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FCVic

Financial Counselling
Victoria Inc.

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ACKNOWLEDGEMENT OF COUNTRY

FCVic acknowledges the Wurundjeri Woi-wurrung people as the Traditional Owners of the lands on which our organisation is based. We pay our respects to their Elders, past and present, and to the Elders of other Aboriginal and Torres Strait Islander communities throughout Victoria and Australia.

We recognise the continuing connection that First Nations communities have to land, water and culture, and acknowledge that sovereignty was never ceded.

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Financial Counselling Victoria acknowledges the support of the Victorian Government.

ABOUT FCVic

We are 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, confidential and independent information, advice, advocacy and support to people experiencing or vulnerable to financial difficulty, to empower them to make informed choices.

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

I live in a very small house, but my windows look out on a very large world

– Confucius

A note on the design theme for this report

For many Victorians much of the 2020-21 year was spent looking at the same four walls. Challenging even at the best of times, yet more difficult for those already experiencing challenges.

The window is a reminder of the world that lies beyond those walls. The potential and the possibilities – the window is a bridge between our current situation and where we hope to be. In a metaphorical sense, windows are similar to financial counsellors who are the pathway out of crisis; the link that connects us to the help we need; the view to a better future.

We have adopted the window as a motif for this year's report as a symbol of optimism. Whatever we may be facing within our current circumstances, the window allows us to see a way out.

CHAIRPERSON'S REPORT

As I look back and reflect over the 2020-21 year, it certainly has been an interesting journey for our members, organisation and more importantly our clients and communities who we support and assist.

The COVID-19 pandemic continues in our lives, and after five lockdowns in Victoria, it is almost easy to forget how things used to be. We know that many people have been hit very hard by the pandemic. Ruined livelihoods and businesses forced to close; the mental anguish of not seeing family and friends, and being isolated resulting in increased demand for mental health services; and of course, the very alarming increases in family violence which continue to grow. On top of that, Victoria also experienced devastating storms and flooding, with severe damage and lengthy power outages.

However, what I have also seen – and am incredibly proud of – is the resilience of the Victorian financial counselling sector. Financial counsellors have taken on all these challenges while still adapting to working from home and online meetings. Battling the COVID fatigue, we have continued to be available to assist as many Victorians facing financial difficulties as possible. We know our role is vital in helping the many individuals, families and small business owners address and deal with the struggles. Demand continues to outweigh our capacities, but we keep going as we know that the work we do can be life changing.

The FCVic organisation has grown, and our staff also continued working from home. The team of now 14 has been dedicated to supporting members to stay connected – communicating regular updates, and launching our new CPD library, which provides members with easy access to resources and professional development opportunities.

A highlight for many of our members this past year was the FCVic COVID Industry Summit. The one-day event to discuss industry responses to COVID-19 saw a gathering of 300 people attend in person, with a further 40 participants joining via live stream. The hilariously funny MC Justine Sless kicked off the day which gave many a chance to reconnect.

On the same day, FCVic launched its history book: [*Financial Counselling in Victoria: the first 40 years*](#). The evening event was a happy celebration, bringing together long-serving, experienced and retired financial counsellors; community sector, industry and government representatives; and friends. The book was formally launched by the CEO of Victoria Legal Aid, Louise Glanville, and the author, FCVic's own James Degenhardt, shared a few words.

Other work/ achievements throughout the year:

Funding Contracts

- > Renewal of Consumer Affairs Victoria and Victorian Responsible Gambling Foundation contracts

FCVic Project Work

Stronger than Before: Rebuilding financial resilience for older bushfire residents

- > Successful funding from the Department of Families, Fairness and Housing to support activities addressing financial vulnerability and abuse affecting older Victorians in bushfire-affected regions

Mental Health

- > Pilot – On Track with my Money, in partnership with Wellways and Shepparton Family & Financial Services

TREASURER'S REPORT

Carers State-Wide Partnership

- › Continuing work commenced with Carers Victoria to integrate financial counselling into carer support programs, and improve access for carers

Small Business Wellbeing

- › Development of the Interim Small Business Guidance Note for Financial Counsellors
- › Ongoing collaboration with partner organisations through Partners in Wellbeing program
- › Development of Foundation of Small Business Financial Counselling e-Learning Series

Advocacy

- › Contributions to the Victorian Ombudsman Investigation into Local Councils Hardship Practices
- › Save Safe Lending Campaign
- › Submission into the Crown Casino Royal Commission

- › Hardship Forum Series working with representatives from banking, energy, telecommunications, tenancy and council rates organisations

I would like to thank the extremely talented and passionate staff at FCVic for all their efforts. We could not achieve all this without your dedication and commitment to systemic change and better outcomes for our clients who we represent.

To the Board and past Board members, who have made significant contributions and commitment, I thank you for all your hard work.

Lastly, to the Victorian financial counsellors, you are so inspiring. Your dedication, passion and drive for change – whether it be through your casework, advocacy, or mentoring of our students – it is such a privilege to work with you all. Continue to be amazing and make sure you are looking after yourselves too.



CARLY BAKER
Chairperson, FCVic

It is pleasing to report that the financial position of FCVic shows a considerable improvement in the current year compared to the prior year. Revenue has increased from under \$1 million to \$1.554 million and the surplus from \$17,000 to \$120,000. These improvements flow from several factors including the number of COVID-19 response programs funded by the Victorian Government and Federal Government COVID-19 assistance that financially offset our inability to hold a conference in 2020.

Despite a focus on COVID-19 and its ramifications, we have kept our eye on fundamentals such as cost management and financial reporting systems. It will be noted that there has been a pleasing increase in membership income due to increased membership numbers, but this still only contributes a small portion of total revenue.

The balance sheet shows that we are in a strong cash position, but this largely represents income from COVID-19 response grants that will be spent in the 2021-22 year. Nevertheless, the underlying funds of FCVic remain adequate. The Finance & Risk

Committee and the Board believe that the financial challenge for FCVic is to maintain the level of funding for projects that enhance financial counselling practice and deliver for our consumers, and to increase government funding for our core activities which has not increased very much over recent years.

In 2021-22 it is anticipated that the financial result will be lower due to decisions made to invest some of this year's surplus in additional people resources in our core activities to support members. Considerable effort was spent during the financial year in reviewing, assessing and reporting on the risk management profile of FCVic. This remains an important ongoing activity to ensure that the strategies and operations of FCVic manage the important risks it faces.

Additionally, a lot of work has been done to improve the accounting and reporting systems due to the changes in our revenue, activities, and complexity of operations. Consultants were engaged prudently to assist us, and the new systems and processes will serve us well into the future.

I would like to thank the FCVic team including Sandy, Vicki, Ron and my fellow Board member on the Finance & Risk Committee, Max Smart, for their considerable contribution to our financial and risk management operations during this financial year.



DAVID BALCOMBE
Treasurer, FCVic

EXECUTIVE OFFICER'S REPORT

The year to 30 June 2021 has been a rollercoaster ride for the community and for the financial counselling sector, alongside significant changes for FCVic. The COVID-19 pandemic has dominated these shifts, of course. Our world and society are being transformed, with social division and disadvantage intensifying, and a Federal Government struggling to take or maintain opportunities to build stronger, fairer and more resilient communities.

The JobSeeker supplement was the single most effective poverty busting policy by a government in living memory, providing a wealth of evidence that raising the rate works to improve the lives and wellbeing of vulnerable people in all the ways our advocacy has said it will. Yet by March 2021, the supplement had disappeared, despite the pleas of the social services sector and financial counsellors to keep it. At the same time, the Federal Government has been moving to wind back the key elements of regulatory protection the Hayne Royal Commission has shown were essential to require for the financial services sector. Thus, in the 2020-21 year, the two key advocacy battles at the federal level for financial counsellors ended with a loss in relation to keeping the JobSeeker supplement, and a (possibly temporary) reprieve from the rolling back of responsible lending protections.

In Victoria, financial counselling moved to being a service predominantly provided by phone in the lockdown context, and this seems likely to remain the case for some months to come. The JobSeeker supplement, along with creditor and regulator assistance packages, had clear impacts in reducing case demand for financial counsellors. This was timely, as the complexities of undertaking casework in lockdowns increased. However, now the supplement

has gone, and other assistance has been wound back, demand pressures on financial counsellors are going back to their unsustainable pre-COVID levels, but with the lockdown complexities of the work remaining.

The 2020-21 year also saw a massive increase in numbers of students doing the Diploma, including a federally funded internship program run through Financial Counselling Australia (FCA), and the construction of a virtual placements "STEPS" program run by FCA. By all accounts, the STEPS program has been a success, but its future funding status is unclear, and there have still been many students unable to obtain placements. Lockdowns and phone-based work have made appropriately supervised student placements – already in short supply before the pandemic – extremely difficult to organise. At the same time, a number of agencies, especially in disaster affected areas, have been struggling to recruit experienced financial counsellors.

FCVic has been advocating with the State Government on the importance of looking at how to respond in a coordinated fashion to these various trends in client demand, unmet demand for experienced financial counsellors, and lack of access to placements. In combination these trends are creating a sector that is desperate for a sustainable path to grow, to protect financial counsellor wellbeing, and to meet community need. In March 2021, the Government committed to working with FCVic on a review of the sector in Victoria, along with renewing its sector funding contracts for three years to provide stability while the review is undertaken. We welcome this development, and anticipate working on this review process will be a significant focus for FCVic in the near future.

Elsewhere in this report, it will be apparent that FCVic has undergone some expansion in operations and activities during 2020-21, due to receiving a range of State Government sourced project funding. This has resulted in developing sector capability and capacity in a range of areas.

Small business financial counselling – with a guidance on professional scope, e-learning modules and other supports to the financial counsellors in the Partners in Wellbeing Service – is a continuing and important development for the sector. Financial counselling is a crucial 'soft entry' for small business owners in distress to access mental health supports provided by the Service, but the need for strengthening service links with mental health services is much broader than the small business sector.

FCVic's mental health project funding has enabled the provision of specialised training for financial counsellors in suicide prevention and complex client response, and the development of a pilot project linking mental health and financial counselling services in regional Victoria. In turn, this work also links with FCVic's work to build links with carers, funded by its statewide partnership grant.

Other important developments have been taking place in building awareness of the sector amongst culturally and linguistically diverse (CALD) communities, with the development of in-language video resources about financial counselling, and a strong relationship with Australian Multicultural Community Services (AMCS), supporting their work on elder abuse prevention and response. Valuable work was also made possible with pandemic-related project funding in tenancy (with Tenants Victoria) and energy, along with continuing supports for financial counselling in bushfire affected areas.

Working across these areas and issues is sometimes stressful, but always exciting and challenging. I am grateful for the amazing work of the FCVic staff, who are talented and capable in equal measure, and for the wonderful support from the Board, who contribute enormously, yet largely invisibly, to FCVic. In particular, I thank Colin Harte and Carly Baker, Board Chairs over the 2020-21 year who have been so generous in so many ways with their good sense, wisdom, time and commitment. Lastly, I want to thank our members, who contribute so much not only to their clients (of course) but also to FCVic, through our networks and working groups, and their thoughtful feedback and input.



DR SANDY ROSS
Executive Officer

OUR PEOPLE

FCVIC BOARD

Chairperson

Colin Harte (until Feb 2021)
Carly Baker

Deputy Chair

Bernadette Pasco

Secretary

Cathy Clark (until Oct 2020)
Max Smart

Treasurer

David Balcombe

FCVIC STAFF (Alphabetical by last name)

Katrina Barrett

Mental Health Project Consultant

Susan Boag

Digital Communications Officer

Vicki Burke

Executive Assistant

Lyn Dundon (until Mar 2021)

Advocacy & Campaigns Manager

Tanja Haeusler

Training Manager

Joy Mason

Workforce Development Officer

Georgia Robenstone

Project Officer (until Mar 2021)
Advocacy & Campaigns Manager

Ron Rowley

Accounts

Board members

Sarah Davidson
Lisa Garlick (until Oct 2020)
Tracey Grinter
Jennifer Holdstock
Joanne McMahon-Hide (until Oct 2020)
Norm McMurray
Max Smart

Board sub-committees

Finance and Risk Committee
(EO) Performance & Remuneration Committee
Professional Standards Committee
Working Groups Committee

Sandra Blake

Small Business Specialist

Helen Brady

Small Business Specialist

James Degenhardt

Membership & Communications Manager

Dr Suzy Goldsmith

Special Projects Lead

Donna Letchford

Family Violence Specialist

Shweta Pathak

Training Officer

Dr Sandy Ross

Executive Officer

Bella Walker

Project Officer

2020-21 AT A GLANCE

Projects

FCVic & SSRV Integrated Services Project
Elder Abuse Project
Bushfire Recovery Support Program
New Costs to Count report
Carers Statewide Partnership with Carers Victoria

COVID Response Projects

In response to the pandemic, the State Government made a number of responses to boost financial counselling capacity and assist wellbeing. The following form part of the COVID-19 response:
Small Business Wellbeing Project
Mental Health
Energy
Tenancy

Submissions

Inquiry into Victoria's Response to COVID-19
Senate Inquiry into the Extension of the Coronavirus Supplement
Bankruptcy Regulations 2021 Exposure Draft Consultation
Senate Inquiry into the National Consumer Credit Protection Amendment (Supporting Economic Recovery) Bill 2020
Royal Commission into the Casino Operator and Licence

Consultations & Collaborations

Community Services Sector Bushfire Recovery Advisory Group
Disaster Legal Help Victoria Review
Economic Abuse Reference Group
Essential Services Commission
Community Roundtable
Healthier Wealthier Families Reference Group
LUCRF Super Financial Counselling Pilot Project Reference Group
RMIT Industry Advisory Committee
Save Safe Lending Alliance/
Stop the Debt Trap Alliance
Treating Families Fairly Alliance



FCVic Strategic

Plan 2019-2022

WHAT

Recognition

Advocate for sector alongside system advocacy from sector

Develop existing and new collaborations with other sectors

Develop and deploy advocacy and training resources focused on building an understanding of role of financial counsellors

Professionalism

Ensure qualifications, training and CPD are up to date, relevant and of a high standard

Develop a strong professional culture in the sector

Play a leadership role in the development of national standards

Sector Sustainability

Develop work roles, management and professional supports to ensure workplace wellbeing of financial counsellors

Encourage diversity in the sector, developing networks, communities of practice and integrated service models to reach diverse client groups

Balance sector expansion with maintaining professional standards

Governance

Support members and sector through relevant and engaging organisational structures and advocacy

Develop strong member ownership of FcVic through access and engagement

Appoint skilled staff, skilled Board members and provide development paths for emerging membership leaders

HOW



Empower clients to resolve financial and linked life issues



Contribute to a fairer society with greater economic inclusion



Reduce indebtedness and hardship, and associated harms to mental health



Improve industry practices and treatment of vulnerable consumers



Achieve systemic reforms to protect and enhance the lives of vulnerable people

WHY

At the time of developing this plan, the financial counselling sector is on a journey towards significant expansion and recognition for its importance and value, while at the same time struggling to meet demand and provide practitioners with sustainable work roles. The key strategic challenge for FcVic is to be outward looking and expansionist, while at the same time improving practice standards and protecting practitioners from trauma, stress and burnout.

OUR WORK

SPECIAL PROJECTS

Dr Suzy Goldsmith and Bella Walker

The unique challenges posed by the last 18 months have underscored the severe distress and mental health impacts caused by financial stress and precarity. Indeed, the work of financial counsellors has perhaps never been more necessary than during this time.

Over the course of the last year, against the backdrop of the ongoing COVID-19 crisis, FCVic's projects team has been working on a number of initiatives to increase awareness of financial counselling and its integration into the service system. Many of these have been specifically targeted toward those most vulnerable parts of our community, and the people affected by the pandemic. While each of these initiatives is unique in its goals and outcomes, addressing issues such as mental health, financial elder abuse, financial stress in carers, and small business wellbeing, we have sought to build synergy between these projects where appropriate – and, in so doing, to increase efficiency and find opportunities for shared learning and mutual gains amongst ourselves and our partners.

All of the work undertaken by our projects team is guided by the goals set out in FCVic's strategic plan. We have sought to build synergy between our work and FCVic's core activities, collaborating where possible to create and work towards common aims. For example, COVID-19 response project funding has provided for additional training in the area of mental health. 'Connect with CARE', a suicide intervention and prevention training delivered by Neami National was rolled out to financial counsellors

from February 2021. The projects team collaborated with FCVic's training team, headed by Tanja Haeusler, to deliver this training. At the same time, we began development on two intensive training sessions: 'Complex caseloads: working productively with people experiencing challenging emotions and behaviours' and a complementary training for agency managers 'Complex caseloads: supporting staff and managing risks.' The development of these sessions has involved consultation with Brett Bridges from Our Curious Minds, and input from financial counsellors and agency managers.

Additional training has also been provided on energy and tenancy issues; this engagement extending to networking activities with other Government-funded initiatives, for example, the Brotherhood of St Laurence, Victorian Council of Social Services (VCOSS) and Tenants Victoria. Engagement around these crucial issues was deepened as FCVic's Utilities Working Group was reconvened in July 2020, and a series of hardship forums with various industry partners were delivered, starting in September 2020, through coordination by Lyn Dundon, Advocacy & Campaigns Manager.

Our project work does not only need to align with the aims of FCVic's strategic plan – it must also make sense to, and reflect the needs of, our members. The establishment of Sector Guidance groups for many of our project initiatives – made up, as they are, of FCVic members with relevant lived experience or expertise – brings financial counselling practice to bear on the project work. Our members bring a wellspring of knowledge to inform the co-design of project activities, interrogate developing relationships, and communicate appropriately with the broader sector.

Further, the engagement of FCVic members on the project work itself ensures that the work remains relevant and connected to the needs of the broader membership.

This year, one of FCVic's larger projects has focused on increasing financial counselling support for small businesses. In the last 18 months, it has become increasingly apparent that small business owners need the support of financial counsellors. Sustained lockdowns have placed enduring financial pressure on a number of small business owners and employees, many of whom may never have experienced financial precarity before. The Small Business Wellbeing Program, conducted in partnership with EACH, Australian Community Support Organisation (ACSO), Neami National and Melbourne Innovation Centre, and funded jointly by the Department of Health and the Department of Jobs, Precincts and Regions, was in part a response to the increase in financial distress felt by small businesses.

Industry engagement has been an important aspect of the Small Business Wellbeing Program. FCVic convenes a Technical Advisory Group (TAG) with 19 industry peak bodies/chamber members. The TAG has been valued by its members as a forum to learn about available assistance, share information on member concerns and to collaborate on initiatives that will address these concerns. In the project's first year, Beverley Kliger and Meredith Carter worked with these industry bodies on issues including access to expert advice and regional concerns. In addition to this, the Small Business Wellbeing Program established a team of specialised small business financial counsellors, operating out of EACH. The FCVic small business team, consisting of Helen Brady,

Sandra Blake, Georgia Robenstone (until March 2021) and Bella Walker (from March 2021), supported the new EACH small business financial counselling team through the design and production of professional development resources, namely an e-Learning series and a number of interactive webinars. These resources were distributed with support from Shweta Pathak from November 2020 through to April 2021.

From January 2021, the FCVic team began work on updating the pilot of the e-Learning series in order to roll it out across the state. The result, the *Foundations of Small Business Financial Counselling e-Learning Series*, has been developed for use by all FCVic members. It is an online self-guided professional development series consisting of 8 modules. The release of the modules commenced in February 2021.

Anecdotal responses from Victorian financial counsellors have been overwhelmingly positive about the e-Learning series: learners have praised the depth and clarity of the content and the "great mix of theory and practical examples." As such, the state-wide rollout of the professional development materials has begun to build a future pool of trained small business financial counsellors for ongoing service delivery and expansion (both in Victoria and interstate).



Over the course of the year, we have also completed much of the planning and development stages of our financial counselling and carers project, conducted in partnership with Carers Victoria and funded by the Department of Families, Fairness and Housing (DFFH). With Carers Victoria and Merri Health, we organised workshops with carer advisors and coaches from the Carer Gateway and state-funded carer support programs. We shared experiences and ideas about how financial counselling could be integrated into the carer support system to better assist financially stressed carers. A number of initiatives are now being developed, including a warm referral pathway for carers to access financial counselling, a diagnostic tool for use by carer advisors and coaches, a toolkit to assist carers navigating government financial assistance options, and a series of short videos to inform carers about the financial support they may be entitled to. In each of these activities, we have been fortunate to have the assistance and expertise of financial counsellor Katrina Barrett.

As part of the Victorian Government's COVID-19 response funding, FCVic developed a pilot program to explore the opportunities and benefits of integrating financial counselling supports with intensive mental health services for a more seamless client experience. On Track With My Money is delivered in partnership with Wellways and Shepparton Family & Financial Services. The pilot program is located in Shepparton, through the Early Intervention Psychosocial Support Response (EIPSR) and Prevention and Recovery Care (PARC) programs operated by Wellways. We have sought to synergise our mental health project with our financial counselling and carers project by providing a 'twinned' model of care in the On Track With My Money pilot program. In this care model, both the carer and the person they care for receive support from their own, dedicated financial counsellor – an approach that is designed to help maximise the potential for both parties to achieve a stable and ongoing recovery relationship.

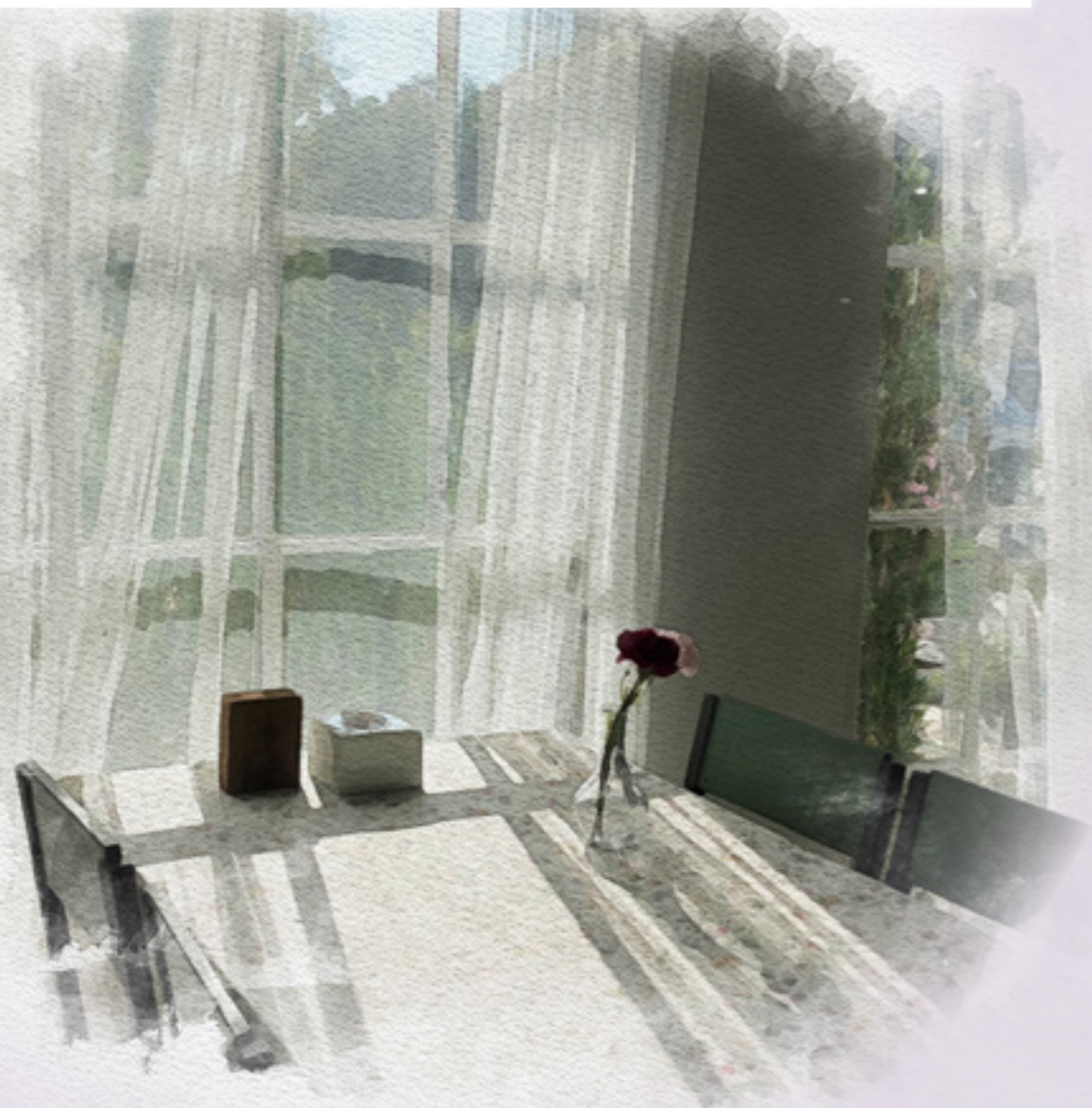
Disasters, such as pandemics, bushfires and floods, are known to exacerbate existing family pressures. Unfortunately, in addition to the ongoing effects of the COVID-19 pandemic, many Victorians have also endured destructive bushfires, floods and/or storms. Each disaster has increased the strain amongst family members and heightened the risk of isolation and abuse for older Victorians. In light of this danger, FCVic has collaborated with Australian Multicultural Community Services (AMCS) on the Money Talks for Better Ageing project. This work, produced with the assistance of financial counsellors Katrina Barrett, Amanda Bernhard, Rachna Bowman and Mike Kirkness, aims to strengthen the financial wellbeing of culturally and linguistically diverse (CALD) seniors and enable them to make informed financial decisions. As part of this project, and with the help of video editor Patrick Hase and FCVic's Digital Communications Officer Susan Boag, FCVic and AMCS produced two short videos and a fact sheet in 13 languages.

These resources are designed to gently raise awareness about financial elder abuse and financial counselling services, and to initiate conversations about money amongst CALD communities. AMCS and FCVic have also co-designed a series of in-person and virtual workshops, to be run at CALD seniors community group events, in which a community leader facilitates a discussion about financial matters in language. As part of this initiative, financial counsellors from local agencies attend the workshops in order to establish a relationship between the agency and the community group. These workshops kicked off in late June with

an online session with a Sri Lankan community group, and in-person sessions with Chinese and Greek community groups. Attending community members mentioned that they were unaware of financial counsellors before the workshops, and were glad to be able to talk to them about their money concerns.

In addition to the Money Talks project, FCVic ran a special forum to coincide with World Elder Abuse Awareness Day, which covered the topic of parent visas. With an expert panel of Don Susantha Katugampala from Fairfield's Lawyers, Henry Sherrell from the Grattan Institute, Dr Santosh Kumar from the Northern Region Indian Seniors Association (Vic) Inc and Dr Medha Gunawardana from AMCS, the forum focused on the issues and vulnerabilities that parent visas introduce for families.

It has been a big year for FCVic's projects team, much as it has been a big year for the Victorian community. The work we have completed over the course of this year has not only increased access to financial counselling services, but has also enabled us to build our team and lay a strong foundation for work to come. We are now looking ahead to upcoming projects, including further work connecting financial counselling and carers, addressing financial elder abuse in bushfire-affected areas, and the ongoing development of a strong small business financial counselling workforce. In each case, we are confident that the foundations laid by this year will assist us in producing work that is of practical relevance for both FCVic members and the broader community alike.



BUSHFIRE RECOVERY SUPPORT

James Degenhardt

FCVic continued its involvement in the Bushfire Recovery Support Program throughout the 2020-21 year with the support of funding issued by Consumer Affairs Victoria.

Our first report on the role of financial counselling as part of the Black Summer Bushfire Recovery, *Navigating Uncertainty* written by consultants Beverley Kliger and Meredith Carter, was released in November 2020. The report, which provides an evaluation of the first six months of FcVic's Bushfire Recovery Support Project, includes a series of recommendations to ensure the effective utilisation of financial counselling as part of future disaster recovery response efforts.

FCVic's Bushfire Recovery Financial Counsellor Network has met monthly since January 2021. The meetings give the financial counsellors an opportunity to discuss trends and issues identified through their casework; share information and resources; and access professional development.

Through the Network, FcVic was able to deliver training on Community Engagement and Outreach to the financial counsellors working in the bushfire-affected communities; facilitated by FcVic Workforce Development Officer, Joy Mason. The session provided the financial counsellors with skills on how to identify and utilise local information and communication networks to reach more vulnerable community members.

In May 2021, FcVic facilitated a workshop between the financial counsellors and representatives from the Australian Financial Complaints Authority (AFCA) on issues relating to insurance complaints. The session

gave the financial counsellors an opportunity to ask questions and learn more about the AFCA process, and to provide feedback on their experiences supporting people through the complaints process.

In addition to our work supporting the bushfire recovery financial counsellors, FcVic continued its efforts to educate other community service workers in the regions and connect them with financial counselling. In March 2021, FcVic ran an interactive webinar on the topic of Financial Vulnerability in Older Victorians. There were two deliveries of the webinar, one for workers in East Gippsland and one for workers in North East Victoria, and included a Q&A panel with financial counsellors working in their local area.

The sessions were attended by 20 community workers, plus local financial counsellors, working in the bushfire regions. Participants also received resources and contact information following the webinar to assist them in identifying potential financial elder abuse and making referrals to their local financial counselling service.

FCVic has maintained its presence in Bushfire Recovery Victoria's Community Services Sector Bushfire Recovery Advisory Group (CSSBRAG) meetings. FcVic reports on the trends and systemic issues identified through the financial counselling casework in the bushfire regions.

We also contributed to the review process of Disaster Legal Help Victoria's service delivery, and consultation around the VCOSS Bushfire Recovery Project.

Financial Counselling Australia (FCA) has provided valuable, reciprocal support to FcVic through the sharing of information, resources and insights.

HARDSHIP FORUM AND COVID INDUSTRY SUMMIT

James Degenhardt

Commencing in September 2020 and culminating in the FcVic COVID Industry Summit in April 2021, FcVic conducted a series of forums designed to facilitate structured engagement between financial counsellors and industry stakeholders on hardship issues resulting from, or impacted by, COVID-19.

The Hardship Forum Series, led and organised by Advocacy & Campaigns Manager Lyn Dundon, was prompted by feedback from financial counsellors around industry hardship practices. The Series focused on five key areas: banking, energy, telecommunications, tenancy and council rates. At each forum, industry representatives were invited to report on what they had been seeing with respect to changes and trends in hardship, and also what they had been doing in response. The financial counsellors provided insights into what they had witnessed through their casework, before the forum transferred to smaller breakout groups to discuss the key issues and the ways to work collaboratively to address them.

The Series was supported by the involvement of several organisations and individuals. From the banking industry: Australian Banking Association (ABA), Customer-Owned Banking Association (COBA), ANZ Bank, Bank Australia, Commonwealth Bank Australia, Geelong Bank, National Australia Bank and Westpac. For the Energy Hardship Forum: Thriving Communities Partnership, AGL, City West Water, Energy Australia, Momentum Energy, Origin Energy, Powershop, Vic Water and Yarra Valley Water. From the telecommunications industry: the Australian Communications and Media Authority (ACMA), Telstra, Vodafone, TPG Telecom Group and Optus. For

the Tenancy Hardship Forum: Real Estate Institute of Victoria (REIV), the Commissioner for Residential Tenancies, and several property managers. For the Council Rates Hardship Forum: the Municipal Association of Victoria (MAV), FinPro, Revenue Management Association, and representatives from a number of local councils.

As a capstone to the Hardship Forum Series, and in lieu of our 2020 Conference, FcVic held a COVID Industry Summit in April 2021. The one-day, in-person event brought together over 300 attendees – representing the banking and energy sectors, the industry ombudsmen schemes, and of course the financial counselling sector – and once again focused on industry responses to COVID-related hardship.

What the Summit – and indeed the Hardship Forum Series – showed is the capacity that these industries have to enact significant changes that can better the lives of people experiencing hardship. What we hope to see improve are the ways in which creditor organisations – at all levels – interact with their customers and financial counsellors around hardship.

COVID-19 has changed the landscape of traditional financial hardship, and the new environment poses greater risks of increased hardship. We are yet to see the full extent of the impacts of the pandemic unravel, and this may not be fully realised for years to come. The importance and the need for these cross-sectoral conversations have not diminished, and FcVic will look for further opportunities to continue this engagement.

PROFESSIONAL DEVELOPMENT

TRAINING REPORT

Tanja Haeusler

Having had to adjust quickly to our new COVID world towards the end of the last financial year, this financial year we have started to become comfortable with online training, and were able to look at optimising and improving on our online delivery.

A total of 60 CPD sessions were run during the period July 2020 to June 2021. Three of those were presented face-to-face in Melbourne – all remaining sessions were delivered as live webinars. Out of the 60 sessions, 11 sessions focused on family violence. These sessions, administered by FCVic, were delivered and evaluated by Women's Legal Service Victoria.

Additionally, an extensive suite of small business e-learning modules were designed and rolled out, enabled through additional project funding from the State Government.

The accumulated attendance over the 12-month period totalled 2,016 – which is yet another increase of 27% on how many members were able to access our training compared to the year before.

The individual sessions focused on a variety of different topics, for a full list please view **Table 1**.

I would like to give particular mention to our partnership with Tenants Victoria which led to the delivery of three live webinars outlining the changes to tenancy laws that were implemented during the beginning of the COVID-19 pandemic.

The first half of 2021 had a focus on the two-day Connect with CARE Suicide Intervention and Prevention training delivered by Neami National. Thanks to the Victorian Government's COVID-19 response mental health project funding, we were able to offer five deliveries of this training, which enabled 90 financial counsellors to upskill in this important area. The feedback has been overwhelmingly positive and regular refreshers on the topic are suggested in the evaluation surveys.

A special thank you goes to our Professional Development Advisory Group (PDAG) who continued to provide valuable feedback and guidance in the process of formulating a relevant and effective training calendar for financial counsellors in Victoria. Current membership of the PDAG:

- > Cathy McKenzie (Financial Counsellor)
- > Donna Johnson (Financial Counsellor)
- > Evan Cheung (Financial Counsellor)
- > Julia Di Giovine (Financial Counsellor)
- > Bronwyn Davis (Financial Counsellor)
- > Katie Fraser (Consumer Action Law Centre)
- > Su Robertson (Consumer Action Law Centre)
- > Melanie Hallam (Australian Financial Complaints Authority)
- > Dr Sandy Ross (FCVic)

60 CPD Sessions

3 In-person deliveries

70% Evaluation completion rate

2,016 Total attendances

57 Online deliveries

Table 1

<i>Topics Jul – Dec 2020</i>	<i>Topics Jan – Jun 2021</i>
Online Gambling and Contract for Differences	Mentoring in the workplace - Workshop series
Introduction to Centrelink	Responsible lending
Professional Supervisor training	Connect with CARE
Centrelink debts - putting together your review request	Graduate Year - Delivery Block 'Single'
Superannuation changes	Integrating MARAM into FC practice
Ethical boundaries	Manage conflict through negotiation
Tenancy changes - Rent reduction and dispute resolution	Advanced Technical Family Violence training day - Panel session
Mentoring in the workplace - Workshop series	COVID-19 Updates
Insurance claim denials during disaster	Ethical Dilemmas - Case study discussion
EDR: Complaints to AFCA	Professional Supervisor training
Working with clients with complex needs and comorbidities	Gamblers' Help FC Forum
Bankruptcy training for Financial Counsellors	Graduate Year - Delivery Block 'Half'
Advocacy and Campaigning for FCVic Working Group members	Mortgage Stress
Rights to rent reduction - follow up session	Cultural Competence
Graduate Year - Delivery Block 'Double'	Working with interpreters
Vicarious Trauma and Self-care	AOD - learn to better understand and support clients impacted by alcohol and other drugs
The Fines Lifecycle and Options	Intersectionality of Gambling and Family Violence Forum
Change to Tenancy Law and Family Violence	Negotiating effectively with creditors
Money Worries: Emotional Resilience	Retirement challenges - Reverse mortgages, superannuation and more

WORKFORCE DEVELOPMENT

Joy Mason

Workforce development and sector sustainability have been areas of focus for FCVic for many years – forming one of the pillars of our current Strategic Plan. The 2020-21 year was the first time (in recent years) that we have had the means to make dedicated advancements in this space.

Commonwealth Government funding designed to boost the capacity of the financial counselling sector, in response to COVID-19, was provided to Financial Counselling Australia (FCA). FCA in turn used part of the funds to establish the Intern Program to draw more workers into the sector by enabling opportunities for Financial Counselling Diploma students to undertake learning on the job. Through support provided by FCA, FCVic's Workforce Development Officer (WDO) position was created to lead the program implementation in Victoria and Tasmania.

Financial counselling has a strong history of senior financial counsellors supporting and mentoring students and new graduates, and this program provided a formalised structure and funding to enable

a number of work-ready graduates. FCVic hosted Communities of Practice for the mentor and intern cohorts, which provided a further layer of support to the participants.

26 interns in Victoria and five in Tasmania took part in the program, with 15 agencies hosting and 25 mentors guiding the process. We thank and congratulate all those agencies, students, mentors and financial counselling team members who provided their dedication, encouragement and expertise to this program. We would also like to acknowledge and thank Sally Levy, Rita Battaglin and Vanessa Hood from FCA who facilitated the program across Australia.

As the profile of financial counselling continues to grow, we have seen a rapid increase to the number of students enrolling in the Diploma of Financial Counselling with the intention of joining the workforce. The WDO was active in the student work placement space to assist students struggling to find work placement (partly due to COVID lockdowns) in order to complete their 220 hours of practical placement required as part of the Diploma.

FCVic created a guide for agencies around hosting student placements during COVID restrictions and we note that many agencies were able to host a student despite the challenges of lockdowns. We once again congratulate financial counsellors and their agencies on the significant effort it took to host a student, against a background of all the other issues that we all had to deal with during these very uncertain times.

FCVic, through the work of the WDO, has also sought to develop sustainable mentoring models, with associated training and guidelines for the sector. To that end, two training sessions have taken place to enhance existing mentoring skills and provide new skills for an industry that relies heavily on the more

experienced, encouraging and supporting new financial counsellors. This also provides a framework around practice with the expectation that mentoring will become a recognised skill set in the sector.

The big piece of work now is creating a workforce development strategy for the sector, which will involve many levels of input from a broad range of stakeholders, and will provide guidance and a roadmap into the future. The WDO will be seeking input from many people to inform and enhance the strategy. We look forward to some robust discussions about how people see the future of financial counselling and what we need to do to get there.

WORKER WELLBEING

James Degenhardt

As reported elsewhere throughout this year's Annual Report, COVID-19 has continued to present challenges for financial counsellors – not least of all through the new and unique complexities of their work. The wellbeing of our members has been a real and ongoing concern for the FCVic Board, even before the pandemic.

In September 2020, FCVic conducted a survey of Victorian financial counsellors to better understand how the sector has changed as a result of the COVID-19 pandemic. The resulting report, [New Costs to Count: the experiences of financial counsellors working during COVID-19](#), provides a snapshot of the financial counsellors' experiences, which shows the complexity of the changes wrought by the pandemic in its first nine months.

The report also considers – in the context of the issues identified in FCVic's earlier report ([Counting the Costs](#), published January 2020) – how COVID-19 has impacted on the existing levels of work-related stress, and what opportunities there are to introduce more sustainable work practices to minimize the risk of work overload and burnout.

The *New Costs to Count* report makes recommendations to enable funding bodies, agency employers and financial counsellors to address the issues identified and create a safer working environment for practitioners.

As the sector continues to adjust to new ways of working, FCVic is encouraged by the opportunity to work closely with the Victorian Government on a review of the sector to ensure ongoing stability and sustainability for our workforce.



CONVENORS NETWORK

Georgia Robenstone, FCVic and Narelle Clark, Convenor

The Convenors Network has continued to meet on a monthly or bi-monthly basis via Zoom, which has become the accepted method of meeting. The Network has undergone various changes in 2021, with Narelle Clark appointed as the new Chair and Georgia Robenstone as the new FCVic Campaigns and Advocacy Manager supporting the group.

The meetings have provided a valuable opportunity for convenors of FCVic's various networks and working groups to catch up, share updates, and initiate actions where possible to create improvement/change for our clients.

Our focus has been to work together to provide a space which invites participation and where all voices can be heard. New structures were employed to ensure this happened whilst keeping meetings running to time in the interest of financial counsellors' casework demands. The many and varied impacts of the pandemic and ongoing lockdowns have been a theme across the state.

We thank all of the convenors for their dedication to supporting the members of the networks and working groups. Your work is important in enabling valuable engagement between our members, and in channelling their voices to inform the strategic direction of FCVic.



WORKING GROUPS

Working groups connect financial counsellors with FCVic's advocacy work, linking casework and policy. The groups consist of FCVic 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.

During the 2020-21 year, there were five FCVic working groups, each with a terms of reference defining their role. These groups are:

- > Bankruptcy
- > Centrelink
- > Gambling Issues
- > Infringements (joint working group)
- > Utilities Working Group

BANKRUPTCY WORKING GROUP

Carmel Vivian, Convenor

This year the Bankruptcy Working Group met via Zoom, which meant we were able to meet on five occasions without the time constraint of travel. Meeting attendance and interest in the Working Group have been steadily increasing.

The Australian Financial Security Authority (AFSA) introduced a new process to meet with each financial counselling state body twice per year, and the FCVic Board delegated the Working Group to represent the organisation. These liaison meetings have given us the opportunity to share changes in the sector and the Working Group's experiences at the coalface.

In addition to the liaison meetings, the group met a further three times, and the main discussion points of the meetings were:

- > The debt threshold for individuals to bankrupt being reduced to \$10,000 from the temporarily increased amount of \$20,000.
- > The timeframe for a debtor to respond to a bankruptcy notice being reverted back to 21 days.

- > Confirmation of Victorian levied fines being provable in bankruptcy and the process. Not all fines are provable which includes all court ordered fines.
- > The AFSA Portal for the completion of a bankruptcy application is the main and preferred means to apply for a bankruptcy. Financial counsellors are able to obtain the hard copy forms and the client can lodge via the mailing system. This may take more time, but seems to be the preferred method for many financial counsellors. The Statement of Affairs and the Prescribed Information form is on the Financial Counselling Australia (FCA) Toolkit for downloading.
- > Bankruptcy numbers are now at an all-time low being down over 37% from last year. This can be attributed to the changes to the Debt Agreement Structure and the COVID-19 strategies.

At the end of July 2020, Ian Liddell stepped down as the convenor of the Working Group but still continues to have an important role sharing his expertise, and mentoring many financial counsellors in the complexities of bankruptcy.

The Working Group looks forward to continuing the relationship with AFSA and other stakeholders.

CENTRELINK WORKING GROUP

Liz Stary, Convenor

Financial counsellors work with many people receiving social security benefits often as their main source of income. They are acutely aware of the insufficient payments that lock people into poverty; the deficiencies in the system creating barriers to payments; and the service accessibility issues especially affecting people from culturally and linguistically diverse backgrounds and vulnerable people without access to technology. The Centrelink Working Group (CWG) provides peer support, informs members of issues emerging in this space, and meets with experts, interested groups and sometimes Members of Parliament.

JobSeeker and Raise the Rate

The Coronavirus Supplement, which ended on 31 March 2021, had enabled people previously stuck in poverty to finally afford many essentials that they previously couldn't, including three meals a day and healthy food, rent, car repairs and school costs. At the time that the supplement was withdrawn, there were 1.5 million people receiving JobSeeker payments – almost twice the number there were before the pandemic.

Having campaigned for years to "Raise the Rate" of the earlier Newstart payment, community and advocacy groups had been hopeful that the Federal Government would not reduce the much needed supplement. A strong campaign led by ACOSS was fought to "Keep the Rate" and subsequently, a Senate Inquiry was called to review the legislation that would enable the eventual removal of the Coronavirus Supplement. The CWG worked with FCVic to make a submission to the Senate Inquiry into the Extension of the Coronavirus Supplement.

In December 2021, Sandy Ross and myself attended a Senate Committee Hearing and provided evidence of the positive outcomes that the increased payments

had enabled, as witnessed by financial counsellors, and warned of the negative consequences that would follow its discontinuation.

Despite the immense support from advocates and community groups, the legislation passed and the vital lifeline was eventually withdrawn altogether. A minor permanent increase to the JobSeeker rate (from \$40 per day to approximately \$44 per day) was introduced – effectively the first increase in 26 years.

Despite various states now having ongoing lockdowns, the Federal Government refuses to reintroduce the Coronavirus Supplement or adequately increase JobKeeper, instead opting for COVID-19 Disaster Payments in different amounts to different states – which has been confusing and inequitable.

Special mentions:

James Naughton from Gordon Legal attended a meeting to explain the \$1.2 billion Robodebt class action settlement, which included \$721 million in refunds on debts unlawfully raised against Centrelink recipients and \$400 million wiped debts that could no longer be substantiated after relying on income averaging.

Professor Kay Cook from Swinburne University and Dr Elise Klein from Australian National University presented research findings on the impact of the Coronavirus Supplement and mutual obligation requirements. The benefits included: increase in financial security; meeting basic needs (medical and dental needs); improved psychological wellbeing; better support for children, and with no negative impact other than the end of the supplement.

Charmaine Crowe, Senior Advisor (Social Security) to ACOSS delivered a presentation on why we still need to campaign to Raise the Rate.

The Hon. Bill Shorten MP, Shadow Minister for the National Disability Insurance Scheme, Government



Services and Federal Member for Maribyrnong, met with the group to discuss the work of financial counsellors and concerns for clients in receipt of Centrelink payments.

Dermott Williams, Social Security Rights Victoria (SSRV) provided presentations on the Disability Support Pension (DSP) toolkit, Impairment tables and Program of Support.

Zachary Wildy and Lauren Levine, Financial Counselling Australia (FCA) provided information on the Operational Blueprint for Implied Consent with Services Australia, and the Services Australia Advisory Group with Services Australia.

Thank you to:

We thank the contributions and wisdom of our partner organisations and people including:

- > Len Jaffit and Graham Wells from Victoria Legal Aid;
- > The team at Social Security Rights Victoria
- > Katherine Temple and Tom Abourizk from Consumer Action Law Centre;
- > John Berrill and Tom Cobban from Berrill & Watson Lawyers
- > Jacqui Ng and Jenny Davidson from Council for Single Mothers and their Children;
- > Financial Counselling Australia

GAMBLING ISSUES WORKING GROUP

Sarah Davidson, Convenor

The purpose of the Gambling Issues Working Group (GIWG) is to develop and engage in systemic advocacy in support of financial counselling clients experiencing vulnerability and hardship related to gambling, and to provide peer and professional support to financial counsellors through the development of a broad-based community of practice.

The group also offers the opportunity for financial counsellors practising within the gambling space to participate in group supervision, facilitated by an experienced professional supervisor.

In response to the pandemic and environmental change, the GIWG increased its meeting frequency to ensure that we have remained committed to keeping the conversations around gambling harm going. We have also managed to engage with guest speakers across different spectrums to gain information and knowledge, and to improve our network.

Speakers included:

- > Fiona Patten MP, Leader of the Reason Party, who discussed venue re-opening and Crown Casino
- > Jo Parkin and Carmel Vivian, financial counsellors, who spoke to the fines space and specifically the Work and Development Permit scheme (the pitfalls and intersection with gambling)
- > Dr Sean Cowlshaw, Senior Research Fellow with Phoenix Australia, spoke to his research in gambling harm and family violence
- > Dr Suzy Goldsmith, Lead – Special Projects at FCVic, spoke to the projects being undertaken by FCVic and any intersection with gambling harm

The group also met with Tanja Haeusler, FCVic's Training Manager, to ensure that the intersection of gambling harm is included in any relevant training and professional development opportunities.

Members of the GIWG spoke at the Intersectionality of Gambling and Family Violence Forum facilitated by FCVic. Feedback from this event was excellent, and we look forward to similar forums being held in the future.

Topics discussed in meetings included:

- > Loan sharking
- > Crown Casino Royal Commission submission
- > The role of banks in responding to gambling harm

The key areas for advocacy for the GIWG remain:

- > Accessing funds for gambling (credit/debit cards, ATM at establishments, etc.)
- > Affected others
- > Building a case study library
- > Having gambling added to the Health Plan for Victoria

The group also provided input to the Bankruptcy Regulations Exposure Draft completed by Financial Counselling Australia, and finished off the year with the creation of a banking subgroup to commence approaching financial institutions and the Australian Banking Association regarding processes/protections that could be implemented to assist in the protection of clients from gambling harm.

INFRINGEMENTS WORKING GROUP

Co-convenors: Hannah Lewis (Justice Connect), Shifrah Blustein (WEstjustice), Jo Parkin (Uniting AOD & MH) and Sam Levey (Carlton Fitzroy Financial Counselling Service)

The Infringements Working Group (IWG) is a joint-working group of FCVic, the Federation of Community Legal Centres and Victoria Legal Aid. The IWG involves almost 40 member organisations. It works closely with government and other key stakeholders to highlight the challenges faced by vulnerable people trying to navigate the complex infringement system.

The IWG continues to advocate for changes to remove some of the inequities of a fixed penalty system. Our

10 constructive recommendations to government are outlined in "[Making the fines reform more effective, accessible and fair for all Victorians](#)", which was informed by casework evidence and client stories from IWG members' work.

IWG members increasingly see vulnerable clients becoming entangled with the infringements system as a result of the COVID-19 restrictions.

We have made submissions to government including to the Family Violence Scheme Legislative Review, and some improvements have flowed in line with our recommendations. Financial counselling members of the IWG are concentrating their advocacy on improving the accessibility and fairness of the Work and Development Permit (WDP) system and introduction of a concession-based infringement to increase the affordability of the infringement penalty reflecting the reality of life on a very low fixed income.

IWG is a very active working group so please contact Jo or Sam if you wish to become involved as it is great way to make a difference at a systemic level as well as an opportunity to learn and network. The financial counsellor co-convenors would like to thank all the financial counsellors who have contributed to the work of the IWG over the past year.

UTILITIES WORKING GROUP

Heather Neilson, Convenor

The Utilities Working Group reconvened in July 2020, and the meetings were initially convened by Narelle Clark and Heather Neilson.

The impact of COVID-19 certainly had ramifications in the utilities space. The pandemic has highlighted the importance of self-advocacy and this is particularly difficult for those people without IT skills and/or appropriate devices.

People reliant on Centrelink payments received additional money for approximately six months and during that period many clients told financial counsellors that they were able to afford essential items that had been previously out of reach.

Conversely, people who lost work suffered a negative change of circumstances, and reported that for the first time were unable to pay for essential services such as utilities accounts.

The following speakers attended the meetings:

- > Jake Lilley – Senior Policy Advisor, Consumer Action Law Centre
- > Kay Bilston – Team Leader Customer Service, Central Highlands Water
- > Emma De Campo – Brotherhood of St Laurence Energy Assistance Program
- > Naomi Richards – Department of Environment, Land, Water and Planning
- > Ann Randles – Essential Services Commission
- > Leonie Cooke – Team Leader Bushfire Recovery Financial Counselling, Anglicare Victoria

Achievements:

- > Online meetings mean more members can contribute to the Utilities Working Group's discussion and feedback their specific and general utilities casework concerns.
- > Utilities retailers were instructed to assist their customers with Utility Relief Grant (URG) applications.
- > Attention given to the Payment Difficulties Framework by both Essential Services Commission and the Energy and Water Ombudsman Victoria.
- > The FCVic Covid Industry Summit discussion of utilities matters showcased.

Some challenges:

- > Retailers not always employing best practices for implementing the Payment Difficulties Framework with customers/clients.
- > Inconsistent responses from retailers to assist customers with URG applications, and in some instances not offering the grant to clients/customers in need.
- > Incidents of retailers not always assisting clients/customers with Centrepay applications.
- > Reported instances of clients/customers not being assisted to access the best energy options.



REGIONAL NETWORKS

Regional Networks offer a forum for FCVic 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:

- > Eastern metro
- > Northern metro
- > Southern metro
- > Western metro
- > Gippsland
- > Hume
- > Western regional



EASTERN METRO NETWORK

Dorianne Oliver, Convenor

The Eastern Metro Network meets four times per year with financial counsellors from the following agencies: EACH, Anglicare Victoria, The Salvation Army, Eastern Community Legal Centre (ECLC) and Deakin University Student Association. With about 20 financial counsellors usually attending via Zoom it has given us an opportunity to support each other during this difficult year of lockdowns and fatigued clients.

We were fortunate to have had the following speakers attend our meetings:

- > Meg Nheu, Equifax
- > Cynthia Gebert, Energy and Water Ombudsman Victoria
- > Emma Buccat, Good Shepherd Financial Independence Hub.

For our network, 2021 saw us all still working from home, not getting back to pre-COVID levels with respect to capacity, and experiencing more complex cases overall. Financial counsellors noted that they were able to spend more time with clients and weren't feeling so rushed with their case work and enjoyed not having to manage queues and a waitlist. The small business financial counsellors at EACH experienced high demand, especially during lockdowns and noted heightened mental health concerns for some of these clients.

The network provides us a safe space to be together, learn something new, catch up with each other and to find out what's happening in the sector.

Thank you to Sandy Ross and the team at FCVic for your support.

NORTHERN METRO NETWORK

Anouk Ceppi-Thomas, Convenor

The Northern Metro Network has continued to meet bi-monthly via Zoom, and has been hosted in turns by the following agencies: Uniting Vic Tas, Anglicare Victoria, Sunbury and Cobaw Community Health Centre, Carlton Fitzroy Financial Counselling Service, and Better Place Australia. In addition to those agencies, meetings are also attended by financial counsellors from Banyule Community Health Service, EACH, The Salvation Army, VincentCare Victoria, and more recently Cancer Council Victoria.

The network mailing list includes 76 FCVic members representing 17 agencies in total. 35 of these members have attended one or more network meetings.

Productive discussions have been held on topics such as:

- > Financial counsellor intake systems and processes in our region
- > COVID-19 and the impact on members, including working from home and six lockdowns since the beginning of the pandemic
- > COVID-19 previous and new measures including hardship, deferment, schemes and support programs for financial counselling clients
- > "Dodgy" creditor practices, such as unregistered debt collectors and debt recovery practices
- > Impacts of Centrelink payment reductions on financial counselling clients who can no longer afford basic necessities
- > New Network Terms of Reference
- > Case discussions and trends on the following social issues: homelessness, mental health, alcohol and other drugs, family violence, gambling, small businesses, bushfire recovery, and poverty.

We all witnessed new client groups that would not have needed financial counselling before the pandemic. This cohort was mostly referred by banks following initial assistance from the banks at the start of 2020 but who needed to explore their financial options further with advocacy support moving forward. Small business owners and family violence victim-survivors were also of concern in the new landscape emerging during COVID-19.

Thank you to the following guest speakers this year:

- > Joy Mason, Workforce Development Officer, FCVic
- > Emma De Campo, Brotherhood of St Laurence Energy Assistance Program
- > Laura Pringle and Daniel Todd, Credit Corp Group
- > Vicki Cleghorn, Anglicare Victoria, Family Violence Flexible Support Packages
- > Susie Carr, Uniting Men's Behaviour Change Program
- > Bronny Higgs, EACH Partners in Wellbeing and Small Business Financial Counselling
- > Angela Kovac and Melissa Macri, Fines Victoria Family Violence Scheme



SOUTHERN METRO NETWORK

Jenny McGowan, Convenor

The Southern Metro Network met six times this year. We held an extra meeting in October as the FCVic Conference was cancelled, and keeping in touch with peers was important even if it is via Zoom.

All our meetings were on Zoom due to the public health advice at the time, but also it is favoured by members as it less intrusive into their workday. Many members were able to join for part of a meeting, before/after another meeting or appointment – something that would not be possible if we met in person. Meetings are for members, and this flexibility is a positive with online meeting platforms.

Our guest speakers covered a variety of topics including Telstra Hardship, State Trustees, Social Security Rights Victoria, several debt collection agencies, and presentations from within our financial counsellor family on child support, and the financial counsellor intern program. The online meetings allowed interstate representatives – as well as local – to attend, and all provided good, relevant information and updated contact details.

We continue to offer each other support with our ever-changing workplaces, and as convenient as it is online, we do miss in-person meetings with the personal chats and catch ups, and certainly hope we will get the choice in the coming year.

WESTERN METRO NETWORK

Kelly Preece and Peter Undy, Convenors

As with all within the sector, we have been heavily impacted by COVID-19 – especially in the metro area – it seems like years since we have regularly walked into the office and grumbled about being there. But such as it is, the strong networks not just inside our organisations but through our regional networks have given us the sanity to move forward.

Connection by Zoom and Teams meetings is the new way to go. Chasing up authorities either by snail mail or using tech in many cases. It has been hard.

In our meetings we discussed client capacity, workloads and problems therein. We had guest speakers including Joy Mason from FCVic, Rhys Chamberlain from Maurice Blackburn, Laura Pringle from Credit Corp, and Greater Western Water (formerly Western Water and City West Water).

Whatever the challenges that come – children, rogue pets and all that's thrown at us – we can rely on our peers and networks to get through anything.

GIPPSLAND REGIONAL NETWORK

Georgia Robenstone, FCVic

The Gippsland Regional Network met four times this financial year, meeting virtually due to the continuing COVID-19 lockdowns. These network meetings have featured various guest speakers, including Social Security Rights Victoria, Gippsland Legal Assistance Forum and the Latrobe Health Advocate, Jane Anderson.

Following the discussion between Jane Anderson and financial counsellors during the November 2020 network meeting, FCVic partnered with Energy and Water Ombudsman Victoria (EWOV) to host a roundtable discussion in February 2021 for key community stakeholders in Gippsland to discuss the importance of stable and safe housing, and continuing access to energy and water services.

Although financial counselling agencies were quiet across Gippsland in the early months of 2021, there was an increase in requests from international students. Demand for emergency relief also increased as government support payments were wound back in March, and following the devastating storms and floods in the region in June.

HUME REGIONAL NETWORK

Julie Albert and Claire Raeburn, Convenors

The Hume Regional Network maintained its schedule of quarterly meetings during this year, holding our regular meeting mainly online as COVID-19 continued to impact workplaces and practices. There was one hybrid meeting consisting of some members attending online and some face-to-face. IT issues made this quite problematic. The decision was made moving forward that meetings would be either online or face-to-face (COVID-19 restrictions permitting).

Zoom proved a fantastic tool for maintaining contact. But while it has become a feature of our professional lives, members are looking forward to a return to face-to-face network meetings for the personal interaction absent in virtual gatherings.

Guest presenters this year were:

- > Karl Schaffarczyk, Social Security Rights Victoria, on Centrelink appeals
- > Cassandra Kingsley and Francesco Grande, Transurban, on Linkt Assist's debt recovery processes
- > Jane Evans, Department of Justice and Community Safety, reviewed the Multi-Agency Risk Assessment and Management (MARAM) framework and the financial counsellor role with the Network
- > Joy Mason, FCVic Workforce Development Officer
- > Michael D'Elia, Consumer Affairs Victoria (CAV), on the services CAV offers in the region
- > Laura Pringle, Credit Corp
- > Chris South, Financial Information Service (FIS) Officer, Services Australia (Centrelink)
- > Gabrielle Kopke and Angela Kovac, Fines Victoria (Department of Justice and Community Safety)

The wide range of guest speakers gave the Network an opportunity for the exchange of information, feedback and some professional development. The volunteer minute takers provided an important record of the meetings and information sharing, and the Network would like to express our thanks.

As ever, we appreciated Sandy Ross for taking time to participate in our meetings, as well as the continuing support from James and the FCVic team.

WESTERN REGIONAL NETWORK

Georgia Robenstone, FCVic

Throughout 2021, Zoom has continued to allow great participation, with up to 40 attendees from over ten agencies as well as rural financial counsellors.

Claire Browne and David Lodge from Bethany Community Support stepped down from their role as co-convenors, and Kim Arthur from CAFS Ballarat was appointed convenor for the Western Regional Network from May 2021.

In general, agencies were quieter but saw more complex cases. There was a huge jump in emergency relief requests in 2021 given the decrease and eventual ending of JobSeeker payments, consistent with many other parts of the state.

Guest speakers at the network meetings were:

- > Nethmi Jayakody, Travellers Aid
- > Cynthia Gebert, Energy and Water Ombudsman Victoria
- > John Bradshaw, Gamblers' Help Community Engagement Officer, CAFS Ballarat



AGENCY MANAGERS NETWORK

Kay Dilger, Convenor

The ongoing impact of the COVID-19 pandemic and extended lockdowns made for a challenging 2020-21 financial year for everyone.

For the Agency Managers this meant 'leaning in' to find creative ways of supporting financial counsellors working remotely for long periods as like everyone in Victoria many of us grappled with home schooling, lack of social interaction and maintaining work/life balance.

As restrictions eased in the latter part of 2020 and early 2021, navigating the competing priorities and expectations of community, organisations, funders and teams meant new and different ways of viewing financial counselling service delivery in a blended work-from-work/work-from-home environment. Organisational responses varied with some services remaining remote much longer than others. Bouncing in and out of lockdown coincided with return to pre-COVID demand levels at many services, with the end of additional COVID-19 sector funding adding to an already complex situation.

The environment throughout the year reinforced the importance of this network, and meetings were very well attended as a way of sharing challenges, ideas and information.

Other highlights:

- > The network's support of the Save Safe Lending campaign
- > Network discussions around student placements and building sector capacity, including resounding support for the Internship model.
- > Training topics: Conflicts of Interest (Tom Cobban – Berrill & Watson), Campaigns & Media Engagement (Mark Pearce & Katherine Temple – Consumer Action Law Centre)
- > Work Safe Vic presentation on WorkWell and mentally healthy workplaces, linked to the recommendations of FCVic's 'Counting the Costs' report.

I applaud FCVic for having the foresight to include an Agency Manager Network, which is the only state-based network of its kind, and I look forward to continuing alongside FCVic in convening the group.

OTHER NETWORKS

FCVic facilitates a number of networks and communities of practice for specialist groups to meet and share experiences related to their roles:

- > Agency Managers Network
- > Bushfire Recovery Network
- > Convenors Network
- > Elder Abuse Community of Practice
- > Family Violence Financial Counsellor Network
- > Prisons Network

FAMILY VIOLENCE FINANCIAL COUNSELLOR NETWORK

Donna Letchford, Convenor

The trend to have network meetings via Zoom continued as we found that this format allowed more financial counsellors to attend. It has been particularly helpful in enabling access for rural financial counsellors to participate.

The Network continues to grow, with most meetings having around 30 participants. We continue to have a speaker on family violence issues at the meetings, as well as updates from regular contributors, Carolyn Bond from Economic Abuse Reference Group (EARG), Jane Evans from the Department of Justice and Community Safety (DJCS), and Bronny Higgs, a senior financial counsellor who is representing the sector on the One Stop, One Story (OSOS) Project pilot.

The OSOS project is an initiative of Thriving Communities Partnership (TCP). It aims to provide a web-based tool where a financial counselling client only has to tell their story once and is then assisted to deal with multiple creditors through a centralised process. The initial pilot is focused on clients who are family violence victim-survivors as they are recognised as a group where confidentiality and safety were of utmost importance and as such the parameters in these aspects needed to be spot on.

The Network had speakers from TCP provide a detailed outline of the OSOS and how financial counsellors could become involved. We also had Lynda Memery from Womens' Legal Service Victoria lead a discussion on coercive control, the debate about criminalising it, and the role that financial counsellors play in dealing with it.

The meetings also focused on issues in dealing with creditors and services where the financial counsellors are struggling to get positive outcomes.

These issues feed into the work being undertaken by EARG and the group have assisted Carolyn by providing case studies and attending meetings with those concerned to highlight what our client group deals with.

Family Violence Group Supervision sessions are still proving popular with financial counsellors, who find the ability to reflect with others dealing with the same issues, greatly beneficial.

Our dedicated Family Violence Network mailing list has enabled the Network members to support each other with information such as key contacts and sharing how they have dealt with issues. Trends and issues can be identified and prioritised for network meeting discussion on the most complex issues. These have included areas of client safety and worker wellbeing.

The Family Violence Toolkit on the FCVic website has been updated and revamped into a new easier to read format. This has involved removal of outdated links and the inclusion of new material relating to industry, the Multi-Agency Risk Assessment and Management (MARAM) framework and intersectionality areas such as elder abuse, clients living with disabilities, and LGBTIQ clients.

MARAM was still an area of concern for many financial counsellors. Concerns focused on how it can be applied effectively by financial counsellors, whilst not crossing boundaries or attempting to take on areas outside of the skill set. In February 2021, in conjunction with Jane Evans from DJCS, FCVic held a MARAM forum that addressed these issues with a panel of financial counsellors discussing how they undertook risk assessment within their role. There were over 100 attendees, and feedback was extremely positive with participants advising that they have a better understanding of how to make risk assessment workable in their role.

PRISONS NETWORK

Kaye Norris, Convenor

The FCVic Prisons Network is comprised of financial counsellors who provide services in correctional facilities in Victoria. The services provided include casework, community education, financial literacy and problem gambling financial counselling.

Financial counsellors have mostly delivered remote services to prisons either by phone or zoom during COVID-19, and have found this has increased our casework, waiting on documents to be returned.

During the year the Network welcomed the following guests:

Zachary Wildy, Financial Counselling Australia (FCA), supported the group on the challenges financial counsellors face applying for credit files

for incarcerated clients. Zack was the conduit for discussions with Equifax.

Equifax discussed issues obtaining credit reports for prisoners, and making the online portal user-friendly.

Alistair Moles, Manager Transition and Reintegration Unit, Department of Justice and Community Safety. Alistair is very supportive of the work we do and is keen to explore funding to ensure all correctional facilities have access to financial counselling.

Lody Stewart, FCA, attended a meeting to gain the group's input into a guide which FCA is developing: "Supporting Financial Stability for people entering prison".



RECOGNISING EXCELLENCE

Every year at our conference we recognise financial counsellors 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

In lieu of the 2020 FCVic Conference, which was cancelled due to COVID-19, we held a special Virtual Gala Awards Event in October to celebrate our sector's champions and provide members with an opportunity to reconnect.

Jan Pentland Memorial Award

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

In 2020, the Jan Pentland Memorial Award recipient was **Leonie Cooke**, Team Leader Bushfire Recovery Financial Counselling at Anglicare Victoria in East Gippsland. Leonie was commended for her strong leadership skills, profound empathy, and passion for social justice, which she demonstrated through her support of the local community in the aftermath of the Black Summer Bushfires.

Accepting the award on Leonie's behalf was colleague Julie King who praised Leonie for her support and generous spirit.

Virginia Noonan Award

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

The 2020 Virginia Noonan Award recipient was **Elizabeth Stary**, a tireless advocate and much-respected financial counsellor. Liz was recognised for her instrumental work in a number of campaigns to improve conditions for Centrelink recipients – as well as helping to establish the FCVic Centrelink Working Group.

In accepting the award, Liz reflected on her entry into financial counselling in the 90s and the mentors, including Virginia Noonan, who inspired her work in the sector. Liz's own career in advocacy now serves as an exemplar for the next generation of financial counsellors.

Rising Star Award

The Rising Star Award recognises the work of a new financial counsellor, having held membership with FCVic for less than three years, who has demonstrated excellence in service delivery.

Our Rising Star Award was awarded to **Tammy Cross** in 2020 for her initiative in addressing a systemic issue, which identified that several community members had not received compensation payments for power outages resulting from the Black Summer Bushfires.

Within just a few months of joining the financial counselling sector, Tammy's dedication and hard work had led to significant outcomes for her community.



FINANCIAL COUNSELLING VICTORIA INC

ABN 89 498 543 075

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**

Your Board members present the special purpose financial report on the entity for the financial year ended 30 June 2021.

Board Members

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

Name	Portfolio	
Carly Baker	Chairperson	Appointed 19 February 2021 (Casual Vacancy)
	Board Member	Elected 9 October 2019
Bernadette Pasco	Deputy Chairperson	Appointed 19 February 2021
	Board Member	Elected 14 October 2020
Colin Harte	Board Member	Appointed 19 February 2021 (Casual Vacancy)
	Chairperson	Resigned 19 February 2021 (elected 9 October 2019)
Max Smart	Secretary	Appointed 5 November 2020
	Board Member	Elected 9 October 2019
David Balcombe	Treasurer	Appointed 19 November 2019
	Board Member	Elected 9 October 2019
Jennifer Holdstock	Co-opted Board Member	Appointed 20 May 2020
Tracey Grinter	Board Member	Elected 9 October 2019
Narelle Clark	Board Member	Elected 14 October 2020
Sarah Davidson	Board Member	Elected 14 October 2020
Jenny Wilkins	Co-opted Board Member	Appointed 1 July 2021
Norm McMurray	Co-opted Board Member	Retired 30 June 2021
Cathy Clark	Secretary	Retired 14 October 2020
Jo McMahon-Hide	Board Member	Retired 14 October 2020
Lisa Garlick	Board Member	Retired 14 October 2020

Principal Activities

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

Financial Counselling Victoria Inc (FCVic) as the peak body for financial counsellors in Victoria and FCVic provides resources and support to financial counsellors working to assist vulnerable Victorians experiencing financial difficulty. FCVic works with government, banks, utilities, debt collection and other stakeholders to improve their responses to vulnerable consumers experiencing financial hardship.

Significant Changes

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

Operating Results

The surplus for the year attributable to the entity amounted to \$120,095 (2020: \$17,502 surplus).

Governance

Under the FCVic Constitution, the Board is the governance body for the organisation. The Board is elected by and from the FCVic membership and reports to the members through an Annual Report and at the Annual General Meeting each year.

The purpose of the FCVic Board, as set out in the Constitution and Board Charter, is to govern the organisation so that it meets its Constitutional objects and purpose while acting ethically and prudently, and complying with all its legal obligations. The Board is responsible for setting strategy, monitoring and oversight of the organisation. The Board adopts a Budget each year for the organisation and ensures the independent audit of these financial statements. The Board also conducts a rigorous risk identification and management process which is updated periodically.

In 2019 the Board approved a Strategic Plan for the period 2019-2022. The Strategic Plan's objectives are:

- Contribute to a fairer society with greater economic inclusion
- Empower clients to resolve financial and linked life issues
- Reduce indebtedness and hardship, and associated harms to mental health
- Improve industry practices and treatment of vulnerable consumers
- Achieve systemic reforms to protect and enhance the lives of vulnerable people

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075

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FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
BOARD REPORT

The board meets on a monthly schedule approximately ten times per year, including a meeting with a focus on strategic planning and review. The Board also meets additionally outside the schedule on an ad hoc basis to deal with short-term matters in Special Board meetings.

During the reporting period there were four ongoing or standing Committees of the Board with each Committee chaired by a nominated Board member.

- Finance & Risk Committee (F&R – Chair, David Balcombe)
- Performance & Remuneration Committee (PARC – Chair, Colin Harte; Carly Baker from 19 February 2021)
- Professional Standards Committee (PSC – Chair, Lisa Garlick; Tracey Grinter from 15 September 2020)
- Working Groups and Networks Committee (WG&N – Chair, Carly Baker; Narelle Clark from 19 Feb 2021)

The Board attendances for the period 1 July 2020 to 30 June 2021 were as follows:

Board Member	Board		Special Board		PSC		F&R		PARC		WG&N	
	E	A	E	A	E	A	E	A	E	A	E	A
Carly Baker	10	10	9	9							3	3
David Balcombe	10	10	9	9			10	10	2	2		
Cathy Clark	3	3	6	6							3	3
Lisa Garlick	3	2	6	6	5	3						
Tracey Grinter	10	9	8	5	15	13						
Colin Harte	10	9	5	4					2	2		
Jo McMahan-Hide	3	3	3	3	5	5						
Norm McMurray	10	10	9	9					2	2		
Max Smart	10	10	9	9			10	10				
Jennifer Holdstock	10	9	9	9					2	2		
Bernadette Pasco	7	5	3	3	10	8						
Sarah Davidson	7	6	3	3	10	10						
Narelle Clark	7	6	3	3								

E = Eligible/ A = Attended

Significant Changes in State of Affairs


A matter has continued to evolve since 30 June 2021 that has significantly affected, or may significantly affect:

- the entity's operations in future financial years, or
- the results of those operations in future financial years, or
- the entity's state of affairs in future financial years.


The COVID19 pandemic is likely to induce significant changes in the state of affairs of the Association during the financial period ended 30 June 2022. The Board will take all necessary measures to preserve capital and shepherd the Association through this uncertain period.

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

Chairperson


Carly Baker

Treasurer


David Balcombe

Dated this

21st day of September 2021

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
REVENUE			
Grant funding income		403,972	411,227
COVID Response Project income	2	705,149	-
Conference income		115,201	241,038
Membership income		81,049	66,957
Other income	2	94,738	76,278
Project income	2	151,939	134,000
Interest received		2,150	4,875
TOTAL REVENUE		1,554,198	934,375
EXPENDITURE			
Administration expenses		70,129	95,872
Communication expenses		937	4,600
Conference expenses		76,633	165,254
Core salaries and associated costs		560,262	478,576
Depreciation		12,002	-
Facilities and equipment expenses		995	13,222
Finance charges on lease liability		7,439	8,620
Project expenses		68,178	127,344
Project salaries and associated costs		614,143	-
Right of use asset - amortisation		23,385	23,385
TOTAL EXPENDITURE		1,434,103	916,873
Net surplus/(deficit) attributable to the Association		120,095	17,502

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Net surplus/(deficit) attributable to the Association	120,095	17,502
Other comprehensive income for the year	-	-
Total comprehensive income for the year	120,095	17,502
Total comprehensive income attributable to the Association	120,095	17,502

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

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,283,273	620,886
Account and other receivables	4	76,207	11,000
Other current assets		31,946	55,002
TOTAL CURRENT ASSETS		1,391,426	686,888
NON CURRENT ASSETS			
Property, plant and equipment	5	-	-
Intangible assets	6	93,539	116,924
TOTAL NON-CURRENT ASSETS		93,539	116,924
TOTAL ASSETS		1,484,965	803,812
LIABILITIES			
CURRENT LIABILITIES			
Accounts and other payables	7	123,204	51,496
Income received in advance	8	770,173	293,633
Provisions	9	104,715	72,514
Lease liabilities - leased premises	10	21,796	19,392
TOTAL CURRENT LIABILITIES		1,019,888	437,035
NON-CURRENT LIABILITIES			
Provisions	9	-	-
Lease liabilities - leased premises	10	81,944	103,739
TOTAL NON-CURRENT LIABILITIES		81,944	103,739
TOTAL LIABILITIES		1,101,832	540,774
NET ASSETS		383,133	263,038
EQUITY			
Accumulated funds		383,133	263,038
TOTAL EQUITY		383,133	263,038

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

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FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Accumulated funds \$	Total \$
Balance as at 1 July 2019	245,536	245,536
Surplus/(deficit) attributable to the Association	17,502	17,502
Balance as at 30 June 2020	263,038	263,038
Surplus/(deficit) attributable to the Association	120,095	120,095
Balance as at 30 June 2021	383,133	383,133

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

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FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grant and COVID response project funding		1,585,661	515,868
Receipts from other income		399,867	648,992
Payments to employees		(1,132,821)	(459,601)
Payments to suppliers and others		(154,547)	(402,615)
Interest paid		(7,439)	(8,620)
Interest received		3,059	5,991
Net cash generated from/(used in) operating activities	11	693,780	300,015
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(12,002)	-
Net cash (used in)/provided by investing activities		(12,002)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability - leased premises		(19,391)	(17,178)
Net cash used in financing activities		(19,391)	(17,178)
Net increase/(decrease) in cash held		662,387	282,837
Cash and cash equivalents at beginning of financial year		620,886	338,049
Cash and cash equivalents at end of financial year	11	1,283,273	620,886

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

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note 1. Statement of Significant Accounting Policies

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

Basis of preparation

Financial Counselling Victoria 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 (Victoria) 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 Association 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.

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

Leased Assets

The Association assesses whether a contract is or contains a lease, at inception of the contract. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association
- the Association has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Association has the right to direct the use of the identified asset throughout the period of use.

The Association assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Statement of Significant Accounting Policies (continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Association has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Accounting for Leases under AASB 16

The Association remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Association did not make any such adjustments during the periods presented.

Statement of Significant Accounting Policies (continued)

Accounting for Leases under AASB 16 (continued)

The Association applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

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 Association 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.

Note 1. Statement of Significant Accounting Policies (continued)

d. Financial Instruments (continued)

(i) Financial assets at fair value through the profit and 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).

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.

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).

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The Association applies AASB 15 & AASB 1058, depending on the specific conditions of the contract.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

- Step 1 – Identify the contract with the customer
- Step 2 – Identify the sufficiently specific performance obligations to be satisfied
- Step 3 – Measure the expected consideration
- Step 4 – Allocate that consideration to each of the performance obligations in the contract
- Step 5 – Recognise revenue

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 1004 Contributions
- AASB 137 Provisions, Contingent Liabilities & Contingent Assets
- AASB 9 Financial Instruments

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.

Note 1. Statement of Significant Accounting Policies (continued)

i. 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.

j. Comparative Figures

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

k. Account 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.

l. 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 Board 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.

Note 1. Statement of Significant Accounting Policies (continued)

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 Board has made no provision for impairment due to doubtful debts.

(ii) Income in Advance

Revenue is brought to account when received and to the extent that it relates to the subsequent period it is disclosed as a liability under unexpended grant funding or income received in advance.

q. New, Revised or Amending Accounting Standards and Interpretations Adopted

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Board Members have elected not to early adopt any of the new and amended pronouncements.

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Note 2. Other Income		
COVID Response Project income		
Mental Health Pilot Program	10,386	-
Mental Health Program	138,300	-
Tenants Rights	25,000	-
Workforce Development	105,463	-
Small Business	406,000	-
Energy	20,000	-
	<u>705,149</u>	<u>-</u>
Other Income		
COVID-19 Government Assistance Payments	82,243	74,743
Donation income	1,500	1,256
Sundry income	10,995	280
	<u>94,738</u>	<u>76,279</u>
Project Income		
Carers Vic	60,000	-
Bush Fire	20,000	65,000
Elder Abuse	51,000	49,000
Other Projects	20,939	20,000
	<u>151,939</u>	<u>134,000</u>
Note 3. Cash and Cash Equivalents		
Cash on hand	166	584
Cash at bank	165,993	135,219
Cash on deposit	1,117,114	485,083
	<u>1,283,273</u>	<u>620,886</u>
Note 4. Account and Other Receivables		
Accounts receivables	76,207	11,000
Less provision for doubtful debts	-	-
	<u>76,207</u>	<u>11,000</u>
Prepayments	28,043	28,043
Accrued interest income	849	1,758
Security deposit	3,054	3,054
Other receivables	-	22,147
	<u>31,946</u>	<u>55,002</u>
	<u>108,153</u>	<u>66,002</u>

FINANCIAL COUNSELLING VICTORIA INC
ABN 89 498 543 075
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Note 5. Property, Plant and Equipment		
Computer equipment - at cost	16,667	11,467
Less accumulated depreciation	<u>(16,667)</u>	<u>(11,467)</u>
	-	-
Office fitout - at cost	35,916	29,114
Less accumulated depreciation	<u>(35,916)</u>	<u>(29,114)</u>
	-	-
Total property, plant and equipment	<u>-</u>	<u>-</u>
Note 6. Intangible Assets		
Right of use asset - leased premises		
At cost	140,309	140,309
Accumulated amortisation	<u>(46,770)</u>	<u>(23,385)</u>
	<u>93,539</u>	<u>116,924</u>
Note 7. Accounts and Other Payables		
Accounts payable	-	-
Other payables	50,732	2,295
Net GST payable	52,242	38,354
PAYG withholding tax payable	11,850	4,832
Superannuation payable	8,380	6,015
	<u>123,204</u>	<u>51,496</u>
Note 8. Amounts Received in Advance		
Conference revenue	86,640	37,399
Unexpended grant funding	<u>683,533</u>	<u>256,234</u>
	<u>770,173</u>	<u>293,633</u>
Note 9. Provisions		
Current		
Annual leave	71,407	29,610
Long service leave	18,308	8,517
Personal/carers leave	15,000	34,387
	<u>104,715</u>	<u>72,514</u>
Non-current		
Long service leave	-	-
	<u>-</u>	<u>-</u>

FINANCIAL COUNSELLING VICTORIA INC
 ABN 89 498 543 075
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021


	2021	2020
	\$	\$
Note 10. Leasing Commitments		
Current		
Lease liability - leased premises	21,796	19,392
	<u>21,796</u>	<u>19,392</u>
Non-current		
Lease liability - leased premises	81,944	103,739
	<u>81,944</u>	<u>103,739</u>
Note 11. 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	120,095	17,502
Non-cash flow items:		
Depreciation	12,002	-
Amortisation on right of use asset - leased premises	23,385	23,385
Changes in assets and liabilities:		
- (Increase)/decrease in accounts and other receivables	(42,151)	92,409
- Increase/(decrease) in accounts and other payables	71,708	18,372
- Increase/(decrease) in income received in advance	476,540	131,887
- Increase/(decrease) in provisions	32,201	16,460
	<u>693,780</u>	<u>300,015</u>
Cash and cash equivalents at end of financial year		
Cash on hand	166	584
Cash at bank	165,993	135,219
Cash on deposit	1,117,114	485,083
	<u>1,283,273</u>	<u>620,886</u>

FINANCIAL COUNSELLING VICTORIA INC
 ABN 89 498 543 075
 STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board the financial report as set out on pages 3 to 18:

- 1 Presents a true and fair view of the financial position of Financial Counselling Victoria Inc as at 30 June 2021 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
- 2 At the date of this statement, there are reasonable grounds to believe that Financial Counselling Victoria 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 Board and is signed for and on behalf of the Board by:



Chairperson Carly Baker



Treasurer David Balcombe

Dated this 21st day of September 2021

**FINANCIAL COUNSELLING VICTORIA 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 Counselling Victoria Inc (the Association), which comprises the balance sheet as at 30 June 2021, and the income statement, 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 2021 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 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.

Auditor: Frederik Ryk Ludolf Eksteen **ASIC Registration Number: 421448**

Address: Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Signature:



Date: 21 September 2021

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