



Annual Report

2023-24



Photo by Anna C. on Unsplash

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From the Chair



In 2023-24, the Foundation committed more than \$6 million in grants, bringing the total funding provided by the Foundation since its establishment to just over \$22 million.

Over its life, the Foundation has directed grants to enable financial counselling to be provided where there was need but funding gaps existed. Examples are integrating financial counselling alongside legal and social services in Women's Legal Services and tenancy services, providing financial counselling outreach to people in the prisons system and to First Peoples living in remote communities. The effectiveness and social impacts of these services have been independently evaluated (except for prisons where evaluation work is in its early stages). Evaluations have shown the benefits of integrated approaches and outreach to clients, while also informing of challenges and areas for improvement.

In 2023-24, new grant commitments were funded by a one-time donation of \$7.75 million from companies in the banking, finance, insurance, energy, telecommunications and online gambling sectors. The Board thanks those companies for their donations and welcomes the establishment of the Financial Counselling Industry Fund (FCIF).

The FCIF is a new funding body set up by the financial counselling sector and various industries and companies: Australian Banking Association member banks, Australian Energy Council, Energy Networks Australia, Insurance Council of Australia, Responsible Wagering Australia, Tabcorp, Afterpay, Telstra, Optus and Credit Corp.

A \$33 million commitment over three years from these companies and industries is expected to enable many more people in need to access financial counselling services.

This is very welcome at a time when thousands more people across the community have sought financial counselling assistance, many dealing with financial hardship due to cost-of-living increases and higher interest rates. It coincides as well with the Foundation's main source of funding, Community Benefit Payments from Enforceable Undertakings imposed by ASIC on companies for misconduct, having largely stopped.

Last but not least, the Board thanks Jennifer Stokes for her leadership of the Foundation from mid-2022 into 2024. We also thank Rita Battaglin for stepping into the role of Acting CEO. Rita is well qualified, having served as the Foundation's company secretary and grant manager for more than six years and having deep knowledge of the financial counselling sector.

A handwritten signature in black ink, appearing to read 'George Brouwer', written in a cursive style.

George Brouwer
Chair

From the CEO



In April 2024 I was pleased to accept the Board's invitation to take the position of Acting CEO. I have worked with the Foundation since its inception in late 2017, as grant manager and company secretary.

The 2023-24 year was a busy one. The Foundation committed around \$6.1m in funding. Of that, \$2.6m was for financial counselling in prison systems around Australia. We know that financial instability is a key factor in people released from prison returning to prison. Debts owing when people enter the prison system are usually not dealt with and get worse, are often a major obstacle to people trying to start again on release and they play a role in recidivism. Financial counsellors working in prisons will be supported through a Community of Practice and specialist training delivered by ICAN Learn, for which the Foundation also provided funding.

The impact of financial counselling to people in the prison system on their financial and overall wellbeing will be independently evaluated. The study will draw conclusions about how best from a client perspective to deliver financial counselling to people in the prison system in future.

An impact evaluation of the Bush Money Mob service was completed by Jumbunna Institute for Indigenous Education and Research at University of Technology Sydney. The evaluation shows the positive impacts that financial counselling is having in remote First Nations communities in Western Australia (details are contained in this Report). Funding has been extended until June 2025 to enable ongoing access to financial counselling.

Cost of living increases have put many people into financial difficulty. Rising rent costs in the private rental market have been part of the story and the Foundation has improved the access to financial counselling for people struggling to pay rent in two ways. First, existing grants to tenants' agencies in Queensland, NSW and Victoria were extended and their financial counselling capacity increased to help cope with demand. Second, grants were committed until December 2025 to four additional agencies around Australia.

The Foundation has awarded grants to bring financial counselling to a number of new settings to assist people in financial hardship. I look forward to continuing to work with the Foundation's partner agencies around Australia as they support people to find hope and a path forward.

A handwritten signature in black ink that reads "Rita Battaglin".

Rita Battaglin
Acting CEO



About the Foundation

The Financial Counselling Foundation is a charitable trust established in December 2017 to increase access to free and independent financial counselling for people with money and debt problems. This was in response to the existing services' inability to meet demand and the need for greater funding.

The Foundation achieves its purpose by making grants to fund:

- Financial counselling positions where a gap exists in government funding and there is a strong demonstrated need.
- Professional development and support for financial counsellors to build capacity and help ensure ongoing access for those in need of financial counselling.
- Research into ways to improve access to financial counselling, for example, systemic barriers, innovative approaches.

The **Foundation's Funding Principles** are available on the website.

The need for Financial Counselling

Financial counsellors are trained and qualified to provide free, confidential information, advice and advocacy to people experiencing financial difficulty. They help people to negotiate with creditors, to understand their rights and the pros and cons of different options, and to access hardship provisions and dispute resolution schemes.

Demand for financial counselling grew in 2023-24 due to ongoing cost-of-living increases and high interest rates. One indicator of this is the increase in enquiries to the National Debt Helpline. The Helpline received well over 162,000 enquiries in 2023-24, more than 21,000 additional enquiries than the year before. The top three issues people enquired about were difficulties paying mortgages and rent and in the first half of 2024, tax debts.

Through the year to June 2024 prices rose for food, petrol, electricity, housing and services such as insurance. Rent inflation led the way, up 7.3 percent. People with mortgages and other debts faced higher repayments following an increase in the official cash rate to 4.35 percent in November 2023.

The November rate increase was the thirteenth in a succession of rate rises that started in May 2022 and have resulted in significantly higher minimum repayment amounts on loans and credit.

Although the inflation rate dropped from close to 8 percent in 2022-23 to just under 4 percent in 2023-24, cost-of-living stresses were evident across the community.

A survey conducted in February 2024 showed that cost-of-living challenges, previously more prevalent in communities with high levels of people living in poverty, had become more broadly spread compared with the year before, regardless of the type of community¹. Putting food on the table remained a major challenge for more than 30 percent of people surveyed.

Paying utility bills had become a more widespread challenge: 25 percent of respondents from communities where poverty rates are low reported difficulty, just slightly below communities where poverty rates are higher. Similarly, to cope with increased costs generally, more people across the board reported deferring or delaying medical treatment.



People experiencing financial stress often experience mental distress. Approximately 60 percent of people who reported cost-of-living challenges also reported feeling anxious or distressed at least some of the time. This is significantly higher than the 20-25 percent of people who reported feeling anxious or depressed at least some of the time and did not report cost-of-living challenges.²

Feedback from clients about the assistance they received from financial counsellors frequently includes that they felt heard, that someone was 'in their corner' and that their wellbeing was improved by the financial counselling they received.

¹ Melbourne Institute: Applied Economic & Social Research, *Taking the Pulse of the Nation survey*, 11 June 2024

² As above

National Debt Helpline

	2022-23	2023-24	Increase
 Calls	129,328	145,166	12%
 Chats	11,713	17,210	47%
Total enquiries	141,041	162,376	15%

Foundation Grants 2023-24

\$6,179,512 million was committed to grants in 2023-24.

Prison Financial Counselling

January 2024

Grants totalling \$2,610,000 have been committed to seven agencies to employ one Full-time Equivalent financial counsellor for three years to deliver financial counselling to people within the prisons system. The agencies are:

- Aboriginal Legal Rights Movement (SA)
- Catholic Care (NT)
- Cultura (Victoria)
- ICAN (Queensland)
- Kempsey Neighbourhood House (NSW)
- SERO4 (Queensland)
- St Vincent de Paul (WA).

All agencies demonstrated significant experience working in prisons. Prisons were invited to participate in independent impact evaluation of the financial counselling service.

Domestic Family Violence Financial Counselling grant to Redfern Legal Service

January 2024

A grant of \$217,500 was awarded to Redfern Legal Service to fund financial counselling to clients of their financial abuse service from January 2024 to June 2025. The grant has enabled the integration of a financial counsellor as part of an integrated service to clients that includes legal advice and support from a social worker.

Community of Practice and Training for Prison Financial Counsellors

January 2024

A grant of \$220,300 was awarded to ICAN Learn to support all financial counsellors working in the prison system around Australia through establishing and running a Community of Practice and to deliver specialist training modules.

Financial Counselling to Private Renters

February 2024

In 2021 the Foundation funded three agencies, Tenants Vic, Tenants Queensland and Verto in NSW to provide financial counselling to people struggling with private rental. By the end of 2023 the grants had enabled more than 1700 people to be assisted. In this past year grants totalling \$1,230,917 were committed to extend the term of funding for those agencies to December 2025 and increase their financial counselling capacity by adding a second financial counsellor.

Grants totalling \$874,582 were committed until December 2025 to four additional agencies to improve access to financial counselling services for people struggling to pay their rent in the private rental market. The agencies are:

- Care Inc (ACT)
- Circle Green Community Legal (WA)
- Darwin Community Legal Centre (NT)
- SYC Ltd (SA) (Grant commenced in June 2024)

This followed the independent impact evaluation by ARTD Consultancy of grants made in 2021 to the agencies in NSW, Queensland and Victoria. Overall, the evaluation found a positive impact on the financial situations and wellbeing of most clients as well as increased knowledge and understanding of their situation.

Foundation Grants 2023-24 (cont.)

Evaluation of Financial Counselling in Prisons

April 2024

A grant of \$332,880 has been awarded to ARTD Consultancy to conduct a social impact evaluation of financial counselling in prisons funded by the Foundation. The evaluation will:

- Assess the impact of financial counselling to people in the prison system on their financial and overall wellbeing; and
- Draw conclusions about how best from a client perspective to deliver financial counselling to people in the prison system in future.

National First Nations Phone Financial Counselling Service extension and expansion

May 2024

Additional funding of \$460,000 was provided to the Financial Rights Legal Centre (NSW) to employ an additional financial counsellor and ensure ongoing operation of the Mob Strong Debt Help service. The national help line began with a single financial counsellor in 2020. Awareness of and trust in the service has grown and it now employs three financial counsellors to meet rising demand. Mob Strong Debt Help has assisted more than 10,000 callers in the last three years.

Extension of Grant for Financial Counselling in Remote First Nations Communities

June 2024

Additional funding of \$233,333 was provided to Earth Garden Foundation to support ongoing delivery of the Bush Money Mob service, providing financial counselling to First Nations communities in remote regions of Western Australia until June 2025. This follows independent evaluation of the service by the Jumbunna Institute for Indigenous Education and Research at University of Technology Sydney. More than 900 people in very remote communities have been assisted between March 2022 and August 2024.

Bridging Grants for Financial Counselling Trainees

July 2024

The Foundation, on rare occasions, provides bridging grants to enable continuation of a financial counselling service during an identified gap, prior to being eligible for future funding. Finucare (trading as Money Mentors), Moneycare Salvation Army, St Vincent's de Paul Society and Jacaranda Community Centre (with two Aboriginal trainees) in WA received bridging grants for a total of \$537,942. The grants were extended for an additional year to allow the services to apply for other funding.



Bettina Cooper, Financial Counsellor and Strategy Lead at Mob Strong Debt Help. Photo courtesy of Choice.

Grant Impact Evaluation & Case Studies

Bush Money Mob Social Impact Evaluation

About Bush Money Mob

Bush Money Mob, based in Broome, visits remote Aboriginal communities in the Kimberley and Pilbara regions of Western Australia during the dry season, providing information, casework, and advocacy in relation to various credit, debt, and consumer issues. The communities have previously received no or very little financial counselling assistance. It received funding from the Financial Counselling Foundation from March 2022 to August 2024 to address the service gap and undertake work on systemic issues.

Evaluation Key Findings

Funded by the Foundation, the Jumbunna Institute for Indigenous Education and Research at the University of Technology Sydney (UTS) conducted an independent social impact evaluation of Bush Money Mob's work. The evaluation considered whether the service was having a positive impact on the communities, what is working well and what might be improved or strengthened within the initiative; how the service might be continued and expanded; and key learnings likely to help inform or enhance similar initiatives.

Positive Outcomes



More than 500 clients assisted, over 70% women³.



About \$1.7 million in refunds, compensation and debt waivers.

The evaluation found Bush Money Mob achieved positive outcomes. It did so because:

- They showed up in remote communities, offered help and provided it.
- The way they showed up was identified as a strength.
- Spending time in community with consistency and flexibility, engaging and interacting well with community members, including culturally.
- It provided strong advocacy for its clients, addressing power differentials.
- Their self-sufficiency in terms of transport, accommodation and phone/internet connection made it possible.

The barriers of remoteness, language, culture and literacy make it difficult for Aboriginal people to access information, support and advocacy to address or avoid an issue, including from financial counsellors.

Those wanting to provide outreach services to remote communities face the same issues as their clients, including limited phone or internet connection required to provide support while out bush. Stakeholders identified that the lack of understanding of remote community cultural and other needs and perspectives also arises for financial counsellors, funders and regulators.

Through its tailored approach the initiative has built all-important trust and relationships, leading to better individual client outcomes. At a broader level it has increased community knowledge of certain financial issues, of the support available for such issues through financial counsellors and of a right to advocacy, as well as enhancing readiness amongst Aboriginal people in remote communities to engage with available supports.

³ Total people assisted September 2022 to February 2024 as reported in the Social Impact Evaluation Report is more than 500. Over the full period of funding March 2022 to August 2024 more than 900 clients have been assisted.

Bush Money Mob Social Impact Evaluation (cont.)

Systemic Issues and Advocacy

Bush Money Mob's broader strategic advocacy work was also seen as a clear strength, essential because of the systemic nature of the issues faced in remote communities and closely informed by client voices (for example, via case studies). While this advocacy has positive results for clients, it also has broader positive impacts. This is an area in which collaboration is strong, with Bush Money Mob partnering with and informing campaigners, regulators and industry, amongst others, about how to prevent and address financial issues in remote communities.

Priority systemic issues were funeral insurance and lemon cars (including 'junk warranty insurance', that is, insurance of no worth as payouts are not made due to conditions in the fine print that cannot be met).

Collaborative action following the collapse of the Youpla Fund culminated in the Australian Government announcement in February 2024 of the Youpla Support Program, expected to help more than 13,000 former policy holders recover from the financial loss experienced after the collapse.



On the road in remote WA. Photo courtesy of Bush Money Mob.

Case Studies

These case studies demonstrate the impacts of the work of partner organisations around Australia with funding from the Foundation.

Homelessness avoided

Max (not his real name), 73, lives alone in his unit that he rents privately. Elder abuse has changed Max's life. Coerced into giving his savings and superannuation to his son so that his son could buy a property, Max now lives on the age pension and has no contact with his son.

More than 40 percent of Max's income goes to pay the rent. So, when an unforeseen expense arose, he fell behind on his rent and received a Notice to Vacate.

Stressed about the possibility of being homeless and unable to sleep, Max contacted Tenants Victoria for advice. The financial counsellor completed a statement of financial position and determined that in the short-term Max could pay an additional \$100 per week towards the rental arrears. The financial counsellor contacted the real estate agent who agreed to the repayment of the overdue rent payments over seven fortnights.

Max maintained the agreed arrangement and repaid the rent owed. Each fortnight he emailed payment receipts to the financial counsellor. The financial counsellor arranged that ongoing rent payments be made fortnightly, rather than monthly, so Max would be able to better manage his very tight finances. Max avoided possible eviction and feels more secure.



Case Studies (cont.)

Finding a safe, new path

Julie (not her real name) married and with a young son, ran a small business in a regional city in Western Australia. In 2024 Julie left her husband due to domestic violence and to ensure her safety took shelter in a women's refuge in Perth.

The business closed and debts mounted. Borrowings to buy the business were secured against the family home which was mortgaged in joint names. Under the lease agreement, also in joint names, rent of over \$2000 was due each month. There were debts owed to business creditors and to the ATO. In connection to the family home, council rates were owed along with various utility bills.

Julie's situation was complex. She made an appointment to see the financial counsellor from Jacaranda Community Centre who visits the refuge regularly. The financial counsellor referred Julie to the Small Business Development Corporation for expert advice about the business. To provide 'breathing space' the financial counsellor contacted a debt collection agency about the business debt, the relevant Council, the ATO and utility companies and secured a range of debt waivers and repayment plans.

The financial counsellor also contacted Centrelink so Julie could receive the Single Parenting Payment and the police assisted with her son being transferred to her care.

Vital support for reintegration into the community

Michael (not his real name) is a 55-year-old from the Pacific Islands who lived in regional Far North Queensland for many years. The prison psychologist referred Michael to the financial counsellor from ICAN to assist him with \$3000 that had been withdrawn from his bank account both over the counter and via ATM without his knowledge while he was in custody.

The financial counsellor embarked on a process of advocating for Michael that highlighted the barriers to progressing the matter on behalf of someone in custody. Once the financial counsellor had obtained the required Financial Counsellor Authority to Act, the financial counsellor contacted the bank and was referred to the Customer Relations Manager who requested confirmation of the date and time Michael was taken into custody. Accordingly, the financial counsellor contacted Police Link to enquire about getting evidence and was advised the bank would need to make a direct request. The bank, however, advised it does not make direct requests of the police.

The financial counsellor then requested support from the referring prison psychologist to request the necessary information for Michael under the Freedom of Information Act. While the information was secured after about two months, the original Financial Counsellor Authority to Act was not visible to the appropriate team within the bank as the systems in the different areas are not integrated. Six months had passed.

The financial counsellor persisted and eventually it was confirmed that Michael's signature had been forged and a few days before his release, \$2000 was returned to Michael's account. This enabled Michael to buy a laptop to prepare a resume, use email and connect with agencies to apply for his Learner's licence and with Centrelink.

Post release the financial counsellor has supported Michael to re-integrate into the community, referring him to local community organisations for food and clothing, other transition services and a free TAFE course.



I really appreciate the regular check-ins to see how I'm going and ongoing help. It helps keep me on track.

MICHAEL
CLIENT



Investing in areas of need

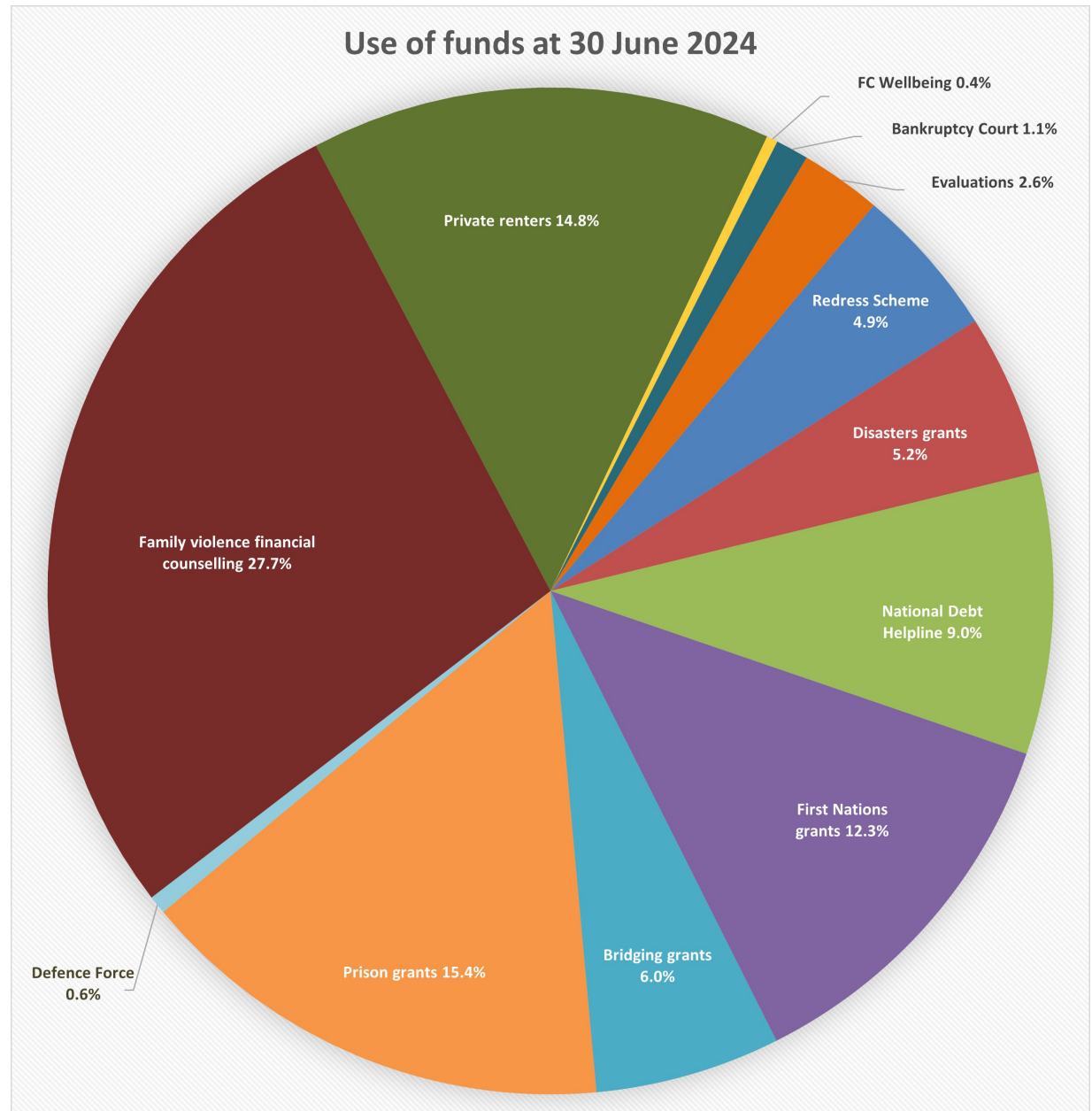
Since it started in December 2017, the Foundation has worked to address a shortfall in overall funding and invest in financial counselling services in areas of significant need. This section shows the total invested in grants and the main ways the Foundation has directed funding.



Investing in areas of need (cont.)

Foundation grants have enabled:

- Seed funding for financial counselling to support people accessing the National Redress Scheme and members of the Australian Defence Forces through Bravery Trust.
- Improved access to culturally appropriate financial counselling services for First Nations people through:
 - Mob Strong Debt Help, Australia's first National Debt Helpline for First Nations people.
 - Unique face-to-face outreach to remote communities in Western Australia through Bush Money Mob.
- Financial counselling alongside legal advice and social work:
 - In agencies supporting (predominantly) women and their children experiencing family and domestic violence.
 - In agencies supporting people in private rental homes who fall behind on their rent and experience or are at risk of housing insecurity.
- Significantly improved access to financial counselling in prisons around Australia, informed by extensive first of its kind Australian research into the challenges of providing financial counselling in the prison system.



Note: Redress Scheme refers to the National Redress Scheme for people who have experienced institutional child sexual abuse.

Investing in areas of need (cont.)

The Foundation's grants have brought financial counselling to several new service settings and financial counsellors funded by the Foundation work across varied environments including telephone helplines, agency offices, women's and tenancy legal services, women's shelters (see the case study 'Finding a safe, new path'), remote communities and prisons. They face many challenges in assisting and supporting their clients.

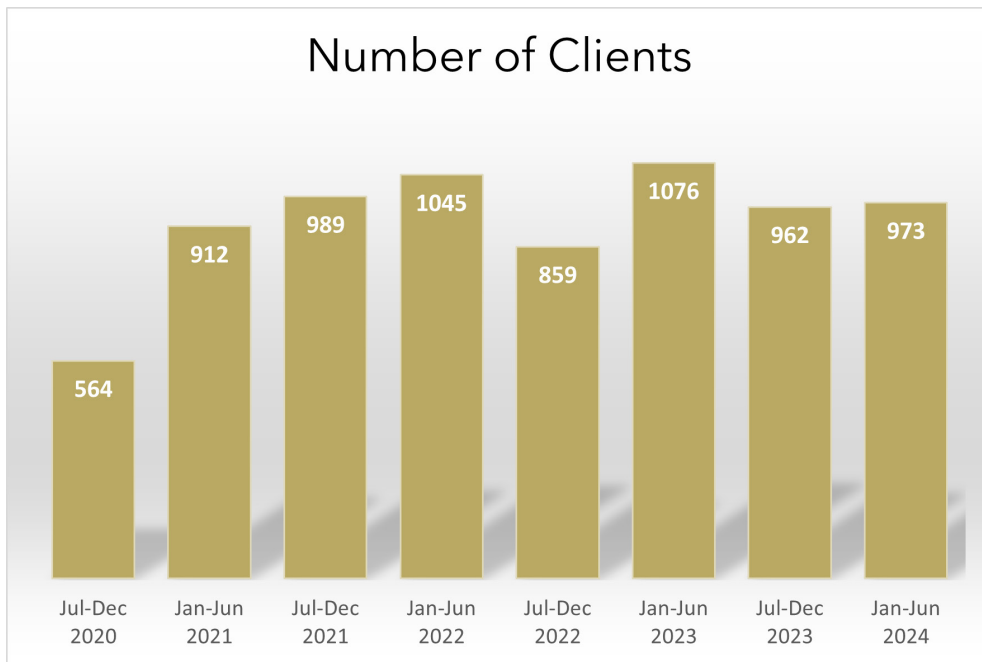
To support financial counsellors' work and wellbeing, Communities of Practice have been funded by the Foundation for financial counsellors working in specialised areas of Family and Domestic Violence, tenancy services and prisons. An Employee Assistance Program (EAP) open to all financial counsellors whose agencies do not have an EAP service has also been funded.



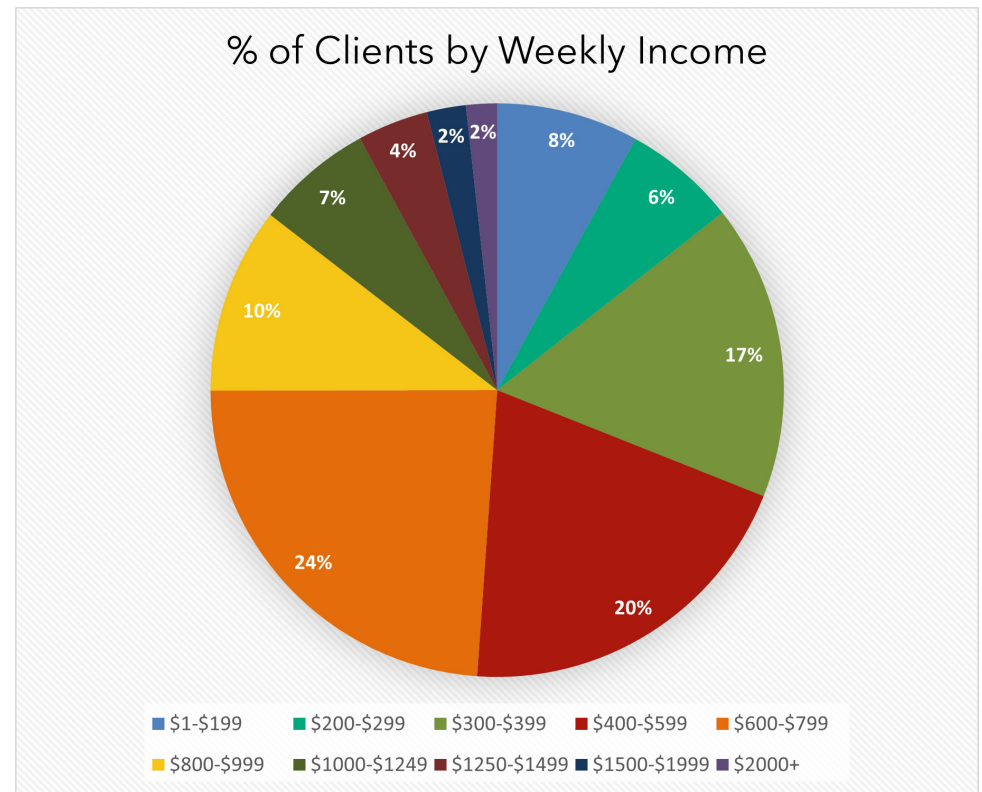
Satellite for internet connection at the mobile office in the Great Sandy Desert, WA. Photo courtesy of Bush Money Mob.

Spotlight on Family and Domestic Violence Financial Counselling

The Foundation's largest investment over the years is in financial counselling to support those experiencing Family and Domestic Violence (FDV). In July 2020 the Foundation awarded ten grants around Australia (Victoria was excluded as it led the country with specialist financial counsellors). The information below reflects the data supplied by the agencies awarded grants.



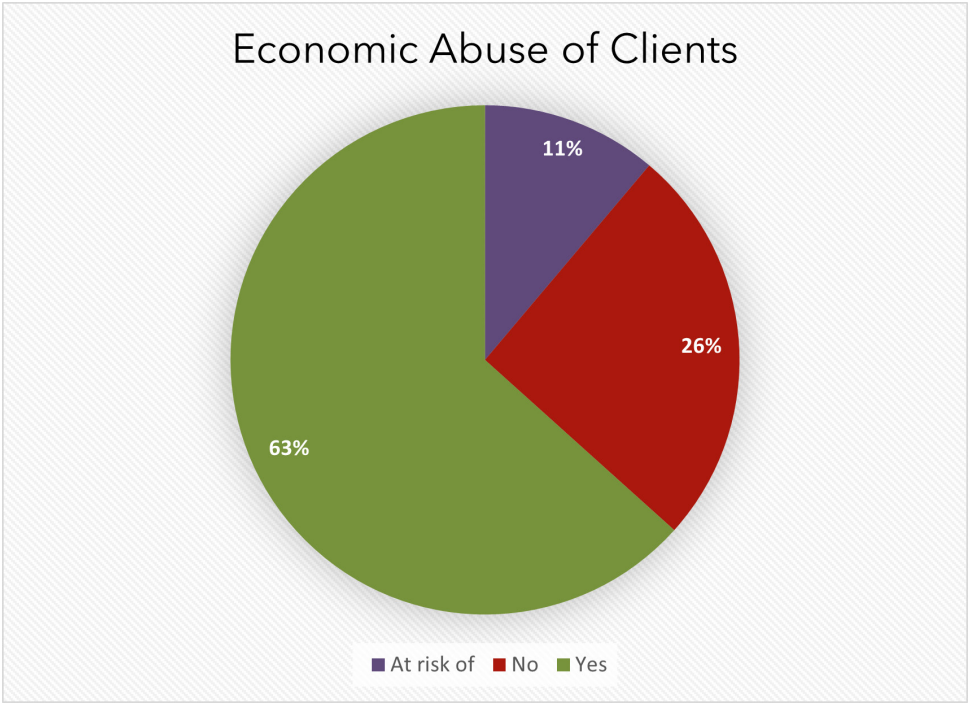
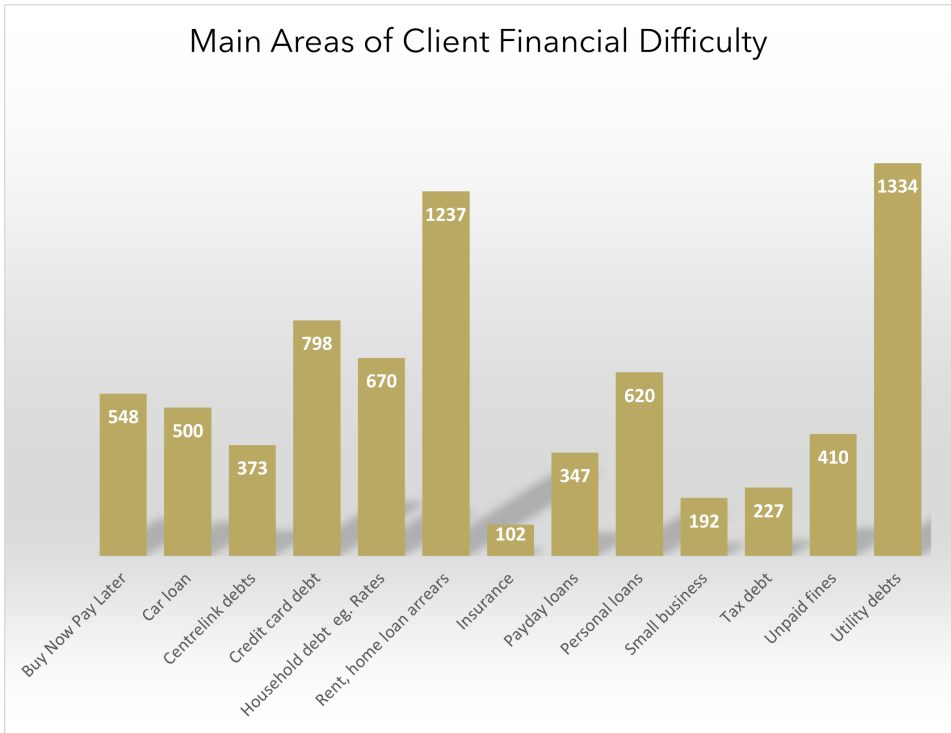
Over the four years to end June 2024 financial counsellors saw 7380 clients. Lower client numbers in the first six months were due to the new financial counselling services being established. Of total clients assisted, 95% were women, 3% were men and 2% were non-binary or preferred not to say. Twenty three percent identified as First Nations. The majority of households were single parent with children (55%) followed by single person (27%).



Family and domestic violence occurs across all income groups. Financial counselling clients were mainly from lower income groups with 85% having weekly incomes below \$1000.

Spotlight on Family and Domestic Violence Financial Counselling (cont.)

The most common financial issues for clients were utility debts closely followed by rent and home loan arrears. Credit card debt was the third most common issue. Clients generally have multiple sources of financial difficulty. Other financial issues noted by financial counsellors not itemized here, include medical costs, education costs and legal fees.



Economic or financial abuse is often a significant part of the financial situation, including credit taken out in the victim's name either by coercion or without their knowledge, property or assets destroyed and loans for shared property and utilities placed solely in the victim's name. Financial counsellors work to have debts incurred via economic abuse waived or moved to the perpetrator. Over the life of the grants, financial counsellors have collectively saved clients several million dollars in debt acquired through financial abuse.

Organisational Structure and Governance

The Financial Counselling Foundation is a public ancillary fund and donations are tax deductible. The trustee for the Foundation is a company limited by guarantee, Financial Counselling Foundation Ltd. The sole purpose of the company is to act as the trustee of the charitable trust called the Financial Counselling Foundation (the public ancillary fund). The directors of Financial Counselling Foundation Ltd are:



George Brouwer

George Brouwer has over forty years' experience working in Federal and State public service in Australia and abroad and serving on boards including as chair. He has extensive experience at executive and chief executive level in public policy, strategic development, change management, law and governance. He is a former Head of the Victorian Department of the Premier and Cabinet and was Victorian State Ombudsman for ten years until 2014, including a number of years as Head of Victoria's Office of Police Integrity. George holds a Bachelor of Arts (Hons) and a Bachelor of Laws from the University of Melbourne, a Master of Laws from the Australian National University, is a graduate of the National School of Administration (Paris) and a barrister (non-practising) in the Supreme Court of NSW and the ACT and the High Court of Australia.



Carolyn Bond

Carolyn Bond AO has worked in consumer policy and advocacy roles for over 40 years, mainly within the financial counselling and community legal services sector. She is a past co-CEO of Consumer Law Action Centre and more recently helped to develop the Economic Abuse Reference Group (EARG), an informal network of over 20 community organisations which influences industry responses to the financial impact of domestic and family violence.



Betty Weule

Dr Betty Weule AM has been a financial counsellor for over 40 years. Betty was made a Member of the Order of Australia in 2016 for significant service to social welfare, through the development of financial counselling services in NSW. She was the founder of the first financial counselling services in NSW in 1976. Betty was a Telstra Business Woman of the Year award recipient and received the NSW Government's Lifetime Achievement Award for Consumer Advocacy. Betty holds a PhD in Law with a thesis on consumer bankruptcy and is the author of numerous books and articles.



Greg Tanzer

Greg Tanzer is a consultant and company director specialising in financial services. He is currently a consultant with Promontory Australia, a Division of IBM Consulting, providing independent assurance and advice to Australian banks on financial services compliance and risk governance. Greg is also a Director of Financial Counselling Industry Fund Pty Ltd (Australia) and Astana Financial Services Authority (Kazakhstan). Most of Greg's full-time career was in senior executive roles at the Australian Securities and Investments Commission, culminating in a term as Commissioner from 2012 to 2016. From 2008 to 2012 he served as Secretary-General of the International Organisation of Securities Commissions, the global organisation with membership of the securities regulatory agencies and stock exchanges of over 95% of the world's securities markets. Greg holds a Bachelor of Economics and Bachelor of Laws (Honours) degree from the Australian National University.

Financial Reports

ABN 85 195 456 873

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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Trustees' Declaration

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
TRUSTEES' DECLARATION

In the opinion of the Board of Directors of the trustee company, Financial Counselling Foundation Ltd, the financial report as set out on pages 2 to 7, satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and:

- 1 a. comply with Australian Accounting Standards applicable to the association; and
b. give a true and fair view of the financial position of the Financial Counselling Foundation as at 30 June 2024 and its performance for the year ended on that date.
- 2 At the date of this statement, there are reasonable grounds to believe that the Financial Counselling Foundation will be able to pay its debts as and when they fall due.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Trustee



Dated this

1st day of October 2024

Statement of Comprehensive Income

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	2024 \$	2023 \$
Income	3,801,619	9,024,116
Donations Received	1,865,200	1,176,622
Donations Received from Industry	-	7,749,800
Enforceable undertakings	1,447,991	-
Interest Received	488,428	97,694
Expenditure	4,069,527	2,462,632
Administrative Expenses	287,444	63,763
Employee Benefit Expenses	59,057	59,805
Grant Payments	3,723,026	2,339,064
Net surplus/(deficit) for the year	(267,908)	6,561,484
Other comprehensive income for the year	-	-
Total comprehensive income/(loss) attributable to the Foundation	<u>(267,908)</u>	<u>6,561,484</u>

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

Statement of Financial Position

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	2024 \$	2023 \$
CURRENT ASSETS		
Cash at bank	301,922	1,756,402
Cash on term deposits	11,160,545	8,484,865
Cash on hand	100	100
Accounts receivables	-	1,426,031
Interest receivable	60,660	41,003
Other receivables	-	-
GST refundable	21,608	2,656
TOTAL CURRENT ASSETS	11,544,835	11,711,057
TOTAL ASSETS	11,544,835	11,711,057
CURRENT LIABILITIES		
Accounts payable	111,094	13,464
PAYGW payable	510	2,004
Sundry payables	3,870	2,427
Provision for annual leave	7,818	3,711
TOTAL CURRENT LIABILITIES	123,292	21,606
TOTAL LIABILITIES	123,292	21,606
NET ASSETS	11,421,543	11,689,451
EQUITY		
Settled sum	100	100
Accumulated funds	11,421,443	11,689,351
TOTAL MEMBERS' FUNDS	11,421,543	11,689,451

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

Statement of Changes in Equity

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Settled sum \$	Accumulated funds \$	Total \$
Balance as at 1 July 2022	100	5,127,867	5,127,967
Surplus/(Deficit) attributable to the Foundation	-	6,561,484	6,561,484
Balance as at 30 June 2023	<u>100</u>	<u>11,689,351</u>	<u>11,689,451</u>
Surplus/(Deficit) attributable to the Foundation	-	(267,908)	(267,908)
Balance as at 30 June 2024	<u>100</u>	<u>11,421,443</u>	<u>11,421,543</u>

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

Statement of Cash Flows and Notes to the Statement of Cash Flows

FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and donors		4,700,613	7,461,343
Payments to suppliers and community partners		(3,967,841)	(2,466,823)
Interest received		488,428	97,694
Net cash generated from/(used in) operating activities	(i)	<u>1,221,200</u>	<u>5,092,214</u>
Net increase/(decrease) in cash held		1,221,200	5,092,214
Cash and cash equivalents at beginning of financial year		10,241,367	5,149,153
Cash and cash equivalents at end of financial year	(ii)	<u>11,462,567</u>	<u>10,241,367</u>
Note (i). Net cash generated from/(used in) operating activities			
Surplus attributable to the Foundation		(267,908)	6,561,484
Increase in accounts and GST receivables		1,387,422	(1,465,079)
Increase in accounts and other payables		101,686	(4,191)
		<u>1,221,200</u>	<u>5,092,214</u>
Note (ii) Cash and cash equivalents at end of financial year			
Cash on hand		100	100
Cash on term deposits		11,160,545	8,484,865
Cash in bank		<u>301,922</u>	<u>1,756,402</u>
		<u>11,462,567</u>	<u>10,241,367</u>

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

Notes to the Financial Statements

Note 1. Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated. The entity is a not-for-profit entity.

Basis of preparation

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the material accounting policies adopted by the company in the preparation of the general purpose financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. 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 on the balance sheet.

b. Revenue

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

c. Income Tax

The Foundation is a not for profit organisation and as such is exempt from paying income tax.

d. Trustees

The Foundation was established as a charitable foundation by Financial Counselling Australia Limited (the Founder). The trustees are as follows:

Mr George Brouwer	Chairperson
Ms Carolyn Bond AO	
Mr Greg Tanzer	
Ms Betty Weule AM	

Ms Rita Battaglin	Secretary
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Notes to the Financial Statements (cont.)

Note 2. Financial Instruments

Financial Risk Management Policies:

The entity's financial instruments consist mainly of deposits with banks, local money market instruments and short-term investments.

The trustee's overall risk management strategy seeks to assist the company in meeting its financial target, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the trustees on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finances for the trust's operations.

The trust does not have any derivative instruments at 30 June 2024.

Interest rate risk

The Trust does not have any material interest rate risk exposure, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates.

Credit risk

The Trust does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Trust.

Net fair values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are comparable to the amounts disclosed in the financial statements.

Note 3. Related Party Transactions

Financial Counselling Australia Limited ("FCA") is the ultimate holding company of Financial Counselling Foundation Limited, the trustee of the Financial Counselling Foundation ("the Foundation"). FCA has no influence over the Foundation and does not have the authority to affect day-to-day operations.

30 June 2024

Secretariat Fee paid to FCA	81,000
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Over the 2023-2024 financial year, the Foundation paid the following grants to FCA:

Grant for an Employee Assistance Program for Financial Counsellors	\$11,700
Fees for Employee Assistance Program for Financial Counsellors	<u>\$12,875</u>
	<u>\$ 24,575</u>

30 June 2023

Secretariat Fee paid to FCA	48,000
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Over the 2022-2023 financial year, the Foundation paid the following grants to FCA:

Annual fee for an Employee Assistance Program for Financial Counsellors	\$26,000
Prison Research Grant auspiced to Thriving Communities Partnership	<u>\$12,675</u>
	<u>\$ 38,675</u>

Independent Auditor's Report

TOWARDS A VISION SHARED



Collins & Co
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Australia

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FINANCIAL COUNSELLING FOUNDATION
ABN 85 195 456 873
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Financial Counselling Foundation (the Foundation), which comprises the statement of financial position as at 30 June 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Trustees.

In my opinion, the accompanying financial report of Financial Counselling Foundation is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- i. giving a true and fair view of the Foundation's financial position as at 30 June 2024 and of its performance and cash flows for the year ended on 30 June 2024; and
- ii. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis of 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 my report. I am independent of the Foundation in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and 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 confirm that the independence declaration required by the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the Trustees of the Foundation would be on the same terms if given to the Trustees as at the time of this auditor's report.

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

Responsibilities of the Trustees for the Financial Report

The Trustees are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

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

Independent Auditor's Report (cont.)

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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.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

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

Dated this 1st day of October 2024

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