



Annual Report 2010

Indigenous Consumer Assistance Network Ltd



Ican Annual Report 2010

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ABN: 62 127 786 092

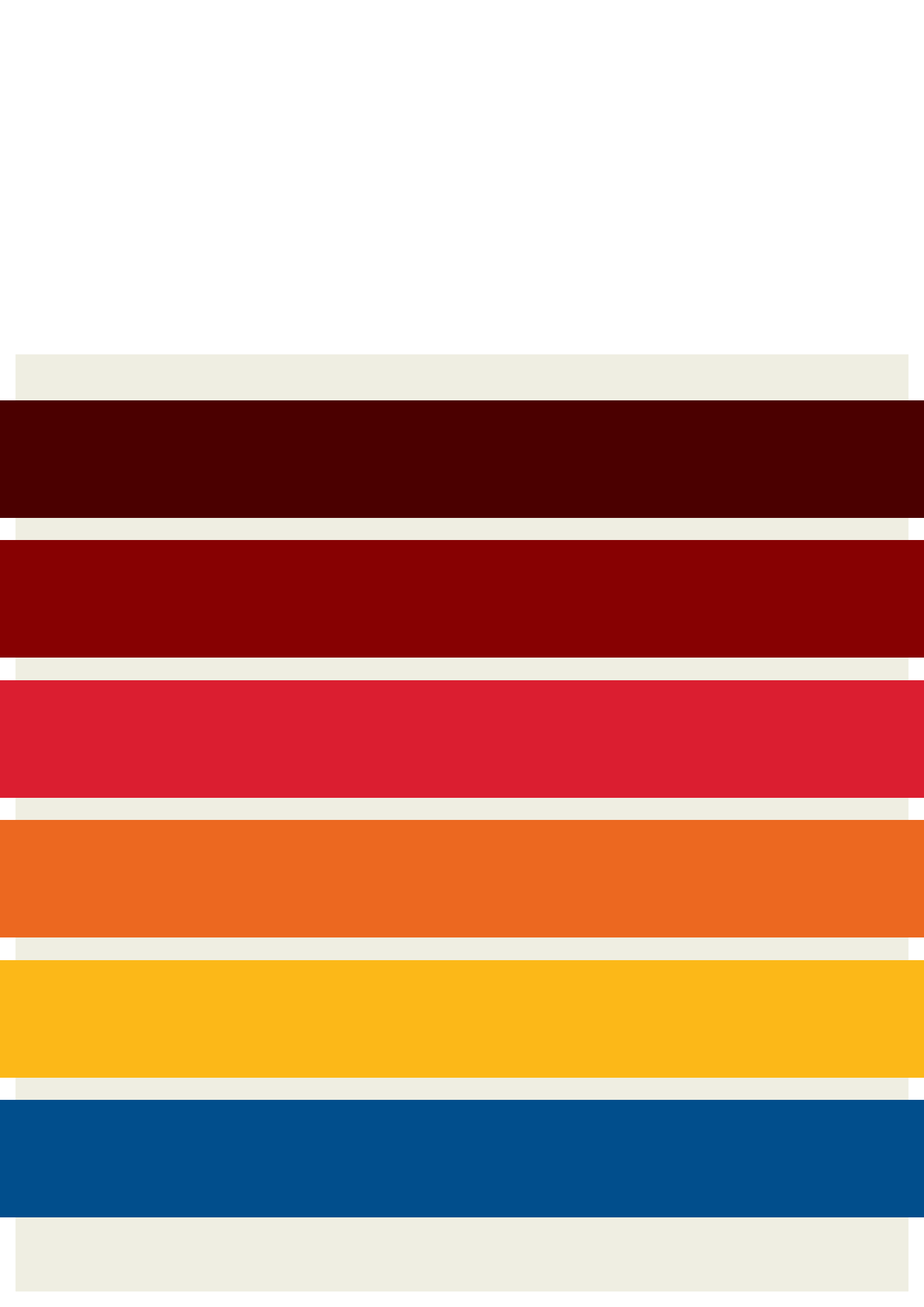


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CHAIRMAN'S REPORT

ICAN has achieved many successes in this financial year, through key partnerships in the areas of service delivery, research and advocacy.

In 2009 ICAN opened an office on Thursday Island servicing clients out of Mura Kosker Women's Sorority. This partnership has provided ICAN with practical support, including a central location on Thursday Island and places ICAN in an existing service framework to quickly reach Aboriginal and Torres Islander families in need of financial assistance.

The beginning of 2010 marked the release of ICAN's first research report in partnership with James Cook University about unconscionable conduct and Aboriginal and Torres Strait Islander consumers. This report was well received by the wider community and the media. This period also saw ICAN start discussions with national law firm Blake Dawson. This partnership will play an important part in ICAN's strategic direction in providing stronger advocacy for its clients.

These are all significant developments in the role that ICAN plays within the Aboriginal and Torres Strait Islander community and hopefully bode well for future outcomes.

ICAN DIRECTORS



Ms Heron Loban was born on Thursday Island and is the Chair of the Indigenous Consumer Assistance Network Ltd. Ms Loban is a Law Lecturer at James Cook University and holds a Masters Degree in Law. Prior to taking up her position at James Cook University, Ms Loban worked on Thursday Island in both the government and community sectors. This included positions as a solicitor at the Torres Strait and Northern Peninsula Legal Service and as a project officer conducting research into law and justice service delivery issues in the Torres Strait region.



Mr Graeme Hooper runs an award winning registered training organisation, Horizons Education and Development that delivers the Certificate IV and Diploma in Business Governance for Indigenous organisations. Mr. Hooper is a member of the Board of Teacher Registration, Queensland and Associated member of the Australian Institute of Company Directors.



Ms Velma Gara is the News Editor for the Torres Strait News and has over twenty years experience working in both Indigenous and mainstream media, including television, radio and print. An active member of her community, Ms. Gara sits on the Torres Strait Home for the Aged Association Inc. board and the Torres Strait Cultural Festival and NAIDOC Ball advisory committee.



Mr Vincent Mundraby is a former Mayor of Yarrabah Shire Council and President of the Aboriginal Local Government Association of Queensland. Mr Mundraby is a descendent of the Yindinji people. Mr Mundraby has led campaigns for the reparation of stolen wages in Queensland, Native Title Rights and Indigenous management of the Wet Tropics World Heritage area in Far North Queensland.



Mr Aaron Davis is the Chief Executive Officer of the Indigenous Consumer Assistance Network LTD. Mr Davis is a member of the Australian Competition and Consumer Commission's (ACCC) Consumer Consultative Committee and the National Indigenous Consumer Strategy (NICS) reference group.



CHIEF EXECUTIVE OFFICER'S REPORT

An organisation built on success; ICAN has grown from a small office located in Cairns to now include offices in Yarrabah, Palm Island and Thursday Island.

The central focus and commitment of ICAN in the 2009/2010 financial-year was to ensure the organisation continued to excel in the areas of consumer education, advocacy and financial counselling. ICAN has extended these core services to include activities that add value including, research, microfinance and free legal/tax assistance.

ICAN released its first published research report, "Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers". The release of the report attracted media attention from SBS Living Black Program and ABC News and Stateline Programs, which featured the grass roots consumer advocacy work of ICAN. The promotion and dissemination of the report has assisted government consumer regulatory bodies and external dispute resolution (EDR) schemes in their development of Indigenous consumer policy and practice.

The release of the research report aided ICAN in the signing of a pro-bono legal agreement with one of Australia's largest law firms, Blake Dawson. The partnership agreement has meant that ICAN is now able

to access free legal advice on behalf of both clients and the organisation. Blake Dawson has assisted ICAN with three complex cases that have required the services of their specialised teams.

The No Interest Loans Scheme (NILS) provides affordable credit to consumers on low incomes for the purchase of essential household items. ICAN's Yarrabah and Palm Island offices have embraced NILS as an incentive for clients to participate in their over arching money management programs. ICAN provided 67 loans in the first year, using \$56,160.00 of capital for the purchase of white-goods, furniture and other essential household items. So far the program has had a zero percent default rate.

As a further incentive for residents to use the much-needed Yarrabah and Palm Island Money Management Programs, ICAN introduced a Tax Help service. The Australian Taxation Office trained ICAN financial counsellors and money management workers to administer Tax Help within their communities. ICAN plans to roll-out the Tax Help service in the Torres Strait next financial year.

The rapid growth of ICAN has presented challenges including the professional development of staff, human resource management and the fine-tuning of program activities. ICAN has met these challenges head on and introduced Indigenous financial counselling mentorship training and consumer outreach program for staff, developed human resource management

procedures and program evaluation processes to continually improve our service to the community.

The Queensland Office of Fair Trading and ICAN partnered to deploy specially trained officers within the Yarrabah and Palm Island Money Management Programs. The partnership has added a necessary component to the programs as staff members now have the skills to identify consumer issues when assisting people with their finances. One investigation into a rogue trader initiated through the partnership, resulted in 800 rental contracts throughout Queensland being cancelled, with a saving of 2.4 million dollars in consumer detriment.

With the continued support of the Commonwealth Bank of Australia, ICAN will be furthering the development of staff through the Indigenous Financial Counselling Mentorship Program. Staff in all ICAN locations will be provided the opportunity to complete a Diploma of Community Services (financial counselling) and be supported by a training coordinator, an accredited financial counselling supervisor and a registered training organisation over the next two years.

A major undertaking for ICAN in the past year was the improvement of our human resource management that included an organisational restructure. The goal of the restructure was to provide greater support and a career pathway for all ICAN staff.

ICAN's strong foundations within the Indigenous community and successful working relationships with government, consumer watchdogs and the banking industry has created a platform for innovation and success.



On an administrative level this has led to the ongoing development of position descriptions, policies and supervision/ work procedures. ICAN is creating a centralised web space in the coming year that will assist with the human resource management of staff in multiple locations.

ICAN acknowledges the importance of working on the business whilst working in the business. This understanding has led to a research partnership with James Cook University to review our Money Management Programs in Yarrabah and Palm Island. Feedback from staff, clients and stakeholders through the action research model has assisted ICAN to continually improve the program. The final evaluation report is due to come out at the end of the 2010.

ICAN's strong foundations within the Indigenous community and successful working relationships with government, consumer watchdogs and the banking industry has created a platform for innovation and success. In the past year ICAN has added value to our major programs funded by the Department of Families, Community Services, Housing and Indigenous Affairs through the notion that by working together we can achieve greater outcomes that support our shared vision of Empowering Indigenous Consumers.



RESEARCH

Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers

ICAN Research Report, Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers was prepared with interviews of ICAN clients and conducted in response to the high rates of complaints that involved unfair trader behaviour and appeared to be in breach of the unconscionable conduct provisions of the Trade Practices Act (1974).

Report author Ms. Heron Loban stated, “This was exemplified in recent action taken by the Queensland Office of Fair Trading against a rental goods company that marketed their products door to door in remote Indigenous communities throughout Queensland. ICAN’s on the ground advocacy meant 800 contracts were cancelled preventing an estimated 2 million dollars of consumer debt.”

“The unfair sales tactics employed by traders included taking advantage of people’s remoteness in the sale of vehicles sight unseen and the sale of mobile phone plans where there is no coverage. Traders regularly ignored people’s complaints without fear of repercussion, a situation exacerbated by people’s isolation”, said Ms Loban.

The ‘yeah yeah yeah’ factor played out in situations where ICAN clients were confronted at the point of sale, be it over the phone or at their door. The research uncovered that whilst people answered ‘yeah’ simply to appease the salesperson and politely end the conversation, their ‘yeah’ was being taken as agreement to buy the product or service. People often signed up just to get rid of the salesperson.

The ICAN Research Report, Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers was made possible through the Legal Practitioner Interest on Trust Accounts Fund administered by the Queensland Department of Justice and Attorney-General and can be downloaded at <http://ican.org.au/wp-content/uploads/2010/07/ICAN-Research-Report-2010.pdf>.

James Cook University - Yarrabah and Palm Island Money Management Program Review

In early 2008 the Indigenous Consumer Assistance Network (ICAN) won a tender through the Department of Families, Housing, Community Services and indigenous Affairs (FaHCSIA) to operate Money Management Programs (MMP’s) in Yarrabah and Palm Island. These programs are part of a larger community/government negotiated welfare reform agenda. Discussions took place over a twelve-month period between James Cook University (Community-based Health Promotion & Prevention Studies Group, School of Public

Health, Tropical Medicine & Rehabilitation Science) Research Officer Jan Robertson and ICAN staff (including some members of the Board of Directors) regarding:

1. the need for an independent evaluation of the MMP's.
2. the development and implementation of an evaluation framework using an action research model where both the evaluation process and practices of MMP's are informed by ongoing feedback of data collected to ICAN (see Fig 1) through quarterly reports.
3. ongoing participation by ICAN staff, particularly the MMP staff, in the development and implementation of the evaluation.

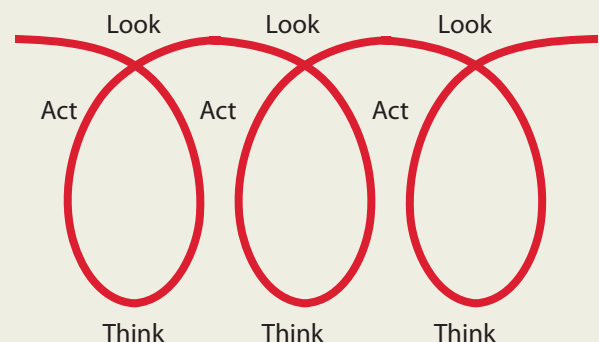


Fig 1: Action research model

This evaluation sits within the context of financial exclusion and identifying evidence-based strategies to addressing the needs of those who are financially excluded through building capacity. The Department of Families, Community Services, Housing and Indigenous Affairs funded the review to be completed in January 2011.

Principal Evaluation Objectives:

- To identify if the Money Management Program was implemented as intended

- To identify challenges to achieving outcomes in the original agreement between FAHCSIA and ICAN to provide money management services
- To identify the manner in which ICAN and MMP staff was able to overcome these challenges
- To contribute to the development of more efficient and effective tools to capture service activities against key performance indicators
- To assess the performance of MMP in achieving successful outcomes for MMP clients
- To enhance service development and delivery through the life of the evaluation through ongoing feedback to ICAN of data collected
- To identify program components that could be applied in other settings
- To provide a basis for sharing lessons learned through contribution to the evidence base by peer-reviewed publications

James Cook University has provided two quarterly reports and a background scoping document to date that have assisted ICAN in the development of both the Yarrabah and Palm Island Money Management programs. The quarterly reporting through the Action Research Model process will inform the final evaluation report due to be completed in January 2011.

ADVOCACY



Queensland Office of Fair Trading & ICAN Partnership

The Queensland Office of Fair Trading and ICAN partnered to deploy specially trained officers within the Yarrabah and Palm Island Money Management Programs. The partnership has added a necessary component to the programs as staff members now have the skills to identify consumer issues when assisting people with their finances. One investigation into a rogue trader initiated through the partnership, resulted in 800 rental contracts throughout Queensland being cancelled, with a saving of 2.4 million dollars in consumer detriment.

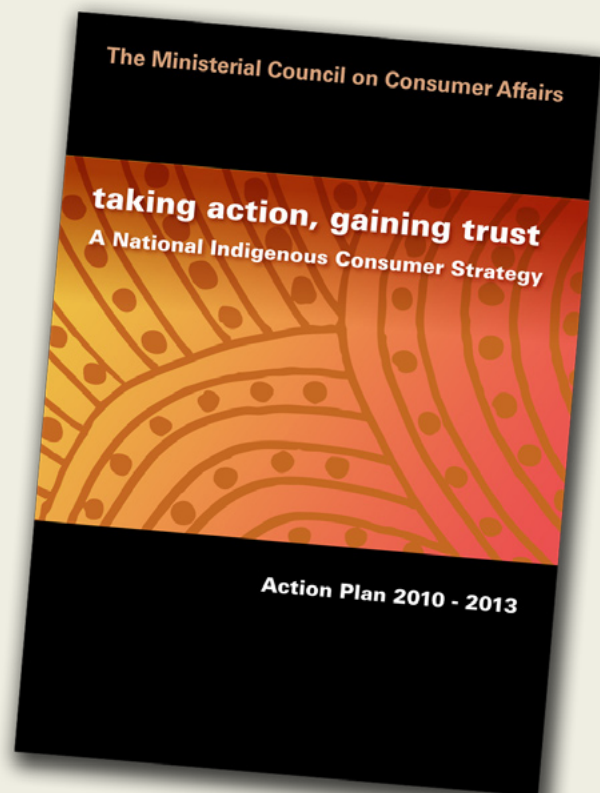
The OFT has provided funding for the ICAN services for two years as part of its 2009-10 Indigenous Strategy. The Strategy also includes an Indigenous consumer campaign called 'Know Your Rights' starting in March. Ads will appear in radio and print publications over coming months to inform Indigenous consumers of the type of support OFT provides.

Australian Communications Consumer Action Network

ICAN Chair, Heron Loban was elected on to the Australian Communications Consumer Action Network (ACCAN) board in 2009. ACCAN is the peak body that represents all consumers on communications issues

including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards availability, accessibility and affordability of communications services for all Australians.

Ms. Loban's representation on the ACCAN board has ensured that Indigenous communication issues are both identified and included in the development of ACCAN's strategic plan. ACCAN plans to create a Reconciliation Action Plan (RAP) in the coming year.



Australian Competition and Consumer Commission's - Consumer Consultative Committee

The Australian Competition and Consumer Commission (ACCC) is an independent Commonwealth statutory authority that promotes competition and fair trade in the marketplace to benefit consumers, business and the community. The ACCC's primary responsibility is to ensure that individuals and businesses comply with the Commonwealth competition, fair trading and consumer protection laws. The ACCC is the only national agency with responsibility for enforcing the Trade Practices Act 1974.

ICAN became a member of the ACCC's, Consumer Consultative Committee (CCC) in the 2007/2008 financial year. As a member of the CCC, ICAN provides comment on:

Issues and processes affecting Indigenous consumers that fall within the scope of the ACCC's administration of the Act;

Emerging issues or market developments that may be of concern to Indigenous consumers;

Information dissemination strategies and appropriate external networks available to enhance communication with Indigenous consumers; and issues as requested by the ACCC.

Through this forum ICAN has advocated

on systemic consumer issues including telemarketing of mobile phones, the use of Centrepay by questionable traders and Aboriginal funeral plans. ICAN will continue to utilise the CCC to bring Indigenous consumer issues to the fore and work strategically with other member organisations.

Australian Securities and Investments Commission's - Consumer Advisory Panel

The Consumer Advisory Panel (CAP) was established in 1998. Its role is to advise ASIC on current consumer protection issues and give feedback on ASIC policies and activities. CAP also advises ASIC on key consumer research and education projects. CAP members from across Australia meet quarterly at ASIC's offices in either Sydney or Melbourne.

Members of CAP are selected to reflect a diverse range of consumer interests in the financial services sector. They include both representatives from consumer and investor organisations and individual members. Membership is varied over time to make sure that a broad range of organisations have the opportunity to participate.

National Indigenous Consumer Strategy's (NICS) Reference Group

In late June 2009 the NICS Reference Group held a workshop in Sydney to develop a new Action Plan to take the Strategy forward for a further three years.



Luke Edney (Blake Dawson), Anne Cregan (Blake Dawson), Drew Dangar (ICAN) and John Corker (National Pro Bono Resource Centre) visiting Yarrabah to develop pro bono legal support for ICAN

One investigation into a rogue trader initiated through the partnership with Office of Fair Trading, resulted in 800 rental contracts throughout Queensland being cancelled, with a saving of 2.4 million dollars in consumer detriment.

The new refined Action Plan identifies actions under three key priority areas:

1. Trading practices
2. Housing
3. Consumer literacy

The new Action Plan also makes provision for jurisdictions to:

- Evaluate communication initiatives and to identify and document best practice
- Enhance complaint processes to encourage and accommodate Indigenous consumer needs
- Focus on unfair contract terms and contract legislation relevant to Indigenous consumers
- Continue and enhance referral protocols between consumer protection agencies and other organisations servicing Indigenous consumers.

Continuation of the NICS Reference Group as a forum for information sharing ensures best practice in education and compliance strategies for Indigenous consumers. Progress in implementing the Action Plan will continue to be monitored, evaluated and reported on an annual basis. ICAN CEO, Aaron Davis will continue to participate as an independent member of the NICS Implementation Reference group into the 2010/2011 financial-year.

Department of Broadband, Communications and the Digital Economy's Digital Switchover Taskforce

The Digital Switchover Taskforce within the Department is responsible for coordinating and overseeing Australia's transition to digital from analog television.

The Taskforce meets quarterly in Sydney under the chair of Andy Townsend with a role to assist Australia in the changeover to digital television. ICAN sits on the consumer expert group representing Indigenous Australians. Eleven groups in total sit on this panel to ensure the Government receives advice on the requirements of 'special needs' groups and the most effective ways to target switchover information throughout the community.

The eleven consumer expert group members are:

- Australian Seniors Computer Clubs Association
- St Vincent de Paul
- Salvation Army
- Indigenous Consumer Assistance Network Limited
- Vision Australia
- Country Women's Association



In June 2010, ICAN was invited to speak at the Australian Bankers' Association's "Broadening Financial Understanding Conference" in Sydney. ICAN provided statistical information regarding the impact on Bank fees and Telco debts amongst Indigenous Communities throughout FNQ.

- Lions Australia
- Federation of Ethnic Communities' Councils of Australia
- Meals on Wheels
- National Disability Services
- CHOICE

Financial Counsellors' Association of Queensland (FCAQ) & Australian Financial Counsellors and Credit Reform Association (AFCCRA)

ICAN financial counselling staff assisted AFCCRA in the planning and implementation of the "Indigenous Worker's Forum" during the 2010 AFCCRA Annual Conference held in Melbourne, VIC. ICAN Financial Counsellors and Money Management Workers from Yarrabah, Palm Island and Thursday Island attended the forum and the AFCCRA Conference.

ICAN Chair Heron Loban delivered a presentation to the AFCCRA Conference on ICAN's research Unconscionable Conduct and Aboriginal and Torres Strait Islander Consumers. ICAN and Centacare Wilcannia-Forbes staff delivered a joint workshop on cultural awareness during the concurrent sessions.

Indigenous Financial Services Network

ICAN continued as a member of the Indigenous Financial Services Network

(IFSN). The IFSN was launched in 2008 as an outcome of the actions set out in the National Indigenous Money Management Agenda's "Banking for the Future" report. A project under Reconciliation Australia, the IFSN brings together major financial institutions, their peak bodies and regulators, government bodies and Indigenous organisations who share a common objective – to promote financial inclusion for Australia's Indigenous community. (Source V. Godinho)

As a member of the IFSN, ICAN provides a unique perspective on consumer detriment facing remote Indigenous Australia. ICAN advocates for consumer and financial issues affecting Indigenous communities and access to banking and consumer regulatory services.

Australian Bankers' Association

In June 2010, ICAN was invited to speak at the Australian Bankers' Association's "Broadening Financial Understanding Conference" in Sydney. ICAN provided statistical information regarding the impact on Bank fees and Telco debts amongst Indigenous Communities throughout FNQ. The ABA conference reviewed financial literacy issues from national and international banking, government and community perspectives, in the context of the global financial crisis. The conference brought together national and international experts, policy makers, regulators, banking and finance representatives and consumer

and community representatives to discuss recent achievements and developments.

EDUCATION



ICAN Personal Finance & Consumer Assistance Training Program

Commencing in 2006, The Commonwealth Bank Foundation sponsored ICAN Personal Finance and Consumer Assistance training program continued in the 2009/2010 financial year. The training program targeted service providers and key members of communities to create a network of local people who could identify consumer and financial issues and provide direct assistance or a referral point to ICAN's call centre service.

The delivery worked around a principle of "Personal Money management" and included discussions and training in:

- Preparing a personal budget
- Saving Money
- Consumer Credit
- Managing debt
- Accessing your Credit File
- Banking in your Community
- Better buying and knowing your consumer rights

The training program was created around the Nationally Accredited Training package requirements for Certificate 1 in Financial Services allowing those participants who completed the training to receive a

"Participation" certificate.

During the financial year, training was delivered to participants in the communities of;

- Palm Island
- Cairns
- Thursday Island X 3 Training deliveries
- Mareeba x 2
- Jumbun

ICAN also provided debt management and budgeting training to the Tropical North Queensland Institute of TAFE Indigenous Student Support staff on request. The training program will become a fee for service activity over the coming year and be delivered as required.

Indigenous Financial Counselling Mentorship Program

In October 2008, ICAN employed David Yorkston to the position as a financial counselling support officer with the view of him becoming the first employee to complete the Commonwealth Bank of Australia sponsored mentorship program.

David is now a practicing financial counsellor that requires limited supervision from an accredited financial counsellor. David is a member of the Financial Counsellors Association of Queensland and



With the continued support of the Commonwealth Bank of Australia, ICAN will build on the successes of the “Indigenous Financial Counselling Mentorship Program”.

will become an accredited member, once he completes his Diploma in Community Services (Financial Counselling) in the coming year.

David has excelled in the practical training provided by mentors within ICAN to the point where he is now handling complex financial counselling cases that involve multiple issues. The program has directly reduced Indigenous consumer debt by \$165,871 through write-offs, refunds and debt reductions.

David is now employed as a full-time financial counsellor, with funding provided by the Department of Families, Community Services and Indigenous Affairs (FaHCSIA), Commonwealth Financial Counselling Program.

With the continued support of the Commonwealth Bank of Australia, ICAN will build on the successes of the “Indigenous Financial Counselling Mentorship Program”. The new two-year program will build the capacity of existing ICAN money management/financial counselling employees in Cairns, Yarrabah, Palm Island and Thursday Island.

Yarrabah and Palm Island Money Management Programs

Funded by FACHSIA, the money management programs have been operating in Yarrabah and Palm Island for two years. The objectives of the program were to;

- Increase access to money management information and training.
- Increase money management knowledge.
- Increase assets and reduce debt.
- Increase financial resilience for individuals, families and communities.
- Assets and debt are managed more effectively.
- Indigenous people are able to progress against savings plans and goals.
- Indigenous people have access to information and services to make informed choice on benefits, risks and obligations of home ownership.
- Indigenous people are provided the opportunity to meet all requirements in relation to money management services of the Palm Island and Yarrabah Agreements.

Over 1000 people have accessed the program in the last twelve months with 6.7 % of these clients receiving NILS (No Interest Loan Scheme) and 85% of clients receiving a positive outcome regarding their financial situation. Overall the participants have received over \$4.4 million of direct benefit; including refunds on undue bank fees and charges, contract disputes, tax refunds and case investigations.

The Introduction of the Tax Help program has further enhanced the skills and education of Money Management participants. The Australian Tax Office trained money management workers to run the Tax Help program. The training was completed on the 14th May 2010 and the service will commence on the 1st July 2010. The new program is a good example of practices that provide the MM program new ways of engaging with Yarrabah and Palm Island Communities.

In conjunction with Research undertaken by JCU, the ICAN MMP's have commenced the Household Competency Checklist. The purpose of the checklist is to identify the skill level of each participant before they enter, during and after their engagement with the money management program. This process provides an accurate assessment of the skills obtained whilst participating in the program.

The information is shared with the household and provides individuals as a way of identifying their achievements within the program. With the assistance of the ICAN data base, the organisation will be in a position to accurately measure the effectiveness of the program and develop further initiatives to assist in the delivery of the service.

ICAN believes it has the responsibility as a leading agency to provide detailed information on the effectiveness and benefit that the money management program has

towards Indigenous people throughout Australia. The MMP program in Yarrabah and Palm has consistently provided positive and effective outcomes for MM participants; the program is recognised by local residents as the “go to centre” for financial management and consumer issues. Building working relationships with other services and organisations has been a major contributor the exposure and engagement of MMP participants. It is now safe to say that MMP is well and truly identified within both the Yarrabah and Palm Island communities.



ASSISTANCE

Financial Counselling

Financial counselling services have continued its growth. The last twelve months has seen new financial counselling programs in Yarrabah, Cairns and the Torres Strait. ICAN has two accredited financial counsellors and five associated members with the Queensland Association of Financial Counselling.

In total the service has had a client intake of 1880 people in the last twelve months with a total of 677 people assigned with file management cases. The financial counselling service can assist people with debt management and recovery, negotiating with creditors, Centrelink issues, utility debt, budgeting, consumer assistance and contractual dispute.

The Importance of Financial Counselling in Far North Queensland

The Centre of Social Justice Commission (Pam Burke) scanned disadvantage areas of Queensland in 2010. The study outlined 50% of the top ranked disadvantaged communities in Queensland came from the Torres Strait and 100% came from Far North Queensland. This critical research outlines the importance and need of financial counselling services in FNQ.

The Cairns region and Torres Strait has been heavily impacted on by the global financial

crisis through a reliance on tourism and the services that support this industry. A reduction in tourist numbers in 2009 and early 2010 has contributed to the rise in unemployment and a rise in the cost of goods.

An ongoing concern for ICAN is the lack of financial and consumer literacy within Aboriginal and Torres Strait Communities. This has lead to people entering into contracts that they cannot afford, low-income stress, overcrowding in homes and welfare dependency. ICAN has developed financial literacy resources on their website to assist people on areas of consumer spending, entering into contracts, budgeting techniques and links to services.

ICAN Financial Counsellor, Carmen Daniels was invited to speak at the annual Australian Bankers Association Conference. Carmen provided statistical information regarding the impact on Bank fees and Telco debts amongst Indigenous Communities throughout FNQ. Key findings included:

An estimated \$90.75 million dollars worth of phone contracts are sold through verbal agreements, telemarketed by TELCO companies to indigenous clients living in FNQ.

50 Indigenous people interviewed, having bank statements sighted paid on average \$2300 annually in bank fees and charges alone. This equates to an estimated \$126 million being paid to banks by Indigenous people living in FNQ. The majority of these fees come from bank account over-withdrawals.

14% of total income is paid to phone contracts and bank fees by Indigenous consumers.

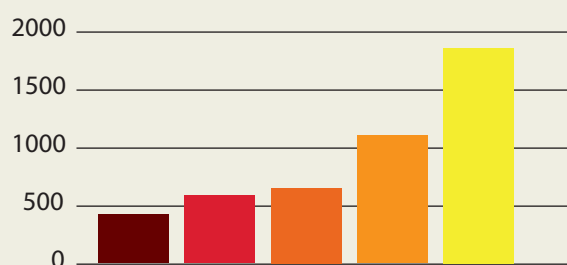
ICAN's financial counselling service believes the telemarketing of mobile phone contracts is a major national consumer issue and in particular to our disadvantaged communities.

Evaluation

In the evaluation process, many clients stated that they were extremely grateful for the service and felt comfortable and informed about their financial position. A cost –benefit analysis through ICAN data collection also outlines that of the 677 new clients a total of \$5.16 million was saved by clients from reduction in fees and charges, refunds to clients, debt write-offs and case investigations. These statistics do not include the reduced stress and anxiety experienced by clients after successful outcomes from visiting the ICAN FC Service.

Graph.1 Client Intake Comparison

ICAN 2005/2006, 2006/2007, 2007/2008, 2007/2008, 2008/2009 and 2009/2010



- ICAN Call Centre Client Intake 2005/2006
- ICAN Call Centre Client Intake 2006/2007
- ICAN Call Centre Client Intake 2007/2008
- ICAN Call Centre Client Intake 2008/2009
- ICAN Call Centre Client Intake 2009/2010

No Interest Loans Scheme (NILS)

ICAN provides no interest loans (NILS®) to the value of (up to) \$1,200.00 plus freight charges, to residents of the Yarrabah and Palm Island communities, under the ICAN Money Management Program (MMP). The NILS® program provides opportunities for low income earners in Yarrabah and Palm Island communities to expand their knowledge in money management; develop consumer and personal finance skills and build their asset base. NILS® loans are provided for the purpose of purchasing essential household items such as white goods and furniture.

In the 2009/2010 financial year, ICAN provided a total of sixty-seven (67) NILS® loans under the Money Management Program

(MMP). Fifty-seven (57) loans were provided to participants in Yarrabah for the purchase of the following household items:

Refrigerators	25
Lounge Suites	3
Washing Machines	15
Chest Freezers	1
Generators	7
Garden/Lawn Care	1
Beds & Mattresses	5
TOTAL	57

Table 1 – Essential household items purchased via ICAN NILS® program in Yarrabah Aboriginal Community, QLD – 2009/2010

Under the MMP, the NILS® program provides strategies for alternate forms of economic participation which facilitates empowerment. The program has facilitated personalised management of expenditure which engages with contemporary forms of cultural and/or customary sharing practices. Loans are provided per household, providing the capability for several family members to contribute towards a purchased item for the household. In Yarrabah, family participation in paying off a loan is evidenced by:

Loans are repaid in short time frames. The first loan provided for purchase of a \$1000.00 refrigerator was paid in three months by three family members.

Collective responsibility for the repayments provides the sense of collective ownership of the asset.

Households continue to collectively build their asset base.

Eleven (11) loans ranging between \$400.00 – 1,200.00 were completed in 2009/2010.

Palm Island

The NILS® program commenced on Palm Island in March 2010. Ten (10) loans were written, with twenty-eight (28) white goods and pieces of furniture delivered to Palm Island. Essential household items purchased included:

Refrigerators	2
Dining Suites	2
Washers/Dryers	7
Small Appliances	7
Beds & Mattresses	4
Other furniture	5
Lounges/Sofas	1
TOTAL	28

Table 2 – Essential household items purchased via ICAN NILS®

program in Palm Island Aboriginal Community, QLD – 2009/2010

NILS® will be rolled out in the Torres Strait and Northern Peninsula Region in 2010/2011.



NILS Background

In 1981, Good Shepherd Youth and Family Services (GSYFS) in Victoria commenced a program to provide no interest loans to women in support of independent living. In 2006, the National Australia Bank committed funding to the capitalisation of a national NILS® network. The national No Interest Loans Scheme (NILS®) provides interest-free loans for individuals or families living on low incomes. It is a community based program that enables individuals to access fair, safe and equitable credit for the purchase of goods and services.

FINANCE

Indigenous Consumer Assistance Network Limited (ABN 62 127 786 092)

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2010

Your directors present this report on the company for the financial year ended 30 June 2010.

Directors

The names of the directors in office at any time during or since the end of the year are:

Name of Director	Qualification & Experience	Special Responsibilities
Heron Loban	Masters Degree in Law. Law Lecturer at James Cook University Cairns campus	Chairperson
Aaron Davis	Chief Executive Officer of ICAN	Director
Vincent Mundraby	President of the Aboriginal Local Government Association of Queensland	Director
Robynne Quiggin (Resigned 25/11/2009)	Aboriginal Solicitor and consultant from NSW Association of Queensland	Director
Graeme Hooper (Appointed 25/06/2010)	Member - Board of Teacher Registration QLD. Associate Member- Australian Institute of Company	Director
Velma Gara (Appointed 25/06/2010)	News Editor- Torres Strait News, Board member. of Torres Strait Home for the Aged Association Inc.	Director

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

Operating and Financial Review

The surplus of the company for the financial year is \$9,543 (2009: Deficit \$9,295).

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the year.

Principal Activities

Principal activities undertaken during the year includes:-

- (a). providing support, services and information relating to consumer affairs, financial

management advice and education to Indigenous people.

(b). provide advice and information to consumer affairs advisors, government and public bodies on issues related to consumer affairs and management as they relate to indigenous communities.

International Financial Reporting Standards (IFRS).

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company's financial report has been prepared in accordance with those standards.

After Balance Date Events

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

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

The company is a not-for-profit entity limited by guarantee with no provision in the constitution for distribution of profits by way of dividend. No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors' Interests in Shares of the Company or Related Bodies Corporate

The particulars of shares held by the directors of the company in the company or in related bodies corporate which are required to be declared in the register of directors' share holdings are nil.

Directors' Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company 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. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company or related body corporate.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Company

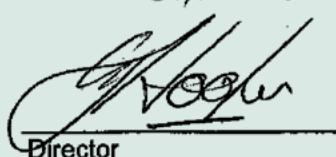
No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.


Auditors Independence Declaration

A copy of the Auditors Independence Declaration as required under Section 307C of the Corporations Act 2001 is attached.

Signed in accordance with a resolution of the Board of Directors:

Dated this 27th day of October 2010


Director


Director

The directors of the company declare that:

1 The accompanying financial statements and notes are in accordance with the Corporations Act 2001:

(a) comply with the Accounting Standards and the Corporations Regulations; and

(b) give a true and fair view of the financial position of as at 30 June 2010 and the performance for the period ended on that date of the company.

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.

This declaration is made in accordance with a resolution of the Board of Directors


Director


Director

Dated this 27th day of October 2010

	Note	2010	2009
		\$	\$
Revenues	2	1,224,200	1,193,430
Employee benefits expense		(614,447)	(562,180)
Depreciation and amortisation (14,741)	(13,913)	
Telephone, fax and internet expenses		(18,470)	(20,877)
Travelling, accomodation and food expenses		(74,641)	(56,574)
Administration expenses		(175,079)	(159,070)
Motor vehicle expenses		(15,621)	(10,173)
Other expenses		(185,788)	(164,533)
Unspent grant balance brought forward		782,626	567,222
Unspent grant balance carried forward		(898,497)	(782,626)
Profit / (Loss) before income tax		9,543	(9,295)
Income tax expenses		0	0
Profit/ (Loss) attributable to members		9,543	(9,295)

	Note	2010	2009
ASSETS		\$	\$
Current Assets			
Cash assets	5	890,263	778,878
Receivables	6	64,428	8,424
Total Current Assets		954,692	787,302
Non-Current Assets			
Property, plant and Equipment	7	45,173	46,699
Total Non-Current Assets		45,173	46,699
Total Assets		999,865	834,001
LIABILITIES			
Creditors and accruals	8	980,286	821,756

Total Liabilities		980,286	821,756
NET ASSETS		19,578	12,245
EQUITY			
Retained surplus	9	19,578	12,245
TOTAL EQUITY		19,578	12,245

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2008	21,540	21,540
Excess of revenue/ (shortfall)	(9,295)	(9,295)
Balance at 30 June 2008	12,245	12,245
Balance at 1 July 2009	12,245	12,245
Prior period adjustment (2,210)	(2,210)
Excess of revenue/ (shortfall)	9,543	9,543
Balance at 30 June 2010	19,578	19,578

	Note	2010	2009
		\$	\$
Cash flows From Operational Activities			
Inflows from Operational Activities		1,281,075	1,255,613
Outflows from Operational Activities		(1,175,159)	(1,078,964)
Inflows from Interest		18,684	29,811
Cash flow From Operations	12(b)	124,601	206,460
Cash flows From Investment Activities			
Payment of Plant, Property and Equipment		(13,216)	(30,571)
Net Cash flows From Investment Activities		(13,216)	(30,571)
Cash flows From Financing Activities			
Inflows from transfers		0	0

Net cashflow from financing activities	0	0
Net Increase/(Decrease) in Cash Held	111,385	175,889
Cash On Hand – Beginning of Year	778,878	602,989
Cash On Hand – End of Year	12(a) 890,263	778,878

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report is for the entity Indigenous Consumer Assistance Network Limited as an individual entity. Indigenous Consumer Assistance Network Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report of Indigenous Consumer Assistance Network Limited as an entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

Basis of Preparation

Indigenous Consumer Assistance Network Limited as an individual entity has prepared financial statements in accordance with the Australian Equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. Income Tax

This company is a not-for-profit entity and has no income tax liability accruing.

b. 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 losses.

Property

Freehold land and buildings is measured on the fair value basis (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increase of the same assets are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on

the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Class of Fixed Asset	Depreciation Rate
Furniture& fittings	20%
Office equipment	20%
Motor vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income

statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Investments

Investments are initially recognised at cost. After initial recognition, the carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies or the underlying net assets for non-listed corporations. The expected net cash flows from investments have not been discounted to their present

value in determining the recoverable amounts.

d. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

e. Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months, net of bank overdrafts.

f. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

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

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

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset. Cash flows are presented in the cashflow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cashflows.

NOTE 2: REVENUE

	2010	2009
	\$	\$
Revenues from grants	1,018,784	968,049
	1,018,784	968,049
Interest	18,684	29,811
Other Income	0	20,251
Administration & other reimbursement income	186,732	175,319
	205,416	225,381
Total Revenue	1,224,200	1,193,430

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

	2010	2009
	\$	\$
Profit from ordinary activities before income tax expense has been determined after:		
a. Expenses		
Depreciation of property, plant and equipment	14,741	13,913
Remuneration of auditor:		
Audit services	6,000	6,000
Other	2,500	2,500

NOTE 4: REMUNARATION AND RETIREMENT BENEFITS

a. Remuneration of Directors

Remuneration received or receivable by all directors of the company

from the company or any related party in connection with the management of the company	5,912	8,718
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The names of directors who have held office during the financial year:

NOTE 4: REMUNARATION AND RETIREMENT BENEFITS

Name	Appointed	Date Ceased
Aaron Davis	01/10/2007	Continuing
Vincent Mundraby	01/10/2007	Continuing
Robynne Quiggin	01/10/2007	25/11/2009
Heron Loban	4/07/2008	Continuing
Graeme Hooper	25/06/2010	Continuing
Velma Gara	25/06/2010	Continuing
b. Directors Remuneration		
Income paid or payable to all directors of the entity by the company and any related parties	0	0

NOTE 5: CASH ASSETS

Cash at bank- General Cheque Account	29,363	9,268
Cash at bank- Cash Management Account 3	60,000	768,710
Fixed deposit - CBA	500,000	0
Petty cash Float	400	400
Petty cash float- Yarrabah	200	200
Petty cash float- Palm island	200	200
Salary sacrifice float	100	100
	<u>890,263</u>	<u>778,878</u>

NOTE 6: RECEIVABLES

Security Deposit	200	200
Trade debtors	64,228	8,224
	<u>64,428</u>	<u>8,424</u>

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Furniture and Fittings at cost	4,201	4,201
Less accumulated depreciation	(2,160)	(1,320)
	2,041	2,881
Office equipment at cost	35,628	32,903
Less accumulated depreciation	(17,201)	(10,397)
	18,427	22,507
Motor vehicles at cost	38,673	28,182
Less accumulated depreciation	(13,968)	6,872)
	24,705	21,310
Total Property, Plant and Equipment	45,173	46,699

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (continued)

	2010	2009		
	\$	\$		
a. Movements in Carrying Amounts				
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year				
	Motor Vehicles \$	Office Equipment \$	Furniture & fittings \$	Total \$
Balance at the beginning of year	21,310	22,507	2,881	46,698
Additions	10,491	2,725	0 1	3,216
Disposals	0	0	0	0
Depreciation expense	(7,096)	(6,805)	(840)	(14,741)
Carrying amount at the end of year	24,705	18,427	2,041	45,173

NOTE 8: CREDITORS AND ACCRUALS

Trade Creditors	8,700	41,354	200+8500 2010 AUDIT FEE
GST payable	2,690	(9,254)	24,420 not yet paid- april-june
Superannuation and other payable	9,945	7,030	
Accrued grants	60,455	0	2 GRANTS ACCRUED YET
Unexpended grants	898,497	782,626	
	<u>980,286</u>	<u>821,756</u>	

The unspent grants balance \$898,497 as on 30 June 2010 (2009: \$782,626) relates to various project funds which have not been spent as at 30 June 2010. These funds will be expended on appropriate projects in subsequent years.

NOTE 9: RETAINED PROFITS

Retained profits / (accumulated losses) at the beginning of the year	12,245	21,540
Prior period adjustment	(2,210)	0
Surplus/ (Deficit) attributable to members	9,543	(9,295)
Retained profits / (accumulated losses) at the end of the year	<u>19,578</u>	<u>12,245</u>

NOTE 10: MEMBERS FUNDS

The Company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstanding obligations of the Company. At 30 June 2010 there were 5 members (2009: 4 Members)

NOTE 11: SEGMENT REPORTING

The company operates in one business and geographical segment, being financial counselling and consumer advocacy assistance to regional and remote indigenous communities across Australia.

NOTE 12: CASH FLOW INFORMATION

a. Reconciliation of Cash

	2010	2009
	\$	\$
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:		
Cash at bank	889,363	777,978
Petty cash floats	900	900
Total Cash	890,263	778,878

b. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

** See Statement of Cash flows

Profit/ (loss) from ordinary activities after income tax	9,543	(9,295)
Depreciation	14,741	13,913
Decrease/(Increase) in trade debtors	(58,214)	(6,450)
(Decrease)/Increase in creditors	(32,654)	15,004
(Decrease)/Increase in GST payable	11,944	(29,062)
(Decrease)/Increase in superannuation payable	2,915	6,945
(Decrease)/Increase in unexpended grants	115,871	215,404
(Decrease)/Increase in accrued grants	60,455	0
Cash flows from operations	124,601	206,460

NOTE 13: COMPANY DETAILS

The registered office of the company is: 1/192 Mulgrave Road, Westcourt QLD 4870, Australia.

The company was registered by the Australian Securities and Investments Commission on 1 October 2007.

NOTE 14: ECONOMIC DEPENDENCY

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 30 June 2010, current assets amounted to \$954,692 (2009:\$787,302) and current liabilities amounted to \$980,286 (2009:\$821,756) leaving a shortfall in working capital of \$25,594 (2009:\$34,454).

The ability of the company to continue its operations at current levels is dependent upon future ongoing funding being provided by various funding bodies, and its ability to source sufficient funds to clear the excess of current liabilities over current assets. The directors believe that the necessary funding will be forthcoming.

NOTE 15: FINANCIAL INSTRUMENTS

(a) Interest rate risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those assets and liabilities, is as follows:

Floating interest rate	Fixed Interest maturing over 1 to 5 years	Fixed Interest More than 5 years	Non Interest bearing Total		
2010					
Financial assets					
Cash	890,263	0	0	0	890,263
Receivables	0	0	0	64,228	64,228
	890,263	0	0	64,228	954,491
Weighted average interest rate	3%				
Financial Liabilities					

NOTE 15: FINANCIAL INSTRUMENTS

Accounts Payable	0	0	0	200	200
Borrowings	0	0	0		0
	0	0	0	200	200
Weighted average interest rate 0.00%					
Net Financial Assets	890,263	0	0	64,028	954,291
2009					
Financial assets					
Cash	778,878	0	0	0 7	78,878
Receivables	0	0	0	8,424	8,424
	778,878	0	0	8,424	787,302
Weighted average interest rate	3%				
Financial Liabilities					
Accounts Payable	0	0	0	32,854	32,854
Borrowings	0	0	0	0	0
	0	0	0	32,854 3	2,854
Weighted average interest rate		0.00%			
Net Financial Assets	778,878	0	0	(24,430)	754,448

INCOME

	2010	2009
	\$	\$
Grant Received- FaHCSIA	607,441	575,675
Grant received- CBA Trainee Counsellor	72,873	80,981
Grant Received- CBA Consumer Account	159,688	144,529
Grant Received- ICAN Consumer Project	146,817	104,455

Grant Received- Office of Fair Trading	25,116	0
Conference grant- CBA & AFCCR	6,849	13,319
Money management review	0	49,091
Interest Received	18,684	29,811
Other Income	0	20,251
Administration reimbursements income	175,079	159,070
Other reimbursements income	11,653	14,784
Legal website income	0	1,465
	1,224,200	1,193,430
EXPENSES		
Electricity Charges	4,278	3,423
Functions	1,041	1,486
Insurance	6,259	4,716
Office administration	14,347	17,665
Printing & stationary	11,896	11,605
Office rent	33,634	20,255
Telephone,fax & internet expenses	18,470	20,877
Travelling expenses	57,061	37,774
Wages	559,113	502,381
Superannuation	55,335	59,799
Accomodation& food	17,580	18,800
Advertising	3,061	300
Bank fees & charges	360	348
Training	6,875	11,658
Meeting expense	583	2,165
Uniforms	235	1,143
Depreciation	14,741	13,913
Audit and accounting fees	8,937	9,344
Vehicle expenses	15,621	10,173

Vehicle hire expenses	17,998	19,099
Sundry expenses	3,304	3,815
Directors sitting fees	5,912	8,718
Administration expenses	175,079	159,070
Office set up costs- Plam Island & Yarrabah	0	48,795
AFCCRA conference expenses	22,352	0
Office relocation expenses	9,854	0
Legal expenses	10,344	0
Bad debts written off	1,673	0
NILS Palm island & Yarrabah	1,775	0
Consultancies	1,525	0
JCU Evaluation expenses	4,545	0
Research expenses-JCU	15,000	0
	<u>1,098,787</u>	<u>987,320</u>
Results from operating activities	125,414	206,109
Unspent grant balances brought forward	782,626	567,222
Unspent grant balances carried forward	<u>(898,497)</u>	<u>(782,626)</u>
Surplus/ (deficit) for the year	<u><u>9,543</u></u>	<u><u>(9,295)</u></u>

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF INDIGENOUS CONSUMER ASSISTANCE NET-
WORK LIMITED**

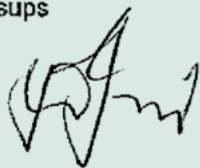
I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act

2001 in relation to the audit; and

- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Jessups



Ian Jessup
Partner

Dated this 27th day of October 2010

488 Mulgrave Road, Earlville QLD 4870

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF INDIGENOUS
CONSUMER ASSISTANCE NETWORK LIMITED**

Report on the Financial Report

I have audited the accompanying financial report of Indigenous Consumer Assistance Network Limited, which comprises the balance sheet as at 30 June 2010, and the Statement of comprehensive income, statement of changes in equity and cash flow statement for the

year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Indigenous Consumer Assistance Network Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on our audit. I conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Indigenous Consumer Assistance Network Limited.

Auditor's Opinion

In my opinion the financial report of Indigenous Consumer Assistance Network Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Indigenous Consumer Assistance Network Limited's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Material uncertainty regarding continuation as a going concern

Without qualifying my opinion, I draw attention to Note 14 in the financial report, which indicates that Indigenous Consumer Assistance Network Limited's total current liabilities exceeded current assets by \$25,594. This condition indicates the existence of a material uncertainty about the company's ability to continue as a going concern.

Jessups



Ian Jessup
Partner

Dated this 27/2 day of October 2010

488 Mulgrave Road, Earlville QLD 4870

The Indigenous Consumer Assistance Network Ltd would like to thank and acknowledge the support of the following organisations.

- Australian Communications Consumer Action Network
- Australian Competition & Consumer Commission
- Australian Financial Counsellors & Credit nReform Association
- Australian Securities & Investments Commission
- Australian Tax Office
- Blake Dawson (Pro Bono Legal Support)
- Cairns Community Legal Centre
- Commonwealth Bank of Australia
- Commonwealth Bank Foundation
- Commonwealth Department of Broadband Communications and the Digital Economy's Digital Switchover Taskforce
- Commonwealth Department of Families, Housing, Community Services & Indigenous Affairs
- Donortec
- Ergon Energy
- Financial Counsellors Association of Queensland
- Good Shepperd, Family & Youth Services – No Interest Loans Scheme
- Indigenous Coordination Centre – Cairns & Townsville
- Infochoice
- James Cook University
- John Villiers Trust

- Legal Aid Queensland
- Mura Kosker Sorority
- National Australia Bank
- National Indigenous Consumer Strategy
- Northern Peninsula Area Regional Council
- Palm Island Aboriginal Council
- Public Trustee of Queensland
- Queensland Department of Employment,
Economic Development and Innovation
- Queensland Department of Justice and Attorney-General
- Queensland Office of Fair Trading
- Shelter Housing Action Cairns
- The Trust Company
- Telecommunications Industry Ombudsman
- Tenants Union of Queensland
- Torres Strait Island Regional Council
- Torres Strait Regional Authority
- Yarrabah Aboriginal Shire Council

