



Advocacy and Rights Centre Limited

ABN: 23 082 541 240

Financial Report

For the year ended 30 June 2025

Advocacy and Rights Centre Limited

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Advocacy and Rights Centre Limited

Directors' Report

For the Year Ended 30 June 2025

The directors present their report of the company for the year ended 30 June 2025.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Erin Turner - (Chairperson) - From 12/11/2024	Clare Fountain
Kate Scarce - Resigned 12/11/2024	Melissa Ralph
Melinda Charlesworth (Chairperson) - Resigned 11/02/2025	Ed Butler
Narlinga Morgan	Sarah Gee - Resigned 21/5/2025
Ian Heycox - Appointed 12/11/2024	Rebecca Hearn - Appointed 12/11/2024

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

Principal Activities and Objectives

ARC Justice is an independent, not-for-profit, human rights organisation. Our Vision is for an inclusive community built on a foundation of human rights and equality before the law. Our programs deliver accessible legal services, tenancy advice and support to those in our community in the greatest need. We deliver community education and advocate for systemic change that enhances the rights of rural and regional Victorians.

Operating Result

Operations have continued to perform in line with expectations. The surplus (deficit) of the company for the financial year was:

Year ended 30 June 2025	Year ended 30 June 2024
\$	\$
(374,798)	1,126,400

Significant Changes

In the opinion of the directors, there were no significant changes in the state of affairs of the company that occurred during the financial year under review not otherwise disclosed in this report or the financial report.

After Balance Date Events

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

Environmental Issues

The company is not subject to any significant environmental regulation.

Directors' Benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Advocacy and Rights Centre Limited

Directors' Report

Indemnification and Insurance of Directors and Officers

The company has indemnified all directors and the Chief Executive Officer in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or Chief Executive Officer of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company or a related body corporate.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Information on Directors

Clare Fountain

Qualifications: Higher National Diploma Business and Finance (UK), GAICD.

Experience: Clare Fountain owns an award-winning professional services practice, working with clients across Australia. As the lead consultant, she delivers training, facilitation, consulting and mentoring across multiple sectors as well as designing and delivering strategic and business planning programs. Clare is regarded as a specialist in business model development in the co-operative sector and works in partnership with the peak body, the Business Council of Co-operatives and Mutuals, to deliver sector-informed training and education outcomes. An experienced director, Clare has been a founding member of several initiatives, including a platform co-op and a co-working space. She holds three governance roles.

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

Melissa Ralph

Qualifications: Bachelor of Business; Diploma of Laws

Experience: The chief executive officer of Hunter Health Insurance, Melissa has more than 19 years' experience across the member-owned financial services sector, with a strong background in strategy development and execution, financial management, risk management and governance. Melissa, previously the chief executive officer of Goulburn Murray Credit Union Co-operative, is a director of the Australian Regional Health Group. She holds memberships with the AICD and the Governance Institute of Australia.

Special Responsibilities: Deputy Chair of the Board, Chair and Member of Finance, Risk, Audit and Quality Committee.

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Directors' Report

Ed Butler

Qualifications:	Bachelor, Economics; Economics and Politics.
Experience:	Ed Butler brings a strategic communications and consumer experience focus to the board. He has more than a decade of experience in for-purpose communications, specifically in the legal help and environment sectors. He is the manager of communications and customer services at Mount Alexander Shire Council. Ed has over a decade's experience across corporate, non-profit and state and local government communications. This has given him unique insights into the power of compelling storytelling to motivate action in an audience.
Special Responsibilities:	Member of the People and Culture Committee.

Narlinga Morgan

Qualifications:	Bachelor International Relations & Affairs, Postgraduate Degree (Public Sector Management).
Experience:	Narlinga Morgan, a very proud Yorta Yorta woman, brings experience and passion in social justice and human rights to the board, specifically in working with First Nations communities and underserved communities and advocating for equality, better access to services and improved holistic health outcomes for all. She has held senior and leadership positions in State Government, not-for-profit community service organisations and Aboriginal community-controlled health services. Narlinga has led programs and projects in the healthcare, justice, disability, community mental health and family violence sectors and is a committee member on the board of a not-for-profit community service organisation that aims to support woman against gender-based violence.
Special Responsibilities:	Member of the People and Culture Committee.

Erin Turner

Qualifications:	Master of Politics and Public Policy, AICD.
Experience:	Erin Turner is a consumer advocate who works with governments and regulators to make markets fairer for Australians. Erin is the CEO of the Consumer Policy Research Centre, a not-for-profit think tank. Erin's most recently led the advocacy and communications team at consumer group CHOICE and she previously worked for not-for-profits including the Australian Communications Consumer Action Network and the Community Broadcasting Association of Australia. Erin has a Bachelor of Arts and a Master of Politics and Public Policy. She is a graduate of the AICD and is a board member of the Australian Financial Complaints Authority.
Special Responsibilities:	Chairperson of the Board; Chairperson of the Executive Remuneration and Assessment Committee, Member of Finance, Risk, Audit & Quality Committee.

Advocacy and Rights Centre Limited

Directors' Report

Rebecca Hearn

Qualifications:	CPA, Bachelor of Accounting, GAICD.
Experience:	Rebecca Hearn is a CPA with more than 21 years of financial leadership experience, specialising in business consulting, financial management and team development. She excels at streamlining operations, guiding strategic decisions and implementing robust financial systems. Her expertise covers financial reporting, budgeting and regulatory compliance across banking and agriculture. Recognised for a goal-oriented approach, strong organisation and relationship-building, she delivers business growth. Rebecca's passion extends to advocacy and the not-for-profit sector. Believing in the power of organisations to effect social change, she supports not-for-profits with resource management and financial sustainability through her strategic consulting background.
Special Responsibilities:	Member of Finance, Risk, Audit and Quality Committee.

Ian Heycox

Qualifications:	Bachelor of Arts (Economics), Graduate Diploma of Commerce (Management), Executive Program (Management), GAICD.
Experience:	Ian Heycox has more than 40 years of experience spanning community services, justice, public health, government, manufacturing and resources. As Chief People Officer at the Australian Community Services Organisation from 2018 to 2024, he was part of a leadership team leading initiatives to divert people from the justice system. He has held senior executive roles at Monash and Eastern Health, a private equity firm and BHP, focusing on cultural change, risk management and the employee experience. A champion of equity, diversity and inclusion, Ian is skilled at aligning organisational goals with community and regulatory expectations. He is a Director at Your People Experience and a corporate advisor at Melbourne-based architectural practice Trower Falvo.
Special Responsibilities:	Chairperson of the People and Culture Committee.

Melinda Charlesworth

Resigned 11/02/2025

Qualifications:	Speech Pathologist with post graduate qualifications in Health Systems Management and Executive Coaching.
Experience:	Melinda Charlesworth has worked in the health industry for more than 25 years as a clinician, manager and director. She is a credentialed speech pathologist, with post-graduate qualifications in health systems management and executive coaching. She has been the leader of a wide range of services focusing on the provision of high-quality leadership for teams who provide excellent patient care. With a particular passion for communication in all forms, Melinda applies evidence-based leadership principles to inform governance and accountability, ensuring best practice, values-based outcomes for her community. She worked closely with the board in developing ARC Justice's Strategy 2024-2029 and is passionate about overseeing the implementation of the bold agenda to ensure all Central and Northern Victorians know and access their rights as we work toward fairer communities.
Special Responsibilities:	Chairperson of the Board; Chairperson of the Executive Remuneration and Assessment Committee, Member of Finance, Risk, Audit & Quality Committee.

Advocacy and Rights Centre Limited

Directors' Report

Kate Scarce	Resigned 12/11/2024
Qualifications:	Bachelor of Business (Accounting), CPA
Experience:	Kate is a qualified CPA and proud Bendigo local who has been working in audit, risk management and accounting roles for 30 years. She is an audit manager at AFS & Associates and has worked with the Victorian Auditor General's Office, Telstra, CPA Australia and Haven Home Safe. She is an audit committee independent member for Remembrance Parks Central Victoria and is a former chair of the audit committees for the City of Greater Bendigo and Gannawarra Shire. Her experience encompasses many sectors including health, local government, waste management, catchment management, credit unions, telecommunications, for-profit and not-for-profit organisations. She is also a community representative on the specialist clinics steering committee at Bendigo Health and a member of the GMHBA consumer consultation group. Kate loves supporting the local community and is passionate about the not-for-profit sector, with a particular interest in good governance and accountability.
Special Responsibilities:	Member of Finance, Risk, Audit and Quality Committee.
Sarah Gee	Resigned 21/05/2025
Qualifications:	Bachelor of Laws (Honours), Commercial and Corporate Law, GAICD
Experience:	Sarah Gee owns a commercial law firm in Bendigo, where she has practiced since 2013. She is highly regarded for her strong legal skills, commercial acumen and well-rounded governance skill with a Bachelor of Management and GACID qualification to sit beside her law degree. Sarah has a keen sense of justice, contributing to community efforts to support organisations across the education, domestic violence, food security and gender equity spaces including through her annual personal commitment to 100 hours of pro bono work and various not-for-profit board positions. Sarah uses her platform and experience to build sustainability and strong performance structures that support and compound the efforts of those working every day in the organisation with our vulnerable community members.
Special Responsibilities:	Member of the People and Culture Committee.

Advocacy and Rights Centre Limited

Directors' Report

Meeting of Directors

During the financial year, 8 meetings of directors were held. Attendances by each director were as follows:

	Board of Directors		Finance, Risk and Quality Committee		Executive Remuneration and Assessment Committee		People and Culture Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Melinda Charlesworth	6	4	2	1	1	1	-	-
Clare Fountain	8	8	5	4	-	-	-	-
Kate Scarce	3	3	2	2	-	-	-	-
Melissa Ralph	8	5	5	5	2	2	-	-
Ed Butler	8	7	-	-	-	-	1	1
Narlinga Morgan	8	4	2	0	-	-	1	0
Sarah Gee	7	7	-	-	-	-	1	1
Erin Turner	8	7	-	-	1	1	-	-
Rebecca Hearn	5	4	3	3	-	-	-	-
Ian Heycox	5	5	-	-	1	1	1	1

Members' Guarantee

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding and obligations of the entity. At 30 June 2025 the number of members was 7 (2024:8).

Auditors' Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 9 of the financial report.

The directors' report is signed in accordance with a resolution of the board of directors.



Erin Turner, Chairperson



Melissa Ralph, Deputy Chair

Dated this 14th day of October 2025.

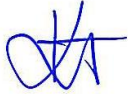
Auditors Independence Declaration to the members of Advocacy and Rights Centre Limited (ARC Justice)

Under 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- (i) The auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSD Audit

A handwritten signature in blue ink, appearing to read 'Kathie Teasdale', is positioned above the printed name and title.

Kathie Teasdale
Managing Director

41A Breen Street
Bendigo VIC 3550

Dated: 20 October 2025

Advocacy and Rights Centre Limited

Statement of Income and Retained Earnings

For the Year Ended 30 June 2025

	Notes	2025 \$	2024 \$
Revenue	4	7,543,037	7,394,724
Other income	4	178,529	136,540
Employee benefits expense	5(a)	(6,652,983)	(5,224,160)
Depreciation and amortisation expense	5(b)	(327,383)	(266,378)
Finance Costs	5(c)	(83,184)	(58,548)
Administration and Program Expenses		(1,032,814)	(855,778)
Surplus/(Deficit)		(374,798)	1,126,400
<i>Other comprehensive income</i>			
Other comprehensive income for the year		-	-
Total other comprehensive income		-	-
Total comprehensive income attributable to members of the entity		(374,798)	1,126,400
Retained Earnings at the beginning of the reporting period			
		2,618,712	1,492,312
Total comprehensive income attributable to members of the entity		(374,798)	1,126,400
Retained Earnings at the end of the reporting period		2,243,914	2,618,712

The above Statement of Income and Retained Earnings should be read in conjunction with the accompanying notes.

Advocacy and Rights Centre Limited

Statement of Financial Position

As at 30 June 2025

	Notes	2025 \$	2024 \$
Current assets			
Cash and bank balances	6	3,467,327	5,300,249
Trade and other receivables	7	70,335	271,735
Other assets	8	182,881	179,153
Total current assets		3,720,543	5,751,137
Non-current assets			
Property, plant and equipment	9	605,693	414,579
Right-of-use Assets	10	1,644,090	1,822,621
Total non-current assets		2,249,783	2,237,200
Total assets		5,970,326	7,988,337
Current liabilities			
Trade and other payables	11	556,116	646,220
Deferred government grants	12	806,500	2,340,759
Provisions	13	548,457	448,716
Lease Liabilities	14	198,202	196,606
Total current liabilities		2,109,275	3,632,301
Non-current liabilities			
Provisions	13	38,927	26,142
Lease Liabilities	14	1,578,210	1,711,182
Total non-current liabilities		1,617,137	1,737,324
Total liabilities		3,726,412	5,369,625
Net assets		2,243,914	2,618,712
Equity			
Retained earnings		2,243,914	2,618,712
Total equity		2,243,914	2,618,712

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Advocacy and Rights Centre Limited

Statement of Cashflows

For the Year Ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers and government grants		6,313,661	8,361,596
Payments to suppliers and employees		(7,632,358)	(5,688,441)
Interest received		55,571	53,258
Interest expense		(83,184)	(58,548)
Net cash provided by / (used in) operating activities	15	(1,346,310)	2,667,865
Cash flows from investing activities			
Payments for property, plant and equipment		(291,122)	(265,145)
Proceeds from disposal of investments		-	1,111,305
Net cash provided by / (used in) investing activities		(291,122)	846,160
Cash flows from financing activities			
Payment of finance lease commitments		(195,490)	(180,335)
Net cash used in financing activities		(195,490)	(180,335)
Net increase / (decrease) in cash held		(1,832,922)	3,333,690
Cash and bank balances at the beginning of the financial year		5,300,249	1,966,559
Cash and bank balances at the end of the financial year	6	3,467,327	5,300,249

The above Statement of Cashflows should be read in conjunction with the accompanying notes.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

These financial statements cover Advocacy and Rights Centre Limited (ARC Justice) as an individual entity, incorporated and domiciled in Australia. Advocacy and Rights Centre Limited is a company limited by guarantee.

ARC Justice is an independent, not-for-profit, human rights organisation. Our Vision is for an inclusive community built on a foundation of human rights and equality before the law. Our programs deliver accessible legal services, tenancy advice and support to those in our community in the greatest need. We deliver community education and advocate for systemic change that enhances the rights of rural and regional Victorians.

Note 1: Basis of preparation

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements are in Australian dollars (\$) and have been rounded to the nearest dollar.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated. The company has adopted the amendments to AASB 101 *Presentation of Financial Statements* which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user.

The financial statements are prepared on a going concern basis.

The financial statements were authorised for issue on 14th October 2025 by the directors of the company.

Comparatives are consistent with prior years, unless otherwise stated.

Note 2: Material Accounting Policy Information

(a) Revenue

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. The performance obligations are varied based on the agreement.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 2: Material Accounting Policy Information (continued)

Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue in the scope of AASB 1058 is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

Interest income

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon delivery of the service to the customers.

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

(b) Income tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Property, Plant and Equipment

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

Leasehold improvements and plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2 (e) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's effective life to the company commencing from the time the asset is held ready for use.

The effective life used for each class of depreciable assets are:

Class of Fixed Asset	Effective Life
Leasehold Improvements	5-25 years
Plant and Equipment	3-20 years

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 2: Material Accounting Policy Information (continued)

(d) Financial Instruments*Financial Assets*

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Impairment of financial assets

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of impairment is recorded in a separate allowance account with the loss being recognised as an expense. Once the receivable is determined to be uncollectable, then the carrying amount is written off against the associated allowance.

Where the company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial Liabilities

The financial liabilities of the company comprise trade payables and lease liabilities.

(e) Impairment of Assets

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 2: Material Accounting Policy Information (continued)

(f) Employee Benefits*Short term employee benefits*

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including salaries, wages, and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The entity's obligations for short-term employee benefits such as salaries and wages are recognised as part of current trade and other payables in the Statement of Financial Position.

Other long-term employee benefits

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

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

Note 3: Critical Accounting Estimates and Judgements

Judgements, estimates and assumptions are required to be made about the financial information being presented. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Key Estimates*Annual leave*

For the purpose of measurement, AASB 119 *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The entity expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 3: Critical Accounting Estimates and Judgements (continued)

Long service leave calculation

The company assesses the long service leave liability in accordance with the requirements of AASB 119 *Employee Benefits* and applies probability factors reducing the balance of the liability on employees' balances that have not reached their vesting period i.e. not entitled to be paid out as at 30 June 2025. The probability factors are increased as the respective employees' years of service increase and are provided for at 100% probability at vesting period (in accordance with employment conditions).

The probability rates have been determined based on management's best estimate and it has not been based on past retention data.

Grant income

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
Note 4: Revenue and Other Income	\$	\$
<i>Revenue from government grants and other grants:</i>		
- Victorian Legal Aid	5,222,591	4,817,793
- Department of Families, Fairness and Housing	434,130	421,352
- Federation of Community Legal Centres	500,993	630,535
- Consumer Affairs Victoria	336,673	351,483
- Department of Justice and Regulation	447,068	323,757
- Victorian Legal Services Board	146,250	250,000
- Other organisations	455,332	599,804
	7,543,037	7,394,724
<i>Other income:</i>		
- Interest received	55,571	53,258
- Donations received	2,816	5
- Other income	120,142	83,277
	178,529	136,540
Total Revenue and Other Income	7,721,566	7,531,264

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
Note 5: Expenses	\$	\$

Note 5(a): Employee benefits expense

- Salary and wages	5,757,352	4,523,142
- Superannuation	651,464	475,193
- Portable LSL	89,453	57,826
- Staff training	105,041	102,861
- HR & Staff Expenses	49,673	65,138
Total Employee Benefits Expense	6,652,983	5,224,160

Note 5(b): Depreciation and amortisation expense

- Leasehold improvements	32,543	22,900
- Plant and equipment	52,195	45,829
- Right to use assets	242,645	197,649
Total Depreciation and amortisation expense	327,383	266,378

Note 5(c): Finance costs

- Finance costs on lease liabilities	83,184	58,548
Total Finance costs	83,184	58,548

Note 6: Cash and Bank Balances

Current

Cash on hand	146	181
Cash at bank	2,248,999	4,136,121
Short term bank deposits	1,218,182	1,163,947
Total Cash and Bank Balances	3,467,327	5,300,249

Cash and bank balances include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
Note 7: Trade and Other Receivables	\$	\$
Government grants receivable	70,335	271,735
Total Trade and Other Receivables	70,335	271,735

Trade and other receivables includes amounts due from customers for services performed in the ordinary course of business. 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.

Note 8: Other Current Assets		
Prepayments	133,561	151,980
Accrued income	23,920	1,776
Property bond	25,400	25,397
Total Other Current Assets	182,881	179,153

Note 9: Property, Plant and Equipment		
Leasehold improvements		
At cost	669,841	440,030
Less accumulated depreciation	(166,641)	(150,130)
	503,200	289,900
Plant and Equipment		
At cost	208,340	203,827
Less accumulated depreciation	(105,847)	(79,148)
	102,493	124,679
Total Property, Plant and Equipment	605,693	414,579

Movements in carrying amounts:

	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$
WDV Balance at 1 July 2023	117,235	108,491	225,726
Additions	195,565	69,579	265,144
Disposals	-	(7,562)	(7,562)
Depreciation expense	(22,900)	(45,829)	(68,729)
WDV Balance at 1 July 2024	289,900	124,679	414,579
Additions	255,853	35,269	291,122
Disposals	(10,010)	(5,260)	(15,270)
Depreciation expense	(32,543)	(52,195)	(84,738)
WDV Balance at 30 June 2025	503,200	102,493	605,693

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
Note 10: Right-of-use Assets	\$	\$
Right-of-use Assets		
Buildings	1,452,634	1,544,166
Vehicles	144,969	205,404
Plant & Equipment	46,487	73,051
Net carrying amount	1,644,090	1,822,621

	Plant and Equipment	Motor Vehicles	Buildings	Total
	\$	\$	\$	\$
WDV Balance at 1 July 2024	73,051	205,404	1,544,166	1,822,621
AASB16 Remeasurement	-	-	64,114	64,114
Depreciation expense	(26,564)	(60,435)	(155,646)	(242,645)
WDV Balance at 30 June 2025	46,487	144,969	1,452,634	1,644,090

Additions to right-of-use assets during the 2025 financial year were \$Nil (2024: \$1,033,202)

Initial recognition

The right-of-use asset is initially measured at cost comprising of the following:

- * the initial amount of the lease liability measured at the present value of the future lease payments;
- * any lease payments made at or before the commencement date, less any lease incentives received;
- * initial direct costs; and
- * estimate of the cost to be incurred upon disassembling or restoring the underlying asset to the condition required by the terms of the lease.

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases (less than 12 months) and low value leases (less than \$10,000). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The right-of-use asset is carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

In accordance with *AASB16 Leases*, a review and increase of our lease payments for our building in High Street, Shepparton, from 1 July 2024, has resulted in the remeasurement of the right-of-use asset of \$10,958. This increase has been calculated from the commencement of the lease at 1 July 2019.

In accordance with *AASB16 Leases*, a review and increase of our lease payments for our building in Hargreaves Street, Bendigo, from 1 July 2024, has resulted in the remeasurement of the right-of-use asset of \$53,156. This increase has been calculated from the commencement of the asset at 1 July 2019.

Depreciation and impairment of right-of-use assets

The right-of-use asset is depreciated over the lease term on a straight-line basis.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

		2025	2024
Note 11: Trade and Other Payables		\$	\$
Accounts payable		62,483	95,016
Credit cards		7,836	5,720
Net GST payable		86,585	264,893
Payroll liabilities		383,767	267,817
Accrued expenses		15,445	12,774
Total Trade and Other Payables		556,116	646,220

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

		2025	2024
Note 12: Deferred Government Grants		\$	\$
Victorian Legal Aid		806,500	2,250,500
Other prepaid income		-	90,259
Total Deferred Government Grants		806,500	2,340,759

Note 13: Provisions			
<i>Current</i>			
Provision for annual leave		436,413	331,693
Provision for long service leave		112,044	117,023
		548,457	448,716
<i>Non-Current</i>			
Provision for long service leave		38,927	26,142
Total Provisions		587,384	474,858

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 3.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

	2025	2024
Note 14: Lease Liabilities	\$	\$
Current	198,202	196,606
Non-Current	1,578,210	1,711,182
Total Lease Liabilities	1,776,412	1,907,788
Maturity analysis of future lease payments		
Not later than 1 year	266,235	272,274
Later than 1 year but not later than five years	719,678	847,553
Later than 5 years	1,391,125	1,474,174
Total future lease payments	2,377,038	2,594,001

Initial Measurement

For any new contract entered into, the company considers whether a contract is, or contains a lease. A contract is or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the incremental borrowing rate.

Lease Payments included in the measurement of the lease liability comprise the following:

- * fixed payments, less any lease incentive receivable;
- * variable payments based on an index rate;
- * amounts expected to be payable under a residual value guarantee; and
- * payments arising from purchase and termination options reasonably certain to be exercised.

The interest on the lease liability is recognised in profit and loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 14: Lease Liabilities (continued)

As at 30 June 2025 the company was committed to the following leases:

Right Of Use Asset/Lease Liability	No. of ROU Assets Leased	Range of remaining terms in years	No with extension clause	Range of extension clause terms
Vehicles	6	<1-4	-	-
Equipment	1	<1-3	-	-
Buildings	2	1-5	1	10

In determining the lease term, extension options are only included in the lease term if the lease is reasonably certain to be extended. This assessment is reviewed if a significant event or change in circumstance occurs.

	2025	2024
Note 15: Cash flow Information	\$	\$
Reconciliation of surplus to net cash provided by/(used in) operating activities		
Surplus	(374,798)	1,126,400
Non cash items:		
- Depreciation	327,383	266,379
- Loss on sale of PPE	15,270	7,562
Changes in assets and liabilities:		
- Decrease in trade and other receivables	201,400	166,597
- Increase in other assets	(3,728)	(12,822)
- Increase/(decrease) in trade and other payables	(90,104)	196,066
- Increase/(decrease) in deferred government grants	(1,534,259)	712,243
- Increase in provisions	112,526	205,440
Net cash flows provided by operating activities	(1,346,310)	2,667,865

Note 16: Contingent Liabilities and Contingent Assets

There are no known contingent assets or contingent liabilities for Advocacy and Rights Centre Limited as at 30 June 2025.

Note 17: Events after the Reporting Period

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

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 18: Director and Related Party Disclosures

(a) Related party transactions

No director or related entity has entered into a material contract with the company. No director's fees have been paid as the positions are held on a voluntary basis.

The names of directors who have held office during the financial year are:

Melinda Charlesworth	Narlinga Morgan
Clare Fountain	Erin Turner
Kate Scarce	Ed Butler
Rebecca Hearn	Sarah Gee
Melissa Ralph	Ian Heycox

(b) Remuneration of key management personnel

The total amount of compensation paid or provided to key management personnel for the financial year was \$703,300 (2024: \$784,867).

	2025	2024
Note 19: Remuneration of Auditors	\$	\$
<i>Auditor: (RSD Audit)</i>		
Audit of the financial statements	10,500	10,000
Audit of Financial Acquittals	1,500	1,500
Preparation of financial statements	-	3,000
Total Remuneration of Auditors	12,000	14,500

Note 20: Segment Reporting

The company operates predominantly in one business and geographical segment, being the community services sector providing legal and welfare services to communities throughout Central Victoria.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 21: Financial Risk Management

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

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

	Note	2025	2024
		\$	\$
Financial assets			
Cash and bank balances	6	3,467,327	5,300,249
Receivables and other assets	7,8	253,216	450,888
Total financial assets at amortised cost		3,720,543	5,751,137
Financial liabilities			
Trade and other payables	11	556,116	646,220
Deferred government grants	12	806,500	2,340,759
Lease liabilities	14	1,776,412	1,907,788
Total financial liabilities at amortised cost		3,139,028	4,894,767

Note 22: Members' Guarantee

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding and obligations of the entity. At 30 June 2025 the number of members was seven (2024: eight).

Note 23: Economic Dependence

Advocacy and Rights Centre Limited is dependent upon the State of Victoria, via Legal Aid Victoria, the Department of Health & Human Services and the Department of Justice and Regulation for the funding of a significant proportion of its operations. At the date of this report the Board of Directors has no reason to believe these departments will not continue to support Advocacy and Rights Centre Limited.

Note 24: New and Revised Standards that are effective for these financial statements

The company has not applied any new or revised Australian Accounting Standards, Interpretations or amendments that have been issued for the first time in 2024-25. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Advocacy and Rights Centre Limited

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 25: Registered Office/Principal Place of Business

The registered office of the association is:

Advocacy and Rights Centre Limited
171 Hargreaves Street
BENDIGO VICTORIA 3550

The principal place of business is:

Advocacy and Rights Centre Limited
171 Hargreaves Street
BENDIGO VICTORIA 3550

Advocacy and Rights Centre Limited

Directors' Declaration


In accordance with a resolution of the directors of Advocacy and Rights Centre Limited, the directors of the entity declare that:

- 1 The financial statements and notes, as set out on pages 10 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the year ended on that date.
- 2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Erin Turner
Chairperson



Melissa Ralph
Deputy Chair



Dated this 14th day of October 2025.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ADVOCACY AND RIGHTS CENTRE LIMITED (ARC JUSTICE)**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Advocacy and Rights Centre Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of income and retained earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Advocacy and Rights Centre Limited, is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012 (the ACNC Act)*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2025, and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and the *Australian and Not-For-Profits Commission Regulations 2022*.

Basis for 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 *Australian Charities and Not-for-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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 opinion.

Responsibilities of the Board for the Financial Report

The Board of Advocacy and Rights Centre Limited is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *ACNC Act*. The Board's responsibility also includes such internal control as the Board 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 Board are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Board are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism 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 Board.
- Conclude on the appropriateness of the Board's 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.

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

RSD Audit



Kathie Teasdale
Managing Director

Bendigo
20 October 2025