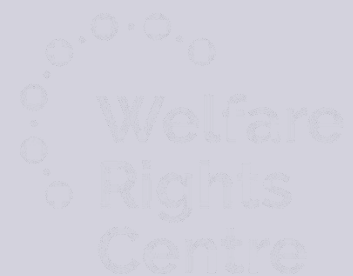




Annual Report 2018 - 2019

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Acknowledgement

The Welfare Rights Centre, its staff and directors acknowledge the First Peoples and traditional owners of the lands and waterways on which we work and live and on which our clients across NSW work and live. The lands were never ceded. We pay our respects to elders past, present and emerging, and to all the Aboriginal and Torres Strait Islander peoples within our boundaries.

What Do We Do?

The Welfare Rights Centre is a not-for-profit organisation and community legal centre (CLC). We provide free legal information, advice and representation to NSW residents who are adversely affected by Centrelink decisions. The Centre also delivers education to the community services sector to improve knowledge and understanding of social security law. The Centre uses the knowledge and experience it gains through casework to work with its peak organisation, the National Social Security Rights Network, to advocate for reforms to the law and policy that would make the system fairer for everyone.

The Welfare Rights Centre opened its doors in 1983 as part of the CLC movement in Australia. This was a response to the scarcity of affordable legal assistance available to marginalised members of society. Originally co-located with Redfern Legal Centre, the Centre opened its own premises in 1985.

Since then it has experienced changes in location, staff, funding sources, law and policy. Throughout these changes, the Welfare Rights Centre has remained the lead service agency in NSW for social security law and policy.



Chair's Message

“Over the past few years the Welfare Rights Centre has made great progress.”

From renewal, through exploitation, to conservation

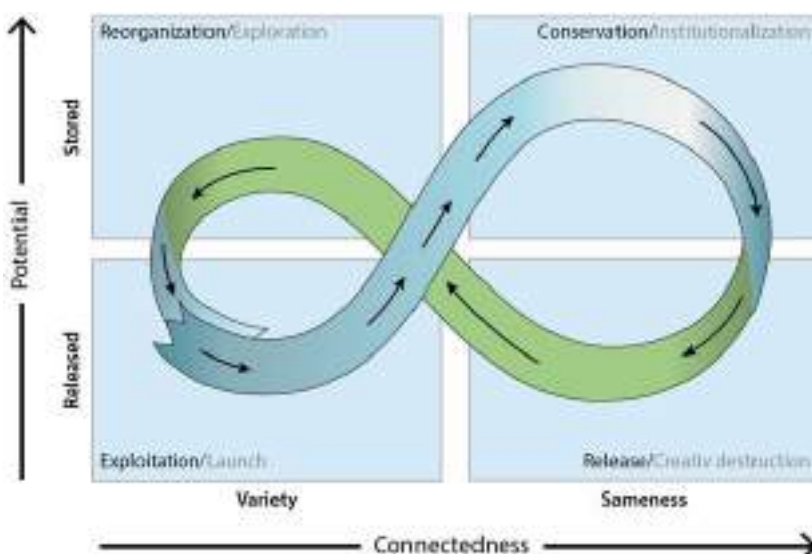
Conservation is a good thing. It is a good place to be. I believe the Welfare Rights Centre is there again. The Centre is one of the first Community Legal Centres in Australia, with 35 years of service to its name. It is natural that it will go through phases of progress - ups and downs, highs and lows. As I noted last year in referring to the Holling Cycle (see diagram below), all organisations go through this over their lifetime.

The challenge is to accept this, rise to the occasion when disruption (or Release) occurs and rebuild solid foundations in the Reorganisation and Exploitation phases so as to prepare for a **long, efficient and effective Conservation phase**. Over the last few years the Welfare Rights Centre has made great progress and has now moved fully through this cycle back into, what we all hope will be a long productive Conservation period.

Some of the evidence

To demonstrate this we should note that the Centre has:

- had a solid year of further consolidation and progress under the Coordinator/ Principal Solicitor, Katherine Boyle;
- achieved increased funding and rebuilt the financial position of the Centre so as to provide a solid two year budget outlook with expansion plans;
- been able to again split the Coordinator/ Principal Solicitor role and return to separate Executive Director and Principal Solicitor roles thus giving more focus to both the legal practice and casework as well as the growth of the Centre and its important advocacy role;
- consolidated and expanded a very solid, mutually beneficial volunteer program at the heart of both the service delivery and the culture of the Centre;



- further built staff solidarity, stability and capacity, notwithstanding the loss of a number of very long standing and highly valued staff in Danny Shaw and Carolyn Odgers;
- finalised both the policy rebuild and the very long list of accreditation requirements set out for the Centre in 2016;
- finalised a comprehensive Governance Manual to codify culture, policy and practice in relation to the governance of the Centre and the conduct of the Board;
- undertaken a number of well-chosen advocacy interventions in relation to Robodebt; and
- consolidated collaboration with a revitalised & refocused NSSRN.

Shifts in governance

In the Reorganisation and Exploitation phases of an organisation's development, it is normal for directors to play a much more active and engaged role and for the board to have to contribute more. While this has certainly been the case over the last three years a significant shift is underway as a result of all the above and in particular the return to separate Executive Director and Principal Solicitor roles. This has enabled Katherine to assume more of the normal governance and board support that is generally undertaken by the Executive Director but which has not been possible until recently.

Over the last 12 months, the Board's two dynamic committees:

- the Finance and Staffing Issues Committee (FASIC) chaired by Deputy Chair, Clancy King, and
- the Governance, Risk and Compliance Committee (GRACE) chaired by Company Secretary, James Jankulovski

have continued to play a very important policy development, monitoring and guidance role, thus supporting management and streamlining and improving the work of the Board. Support for this work is also being taken up significantly by the Executive Director, another welcome movement.

I have always been of the view that it is generally not healthy for a former CEO of an organisation to return to the Board of that same organisation, especially when there are radically different financial and political circumstances and a new CEO needing to develop their own approach.

I only did so on request and in particularly dire circumstances with the Centre facing an existential crisis. It is evident from the account above that this is no longer the case – thankfully. It is therefore time to resign, not to mention retire. This is purely for the reasons outlined above arising from my profound commitment to and respect for the extremely important work of the Welfare Rights Centre, both of which will continue once I leave the Board.

Acknowledgements

In the context of this annual report and the abovementioned retirement from the Board, I would like to place on record the following:

- my particular appreciation of the personal qualities, deep commitment, tireless contributions and unwavering support of both **Clancy King and James Jankulovski** over the three years I have been Chair;
- my thanks and deep gratitude to all **my other fellow Directors** – Sam Clay, Lua De Burgh, Marc Hopkins, Laura Lombardo, Valentine Tse and Scarlet Wilcock for their tolerance, guidance, support, commitment and invaluable governance role;
- my congratulations to **Katherine Boyle**, the **staff** as a team and all the **volunteers** for their daily devotion to duty and the Centre and their extraordinary achievements in the face of such unrelenting demand and inadequate resources - together a potent force for good!; and
- my deep gratitude to **Simon Rice** for agreeing to nominate for the Board, for his willingness to bring years of rich and powerful experience to the Welfare Rights Centre, and for his preparedness to take on the role of Chair should the Board in its wisdom choose to elect him to the position that I have had the privilege of occupying for the last three years.

Michael Raper
Chair

Coordinator/ Principal Solicitor's Message

“Additional and sustained funding is needed to maintain our services to vulnerable clients.”

While the previous year has thrown up some challenges for the Welfare Rights Centre there can be no doubt we have sustained our strong advocacy for people who rely on income support to meet their basic living expenses.

Many people experiencing economic disadvantage have social security needs which, if left unresolved, may compromise their safety, rights and entitlements. Payment rejection, cancellation or suspension can result in individuals and families not having sufficient financial resources to purchase the necessities of life, such as housing, food, utilities and health care. Without income support women may be forced to remain in violent relationships because they cannot secure their own economic independence.

Social security law is a complex and rapidly changing area of law. Every day we speak to people who find Centrelink's bureaucracy difficult to navigate. The processes are complex and information is difficult to obtain. Our clients are often unaware that the right to income support is part of a legislative regime or that legal recourse is possible.

Our role is to empower people to understand their responsibilities and assert their rights under social security law. Our casework highlights systemic issues, including issues relating to Centrelink's service delivery and accessibility to vulnerable clients. In collaboration with the National Social Security Rights Network, the peak for social security law reform and public advocacy, we have raised these issues with the Department of Human Services and the Department of Social Services.

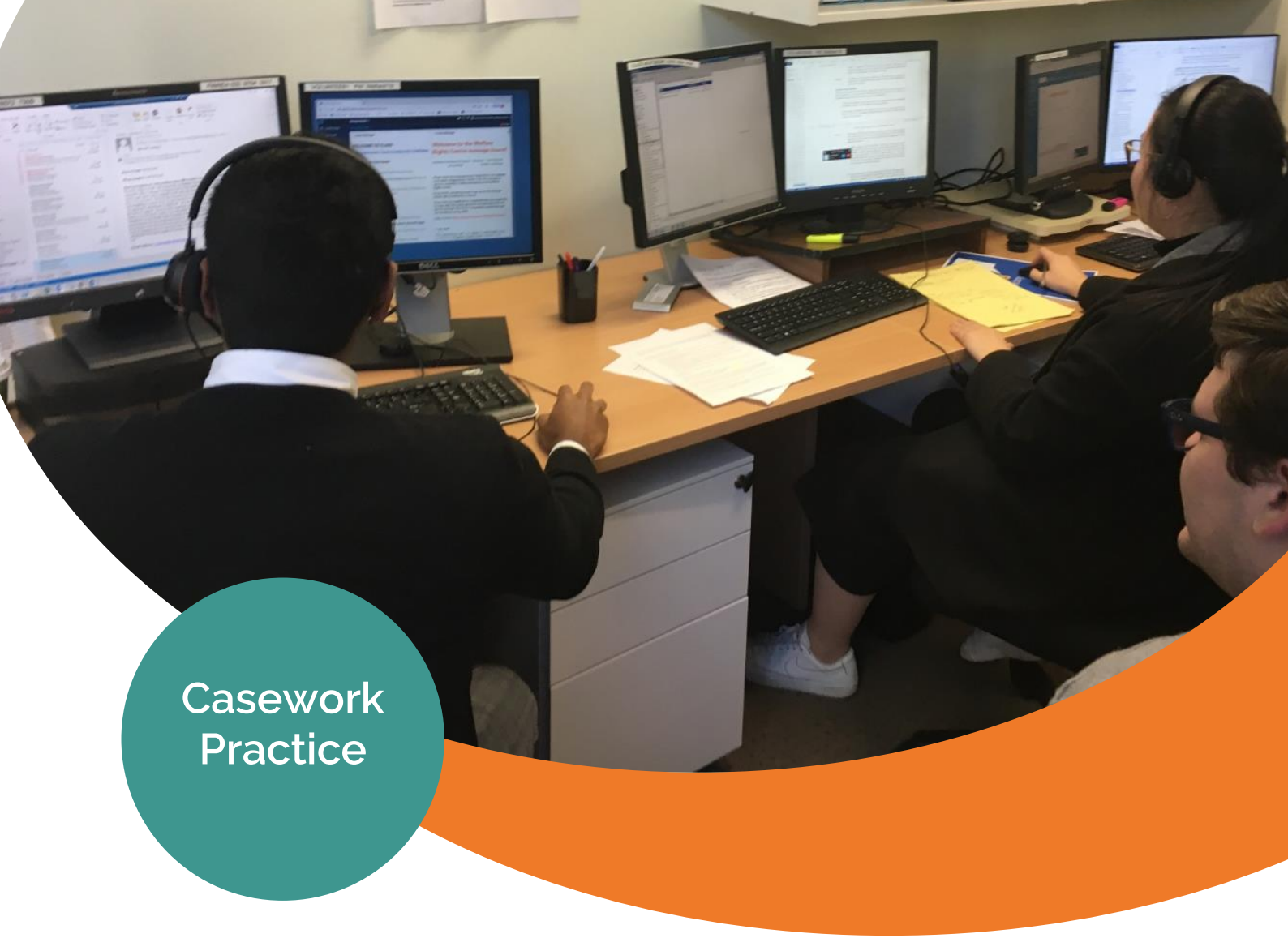
While our feedback has been welcomed by the Departments and changes have been made to improve social security policy and procedures,

serious problems remain. Nowhere is this more apparent than in the robodebt program, which has raised thousands of debts, many of which are inaccurate, and we argue, unlawful.

Demand for our service far outstrips our capacity. With the Centre losing much needed funding following the recent NSW tender process, our ability to meet this demand has been further curtailed. Fortunately prudent economic management will minimize the impact of this cut for the next two years. However, without additional and sustained funding into the future, the Centre will be forced to reduce its services, and this can only have a negative impact on the people who so desperately need our help.

Katherine Boyle
Coordinator/Principal Solicitor





Casework Practice

Information, Advice and Casework Service

We provide free legal information, advice and casework services to people who have a problem with Centrelink. These problems could relate to obtaining or keeping a Centrelink payment or with Centrelink debts, including robodebts. We also advise agencies assisting people with such problems. The aim of the Centre’s casework service is to achieve beneficial outcomes for both individual clients and for classes of clients.

The casework practice comprises a telephone advice service, research, assistance with self-advocacy, interventions directly with Centrelink, written advocacy on behalf of clients and written or personal representation before the Administrative Appeals Tribunal (AAT), or in some cases the Federal Court. Advice is given on almost all aspects of social security and family assistance. Further representation may be provided in complex cases, particularly where children are at risk, in matters of wide application, in matters where the client has no

“The aim of the Centre’s casework service is to achieve beneficial outcomes for both individual clients and for classes of clients.”

money or where they may not adequately represent their own interests. We hold two advice shifts per week, on Mondays and Wednesdays from 9:30 am to 12:30 pm. During the advice shift people can call our freecall number 1800 226 028. One of our trained volunteers will provide information or supervised advice, or will assign callers to a solicitor or caseworker who will provide more complex advice. Solicitors and caseworkers bring to our weekly casework meeting clients with Centrelink issues which require ongoing assistance. At the casework meeting a decision is made as to whether the client’s problem meets our Advice & Casework Policy and whether we have the capacity to take on the client’s matter.



Total Number
of Clients:

1375



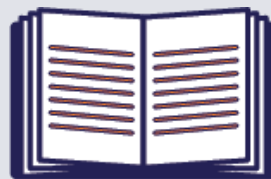
Referrals:

1788



Information:

716



Discrete Non-
Legal Support
Services:

204



Legal
Advices:

1512



Representation
Services:

88

Centrelink debts

In the past year there has been an overall increase in the number of people approaching the Centre about Centrelink debts, including robodebts. Most robodebts are subsequently shown to be wildly inaccurate.

Case Study: \$6000 robodebt

Centrelink issued Sarah a debt notice for over \$6000. She had received Youth Allowance (student) for around 18 months when she was studying at university and had worked a number of different casual jobs over this period. She had now finished university and was working full-time. Sarah did not understand how the debt arose as she had always reported her income to Centrelink.

Suspecting the debt was a “robodebt”, the Centre prepared a Freedom of Information request, including a request for an “ADEX debt schedule”, which showed that Sarah’s income from her various jobs had been averaged over the 18 months she had received Youth Allowance, making it appear she had earned more in some fortnights than what she had declared to Centrelink, a “classic” robodebt.

We checked with Sarah whether she had received any of her payslips from her various employers, and she said that they were usually emailed to her, although she had one job which never provided her with any payslips. She said that she could search her emails to find her previous payslips and contact the employer which had never provided her with payslips.

The Centre advised Sarah that she had a robodebt and that she had three options. Firstly, do nothing and pay the debt, which was not advisable as it was likely the debt was inaccurate. Secondly, locate as many of her payslips as possible. If she provided the payslips, Centrelink would re-calculate the debt. Or thirdly, appeal the debt to an Authorised Review Officer without locating her payslips, which the Centre would assist her with, including representation at the Administrative Appeals Tribunal.

Sarah decided to try and locate her payslips and provide them to Centrelink. Fortunately she was able to locate all of her payslips. Following the recalculation, the debt was reduced from over \$6000 to just under \$600.

“ Most robodebts are subsequently shown to be wildly inaccurate. ”

Compensation Preclusion Periods

The Centre continues to have a steady flow of clients who are subject to compensation preclusion periods (CPP). These clients have received significant sums of money following a compensation payout for a workplace or other injury and are precluded from receiving a social security payment for a defined period of time, usually many years. These clients usually have no experience managing large sums of money and frequently have pre-existing or subsequently develop drug and gambling addictions, or are subject to exploitation by family and friends. As a consequence, the client’s funds are depleted and they must wait many years until a social security payment is payable. These clients are usually in dire financial need and are experiencing a range of social and mental health issues. Working with these clients to have the CPP waived is labour intensive and time consuming due to the evidential requirements.

Domestic Violence

Just over 11% of clients assisted by the Centre had experienced or were at risk of family or domestic violence. The Centre intervenes in a range of ways to help these clients, including providing advice directly to clients to support their interaction with Centrelink, advocating directly to Centrelink on clients’ behalf, and/or providing legal assistance and representation through formal appeal mechanisms.

The Centre’s casework has shown how domestic violence has an ongoing impact post-separation. Financial abuse frequently leads to problems with Centrelink, including large debts.

Case Study: Survivor’s \$20,000 debt waived

Marie’s husband had been violent towards her for many years. After she eventually left with her two children, she discovered she owed over \$20,000 to Centrelink.

The debt arose because before they had separated, Marie's husband had sold an investment property which increased the annual combined family income beyond Marie's original estimation.

However, Marie had no access to the proceeds of the sale because the account was under her ex-husband's name and he had changed the password so that Marie could not access the account. Following the separation, she had no job and had to rely on family for financial support. Marie had developed severe anxiety due to her husband's violence.

The Centre helped Marie to challenge the debt. Documents were obtained under a Freedom of Information request, evidence of the domestic violence and Marie's financial circumstances were collected and an appeal was lodged with an Authorised Review Officer. The Centre submitted that the debts should be waived due to Marie's special circumstances, arguing that the debt arose as part of her ex-husband's financial abuse. Marie's review was successful and all three debts were waived. WRC also referred Marie to get further advice from the Child Support Service at Legal Aid NSW.

Helping Aboriginal & Torres Strait Islander Clients

Just over 6% of the Centre's clients identified as Aboriginal and/or Torres Strait Islander, an increase on the previous year. Just under 11% of the Centre's representation services were provided to indigenous clients. In the Centre's experience, Centrelink's administrative processes and communication strategies are inadequate and do not take account of the extreme disadvantage experienced by many indigenous people.

Case Study: Aboriginal carer's payments cancelled

Lisa lives in regional New South Wales and is Indigenous. She received Carer's Payment (CP) and Family Tax Benefit (FTB) for her severely disabled child. Lisa contacted the Centre after her payments were cancelled.

Centrelink requires children with parents receiving CP to make an application for Disability Support Pension (DSP) when they turn 15 years and 9 months old.

The parent is informed this of by way of letter from Centrelink. Lisa said she did not receive the letter and as a consequence did not make a claim for DSP on behalf of her son.

Lisa's support organisation had not informed her of this required re-assessment of her disabled child by the time her child turns 16 years old. She only became aware of these procedures when she contacted Centrelink to ask why her payments had been cancelled.

In addition to claiming DSP on behalf of her son, Lisa was also required to reapply for CP after the cancellation because she needed to transition from CP for children to CP for adults. The Centre had to make multiple calls to Centrelink before her new CP application was processed.

Lisa was overwhelmed by the multiple claims process and Centrelink's demands for various documentation. The Centre made many calls to Centrelink to expedite the applications' processing time as Lisa had received contradictory messages from Centrelink about the need to supply further identification documents such as a new birth certificate and Tax File Number.

The Centre's advocacy resulted in an Aboriginal Liaison Officer making a house call to our client to assist her with completing and submitting the relevant documentation. Lisa's child was granted DSP within a few days of this house call, and shortly after she was granted CP.

New Zealand Citizens

New Zealand citizens may live and work in Australia indefinitely due to their status as Special category Visa holders, which are issued to them upon arrival in Australia. However, even where New Zealanders have grown up in Australia and/or have paid tax for many years, they are generally precluded from receiving Centrelink payments unless they arrived in Australia before 26 February 2001.

Case Study: Homeless New Zealand citizen's debt waived

Cody was referred to the Centre by a financial counsellor as he was homeless, had an intellectual disability, had no source of income, and his claim for Disability Support Pension (DSP) had been rejected.

Cody was struggling to find employment and hold on to it in the rural area in which he was living. Compounding Cody's problems was a Centrelink debt of approximately \$4500, which he had been struggling to repay due to his unstable accommodation and employment.

Cody could not understand why Centrelink had rejected his DSP claim or why he had a Centrelink debt, which had increased over the years due to recovery charges and interest being added. Cody's tax return had been garnished to repay the debt, a sum he had been relying on to register his car. In the course of helping Cody, the Centre lost contact a number of times but persisted due to his extreme vulnerability.

After talking to Cody, the Centre discovered that he was a New Zealand citizen who had arrived in Australia seven years ago. As such, the Centre was unable to assist him with his claim for a Centrelink payment, however the Centre could assist him with his debt. The debt had arisen because Cody had been incorrectly granted a 6 month payment of Newstart Allowance (NSA).

When Cody had applied for the DSP Centrelink discovered the mistake and raised a debt. The Centre lodged a Freedom of Information request for Cody's original NSA claim and identified evidence which proved that Centrelink's sole administrative error had resulted in Cody being paid NSA. An appeal was lodged with an Authorised Review Officer and submissions prepared. The appeal was successful and Cody's debt waived in full. All of the repayments Cody had made on the debt were refunded to him.

Challenging Harsh Laws

This case study is an example of the considerable time and effort the Centre devotes to vulnerable clients yet the outcome sought is not achieved due to the harshness of social security law.

Case Study: Family of seven denied payment

The Centre was approached by Kalara, a woman of Islander background, who had spent six months in detention following the cancellation of her visa, along with her husband and five children. Three of her children were born in Australia, and one child was an Australian citizen.

Her husband was still in detention when she contacted the Centre. When she was released from detention her visa type did not allow her to work and she and her husband were precluded from receiving a Centrelink benefit, including Special Benefit.

The family was homeless and had no finances for the basics of life. To assist Kalara with her immediate needs of food clothing and shelter, the Centre's Community Worker contacted a wide range of community services and charities.

The Centre advised Kalara that as one of the sons was an Australian citizen he was eligible for Special Benefit, which she then claimed. Kalara's husband was released from detention shortly after and the family moved into crisis accommodation.

The child's claim for Special Benefit was then rejected because he was regarded as no longer "homeless", a requirement in these kinds of applications. The Centre appealed to an Authorised Review Officer, and then to the Administrative Appeals Tribunal, seeking to challenge the definition of "homeless".

However, the family's circumstances continued to evolve, with the father obtaining employment and earning \$700 per week, which meant that Special Benefit was not payable. As a consequence there was no prospects of success at the AAT and the Centre advised the client to withdraw the appeal.

“After the family moved into crisis accommodation the child's claim for Special Benefit was rejected because he was no longer regarded as homeless.”



Policy, Law Reform & Media

Executive Officer of the NSSRN, Leanne Ho,
and Policy & Communications Officer,
Amrita Saluja.

Collaboration with the NSSRN

The Welfare Rights Centre undertakes the majority of its policy, law reform and media work in conjunction with the National Social Security Rights Network (NSSRN), which is the national peak body organisation in the area of social security and family assistance law, policy and administration.

The NSSRN plays a critical role in fighting inequality and poverty in the community through advocating for a social security system which is fair, efficient, easy to use, transparent and as simple as possible.

The Centre's casework practice is the foundation of its law reform and policy work.

“The Centre’s wealth of experience ... as formed the basis of significant research projects.”

The Centre has developed a wealth of expertise through our experience assisting people with income support payment issues, which is shared with the NSSRN and has formed the basis of significant research projects, as well as coordinated media campaigns.

Robodebts

Despite fierce criticism, the Federal Government has doubled down on its “Employment Income Confirmation Process”, otherwise known as robodebt. As at the end of March 2019, over 193,000 robodebts had been raised across Australia for the 2018/19 financial year, exceeding the total for 2017/18.

“Robodebt is based on data matching and calculation process that is known to be flawed.”

Although minor changes have been made to improve the system since its introduction in 2016, fundamental problems remain.

Robodebt is based on a data matching and calculation process that is known to be flawed. The robodebt scheme places the burden of disproving a debt onto the individual.

The method of averaging annual income reported to the Australian Taxation Office across a given period cannot be justified. The majority of people relying on income support do not receive the same pay week after week. Centrelink already has the power to obtain the correct information directly from employers and financial institutions but chooses not to exercise this power and has shifted the burden of obtaining these documents, often going back many years, onto the individual.

Raising debts without providing adequate proof of the debt has raised doubts about the legality of such debts. The government’s own assessment estimates that 1 in 6 debts are incorrect, however the Centre believes this number could be higher.

The Centre has been strong in its public advocacy for the abolition of the robodebt scheme and has been active in the media.



Media presence

The Centre has had a strong media presence throughout 2018/19, with articles or TV segments appearing in:

- The GuardianAU on the challenges of surviving on Disability Support Pension with increased medical expenses: <https://www.theguardian.com/australia-news/2019/apr/23/living-on-the-disability-pension-its-like-the-slow-dimming-of-the-light>.
- The GuardianAU on the record number of sick or disabled people not qualifying for DSP: <https://www.theguardian.com/australia-news/2019/apr/10/record-number-of-sick-or-disabled-newstart-recipients-as-coalition-seeks-savings>
- The ABC’s podcast The Signal on its casework experience with robodebts: <https://www.abc.net.au/radio/programs/the-signal/govt-to-extend-robodebt/9748810>

- 7:30 program on the ABC, the Centre and one of its clients featured in a segment on 7:30 in a story about robodebts: <https://www.abc.net.au/7.30/centrelink-accused-of-chasing-debts-that-dont-exist/11259084>
- Canberra Times on the rising number of robodebts: <https://www.canberratimes.com.au/story/6191865/more-than-500m-raised-as-robodebt-ramped-up/>

Domestic violence & Centrelink

The NSSRN's major research report, *How well does Australia's social security system support victims of domestic violence?*, to which the Centre was a major contributor, has started to have an impact.

In response to the Report's recommendations, the Department of Social Security changed The Social Security Guide to:

- clarify that the definition of domestic violence that was previously limited to Crisis Payment is now a common definition across all payments;
- make reference to domestic violence for the purposes of waiving a compensation preclusion period due to special circumstances;
- clarify that the presence of domestic violence may indicate that two people living together may not be a member of a couple; and
- clarify that the presence of domestic violence may indicate that two people living together under one roof may be separated.

While the changes to the Guide are a step in the right direction, there are many more changes needed. The Report makes a total of 32 recommendations which also include changes requiring amendments to the *Social Security Act 1991* (Cth), as well as improvements to Centrelink's service environment. The Centre will continue to collaborate with the NSSRN to have all the remaining recommendations of the Report implemented.

Raise the Rate

The Centre has contributed to the Raise the Rate campaign, which calls on the Federal Government to raise the rate of Newstart Allowance, and similar payments, which have not been increased in real terms in 25 years.

This campaign has been very successful in raising awareness of the fact that surviving on \$40 a day condemns recipients to a life of poverty, and the campaign has attracted some very unlikely allies in former Prime Minister John Howard, as well as current Coalition Members of Parliament.





Community Legal Education

Education & Engagement

Community Legal Education (CLE) and stakeholder engagement is a vital part of the Centre’s work, and an effective prevention strategy designed to ensure that people know about social security law, their rights and the avenues available to enforce their rights.

Our CLE strategy focused on those community organisations most likely to have contact with people who have a problem with Centrelink. We provide CLE on basic social security law, Centrelink debts, claiming DSP, domestic violence and Centrelink, and the impact of compensation on social security payments.

Our aim is to increase community workers’ knowledge and awareness of the types of Centrelink issues their clients may encounter, and how they may best assist them and when to refer to the Welfare Rights Centre.

“CLE ensures that people know about the social security law, their rights and the avenues to enforce their rights.”

In addition to CLE presentations and community engagement, the Centre produces factsheets which fill identified gaps in social security legal information and assist individuals to resolve their social security problem. In combination with the factsheets provided by the National Social Security Rights Network (NSSRN), the Centre currently has available eighteen factsheets on different aspects of social security law.

The Law Handbook

The Centre contributed to increasing community understanding of, and access to, social security law through its complete revision of the social security law chapter of The Law Handbook.

The chapter includes new information about the robodebt scheme and how to challenge Centrelink debts, as well as the extended Newly Arrived Residents Waiting Period.

The Law Handbook is published by Thomson Reuters, a plain English Guide to the law applied in New South Wales. The new edition will also be available via the Find Legal Answers website.

Dubbo Visit

Where possible the Centre visits regional parts of NSW to raise awareness of its service. This year the Centre presented at the Rural, Regional and Remote Community Legal Centre Conference, which was held in Dubbo, which acted as a springboard for a series of CLE presentations and meetings with community services in and around Dubbo, with a particular emphasis on reaching family and domestic violence services, including:

- Dubbo Women's Domestic Violence Court Advocacy Service (WDVCAS);
- Wellington Family Domestic Violence Collective;
- Dubbo Neighbourhood Centre;
- New England & Western Tenants Advice and Advocacy Service;
- Dubbo Centrelink Office;
- Dubbo Catholic Care;
- Narromine Community Skills;
- Narromine Land Council; and
- Youth on Track.

CLE to domestic violence organisations

The Centre's continued its emphasis on the provision of CLE and stakeholder engagement to family and domestic violence services, including:

- Wollongong WDVCAS (in collaboration with Illawarra Legal Centre);

- Holding a stall at WDVCAS conference to promote the Centre to WDVCAS services around NSW;
- Attending roundtable discussion about Domestic & Family Violence Podcast services managed by WDVCAS Inc.

Factsheet on deposits

In response to an increasing number of people contacting the Centre with large debts following deposits into their account, the Centrelink developed a new factsheet "Centrelink and Bank Deposits".

The factsheet explains the obligations of the Centrelink recipient to declare all deposits into their account and to explain the source of the deposit.

While some deposits into the account should obviously be classified as income, such as payment for work performed, other kinds of deposits, such as an inheritance, should not be considered income and must be treated as an asset.

The factsheet sets out the kinds of evidence the Centrelink recipient should provide to Centrelink and explains the appeals process.





Funding

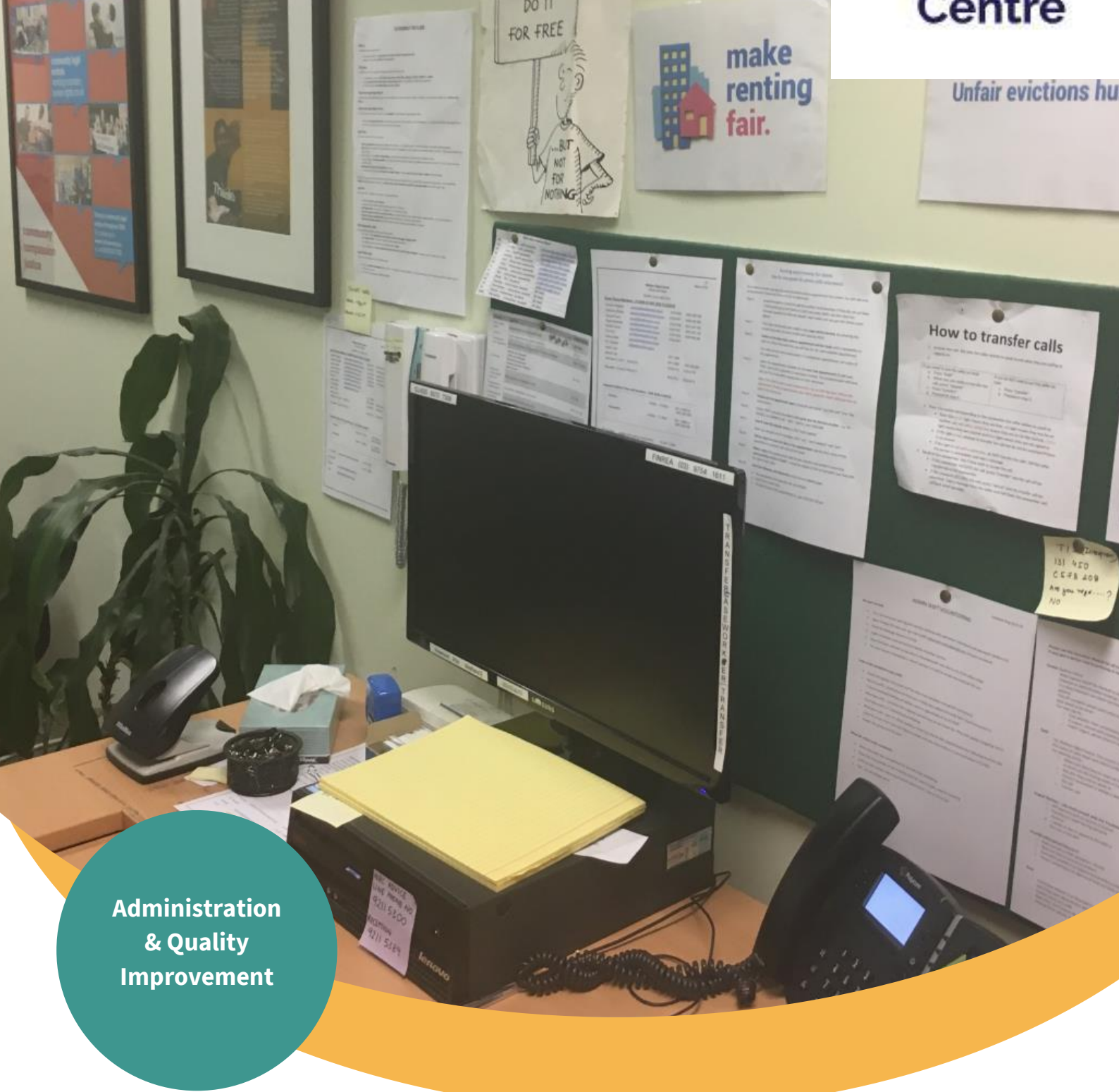
Sources of funding

During the year, the Centre received funding from the following sources:

- Community Legal Sector Program funding from the NSW Government and Commonwealth Government;
- One-off grant from the NSW Government;
- Family Law /Family Violence funding from the Commonwealth Government
- Funding for the provision of legal services to members of its Trade Union and HESTA programs; and
- Small grants from the Stronger Communities Grants Program and the Volunteer Grants Program.

NSW Government tender

Following a review of community legal centre funding, the NSW Government decided to proceed with a tender process which required all NSW CLCs to apply for their State funding. In agreement with other CLCs, the Centre applied for the same funding as it had received in 2018/19, but was not granted the full amount. As a consequence, the Centre's annual funding does not cover its expenses, and unless additional sources of funding are found within the next two years, the Centre will have to cut back on its services to the community. The Centre has been active in lobbying the NSW Government and will continue to advocate for increased funding.



Administration & Quality Improvement

National Accreditation Scheme

The Centre successfully completed all of its obligations set out in the National Accreditation Scheme's three-year quality improvement plan and has maintained its accreditation under the Scheme.

New website planned

The Centre has engaged the services of Community Legal Centres NSW to develop a new website which is easy to navigate and find information. The planned launch will be in late 2019 or early 2020.

New logo

The Centre worked with the UTS Shopfront Community Program to develop its new logo and a range of new resources (including this Annual Report) for use by the Centre.



Our Staff



From left to right: Eric Chu (Office Administrator), Donna Flood (Solicitor), Daniel Turner (solicitor), Katherine Boyle (Coordinator/Principal Solicitor), Danny Shaw (Senior Solicitor), Carolyn Odgers (Assistant Principal Solicitor), Julius Golab (Intake Officer).

The Centre farewelled and welcomed a number of staff during 2018/19, but the team remains as strong as ever.

Carolyn Odgers, our Assistant Principal Solicitor, left after nine years to take a position at Justice Connect. Carolyn's contribution and commitment to the Centre was exceptional. She supervised the DSP Clinic, coordinated the volunteers' program, helped hundreds of clients, and had kept the Centre going through some very tough times.

We also said farewell to our two hardworking administration, while Julia went on to complete her studies.

Caseworkers, **Amrita Saluja** and **Julia Hong**. Amrita joined the NSSRN, helping to improve social security law and its administration.

With the winding up of the Community Worker project, **Rayila Maimaiti** returned to her substantive role in the Women's Domestic Violence Court

She helped many clients to access vital services while the solicitors and caseworkers resolved their social security problem.

We will also miss our resourceful Administrative Assistant, **Miriam Jaber**.

Danny Shaw, our senior solicitor, left us temporarily to gain criminal law experience at another community legal centre.

To better respond to the large number of people contacting the centre, the Centre created the new position of Intake Office and welcomed **Julius Golab** into the role. We also welcomed our new Office Administrator, **Eric Chu**, to the Centre.

Our Board



The Directors of the Welfare Rights Centre's Board perform their role as volunteers. They are responsible for the overall strategic direction of the Centre.

List of Directors

Michael Raper, **Chair**

Clancy King, **Deputy Chair**

James Jankulovski, **Company secretary**

Sam Clay, **Director**

Lua De Burgh, **Director**

Marc Hopkins, **Director**

Laura Lombardo, **Director**

Jacqueline Phillips, **Director**

Valentine Tse, **Director**

Scarlet Wilcox, **Director**

Our Volunteers



The Welfare Rights Centre thanks all of its volunteers. We could not operate without your dedication, enthusiasm and support.

At any one time the Centre has approximately 20 volunteers who assist with the delivery of our legal services.

Our volunteers are involved in many aspects of the Centre's work, including taking calls during the advice shift, paralegal work, responding to website inquiries, and supervised advice during the DSP and Debt Clinics.

Our advice shift volunteers have the challenging task of direct contact with people who contact the Centre for advice and information. They display excellent communication and interpersonal skills.

All of our volunteers show dedication and enthusiasm and we thank them all.

Stacey recently graduated juris doctor student at UNSW. “I joined the Centre in 2018, and had the pleasure of working in the Centre’s administration and now I now works on the advice shift. I have deeply enjoyed serving the vulnerable members of society and working on administrative law in practice. I also wish to work as a Pro Bono lawyer in the near future.

On a less serious note, I am a serial chili and barbecue eater.”



This year we said farewell to two of our very long term volunteers, Michelle Mon (pictured) and Amy Giang. They volunteered for many years in all areas of the Centre’s work, including the advice shift, the DSP Clinic and the Debt Clinic. We wish them all the best in the future.



Thank you

We would like to thank the following people and organisations for the ongoing and vital support of the Welfare Rights Centre:

Our trade union supporters, the Independent Education Union, the NSW Nurses & Midwives Association, the Public Service Association of NSW, the NSW Teachers Federation, United Voice NSW and the Sutherland District Trade Union Club.

The team at **HESTA**.

The **CLC Program Management Team at Legal Aid NSW**.

Our **pro bono partners**: Hall & Wilcox, Baker + McKenzie, Wotton & Kearney, HWL Ebsworth and many other firms who have provided in kind and pro bono support.

The **National Social Security Rights Network**, especially the Secretariat.

All the team at **Community Legal Centres NSW**.

Community Legal Centres Australia.

Our **volunteer solicitors**, Joni Gear, Amrita Saluja and Katy Woods.

All of our volunteers – there are too many of you to list here!

All of our **clients**!





Get Involved

The Welfare Rights Centre is currently looking for dedicated people to join our team of volunteers. There are multiple volunteer positions available. We are seeking volunteers for our advice shifts and volunteers for our casework and administration.

Please see our website for details.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2019

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

Your directors submit their report for the year ended 30 June 2019.

1. DIRECTORS IN OFFICE AT THE DATE OF THIS REPORT

S Clay	L Lombardo
L De Burgh	M Raper
M Hopkins	V Tse
J Jankulovski	S Wilcock
C King	

2. PRINCIPAL ACTIVITIES

The Centre's principal activities during the year were the provision of free information, legal advice and representation to resolve problems pertaining to access of people in New South Wales to their social security entitlements.

There were no significant changes in the nature of the activities of the company during the year.

3. TRADING RESULTS

The net surplus after tax of the company for the year ended 30 June 2019 was \$111,705 (2018: \$5,827 surplus).

4. DIVIDENDS

No dividend was declared or paid during the year. The company's Constitution prohibits the payment of dividends.

5. SHORT AND LONG TERM OBJECTIVES

The Centre's short-term objectives are:

- to provide free legal assistance to clients regarding social security and family assistance (given that demand for the Centre's services always exceeds supply, priority for casework assistance is generally provided to those most in need, particularly those who currently have no income support or who have a reduced Centrelink payment);
- to protect families and children by preventing debt and assisting with income support and family assistance;
- to inform the community generally, and in particular beneficiaries and administrators of the system, of the fundamental rights, entitlements and obligations of social security recipients and the broad benefits of the social security system in Australia;
- to publicise the service offered by the Centre broadly through NSW, in particular to the most vulnerable individuals and groups in society;
- to achieve beneficial law reform and policy reforms on behalf of the Centre's client base; and
- to inform readers of the Centre's publications about development in social security law and to advocate for improvement in the structure and administration of the social security system.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

5. SHORT AND LONG TERM OBJECTIVES (CONTINUED)

The Centre's long-term objectives are:

- To achieve the best possible outcome for the Centre's clients;
- To provide high quality information and advice on social security law to NSW residents;
- To assist clients to assert their rights to social security entitlements through our casework;
- To effectively influence social security law and policy;
- To have strong governance, skilled staff and volunteers, and efficient operational systems; and
- To secure adequate funding for a sustainable future.

6. STRATEGIES FOR ACHIEVING OBJECTIVES

To achieve these objectives, the Centre has adopted the following strategies:

- staff members and volunteers work in partnership with a range of community and government agencies to maintain support for the Centre's values and objectives and to achieve a range of beneficial outcomes for individual clients;
- conducting community education in a range of settings across NSW;
- producing publications and social media content about social security and family assistance law of the highest standard to disseminate information and ideas about public policy development;
- the Centre strives to attract and retain staff who are committed to the values of the organisation; and
- staff and volunteers are committed to achieving the best possible outcomes for clients both individually and collectively.

7. CHANGES IN THE STATE OF AFFAIRS

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to 30 June 2019.

8. DIRECTORS' REMUNERATION

No director of the Centre has received or become entitled to receive a benefit by reason of a contract made by the Centre with the director or with a firm of which s/he is a member or with a company in which s/he has a substantial financial interest other than benefits disclosed in Note 13 to the financial statements

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

9. INFORMATION ON DIRECTORS

Directors' qualifications and experience

Sam Clay

Bachelor of Science, Hons

Bachelor of Laws & Grad Diploma of Education

Sam is a Professional Support Officer with the NSW Teachers Federation. He has been the Federation's nominee on the Board since April 2018. Sam holds a Bachelor of Science with Honours, Bachelor of Laws and Graduate Diploma of Education from the University of New England. He completed his practical placement for his Graduate Diploma in Legal Practice with the Aboriginal legal Service NSW/ACT in Wagga Wagga.

Lua De Burgh

Lua is a former administrative secretary of the Welfare Rights Centre. She has experience dealing with social security law and Centrelink from a personal perspective. She has worked at George Community Housing, Hurstville, as a customer service officer and is an Aboriginal Yuin Nation woman with family ties to the south coast of NSW. She joined the Board in December of 2016.

Marc Hopkins

Marc has worked in his current position as Professional Officer (Mental Health) at the NSW Nurses and Midwives' Association for the past six years and has worked as a registered nurse in the mental health sector for over 30 years. His current role involves representing and promoting the professional interests of nurses and midwives'. He joined the Board in November 2015.

James Jankulovski - Company secretary

Bachelor of Laws

Bachelor of Science (Biotechnology)

Graduate Diploma of Legal Practice

James is a solicitor in the disputes group at Herbert Smith Freehills where he works on a range of commercial disputes, investigations and class action matters. He holds a Bachelor of Laws and Bachelor of Science from UNSW. In 2017, he completed the Australian Institute for Company Directors' Governance Foundations for Not-for-Profit Directors course. James was a volunteer at the Welfare Rights Centre in 2014 and 2015 before joining the Board in April 2015 and being appointed Company Secretary in October 2015.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

9. INFORMATION ON DIRECTORS (CONTINUED)

Directors' qualifications and experience

Clancy King - Deputy Chair

Juris Doctor (Hons class 1)

Bachelor of Arts- Communication

Clancy is a former volunteer of the Welfare Rights Centre and has lived experience of dealing with social security law. She holds a Juris Doctor and a Bachelor of Arts in Communications and is a senior associate in the employment team at DLA Piper. Clancy joined the Board in December 2015 and became Deputy Chair in 2016.

Laura Lombardo

BMedia/BLaws (Hons)

Laura is a special counsel in the pro bono team at Gilbert + Tobin. She was previously the Principal Solicitor at the Public Interest Advocacy Centre, a community legal centre specialising in public interest litigation. Laura joined the board in October 2016.

Jacqueline Phillips

Combined Arts/Law (BA/LLB)

Master of Law (CLM)

Jacqueline is the Director of Policy and Advocacy at the Australian Council of Social Service (ACOSS). She holds a Bachelor of Arts/Law and Masters of Law. She has worked in the non-for-profit sector for more than a decade in senior policy and management roles, with a major focus on social security policy and reform. Jacqueline joined the Board in December 2016.

Michael Raper - Chair

B.A, Dip Ed., E. Dip L. Law

Michael is currently employed as a Director at the Australian Council of Social Service (ACOSS). Until Feb 2016 he was Director of Services and International Operations at Australian Red Cross for eight years. He is a former Director of the Welfare Rights Centre and former President (and non-executive director) of ACOSS, the National Welfare Rights Network, the Mandela Foundation and the International Council on Social Welfare. He is Graduate of the Australian Institute of Company Directors.

Valentine Tse

CPA, M.App.Fin, B.Com, JP

Valentine is the managing director of a public practice accountancy firm with over 25 years' experience in financial control, taxation and wealth management. Prior to becoming self-employed, Valentine held positions of responsibility at Price Waterhouse, IAG, Zurich and Intech

Scarlet Wilcock

BA/LLB(hons 1) (UNSW); GDLP (CoL); PhD (UNSW)

Scarlet is a Lecturer at the University of Wollongong School of Law. She is admitted as a solicitor in NSW and is former volunteer of both the Welfare Rights Centre and Social Security Victoria. She joined the Board in December 2015

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2019

9. INFORMATION ON DIRECTORS (CONTINUED)

INFORMATION ON DIRECTORS, MEETINGS AND ATTENDANCES

There were 6 full board meetings held during the financial year 1 July 2018 to 30 June 2019. Attendance by the directors at board meetings, at the Finance and Staff Issues Subcommittee and the Governance, Risk and Compliance Subcommittee meetings was as follows:

The following persons were directors of Welfare Rights Centre during or since the end of the financial year.

The number of meetings of directors held during the year and the number of meetings attended by each director is as follows:

Name	Date of Appointment	Date of Cessation	Board meetings	
			Eligible	Attended
S Clay	20-Apr-17		6	4
L De Burgh	15-Feb-17		6	5
M Hopkins	22-Oct-15		6	6
J. Jankulovski	15-Apr-15		6	4
C King	17-Dec-15		6	5
L Lombardo	20-Oct-16		6	4
J Phillips	20-Oct-16	15-Oct-18	3	1
M Raper	28-Apr-16		6	6
V Tse	26-Oct-17		6	4
S Wilcock	17-Dec-15		6	4

10. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found following this report.

On behalf of the board


Director
Clancy King


Director
James Jankulovski



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CHARTERED ACCOUNTANTS

Partners
P A Berger B Com FCA
W J Roberts FCA
T D Millard B Com CA
Associate
T Cross B Bus CA

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF WELFARE RIGHTS CENTRE LIMITED

I declare that, to the best of my knowledge and belief, in relation to the audit of Welfare Rights Centre Limited for the year ended 30 June 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; or
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

berger piepers
Chartered Accountants



PA Berger FCA
Partner
Reg'n No. 4354

28 October 2019
Penrith



Summit House 286 High Street (PO Box 999) Penrith NSW 2751
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Jointly formed by members approved under Professional Standards Legislation



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
WELFARE RIGHTS CENTRE LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Welfare Rights Centre Limited, which comprises the statement of financial position as at 30 June 2019, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion, the accompanying financial report of Welfare Rights Centre Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of the financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Welfare Rights Centre Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.


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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' 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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company 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; and

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



berger piepers
Chartered Accountants
PA Berger FCA
Partner
Reg'n No: 4354

28 October 2019
Penrith

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	717,691	611,999
Trade and other receivables	5	81,328	3,972
Other	6	10,624	10,286
TOTAL CURRENT ASSETS		<u>809,643</u>	<u>626,257</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	3,317	13,024
TOTAL NON-CURRENT ASSETS		<u>3,317</u>	<u>13,024</u>
TOTAL ASSETS		<u>812,960</u>	<u>639,281</u>
CURRENT LIABILITIES			
Trade and other payables	8	60,013	66,580
Provisions	9	34,269	59,715
Other	10	357,942	267,994
TOTAL CURRENT LIABILITIES		<u>452,224</u>	<u>394,289</u>
NON-CURRENT LIABILITIES			
Provisions	9	58,937	54,898
TOTAL NON-CURRENT LIABILITIES		<u>58,937</u>	<u>54,898</u>
TOTAL LIABILITIES		<u>511,161</u>	<u>449,187</u>
NET ASSETS		<u>301,799</u>	<u>190,094</u>
EQUITY			
Accumulated surplus		<u>301,799</u>	<u>190,094</u>
TOTAL EQUITY		<u>301,799</u>	<u>190,094</u>

The accompanying notes form an integral part of these financial statements.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Revenue			
Operating income	3(a)	851,211	761,442
Finance income	3(b)	9,524	8,315
TOTAL REVENUE		<u>860,735</u>	<u>769,757</u>
Expenses			
Depreciation and amortisation	3(c)	(10,391)	(5,501)
Employee benefits	3(d)	(570,671)	(606,507)
Communication expenses		(7,903)	(22,942)
Computer expenses		(23,090)	(17,013)
Other expenses	3(e)	<u>(136,975)</u>	<u>(128,980)</u>
TOTAL EXPENSES		<u>(749,030)</u>	<u>(763,930)</u>
SURPLUS BEFORE INCOME TAX		111,705	5,827
Income tax expense	2(l)	<u>-</u>	<u>-</u>
SURPLUS AFTER INCOME TAX		111,705	5,827
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u><u>111,705</u></u>	<u><u>5,827</u></u>

The accompanying notes form an integral part of these financial statements.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Funding and other operating revenue received	953,451	1,031,520
Payments to suppliers and employees	(856,599)	(809,195)
Interest received	9,524	8,315
	<u>106,376</u>	<u>230,640</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES		
Purchase of property, plant and equipment	(684)	(2,331)
	<u>(684)</u>	<u>(2,331)</u>
NET CASH FLOWS USED IN INVESTING ACTIVITIES		
NET INCREASE IN CASH HELD	105,692	228,309
CASH AT BEGINNING OF THE YEAR	611,999	383,690
CASH AT END OF THE YEAR	<u>717,691</u>	<u>611,999</u>

(a) Reconciliation of cash

For the purposes of the statement cash flows, cash comprises the following:

Cash and cash equivalents (Note 4)	<u>717,691</u>	<u>611,999</u>
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(b) Reconciliation from the net surplus to the net cash flows from operating activities:

Net surplus/(deficit)	111,705	5,827
<i>Adjustments for:</i>		
Depreciation of non-current assets	10,391	5,501
<i>Changes in assets and liabilities:</i>		
Trade and other receivables	(77,356)	78,345
Other current assets	(338)	(993)
Trade and other payables	(6,567)	24,366
Provisions for employee entitlements	(21,407)	19,636
Other current liabilities	89,948	97,958
	<u>106,376</u>	<u>230,640</u>
Net cash from operating activities		

The accompanying notes form an integral part of these financial statements.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated Surplus \$	Reserves/ Capital \$	Total Equity \$
As at 1 July 2017	184,267	-	184,267
Surplus for the period	5,827	-	5,827
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
As at 30 June 2018	190,094	-	190,094
Surplus for the year	111,705	-	111,705
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
As at 30 June 2019	<u>301,799</u>	<u>-</u>	<u>301,799</u>

The accompanying notes form an integral part of these financial statements.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

1. CORPORATE INFORMATION

The financial report of Welfare Rights Centre Limited was authorised for issue in accordance with a resolution of the directors on 28 October 2019.

Welfare Rights Centre Limited is a company limited by guarantee with each member of the company liable to contribute an amount not exceeding \$20 in the event of the company being wound up.

The company's principal activities during the year were the provision of free information, legal advice and representation to resolve problems pertaining to access of people in New South Wales to their social security entitlements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Australian Accounting Standards. The financial report has also been prepared on a historical cost basis and, except where stated, does not take into account current valuations of non-current assets.

The financial statements have been prepared on the going concern basis. The ability of the Centre to continue operating as a going concern is dependent upon continuing funding for its programs, in particular Legal Aid NSW funding.

(b) Statement of compliance

The financial report has been prepared in accordance with the Mandatory Accounting Standards applicable to entities reporting under the Corporations Act 2001.

(c) Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(d) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new amended pronouncements. The directors do not believe that any of the new standards will have an impact on the company.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Furniture and equipment 3-10 years
- Leasehold improvements 40 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year the item is derecognised.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use.

Impairment losses are recognised in the statement of comprehensive income.

(f) Recoverable amount of assets

At each reporting date, the company assesses whether there is an indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying value of an asset exceeds its recoverable amount the asset is considered impaired and written down to its recoverable amount.

The recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the group of assets.

(g) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short-term deposits readily convertible to cash.

For the purposes of the statement of cash flows, cash consists of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Employee entitlements

Wages, salaries, time in lieu and annual leave

Liabilities for wages and salaries, time in lieu and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services to that date.

Long service leave

A liability for long service is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Superannuation

Contributions to defined superannuation plans are expensed as incurred.

Entitlements which are expected to be settled within twelve months are measured at their nominal values using current remuneration rates. Liabilities which are expected to be settled after twelve months are measured at the present value of estimated future cash outflows in respect of services provided up to reporting date.

(j) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grant income

A number of the company's programs are supported by grants received from the Government. If conditions are attached to a grant which must be satisfied before the company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered, to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year-end until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. Where the company receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Donations and bequests

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Company becomes legally entitled to the shares or property.

Rendering of services

Control of the right to receive payment for the services performed has passed to the company.

Interest

Control of the right to receive the interest payment has passed to the company as the interest accrues.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Intangible assets

Recognition of other intangible assets:

Acquired intangible assets

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 3.15. The following useful lives are applied:

- Website: 3 years

Subsequent expenditures on the maintenance of the computer software & brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in surplus or deficit within other income or other expenses.

(l) Operating leases

Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

(m) Taxes

Income tax

The company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where:

- the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

Operating cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

	2019	2018
	\$	\$
3. REVENUES AND EXPENSES		
(a) Sale of goods and services		
Grants received	728,395	646,074
Trade union program	121,311	115,104
Other income	1,505	264
	<u>851,211</u>	<u>761,442</u>
(b) Finance income		
Interest received	<u>9,524</u>	<u>8,315</u>
(c) Depreciation and amortisation		
Depreciation of non-current assets	<u>10,391</u>	<u>5,501</u>
(d) Employee benefits		
Salaries and wages	539,445	530,878
Employee entitlements	(21,408)	19,636
Workers compensation	3,043	2,833
Superannuation	49,591	53,160
	<u>570,671</u>	<u>606,507</u>
(e) Expenses included in other expenses		
Bad debts written off	6,919	-
Operating lease rental - premises	<u>36,540</u>	<u>36,540</u>
4. CASH AND CASH EQUIVALENTS		
Cash on hand and at bank	<u>717,690</u>	<u>611,999</u>
5. TRADE AND OTHER RECEIVABLES		
Trade and other receivables	<u>81,328</u>	<u>3,972</u>
6. OTHER CURRENT ASSETS		
Prepayments	10,624	8,390
GST receivable	-	1,896
	<u>10,624</u>	<u>10,286</u>

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

	2019 \$	2018 \$
7. PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment-at cost	44,284	95,549
Less accumulated depreciation	<u>(42,006)</u>	<u>(90,223)</u>
	<u>2,278</u>	<u>5,326</u>
Leasehold improvements-at cost	10,389	10,389
Less accumulated depreciation	<u>(9,350)</u>	<u>(2,691)</u>
	<u>1,039</u>	<u>7,698</u>
	<u>3,317</u>	<u>13,024</u>
Reconciliations		
<i>Office equipment</i>		
Carrying amount at beginning of year	5,326	7,457
Additions	685	2,331
Depreciation	<u>(3,733)</u>	<u>(4,462)</u>
	<u>2,278</u>	<u>5,326</u>
<i>Leasehold improvements</i>		
Carrying amount at beginning of year	7,698	8,737
Depreciation	<u>(6,659)</u>	<u>(1,039)</u>
	<u>1,039</u>	<u>7,698</u>
8. TRADE AND OTHER PAYABLES		
Other creditors and accruals	31,934	57,864
PAYG payable	22,430	8,716
GST payable	<u>5,649</u>	<u>-</u>
	<u>60,013</u>	<u>66,580</u>
9. PROVISIONS		
Current		
Annual leave	<u>34,269</u>	<u>59,715</u>
Non Current		
Long service leave	26,137	28,498
Provision for redundancy	12,800	6,400
Provision for make good	<u>20,000</u>	<u>20,000</u>
	<u>58,937</u>	<u>54,898</u>

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

NOTES TO THE FINANCIAL STATEMENTS

AT 30 JUNE 2019

	2019	2018
	\$	\$
10. OTHER CURRENT LIABILITIES		
Income in advance	73,699	3,553
Grants in advance	<u>284,243</u>	<u>264,441</u>
	<u><u>357,942</u></u>	<u><u>267,994</u></u>
11. LEASE COMMITMENTS		
Operating leases		
Not later than one year	1,494	3,587
Later than one but not later than five years	<u>-</u>	<u>1,494</u>
Aggregate lease expenditure contracted but not provided for at balance date	<u><u>1,494</u></u>	<u><u>5,081</u></u>

12. ECONOMIC DEPENDENCY

The company is dependent upon the ongoing receipt of Government grants membership income to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

13. SUBSEQUENT EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to 30 June 2019.

WELFARE RIGHTS CENTRE LIMITED
A.B.N. 76 002 708 714

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Welfare Rights Centre Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the period ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Director

Clancy King



Director

James Jankulovski

Sydney
28 October 2019



berger piepers

CHARTERED ACCOUNTANTS

Partners
P A Berger B Com FCA
W J Rogers RCH
T D Allard B Com CA
Associate
T Coen B Bus CA

COMPILATION REPORT

TO THE MEMBERS OF WELFARE RIGHTS CENTRE LIMITED

ADDITIONAL INFORMATION INCOME AND EXPENDITURE STATEMENT

Scope

On the basis of information provided by the Client, we have compiled in accordance with APES 315: "Compilation of Financial Information" the additional financial information of the Client for the year ended 30 June 2019 as set out on schedule 7.

The Client is solely responsible for the information contained in the additional financial information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Client provided, into an Income and Expenditure Statement. Our procedures do not include total verification or validation.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Client, may suffer arising from any negligence on our part. No person should rely on the additional financial information without having an audit or review conducted.

The additional financial information was prepared exclusively for the benefit of the Client. We do not accept responsibility to any other person for the contents of the additional financial information.

berger piepers
Chartered Accountants

PA Berger FCA
Partner
Reg n No: 4354

28 October 2019
Penrith, NSW



Summit House 286 High Street (PO Box 999) Penrith NSW 2751
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Quality limited by a member approved under Professional Services Legislation

WELFARE RIGHTS CENTRE LIMITED
 INCOME AND EXPENDITURE STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Income		
Administration fees	1,505	264
Grant revenue	728,395	646,074
Interest received	9,524	8,315
Program fees	121,311	115,104
	<hr/>	<hr/>
Total income	860,735	769,757
Expenses		
Employee entitlements provided	(21,408)	19,638
Auditor's remuneration	7,188	6,292
Bad debts written off	6,919	-
Bank charges	1,266	1,519
Communications	7,903	5,929
Computer expenses	23,090	17,013
Creative personnel and consultants	25,000	33,250
Depreciation and amortisation	10,391	5,501
Insurance	3,897	5,599
Office rent	36,540	36,540
Other office costs	47,429	42,106
Professional development	5,921	810
Salaries and wages	539,445	530,878
Superannuation	49,591	53,160
Travel expenses	2,815	2,862
Workers' compensation insurance	3,043	2,833
	<hr/>	<hr/>
Total expenses	749,030	763,930
	<hr/>	<hr/>
Operating surplus	111,705	5,827
	<hr/> <hr/>	<hr/> <hr/>