

2022

**ANNUAL
REPORT**

 02 6527 1788

 carefcs.org



ACKNOWLEDGEMENT

Acknowledgement of Country

Care acknowledges and celebrates the Traditional Custodians of the land on which we operate, the Ngunnawal people. We recognise their continuing connection to land, waters and community and pay our respects to Elders past, present. and emerging.

Funding Bodies

Care thanks our many funding bodies and partners, whose support is essential for the accomplishment of Care's vision and delivery of Care's services.

ACT Government

- Access Canberra
- Chief Minister, Treasury and Economic Development Directorate
- Community Services Directorate
- Environment, Planning and Sustainable Development Directorate
- Health Directorate
- Justice and Community Safety Directorate

Australian Government

- Department of Social Services
- Attorney General's Department

Other

- ACT Council of Social Services
- ACT Law Society
- ActewAGL
- Financial Counselling Foundation
- Relationships Australia Canberra and Region
- Service One Alliance Bank
- Snow Foundation
- St Vincent de Paul

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Acknowledgement of Country
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OUR PURPOSE

Care Strategic Plan
2018–2023

Vision

Financial fairness for all.

Mission

We support, educate, and advocate to achieve financial fairness for all.

Our Values

- **Equality**

We believe that all people should have access to financial skills development, information and support.

- **Inclusion**

We value diversity and work to ensure that we reach people from across the community.

- **Empowerment**

We empower people to better understand and take control of their financial situation.

- **Respect**

We are respectful and work compassionately with people to understand their experience and provide support.

- **Change**

We focus on achieving change for individuals and systems.

- **Culture**

We value our people, foster a positive team culture and work with integrity across all that we do.



Strategic Priorities

- **Support**
We support people who are experiencing financial hardship or impacted by exploitative practices.
- **Educate**
We educate the community to understand their rights and options to make informed financial decisions.
- **Advocate**
We advocate to change systems that contribute to financial hardship and exploitative practices.
- **Innovate**
We innovate to achieve outcomes by focusing on our people and working in partnership.
- **Evaluate**
We evaluate to ensure services meet individual and community needs.



CHAIRPERSON'S REPORT

My last Chairperson report was written while we were in Lockdown 2.0. I am pleased to say that the outlook has improved, and Care is gradually returning to face to face contact with clients and having our staff spending more substantive periods back in the office.

Maintaining the well-being of staff is still a challenging aspect of the current norm. Recognising and addressing these challenges has been and remains an important part of maintaining the quality of service delivery to our clients. With good leadership we have however been able to continue to deliver support to the community and to empower people to better understand and take control of their financial situation. As our CEO outlines in her report, we have again achieved significant positive financial outcomes for individuals in the community. We have and will continue to support people experiencing financial hardship or who are being impacted by exploitative practices.

Whilst we have faced challenges, the move into new fit for purpose premises in January has been a great step forward. This development, together with our re-branding exercise, and a new logo which captures the services we provide, is allowing us to grow our presence in the community.

This is my fifteenth year as a member of the Board and my ninth, and likely last year as the Chair. After a year of no changes to the Board, this year we farewelled Michael Miller and Duncan Buchanan. Michael provided financial rigour to the analysis of our

financial position. Duncan Buchanan ably assisted Care to achieve IT upgrades and transition to a new database, using his knowledge in this area. On behalf of Care and the Board, I thank them both for their time and efforts on the Care Board.

Given the departures from the Board, I am pleased to welcome Alison Lendon. Further additions to the Board are in train. On that note, I do wish to acknowledge and recognise my fellow board members Philippa Prothero, Christian Mikula, Nick Seddon and Susan Helyar and again formally thank them. Their preparedness to contribute to the betterment of the community also deserves recognition. We are fortunate to have a good mix of board members with significant experience/tenure. We recognise the value of a diverse mix of skills on our Board and will continue to seek to achieve that diversity.

A special thanks to our dedicated staff who are always willing to invest in the goal of assisting clients to work through their financial challenges, especially in the current climate. I again recognise the calm and professional commitment of our CEO, Carmel, our team leaders and all their team members that remain at the heart of the success of Care.

It continues to be a pleasure to fulfil a role within an organisation that acts with integrity, professionalism, and respect.

Andrew Freer
Chairperson



CEO'S REPORT

For a third year in a row, I begin my annual report by noting the continued impact of Covid on our staff and our services. In fact, very soon after the financial year began the ACT was back in lockdown, this time with stricter conditions. Fortunately, we are by now adept at working from home and providing services online or via phone when face to face delivery is not appropriate.

In early 2022 Staff gradually returned to office work with flexible arrangements allowing for up to 50% of work to be undertaken at home. The flexible working arrangements have been well received and provide increased access for clients who are unable or uncomfortable to attend our office in person.

There were some exciting changes this year, most notable our move to a new office in Turner. Our new premises accommodate all staff and offer flexible workspaces. The building is lighter, warmer and most importantly more accessible for clients. After many years in a space surrounded by demolition and construction work, it is terribly exciting to have new digs in a quiet part of town! Our new branding, launched just prior to the financial year including the logo, updated website and refreshed resources has been well received. We believe the branding has provided a more professional, positive and consistent look and feel for the organisation.

There have been a few significant staff changes recently with our office manager, Zyl Hoven-ga-Wauchope moving to Melbourne with his young family and one of our very experienced financial counsellors moving to the UK with her husband. Both are well respected members of the team so fortunately we have been able to

offer them some remote casual work since their departure in June. We are pleased that they can remain part of the Care Team for as long as possible.

Despite this loss we have been incredibly fortunate to bolster our team with high quality recruits. In May we welcomed Natasha Ingram as our new Operations Manager. Tash has extensive experience in both Commonwealth and ACT Government roles and has slotted into the position almost seamlessly. Tash has made a positive impact in her short time since joining Care. We were also thrilled to welcome back John Gilmour to the financial counselling team after a 12-month absence due to health issues.

We also had some big changes in our Consumer Law Program with our Senior Solicitor Adam Thompson taking up a position with Legal Aid. Adam worked at Care for 10 years, so it was hard to see him go. I am sure his expertise will be well utilised in his new role.

On a personal note, a big change for me was stepping down as Chair of the financial counselling peak body, Financial Counselling Australia (FCA) after 12 years. It was an honour and a pleasure to work with Fiona Guthrie and her team and to be part of the ongoing growth and professionalism of a sector I am passionate about.

As the year closes, we are in the midst of a perfect storm of financial hardship with rising cost of living and rapidly rising interest rates at the forefront of our minds. This comes at a time when financial institutions and utility providers are more reluctant to extend Covid hardship arrangements.

And so, we anticipate a busy and challenging year. I am delighted to be surrounded by such a strong positive team able to manage the ebbs and flows of our often-stressful work.

As always, I am grateful to our Chairperson Andrew Freer and to the rest of Care's board for their support and guidance.

Carmel Franklin
CEO



**Care's
Patron**
Elizabeth Grant

Board of Directors



Andrew Freer
BEC LLB
Chairperson



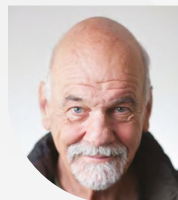
Philippa Prothero
*BPsych (Hons) (ANU), PhD
(ANU), GAICD, MAHRI*
Treasurer (Nov 2021
onwards)



Michael Miller
BCom, CFPA
Treasurer resigned
October 2021



Duncan Buchanan
BA (UniSA) GAICD
Secretary resigned
June 2022



Nick Seddon
*LLB (MELB), B Phil (Oxon),
PhD (ANU)*



Susan Helyar
BSW (USyd) GAICD



Alison Lendon
BSc, MBA (Monash), FCPA, GAICD
appointed April 2022



Christian Mikula
BA LLB (ANU)

OUR PEOPLE

Staff

Operations

Carmel Franklin
CEO

Bob McNab
Finance Administrator
(resigned Aug 2021)

Clare Healey
Reception/Admin Support
(since Nov 2021)

Zyl Hovenga-Wauchope
Operations Manager
(resigned June 2022)

Ping Ertz
Finance Administrator
(since Sep 2021)

Phoebe Sutherland
Reception/Admin Support
(since Feb 2022)

Natasha Ingram
Operations Manager
(since May 2022)

Maddy Fisk
Reception/Admin
Support

Financial Counselling

Leasa Mayes
Team Leader

Rachael Milfull
Financial Counsellor

Deb Shroot
Financial Counsellor

Wendy Sandeman
Financial Counsellor

John Gilmour
Financial Counsellor

Di Hodge
Financial Counsellor

Kerrie Williams
Intake Officer

Julia Collin
Financial Counsellor
(since March 2022)

Anna Healey
Financial Counsellor
(since July 2021)

Liisa Wallace
Financial Counsellor

Rosie Fisk
Financial Counsellor

Nicole Flaws
Financial Counsellor

Fiona Laverty
Financial Counsellor

Arthur Lee
Financial Counsellor

Eileen Newmarch
Locum Financial Counsellor
(resigned Dec 2021)

Linda Gyamfi-Awuah
Financial Counsellor

Aoife Berenger
Financial Counsellor

Lyndall Millburn
Financial Counsellor



Consumer Law

Agata Pukiewicz
Principal Solicitor

Larisa Dorzheeva
Project
Administration/Paralegal

Keira Germech
Solicitor
(since Feb 2022)

Adam Thompson
Senior Solicitor
(resigned Jan 2022)

Gayathri Hatharasinghe
Paralegal

Cameron Kiely
Solicitor
(secondment to Dec 2021)

Tawanda Mukamuri
Solicitor
(since Feb 2022)

Community Loans

Natasha Gunther
Team Coordinator

Tracey Zol
Caseworker

Tanya Dunster
Caseworker

Antoinette McCartney
Admin Support

Community Education

Vicki Wood
Team Coordinator

Nailah Rokic
Financial Capability Worker

Mrad El-Syoufi
Stakeholder Engagement
Officer

Consultants

David Perceval
Auditor

Kandie Allen-Kelly
FC Professional Supervisor

Elizabeth Yuile
FC Professional Supervisor

Nasrin Lucas
FC Professional Supervisor

Christine Moulet
FC Professional Supervisor

Julie Barrow
FC Professional Supervisor

Donna Letchford
FC Professional Supervisor

Carol Flynn
Mentor

Paul Batley
Barrister
Frederick Jordan Chambers

Paul Clynes
Blackburn Chambers

**Clayton Utz Pro Bono
program**



FACES OF CARE



VOLUNTEERS

Clayton Utz

David Purvis
 Imogen Hanrahan
 Rachael Grivas
 Rashmi Islam
 Ane Espach
 Eleanor Cannon
 John Park
 Kyu Won Kim
 Gabrielle Ho
 Deborah Mak
 Julia Liu
 Shirley Chung
 Sarah Lim
 Seth Godlweski
 Mason Britton
 Richard Donaldson
 Nathaniel Jende
 Isla Tobin
 Gabrielle Ho
 Louise Parry
 Kieran Heid
 Caroline Beasley
 Adam Ray
 Sabina Prus-Wisniowski
 Grant Roberts
 Dan Hirst
 Hannah Anderson
 Ingmar Duldig
 Lydia Edwards
 Cindy Chia
 Jennifer Wyborn
 Amanda Ryan
 Sarah Nguyen
 Lauran Hargrave
 Alex Zhang
 Lino Kim
 Josh Miller
 Sonya Campbell
 Hannah Michie

AGS

Nicholas Wilson
 Subeta Vimalarajah
 Stephen Boyle
 Rachael Ingleton
 Finn Lowe
 Charles Taylor
 Alyce Johnson
 Sam Exell
 Danica Lamb
 Madeleine Pratt
 Adam Slevison
 Chris Skoglund
 Lucas Humbel
 Alexander Parsons

Others

Jordyn Mekenzie Gibson
 (ANU, internship)
 Jinmin Liu (ANU,
 internship)
 Rebecca Weatherby
 (ACCC)
 Janice Wryell
 Alan Joyce
 Taryn Phillips
 Leslie Macdonald



This year we heard a lot about the “second wave” of Covid. Just when we thought things were going back to the pre-Covid days, a “second wave” hit. Another lockdown period was called, with most staff working from home and client work done via phones.

The National Debt Helpline and Chat was unaffected by the lockdown, but other financial counselling services were provided by phone and zoom. Keeping up to date with government assistance and emergency relief providers was very important during this time – our team developed a Teams channel to share information to make sure we were on top of new initiatives and developments.

As mentioned in the last report, clients without reliable technology or with limited IT experience were disadvantaged by the lockdowns. Seeking help requires reasonable access to a phone or internet service, and without these it is difficult. These necessary services require money to keep them going, and if client cannot pay their phone or internet bill they can find themselves unable to get help they desperately need.

Like the previous year, we didn’t see a significant increase in demand for assistance. What we did see was the consequences when the generous assistance was withdrawn. A lot of people relied on the assistance and were forced to make very difficult decisions they were not ready to make. We saw an increase in debt resulting from uninsured car accidents and changes in circumstances linked to workplace and mental health issues.

OUR PROGRAMS

Financial Counselling

We also started to see an increase in housing related issues – mortgage arrears, rent arrears and arrears with rates, body corporate levies and land rent.

The ACT Government provided generous assistance for people who were at risk of eviction due to rent arrears. The assistance was provided between January and May, with all funds being exhausted in this short period.

In May, the Financial Counselling Australia conference was held in Cairns – a group of financial counsellors attended the conference in person. Some of the sessions were live streamed so counsellors in the Office also had an opportunity to be involved.

A lot of other big changes happened at Care during this reporting period. Care's office moved to Moore Street in December 2021 / January 2022. The space is better but has fewer offices, so we shifted to a shared office system. Financial counsellors now have designated days working in the office and from home.

After a long period of comparing options, we started using a new client management system – Arthur Lee represented the financial counselling component. The new system should make reporting and record keeping more seamless.

Julia Collin, Anna Healey, Diane Hodge and Linda Gyamfi-Awuah all commenced work as financial counsellors during the year after completing their placements at Care. Rachael Milfull plays a key role in placement management, liaising with the training organisations and making sure the students meet all requirements to complete their placement and successfully finish their Diploma.

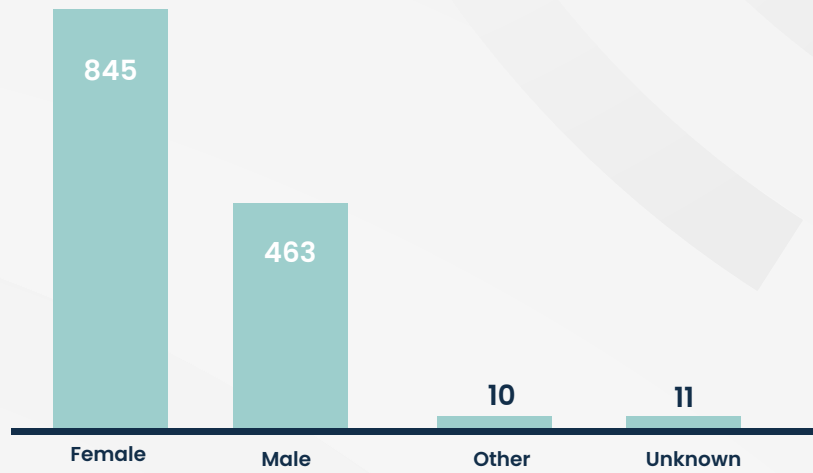
John Gilmour will return to Care to work on the new Livechat service. We are chuffed to have John back and he has commenced the training on the new Chat service due to start 1 July 2022.

We said goodbye to Nicole Flaws an experienced and skilled financial counsellor who will be sadly missed. Nicole is moving onto new and exciting adventures with her husband being posted overseas.

We have some wonderful volunteers. Leslie MacDonald continued her role as a volunteer assisting clients with business accounting and tax returns. The lockdowns limited the number of sessions she could offer, but this service assisted many clients to meet their taxation obligations. Taryn Phillips also assists with admin support for the financial counselling with a view to undertaking the Diploma of Financial Counselling in the near future.

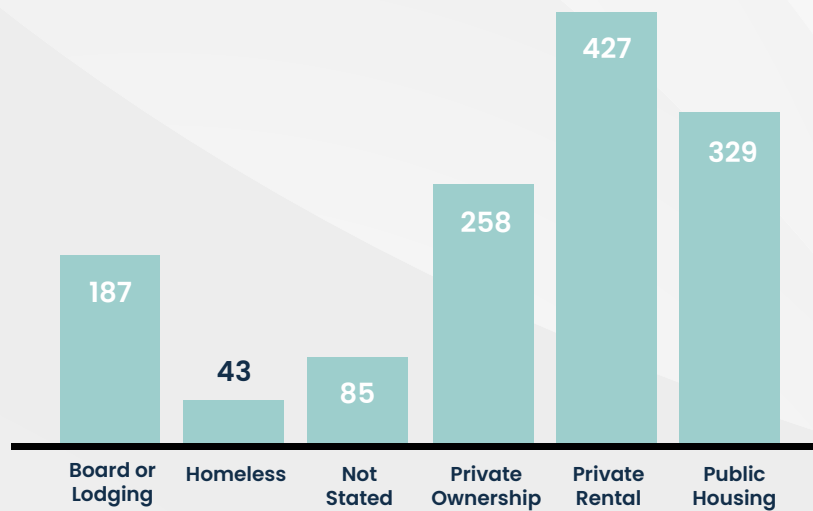
Services Data

Gender



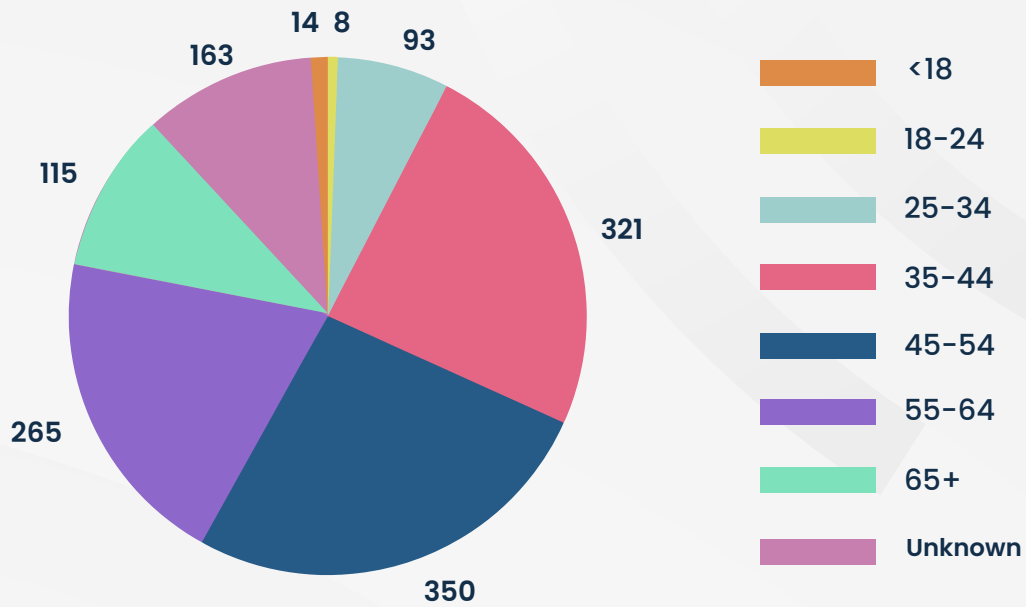
Total: 1329

Housing Type

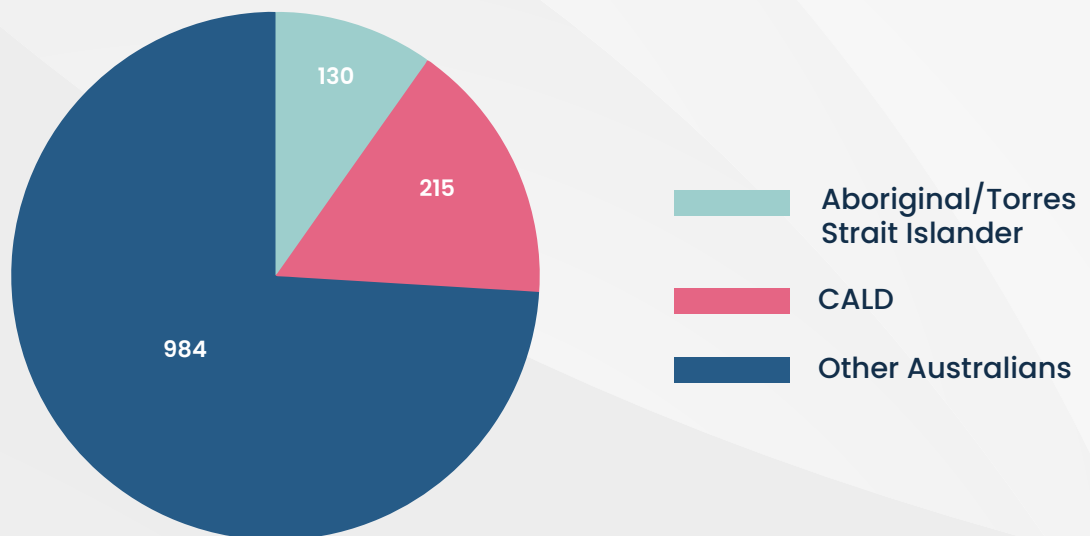


Total: 1329

Age Group



Cultural Background





For Care **Consumer Law**, the theme of this financial year has been change and transformation. We farewelled our consumer law expert Adam Thompson who left our team after 10 years to offer his expertise to help and educate young people in the ACT. We also welcomed two new lawyers to our team. We enter the new financial year slightly reformed and stronger, having secured additional ongoing funding from the ACT and Commonwealth Governments for two **Reach Out** programs: the continuation of our Mobile Debt Clinic and services to assist clients affected by or at risk of domestic and family violence and experiencing financial/elder abuse; and through the National Legal Assistance Partnership Program (NLAP), funding to expand Reach Out to assist people with lived experience of mental health who are experiencing financial abuse and/or disadvantage. We have also been successful in our tender to continue to deliver the Defined Benefits Information Service for the ACT Government's Motor Accident Injuries Commission. This increased funding will allow us to offer greater support to those most vulnerable in the ACT community, and to provide continuity and security of employment to our staff.

OUR PROGRAMS

Consumer Law

We have seen an increase in requests for assistance, especially in matters involving financial and economic abuse, including elder abuse. During this period, we achieved a total of almost **\$660,000** in negotiated settlements, waivers, and compensation for our clients. One outcome saw our client impacted by elder financial abuse being able to sell her family home, with the lender agreeing that the proceeds of sale be used first towards the

client's residential aged care costs before repayment of the home loan, with any outstanding liability under the loan waived. In another case, we were successful in advocating that an insurer finally accept liability and commence repairs in relation to damage to our clients' home sustained during the January 2020 hailstorms. These are now complete, and the clients have recently returned home after almost two years in temporary accommodation paid for by the insurer. Other outcomes included repayment plans, additional time to repay or sell, preventing bankruptcy, and replacement or repair of products and/or services under the Australian Consumer Law.

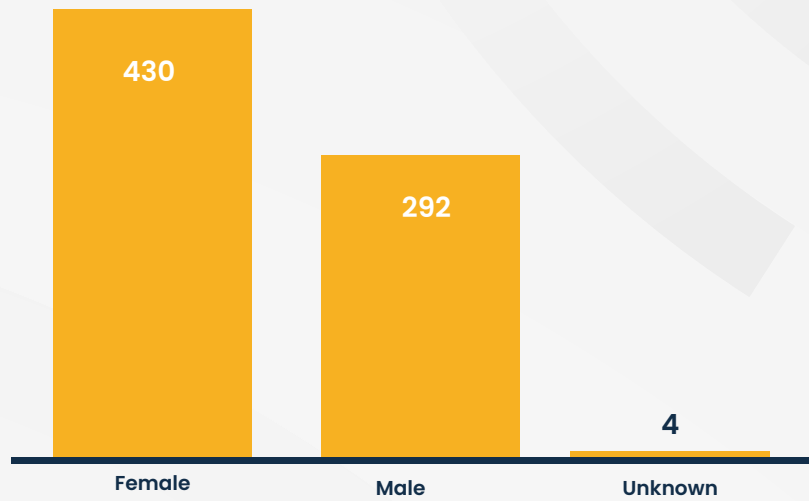
Our team has also worked closely with Financial Counselling and Community Education teams in preparation and delivery of training for frontline workers working with people from culturally and linguistically diverse communities to help them identify and respond to financial and economic abuse. This training was funded by the ACT Government's Family Safety Hub and was attended by a total of 66 attendees at two sessions in May and June 2022.

During this financial year, Care Consumer Law also participated in the following consultations:

- Office of the Australian Information Commissioner (OAIC) Roundtable discussion and submitting feedback into the independent review of the Privacy (Credit Report) Code 2014 conducted by OAIC
- Domestic and family violence service sector consultations led by the Friday Collective as part of a project to build a website that provides easily accessible information, advice, and help for people experiencing or supporting others experiencing Domestic and Family Violence in the ACT.
- Insurance Brokers Code Compliance Committee's (IBCCC) consultation and feedback on the draft IBCCC Code, in particular transition into the new 2022 Code and an inquiry into clause 10 of the 2022 Code pertaining to supporting clients experiencing vulnerability.

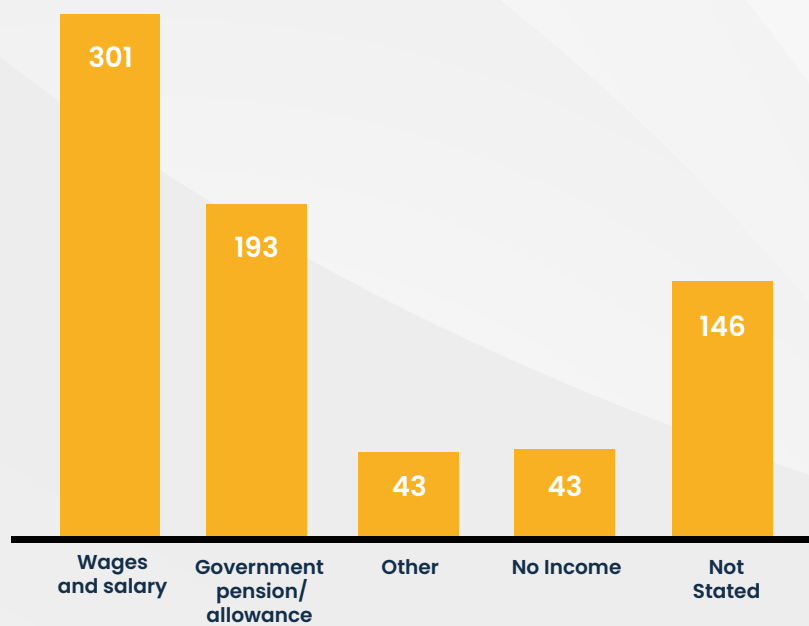
Services Data

Gender



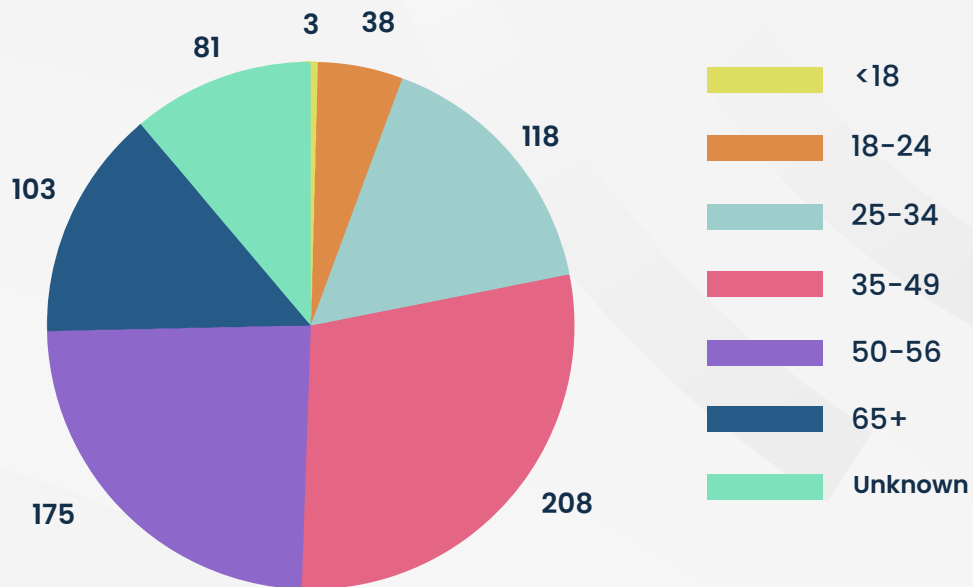
Total: 726

Income Source

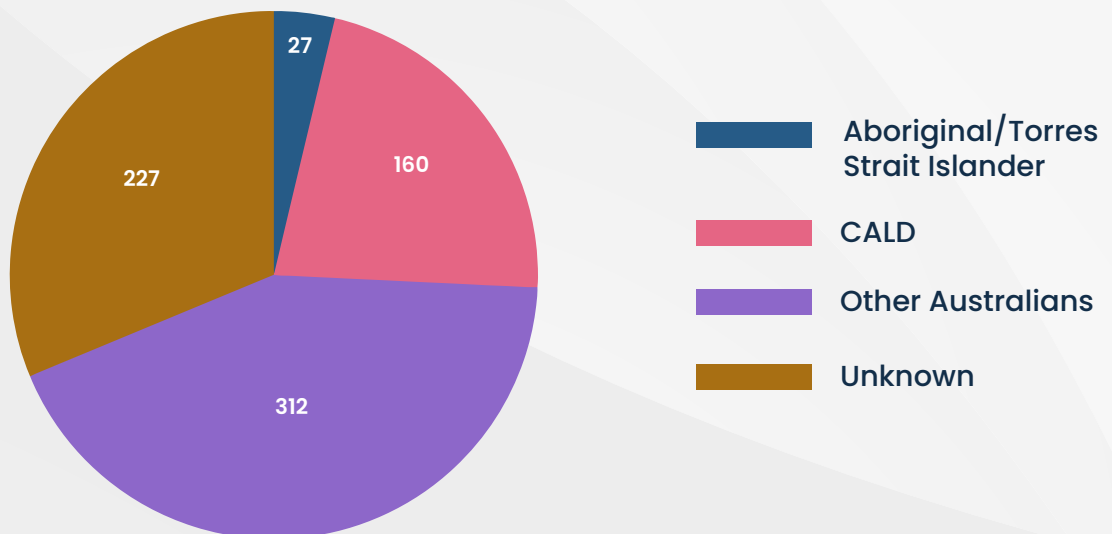


Total: 726

Age Group



Cultural Background





Care's Community Education Program provides a range of supports to the Canberra community as a way of promoting Care's services as well as empowering on a range of financial and consumer literacy topics.

Despite lockdowns and restrictions on community events, the team has remained busy throughout the year delivering financial wellbeing information sessions and workshops both online and face to face, as well as attending a variety of expos and other community events. Below are some of the highlights for the year.

Workshops and information sessions

We delivered 79 Budgeting for Life workshops to a range of groups including inpatients at the Drug and Alcohol Treatment Program at the Canberra Hospital, Karralika's Residential Treatment program, mental health consumers at the Step-Up Step-Down residential program, clients of the Migrant and Refugee Settlement Service (MARSS), migrant women taking part in English conversation groups at the Margaret Hendry School as well as to young people at a Barnardo's youth refuge.

Community events and expos

Despite the challenges presented by Covid lockdowns, we were delighted to participate at 11 expos and community events. This included O-Week activities at the Australian National University, Canberra Institute of Technology and the University of Canberra. We also took part in the ACT Office of Women's Return to Work expo and the annual National Seniors Week expo. In June 2022 Care took part in ActewAGL's Friday pop-up info stalls as part of a community hub initiative at the Dickson library.

OUR PROGRAMS

Community Education

Stakeholder meetings

An important part of our team's role is to build stakeholder relationships across a diverse group of community organisations. This assists in promoting Care and in reducing barriers to accessing our services. We attended the Multicultural Youth Affairs Network facilitated by Youth Coalition of the ACT, Elder Abuse Networking Meetings facilitated by Council of the Ageing, Justice Reform Groups facilitated by ACTCOSS, the ACT Energy Consumer Policy Consortium, and multicultural stakeholder meetings facilitated by MARSS.

Pop up information stalls

As a way of engaging with members of the public, Care has a mobile pop-up information stall that travels around various locations. This year we set up the information stall at:

- Communities at Work Tuggeranong and Gungahlin food pantries
- Child and Family Centre Tuggeranong and West Belconnen
- University of Canberra

Bring your Bills

In March we partnered with Communities at Work in Tuggeranong to deliver our first Bring Your Bills activity since the beginning of Covid. A range of services participated including ActewAGL, Services Australia, ACAT, Canberra Community Law, St Vincent de Paul and Actsmart. We were delighted that many attendees stated that their matter was resolved by attending the event. The feedback indicated people would recommend this style of event to other members of the public in future.

"This was very friendly and most helpful" and "So helpful, really appreciate the information stalls"

Understanding and responding to financial abuse workshops

Domestic and family violence is an endemic issue across Australia. Financial abuse is a form of DFV that often goes unrecognised. Following the success of our workshops to enhance the capability of community sector workers to recognise the signs of, and respond appropriately to, financial abuse, we were further supported by the ACT Family Safety Hub to develop and deliver sessions specifically targeted to workers supporting culturally and linguistically diverse communities. Two sessions, facilitated by our community education and consumer law teams, were held during the year and were attended by almost 70 frontline workers from a diverse cross section of organisations.

Money Management workshops for the Work or Development Program

Care delivered 7 money management workshops for people undertaking the Work Development Program (ACT) – a program assisting people experiencing financial hardship and unable to pay outstanding parking or traffic infringements. Attendance at the workshops serves the dual purpose of reducing fines and increasing financial literacy knowledge and skills. This year we increased the number of sessions allowing participants to attend up to 6 sessions. For those who attended all 6, fines were reduced by \$1200.

The sessions covered basic budgeting skills, navigating Centrelink, wills and Powers of Attorney, nutrition on a limited income, understanding your consumer rights and surviving debt.

Promoting Care online

To reach as many people as possible, we complement our community-based activities by promoting services and activities via our social media and electronic newsletter. There were 3 online editions produced. In addition, we received:

- **102** new likes on our Facebook page
- **766** Facebook Page visits
- **9413** unique website visitors and over 15000 site sessions

Energy support voucher program

Our energy support program provides information and assistance for people experiencing or at risk of energy stress. We processed 413 \$100 vouchers that can be used to offset energy bills and provided 143 budget coaching appointments.

It was truly a very busy, exciting and productive year for our team!



OUR PROGRAMS Community Loans

Demand for our community loans program remains steady. We received 156 applications and provided 130 loans. The main purpose of the loans continues to be Car Repairs & Registration and Whitegoods. Operating an independent scheme has provided increased flexibility and allowed us to be more responsive to local need. For example, we were able to assist a couple with a deposit for their first home, which is outside of our normal approved loan purposes.

Our Assistance Beyond Crisis Loan Program continues to support people who have experienced and left a domestic violence situation. There is still strong demand for the program with 79 enquiries/referrals received however many of these continue to be outside of our geographical jurisdiction. We provided 18 loans in total which directly benefitted 42 men, women and children combined. We also assisted 5 clients in obtaining an EVP Grant, 7 clients for a Snow Foundation Grant and 6 clients for a Safer Families Grant.

Ongoing Covid restrictions have meant that our team have moved to primarily offering phone assessments with applicants lodging paperwork electronically. This has been working effectively though we will be offering more face-to-face appointments as Covid numbers fall and restrictions ease.

In November 2021 the ACT Government announced the introduction of a short-term rent relief scheme to support people in private and community housing who were impacted by Covid. The fund was provided as the eviction moratorium in the ACT was lifted. The scheme provided a one-off grant to eligible renters of \$1000 (\$500 for people living in group housing).

Care's Community Loans Team agreed to administer the scheme without any administrative funding. Whilst this placed a burden on the organisation and in particular on our team, we felt the value of the scheme justified the decision. Over a 4-month period a total of 155 grants were provided totaling \$133,000. Overall, we believe the rent relief scheme provided significant benefit to private renters who would otherwise have been at risk of eviction.

Microfinance Statistics

General Statistics

Number of Enquiries	518
Number of Applications Received	172
No. of Approvals	149
No. Withdrawn	13
No. Declined	9

Loan Purpose

Computers & Accessories	8
Household Furniture	7
Household Appliances	13
Home Maintenance	1
Medical/Dental	5
Mobile Devices	16
Other	40
Outdoor Equipment	3
Refrigerator	16
Washing Machine	15
Vehicle Repairs	31
Vehicle Registration	18
Vet/Pets	4
Other	15
Total	192

Housing Type

Boarding	3
Community Housing	15
Own House	6
Private Rent	19
Public Rent	77
Relatives	8
Transitional Housing	4
Total	132

Household Status

No. Children

Multi Adult Household - No Children	7	
Multi Adult Household with Children	1	2
Partnered + Children	14	23
Partnered no Children	8	
Single + Children	33	69
Single no Children	69	
Total	132	94

Main Source of Income

Aged Pension	10
Disability Support Payment	46
Jobseeker	28
Wages	19
Carers Payment	10
Parenting Payment Single	16
Parenting Payment Partnered	3
Total	132

* Please note that some clients receive both wages and Centrelink Benefits

Age Groups

18 - 24	5
25 - 34	20
35 - 44	27
45 - 54	36
55 - 64	27
65+	17
Total	132

Gender

Female	89
Joint	1
Intersex indeterminate	3
Male	39
Total	132

Origin of Borrowers

Australia - Indigenous	17
Australia - Non Indigenous	84
CALD	31
Total	132



POLICY

A vital part of Care's work is to advocate for financial fairness for all. We do this through our policy work on issues of relevance to the clients we support. It is our casework that informs our advocacy strategy as the issues facing our clients highlight systemic failings and the need for changes in industry or government policy settings.

Our advocacy during this period has continued to focus on safe lending and maintaining current responsible lending provisions along with the need for regulation of Buy Now Pay Later Products. The incoming Labor Government has committed to both crucial consumer protections. This is a huge win for consumers and for consumer advocates who have lobbied for regulation to be maintained and/or introduced over the past two years.

Some of Care's policy work over the last 12 months includes:

- Consultation on vulnerable household energy support scheme & solar for low-income program, including how to target the program to those most in need
- Input into Community Justice Coalition paper on recidivism
- Submission into the Alexander Maconochie Centre Healthy Prison Review
- Input into development of ACT Legal Assistance Strategy

- Meeting with Member Legislative assembly regarding fair fines
- Participation in consumer advocate forums regarding future of safe lending, including signing an open letter calling on all political parties and independent candidates to support stronger consumer protections
- Input into energy issues for the Australian Energy Regulator Consumer Consultative Group
- Participation in the Individual Tax Liaison Group
- Becoming a Healthy Homes for Renters supporter
- Participation in ACT Government Roundtable on Older People's Safety and Freedom from abuse
- Member of Financial Counselling Australia Prison Working Group
- Member of ACTCOSS Justice Reform Group
- Participation in Future Friendly research on Abusive intermediary Transactions
Signatory to the Save Sorry Business Open Letter, in response to the collapse of Youpla, a funeral benefits scheme targeting First Nation's People.

We are regularly approached by journalists seeking our views on financial issues impacting the local community. Our media comment throughout the year focused on:

- The explosion of Buy Now Pay Later products and issues with lack of regulation and consumer protection
- Energy hardship in the ACT where we experience extremes of weather. Care works closely with ACTCOSS to advocate that people on low incomes are not left behind in the transition to net zero emissions and the pathway to electrification.
- Housing stress, including mortgage stress following several recent interest rate rises and rental stress as private rents go up and vacancies go down.
- Impact of cost-of-living increases on people with low to moderate incomes.



CLIENT STORIES

*All names and some personal details in the following case studies have been changed to protect client confidentiality

Financial Counselling – Housing Stress

Sonia* is a First Nations woman who has been living in a Housing ACT property for many years. She is a single mum with young children, one requiring regular medical treatment. Sonia also has lived experience of complex mental ill health. Sonia lost her job during the pandemic and has been reliant on Centrelink since. Consequently, she has fallen behind on her rent. She has tried to make repayments but struggles to maintain these on her reduced income. Sonia approached Care after receiving a Notice to Vacate from housing ACT which caused considerable stress to her and her family.

After losing her job Sonia began using Buy Now Pay Later products to purchase essential household goods and to pay for bills. Repayments were made via direct debit and regularly left her short of funds to pay rent, buy food and purchase medication for her child. This means debts are prioritised over living expenses. At the time of contacting Care Sonia was juggling six BNPL repayments. She had also taken out several payday loans to cover car repairs, an overdue gas bill and vet fees.

In addition to arrears with Housing ACT, Sonia was in arrears on her electricity account at the time of contacting Care.

The financial counsellor:

- Undertook a detailed assessment of income and expenses
- Discussed priorities for spending pay
- Checked accuracy of rent charged and assisted with updated rental rebate form to reflect Sonia's reduced income. The rebate was backdated and reduced the arrears.
- After several discussions, negotiated an affordable repayment arrangement for the rental arrears so that Sonia and her children were not evicted
- Checked all contracts for any evidence of irresponsible lending
- Contacted BNPL providers to reduce payments to free up funds for essential living expenses
- Referred Sonia to emergency relief providers and food banks
- linked Sonia with free vet services for vet care and pet food
- Checked whether Sonia was receiving her utility concession
- Sonia with the energy providers hardship program

Sonia is actively seeking work which will significantly improve her financial situation. In the meantime, it is very challenging for her to meet all expenses without reliance on high cost poorly regulated credit products. Establishing some automated payment plans for rent and electricity has ensured that these essential bills remain manageable.

Financial Counselling - Domestic and Family Violence

Lana* approached Care Financial Counselling after being referred to the service from her bank in regard to a joint loan (mortgage). Lana experienced intimate partner violence perpetrated by her ex-partner/father of her children that included verbal, physical abuse and financial abuse. She was shocked and distressed to learn that there were arrears on the mortgage, regardless of her making



payments to her ex-partner to contribute to the mortgage and rates. The other party was removed from their home and did not contribute to the mortgage or any of the costs of raising their children, leaving Lana to deal with the arrears and the stress of ongoing mortgage payments on her part-time salary. Lana was concerned about being able to keep her home and how that would affect her children who had special needs.

The financial counsellor worked with Lana to ascertain her financial position and made arrangements with her bank to make affordable repayments for the mortgage and took steps to protect Lana's credit rating. Lana gave permission for the financial counsellor to disclose she had experienced domestic and family violence and discussed with the bank how they could support her under their domestic violence support program.

The financial counsellor referred the client to the ACTEWAGL's enduring support scheme, designed to support their customers affected by domestic and family violence. A suitable and affordable payment plan was arranged to assist the client with managing their energy costs.

Lana was committed to reducing as much disruption to the lives of her children as possible. A safer families assistance payment was provided by the ACT Government and this helped Lana with helping to maintain her mortgage payments and also to assist with the payment of counselling and therapy for her children.

Lana eventually decided to sell the property for financial and safety reasons and was looking forward to a fresh start with her family. A Snow Foundation grant was applied for and received, assisting her with her mortgage payments so she could therefore focus on making repairs on her house to prepare for sale. A probono plumbing service was arranged to assist with urgent plumbing repairs. When the time came to move house, Lana was still supported by her bank and allowed her to stop making payments while the house was for sale and provided financial support to assist with relocation costs.

Having these arrangement and financial support in place reduced Lana's financial stress, giving Lana the time to focus on her immediate issues such as personal safety and legal issues, and allow the headspace to make clear decisions about her longer-term arrangements.

Consumer Law

Jane* is an elderly woman with physical disabilities. She is the sole carer for her former partner, who also lives with physical and cognitive disabilities (dementia). Roughly a decade ago, Jane transferred ownership of her property to her son, although under an agreement between the two of them, she was entitled to remain living in the property. However, shortly thereafter, the relationship between Jane and her son turned acrimonious and the son became physically violent toward Jane.

Jane sought our help when her son, as the owner of the property that she was living in, decided to sell the property. She was experiencing severe financial difficulty and was concerned about becoming homeless if the property was sold. Noting the significant distress this was causing to her, and her ongoing legal interest in the property, Care stepped in to communicate and negotiate with Jane's son and his legal representatives on her behalf. Jane also provided her consent for Care to work collaboratively with other service providers in exploring both legal and non-legal resolutions, to ensure she would have shelter security for the future. We were able to assist Jane and negotiate a positive resolution with her son and, at the same time, another service provider was successful in securing long term accommodation for Jane.

Community Loans

Care's Community Education team visits local refuges and other support services to inform the staff, residents and participants about services that we provide. On one such visit the team spoke to Shelley* about Care's No Interest Community Loan options. The client had been living in a supported accommodation residence with her child for over 2 years after escaping a domestic violence (DV) relationship.

After her discussion with the Community Education Team, she contacted Care to apply for an Assistance Beyond Crisis (ABC) loan to purchase some furniture, car repairs and a laptop.

However, she did not meet the income criteria for this program. Instead, we were able to offer her a community loan. As she had experienced DV we were able to offer a loan up to \$2,000. Shelley required more than this, but we were able to assist her to apply for a Safer Families Grant through the ACT Government for the remaining amount. This meant that the client could purchase everything that she required through the combination of a loan and

grant, without having to wait to either purchase or fix essential household goods.

Financial Capability

Mary is in her 60's, on Newstart and lives alone in an ACT Housing property. She was referred to a financial capability worker by a local community service. Mary had shared her stress related to managing her energy bills.

Mary had lived in the ACT Housing property for only a few weeks. During that time, she received an estimated gas bill for over \$1000. She discussed the anxiety and fright this caused. After communication with ACAT this issue was resolved and the bill adjusted. The lasting impact is that Mary is no longer terrified to turn on her gas heater.

Mary was referred to St. Vincent De Paul for a Home Energy Efficiency assessment and her property referred to the ACT Housing Energy Efficiency Program to investigate the replacement of the wall mounted gas heater with something more energy efficient. Mary was also provided with a \$100 Energy Support Voucher to assist with her gas bill.

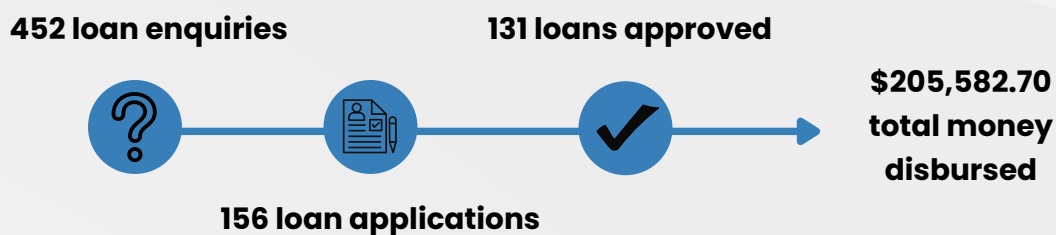
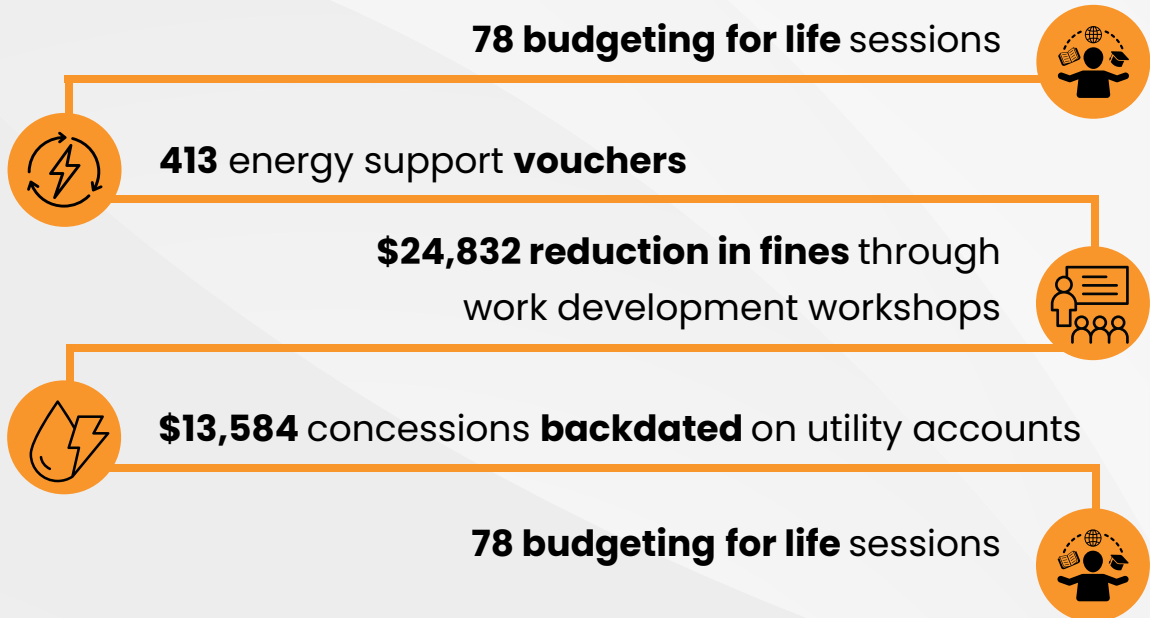
Mary is finding it difficult to make the Newstart payment stretch to all her needs and discussed the challenge of affording basic items such as food. She was referred to food pantries and the Canberra Relief Network.

Mary worked as a nurse for many years in an extremely stressful environment impacting her physical and mental health to the extent that she is no longer able to work. She applied for Centrelink Disability Support Pension, but her application was rejected. She was referred to Canberra Community Law who are assisting her submit another application.



JULY 2021 - JUNE 2022

CARE FINANCIAL YEAR SNAPSHOT



Financial Counselling

”

The service saved me from financial ruin and for the first time in 20 years I'm debt free.

”

I went to Care to get help with entering into bankruptcy They did such a good job I didn't need to go bankrupt!

”

I was given the tools to help myself. The team were kind, knowledgeable, patient. I could not have asked for better guidance. I am now confident and ready to tackle my finances!

”

I was treated with respect and understanding



**FEEDBACK/
IMPACT**

”

Please know that what you are doing is critical and it saves people's minds and sometimes lives.

”

I could not have done it without your incredible support, but mostly your non-judgement, incredible compassion, and empathy.

”

Please know that you have literally given me hope. The difference this has made to me is unmeasurable. The fact you called on time and took time to listen and help without any judgement is a kindness that we have struggled to find.

Community Loans

”

The loans help me out in times of need and give me relief from the stress of certain things in my life.

”

The application process was easy to understand & complete. The response was given within a few days, taking the worry off my shoulders immediately.



The timeframe to pay the loan was very flexible and the follow-up staff were understanding. The referral service was excellent

Community Education



The WDP training sessions really proved super helpful. I received knowledge and skills of which I was unaware, so this was really very useful training, programs, and services which I never received in my life ever.



I am just so grateful for the help to sort out my energy bill. You never know what help is out there until you need it.



I appreciate the energy vouchers so much and the support of a financial capability worker with it. The service from Care is professional and friendly. I am grateful for the day I made contact

Consumer Law

”

Please know how much difference you make to people's lives, your care, insight, skill and professionalism – I don't know where I'd be right now if not for you.”

”

We are eternally grateful for the successful resolution that you and Care Consumer Law helped with this dispute. We also are amazed you and Care Consumer Law were able to achieve such a positive outcome in such a short time.

”

What your organisation does is invaluable to those who are most vulnerable in our community.

”

Staff were incredibly understanding, sympathetic and lovely. I felt listened to from the start.

Care Incorporated

ABN: 45 037 269 595

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

CARE INCORPORATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022
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CARE INCORPORATED

REPORT OF THE COMMITTEE

Statement by Committee

The names of each person who held a position as a member of the Committee during the year ended 30 June 2022 or at the date of this statement were:

Andrew Freer	Chairperson
Michael Miller	Secretary – Resigned October 2021
Duncan Buchanan	Secretary – Appointed October 2021, Resigned June 2022
Philippa Prothero	Treasurer
Nick Seddon	
Susan Helyar	
Alison Lendon	– Appointed April 2022

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Association during the financial year were to inform, support, empower and advocate on behalf of low to moderate income people with financial and related problems and work to ensure they were treated fairly and with dignity as consumers.

Significant Changes

No significant change in the nature of these activities occurred during the year.

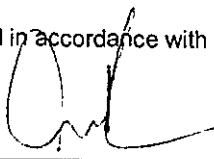
Operating Result

The loss of the Association for the year amounted to \$221,883 (2021: surplus of \$434,765).

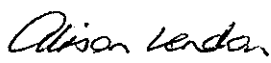
In the opinion of the Committee, the financial report is drawn up so as to give a true and fair view of the performance of the Association for the year ended 30 June 2022 and the financial position of the Association as at that date. The financial report of the Association is made out in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the *Australian Charities and Not-for-profits Commission Act 2012* and the requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory.

In the opinion of the Committee, the Association will be able to pay its debts as and when they fall due.

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

 ANDREW FREER

Committee Member

 ALISON LENDON

Committee Member

Dated this 18TH day of OCTOBER 2022.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF CARE INCORPORATED

Report on the Financial Report

I have audited the accompanying financial report of Care Incorporated (the Association), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Committee's Responsibility for the Financial Report

The Committee of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the *Associations Incorporation Act 1991* of the Australian Capital Territory, the *Australian Charities and Not-for-profits Commission Act 2012* and the constitution of the Association and for such internal control as the Board members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on our audit. I conducted the audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Auditor's Opinion

In our opinion, the financial report of Care Incorporated is in accordance with the *Associations Incorporation Act 1991 of the Australian Capital Territory* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards - Reduced Disclosure Requirements and the financial reporting requirements of the *Australian Charities and Not-for-profits Regulation 2013*.



David Perceval
Fellow Chartered Accountant
ICAA Member #45109

10th October 2022
Canberra, ACT

CARE INCORPORATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
Revenue from ordinary activities	2	2,879,977	3,151,918
Expenditure			
Depreciation expenses		(31,255)	(29,578)
Employee benefits		(2,572,909)	(2,336,162)
Occupancy costs		(119,017)	(102,717)
Rent Relief		(133,000)	-
Other administrative expenses		<u>(245,679)</u>	<u>(248,696)</u>
Total Expenses		<u>(3,101,860)</u>	<u>(2,717,153)</u>
Current year (deficit) / surplus before income tax		<u>(221,883)</u>	<u>434,765</u>
Total comprehensive income for the year		<u>(221,883)</u>	<u>434,765</u>

CARE INCORPORATED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,202,223	1,730,022
Trade and other receivables	4	367,752	196,131
Other Current Assets	5	<u>32,419</u>	<u>14,299</u>
TOTAL CURRENT ASSETS		<u>1,602,394</u>	<u>1,940,452</u>
NON-CURRENT ASSETS			
Plant and equipment	6	376,413	68,864
Right of Use Asset	6	<u>967,874</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>1,344,287</u>	<u>68,864</u>
TOTAL ASSETS		<u>2,946,681</u>	<u>2,009,316</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	7	359,343	207,805
Provisions	8	222,929	182,683
Right of Use Asset	6	<u>967,874</u>	<u>-</u>
TOTAL LIABILITIES		<u>1,550,146</u>	<u>390,488</u>
NET ASSETS		<u>1,396,535</u>	<u>1,618,828</u>
EQUITY			
Retained earnings	9	<u>1,396,535</u>	<u>1,618,828</u>
TOTAL EQUITY		<u>1,396,535</u>	<u>1,618,828</u>

CARE INCORPORATED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$	2021 \$
Cash Flows from Operating Activities			
Receipts from grants and other		2,745,669	3,091,929
Interest received		657	1,060
Payments to suppliers and employees		(3,089,635)	(2,703,459)
Net cash inflow/(outflow) from operating activities		(343,309)	389,530
Increase in Investing Activities			
Purchase of plant and equipment		(18,444)	(2,177)
Leasehold improvements		(166,046)	-
Net cash outflow from investing activities		(184,490)	(2,177)
Increase in Financing Activities			
Proceeds from Borrowings – Service One Loan		-	50,000
Net cash outflow from financing activities		-	50,000
Net increase from cash or cash equivalents		(527,799)	437,353
Cash and cash equivalents at the beginning of the year		1,730,022	1,292,669
Cash and cash equivalents at the end of the financial year		1,202,223	1,730,022

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the *Associations Incorporation Act 1991* of the ACT and the *Australian Charities and Not-for-profits Commission Act 2012*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these 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.

The financial report of the Association was authorised for issue on the date of signing of the attached Committee's Report by the committee members.

Accounting Policies

(a) Income Tax

The Association is exempt from Income Tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

(b) Cash and Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, at banks and on deposit.

(c) Revenue

Government funding

Government operational grants and funded projects are brought to account as income in the year received or receivable to the extent of expenditure during the year on the purpose of the grant. Grant monies which have been received or are receivable but have not been expended at balance date, including interest thereon where required under the terms of the grant, are carried forward as unexpended grants (unearned revenue - current liability).

Fees for Services

Revenue from the rendering of services including services provided under ACT Government service purchase contracts is recognised upon the delivery of the service to the customer. Where amounts have been received in respect of ACT Government service purchase contracts, but the outputs and/or quantitative performance indicators have not been fully achieved, an amount equivalent to services unperformed at balance date is recognised as unearned revenue (liability).

Other income

All other sources of income are brought to account as income when the related goods or services have been provided and the income earned.

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

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

(d) Plant and Equipment

Plant and equipment are carried at cost, less where applicable accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Association commencing from the time the asset is held ready for use.

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

<u>Class of fixed asset</u>	<u>Depreciation Rate</u>
Furniture and Equipment	11.25% - 20%
Leasehold Improvements	10%

(e) Employee Benefits

Short-term employee benefits

Provision is made for the Association's obligation for short term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The Association classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligations is recognised in profit or loss classified under employee benefits expense.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Retirement benefit obligations

All employees of the Association receive defined contribution superannuation entitlements, for which the Association pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognised as an expense when they become payable. The Association's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Association's statement of financial position.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified as operating cash flows.

(g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association, are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a straight-line basis over their estimated useful lives, where it is likely that the Association will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the year in which they are incurred.

The Association has recognised right-of-use assets of \$967,874 and lease liability of \$967,874 at 30 July 2022, for the lease agreement entered into on 1 January 2022.

(h) Impairment

At each reporting date, the Association reviews the carrying values of its tangible and intangible 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. As a not-for-profit entity, value in use, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is recognised in the statement of comprehensive income as an impairment loss.

(i) Comparative Information

The classification of comparative figures has been changed where the change improves the understandability of the financial information.

(j) Critical accounting estimates and judgements

The Committee evaluate estimates and judgements incorporated into the financial report 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 Association.

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

(k) Key estimates – impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Should an impairment indicator exist, the determination of the recoverable amount of the asset may require incorporation of a number of key estimates. No impairment indicators were present at 30 June 2022.

(l) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

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

NOTE 2: REVENUE

	2022	2021
	\$	\$
Revenue		
Operating activities		
Services rendered:		
- ACT Government operational funding	1,721,546	1,751,454
- Commonwealth Government funded projects	540,509	972,490
- Commonwealth Government Cash Flow	-	50,000
- Project income	474,245	366,880
	<u>2,736,300</u>	<u>3,140,824</u>
Non-operating activities		
Rent Relief	133,000	-
Interest	657	1,060
Donations	10,020	10,034
	<u>143,677</u>	<u>11,094</u>
Total Revenue	<u>2,879,977</u>	<u>3,151,918</u>

Notes:

1. The emergency Rent Relief Fund provided one-off Grants to ACT tenants or occupants experiencing rental stress or severe financial hardship and risk of homelessness. This funding was provided by the ACT Government, acknowledging the increased financial pressures as a result of COVID-19.

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
NOTE 3: CASH AND CASH EQUIVALENTS		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
CARE general cheque account	34,462	135,363
CARE flexi account	783,083	1,323,789
CARE cash reserve account	22,448	22,444
NILS cheque account	30,246	19,279
Service One corporate	128	338
Service One high interest	104,128	113,719
Service One loan repayment	16,012	958
Service One Day to Day	53,934	-
Service One TLC	46,821	10,614
Service One Energy Subsidies	924	4,824
Service One Management	19,917	
Service One Interest	49,898	
FaHCSIA cash reserve	16,944	16,941
Term Deposits	23,145	81,503
Petty Cash	133	250
Total Cash	<u>1,202,223</u>	<u>1,730,022</u>
NOTE 4: RECEIVABLES		
CURRENT		
Deposits	5,000	-
Loan Debtors	183,912	200,828
Non-Loan Debtors	183,143	-
Sundry Debtors	1,084	-
Less allowance for impairment of debtors	(5,387)	(4,697)
Total Other Assets	<u>367,752</u>	<u>196,131</u>
NOTE 5: OTHER ASSETS		
CURRENT		
Prepayment	32,419	14,299
Total Other Assets	<u>32,419</u>	<u>14,299</u>
NOTE 6: PLANT AND EQUIPMENT		
Furniture and Equipment at Cost	196,656	184,267
Less accumulated depreciation	(171,804)	(163,614)
	<u>24,852</u>	<u>20,653</u>
Leasehold improvements at Cost	369,428	203,381
Less accumulated depreciation	(23,922)	(155,171)
	<u>345,506</u>	<u>48,210</u>
Computer Software	6,055	-
Total plant and equipment	<u>370,358</u>	<u>68,864</u>

CARE INCORPORATED
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FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	\$	\$
Right of Use Asset	967,874	-
Less accumulated depreciation	-	-
	967,874	-

NOTE 7: PAYABLES

CURRENT

Trade creditors and accruals	18,320	14,799
Income in Advance	128,400	31,824
PAYG payable	31,586	70,949
NAB Overdraft	4,827	1,145
Service One Loan	100,000	50,000
Net GST Payable	56,206	39,088
Historical Balancing	20,004	-
Total Payables	359,343	207,805

NOTE 8: PROVISIONS - CURRENT

Annual Leave	188,744	158,653
Long Service Leave	34,185	24,030
Total Provisions	222,929	182,683

NOTE 9: RETAINED SURPLUS

Operating Surplus / (Deficit)	(221,883)	434,765
Closing Retained Surplus 30 June 2021	1,618,828	1,184,063
Retained Surplus 30 June 2022	1,396,535	1,618,828

NOTE 10: RELATED PARTY TRANSACTIONS

As at balance date the Association had no known related party transactions. The committee at any time during the financial year was:

Andrew Freer	Chairperson
Michael Miller	Secretary – Resigned October 2021
Duncan Buchanan	Secretary – Appointed October 2021, Resigned June 2022
Philippa Prothero	Treasurer
Nick Seddon	
Susan Helyar	
Alison Lendon	– Appointed April 2022

No committee member received any remuneration for acting as a Committee Member during the year. The Centre's Director and staff representatives appointed to the Committee in accordance with the Constitution are however remunerated for their employment by the Association.

CARE INCORPORATED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 11: EVENTS AFTER BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the financial year to the date of this report that have significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

NOTE 12: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at balance date the Association has no known contingent liabilities or contingent assets. The Association pays a very low professional indemnity insurance premium for the Consumer Law Centre's operations by being a part of a joint scheme through the National Association of Community Legal Centres. One of the trade-offs for the extremely cost-effective policy is that there is a \$10,000 excess per claim.

NOTE 13: COMMITMENTS

CARE has a rental agreement for office space for 7 years (ceasing 31 December 2028). This has been capitalised in the financial statements

	2022 \$	2021 \$
Payables		
not later than 1 year	154,353	32,290
later than 1 year but less than 5 years	660,819	-
Later that 5 years	<u>152,752</u>	<u>-</u>
Total Commitments	<u>967,874</u>	<u>32,290</u>

NOTE 14: COMMITMENTS RECEIVABLE

Income Commitments Receivable (net of GST)		
not later than 1 year	2,878,424	2,478,478
later than 1 year but less than 5 years	<u>1,911,571</u>	<u>730,500</u>
Total Commitments	<u>4,789,995</u>	<u>3,208,978</u>

Commitments receivable have been derived from the agreements signed by the Association with number of organisations including: Relationships Australia, Access Canberra, Australian Government Department of Social Services, the ACT Justice and Community Safety Directorate, the ACT Community Services Directorate, the ACT Environment, Planning and Sustainable Development Directorate, the Motor Accident Injuries Commission, the Financial Counselling Foundation, the Financial Rights Legal Centre and the Consumer Action Law Centre. Many of the amounts receivable are also subject to an uplift factor that reflects a CPI increase and the Association is notified of the relevant increase by way of a contract variation on an annual basis. The amounts reflected in the current financial statements are based on the most recent contract variations.

NOTE 15: ASSOCIATION DETAILS

The Association operates solely within the Australian Capital Territory and surrounding NSW to support low income members of the community. The Association is incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991* (Association No. A01128).

The registered office and principal place of business of the Association is:
 1st Floor, 19-23 Moore St, Turner ACT.