



Annual Report 2012 - 2013



Ican Annual Report 2012 - 2013

Indigenous Consumer Assistance Network Ltd

ABN: 62 127 786 092

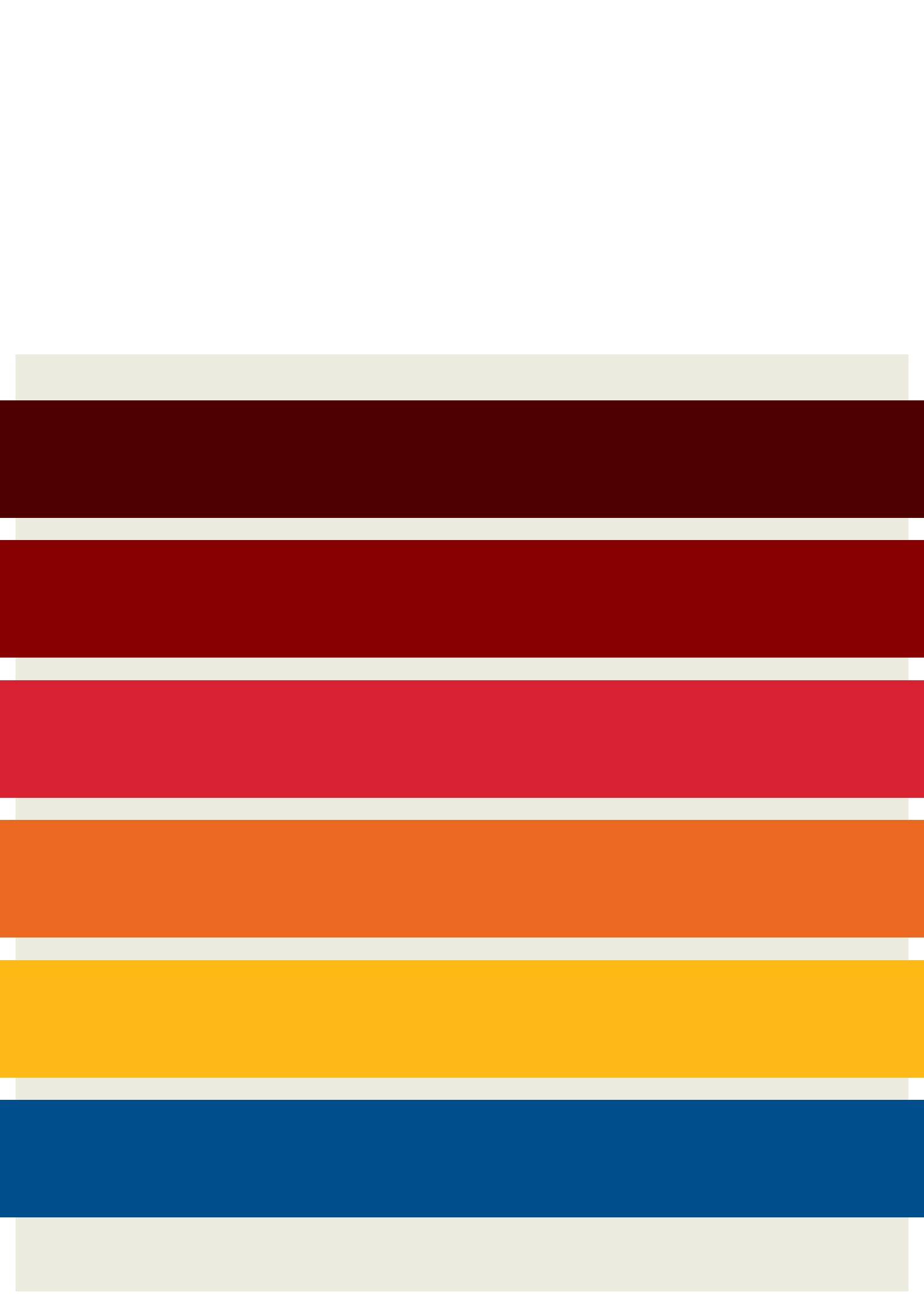


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CHAIRMAN'S REPORT

As Chairman of the Indigenous Consumer Assistance Network Ltd, I am pleased to share with you the strategic directions of the organisation from the past financial year and for our future. I wish to reflect upon ICAN's progress over the past year in achieving our vision of Empowering Indigenous Consumers.

ICAN is leading the way in addressing the under representation of qualified Aboriginal and Torres Strait Islander people in the financial counselling sector. In the 2012-2013 financial year, ICAN built upon the achievements of its nine Indigenous graduates of the first Indigenous Financial Counselling Mentorship Program by extending the program nationally, to agencies providing money management and financial counselling services in Indigenous communities across Australia. With a proven track record and our partnerships with: the Commonwealth Bank of Australia (CBA), the Central Institute of Technology (WA) and the Community Workforce Development Fund, the program delivers high quality, culturally appropriate and accredited training through the Diploma of Community Services (Financial Counselling). The Mentorship Program

received the "Highly Commended" Award in the "Community" Awards category, at the inaugural MoneySmart Week Awards, held in Sydney in early September 2012. I am pleased to welcome the 11 new trainees to the 2013 program, comprising 5 ICAN Staff members from Cairns and the Yarrabah Community, and 6 external students joining us from Derby (WA), Alice Springs (NT), Port Augusta (SA), Penrith (NSW) and Cairns.

ICAN has taken significant steps towards sustainability of the organisation by working with Foresters Community Finance, a Community Development Finance Institution (CDFI) to purchase property at 209 Buchan Street, Bungalow. This is a major investment into our organisation's long term sustainability and longevity in our service delivery.

In line with Director's governance standards as set out by the Australian Charities and Not-For-Profits Commission (ACNC), the ICAN Board of Directors is moving into a new governance phase in key priority areas: ACNC preparations and Director Portfolios which inform ICAN's strategic & risk management planning. The Director Portfolio initiative will capitalise on the skill set and experience of board members in nominated portfolio areas, provide directors with greater insight into the operations of the organisation and will provide a strong foundation for ICAN's future strategic planning.

ICAN is entering a new phase of its unique and culturally specific service delivery which will be informed by its new strategic plan in 2013/2014. I commend all of the hard work by ICAN's Board and Staff in working towards our vision of Empowering Indigenous Consumers.



CHIEF EXECUTIVE OFFICER'S REPORT

It's been a great year for ICAN! We've been getting back to our roots in the communities we service, with a focus on providing consumer advocacy and financial counselling outreach services to Cape York and the Torres Strait, and providing value-add services through our Money Management Programs in the Yarrabah and Palm Island Aboriginal communities.

This year, ICAN recognised the need for a coordinated approach to tackling Indigenous consumer disadvantage in the region and established the "North Queensland Indigenous Consumer Taskforce" together with consumer regulatory bodies, the: Australian Securities and Investments Commission (ASIC), Australian Competition and Consumer Commission (ACCC) and the Queensland Office of Fair Trading. Together with our partners, the Taskforce was set up to foster our community relationships and tackle consumer detriment facing remote Queensland communities. It provides direct pathways to consumer regulatory bodies, enabling community residents to have a voice about their consumer issues.



As a result of our coordinated advocacy, ICAN celebrated several outcomes from court action taken by the ACCC and ASIC in the areas of telecommunications issues affecting remote Aboriginal communities and consumer exploitation through door-to-door sales of first aid kits sold at inflated prices. ICAN commends the hard work undertaken by the regulators in 2012-2013, and wish to express our gratitude for listening to the voices of Indigenous consumers.

ICAN's service delivery has made a significant impact on the community. In late 2012, ICAN's financial counseling outreach to the Cassowary Coast in Far North Queensland yielded an outstanding \$85,000 disputed insurance claim payout to a Cyclone Yasi affected client. This was a significant win for the client and for ICAN, as we wrapped up our financial counselling outreach to the Cassowary Coast due to funding cuts under the QLD Department of Communities, Community Recovery / Financial Counselling Program under the

“Natural Disaster Relief and Recovery Arrangements” (NDRRA).

The ICAN team grew this financial year, welcoming three new staff members to the Yarrabah and Palm Island Money Management Programs. We also welcomed two new staff to our administration and No Interest Loans (NILS) team, and two new financial counselling trainees under the ICAN “Indigenous Financial Counselling Mentorship Program.” The Mentorship Program student body grew this year with eleven new placements from across the country and includes ICAN staff from Cairns and the Yarrabah Aboriginal Community. I’d like to recognise the hard work of Majella Anderson, Training Coordinator of the Mentorship Program for her ongoing work to extend and assist in delivery of our national program.

ICAN’s ongoing strategic focus of building staff capacity has resulted in new opportunities in home ownership education. The ICAN team has received training to deliver the iHome training on Palm Island, a structured education program for community residents interested in taking up home ownership opportunities. ICAN’s “iHome” education training commenced on Palm Island in early 2013, as part of an integrated approach facilitated by the Department of Families, Housing, Communities and Indigenous Affairs, the Queensland State Government’s Home Ownership Training (HOT) Team and Indigenous Business Australia (IBA).

Finally, ICAN is exploring the development of our social impact measurement in the money management/financial counseling space, making a significant investment into our online Community Services database. In February 2013, ICAN Communications Coordinator Carmen Daniels was awarded the Commonwealth Bank Social Impact Scholarship to undertake graduate studies in Social Impact with the University of New South Wales’ (UNSW) Australian School of Business. The development of these human and technological resources will provide a solid foundation for ICAN’s internal program and service delivery evaluation processes.

ICAN DIRECTORS



Mr. Vincent Mundraby is a former Mayor of Yarrabah Shire Council and sits on the board of the North Queensland Land Council. Mr Mundraby is a descendent of the Yindinji people and 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. 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. 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, Financial Counselling Association of Queensland (FCAQ) and the National Indigenous Consumer Strategy (NICS) reference group.



Ms. Janine Gertz is a member of the Aboriginal community of North Queensland, belonging to the Gugu-Badhun and Nadjon-ji traditional owners groups. Ms Gertz is a Senior Advisor with James Cook University's (JCU) Human Resource Management Directorate and has represented Gugu Badhun issues at the United Nations Permanent Forum on Indigenous issues.



RESEARCH

ICAN & ACCAN Joint Research Project

ICAN and the Australian Communications Consumer Action Network (ACCAN) partnered together to undertake a joint research project on telecommunications issues affecting Indigenous consumers living remotely. Consultation was undertaken with community residents from the Yarrabah Aboriginal Community and Thursday Island in the Torres Strait. The research project will comprise case studies from Aboriginal and Torres Strait Islander people throughout Far North Queensland. The joint research project is funded under the ACCAN Grants Scheme.

Indigenous Legal Needs Project (ILNP) – James Cook University (JCU)

ICAN participated in the Indigenous Legal Needs Project (or ILNP) research project based at James Cook University (JCU) in Cairns. The ILNP is an Australian Research Council-funded, national research study into civil and family law needs of Indigenous people. It is collaboration between JCU, the University of NSW, University of Technology and legal services in a number of jurisdictions (including Legal Aid Commissions and Aboriginal Legal Services).

The research aims to provide a greater understanding of the civil and family law needs of Indigenous people based on consultation with Indigenous communities; an understanding of what is successful in the current service delivery structure and what is not working; and strategies to enable legal service providers to deliver more effective civil and family law services to Indigenous people so as to affect an increased usage of these services by Indigenous clients.

ADVOCACY



ICAN establishes NQ Indigenous Consumer Taskforce

In June 2013, ICAN and state and national consumer regulatory bodies, the: Australian Competition and Consumer Commission (ACCC), Australian Securities and Investments Commission (ASIC) and the Queensland Office of Fair Trading (OFT) formed the NQ Indigenous Consumer Taskforce. ICAN saw the need for a coordinated approach to tackling Indigenous consumer disadvantage in the region, due to the ongoing financial detriment caused by door to door traders and telemarketers targeting remote communities. The Taskforce has developed a regional action plan to coordinate joint consumer outreach/investigation activities, share educational resources and information about current consumer issues in Indigenous communities throughout North Queensland. The Taskforce provides an opportunity for ICAN and consumer regulators to pool resources across agencies to achieve better outcomes for indigenous consumers. Member agencies of the Taskforce visited regional and remote communities throughout North Queensland, Cape York and the Torres Strait Islands in early to mid-2013. The key objectives of the outreach visits were to promote agency services, provide consumer education and collect rogue trader intelligence. This Forum has the opportunity of growing with

interest from other local community sectors working in the consumer advocacy space expressing an interest in joining the forum.

Australian Banker's Association

ICAN's "Remote Community Banking" video screened at the Australian Bankers Association's "Indigenous Banking Workshop" in Sydney. Shot on location at the Laura Aboriginal Dance Festival, the short video featured interviews with Cape York community members, providing the workshop with an unmediated perspective. The informative video also shared key community development principles for future project development.

ICAN Joins Consumers' Federation of Australia

ICAN became a member of the Consumers Federation of Australia (CFA), the peak body for all of the major consumer organisations in Australia, representing a diverse range of consumer issues. The Consumers Federation of Australia promotes the interests of consumers, in particular low income and disadvantaged consumers, by identifying areas in which the interests of consumers are being adversely affected; advocates for policy and law reform changes, conducts consumer awareness and information programs and liaises with other consumer and community groups to advance the interest of consumers.

Financial Ombudsman Scheme (FOS)

ICAN Senior Financial Counsellor Unaise Buli has again been invited to represent Indigenous consumers on the Financial Ombudsman Scheme (FOS) Consumer Liaison Group. The group has been set up to promote a better understanding of key issues that affect the sector with regard to dispute resolution, collaborate on solutions and communicate updates between FOS and the financial counselling sector. ICAN commends FOS's overarching aim of improving access to dispute resolution for vulnerable and disadvantaged Australians.

National Indigenous Consumer Strategy's (NICS) Reference Group

In 2010 the NICS Reference Group held a workshop in Sydney to review the first year of the new Action Plan. The new refined Action Plan identifies actions under three key priority areas: trading practices, housing & 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.

In October, ICAN attended the annual "National Indigenous Consumer Strategy" (NICS) Forum in Sydney, New South Wales where Federal and State consumer regulatory agencies presented on Indigenous consumer compliance and promotional activities. Investigations into trader and credit provider activities in Cairns and Yarrabah were highlighted as some of the successes arising from the ICAN/Queensland Office of Fair Trading's partnership.

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.

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 and door-to-door trading activity in remote Indigenous Queensland communities. 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 (ASIC) - 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 a broad range of stakeholders have the opportunity to participate.

This year Ray Kent was ICAN's representative for ASIC CAP. During the year Ray has identified a number of issues relating to unfair practices by credit providers, these issues were brought to Ray attention by other ICAN financial counsellors on behalf of clients experiencing financial issues in remote Indigenous communities.

Financial Counselling Association of Queensland (FCAQ – State) & Financial Counselling Australia (FCA – National)

- During the 2012/2013 financial year, ICAN Financial Counsellor Ray Kent (Palm Island) served on the Committee of the Financial Counselling Association of Queensland (FCAQ).
- ICAN financial counseling staff attended the 2013 Financial Counselling Australia conference in Sydney.
- Aaron Davis, ICAN CEO worked with Fiona Guthrie, FCA Executive Director to co-produce a 2-minute educational video to promote financial counselling services and the new Debt Self Help website.
- Indigenous Advisory Group (IAG) to the Indigenous Financial Services Network (IFSN)

ICAN continued as a member of the Indigenous Advisory Group (IAG), to 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 IAG, 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. The IFSN is a joint initiative of Reconciliation Australia and the First Nations Foundation. ICAN has been a member of the IFSN since 2008, and it's former "Indigenous Banking Reference Group" (IBRG) since 2006.

EDUCATION



Indigenous Financial Counselling Mentorship Program

ICAN is leading the way in professional development of Aboriginal and Torres Strait Islander people through its Indigenous Financial Counselling Mentorship Program, sponsored by the Commonwealth Bank of Australia (CBA).

In partnership with the Commonwealth Bank and the Central Institute of Technology, WA, the program provides accredited training to Indigenous people in the Diploma of Community Services (Financial Counselling), developing the skill set of Indigenous people working in their local communities and raising the number of qualified Indigenous financial counsellors nationally.

The program provides essential support to Aboriginal and Torres Strait Islander workers and is inclusive of non-Indigenous workers primarily working in the fields of financial counselling and money management, to undertake the accredited Diploma program in 2012-2014. With a dedicated training coordinator, the program includes personal and academic mentorship in a supported learning environment, connecting students through virtual and face-to-face classroom oriented training.

In the 2012-2013 financial years, ICAN extended the program nationally. It enrolled 11 new trainees to the 2013 program,

comprising 5 ICAN Staff members from Cairns and the Yarrabah Community, and 6 external students from Derby (WA), Alice Springs (NT), Port Augusta (SA), Penrith (NSW) and Cairns (QLD).

The Diploma is made up of 17 units of competency that have been divided into 4 learning programs where the group receives training in a cluster of units. The program offers two study components: weekly online training sessions using a virtual online platform, and quarterly residential 'block training' where students gather together to receive face-to-face training in a classroom setting. ICAN conducted two week-long training blocks in Cairns, in April and June. The first units of competency are those in the legal and financial and advocacy clusters.

The Commonwealth Bank also supports employment pathways under the Mentorship Program and provided ICAN with the funding to employ 2 trainee financial counsellors. In September 2012, ICAN employed two Indigenous trainees to undertake the Diploma of Community Service (Financial Counselling) and to assist the Cairns and Yarrabah financial counselling team in financial counselling client case management.



Training Developments for 2 Trainee Financial Counsellors:

- Under a supervision model, the trainees provide financial counselling services to Indigenous clients of the Cairns and Yarrabah regions.
- Assist with planning and delivery of community workshops and events targeted to Indigenous communities for the purpose of promoting ICAN's Financial Counselling and Money Management services.
- Participation at the 3rd Residential training program to take place 26th -30th August, 2013.

ICAN'S 2 Trainee Financial Counsellors deliver financial counselling and advocacy services to financially disadvantaged Indigenous clients of the Cairns region and provide support in the following areas:

- Taking a lead role in developing and implementing "Bring your Bills Days" in Cairns, Yarrabah, Ravenshoe and Atherton, Far North Queensland.
- Providing ongoing assistance and input into the planning and delivery of community workshops and events targeted to Indigenous communities for the purpose of promoting ICAN's Financial Counselling and Money Management services.
- Undertaking Financial Counselling at the Cairns and Yarrabah offices – ongoing development of financial counselling skills.
- Attending wider community and Indigenous specific cultural events.
- Ongoing participation in the Diploma of Community Services (Financial Counselling) training, including residential and online training programs.
- Successful completion of Certificate IV in Training and Assessment.
- Ongoing supervision of financial counselling delivery.

Capacity building and Professional Development of existing Graduates:

- Continued participation in the development and implementation of financial education awareness programs for Indigenous clients in Cairns, Yarrabah and Palm Island.



ICAN's 2 Trainee Financial Counsellors deliver financial counselling and advocacy services to financially disadvantaged Indigenous clients of the Cairns region . . .

- Participation and completion of Certificate IV in Training and Assessment by a number existing graduates.
- Representative positions held on national boards and forums specific to Indigenous financial counselling, education, advocacy and awareness.

Achievements

- Cert IV Training and Assessment - Both Bettina and Marcella have completed their Certificate IV TAE40110.

Impact of the Program

- Graduates of the 2012 IFCMP continue to hold representative positions and lead the Indigenous Consumer Forum with representatives from ASIC, ACCC and OFT (Office of Fair Trading).
- The ICAN Enewsletter is distributed nationally to a wide readership. This distribution has prompted enquiries for a 2014 Mentorship Program.



Money Management Program – Yarrabah & Palm Island

Funded by FACHSIA, the Money Management Program (MMP) has been operating in the Yarrabah and Palm Island Aboriginal communities for 6 years. Services offered under the program include:

- Provide education and intensive support in money management, including community education workshops;
- Provide support to individuals and families through the use of tools and resources to develop budgets, money plans and savings goals;
- Assist clients to access financial products and services;
- Assist and support clients with bill paying and purchasing;
- Refer to other services such as financial counselling, Home Ownership on Indigenous Lands, Emergency Relief, No Interest Loans Scheme (NILS), as well as other community services;
- Delivery of the Money Management “Home ownership on Indigenous Land Structured Education Program” (HOILSEP).

MONEY MANAGEMENT TEAMS	
YARRABAH	PALM ISLAND
2 x Money Management Workers	3 x Money Management Workers
1 x Financial Counsellor	1 x Financial Counsellor

In the 2012-13 financial year, ICAN assisted 426 clients through the Palm Island Money Management Program and 414 clients through the Yarrabah Money Management Program. ICAN conducted 87 financial literacy workshops in the communities, on topics: “Making the money last until payday”, “Planning for the future” (budgeting and savings) and banking issues. Separately, ICAN assisted 350 Palm Island clients with banking issues after banking services were withdrawn from the Island. The key banking issues that ICAN assisted clients with were:

1. Funds transfer to another bank account holder;
2. Request PIN numbers for new or replacement key cards;
3. Activate newly received key cards;
4. Assist funds transfer via Internet banking;
5. Identity verification to bank for client;
6. Request replacement key cards;
7. Key card fraud issues;



ICAN is in its 3rd year of delivering the Australian Tax Office’s “Tax Help” program through the “Money Management Program.” Tax Help yielded high results on Palm Island, with ICAN completing 157 tax returns for community residents, resulting in a total of \$258,777 in tax refunds (an average refund of \$1,585 per person). The Tax Help program is a good example of practices that provide the MM program new ways of engaging with Yarrabah and Palm Island Communities, and through the program, ICAN MM Workers and Financial Counsellors have assisted people to begin keeping their receipts and paperwork in preparation for tax time.

In early 2013, ICAN began its roll out of the IHOME education program on Palm Island. The Indigenous Home Ownership Education (IHOME) was designed by the Australian Government Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to assist

Aboriginal and Torres Strait Islander people who are interested in purchasing or building their own home on indigenous land. IHOME covers a range of topics to assist clients to make an informed decision about home ownership.

There are six workshops in total. Content covered in the workshops are as follows:

1. An introduction to IHOME and Home Ownership Costs
2. Making a decision about home ownership
3. Process for buying a home and leasing land
4. Sources of information and advice about home ownership
5. Home maintenance and renovations
6. Building a new home

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. ICAN's new client database was deployed in July 2012 to accurately measure the effectiveness of the MM program and develop further initiatives to assist in the delivery of the service. The MMP program in Yarrabah and Palm Island has consistently provided



positive and effective outcomes for MM participants and 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 to the exposure of the program and increased engagement by MMP participants. The Money Management Program is well and truly identified within both the Yarrabah and Palm Island communities.

ASSISTANCE



Financial Counselling

The Commonwealth Financial Counselling Service is funded by Department of Families, Housing, Community Services and indigenous Affairs (FaHCSIA). The service caters for people living in Cairns, Cape York and Torres Strait. The Department funds 1.5 full time positions to cover an area the size of Victoria.

Financial Counselling is an essential service that is free for people experiencing financial stress. It can assist people in many ways and can alleviate immediate anxiety and stress, particularly when people are being harassed by debt collectors. Financial counsellors do not provide loans; instead they provide essential information regarding a person's financial situation and can assist by providing an array of options for people regarding their situation. Financial counsellors can be mediators between a creditor and the clients, can provide solutions for both parties and identify if breaches have occurred when relating to credit contracts.



ICAN financial counsellors are experienced and qualified under the QLD State Association of Financial Counselling (Financial Counselling Association of Queensland). The Service has two senior financial counsellors with over 20 years' experience between them. The service is strictly confidential and independent.

ICAN financial counsellors have extensive knowledge in:

- Consumer Credit Law
- Debt enforcement practices
- Bankruptcy regime
- Industry hardship policies
- Government concession frameworks

Highlights and Achievements during 2012/13

Solution Focused Learning for financial counselling clients

ICANs database has tracked over 262 new clients in the past 12 months and a total of 535 clients in a two year period for the CFC service. The tracking system monitors the activity by the clients whilst participating in the financial counselling program. ICAN believes this is critical data - it justifies financial counselling as not only a crisis support service for people experiencing financial issues and also identifies financial counselling as an educational program. The data identifies that indigenous people learn better when dealing with real life issues.



Our visit in June to the Laura Dance Festival was a huge success with hundreds of resource packs handed out to individuals. The resource packs were equipped with consumer education information and promotional materials.

ICAN financial counsellors use solution focus techniques to improve learning outcomes for financial counselling clients. This approach focuses on the client to look at their solutions and have hands on approach in selecting the best option or solution for their financial situation. ICAN believes that this approach has significant learning outcomes that are long lasting and provide a real potential for learning's to be filtered back into perspective communities.

The FC service also recorded 475 non case work clients for the reporting year; this is a remarkable number and furthermore over 80% of these non-case work clients reported their cases as resolved after engaging with the financial counsellor. The numbers can also be attributed to our two fine young FC trainees sponsored by the Commonwealth Bank to assist with financial counselling matters. In this reporting period ICAN financial counselling service has conducted a number of Community Educational Activities. The focus was to engage with Cape York Communities and provide access points for financial counselling and consumer advocacy services. Our visit in June to the Laura Dance Festival was a huge success with hundreds of resource packs handed out to individuals. The resource packs were equipped with consumer education information and promotional materials.

ICAN has also held a series of "Bring Your Bills Day" events in two locations across Far North Queensland including: the Laura Aboriginal Dance Festival and the Atherton

tablelands. Sixty people have registered debts with ICAN, with telecommunications debts being the overarching debt issues. ICAN and the FC service has an extensive network base with a number of key stakeholders that either work in the community, provide professional support, offer IDR and EDR services that handle investigations and complaints. Recently ICAN formed the North Queensland Indigenous Consumer Taskforce.

ICAN believes that the Forum is a productive way for consumer regulatory bodies in partnership with ICAN to improve localised communication and correlate critical information which is then fed to national forums.

The FC service has worked with (58) organisations during the reporting period the key partnerships include: Councils, Cairns Regional Council, Community Organisations - Shelter Housing Action Cairns (SHAC), the Homelessness HUB, Salvation Army, Wuchopperen Health Service, Government departments: Queensland Office of Fair Trading, Centrelink, the Australian Securities and Investments Commission (ASIC), the Australian Competition and Consumer Commission (ACCC), local courts, Insolvency and Trustee Service Australia (ITSA), Department of Human Services Indigenous Specialist Team. Other organisations include:

- Northern Peninsula Area Regional Council (NPARC)



- Aboriginal and Torres Strait Islander Legal Services (ATSILS)
- Primary Health Workers
- Women Shelter Association
- Community Justice Groups
- Community Police
- Elders
- Community members
- CEA
- Centrelink (Thursday Island)

Challenges met during 2012/13

Our client base is predominately of Aboriginal or Torres Strait Islander people, although we do cater for non-indigenous clients as well, particularly referrals from Cairns Regional Council.

As a FC service provider our main challenge is, catering for people experiencing financial stress that cannot see our financial counsellors face to face. To meet this challenge, ICAN has developed training workshops for agencies and their staff working in remote areas. The workshops are designed to up skill workers as to support people experiencing financial issues. The workshops also improve the referral framework between services and insure that clients who enter the service are fully supported.

Future Directions

ICAN will continue to deliver this essential service to the Cairns community, the Communities of Cape York and Torres Strait.

ICAN has four accredited financial counsellors and six associated members with the Financial Counselling Association of Queensland. This training model provides extra support in casework management, extra support for studies to become an accredited financial counsellor and allows our money management workers the opportunity to become accredited financial counsellors. In the future if ICAN has the opportunity to gain access to increase funding for financial counselling, ICAN will have the staff trained and equipped to handle the new intake of clients. Agencies across Australia are currently enrolling their workers to participate in the Training Mentorship program; nine participants from other States are currently undertaking the Diploma in Financial

Counselling with ICANs mentorship program.

Case Study

A client from Weipa contacted the office because her late husband's car was being repossessed by the creditor due to payment arrears. The widow was receiving the pension and could not afford the payments, the creditor was trying to influence her to take over the debt and sign a new contract, if the arrears were paid in full. After consultation with the client, our service provided information to the client about what could happen if she signed the contract particularly when the repayments were \$374.00 fortnight and her Centrelink income was \$573 a fortnight and the amount owing on the car was \$43,500. Other issues regarding this case type included, Extended family pushing client into signing contract, so they too can drive the car around, but not willing to contribute to payments. The client was in the belief that she owned the car anyway, because her late husband left it to her. The client had no understanding of contractual obligations and the impact it has on the individual when you default. With three consultation sessions, the client decided that the creditors can take the car and that she would look at other alternatives. In affect ICAN FC Service through providing the information and allowing the client to think about the consequences saved the client from entering into a \$43,000 loan.

Cassowary Coast – Natural Disaster Relief

ICAN's financial counseling outreach to the Cassowary Coast is funded by the Queensland Government's Department of Communities' Community Recovery Program - Financial Counselling Initiative. Following the event of Cyclone Yasi on the Cassowary Coast in February 2011, the Queensland Department of Communities was provided with Federal funds to deliver financial counselling services to the Cassowary Coast. ICAN employed a full-time financial counsellor to provide outreach services to the affected area, and this outreach was supported by the Tully Support Centre and the Giringun Aboriginal Corporation in Cardwell.

ICAN began the provision of services from a position of limited engagement in the Cassowary Coast region and is proud that it was able to overcome logistical difficulties felt at the onset due to the region's recent natural disaster. ICAN quickly established relationships and a trusted professional reputation in providing outreach financial counselling support in a multi-cultural and demographically diverse area. ICAN was able to provide 100% support to clients in the region, which included: Cardwell, Tully, Mission Beach, Jumbun Aboriginal Community and Wongaling Beach. Highlights from service provision include: a large insurance settlement (see Case Study) to a legacy widow, as well as the resolution of several multi-year taxation matters and debt collector harassment that was causing

extreme distress to clients.

Challenges met

The Cassowary Coast is a diverse region with a strong multicultural characteristic. The client base range included Aboriginal and Torres Strait Islander peoples, rural property owners, travelers/backpackers, seasonal workers, long-term residents, refugees, immigrants, and clients reliant solely on Centrelink incomes, persons experiencing mental and physical health issues, self-funded retirees, sole proprietors, large family units and singler parents – all affected by the devastation of Cyclone Yasi.

Two years after Cyclone Yasi, the Cassowary Coast is still financially affected by insurance disputes, loss of employment/ income and unserviceable debt. After two years of service delivery, ICAN's financial counselling outreach to the Cassowary Coast came to a close on June 30, 2013, due to ceased funding of the Queensland Government's Department of Communities' Community Recovery Program - Financial Counselling Initiative.

Case Study

Cyclone victim receives insurance claim, "2 years later!"

ICAN has delivered disaster relief financial counselling services on the Cassowary Coast for a year and a half following the devastation of Cyclone Yasi that ripped through the region in February 2011. Almost 2 years on, the Cassowary Coast is still financially affected by insurance disputes, loss of employment/

income and unserviceable debt. The following case study represents the human side to one of these issues.

Mrs Patricia Weiben made contact with ICAN in May 2012 after ongoing issues with her insurance provider. Mrs Weiben is a Legacy widow living on a pension in Cardwell; she is 69 years of age with a serious heart condition. Mrs Weiben survived Cyclone Yasi on 3rd February 2011 without physical injury however her place of residence was severely damaged. Extensive repairs were required both internally and externally.

A storm surge of 5.4 meters battered Mrs Weiben's house, causing a mass dumping of sand and salt water. Furniture, white goods and other possessions were damaged to the point of total ruin. A number of these pieces were specially designed to help her quadriplegic husband's quality of life, prior to his death and were extremely valuable. The Insurer sent an assessor to inspect the property days after the event, the purpose or outcome of the visit was not made clear to Mrs Weiben and no report was received.

It wasn't until June 2011, six months after cyclone Yasi hit Cardwell that an assessor inspected the property and its contents for insurance purposes. Mrs Weiben immediately had concerns about the assessors' agenda and attitude because a number of arbitrary and seemingly unprofessional comments were made. She rang the Financial Ombudsman Service for advice but decided not to lodge a formal

complaint; a decision she later regretted.

Once Mrs Weiben made contact with an ICAN financial counsellor, an investigation into the appointed assessor's process was initiated. The assessor hadn't accepted claims for a number of items that were damaged in the Cyclone even though he'd received photo evidence. The assessor's reasoning, as given to ICAN's Senior Financial Counsellor, Jon O'Mally in a telephone conversation, was that Mrs Weiben hadn't provided a quote for the damaged goods. This reasoning was inconsistent with the assessor's original approach, as other items that weren't quoted on had been listed. Based on the assessor's limited and seemingly selective acceptance of the extent of damage, the assessment for the costs for damaged goods totaled \$15,669.55. However Mrs Weiben had an unspecified amount insured of \$94,000.00. Mrs Weiben's health continued to be adversely impacted by the lack of a fair settlement and irrelevant personal attacks made by the insurance assessor. ICAN asked the insurer to review the photos in this article and justify their assessment of only \$15,669.55. ICAN felt it was unlikely that any objective observer would think the amount offered as a fair estimate.

Through the efforts of the ICAN financial counselling team and Mrs Weiben's persistence, the insurance company paid out the full contents insurance amount with interest; nearly 2 years after the event. The direct financial outcome for the client was \$81,660 after accessing ICAN's financial counselling service. The range of

financial counselling services provided by ICAN included: dispute handling with the insurer, insurance assessment investigation, development of a “schedule of contents”, quotes and valuation of contents, preparation of photographic evidence and many client interviews with Mrs Weiben.

No Interest Loans Scheme (NILS)

The No Interest Loans Scheme (NILS) is a national community based program offering applicants on a low incomes access to fair and safe credit via no interest loans up to a value of \$1200.00 for essential household goods and services without any fees, charges or interest payments. Repayments are made in affordable fortnightly amounts for a period of between 12 to 18 months (Good Shepherd Microfinance 2013).

ICAN delivers its NILS program to the Yarrabah and Palm Island Aboriginal communities as an integrated component of its “Money Management Program.” Under Money Management, ICAN staff provide support to community residents seeking to take out a NILS loan. Further to assisting clients with filling out NILS applications, the MM workers provide further and ongoing support which includes:

- Education in budgeting;
- Understanding Centrelink payments and clients responsibility;
- Reading bank statements;

- Offering financial counselling services.

Highlights and Achievements during 2012/13

In the reporting period 51 new loans were issued. At the start of the financial year, ICAN had 144 clients on its open loan book, with 85 active loans at the end of the period. There have been many wonderful stories regarding participants accessing the NILS program. ICAN workers have witnessed many people being able to purchase essential items such as;

- Fridges
- Washing Machines
- Freezers
- Dryers

At ICAN, our money management program provides a number of services including tax returns, home ownership and financial education. We strongly believe in investigating and looking at all opportunities for people to access a NILS Loan to help improve a person’s life and wellbeing. Assisting 85 participants to achieve a NILS loan has not only been a rewarding experience for ICAN workers, but has highlighted the importance of accessing an essential item for the household whilst making better financial choices into the future.

Challenges met during 2012/13

Administering the NILS program to isolated and remote areas is a challenging prospect. ICAN employs one full time worker to administer the program, this includes;

- Processing loans
- Data entry
- Loan management
- Preparing reports

The clients experienced some external barriers which included proof of a lease agreement, obtaining bank statements and Centrelink forms. In the process of purchasing goods, it is still a challenge to deliver goods when in most cases there is a sense of urgency for all parties involved. In most cases the turnaround time from when a client has completed their application and been approved to when they receive the goods have generally been acceptable.

Covering the administration costs of the NILS program continues to be a major challenge for ICAN. The cost to ICAN to deliver NILS in the previous financial year was \$110,000. Due to cease of funding, ICAN downsized its NILS delivery from 3 locations to 2 at the onset of this financial year and the current cost of delivering the program to 2 remote locations is \$90,000. Sustainability of the NILS program heavily relies on ICAN being able to cover its administration costs and will be an ongoing consideration for delivering NILS into the future.

Case Study

David lived on a bay, in a beach camp at a Palm Island community for some years and had recently applied for Public Housing to be able to house and support his three young children. David had suffered a serious health condition, currently in remission and was a single parent supported by a Disability Support Pension. In the beach community, David was coping with his health condition, had no white goods and continued his life living out of an esky. As a single parent, who suffered a relationship breakdown, David was also facing instability of accommodation to be able to care and support his three children. Before moving into his newly approved premises, David visited ICAN and was assisted by a financial worker who recommended a NILS Loan. David applied for a NILS Loan for a fridge because he felt a fridge was the most important item for him and his children moving into a brand new rental home. When David's fridge arrived on his doorstep, he stated that he "felt a sense of relief, happiness and pride all bottled into one."

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. Good Shepherd Microfinance maintains the national NILS Network in collaboration with the National Australia Bank (NAB), the Federal Government's Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Victorian Government, the Queensland Government and more than 220 accredited providers at over 400 locations around Australia (Source: Good Shepherd Microfinance).



David applied for a NILS Loan for a fridge because he felt a fridge was the most important item for him and his children moving into a brand new rental home. When David's fridge arrived on his doorstep, he stated that he "felt a sense of relief, happiness and pride all bottled into one."

FINANCE

Indigenous Consumer Assistance Network Limited

(ABN 62 127 786 092)

DIRECTOR'S REPORT

Your directors present their report on the company for the financial year ended 30 June 2013.

Directors

The following persons were directors of Indigenous Consumer Assistance Network Limited during the whole of the year and up to the date of this report, unless otherwise stated:

Velma Gara

Vincent Mundraby

Graeme Hooper

Aaron Davis

Janine Gertz

Principal Activities

The principal activities of the company during the financial year were as follows:

- (a) Providing financial counselling support, associated services and information, as well as consumer affairs advice, money management advice and education to Indigenous People;
- (b) Providing 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.

No significant change in the nature of these activities occurred during the year.

The company's short-term and long-term objectives are to:

The major short and long term goal of Indigenous Consumer Assistance Network is to

provide consumer education, advocacy and financial counselling services to Indigenous consumers across the nation.

To achieve these objectives, the company has adopted the following strategies:

- Develop and maintain strong relationships with Aboriginal and Torres Strait Island Communities, Government,
- Industry and Community sectors.
- Build the capacity of employees to deliver high quality financial counselling and financial literacy services.
- Advocate Indigenous Consumer Issues at national consumer regulatory forums.
- Highlight organisational achievement through measured program outcomes.

The Directors measure the success of the entity by the number of clients it is able to assist and the level of satisfaction of those clients.

Information on qualification and experience of Directors

Name of Director	Qualification & Experience
Velma Gara	Volunteer Radio Broadcaster / Radio 4K1G Townsville Aboriginal & Islander Media Association Freelance Journalist Et Radio Broadcaster
Vincent Mundraby	Chairperson of ICAN; Director of the North Queensland Land Council.
Graeme Hooper	Director/teacher of Horizons Education and Development. Director ICAN Secretary Barrine Rural Fire Brigade Chair Body Corporate, Camphor Laurel Courts Committee member & Grants Coordinator Tablelands Country Rowing Club
Aaron Davis	Chief Executive Officer of ICAN; Accredited Member of the Financial Counselling Association of QLD
Janine Gertz	Community Engagement Officer, Equity and Student Engagement Directorate, James Cook University. Director Yumba Meta Housing Association Ltd Director Townsville Regional Indigenous Business Network

Meetings of Directors

During the financial year, 3 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
Velma Gara	4	4
Vincent Mundraby	4	4
Graeme Hooper	4	4
Aaron Davis	4	4
Janine Gertz	4	4

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards any outstanding obligations of the entity.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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

Director 

Director 

Dated this 6th day of November 2013



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PO Box 6771 Cairns QLD 4870
AUSTRALIA

**DECLARATION OF INDEPENDENCE BY GREG MITCHELL TO THE DIRECTORS OF INDIGENOUS
CONSUMER ASSISTANCE NETWORK LIMITED**

As lead auditor of Indigenous Consumer Assistance Network Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Greg Mitchell
Partner

BDO (NTH QLD)

Cairns, 8 November 2013

BDO (NTH QLD) ABN 31 164 686 648 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO (NTH QLD) and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013	2012
		\$	\$
Revenue	3	1,784,421	1,489,854
Other income	3	66,324	37,601
Depredation and amortisation expense		(42,680)	(26,074)
Employee benefits expense		(951,252)	(911,478)
General operating expenses		(298,217)	(180,742)
Finance costs		(26,861)	
IT and Communications		(65,560)	(64,195)
Motor vehicle costs		(36,374)	(27,872)
Rent		(37,050)	(44,401)
Project costs		(160,000)	
Superannuation		(92,028)	(84,632)
Travel costs		(112,385)	(108,016)
Surplus before income tax		28,338	80,045
Income tax expense	2 (1)		
Surplus for the year		28,338	80,045
Other comprehensive income			
Total comprehensive income for the year		28,338	80,045

Statement of Financial Position

AS AT 30 JUNE 2013

	Notes	2013	2012
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	668,289	786,481
TOTAL CURRENT ASSETS		668,289	786,481
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,034,508	88,328
TOTAL NON-CURRENT ASSETS		1,034,508	88,328
TOTAL ASSETS		1,702,797	874,809
CURRENT LIABILITIES			
Trade and other payables	6	316,679	76,900
Unexpended grant funds	7	19,350	89,280
Borrowings	8	24,741	-
Employee benefits	9	109,808	96,962
TOTAL CURRENT LIABILITIES		470,578	263,142
NON-CURRENT LIABILITIES			
Borrowings	8	592,214	
TOTAL NON-CURRENT LIABILITIES		592,214	
TOTAL LIABILITIES		1,062,792	263,142
NET ASSETS		640,005	611,667
EQUITY			
Retained Surplus		640,005	611,667
TOTAL EQUITY		640,005	611,667

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2013

	Retained Earnings	Total
	\$	\$
At 1 July 2011	531,622	531,622
Comprehensive income		
Surplus for the year	80,045	80,045
Other comprehensive income		
Total comprehensive income	80,045	80,045
Balance as at 30 June 2012	611,667	611,667
Comprehensive income		
Surplus for the year	28,338	28,338
Other comprehensive income		
Total comprehensive income	28,338	28,338
Balance as at 30 June 2013	640,005	640,005

The above statement of changes in equity should be read in conjunction with the accompanying notes. 6

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from funding providers		1,899,898	1,626,971
Payments to suppliers and employees		(1,674,587)	(1,470,427)
Interest received		54,253	51,212
Interest paid		(26,861)	-
Total cash from operating activities		252,703	207,756
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(990,850)	(40,654)
Proceeds on sale of assets		3,000	
Net cash used in investing activities		(987,850)	(40,654)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		630,000	
Repayment of borrowings		(13,045)	
Net cash used in investing activities		(616,955)	
Net cash increase (decrease) in cash and cash equivalents		(118,192)	167,102
Cash and cash equivalents at beginning of year		786,481	619,379
Cash at end of financial year	4	668,289	786,481

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: CORPORATE INFORMATION

These financial statements of Indigenous Consumer Assistance Network Limited for the year ended 30 June 2013 were authorised for issue in accordance with a resolution of Directors on 16 October 2013 and cover 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. It is a not-for-profit entity.

The financial statements are presented in the Australian currency.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The directors have determined that Indigenous Consumer Assistance Network Limited is permitted to apply the Tier 2 reporting requirements (Australian Accounting Standards - Reduced Disclosure Requirements) as set out in AASB 1053 Application of Tiers of Australian Accounting Standards because it is a not-for-profit private sector entity that does not have public accountability. As such, the directors have early adopted AASB 2010-2 Amendments to Australian Accounting Standards Arising from Reduced Disclosure Requirements from 1 July 2010. AASB 2011-2 only mandatorily applies to annual reporting periods commencing on or after 1 July 2013. The early adoption of AASB 2011-2 has had no impact on amounts recognised in the financial statements and related notes because it merely requires less disclosures for these general purpose financial statements, which have been prepared using Australian Accounting Standards -Reduced Disclosure Requirements, than if these financial statements were prepared using Australian Accounting Standards.

The financial statements have also been prepared on a historical cost basis.

The accounting policies have been consistently applied, unless otherwise stated

(b) Property, Plant and Equipment

All plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Depreciation is calculated on a straight-line basis over the estimated useful life as follows:

Class of fixed asset	Depreciation rates
Buildings	2.5%
Office furniture and equipment	20 %
Motor vehicles	25 %

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the assets carrying amount and are included in profit or loss in the year that the item is derecognised.

(c) Trade Receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost.

(d) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(e) Trade Payables

Trade and other payables represent liabilities for goods and services provided to the entity prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

(f) Fair Values

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the entity for similar financial instruments.

(g) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the assets carrying value exceeds its recoverable amount. Recoverable amount is the higher of an assets fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

(h) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are

discounted using national government bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(i) GST

Revenues, expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) Leases

Payments made under operating leases (net of incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(k) Revenue

(i) Rendering of services

Revenue is recognised when the contract outcome can be measured reliably, control of the right to be compensated to the service determined and the stage of completion can be measured reliably.

(ii) Government funding

Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when the company obtains control of the funds.

(iii) Interest

Interest revenue is recognised when payable.

(l) Comparative Figures

Comparative figures have been adjusted to conform to changes presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(m) Critical accounting estimates and judgments

The directors and management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events are based on current trends and economic data, obtained both externally and within the company.

(n) New and amended standards and interpretations

In the year ended 30 June 2013, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to accounting policies, other than as listed below:

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

The entity has applied AASB 2011-9 amendments from 1 July 2012. The amendments introduced the term 'Statement of profit or loss and other comprehensive income' clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section.

(o) New and amended standards and interpretations not yet adopted

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 30 June 2013. While the full impact of these new Standards and Interpretations cannot yet be determined, as a result of this review the Directors have determined that there is not likely to be an impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to accounting policies.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3: REVENUE AND OTHER INCOME

	2013	2012
	\$	\$
Commonwealth Bank funding	352,604	299,426
FaHCSIA funding	1,079,566	907,000
Department of Communities funding	253,937	169,326
Office of Fair Trading funding		22,833
Good Sheppard Organisation funding	63,411	22,727
Movement in unspent funds	(19,350)	17,330
Interest received	54,253	51,212
	1,784,421	1,489,854
Other income		
Rental Income		50,685
Other income	14,629	37,601
Profit on sale of assets	1,010	
	66,324	37,601
Total revenue and other income	1,850,745	1,527,455

NOTE 4: CASH AND CASH EQUIVALENTS

	2013	2012
	\$	\$
Cash at bank and on deposit	668,289	786,481
	668,289	786,481

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	2013	2012
	\$	\$
Land, at cost	205,000	
Buildings, at cost	695,000	
Less accumulated depreciation	(10,901)	
Total land & buildings	889,099	
Office furniture & equipment, at cost	22,185	14,279
Less accumulated depreciation	(10,052)	(6,703)
Total plant and equipment	12,133	7,576
Motor vehicles, at cost	207,238	131,261
Less accumulated depreciation	(73,962)	(50,509)
Total motor vehicles	133,276	80,752
Total property, plant and equipment	1,034,508	88,328

(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

	Land a buildings	Office furniture & equipment	Motor vehicles	Total
	\$	\$	\$	\$
2013				
Balance at the beginning of the year		7,576	80,752	88,328
Additions	900,000	7,906	82,944	990,850
Disposals			(1,990)	(1,990)
Depreciation expense	(10,901)	(3,350)	(28,429)	(42,680)
Carrying amount at end of year	889,099	12,132	133,277	1,034,508

NOTE 6: TRADE AND OTHER PAYABLES

	2013	2012
	\$	\$
CURRENT		
Unsecured liabilities:		
Trade creditors	625	11,859
Rent accrued	8,819	-
GST payable	86,885	13,286
Superannuation & other payables	27,776	34,064
PAYG payable	6,970	17,691
FBT accrual	9,494	-
Revenue in advance	16,110	-
Accrued expenses	160,000	-
	316,679	76,900

NOTE 7: UNEXPENDED GRANT FUNDS

CURRENT		
FaHCSIA	19,350	89,280
	19,350	89,280

NOTE 8: BORROWINGS

	2013	2012
	\$	\$
Bank Loan		
Current	24,741	-
	24,741	-
Non-Current	592,214	-
	592,214	-
Total borrowings	616,955	

NOTE 9: EMPLOYEE BENEFITS

	2013	2012
	\$	\$
CURRENT		
Salaries and wages accrual	30,195	32,451
Annual leave provision	79,613	64,511
	109,808	96,962

NOTE 10: KEY MANAGEMENT PERSONNEL COMPENSATION

	2013	2012
	\$	\$
Total payments made to key management personnel	109,846	102,958

NOTE 11: COMPANY DETAILS

The registered office of the company is:
INDIGENOUS CONSUMER ASSISTANCE NETWORK LIMITED
Unit 1 192 Mulgrave Road Westcourt, QLD

Directors' Declaration

The directors of the company declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2013 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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Director 

Director 

Dated this 6th day of November 2013

To the members of Indigenous Consumer Assistance Network Limited



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AUSTRALIA

INDEPENDENT AUDITOR'S REPORT

To the members of Indigenous Consumer Assistance Network Limited

We have audited the accompanying financial report of Indigenous Consumer Assistance

Network Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 company's preparation of the financial report that gives a true and fair view 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. 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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Indigenous Consumer Assistance Network Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our 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 company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

BDO

BDO (NTH QLD)



Greg Mitchell
Partner

Cairns, 8 November 2013

