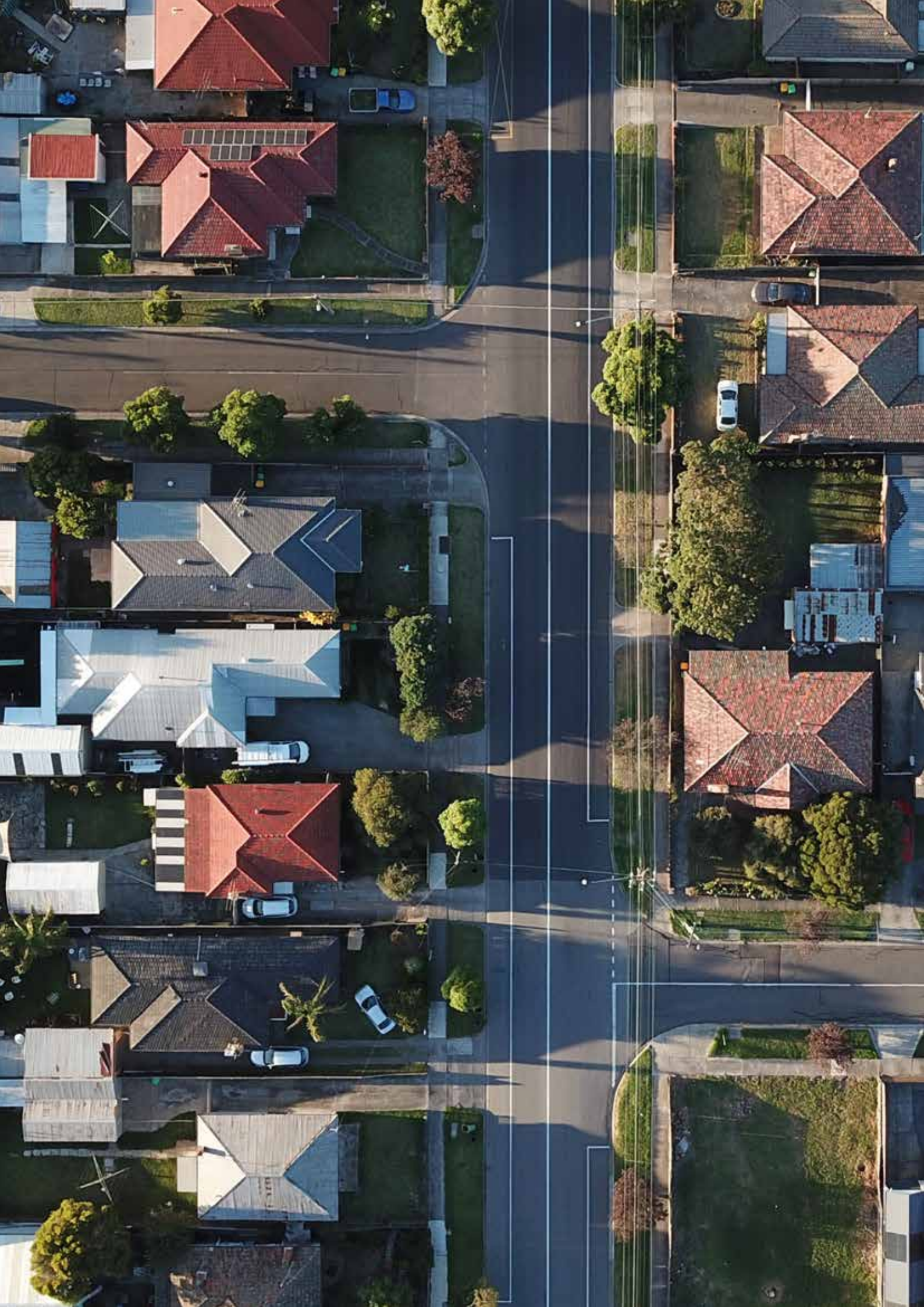
It is crucial for the UWG to include members from every region in Victoria, so we will look at using videoconferencing for the next meeting to give a fair chance for financial counsellors who cannot attend in person to join the meeting.

The UWG thanks FCRC EO Sandy Ross, who has helped to make sure that the group became active again. Sandy attended the first meeting and offered his and FCRC's support for the UWG to contribute to improving the quality of life of people.

The UWG would also like to thank Heather Cassidy who played the role of the Secretary. Heather had to step out of the role due to medical reasons and we wish her a speedy recovery.

Finally, the UWG would like to thank everyone who provided support and feedback and continues to do so.







Regional network reports

Regional networks offer a forum for FCRC members to meet and discuss casework, undertake professional development and debrief with their peers.

Regional networks are a way for financial counsellors to discuss casework related matters emerging that are particular to the geographical area; discuss approaches and work together.

The Regional Networks are:

- › Southern metro
- › Northern metro
- › Western region
- › Gippsland region
- › Hume region

Beyond the geographically specific local networks, the **Statewide Network** is open to all members and is a great chance to meet colleagues from across the state.

With so many competing priorities and demands on time, it was wonderful to see members of this region supporting one another and sharing insight.

Above all, the Southern Region Metro Network strove to provide a safe and supportive environment for its members; where we can learn from one another, stay connected, identify regional training needs, host professional development and guest speakers, and operate as a conduit to FCRC staff to better enhance outcomes for its members and the broader community.

The communities in this region differ immensely in their vulnerabilities and backgrounds. Services stretch from Mornington Peninsula to Shire of Cardinia to City of Port Phillip. Members consisted of approximately 40 financial counsellors working across 12 agencies.

Some key highlights from this reporting period:

- › In September, Margaret Taig who has been co-convening the network since 2011 vacated the position. It is pleasing that she remains an active member of the network, and she deserves a special thank you for 6 years of contributions as co-convenor.
- › Members being time poor, seeking strategies and support for how to continue providing quality service to individuals with complex needs, while responding to high levels of demand and pressure; balancing waiting times and expectations, while avoiding burnout.
- › Ongoing challenges concerning mortgage stress, Centrelink, asylum seekers/ refugees, individuals impacted by problem gambling, housing stress, elder abuse and increases of people presenting who have been impacted by family violence.

Six meetings were held as follows:

August 2017 [Venue: Sladen Street, Cranbourne]

- › Robyn Shepherd Murdoch provided professional group supervision
- › Farewell to Peter Gartlan

September 2017 [Venue: Connect Health and Community; Bentleigh East]

- › Julia Di Giovine provided professional group supervision
- › Welcome to Sandy Ross

December 2017 [Venue: South East Community Links, Dandenong]

- › Staff representation from FCRC: James Degenhardt

February 2018 [Venue: South East Community Links, Dandenong]

- › Robyn and Cheryl Buttigieg facilitated professional group supervision
- › Staff representation from FCRC: James

April 2018 [Venue: South East Community Links, Dandenong]

- › Professional development session: Andrew Rankin, Community Lawyer of Peninsula Community Legal Centre – topic: Infringements [organised by Max Smart]
- › Staff representation from FCRC: Sandy Ross

June 2018 [Venue: Sladen Street, Cranbourne]

- › Julia provided professional group supervision
- › Guest speakers from FCRC: James and Kati

Thank you and gratitude to everyone who contributes to this network and well wishes to all the financial counsellors in the region. No doubt the year ahead will bring many challenges and opportunities.

Jo Parkin

The Northern Region Network meets bi-monthly at various locations within the northern region. Each hosting agency agrees to convene a meeting when the schedule of dates/meetings of the year is developed.

The Northern Region Network financial counselling members actively participate and take responsibility in the planning and running of the meetings. This allows all agencies to take ownership of the meeting. The meetings are well attended by financial counsellors and often guest speakers are invited to share their knowledge and provide professional development opportunities to the financial counselling sector.

During 2017-2018, the participating agencies were: Anglicare, Banyule Community Health, Berry Street, FMC Mediation and Counselling Vic, Uniting Kildonan, Uniting Lentara, Uniting ReGen, The Salvation Army, VincentCare and Neighborhood Justice Centre.

During the last 12 months, the meetings were held on the following dates and locations:

- › 28 July 2017 hosted by Uniting ReGen;
- › 26 September 2017 hosted by Banyule Community Health;
- › 28 November 2017 hosted by Anglicare
- › 27 February 2018 hosted by Vincentcare
- › 24 April 2018 hosted by Salvation Army – Brunswick office

The members have organized guest speakers and professional development presentations and these have included:

- › Linda Coventry-Pool, Uniting ReGen. Presented on Alcohol and Other Drugs (AOD) services and how to access them in the Northern Region;
- › Banyule hosted a special meeting at Crown Responsible Gambling Support Centre and was presented the services by Sonja Bauer, General Manager for Responsible Gambling Support Centre
- › Client Volunteer Program (CVP) presented by Emily Dare. VincentCare client volunteer, Damien told his story of drug and alcohol addiction during a time of homelessness and his pathway out of that time
- › Melissa Glenn and Paula from Australian Debt and Insolvency Solutions Pty (ADAIS) presented on debt agreements and future changes to bankruptcy

During the 2017–18 financial year, financial counsellors from the northern region were able to utilise this opportunity to discuss emerging trends and issues, discuss complex cases and receive feedback and support from their peers. Information was provided by members who attended working groups, such as the Utilities Working Group, Infringements Working Group, and Centrelink Working Group. Each agency provided updates on changes, workload and shared information that is relevant to the sector. The network will continue to focus on systematic issues and emerging trends in the region to ensure fair and good outcomes for clients and community members.

Western regional network

Eleanor Mason

Jo McMahon-Hide

We are always fortunate in the Western district to enjoy some picturesque country town charm, which we did travelling to Bendigo, Warrnambool and Ballarat.

In Bendigo, we welcomed Sandy Ross to the meeting who spoke about his vision for the sector. Thank you Joy Mason and FMC for hosting.

In Ballarat, Jan Sneyd at CAFS announced her retirement – all the best Jan! Colin Handreck acknowledged Jan's uplifting nature and can-do/ will-do approach, which he says impacted positively on a daily basis.

Thank you Colin Handreck and CAFS for hosting this meeting which was followed by a consumer lease training session delivered by CALC.

In Warrnambool, we completed complex needs training which was smashingly valuable for all. Thank you David Lodge and Bethany for coordinating and hosting this event – we even worked through lunch to absorb the travel time!

Western Network would like to acknowledge all the members who are unable to attend meetings due to distance. Many report that they look forward to reading the meeting minutes, and stay connected in this way.

This year we worked more closely with FCRC, alongside the introduction of professional development sessions. We welcomed FCRC's Tanja Haeusler at Warrnambool, and we appreciate her ongoing efforts to identify training needs.

As Jo and I retire from the convening role after two years, we look forward to watching the next convenors as FCRC actively focuses on support for member participation. As workloads and stresses on FCs increase, they recognise the importance of gatherings with peers as a protective mechanism – and so too do the members.



Christine Jones

Gippsland is a large and diverse area. From the mountains to the sea, agriculture to hospitality, bush workers to surgeons, high value farmland to low socio-economic communities, financial counsellors working in this area come into contact with many and varied situations which take enormous skill, knowledge and networks to reach suitable outcomes for customers.

Agencies that provide financial counselling services throughout Gippsland are:

- › Anglicare Victoria (Warragul, Wonthaggi, Korumburra, Morwell, Yarram, Sale, Bairnsdale)
- › Orbost Regional Hospital (Orbost and far East Gippsland)
- › Family Mediation Centre (including Financial Capability – Gippsland wide)
- › Rural Financial Counselling Service (Gippsland wide)
- › Salvocare Eastern (Leongatha, South Gippsland)
- › Latrobe Community Health Service (Problem Gambling – Gippsland wide)

We have only been able to facilitate two network meetings during the past 12 months. A planned meeting in March was cancelled as a large number of FCs were impacted by the compulsory Family Violence training package and time was not on our side.

We were the first network group to meet with Sandy Ross as he stepped into the EO role and for someone who was so new, we felt the transition was pretty seamless and he was obviously across many elements of our roles. We continue to support FCRC and their endeavours to build a strong and professional identity for our sector.

Discussion Points for Gippsland:

- › Utility bills continue to be a major problem although we have recognised less involvement with EWOV – FC skills have helped energy providers to develop better responses to customers in crisis. Rural customers are accessing Non-mains Utility Relief Grants (NURGS) in high numbers. FCs welcomed the increase in URGS payments to \$650.
- › Most FCs would welcome an increase in the number of Financial Capability Workers across Gippsland. Many referrals are for money management, behavioural spending patterns and utility bills that are ideally dealt with by a capability worker who can provide ongoing support and follow up, as well as conduct community education

sessions. There is often a call to increase the number of financial counsellors but we see an opportunity for capability workers to take some of the pressure off FCs who are busy with more complex matters.

- › Referral numbers have significantly increased and has necessitated some changes to intake protocols as the resulting workload is increasing likelihood of worker stress.
- › Rural FCs are extremely busy with Farm Household Allowance (FHA) applications due to reduced farm incomes as a consequence of deepening drought conditions.
- › Mortgage stress is slowly increasing throughout the area, particularly when someone is left solely responsible for managing a mortgage: e.g. family violence, separation, death of a partner. Sometimes this is an indication of poor insurance coverage or a dangerously low income.
- › Family violence referrals have increased which is a promising sign that specific agencies working with this cohort are successfully addressing all needs. FCs have been very responsive and have undertaken the compulsory CAV two-day foundation and one-day advanced family violence support training.
- › FCs report a consistently high number of cases involving mental health complexities. Often underlying these cases are substance abuses or resulting Acquired Brain Injuries (ABI). An observed consequence is poor reliability and contactability of customers and sadly, many negotiations and arrangements fall through because of this.
- › Students have been supported throughout Gippsland with placements, supervision and direct support being provided.

Training at Network Meetings:

- › November 2017 – NDIS, presentation by Maurice Blackburn. The key feature was 'Control and Choice', Total and Permanent Disability (TPD) claims in superannuation.
- › June 2018 – Work & Development Permits (WDPs), Fines Victoria's FV Scheme, presentation by Victoria Legal Aid (VLA).

Our meetings will continue to provide a professional space to discuss cases, support workers, identify issues and improve professionalism so we can drive our skills to benefit the lives of our customers. Now that we have a sense of security due to the increased length of contracts our focus can remain on service delivery and skill development.

Hume regional network

Claire Raeburn

Julie Albert

The Hume Region Network focuses on financial counselling best practice and exists to provide peer support. The Network meets four times annually in Benalla, with attendance of between 10-16 financial counsellors.

Members

The Network kept a busy agenda throughout the year, and was well attended by local members representing agencies including: Upper Murray Family Care, Primary Care Connect, Nexus Primary Health, Anglicare, Mansfield Shire Council, SalvoCare, UnitingCare and VincentCare. One retired financial counsellor (who also provides professional supervision to a number of financial counsellors) also attended the meetings. The members cover an area encompassing Benalla, Broadford, Cobram, Corryong, Echuca, Mansfield, Shepparton, Wangaratta and Wodonga, Wallan and Kinglake. This year we were pleased to welcome another new FC to the network.

Guest speakers

The meetings have also created an opportunity for regional financial counsellors to have access to a variety of guest speakers. Topics have ranged from utilities hardship to superannuation and insurance. Guest speakers at the meetings included:

- › Kerri and Belinda - North East Water
- › Cathy McGowan - Federal Independent MP, Indi
- › Alex Adorni-Dickson - The Centre, Wangaratta
- › Tom Cobban - Berril and Watson

The presentations provided an excellent opportunity for discussion around some of the common issues shared by the network – as well as the wider sector – and a sharing of resources.

Discussion topics

Some of the topics discussed at the regional meetings included:

- › Hardship policy, Utility Relief Grant Scheme
- › Royal Commission into Banking
- › Client wait times and demand
- › Suicidal clients

The Network also provided peer support by working through case studies of actual clients.

The Network valued the attendance of FCRC's EO Sandy Ross (either in person or via phone) at the meetings. This provided a great conduit for two-way communication.

The venue for the regional meetings is provided free of charge by Benalla Community Care, which has supported the meetings long term. As the Network continues to grow, new FCs are encouraged to join.



Lynda Horn

Liz Stary

The Victorian Statewide Network of Financial Counsellors is an independent group meeting every two months, and has been a regular event for financial counsellors for many years.

It is an opportunity for financial counsellors to come together with their own agenda and discuss current matters of interest, emerging issues, working group and FCRC news, and undertake professional development presented by guest speakers.

Guest speakers

Over the past 12 months, the Network has been fortunate enough to host a range of diverse guest speakers from the following organisations in relation to our forums:

Maurice Blackburn	Optus
Australian Services Union	Vodafone
Telecommunications Industry Ombudsman	Better Life
Energy Water Ombudsman Victoria	DHHS
Essential Services commission	DHHS Concessions Unit
Key hardship team representative	St Vincent de Paul Spokesperson
ACCAN	Energy Australia
Telstra	Simply Energy
	Origin

We would also like to acknowledge our MC, Garry Rothman for all the fabulous work he does with all the Statewide Network PD forums.

We appreciate the generosity of CBA, Optus, Maurice Blackburn and the Positive Living Centre for kindly providing venues and food for this year's meetings.

The meetings have maintained the following format:

- › Introductions and networking
- › Updates from FCRC and FCA
- › News from working groups
- › Casework discussions
- › Emerging issues within the sector
- › Systemic issues
- › New ideas for training and professional development

Professional development

The Network works closely with FCRC to offer members professional development opportunities alongside the meetings. This allows attendees to acquire CPD points accredited by FCRC. The professional development sessions delivered this year included:

- › Telco panel
- › Energy panel
- › Casework notes

The Network has one more meeting scheduled for 2018, which will be our end of year meeting, PD and celebration in December. All FCRC members, affiliates and students are invited to attend.

Recognising excellence

Every year at our conference we recognise people who have demonstrated excellence in service to our profession and the wider community, through three awards:

- › Jan Pentland Memorial Award
- › Virginia Noonan Award
- › Rising Star Award

Jan Pentland Memorial Award

The Jan Pentland Memorial Award is named after one of our esteemed Life Members, and recognises a member of FCRC who has worked in service to the wider community.

In 2017, the award was presented to **Lisa Garlick** for her years of service to the financial counselling sector and her local community.

Lisa was responsible for coordinating a meeting with regional bank managers from Commonwealth Bank to discuss the issues experienced by their customers affected by gambling-related harm. This interaction has helped to build rapport with the bank staff, and create more positive outcomes for community members in hardship.



Lisa Garlick (left) is presented with the Jan Pentland Memorial Award



Rachna Bowman (right) pictured with Virginia Noonan (left)

Virginia Noonan Award

The Virginia Noonan award is awarded to a full member of FCRC who has demonstrated excellence in service to the profession or their clients over and above their normal duties as a financial counsellor.

Many current financial counsellors owe much of their knowledge to the pioneering training run by Virginia in the early 90s, before any tertiary courses existed.

In 2017, the Virginia Noonan award was presented to **Rachna Bowman** for her successful advocacy and support for her client over the course of several years, throughout a complex family law case.

Rachna's commitment enabled the client to secure ownership of her home, and empowered the client to find her own voice to speak out against domestic violence.

Rising Star Award

The Rising Star Award recognises the work of a new Full or Associate member of FCRC, having held membership for less than three years, who has demonstrated excellence in service delivery.

The 2017 recipient of the Rising Star Award was **Susan Orchard**. Within her first few years of membership, Susan had already made significant contributions to the financial counselling sector, including delivery of professional development training on the topics of gambling, and superannuation.

Susan also undertook to the role of Secretary for the Gambling Issues Working Group.



Susan Orchard (left) was awarded the Rising Star Award in 2017

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.

A.B.N. 89 498 543 075

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075

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FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
COMMITTEE'S REPORT

Your committee members present the special purpose financial report on the entity for the financial year ended 30 June 2018.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Name	Portfolio	
Julie Barrow	Chairperson	
Kay Dilger	Secretary	
Mark Phillips	Treasurer	
Jenny Elvey	Committee Member	
Norm McMurray	Committee Member	
Colin Harte	Committee Member	
Cathy Clark	Committee Member	
Trish Dennis	Committee Member	Ceased 11 October 2017
Carly Baker	Committee Member	Elected 11 October 2017
Heather Barclay	Committee Member	Elected 11 October 2017

Principal Activities

The principal activity of the entity during the financial year was:

The Financial and Consumer Rights Council Inc (FCRC) is the peak body for Financial Counsellors in Victoria. The FCRC actively supports Financial Counsellors by promoting the needs of those experiencing financial hardship.

Significant Changes

No significant changes in the nature of the entity's activity occurred during the financial year.

Operating Results

The deficit for the year attributable to the entity amounted to \$8,853 (2017: \$1,633 surplus).

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

Signed in accordance with a resolution of the Members of the Committee.

Chairperson



Julie Barrow

Treasurer



Mark Phillips

Dated this

12th day of September 2018

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
REVENUE			
Grant funding income		277,088	280,204
Other income	2	346,981	266,756
Project income	2	5,000	204,000
Interest received		5,676	7,041
TOTAL REVENUE		<u>634,745</u>	<u>758,000</u>
EXPENDITURE			
Administration expenses		41,699	25,393
Communication expenses		5,006	20,817
Conference expenses		137,760	149,196
Facilities and equipment expenses		20,071	12,506
Operating expenses		-	2,651
Project expenses		4,549	82,228
Rent expenses		26,606	34,281
Staffing expenses		407,907	429,296
TOTAL EXPENDITURE		<u>643,598</u>	<u>756,367</u>
Net surplus/(deficit) before income tax		<u>(8,853)</u>	<u>1,633</u>
Income tax expense		-	-
Net surplus/(deficit) attributable to the Association		<u><u>(8,853)</u></u>	<u><u>1,633</u></u>

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Net surplus/(deficit) attributable to the Association	(8,853)	1,633
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>(8,853)</u>	<u>1,633</u>
Total comprehensive income attributable to the Association	<u><u>(8,853)</u></u>	<u><u>1,633</u></u>

The income statement is to be read in conjunction with the audit report and the notes to the financial statements.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	380,474	321,899
Trade and other receivables	4	84,913	80,202
Other current assets			
TOTAL CURRENT ASSETS		465,387	402,101
NON CURRENT ASSETS			
Property, plant and equipment	5	5,241	11,936
TOTAL NON-CURRENT ASSETS		5,241	11,936
TOTAL ASSETS		470,628	414,038
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	36,176	20,202
Income received in advance	7	197,001	117,176
Provisions	8	40,101	57,077
TOTAL CURRENT LIABILITIES		273,278	194,455
NON-CURRENT LIABILITIES			
Provisions	8	-	13,379
TOTAL NON-CURRENT LIABILITIES		-	13,379
TOTAL LIABILITIES		273,278	207,834
NET ASSETS		197,350	206,203
EQUITY			
Accumulated funds		197,350	206,203
TOTAL EQUITY		197,350	206,203

The balance sheet is to be read in conjunction with the audit report and the notes to the financial statements.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated Funds \$	Total \$
Balance as at 1 July 2016	204,570	204,570
Surplus/ (Deficit) attributable to the Association	1,633	1,633
Balance as at 30 June 2017	<u>206,203</u>	<u>206,203</u>
Surplus/ (Deficit) attributable to the Association	(8,853)	(8,853)
Balance as at 30 June 2018	<u>197,350</u>	<u>197,350</u>

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grant funding		356,913	287,696
Receipts from other income		371,512	469,794
Payments to employees		(439,258)	(440,282)
Payments to suppliers and others		(231,003)	(325,723)
Interest received		5,651	7,065
Net cash generated from/(used in) operating activities	10	<u>63,815</u>	<u>(1,450)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(5,240)	-
Net cash (used in)/provided by investing activities		<u>(5,240)</u>	<u>-</u>
Net increase/(decrease) in cash held		58,575	(1,450)
Cash and cash equivalents at beginning of financial year		321,899	323,349
Cash and cash equivalents at end of financial year	10	<u><u>380,474</u></u>	<u><u>321,899</u></u>

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of the Financial And Consumer Rights Council Inc., an incorporated association, which is incorporated in Victoria under the *Associations Incorporation Reform Act 2012*.

Basis of preparation

Financial and Consumer Rights Council Inc. applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 201 0-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards- Reduced Disclosure Requirements of the Australian Accounting Standards Board, the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*. The association is a not-for-profit association for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The Association is exempt from paying income tax under the *Income Tax Assessment Act 1997*.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and any impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies (continued)

b. Property, Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

d. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies (continued)

d. Financial Instruments (continued)

(i) Financial assets at fair value through the profit & loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale Financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence that impairment as a result of one or more events (a "loss event") has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies (*continued*)

d. Financial Instruments (*continued*)

Impairment (*continued*)

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

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

e. Impairment of Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Employee Entitlements

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies (*continued*)

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

h. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

Grant Income

Grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The association receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Interest Revenue

Interest revenue is recognised when the association obtains control over the funds which is generally at the time of receipt.

Donations

Donation income is recognised when the association obtains control over the funds which is generally at the time of receipt.

i. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1. Statement of Significant Accounting Policies (continued)

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

k. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

l. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n. Economic Dependence

The association is dependent on the Department of Justice for the majority of its revenue used to operate the business. At the date of this report the Committee has no reason to believe the Department will not continue to support the association.

o. Key Estimates

(i) Impairment

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

p. Key Judgements

(i) Provision for Impairment of Receivables

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members in relation to unpaid memberships. The committee has made no provision for impairment due to doubtful debts.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 2. Other Income		
Conference income: delegate fees	72,450	82,365
Conference income: sponsorships	165,939	120,449
Donation income	23,651	500
Membership income	56,202	55,109
Sundry income	26	283
Training income	28,713	8,050
	<u>346,981</u>	<u>266,756</u>
Project Income		
Family Violence	5,000	65,000
Rank the Telco	-	60,000
	<u>5,000</u>	<u>125,000</u>
Note 3. Cash and Cash Equivalents		
Cash on hand	380	135
Cash at bank	38,205	66,409
Cash on deposit	341,889	255,355
	<u>380,474</u>	<u>321,899</u>
Note 4. Trade and Other Receivables		
Trade receivables	45,555	65,086
Less: provision for doubtful debts	-	-
	<u>45,555</u>	<u>65,086</u>
Prepayments	33,527	9,310
Accrued interest income	2,777	2,752
Security deposit	3,054	3,054
	<u>39,358</u>	<u>15,116</u>
	<u>84,913</u>	<u>80,202</u>
Note 5. Property, Plant and Equipment		
Computer equipment - at cost	11,467	11,467
Less: accumulated depreciation	(11,467)	(11,467)
	<u>-</u>	<u>-</u>
Office fitout - at cost	29,114	23,873
Less: accumulated depreciation	(23,873)	(11,936)
	<u>5,241</u>	<u>11,936</u>
Total property, plant and equipment	<u>5,241</u>	<u>11,936</u>

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6. Trade and Other Payables		
Trade creditors	1,886	-
Sundry creditors	8,723	3,155
Net GST payable	19,340	9,824
PAYG withholding tax payable	3,240	3,661
Superannuation payable	2,987	3,562
	36,176	20,202
Note 7. Amounts Received in Advance		
Conference revenue	93,501	117,176
Unexpended grant funding	103,500	-
	197,001	117,176
Note 8. Provisions		
Current		
Annual leave	20,250	24,791
Long service leave	6,457	22,632
Personal/carers leave	13,394	9,654
	40,101	57,077
Non-current		
Long service leave	-	13,379
	-	13,379
Note 9. Leasing Commitments		
Operating Lease Commitments		
Payable- minimum lease payments:		
- not later than 12 months	40,051	38,615
- between 12 months and 5 years	40,068	80,119
- greater than 5 years	-	-
	80,119	118,734

The property lease is a non-cancellable lease with a 58 month term, with rent payable monthly in advance. The lease does not include the option to renewal at the end of the lease term. The lease must instead be renegotiated at the end of each term, which for the current lease is 31 July 2020. The Committee have no reason to believe that the lease will not be successfully renegotiated at that time.

The photocopier lease is a cancellable lease with a 5 year term, with rent payable monthly in advance. As at 30 June 2018 there were 2 months remaining on the lease.

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 10. Notes to the Statement of Cash Flows		
Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Net surplus/(deficit) attributable to the Association	(8,853)	1,633
Non-cash flow item:		
Depreciation	11,936	7,678
Doubtful debts	-	-
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(4,711)	4,622
- Increase/(decrease) in trade and other payables	15,973	(11,346)
- Increase/(decrease) in income received in advance	79,825	7,492
- Increase/(decrease) in provisions	(30,355)	(11,528)
	<u>63,815</u>	<u>(1,450)</u>
Cash and cash equivalents at end of financial year		
Cash on hand	380	135
Cash at bank	38,205	66,409
Cash on deposit	341,889	255,355
	<u>380,474</u>	<u>321,899</u>

FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the Committee the financial report as set out on pages 2 to 14:

- 1 Presents a true and fair view of the financial position of Financial And Consumer Rights Council Inc. as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting
- 2 At the date of this statement, there are reasonable grounds to believe that Financial And Consumer Rights Council Inc. will be able to pay its debts as and when they fall due.

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

Chairperson



Julie Barrow

Treasurer



Mark Phillips

Dated this

10th day of September 2018

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Footscray VIC 3011
Australia

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FINANCIAL AND CONSUMER RIGHTS COUNCIL INC.
A.B.N. 89 498 543 075
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Financial and Consumer Rights Council Inc. (the Association), which comprises the statement of financial position as at 30 June 2018, the income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2018 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards as per Note 1, the *Australian Charities and Not for Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012*.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.

Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Name of Auditor: Frederik R. L. Eksteen

Address: Collins & Co
127 Paisley Street
Footscray VIC 3011

Date: 19 September 2018

