



## **Media Release**

**7 March 2022**

### **New service to provide free financial counselling for bankruptcy cases in Sydney's Commonwealth Courts**

Free financial counselling is now available to people who do not have a lawyer and are facing bankruptcy proceedings in the Federal Court, and the Federal Circuit and Family Court of Australia in Sydney.

A financial counsellor will now be available at the courts three days a week thanks to a \$234,000 grant from the Financial Counselling Foundation.

The service will be run by the Financial Rights Legal Centre and will assist self-represented debtors to understand bankruptcy proceedings so they are better able to determine their rights and make good decisions in presenting their cases.

Similar services are already provided in Melbourne and Adelaide.

Sia Lagos, Chief Executive Officer & Principal Registrar of the Federal Court of Australia and David Pringle, the Chief Executive Officer & Principal Registrar of the Federal Circuit and Family Court of Australia have issued a joint statement on behalf of the courts expressing their delight that the financial counselling services will be available in Sydney:

“Financial counselling has become a valuable resource for the Courts and litigants in bankruptcy proceedings. During those proceedings, financial counsellors provide confidential assistance to self-represented litigants, so they better understand their financial position and options. The contributions made by financial counsellors strongly align with the Courts’ commitment to access to justice.”

The Financial Counselling Foundation is a charitable trust established to increase access to free and independent financial counselling for people with money and debt problems.

The Foundation funds areas of clear and growing need that are not funded by governments.

“The Financial Counselling Foundation is pleased to fund this new service. Impacts we have seen in other States include instances of people being able to avoid bankruptcy and of feeling



informed and able to see the best way forward for their circumstances, even when that is bankruptcy,” said Jane Nash, the CEO of the Financial Counselling Foundation.

“Financial counselling allows litigants to engage meaningfully with bankruptcy principles and court processes,” said Karen Cox, the CEO of the Financial Right Legal Centre.

“Many people are utterly bewildered by the Courts and insolvency law and this opportunity to provide information and support at a crucial point in the process, before people are made bankrupt, makes a real difference,” Ms Cox said.

Financial counsellors are not financial planners or advisors, but provide free, independent and confidential advice to people to help them with debt and get back on track financially.

The service will be funded for the next three years and will be available to litigants through the Court’s referral process.

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