



WACOSS Sector Breakfast



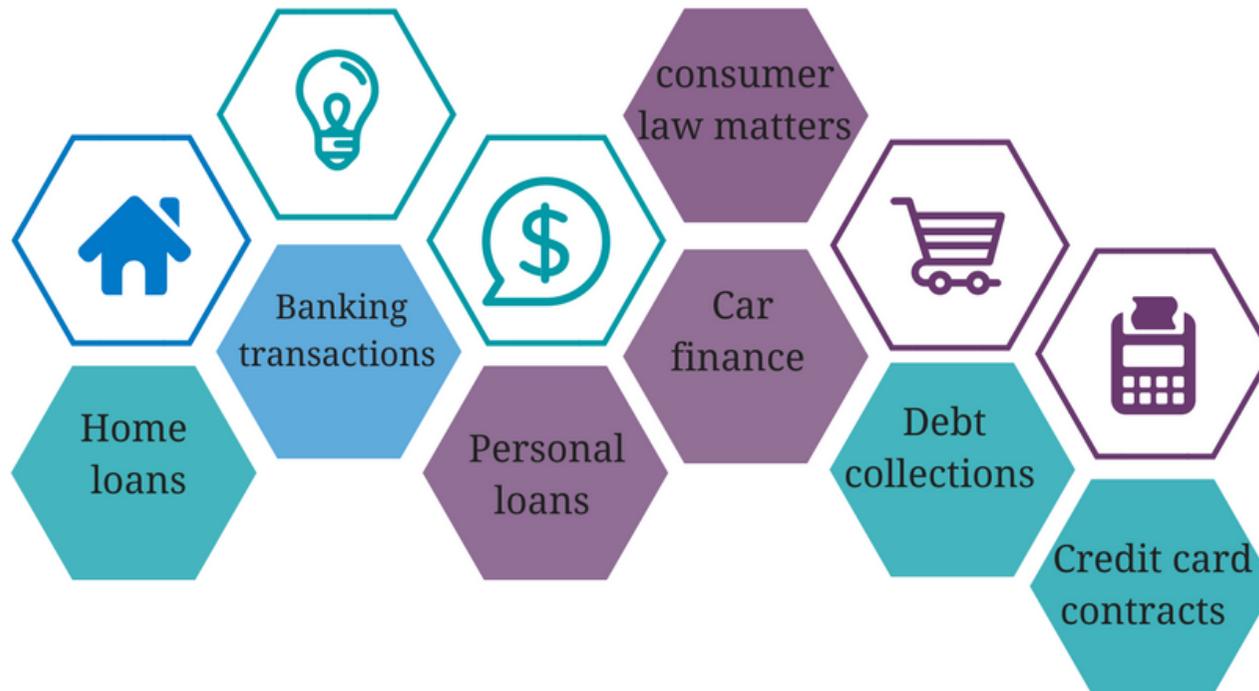
Hon. Judge Gething Social Media Launch



Matt Keogh MP Federal member for Burt



National Day of Action Canberra



Annual Report 2017

Reports from Henry Thong Chairman & Gemma Mitchell- Managing Solicitor



Henry holds a B.Comm and MBA and is a graduate member of the Australian Institute of Company Directors. Henry has over 20 years commercial experience in commercial and non-profit organisations, and over 10 years in senior financial management and governance roles.

I am proud to present to you CCLSWA's annual report for the 2016/2017 financial year.

This year has been a challenging year for CCLSWA. All community legal centres in Western Australia were advised that a circa 30% funding cut would more than likely take place in the 17/18 financial year. CCLSWA was also confronted with the unexpected resignation of the Centre Manager in December 2016. Gemma Mitchell, Principal Solicitor, took a step up and undertook the dual role of Centre Manager and Principal Solicitor during this period with strong leadership. Against a back drop of funding cuts, the Committee restructured the team and created the role of Managing Solicitor, which Gemma is now provisionally appointed to. The Centre continues to maintain its high level of community service through a dedicated team of staff and volunteers and it is to their absolute credit that they have done so through this uncertain year.

It is commonly known that gold is refined through fire and I think that is a good analogy for the CCLSWA team for this year. The Committee is proud and thankful for continued dedication and professionalism of the CCLSWA team and its continued service to the community.

CCLSWA continues to deliver with the support of community and business participation. This year, the Solicitor-General, Mr Peter Quinlan SC, launched our social media strategy. Other supporters have included the WA Bar Association and we are grateful for the continued support of leading legal firms Ashurst, DLA Piper, King & Wood Mallesons, Minter Ellison and Norton Rose Fulbright.

I want to thank the committee: Secretary, Cecily Montgomery; Treasurer, Judi Kellond; Ordinary members, Liam Nicholls, Liz McCoy, Matt Knox, and Tony Evans for their commitment to the organisation.



Gemma studied law at the University of Notre Dame in Fremantle, where she graduated with Honours in 2009. She commenced as Principal Solicitor of CCLSWA in August 2016 and became Managing Solicitor in July 2017. She represents WA consumers on a number of national committees. Gemma believes that access to high quality legal services should be available to all members of the community.

I am proud to present a summary of CCLSWA's work for 2016/ 2017 in this year's Annual Report.

Our biggest challenge came in February 2017, when staff and volunteers presented to work, to find the office closed due to a fire in the building. This disrupted our service delivery, but due to the hard work and resilience of our team, we were able to reopen the advice line to the public within a few days in a new location in Victoria Park.

The downturn in the resources sector had a big impact on the clients that contacted us for advice. Clients were calling with multiple and complex legal issues. Our volunteers worked tirelessly providing advice and referrals to members of the WA community, but, for the first time, we have been unable to meet the demand for our service.

In Henry's report, he has talked about the significant restructure. Our Principal Solicitor, Faith Cheok, finished up in August 2016, which is when I became Principal Solicitor. I want to personally thank Henry and the committee for their support and guidance in assisting me to transition over the last year from my former role as Solicitor, to Principal Solicitor, to Acting Centre Manager, and then provisionally to Managing Solicitor. This new role has been an exciting challenge which I could not have completed so successfully if it was not for our amazing team. I want to thank our Solicitors: Roberta Grealish, Georgina Molloy, Prachi Aggarwal, and Mitchell Coles. Also the support team: Legal Administrative Assistant Isabelle Zekulich; Centre Support Officers Allison Sampson and Natalie Walter; and Bookkeeper Dawn Emmanuel. I am humbled to lead such a dedicated team.

Finally I want to say a huge thank you to all our volunteers, we simply could not deliver the service we do without their hard work and dedication to CCLSWA.



CCLSWA Solicitors at the NACLC Conference Fremantle August 2016.



Law Society 'Social Justice Opportunities Evening': Gemma Mitchell, Roberta Grealish, Aoife Nugent, Meg Faller, David Kernohan, Edward Souti. Central Park Building September 2016.



Meeting Premier Mark McGowan at the WACOSS Breakfast in January 2017



Ben Morton MP, Member for Tangney, visited the office in January 2017



Enjoying the Piddington Ball September 2016.



Hon Mark Dreyfus QC MP, Shadow Attorney-General and Tim Hammond MP visit November 2016



Relocation premises after the fire March 2017



Supporting our winning colleagues at the Consumer Protection Awards April 2017



Former CCLSWA Principal Solicitor Faith Cheek moved the admissions of former volunteers Megan Faller and Daniel Eng in November 2016.



A 'Thank You' dinner for our volunteers in May 2017 in partnership with Volunteering WA



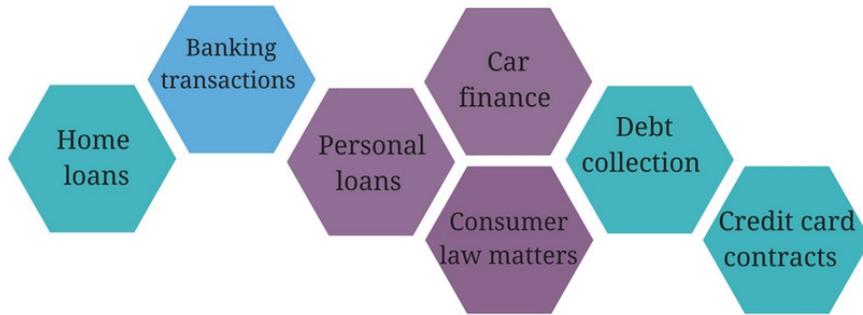
Celebrating at Sydney's Redfern Legal Centre 40th Birthday April 2017



Delivering Community Legal Education in May 2017 at the Edmund Rice Centre

Our Work

CCLSWA is a not for profit Community Legal Centre funded by the Commonwealth Attorney General's Department and Legal Aid of Western Australia to provide free legal services to Western Australian consumers in the areas of:



CCLSWA provides:

- Assistance via our telephone advice line
- Assistance to low income families and disadvantaged consumers
- Legal representation for individuals in public interest matters
- Policy work and law reform activities to improve the rights of consumers.

Services provided:

People given free legal advice

2677

People referred to other services

1178

Provided further detailed legal assistance to:

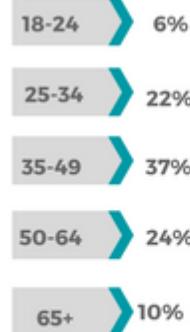
68



3 % of the WA population are Aboriginal People

5% of CCLSWA clients are Aboriginal People

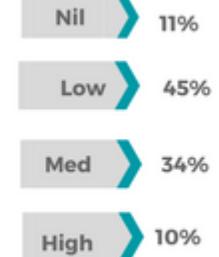
Age



NEW CLIENTS
1088



Income level



Case Studies:



Magda, an eighty-four year old widow, contacted CCLSWA because she wanted to challenge a fee on her reverse mortgage. We advised Magda that she may have grounds to challenge the whole loan on the basis that the bank should not have lent her the money. After taking the matter to the ombudsman, CCLSWA successfully challenged the loan and obtained a refund of all the interest Magda had paid over the life of the loan. We reduced Magda's loan balance by over \$25,000. Magda was extremely relieved and thankful to CCLSWA as she gained back her financial independence.

Bob had accrued significant credit card debt and obtained multiple pay day loans with multiple pay day lenders. He was in substantial hardship and unable to work out which lenders he had outstanding debts with, or the relevant amounts. CCLSWA contacted 11 different lenders to ascertain the status of Bob's debts and successfully negotiated the waiver of debt worth over \$6,000.00 by arguing that the lenders had breached the additional responsible lending requirements specifically applicable to Small Amount Credit Contracts only. Credit card debt of over \$4,000 was also waived on compassionate grounds following CCLSWA's discussions with the lender's hardship department.



Jenny is an elderly Aboriginal grandmother supporting her extended family on a limited income. She sought assistance from CCLSWA when she found herself caught in a debt spiral with a popular pay day lender. We were able to secure the waiver of interest, fees and charges on 5 personal loans and 10 cash advances to the value of over \$3,000 and obtain Jenny a refund of over \$1,700 on the grounds that the lender had breached their responsible lending obligations.

Volunteers

We simply could not operate the level of service we do without our volunteers. They are a vital part of the service we provide. Volunteers operate the telephone advice line and deliver our 'Community Legal Education' projects. Volunteers gain important practical skills in applying the law and we have the opportunity to harness their unique skills to assist our clients.

We would like to say thank you to all our valued volunteers for their commitment, perseverance and dedication.



Internships

We ran two very successful internship programs . Clancy Bradshaw and Lawrence Page came to us through the McCusker Centre for Citizenship and Jessica Vu from the Cooperative Education for Enterprise Development (CEED). Clancy worked on CLE materials to CALD clients; Lawrence, as a Communications Officer worked on social media platforms & developed educational videos; and Jess was engaged to undertake a project on the 'Implications of Domestic and Family Violence on Credit'. Lawrence featured in a West Australian article in June 2017 about outstanding millennials doing great work in their communities. All 3 were a pleasure to work with and we wish Lawrence and Jess well with their current international travels.



'Practical Legal Training'

We worked with three students who completed their 'Practical Legal Training' as part of the Piddington Justice Project from January 2017- June 2017 Haya Snobar, Rachael Doraisamy, and Milica Jankovic contributed to over 2000 hours and made a very valuable contribution to CCLS. We wish them all great success as they begin their legal careers .



Carla Kovacevic has continued to work for CCLS on Secondment from the Australian Government Solicitor. Carla has been with us since 2013 and is a valued member of the team. Carla brings an eye for detail to our legal work and has developed a real skill in drafting our complaints to regulators. Thank you Carla for all that you do.

Volunteers played an important part in the 'Fund Equal justice' Campaign helping to raise awareness of the important work we do and succeeded in influencing the reversal of the planned funding cuts.



Aoife Nugent, former CCLSWA volunteer, was admitted to the legal profession by the Supreme Court of Western Australia. Aoife's admission was moved by Gemma Mitchell



Lawrence Page Volunteer testimonial

"I was required to step out of my comfort zone of doing typical legal work and learn how to engage with the community, through 'not for profit' marketing and communications tools. Speaking to clients that were facing very complex issues and under a lot of pressure was a challenge but I persevered with this difficult task."



COMMUNITY LEGAL EDUCATION

Financial literacy is the key to helping the community empower themselves to make good financial decisions. Our education initiatives help school students, community advocates and groups that are particularly vulnerable like migrants, those with low literacy and pensioners.



Website:

Our website continues to allow people to advocate for themselves with our fact sheets and forms being downloaded. The most popular letter is the 'sample hardship variations' letter closely followed by 'terminating a contract which is subject to finance'



1000



Law Reform

Submissions totaled 14 with topics including: ALRC Elder abuse inquiry & the Ramsay Review regarding external depute resolution schemes.

Radio Shows

Our partnerships with local radio continued with 11 shows delivered on the Heritage FM James Wray show and The Drive with Jeff Michaels on Noongar FM



THE SHIELD

CONSUMER CREDIT LEGAL SERVICE (WA) INC.

September 2017

Our monthly newsletter 'The Shield' has over 440 subscribers & was very well received by the community



Infographics

We developed a comprehensive range of 'infographics' to explain complex legal issues in a simple and accessible way

Media Articles

CCLSWA contributed to a total of 5 TV interviews and newspaper articles.



Community Legal Education sessions

11 Presentations to Schools to over 700 students

7 to community groups

5 guest lectures



Collaborative working & Pro Bono projects



Thank you to Law Access in placing two of our matters. One with Clayton Utz as instructing solicitor and Clare Thompson as counsel, and the other with Katja Levy as counsel

We could not have run our December 'Social Media Launch' without the valued assistance from DLA Piper in allowing us to use their venue, and Cullen McLeod, the Piddington Society and Cellarbrations for their generous donations. Also thanks to our guest speaker, Solicitor-General Mr Peter Quinlan SC and to Hon. Judge Gething for His Honour's support in attendance

Thank you to the following organisations for their valued involvement and contributions:

- Australian Securities and Investments Commission
- Curtin University-Business and Law faculty
- Department of Commerce-Consumer Protections
- Financial Counselors Association of WA
- Murdoch University-Business and Law faculty
- University of Notre Dame-Law faculty
- University of Western Australia-Law faculty

We are grateful for the continued support of leading legal firms Ashurst, DLA Piper, King & Wood Mallesons, Minter Ellison and Norton Rose Fulbright.

FRANCIS BURT CHAMBERS BARRISTERS

Thank you to Francis Burt Chambers for assisting with two of our cases. Elspeth Hensler assisted with a value of \$750; and Gary Cobby with a value of \$475



Joel Yeldon, Barrister, assisted in an ongoing case we have to the value of \$12,000.

The generous contributions by our ProBono partners & volunteers amounts

to a minimum of
\$ 106,252

Financial Documents

CONSUMER CREDIT LEGAL SERVICE (WA) INC.

DECLARATION BY THE MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2017

The committee of the Consumer Credit Legal Service (WA) Inc. has determined that the organisation is not a reporting entity. The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the committee of the Consumer Credit Legal Service (WA) Inc.:

- a) the statement of financial performance gives a true and fair view of the result of the organisation for the year ended 30 June 2017; and
b) the balance sheet gives a true and fair view of the state of affairs of the organisation as at 30 June 2017.
- At the date of this statement, there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Chairperson

SIGN HERE

Treasurer

**CONSUMER CREDIT LEGAL
SERVICE (WA) INC.**

Statement of Financial Position
AS AT 30 JUNE 2017

	2017	2016
	\$	\$
Assets		
Current Assets		
Bankwest Cheque Account	10,047	9,644
Bankwest Business TeleNet Saver Account	204,996	130,976
Bankwest Zero Debit Card	1,356	3,478
Bankwest Term Deposit	158,436	154,327
Cash on hand	500	500
Prepayments	13,755	7,149
Sundry Debtors	363	2,173
	<u>389,453</u>	<u>308,247</u>
Non-Current Assets		
Leasehold improvements	19,768	19,768
Less: Accumulated depreciation	(16,515)	(13,262)
Plant & equipment	219,790	217,795
Less: Accumulated depreciation	(207,009)	(190,523)
	<u>16,034</u>	<u>33,778</u>
Total Assets	<u>405,487</u>	<u>342,025</u>
Current Liabilities		
Sundry creditors	1,552	1,942
PAYG payable	6,022	6,385
GST payable	12,046	14,535
Superannuation payable	2,756	8,428
Provision for annual leave	13,488	17,200
Provision for annual leave loading	2,360	3,010
Provision for long service leave	20,844	33,441
Provision for super on employee entitlements	3,486	5,097
Grant In advance	8,000	4,000
Funding in advance	103,500	18,500
	<u>174,054</u>	<u>112,538</u>
Non-Current Liabilities		
Provision for future salary position	49,200	49,200
Provision for IT	5,063	5,063
Provision for Service Devel relocation	15,000	15,000
	<u>69,263</u>	<u>69,263</u>
Total Liabilities	<u>243,317</u>	<u>181,801</u>
Net Assets	<u>162,170</u>	<u>160,224</u>

**CONSUMER CREDIT LEGAL
SERVICE (WA) INC.**

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Income		
Government - Commonwealth and State	716,502	702,417
Non-Government - Public Purposes Trust	86,525	86,525
Non-Government - Piddington Justice Project	-	1,000
Non-Government - LotteryWest carried forward funds FY2014	-	27,835
Other Income		
Donations	50	5
Fundraising	96	-
CCLS membership	-	118
Reimbursements	-	2,000
Interest received	6,477	6,933
Training Sessions	4,179	6,391
Other Income	320	-
Total Income	<u>814,149</u>	<u>833,224</u>
Expenditure		
Advertising & Promotion	617	1,335
Archiving	676	847
Accounting Fees	29,638	27,308
Audit fees	2,950	2,910
Assets Purchased < \$1,000	1,680	1,020
Bank charges	42	144
Board & governance expenses	415	263
Cleaning	3,627	3,600
Client support services	206	-
Computer expenses	32,008	35,933
Consultants	3,750	-
Depreciation	19,738	47,675
Employment support	690	690
Insurance	6,216	7,045
Publication & information resources	1,529	3,244
Meeting expenses	186	412
Memberships	6,052	6,653
Postage	140	627
Printing & stationery	3,876	3,671
Rent	54,353	53,287
Repairs & maintenance	56	150

CONSUMER CREDIT LEGAL SERVICE (WA) INC.

STATEMENT OF FINANCIAL PERFORMANCE (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

Salaries	460,312	477,582
Staff amenities	5,516	5,673
Staff entitlement provisions	(18,570)	5,119
Staff recruitment	380	1,645
Staff training & development	12,210	16,309
Superannuation	43,662	45,184
Sundry expense	250	-
Fees & Permits	8,279	6,443
Telephone & fax charges	16,201	20,283
Travel & accommodation	5,870	6,535
Utilities & outgoings	24,648	24,775
Provision for future salary position	-	25,700
Funding reserve brought forward	85,000	-
Total expenditure	812,203	832,062
Net Surplus / (Deficit)	1,946	1,162

CONSUMER CREDIT LEGAL SERVICE (WA) INC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 1 - Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (WA) 1987 and the Australian Charities and Not for Profits Commission Act 2012. The Board of Management has determined that the association is not a reporting entity.

The financial statements have been prepared in accordance with the following mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

AASB 101 - Presentation of Financial Statements
AASB 107 - Cash Flow Statements
AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031 - Materiality
AASB 1048 - Interpretation of Standards
AASB 1054 - Australian Additional Disclosures

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities of the organisation. The ability of the organisation to continue as a going concern will be dependent upon the continued receipt of grants from the State Government of Western Australia and supporting bodies.

Principal Activities

The principal activities are to:

- Provide free and confidential legal advice and information to consumers in the West Australian community, on credit contracts (such as home loans, car loans, credit cards) and also on goods and services covered by the Australian Consumer Law;
- Provide education to high school students, consumer advocates and financial counsellors on prevention strategies or resolutions of consumers' disputes with financial institutions and suppliers of goods and services;
- Assist consumers by advocating for them in their disputes on various forums such as the Financial Ombudsman Service and the Credit Ombudsman Service Limited;
- Assist consumers by providing legal advice for their disputes at the Magistrates Court of Western Australia;
- Participate in relevant law reform initiatives for the long-term benefit of consumers.

Plant and Equipment

Plant and equipment are included at cost. All fixed assets are depreciated over their estimated useful lives commencing from the time the asset is held ready for use using the diminishing value method.

Superannuation

Staff superannuation has been paid in accordance with the requirements of the Superannuation Guarantee Charge legislation and is paid to complying funds.

Employee Entitlements

Provision is made in respect of the organisation's liability for annual leave and long service leave. Both the provision for annual leave and long service leave has been accrued in respect of all employees from the commencement of their employment with the organisation.

Funding /Grants in Advance

All grants are brought to account as income when received, unless they relate to future years in which case they are recognised as income in the year expended.

They appear in the Balance Sheet as a liability – Funding in Advance.

Independent Audit Report

To the members of Consumer Credit Legal Service (WA) Inc.

Report on the Financial Report

We have audited the accompanying financial report of Consumer Credit Legal Service (WA) Inc. which comprises the statement of financial position as at 30 June 2017, the statement of divisional financial performance, statement of financial performance, statement of changes in equity and statements of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the Board's Declaration.

The Responsibility of the Board of Management for the Financial Report

The Board of Management of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant accounting standards and the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012. The Board of Managements responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 and fair presentation of the financial report 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Audit opinion

In our opinion, the financial report of Consumer Credit Legal Service (WA) Inc. is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2017 and of its performance for the year ended on that date.
- b) complying with relevant accounting standards contained in Subdivision 60 of the Australian Charities and Not-for-profits Regulation 2013;

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describe the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's financial reporting responsibility under the Constitution. As a result, the financial report may not be suitable for another purpose.

RG Ledger
Chartered Accountant
Registered Company Auditor

16 August 2017

*Thank you to the following for their
ongoing support and funding :
Attorney-General's Department: Commonwealth and State,
Legal Aid WA, Public Purposes Trust (Law Society of WA)
& The Piddington Society*

Contact Details:

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