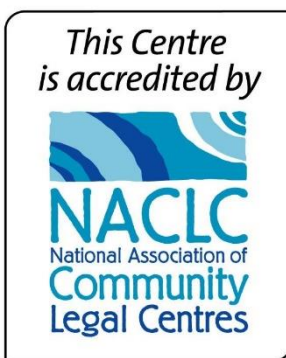




MACKAY REGIONAL
COMMUNITY LEGAL CENTRE Inc.

Annual Report 2019 – 2020

The MRCLC provides a high quality, accessible and holistic legal service to the Mackay, Isaac and Whitsunday communities within a social justice framework, including by incorporating advocacy, community education and to seek legal change where there are inequalities in the law.



ANNUAL REPORT

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CENTRE DETAILS

Address: Suite 9, The Dome
134 Victoria Street
PO Box 995
Mackay QLD 4740

Phone: (07) 4953 1211

Fax: (07) 4953 1644

Email: admin@mrclc.com.au

Website: www.mrclc.com.au and on Facebook

Office hours: Monday to Friday 9am – 4pm.
Legal Advice Evenings twice a month between 5:30pm – 8pm.

Current Staff

Manager and Principal Solicitor	-	Jessica Brake
Solicitors	-	Simone Butschle
	-	Vanessa Pranjivan
	-	Rikki Wilson
	-	Esmeralda Reasbeck (part-time)
	-	Kay Cora (part-time)
	-	
Senior Administration Officer	-	Janice Storti
Administration Officer	-	Katie Warren (part-time)

Who we are

The MRCLC provides free and confidential legal advice, information, referrals and ongoing assistance to financially disadvantaged people primarily in the Mackay, Whitsunday and Isaac regions. Presentations on various legal topics are delivered to organisations and members of the community upon request.

MRCLC is an independent non-profit community organisation administered by a volunteer Management Committee, providing legal assistance through employed staff and volunteers. It is registered as a charity with the Australian Charities and Not-for-profits Commission.

In addition to providing services from the Mackay office, advice and ongoing assistance is provided in person once a month over two days in the Whitsundays; specifically, at the Bowen Neighbourhood Centre, Proserpine Community Centre and the Whitsunday Counselling & Support Service Inc. in Cannonvale. One day a month advice and assistance is delivered from the Sarina Neighbourhood Centre. Legal Advice Evenings are delivered twice a month from the Mackay office by volunteers.



1. Whitsunday region



2. Mackay region



3. Isaac region

Region	Whitsunday	Mackay	Isaac	TOTAL
Est. population	35,050	116,539	20,934	172,523
Area in sq km	23,818	7,614	58,708	90,140

(ABS 2018)

Distances (km) between major towns in the Mackay, Whitsunday and Isaac regions

	Airlie Beach	Bowen	Clermont	Collinsville	Dysart	Mackay	Moranbah	Proserpine	Sarina
Airlie Beach	-	78	395	159	364	149	308	25	183
Bowen	78	-	438	89	407	192	351	68	226
Clermont	395	438	-	348	85	280	113	371	255
Collinsville	159	89	348	-	303	273	223	149	307
Dysart	364	407	85	303	-	250	82	341	224
Mackay	149	192	280	273	250	-	193	126	36
Moranbah	308	351	113	223	82	193	-	284	168
Proserpine	25	68	371	149	341	126	284	-	159
Sarina	183	226	255	307	224	36	168	159	-

MRCLC's Objectives

The public charitable purposes and objects of the Association are—

- (1) To provide a free and accessible legal service;
- (2) To seek legal and social change in order to create a more just society;
- (3) To address inequalities within the law and society;
- (4) To promote legal education;
- (5) To provide a legal service that recognises the social/welfare issues facing its clients;
- (6) To provide counselling and support and/or referral to appropriate agencies;
- (7) To encourage community participation in the delivery of the legal services it provides;
- (8) To develop and support self-help strategies and alternate methods of dispute resolution;

for the benefit of disadvantaged and marginalised people in the Mackay, Whitsunday and Isaac Regional Council areas.

Centre Funding

The Centre currently operates the programs listed below. We acknowledge and appreciate the financial support that enables the MRCLC to perform much needed legal services to the community.

1. Community Legal Services Program

Queensland Department of Justice and Attorney-General and the Commonwealth Attorney-General's Department.

2. Mental Health Review Tribunal Representation Service

Legal Aid Queensland

3. Domestic Violence Duty Lawyer Service

Legal Aid Queensland

4. Queensland Statewide Tenant Advice and Referral Service (QSTARS)

Tenants Queensland Inc., as funded by the Queensland Department of Housing and Public Works.

5. Elder Abuse Prevention and Support Service (EAPSS)

Relationships Australia (QLD) in August 2020, through funding from the Queensland Department of Communities.

6. Legal Aid Queensland Community Legal Education Collaboration Grant

This is for the delivery of presentations on residential tenancy law throughout the Mackay, Whitsunday and Isaac regions.

Legal Aid Queensland in June 2020



Other Sources of Funding Received During the 2019 – 2020 Financial Year

The MRCLC received a grant of funds for new technological equipment and software from the Queensland Department of Justice and Attorney-General in August 2019.

The MRCLC was successful in its application to the Mackay Regional Council for a small equipment grant. These funds were used to purchase new filing cabinets to replace damaged ones.

The MRCLC was fortunate to receive a three-month rent waiver from the Mackay Regional Council due to the COVID-19 pandemic.

Office equipment was purchased throughout 2019 from funds received through the Gambling Community Benefit Fund in January 2019. This is funded through the Office of Liquor and Gaming Regulation, Queensland Department of Justice and Attorney-General.

VALUABLE VOLUNTEERS

Mackay Regional Community Legal Centre acknowledges the invaluable contribution of volunteers during the 2019 – 2020 financial year. Without their commitment, more people would be turned away from receiving legal advice and waiting lists would be much longer. Thank you all for your continuing involvement.

Management Committee 2019 – 2020

President:	Craig Oliver
Secretary:	Shona Fitzgerald (to October 2019) Jasmine Rekowski (from November 2019)
Treasurer:	Mark Armstrong
Committee:	Nina Swara Ruth Wegner Joeffrey Agbayani (from March 2020) Justine Sturgiss

Legal Advice Evenings

Lawyers

Jordana Abela	McKays
Cassandra Adorni-Braccesi	SR Wallace & Wallace
Kim Back	Maurice Blackburn
James Bailey	SR Wallace & Wallace
Richard Callaghan	Kelly Legal
Jenna Cruickshank	Maurice Blackburn
Paddy Cullinane	Barrister
Jenna du Preez	Valiant Lawyers
Molly Elliott	McKays Solicitors
Meredith Farquhar	
Shona Fitzgerald	Everett's Family Law
Joshua Hammer	McKays Solicitors
Kyla Marshall	Parker Law
Sharell O'Brien	
Christine Pirani	McKays Solicitors
Emlyn Quinn	Statewide Conveyancing
Lara Tom	SR Wallace and Wallace
Katie-Elouise White-Spier	
Dannielle Woodward	SR Wallace and Wallace

Social Worker

Chris Comben

Co-ordinators

Paigen Hunter (Kelly Legal)
Emily Lawson (M&A)
Brittany McIntyre (SR Wallace & Wallace)
Vanessa Ladewig
Maria Orcullo (Taylors Solicitors)

Day Service Volunteers

Solicitors

Kay Cora (June 2020 to October 2020)

Practical Legal Training Law Students

These are law students who have either completed or nearly completed their degree and are undertaking a practical work experience component in order to be admitted as a solicitor.

Amanda Graham
Maria Orcullo

Law Students

Dana Costigan
Simon Gallagher
Sarah-Jayne Reid
Shana Quartermaine
Shannon Smith-Eckmann
Tylah Standen
Lauren Taylor

PRESIDENT'S REPORT

I started my report last year by describing it as an eventful year. In hindsight however it pales in comparison to the events and challenges faced by not only the centre, but the wider community as a result of the unforeseen global pandemic. COVID-19 has cast its shadow over the year and continues to influence the manner in which we operate at the centre as well as the lives of patrons and staff alike. It is against this backdrop that I give my report for the 2019/20 year for the Mackay Regional Community Legal Centre Inc.

This year was to be one of consolidation following renewal of contracts and the relocation of the centre the previous year. Indeed, in many respects this has been achieved with the renewal of the CLSP Service Agreement for a further five years to 30 June 2025, retaining the previous funding plus indexation. The QSTARS contract was also renewed from 1 January 2020 to 30 June 2023, albeit with a slight reduction in funding. The continued security of funding enabled the centre to maintain its service offering to the community when at times it has been more needed than ever as a result of the pandemic. Governmental support has perhaps softened the challenge for some but as financial and other support wanes over time it is likely that that demand for the centre's services will increase. A need we will be both ready and able to meet.

In recent months, in line with available funding, the centre has embarked on a significant IT upgrade project, addressing hardware, network and other upgrades to not only ensure that the centre remains efficient and able to deliver its services in the most effective manner, but that the access to the centre is improved, particularly for those in our more rural communities with video conferencing and other access. A migration to Sharepoint and the like will make the centre more robust and agile as it faces future challenges. In this regard I would like to acknowledge the role of our newest committee member Joeffrey Agbayani in offering his expertise to help manage the project. The continued involvement of those in our community with our centre can only be for its benefit. It is with this in mind that the committee is committed to continuing to diversify both those it helps and those connected with it.

Central to all projects and the centre's service delivery is the funding available. While not to duplicate the report of the treasurer it is worth noting that \$100,000 cash boost will have been received by the end of this calendar year. \$33,000 was received a short while ago from a DJAG IT grant. The additional COVID-19 funding (from the Commonwealth Attorney-General's Department allocated by Queensland DJAG) has resulted in Rikki now working three days under that program and Kay Cora recently being employed two days a week. Welcome to the centre and the team Kay.

It has consequently permitted a significant reduction in waiting times for the centre's services with appointments being available at present between two to five days, depending on the program. As indicated the centre is ready to meet the local need. A new arrangement was entered into with Relationships Australia Queensland with the Elder Abuse Prevention and Support Service funded through the Department of Communities for this current financial year.

It is fair to say that the centre has never been more secure financially in large measure to the oversight work of the Management Committee and Mark Armstrong, our very competent Treasurer and our bookkeeper Tracy Single of Blitzin Books. Such robust management puts us in good stead to meet all necessary needs relating to the centre's service provision going forward and is enabling the committee to consider the employment of a Centre Co-ordinator to compliment the work done by our Manager and Principal Solicitor, Jessica Brake. Such a consideration will enable Jessica to have greater focus on the community, ensuring that relationships are strengthened and that our services are meeting the need of those amongst whom we reside.

Jessica and others recently met with Julianne Gilbert MP and Steve Andrew MP with whom we have good relationships and we are grateful for their continued support and assistance with our community engagement. It would also be appropriate to recognise the contribution of the Mackay Regional Council, our landlord, in providing a rent free period to assist the centre and working with us in addressing a mould issue in the office earlier in the year.

One cannot comment on service delivery without acknowledging that the impact of COVID on the centre, resulting in its closure for about three weeks from 25 March 2020. Legal Advice Evenings were also put on hold. However, and to the great credit of all staff and those involved, advices were still provided throughout by phone and communication with clients maintained through email and text message. Legal Advice Evenings have recommenced similarly providing telephone advice since July 2020. Outreach to the outlying and more remote areas also resumed in July and from that time we have seen a gradual return to face to face appointments at the centre. On behalf of the Management Committee I would like to recognise the efforts of all staff and volunteers who have at times gone above and beyond in the name of the centre such is their commitment to service delivery and our clients.

The high quality of the service delivery by all staff has been maintained in difficult times, expertly marshalled by Jessica who continues to lead our very able team from those greeting our clients through the front door to the delivery of legal advice and problem solving for our clients, all done with unparalleled competence. I take this opportunity to congratulate Jessica on successfully completing the Queensland Law Society's Practice Management Course in July this year.

Following our successful reaccreditation last year the Management Committee maintains a program of continued improvement and is up to date on all its commitments to date in that regard. Such continued dedication will ensure the centre remains ready for reaccreditation in a couple of years' time. Thanks go to my friends and committee colleagues whose commitment and oversight underpins the work of the centre. The mix of experience and skill remains a great strength, in particular the insight and expertise of Nina Swara, the experience of Ruth Wegner, and the energy and vitality of Justine Sturgiss and Jasmine Rekowski, the latter having completed her first year as secretary with great dedication. My personal thanks to you all, including Mark and Joeffrey to whose contribution I have already referred. I can say with confidence that the centre is well managed, well run and in line with its constitution, objectives and goals is committed to continuing this legacy.

I ended my report last year referencing the pride with which we could collectively look back on the prior year. Commensurate with the eventfulness of the year surpassing the one before, the pride felt by those involved with the centre equally surpasses that felt last year and is only matched by the confidence that we can succeed in the face of whatever the coming year has to offer.

Craig Oliver
President

TREASURER'S REPORT

The financial performance and financial position of the centre was sound and in accordance with strategic and operational plans. Additional unplanned grants/subsidies were received due to the COVID-19 pandemic, which increased the operating surplus of the centre. The organisation was solvent and all expenses were paid as and when they fell due. Grants funding and contract revenue were up to date and recorded in the accounts. All compliance activities have been performed, including superannuation and taxation payments, bank reconciliations and funding acquittals.

Total income increased by around \$61,000 (9% of total revenue). The main change in funding over the past year pertained to unplanned COVID-19 funding of \$50,000 and recurrent government grants, which increased by approximately \$20,000 (9% and 3% of total revenue respectively). Income from Services and Mental Health Review Tribunal programs declined by about \$7,000 to almost \$32,000 (after rising strongly last year, by \$22,000). Total expenditure increased in line with available funding and was applied proportionately to deliver the services of each program. The main changes in costs related to increased staffing to meet service obligations and additional accommodation costs associated with better premises, which increased by approximately \$46,000 (7% of total expenses).

At the end of June 2020, the centre held total cash holdings of approximately \$245,000 and delivered an operating surplus in the region of \$29,000, which was elevated by unplanned special funding that arose from the COVID-19 pandemic. The cash holdings were partially committed to liabilities of approximately \$111,000 which related to employee entitlements (\$64,000) and GST/creditors (\$47,000). Nett current assets were approximately \$166,000, which included current liabilities of almost \$85,000 that were expected to be paid in the forthcoming year. Non-current liabilities of about \$26,000 related to long service leave entitlements that were expected to be paid beyond the next 12 months.

Financial Risk Management

The centre undertook to provide reliable and accessible legal services that were delivered professionally. Supporting business processes were designed to deliver quality outcomes and minimise business risk. Key risk areas that could result in significant financial impacts included accidental injury, property access/usage, business operations, legal advice, association arrangements and electronic business systems. Accordingly, insurance policies were held to manage those risks:-

- WorkCover accident;
- Voluntary worker's personal accident;
- Property loss/damage and business interruption;
- Public liability and products liability;
- Professional indemnity;
- Association liability; and
- Cyber operations and interruption.

Financial Governance

Financial reports were prepared by an independent professional bookkeeping business, Blitzin Books, and reviewed against operational plans each month by the Manager/Principal Solicitor and Management Committee. Financial transactions were processed in accordance with delegations of authority that were clearly defined in the centre's policies and procedures. Business operations were underpinned and supported by a comprehensive framework of internal control which included effective segregation of financial duties and reconciliations of accounts. The financial systems, processes and organisation of the centre were designed to provide a high level of financial assurance to stakeholders.

Mark Armstrong
Treasurer

Mackay Regional Community Legal Centre Inc

Financial Statements

For the Year Ended 30 June 2020

Mackay Regional Community Legal Centre Inc

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Mackay Regional Community Legal Centre Inc

Income Statement
For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Income		
Commonwealth grant income	218,263	211,956
DV duty lawyer	12,837	19,829
Cashflow boost subsidy	50,000	-
MHRT program	10,903	15,857
Other grant income	12,826	-
Parental leave income	3,111	9,927
Provision of services	20,628	22,988
State grant income	225,583	211,908
Tenancy income	187,900	188,155
	742,051	680,620
Expenditure		
Communications	7,092	8,029
Depreciation expense	11,472	4,701
Donations	60	156
Equipment < \$300	-	18
Finance, audit and accounting fees	15,397	16,518
Insurance	3,526	3,006
Library, resources and subscriptions	24,130	21,989
Computer expenses	14,860	-
Office overheads	4,379	19,077
Oncosts	25,806	17,804
Paid parental leave	3,830	-
Low value assets immediate write off	6,900	-
Other premises costings	12,317	12,818
Programming and planning	3,469	1,587
Recruitment costs	-	560
Rent	64,659	56,062
Repairs and maintenance	1,727	4,778
Salaries	457,432	431,407
Staff training	9,551	14,965
Sundry expenses	264	8,188
Superannuation contributions	43,456	39,994
Travel	3,205	6,284
	713,532	667,941
Income tax expense	-	-
Profit after income tax	28,519	12,679

The accompanying notes form part of these financial statements.

Mackay Regional Community Legal Centre Inc

Statement of Assets and Liabilities

As at 30 June 2020

	Note	2020 \$	2019 \$
Assets			
Current Assets			
Cash and cash equivalents	2	244,754	177,197
Prepayments	3	5,985	5,333
Total Current Assets		250,739	182,530
Non-Current Assets			
Plant and equipment	4	8,492	8,226
Total Non-Current Assets		8,492	8,226
Total Assets		259,231	190,756
Liabilities			
Current Liabilities			
Trade and other payables	5	37,081	26,464
Provision for annual leave	6	37,593	22,107
Grants received in advance	7	10,000	-
Total Current Liabilities		84,674	48,571
Non-Current Liabilities			
Provision for long service leave	6	25,922	22,068
Total Non-Current Liabilities		25,922	22,068
Total Liabilities		110,596	70,639
Net Assets		148,635	120,117
Members' Funds			
Retained profits	8	148,635	120,116
Total Members' Funds		148,635	120,116

The accompanying notes form part of these financial statements.

Mackay Regional Community Legal Centre Inc

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements cover Mackay Regional Community Legal Centre Inc as an individual entity. Mackay Regional Community Legal Centre Inc is a not-for-profit Association incorporated in Queensland under the *Associations Incorporation Act (QLD) 1981* (as amended by the *Associations Incorporation and Other Legislation Amendment Act (QLD) 2007*) ('the Act'). The committee has determined that the association is not a reporting entity.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of assets and liabilities are shown inclusive of GST.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office Equipment	37.5%
Computer Equipment	37.5% - 100%
Leasehold improvements	2.5%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(g) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Mackay Regional Community Legal Centre Inc

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(h) Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

2 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank	47,940	27,297
Short-term deposits	196,814	149,900
	<u>244,754</u>	<u>177,197</u>

3 Other Assets

	2020	2019
	\$	\$
Current		
Prepayments	5,985	5,333
Total	<u>5,985</u>	<u>5,333</u>

4 Property, plant and equipment

Office equipment		
At cost	5,870	4,013
Accumulated depreciation	(3,305)	(1,721)
Total office equipment	<u>2,565</u>	<u>2,292</u>
Computer equipment		
At cost	31,068	23,901
Accumulated depreciation	(25,140)	(17,967)
Total computer equipment	<u>5,928</u>	<u>5,934</u>
Total property, plant and equipment	<u>8,493</u>	<u>8,226</u>

Mackay Regional Community Legal Centre Inc

Notes to the Financial Statements
For the Year Ended 30 June 2020

5 Trade and Other Payables

	2020	2019
	\$	\$
Current		
Trade payables	1,872	1,033
GST payable	18,259	14,273
Superannuation payable	3,408	2,935
Wages accrual	13,543	8,224
	<u>37,082</u>	<u>26,465</u>

6 Employee Benefits

	2020	2019
	\$	\$
Current		
Provision for annual leave	37,593	22,107
	<u>37,593</u>	<u>22,107</u>
	2020	2019
	\$	\$
Non-current		
Provision for long service leave	25,922	22,068
	<u>25,922</u>	<u>22,068</u>

7 Other Financial Liabilities

	2020	2019
	\$	\$
Current		
Grant income received in advance	10,000	-
Total	<u>10,000</u>	<u>-</u>

8 Retained Earnings

	2020	2019
	\$	\$
Retained earnings at the beginning of the financial year	120,116	107,438
Net surplus/(deficit) attributable to members	28,519	12,678
Retained earnings at end of the financial year	<u>148,635</u>	<u>120,116</u>

Mackay Regional Community Legal Centre Inc

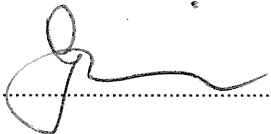
Statement by Members of the Committee

The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 6:

1. Presents fairly the financial position of Mackay Regional Community Legal Centre Inc as at 30 June 2020 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Mackay Regional Community Legal Centre Inc 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:

President.....

Treasurer.....

Dated this 21st day of October 2020



Mackay Regional Community Legal Centre Inc

Independent Auditor's Report to the members of Mackay Regional Community Legal Centre Inc

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the accompanying financial report, being a special purpose financial report of Mackay Regional Community Legal Centre Inc (the Association), which comprises the statement of assets and liabilities as at 30 June 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Association for the year ended 30 June 2020 is prepared, in all material respects, in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007).

Basis for Qualified Opinion

It is not practical for the Association to maintain an effective system of internal control over cash receipts until their initial entry in the accounting records. Accordingly, our audit in relation to cash receipts was limited to the amounts recorded in the accounting records.

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 Association in accordance with the auditor independence requirements of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in meeting the requirements of the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007). As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.



Mackay Regional Community Legal Centre Inc

Independent Auditor's Report to the members of Mackay Regional Community Legal Centre Inc

Responsibilities of Committee

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007), and for such internal control as the committee determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

The committee are responsible for overseeing the Association's financial reporting process.

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

Paul Hinton - CA
Partner

Mackay QLD

Liability limited by a scheme approved under professional standards legislation

Mackay: First floor, 122 Wood Street, Mackay QLD 4740

PO Box 92, Mackay QLD 4740

Brisbane: Level 3, 400 Queen Street, Brisbane QLD 4000

GPO Box 2561, Brisbane QLD 4001

Ipswich: Level 1, 164 Brisbane Street, Ipswich QLD 4305

PO Box 58, Ipswich QLD 4305

Website: www.bennettpartners.com.au

Email: enquiries@bennettpartners.com.au

Phone: 07 4951 1455

Phone: 07 3221 6200

Phone: 07 3812 3400

ABN: 74 115 070 285

Sammut Bulow Pty Ltd ABN 74 115 070 285 is a Corporate Authorised Representative 1278409 of Bennett Partners Pty Ltd ABN 65 010 430 314, AFSL 483051

CENTRE REPORT

The MRCLC provides free and confidential legal information, advice, community legal education and ongoing legal assistance in person or by phone to residents of the Mackay, Whitsunday and Isaac Regional Council areas. This is done through a daytime service, Legal Advice Evenings staffed by volunteers, as well as outreach services in Proserpine, Cannonvale, Bowen and Sarina. A brief overview of these services are outlined in this report.

I believe through volunteers, employed staff and the Management Committee we have addressed the shortfall in legal services throughout our service area in an appropriately targeted way, including by offering legal information sessions to community organisations. This then enables those staff members to provide information and appropriate referrals to their clients by recognising legal issues when they arise, where they can be addressed promptly and thus often avoiding further costly and stressful escalation of the initial issue.

I wholeheartedly thank all our volunteers, staff and volunteer Management Committee for their support and hard work to ensure the MRCLC continues to provide high quality legal services to those who are unable to obtain legal assistance elsewhere.

For the period 1 July 2019 to 30 June 2020, the Centre assisted 1,090 clients by providing 1,419 advices, 210 legal tasks, 123 duty lawyer services, 3,479 referrals, and worked on 50 ongoing cases, finalising 44 of them. Most advice appointments are booked for one hour, however shorter appointments are provided at Legal Advice Evenings.

More than 95.7% of clients earned less than \$52,000, 24% had a disability and/or mental illness, 8% were Indigenous and 25% experienced family violence.

The following is a breakdown of the services provided:

- Community Legal Services Program (generalist service): 806 legal advices, 27 legal tasks, worked on 20 cases, closing 16 of them. These cases involved assisting our clients to document an agreement, draft court documents for family law or QCAT matters, negotiations or seeking redress through an Ombudsman.

Delivered 7 Community Legal Education presentations and produced two (2) Community Legal Education resources. These consisted of family law and domestic violence presentations to the Family Relationship Centre, Child Safety, Domestic Violence Resource Service/Mackay Women's Centre and a presentation on Wills and Enduring Powers of Attorney to the Country Women's Association.

- QSTARS (tenancy) program: 613 advices, 183 legal tasks (such as drafting a letter, QCAT Application or QCAT submissions) and worked on 15 ongoing matters, closing 14 of them.
- Domestic Violence Duty Lawyer Service: 123 services at the Mackay Magistrates Court.
- Mental Health Review Tribunal Representation Service: Completed 14 matters.

The MRCLC operates the following services and programs:

1. A **generalist legal service** is the main program operated by the MRCLC. Legal advice, legal tasks and casework are provided in many areas of law, predominantly family law, but also areas such as employment, debt, consumer and neighbourhood disputes. The most notable exceptions are conveyancing, criminal law, personal injuries and preparation of wills. The MRCLC conducts free community legal education information sessions from time to time on various topics, in particular on family law, domestic violence and Enduring Powers of Attorney.

This program is funded via the Community Legal Services Program by the Queensland Department of Justice & Attorney-General and the Commonwealth Attorney-General's Department.

2. **The Queensland Statewide Tenant Advice and Referral Service (QSTARS)**

This program commenced in October 2015. The MRCLC works with Tenants Queensland Inc. (TQ) and six (6) other organisations throughout Queensland to provide advice, ongoing assistance and representation to tenants and rooming accommodation residents seeking legal assistance pursuant to the *Residential Tenancies and Rooming Accommodation Act 2008*. TQ receives its funding from the Queensland Department of Housing and Public Works.

3. **Domestic Violence Duty Lawyer Service** is performed at the Mackay courthouse currently on a fortnightly basis through an agreement with Legal Aid Queensland. The MRCLC mostly provides assistance to the aggrieved. This program commenced in October 2015.

4. The **Mental Health Review Tribunal Representation Service** is a program that commenced in March 2017. The MRCLC accepts referrals from Legal Aid Queensland to provide advice and representation at the Mental Health Review Tribunal where legal representation is mandated in the *Mental Health Act 2016*.

5. **Elder Abuse Prevention and Support Service** is a service that commenced on 1 July 2020. The MRCLC works with Relationships Australia (QLD) to provide legal advice and information to people aged 60 and over, or 50 and over for Aboriginal or Torres Strait Island people, who are at risk or are experiencing Elder Abuse.

6. **Outreach in the Whitsundays and Sarina**

As part of the generalist and tenancy services, the MRCLC provides advice every month over two days at the Proserpine Community Centre, Bowen Neighbourhood Centre and Whitsunday Counselling and Support Inc. in Cannonvale.

Outreach services are greatly facilitated by the assistance of these organisations, particularly with copying, sending or receiving documents and referrals to our service.

We are currently assessing the feasibility of extending outreach services to towns such as Moranbah, Dysart and Collinsville. Currently, we endeavour to meet demand in these areas by providing phone appointments and corresponding through email. We also try to ensure that local community organisations are aware of our service so that we can assist their clients in a linked-up way. We also provide community legal education to workers in those areas upon request.

7. **Legal Advice Evenings**

The MRCLC continues to operate its Legal Advice Evenings, staffed by volunteer lawyers, co-ordinators, and a social worker. Each volunteer is rostered on an evening once every two months.

This service can only be provided through the generosity of our volunteers. There are 15 solicitors, one social worker, and five co-ordinators who volunteer on a rostered basis. Even though this service ceased temporarily and then recommenced as a phone only service, it has still enabled the centre to reach many more clients than would otherwise be possible.

Over the past twelve months, MRCLC has welcomed new volunteers and farewelled existing volunteers. We have always been fortunate with our volunteers, and very appreciative of the willingness of new people to fill the gaps in the Legal Advice Evening roster.

Examples of Ongoing Assistance Matters Provided by MRCLC

Note: Actual names have not been used.

Case Study 1 – Protection from Domestic Violence

Elizabeth was married with two young children. She and her husband immigrated to Australia and commenced operation of a small business.

Elizabeth filed an Application for Protection Order. At the first court date, the MRCLC, as Duty Lawyer, provided assistance to Elizabeth. She was terrified of what her husband would do to her for filing the Application. He had previously threatened to close their business, which would result in a loss of income for her and the family. He also threatened to leave Australia with their children and return to their home country; a country which is not part of the Hague Convention on the Civil Aspects of International Child Abduction. If the children were removed to their home country, she therefore would have to comply with its laws and procedures.

Her husband was served with the Application an hour before the matter was called in Court. However, there was no affidavit of service on record and he was not present in court. The MRCLC successfully submitted that the Husband had been served. The MRCLC made submissions for the making of a Temporary Protection Order to remove the husband from the home, to prohibit him from attending their residence, from being present at any place associated with the children and from approaching Elizabeth. These conditions would temporarily prevent the husband from removing the children from Elizabeth and also reduced the risk of him removing them from Australia.

Case Study 2 – Family Law Property Agreement

Jennifer and Bryan were in a de facto relationship for more than 30 years. For the first half of their relationship, Jennifer was a stay at home mother performing domestic duties. The home they resided in, purchased during the relationship, was registered in the names of Bryan and another person.

Following their separation Bryan remained in the home. Jennifer, working at minimal pay, was forced to acquire a rental property.

Given the nature of their separation, Jennifer was unable to talk to Bryan about property settlement. She could not afford to engage a private solicitor.

The MRCLC corresponded with Bryan, and later through his solicitors, for an amicable property settlement. Jennifer and Bryan eventually signed consent orders essentially providing Jennifer with 70% of the cash pool and a 50% split of the superannuation pool.

Case study 3 – Preventing Homelessness and Obtaining Full Refund of Bond For Tenant

Iverson was referred to MRCLC after engaging with another local service. Prior to his referral, Iverson had been issued a valid “without grounds” Notice to Leave and was at risk of homelessness.

Iverson suffers from a disability, which made liaising with the lessor’s agent more difficult for Iverson. Iverson receives an age pension and could not afford to engage a private solicitor. The ongoing stress arising from the ending of the tenancy was causing Iverson to experience symptoms of depression and anxiety.

MRCLC assisted Iverson to liaise with the lessor's agent. Initially MRCLC assisted Iverson to request the withdrawal of the Notice to Leave. The lessor was agreeable to the withdrawal of the Notice to Leave, but only on the condition Iverson would agree to a rent increase. Iverson was unable to afford the rent increase. Fortunately, during the course of negotiations, Iverson was offered another rental property and the new property was more suitable for him.

MRCLC advised Iverson about his obligations at the end of the tenancy. MRCLC assisted Iverson to complete an Exit Condition Report and lodge a claim for a refund of his bond. The lessor's agent was not agreeable to a full refund of the bond, so there was a bond dispute via the Residential Tenancies Authority (the "RTA"). This was a surprise to Iverson, as he was confident he had returned the property in a suitable condition and was expecting a full refund of his bond.

MRCLC assisted Iverson with the RTA conciliation process. In the end, the lessor's agent was unable to substantiate a claim on the bond and agreed to authorise the RTA to release the full bond to Iverson. Iverson received the refund of his bond shortly after conciliation concluded. Iverson was happy with the final outcome.

Due to MRCLC's assistance, Iverson was able to sustain his tenancy until he moved into his subsequent rental property, therefore mitigating the risk of homelessness.

With MRCLC's assistance, Iverson was also able to receive a full refund of his bond, without the need for the matter to proceed to a QCAT hearing which would have caused more stress for Iverson.

SERVICE DEVELOPMENT

- MRCLC received once-off funding for the 2020-2021 financial year from the Commonwealth Attorney-General Department, allocated by the Queensland Government, to assist clients who had been impacted by COVID-19. These funds will be used to deliver advice and assistance to clients who have been affected by COVID-19, particularly those that report that domestic violence is occurring in their family. Rikki Wilson is predominantly providing advice under this program, which has then enabled the Centre to employ Kay Cora as a tenancy solicitor under the QSTARS program two days a week.
- MRCLC entered into a Service Agreement with Relationships Australia Queensland (RAQ) to supplement their Elder Abuse Prevention and Support Service (EAPSS). MRCLC will provide legal advice to elderly clients who are experiencing elder abuse. RAQ will refer clients to MRCLC for them to obtain legal advice.
- The MRCLC has continued the process of collaborative regional service planning with the Mackay Legal Aid Queensland (LAQ) office, Mackay Aboriginal and Torres Strait Islander Legal Service (ATSILS) and Relationships Australia Queensland. Our services see the importance in identifying and attempting to address legal service gaps in the Mackay, Whitsunday and Isaac Regional Council areas.
- The MRCLC continues to be a Make Renting Fair in Queensland Alliance member. MRCLC has continued to support the MRFQ Alliance, particularly in relation to new rental laws for those affected by COVID-19.
- The MRCLC was successful in its application to the Legal Aid Queensland Community Legal Education Collaboration Fund to deliver community legal education sessions on tenant's rights and responsibilities from 1 October 2020 – 30 June 2021. Simone is currently delivering this presentation to tenants and community workers, incorporating recent domestic violence and COVID changes to tenancy law, throughout the Mackay, Whitsunday and Isaac regions.

- The MRCLC continues to be a shareholder in the Mackay Regional Housing Company and Ruth Wegner, Management Committee member, is our representative. The company is focused on addressing the housing shortage for those on low incomes in this region.
- Hastened by COVID-19, the MRCLC transitioned to utilising a mostly paperless system for client advices. MRCLC's staff now use electronic client advice forms and file notes. We will continue plans to update technical capabilities that aid in efficiency of service delivery through a grant from the Queensland Department of Justice and Attorney-General. This will have benefits for clients, staff and volunteers.
- Rikki Wilson is delivering presentations throughout the Mackay region on recent and upcoming changes to the *Associations Incorporation Act 1981*, as well as obligations of committee member's generally.

DELIVERY OF COMMUNITY LEGAL EDUCATION (CLE)

- Jessica Brake delivered a CLE session at Relationships Australia on 16 July 2019, providing information on residential tenancy, family law and other matters.
- Jessica Brake delivered a session on family law property, parenting and divorce at the Family Relationship Centre on 20 August 2019.
- Simone Butschle delivered a session on Wills and Enduring Powers of Attorney to members of the Country Women's Association on 20 September 2019.
- Rikki Wilson delivered a presentation on residential tenancy law on 11 November 2019 to the Mackay Integrated Services Team (MIST), a group trying to address the shortage of crisis accommodation in Mackay.
- A session on family law parenting and property matters, as well as domestic violence, was delivered by Vanessa Pranjivan at the Domestic Violence Resource Centre on 13 November 2019.
- A family law parenting session was delivered by Vanessa Pranjivan along with Sue Jensen of Legal Aid Queensland at the Department of Child Safety Services on 18 November 2019.
- A session on family law parenting and property law was delivered at the Family Relationship Centre on 4 December 2019 by Vanessa Pranjivan.

** COVID-19 affected MRCLC's ability to deliver CLE for the last half of the financial year. CLE recommenced in September 2020.

COMMUNITY LINKS

MRCLC enjoyed the support from 11 individual financial members and Mackay Advocacy Inc. Thank you for your support of the MRCLC.

All staff undertake training to ensure the centre is able to maintain a high standard of service delivery in such wide-ranging areas of law that we encounter.

It is important for any community organisation to maintain links in the community. We have done so by undertaking, amongst others, the following:

- 12 July 2019: held a stall at a NAIDOC week event
- 20 August 2019: held a stall at the Seniors Expo
- 26 to 29 August 2019: Rikki and Jessica attended the Community Legal Centres Australia Conference in Brisbane
- 22 October 2019: Rikki attended CASA's AGM
- 22 October 2019: Esmeralda and a law student held a stall at the Mackay Base Hospital Health and Wellbeing Expo.
- 24 to 25 October 2019: Jessica and Justine (Management Committee member) attended the Community Legal Centre Queensland's Leadership Forum

- 13 November 2019: Katie attended a Queensland Police Service Information Session, which relates to the police referrals system MRCLC take part in.
- 29 November 2019: Simone attended the Lowanna House AGM. She continues to be a Management Committee member.
- 3 December 2019: MRCLC had a stall at the Disability Expo at the Gordon White library
- 31 January 2020: Simone gave a presentation to the staff at the St Vincent de Paul Drug and Alcohol Rehab on MRCLC and its services
- 3 February 2020: Simone attended the WING meeting in Proserpine
- 14 February 2020: Jessica attended the Mackay Regional Legal Assistance Forum
- 12 March 2020: Vanessa attended the Child Protection Stakeholders meeting

** COVID-19 affected MRCLC's ability to partake in community events and training in the last half of the financial year.

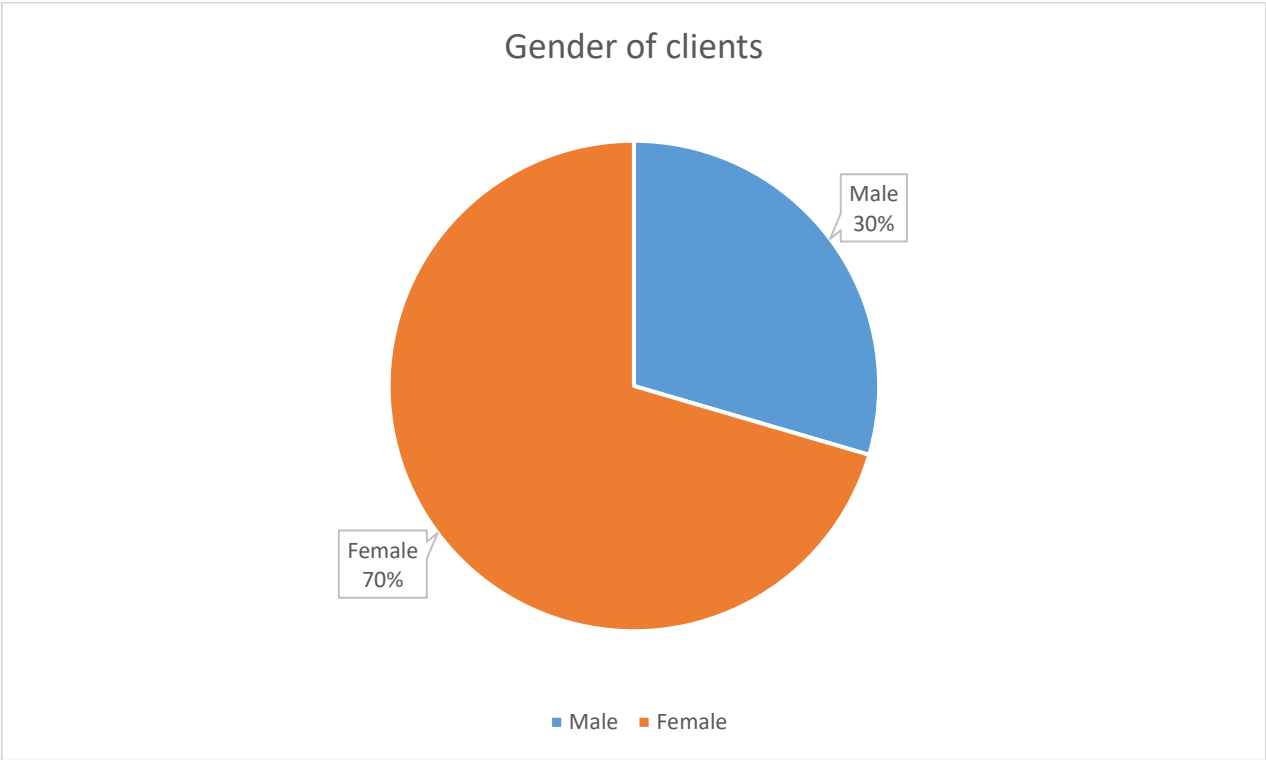


Simone Butschle, solicitor at MRCLC, and Ruth Wegner of Legal Aid Queensland, sharing a stall at the Disability Expo in December 2019. Ruth is also a long-term committee member of the MRCLC.

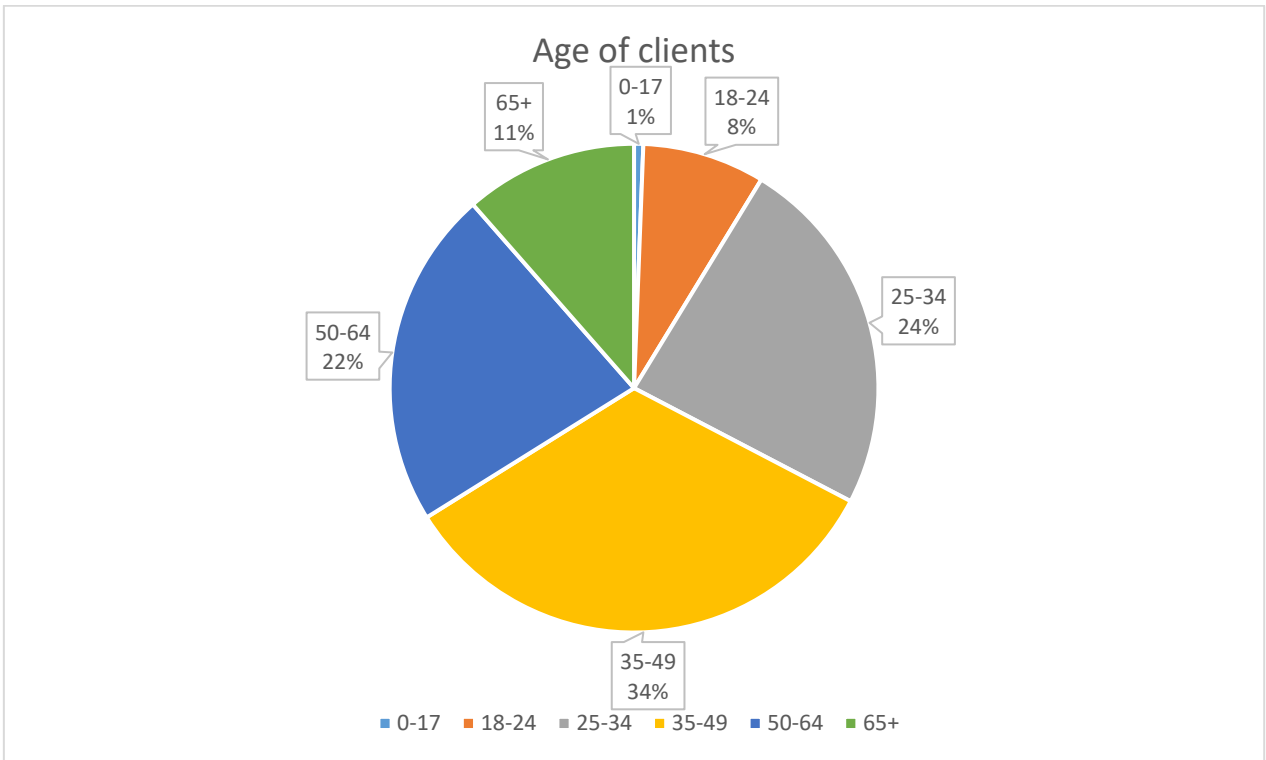
CENTRE STATISTICS

Graphs showing some statistics of both the Community Legal Services Program (generalist service) and QSTARS (tenancy) combined are below. This excludes the Domestic Violence Duty Lawyer service and the Mental Health Review Tribunal Representation Service.

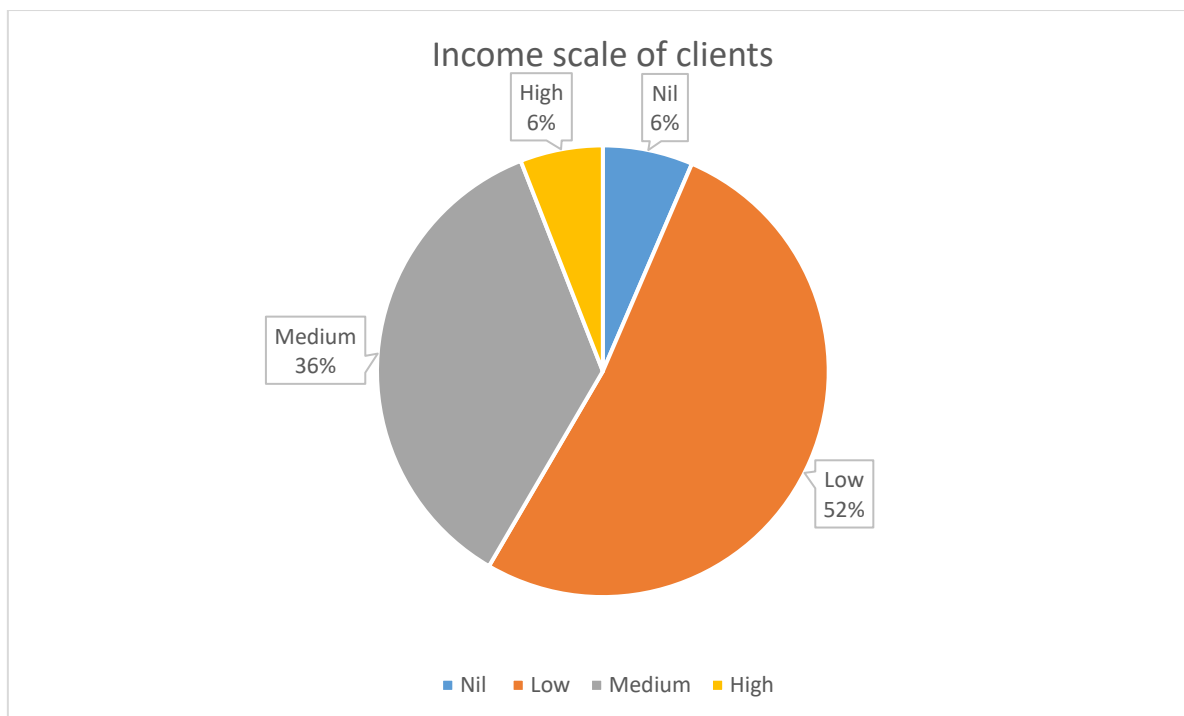
Gender of Clients



Age of Clients



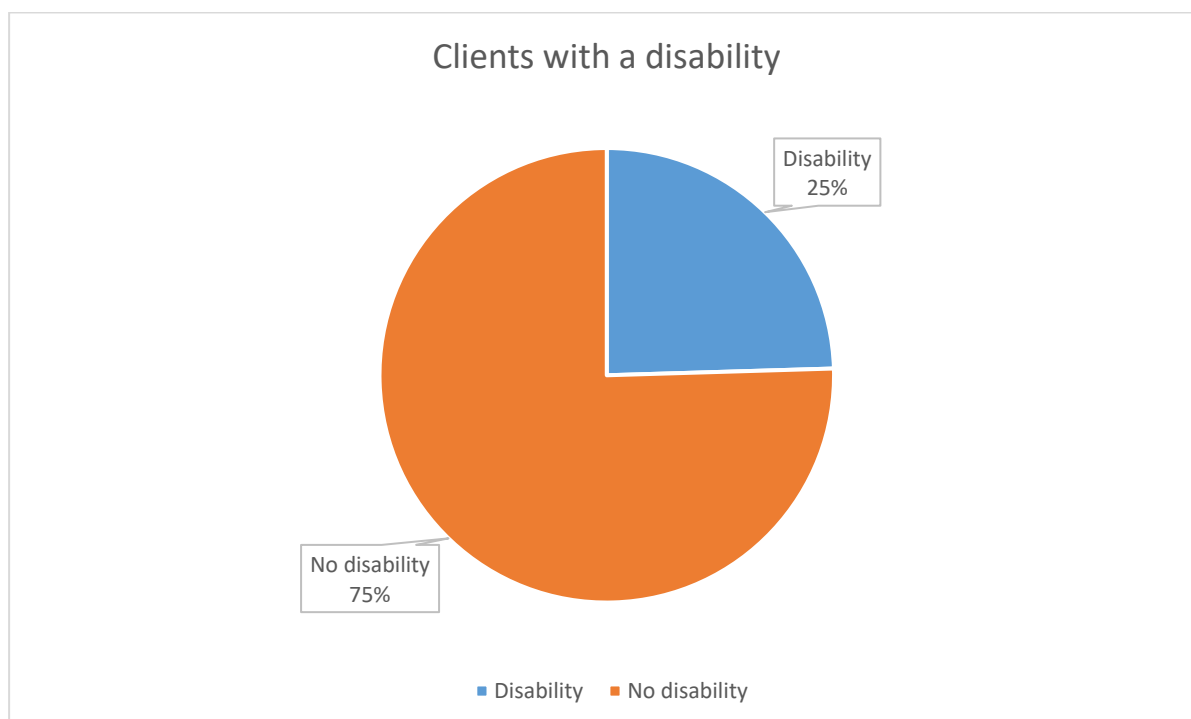
Income Scale of Clients



Low income = under \$26,000
High income = above \$52,000

Medium income = \$26,000 - \$52,000

Clients Disclosing Disability

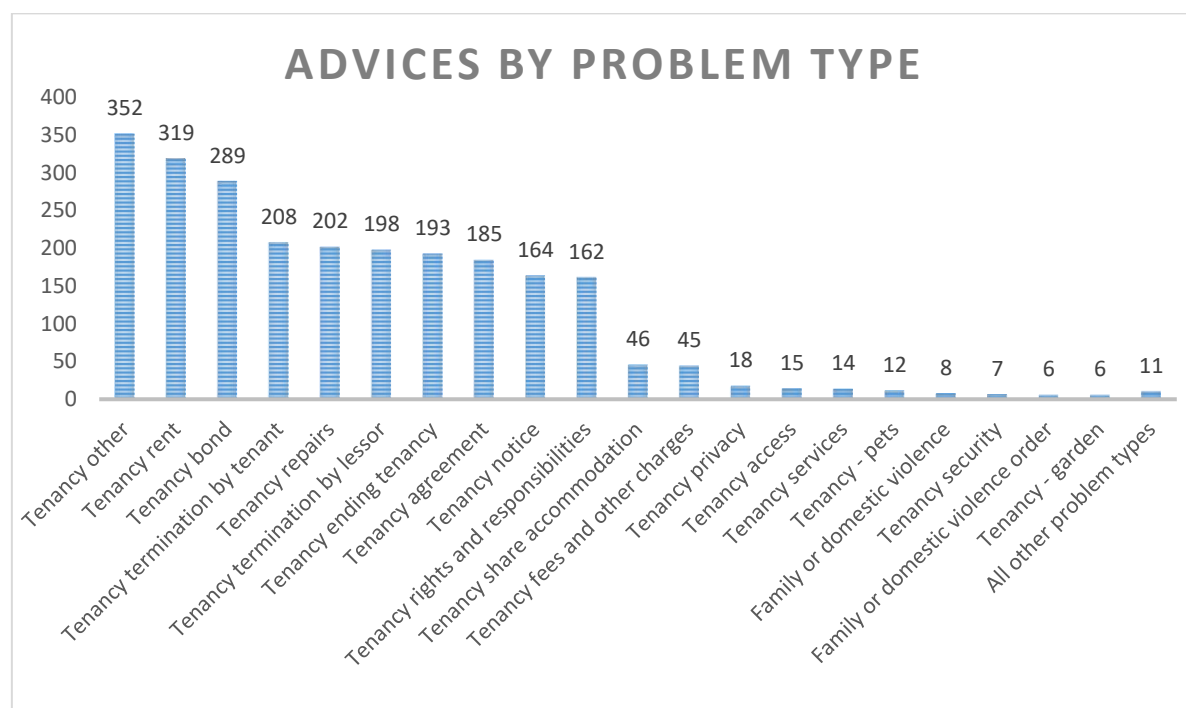


Advice by Problem Types (for generalist service only)

Note: There may be more than one problem type for each advice. For example, an advice on divorce may also include property settlement, child custody and child maintenance.



Advice by Problem Types (tenancy service)



** In these instances, 'Tenancy Other' generally refers to tenancy matters in QCAT.

CONCLUSION

The Mackay Regional Council, Whitsunday Regional Council, and Isaac Regional Council areas, containing a population of approximately 172,500 people over an area of 90,140 square kilometres, are serviced by the Mackay Regional Community Legal Centre (MRCLC). The statistics for 2019 - 2020 demonstrate the continuing need for a community legal centre within Mackay and regional communities and highlights the challenges of providing an appropriate level of service to the most disadvantaged in our community.

Even though we have provided assistance to 1,090 people, there are still people that are turned away and those located in rural or remote areas are not being reached to the extent we would like to see. Nevertheless, the MRCLC was able to significantly assist our community through the provision of Community Legal Education, 1,419 advices, 210 legal tasks, 123 DV duty lawyer services and by working on 50 ongoing casework files.

I would like to thank the Management Committee for their commitment, hard work and support.

We thank our staff, volunteers, Management Committee, funders and all those in the community who support our service.