

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**

**ABN 67 073 167 361**

**GENERAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**GENERAL PURPOSE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**DIRECTORS' REPORT**

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The Board of Directors presents their report on the Company for the financial year ended 30 June 2023.

**Directors**

The names of members of the Board of Directors in office at any time during or since the end of the year are:

**Name**

Jocelyn Furlan	<i>Appointed 1st February 2017</i>
Greg Tanzer	<i>Appointed 1st February 2017</i>
Anne Crouch	<i>Appointed 22nd November 2018</i>
Kylie Holford	<i>Appointed 27 February 2020</i>
Lyndall Millburn	<i>Appointed 16 November 2020</i>
John Williams	<i>Appointed 29 November 2021</i>
Rob Benton	<i>Appointed 8 December 2021</i>

The Board of Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

All members of the Board are volunteers and receive no payment for their work as board and committee members. Board members are reimbursed expenses that are incurred in the course of their duties as board members in accordance with company policy. Furthermore, reasonable costs may be incurred from time to time to ensure the continued professional development of board members.

**Principal Activities**

Financial Counselling Australia is the peak body for financial counsellors. We:

- support the financial counselling profession by providing tools and resources to help financial counsellors in their work and we are the national voice for the profession
- advocate on behalf of the clients of financial counsellors for a fairer marketplace that will prevent poor outcomes for consumers and fix existing issues
- support the work of financial capability workers around Australia.

FCA also:

- coordinates the 10 agencies that collectively deliver the National Debt Helpline financial counselling service
- operates the equivalent service for small business – the Small Business Debt Helpline
- manages contracts to expand and enhance access to financial counselling. These projects include the provision of the chat facility on the National Debt Helpline website and the pilot of the technology that allows National Debt Helpline financial counsellors to directly book appointments for clients with a face-to-face financial counsellor (the appointment booking project)
- operates STEPS, which allows student financial counsellors to complete their placement hours in a simulated environment.

**Short-Term Objectives**

The Entity's short-term objectives are to:

1. Increase funding for financial counselling through contributions from the industries that benefit from financial counselling and refer their customers to financial counsellors, to be administered by a new independent body.
2. Work collaboratively with the State and Territory financial counselling associations on policy issues, training and professional development and in lifting professional standards in the financial counselling sector.
3. Continue to support the provision of chat on the National Debt Helpline website, the further rollout of the appointment booking project to other states/territories, the effective management of STEPS and coordination of the financial counselling response in areas affected by natural disasters.
4. Coordinate and support the work of financial capability workers and provide training and resources for them.
5. Deliver the small business telephone financial counselling service, the Small Business Debt Helpline.

**Long Term Objectives**

The Entity's long-term objectives are to:

1. Build and support the financial counselling profession.
2. Increase access to financial counselling services, including through increased funding.
3. Raise the profile of financial counselling.
4. Advocate for fair treatment of consumers.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
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### **Review of Operations**

The year was dominated by increases in the cost of living, with the Reserve Bank increasing interest rates, designed to get inflation back under control.

The savings buffers that many people built up during the pandemic, as well as very low unemployment rates, helped cushion this blow for some people, but cost-of-living pressures inevitably flowed through to financial counselling casework. Financial counselling services began reporting long waiting lists with clients struggling with housing stress (mortgages and rent), as well as rising food and utility prices. Calls to the National Debt Helpline increased, particularly in the first six months of 2023, and are nearing pre-pandemic levels.

#### **Major projects**

During the pandemic, the Government provided significant funding to FCA so we could support support financial counsellors to better support the community. A number of projects started during that time proved their worth, and funding has continued. These include:

- Simulated placements (STEPS) – the online financial counselling agency allowing student financial counsellors to complete their placement hours in a simulated environment
- Appointment booking project – technology allowing National Debt Helpline financial counsellors to make bookings for clients with a face-to-face service. This project was piloted in Western Australia and was expanded to the Northern Territory during this period
- Chat on the National Debt Helpline website – the service is now available Australia wide, Monday to Friday, 9am to 8 pm.

We also launched a completely revamped "toolkit" website and a new learning management system. The "toolkit" is a password-protected website accessed by financial counsellors and capability workers. The new and improved site is much easier to navigate and allows financial counsellors to track their professional development and supervision. Refreshing the site included drafting more than 60 pages of new content about topics relevant to financial counselling casework.

We ran several webinars for the hardship teams in the companies with which financial counsellors interact. Their aim is to raise awareness of financial counselling so that staff in these teams know when to refer to a financial counsellor and can explain to their customers as to what to expect. Our work in coordinating the financial counselling response to natural disasters continued, including through the provision of training and support to agencies.

The profile of financial counselling and the National Debt Helpline continued to increase with a large number of media mentions. FCA staff and financial counsellors were often asked for comments for radio, print/online and television.

Other key projects underway included automation of data collection for call and chat volumes to the National Debt Helpline. This data will be published on the website, so that stakeholders can analyse trends. Our A Day in the Life project, where we invite politicians and senior decision-makers to visit a local financial counselling agency, also continued.

#### **Small Business Debt Helpline**

The Small Business Debt Helpline experienced increasing demand. The level of debt for many callers is insurmountable, with owners facing corporate insolvency and personal bankruptcy. The most common debts include those with the ATO, a commercial or retail landlord, and business or equipment financing. Many callers are overwhelmed by the situation they find themselves in, and the intensity of calls continues to increase. Around 90 per cent of the businesses calling have fewer than five employees.

#### **Annual Conference**

Our annual conference, held in Canberra was our biggest event ever, with over 800 delegates, including more than 400 frontline financial counsellors and capability workers.

Our keynote speaker was former rocker Peter Garrett who talked about the forthcoming Voice referendum.

#### **Industry Funding for Financial Counselling**

The Minister for Social Services, the Hon Amanda Rishworth, opened the FCA conference saying that when it comes to industry funding "the time for talking is over", setting deadlines for the various industries that create demand for financial counselling to sign memoranda of understanding with the government to contribute to the voluntary industry funding model by August 31, 2023. This deadline meant that the industry funding model will continue to progress.

#### **Data**

One of the recommendations of the Sylvan review of the funding and coordination of financial counselling services was the need for the collection of better data about financial counselling. The Department of Social Services began this work in the latter part of the financial year, engaging consultants to develop an outcomes framework and a data strategy. Our role was to support this work, providing advice to the consultants and assisting in the consultation process. In the coming year, our role will move to implementation.

#### **Reform Agenda**

A change of government in May 2022 also meant that a number of the reforms the financial counselling sector has long been seeking are either under way or in place. On that front, our sector was delighted that legislation to make payday loans and consumer leases safer products passed the Parliament, coming into effect in June 2023.

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**DIRECTORS' REPORT**

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The Government is also consulting on how to regulate Buy Now, Pay Later products. We surveyed financial counsellors about their experiences as these debts are an increasing part of casework (the survey was released in July 2023). Financial counselling clients are increasingly using BNPL for essential items such as food, fuel and utilities, and many operate multiple accounts.

On the gambling front, in May we welcomed the government's plan to ban credit cards being used for gambling – a reform we have long championed. In June, a parliamentary inquiry into online gambling recommended a raft of reforms that we described as a "huge step forward". We have provided extensive policy input and advocacy on all of these issues over many years.

We became involved in policy and law reform in relation to strata levies after a financial counsellor helped two elderly clients avoid forced bankruptcy from unpaid levies. The case drew our attention to a growing and alarming problem. Our analysis of Federal Court data showed that around 10 per cent of forced bankruptcies over the past year relate to unpaid strata levies. Unit owners have few hardship rights, and there was very little information to guide them. We have helped facilitate meetings with the Victorian and NSW governments, improved information on the National Debt Helpline and government websites and developed law reform proposals.

**Financial Performance**

The organisation recorded a deficit of \$489,995. This was part of a planned strategy to invest reserves back into the financial counselling sector, with a smaller deficit also planned for the next financial year. The organisation's reserve levels remain sound.

**Information on Directors**

The particulars of the qualifications, experience and special responsibilities of each Director are as follows:

**Anne Crouch                      Chair**

Qualifications:                B. Ag Science, Grad Cert Accounting, Dip. Management, Dip. Community Services (Financial Counselling), GAICD.

Experience:                     Anne is an Executive Manager, Services with Uniting Country SA where she worked as a financial counsellor prior to moving into her leadership role. Anne was the Chair of the South Australian Financial Counselling Association for six years. She was also a member of the Australian Financial Complaints Authority's Consumer Advisory Panel for two years and represented FCA at AFSA's Personal Insolvency Stakeholder Forums.

Special Responsibilities: Member of the Finance, Audit and Risk Committee & Member of Nominations Committee.

**Jocelyn Furlan**

Qualifications:                LL.B, B. Com, GAICD

Experience:                     Jocelyn Furlan is a lawyer and an accountant, with more than 25 years' experience in the superannuation industry. She's a director of a number of organisations including Aware Super, Perpetual Super and the Mother's Day Classic Foundation. She is Chair of Strathcona Baptist Girls Grammar School and Independent Chair of the Customer Owned Banking Code Compliance Committee. She is a graduate of the Australian Institute of Company Directors. Previous roles include chair of the Superannuation Complaints Tribunal, executive manager corporate of the Victorian Superannuation Board and its predecessor the State Superannuation Board, and company secretary of VicSuper.

Special Responsibilities: Chair of the Finance, Audit and Risk Committee.

**Greg Tanzer**

Qualifications:                B.Ec, LLB (Hons)

Experience:                     Greg is a consultant to financial services regulators and firms, working in Australia with Promontory Australia and overseas with the International Monetary Fund amongst others. From 2012 to 2016 he was a commissioner at the Australian Securities and Investments Commission and from 2008 to 2012 he worked as secretary-general of the International Organisation of Securities Commissions. Greg is a Director of the Financial Counselling Foundation Ltd. He has significant experience in regulation, governance and policy development.

Special Responsibilities: Chair of the Nominations Committee

**Kylie Holford**

Qualifications:                Diploma in Counselling, Diploma in Community Service (Financial Counselling), Certificate IV in Training and Assessing.

Experience:                     Kylie came to financial counselling in 2014 and has worked as a full-time financial counsellor since. Prior employment was within the Disability / Rehabilitation and Employment sector.

Kylie was previously on the board of the Financial Counsellors Association of NSW (FCAN) and has previously served as the FCAN Representative on the FCA Representative Council.

Special Responsibilities: Member of the Nominations Committee.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
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**DIRECTORS' REPORT**

**Information on Directors (continued)****Lyndall Millburn**

Qualifications: B. Accounting, Grad Dip Community Counselling, Diploma of Financial Counselling, Master of Counselling.

Experience: Lyndall moved into the financial counselling area after working as an accountant for many years. She is currently employed as a financial counsellor for CARE Financial Counselling Service in Canberra. Lyndall was previously president of Financial Counsellors – ACT and has represented the ACT on the FCA Representative Council.

Special Responsibilities: Member of the Finance, Audit and Risk Committee.

**John Williams**

Experience: John was elected to Federal Parliament in 2007 and served as a Senator for NSW from 2008 to 2019. John was born in Jamestown SA but has lived most of his life in the Inverell district in the New England region of NSW. Prior to entering politics, he had been a truck driver, shearer, farmer and a small business owner.

**Rob Benton**

Qualifications: Diploma of Counselling, Diploma of Financial Counselling, Certificate in Gambling Counselling, Diploma in Financial Planning, Graduate Cert in Financial Studies, Advanced Diploma in Financial Markets, Certificate in Financial Markets.

Experience: Rob has worked in the finance industry for over 45 years. During this time, he owned his own business and was a director of a number of organisations including Royal Far West Children, National Association of Loss and Grief and a Neighbourhood Centre.

Rob started working as a financial counsellor in 2009. He is currently serving on the Board of the Financial Counsellors Association of NSW, having previously served from 2015 to 2021, and is currently involved with FCAN's Credit Liaison Working Group, the National Debt Helpline/FCAN Network Group and as a peer supervisor.

**Meetings of Directors**

During the financial year, seven meetings of Directors were held.

Attendances by each director during the year were as follows:

	<b>Board Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Jocelyn Furlan	5	5
Greg Tanzer	5	4
Anne Crouch	5	5
Kylie Holford	5	4
Lyndall Millburn	5	4
John Williams	5	5
Rob Benton	5	5

Attendances by each director during the year were as follows:

	<b>Finance, Audit and Risk Subcommittee Meetings</b>	
	<b>Number eligible to attend</b>	<b>Number attended</b>
Jocelyn Furlan	6	6
Anne Crouch	6	6
Lyndall Millburn	6	5

**After balance day events**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations in future financial years, the results of those operations in future financial years or the company's state of affairs in future financial years.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**DIRECTORS' REPORT**

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**Contribution in Winding Up**

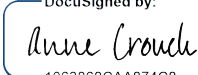
Financial Counselling Australia Limited is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company.

At 30 June 2023 the collective liability of members was \$70 (2022: \$70).

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2023 has been received and is included in this report on Page 5.

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

DocuSigned by:  
  
Director 1063868CAA874C8...  
**Anne Crouch**

DocuSigned by:  
  
B204FCB81D6547C  
**Jocelyn Furlan**

TOWARDS A VISION SHARED



# Collins & Co Audit Pty Ltd

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**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF  
FINANCIAL COUNSELLING AUSTRALIA LIMITED  
A.B.N. 67 073 167 361**

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
- ii. No contravention of any applicable code of professional conduct in relation to the audit.

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

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

**Dated this 3rd day of October 2023**



**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>REVENUES</b>	2	5,766,111	4,963,301
<b>EXPENSES</b>			
Administration expenses		(419,206)	(490,002)
Amortisation and depreciation expenses		(79,604)	(66,912)
Employee benefits expenses		(3,374,795)	(3,259,848)
Event expenses		(467,793)	(311,416)
Project funding and expenses		(1,914,708)	(1,222,015)
		<u>                    </u>	<u>                    </u>
Profit/(loss) attributable to entity		<b>(489,995)</b>	<b>(386,892)</b>
Other comprehensive income after income tax		-	-
		<u>                    </u>	<u>                    </u>
Other comprehensive income for the year, net of tax		-	-
		<u>                    </u>	<u>                    </u>
Total comprehensive income for the year, net of tax		<b><u>(489,995)</u></b>	<b><u>(386,892)</u></b>
		<u>                    </u>	<u>                    </u>
Total comprehensive income/(loss) attributable to entity		<b><u>(489,995)</u></b>	<b><u>(386,892)</u></b>

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

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	3,941,296	4,127,311
Trade and other receivables	4	357,507	18,269
Other current assets	5	78,872	3,424
<b>TOTAL CURRENT ASSETS</b>		<b>4,377,675</b>	<b>4,149,004</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	6	16,673	43,474
Intangible assets	7	104,872	118,777
<b>TOTAL NON-CURRENT ASSETS</b>		<b>121,545</b>	<b>162,251</b>
<b>TOTAL ASSETS</b>		<b>4,499,220</b>	<b>4,311,255</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	657,937	556,936
Grants received in advance	9	2,381,860	1,661,384
Revenue received in advance	10	-	55,790
Provisions	11	376,974	446,661
Lease liabilities	12	50,261	37,993
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,467,032</b>	<b>2,758,764</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	10,000	10,000
Lease liabilities	12	60,450	90,758
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>70,450</b>	<b>100,758</b>
<b>TOTAL LIABILITIES</b>		<b>3,537,482</b>	<b>2,859,522</b>
<b>NET ASSETS</b>		<b>961,738</b>	<b>1,451,733</b>
<b>EQUITY</b>			
Accumulated funds		561,738	1,163,933
Reserves		400,000	287,800
<b>TOTAL EQUITY</b>		<b>961,738</b>	<b>1,451,733</b>

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

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023**

	Accumulated funds \$	General reserves	Total \$
<b>Balance as at 1 July 2021</b>	<b>1,626,550</b>	<b>212,075</b>	<b>1,838,625</b>
Surplus/ (Deficit) attributable to entity	(386,892)	-	<b>(386,892)</b>
Transfer to general reserves	(75,725)	75,725	-
<b>Balance as at 30 June 2022</b>	<b>1,163,933</b>	<b>287,800</b>	<b>1,451,733</b>
Surplus/ (Deficit) attributable to entity	(489,995)	-	<b>(489,995)</b>
Transfer to general reserves	(112,200)	112,200	-
<b>Balance as at 30 June 2023</b>	<b>561,738</b>	<b>400,000</b>	<b>961,738</b>

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
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**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants		5,461,744	3,446,788
Receipts from other sources		594,638	620,446
Payments to employees and suppliers		(6,212,508)	(5,085,355)
Interest received		25,203	1,796
<b>Net cash generated from/(used in) operating activities</b>	<b>14</b>	<b><u>(130,923)</u></b>	<b><u>(1,016,325)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment		-	1,000
Payment for purchase of property, plant and equipment		(2,465)	(13,951)
<b>Net cash (used in)/provided by investing activities</b>		<b><u>(2,465)</u></b>	<b><u>(12,951)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liability - leased premises		(52,627)	(42,050)
<b>Net cash used in financing activities</b>		<b><u>(52,627)</u></b>	<b><u>(42,050)</u></b>
<b>Net increase/(decrease) in cash held</b>		<b>(186,015)</b>	<b>(1,071,326)</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>4,127,311</b>	<b>5,198,637</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>3</b>	<b><u><u>3,941,296</u></u></b>	<b><u><u>4,127,311</u></u></b>

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 1. Statement of Significant Accounting Policies**

The financial statements and notes represent those of Financial Counselling Australia Limited (the Company).

**Basis of preparation**

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

**Historical cost convention**

The financial statements have been prepared under the historical cost convention.

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. Property, Plant and Equipment**

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Company includes the cost of materials, labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Increases in the carrying amount arising on the revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**a. Property, Plant and Equipment (continued)**

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

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Plant and equipment	10% - 40%
Leasehold improvements	20%
Right of use asset - leased premises	16%

**b. Impairment of Assets**

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

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

**c. Leases**

**Leased Assets**

For any new contracts entered on or after 1 July 2019, the Company considers whether a contract is, or contains a lease. 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 Company 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 Company
- the Company 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 Company has the right to direct the use of the identified asset throughout the period of use.

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

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**Measurement and recognition of leases as a lessee**

At lease commencement date, the Company 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 Company, 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 Company 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 Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company 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 Company'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 Company 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 adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting AASB 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

For contracts in place at the date of initial application, the Company has elected to apply the definition of a lease from AASB 117 and has not applied AASB 16 to arrangements that were previously not identified as lease under AASB 117.

The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of AASB 16, being 1 January 2019. At this date, the Company has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of AASB 16.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**Accounting for Leases under AASB 16 (continued)**

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.

For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under AASB 117 immediately before the date of initial application.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 5%.

The Company has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

**d. Financial Instruments**

**Initial Recognition and Measurement**

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

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

**Classification and Subsequent Measurement**

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. 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.

**Classification and Subsequent Measurement (continued)**

*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.



**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**d. Financial Instruments (continued)**

**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 Company 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.

**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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

**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 entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of reporting period. If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments would be tainted and reclassified as available-for-sale.

**Available-for-sale financial assets**

Available-for-sale financial assets 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 equity of other entities where there is neither fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

**Fair value**

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

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**d. Financial Instruments (continued)**

**Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**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 entity 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. Employee Benefits**

**Short term benefits**

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Company expects to pay at the end of each reporting period.

**Long term benefits**

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

**Superannuation**

Superannuation contributions are made by the Company to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Company has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

**f. Provisions**

Provisions are recognised when the Company 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 using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**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 short term borrowings in current liabilities in the statement of financial position.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**h. Revenue**

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

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

The Company applies Australian Accounting Standards AASB 15 and AASB 1058.

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

**Donations**

Donations are recognised as revenue when the organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

**Interest Received**

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

All receipts are stated net of Goods and Services Tax.

**i. Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the Company 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.

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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

**j. Goods and Services Tax (GST)**

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

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.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows excluded from the receipts from customers or the payments to suppliers.

**k. Income Tax**

By virtue of its aims as set out in the constitution, the Company qualifies as an organisation specifically exempt from income tax under Section 50 of the *Income Tax Assessment Act 1997*.

**l. Comparative Figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

**m. Critical Accounting Estimates and Judgements**

The Directors evaluate the estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

**Key Estimates - Impairment (General)**

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets.

Where an impairment trigger exists, the recoverable amount of the asset is determined.

**Key Judgements - Provision for Impairment of Receivables**

The management believe that all accounts receivable are recoverable, and therefore no provision for impairment has been made.

**n. New, Revised or Amending Accounting Standards and Interpretations Adopted**

The Company 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 Company.

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

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
<b>Note 2. Operating Activities: Revenues</b>		
Grants	4,741,268	4,174,471
Donations	991	11,174
Conference income	355,339	283,028
Conference sponsorships	504,723	435,416
Other income	128,613	57,416
Interest received	25,203	1,796
Gain on change in right of use assets & lease liabilities	9,974	-
<b>Total revenues</b>	<u><u>5,766,111</u></u>	<u><u>4,963,301</u></u>
<b>Note 3. Cash and Cash Equivalents</b>		
Cheque Account	26,185	189,959
Cash Management Account	2,934,363	2,967,022
Term Deposits	980,748	970,330
	<u><u>3,941,296</u></u>	<u><u>4,127,311</u></u>
<b>Note 4. Trade and Other Receivables</b>		
Accounts receivable	357,507	18,269
Less: provision for doubtful debts	-	-
	<u><u>357,507</u></u>	<u><u>18,269</u></u>
<p>The company's trade and other receivables have been reviewed for indicators of impairment. No trade receivables were found to be impaired.</p>		
<b>Note 5. Other Current Assets</b>		
Other receivables	6,456	608
Prepayments	69,600	-
Other deposits	1,100	1,100
Rental bonds	1,716	1,716
	<u><u>78,872</u></u>	<u><u>3,424</u></u>
<b>Note 6. Property, Plant and Equipment</b>		
<b>Office equipment</b>		
At cost	103,295	108,347
Accumulated depreciation	(86,622)	(64,873)
	<u><u>16,673</u></u>	<u><u>43,474</u></u>
<b>Total property, plant and equipment</b>	<u><u>16,673</u></u>	<u><u>43,474</u></u>
<b>Note 7. Intangible Assets</b>		
<b>Right of use asset - leased premises</b>		
At cost	155,210	192,512
Accumulated amortisation	(50,338)	(73,735)
	<u><u>104,872</u></u>	<u><u>118,777</u></u>
<b>Total intangible assets</b>	<u><u>104,872</u></u>	<u><u>118,777</u></u>

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
<b>Note 8. Trade and Other Payables</b>		
<b>Current - unsecured</b>		
Accounts payable	373,605	165,099
Accrued expenses	124,662	111,880
Superannuation payable	40,788	39,483
GST (refundable)/payable	68,626	191,479
PAYG withholding tax payable	42,533	35,799
Commonwealth Bank of Australia - credit cards	7,723	13,196
	<u>657,937</u>	<u>556,936</u>
<b>Note 9. Grants Received in Advance</b>		
<b>Current</b>		
Department of Industry - Small Business Debt Helpline	155,406	473,698
Department of Social Services - Appointment Availability	1,421,800	-
Department of Social Services - Chat - National Debt Helpline	662,758	991,000
Department of Social Services - Data Strategy	26,416	-
Department of Social Services - Flood Relief Financial Support Funding	-	196,686
Department of Social Services - STEPS	115,480	-
	<u>2,381,860</u>	<u>1,661,384</u>
<b>Note 10. Revenue Received in Advance</b>		
<b>Current</b>		
Commonwealth Bank of Australia	-	53,290
National Australia Bank	-	2,500
	<u>-</u>	<u>55,790</u>
<b>Note 11. Provisions</b>		
<b>Current</b>		
Annual leave	241,627	347,627
Long service leave	135,347	99,034
	<u>376,974</u>	<u>446,661</u>
<b>Non-current</b>		
Make good on leased premises	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
<b>Note 12. Lease Liabilities</b>		
<b>Current</b>		
Lease liability - leased premises	50,261	37,993
	<u>50,261</u>	<u>37,993</u>
<b>Non-current</b>		
Lease liability - leased premises	60,450	90,758
	<u>60,450</u>	<u>90,758</u>
<b>Note 13. Capital Commitments</b>		
The directors of the company foresee no immediate future capital commitments.		

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 14. Cash Flow Information</b>		
<b>(a) Reconciliation of cash flow from operations with profit after income tax</b>		
Operating surplus/(deficit)	(489,995)	(386,892)
<b>Non-cash flows in profit</b>		
Amortisation and depreciation expenses	79,604	66,912
Finance charges on leased liability - leased premises	8,128	7,386
Gain on change in right of use assets & lease liabilities	(9,974)	-
Loss on disposal of fixed assets	-	1,363
<b>Changes in assets and liabilities</b>		
(Increase)/decrease in accounts and other receivables	(339,238)	5,112
Increase/(decrease) in other assets	(75,448)	10,520
Increase/(decrease) in trade and other payables	101,001	121,865
Increase/(decrease) in grants received in advance	720,476	(727,683)
Increase/(decrease) in revenue received in advance	(55,790)	(171,700)
Increase/(decrease) in provisions	(69,687)	56,792
Cash flow from operations	(130,923)	(1,016,325)
<b>(b) Reconciliation of Cash</b>		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	3,941,296	4,127,311

**FINANCIAL COUNSELLING AUSTRALIA LIMITEE**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**Note 15. Financial Risk Management**

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and bank loans.

The Company does not have any derivative instruments at 30 June 2023.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 \$	2022 \$
<b>Financial Assets</b>			
Cash and cash equivalents	3	3,941,296	4,127,311
Loans and receivables	4	357,507	18,269
		<u>4,298,803</u>	<u>4,145,580</u>
<b>Financial Liabilities</b>			
Trade and other payables	8	657,937	556,936
		<u>657,937</u>	<u>556,936</u>

**(i) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

**(ii) Liquidity Risk**

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained.

**(iii) Interest Rate Risk**

The finance committee meets on a regular basis to analyse the interest rate exposure in the context of the most recent economic conditions and forecasts.

**Note 16. Related Party Transactions**

	2023 \$	2022 \$
In the 2023 financial year, the Financial Counselling Foundation paid a Secretariat Fee to FCA.	48,000	
In the 2023 financial year, the Financial Counselling Foundation paid the following grants to FCA:		
Prison Research Grant - auspiced to Thriving Communities Partnership	\$26,000	
Annual fee for an Employee Assistance Program for Financial Counsellors	<u>\$12,675</u>	
	<u>\$38,675</u>	
In the 2022 financial year, the Financial Counselling Foundation paid a Secretariat Fee to FCA.		48,000
In the 2022 financial year, the Financial Counselling Foundation paid the following grants to FCA:		
Annual fee for an Employee Assistance Program for Financial Counsellors		\$25,000
First Nations Outreach Grant - auspiced to HK Training and Consultancy		\$10,000
First Nations Outreach Grant - auspiced to CQ Financial Counselling Association		\$10,000
Prison Research Grant - auspiced to Thriving Communities Partnership		<u>\$40,000</u>
		<u>\$85,000</u>



**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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**Note 17. Key Management Personnel Remuneration**

Key management of the Company are the members of the Board of Management, the Chief Executive Officer and a Senior Executive Manager. The directors act in an honorary capacity and are not paid for their services as directors. Included in the salaries and wages for 2023 above is the key management personnel remuneration of \$332,855.

Key management personnel

CEO	Appointed 17/08/2009
General Manager - Small Business Debt Helpline	Appointed 16/03/2020

**Note 18. Company's Details**

The registered office of the company is:

Level 6  
179 Queen Street  
MELBOURNE VIC 3000

The principal place of business of the company is:

Level 6  
179 Queen Street  
MELBOURNE VIC 3000

**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**ABN 67 073 167 361**  
**DIRECTORS' DECLARATION**

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The directors of the company declare that:

1. the financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and:
  - (a) comply with Australian Accounting Standards- Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the company;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

**Director**

DocuSigned by:

Anne Crouch

1063868CA874C8

29 September 2023 | 9:11 AM AEST

**Director**

DocuSigned by:

Jocelyn Furlan

B204FCB81D6347C...

29 September 2023 | 9:27 AM AEST



# Collins & Co Audit Pty Ltd

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**FINANCIAL COUNSELLING AUSTRALIA LIMITED**  
**A.B.N. 67 073 167 361**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

## ***Opinion***

I have audited the accompanying financial report of Financial Counselling Australia Limited (the company), which comprises the statement of financial position as at 30 June 2023, 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 Board of Directors.

In my opinion, the accompanying financial report of Financial Counselling Australia Limited is in accordance with Division 60 of the ACNC Act 2012, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance and cash flows for the year ended on 30 June 2023; 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 Company in accordance with the auditor independence requirements of the ACNC 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 ACNC Act 2012, which has been given to the directors of the Company would be on the same terms if given to the directors 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 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 Australian Accounting Standards, and for such internal control as management determines 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, management is responsible for assessing the Corporation'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 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 Corporation's financial reporting process.



# Collins & Co Audit Pty Ltd

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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 3rd day of October 2023**