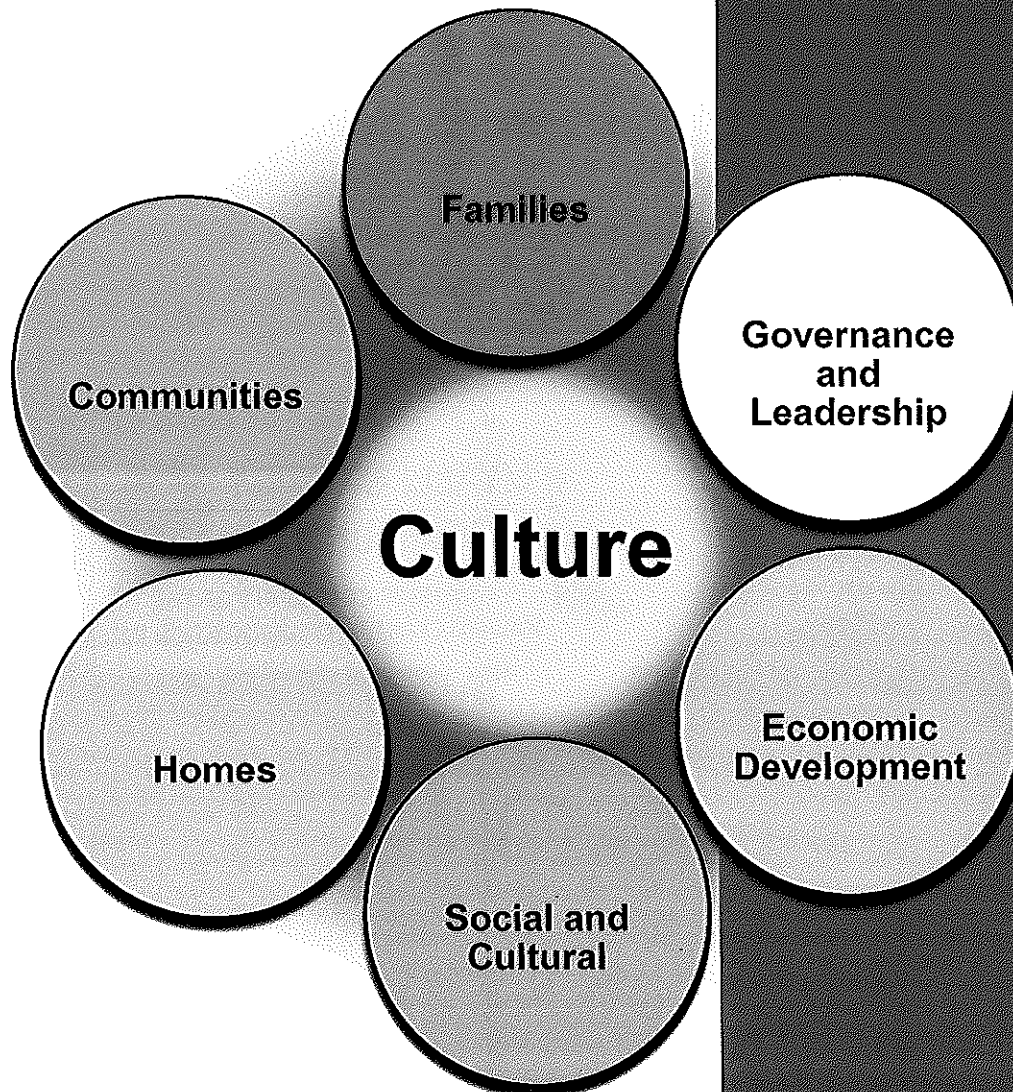




Good Governance

2013 - 2014



KALANO COMMUNITY ASSOCIATION INC
ANNUAL REPORT
2013 - 2014

Kalano Community Association Inc

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*** Financial Reports and Member Listing follows the above pages



INTRODUCTION

Kalano Services:

Kalano Community Association is a Community controlled Aboriginal Organization providing a range of services to the communities of Myalli Brumby, Binjari, Rockhole and Geyulgan; as well as community members who reside in the Katherine Township. The offices are located on Kalano community which lies on the Northern side of the Katherine River. Our hours of operation are from 8 am to 4.30 pm Monday to Friday, every second week our office closes early Friday afternoon at 1.15 pm as part on an Enterprise Bargaining Agreement.

Essential Services - develops, manages and maintains an essential and municipal service program to the communities including rubbish removal and maintenance of grounds;

Kalano Housing - aims to maintain an effective and culturally appropriate rental housing program for Kalano members. The program also provides repairs and maintenance to housing and provides training for local Indigenous people.

Vennedale Rehab - Provides an effective, culturally appropriate residential alcohol treatment program including support and counseling services to clients and their families in a quiet bush setting on Fox road 38 km South of Katherine.

HACC Program - Providing assistance and meals to the older generations of our communities ensuring regular meals and domestic assistance such as laundry, medical appointments and other day to day activities required to maintain healthy living.

Community Patrol - Operating an effective, culturally appropriate Patrol in the Katherine region extending to Binjari and Rockhole communities. Set up to work in conjunction with the NT Police, Katherine Town Council, various Government Departments and other Indigenous Organizations. Kalano Community Patrol has grown in strength and reputation and is viewed as vital in addressing social behavior issues in the wider community.

RJCP - is designed to assist people in attaining skills and experience to prepare them for full time meaningful employment.

Money Management Services - this program has now ended, however previously assisted income managed clients to understand the process of income management, to set household budgets, manage and reduce debt and plan for the future.

INTRODUCTION

Kalano Services

Venndale Transitional After Care - Provides an effective, culturally option for clients to access after treatment completion in a residential facility for Alcohol & Other Drugs. VTAC is currently also accessed as a pre-care facility that deals with the current demand and waiting list for Venndale Rehabilitation Centre.

Kalano Store - Mini supermarket providing fresh food, grocery and takeaway products to members of our community.

Kalano Farm - The Kalano farm is currently growing and harvesting Tomatoes and Sweet Corn on site. This includes the sorting, packaging and transporting to Woolworths distributors in the Northern Territory.

Sport & Recreation - Kalano still holds a Sport and Recreation office and is steadily re-developing this program as resources become available.

Contact Us

MAIN OFFICE PHONE: 08 89722588

MAIN OFFICE FAX: 08 89710105

FINANCE / HR 08 89728235

PURCHASING 08 89728233

ESSENTIAL SERVICES: 08 89728221

KALANO HOUSING: 08 89728213

VENNDALE REHABILITATION: 08 89728600

RJCP: 08 89728290

COMMUNITY PATROL: 08 89728260

VTAC: 08 89723419

KALANO FARM: 08 89728228



VISION & MISSION STATEMENT

Vision

Kalano communities will be full of beautiful gardens, colourful homes, children on playground equipment, green parks, great sporting and administration facilities, a flourishing farm, all staff are from the local communities, with young and fresh faces stepping into the leadership and management roles.

Mission Statement

Kalano Community Association Inc. is an Indigenous organisation providing programs and services, such as housing, employment, training, alcohol rehabilitation and safety to:

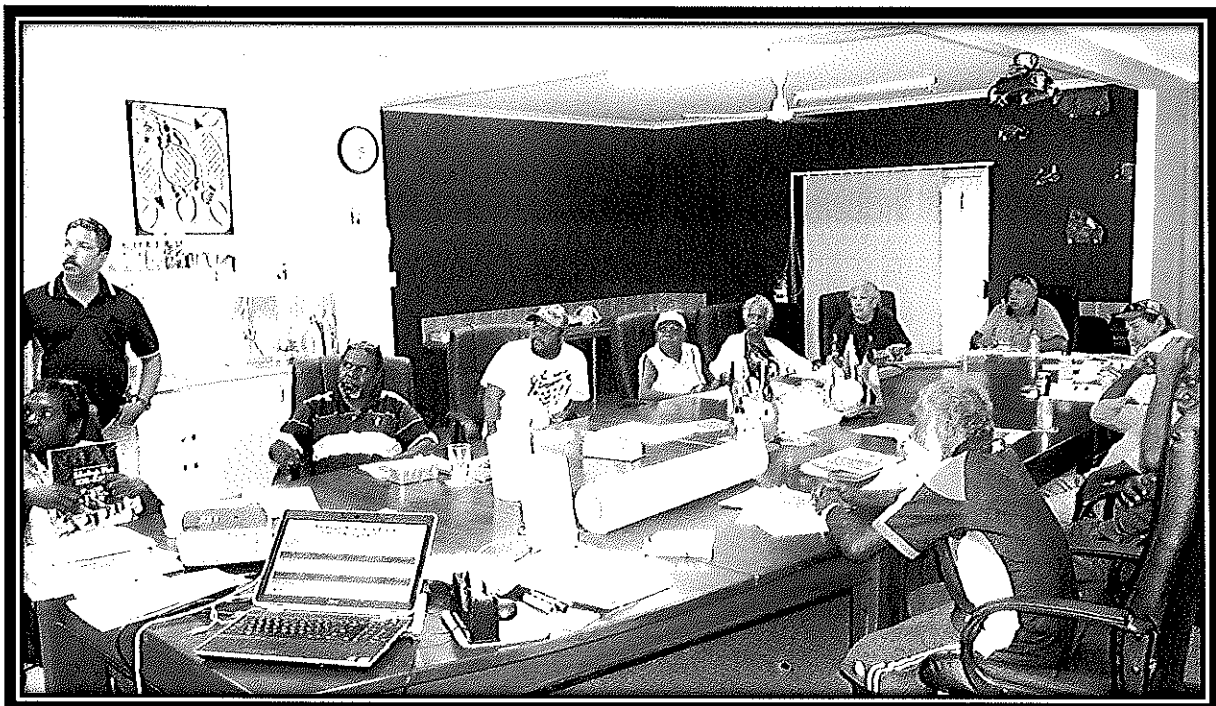
- o improve the lives of our families,
- o create homes and communities.

Values

1. Value each other, Family, Respect, Differences, Views, Cultures
2. Teamwork
3. Honesty, Integrity and Transparency
4. Fairness
5. Pride

2012 - 2013 Kalano Council Members

1. PRESIDENT – Ian Woods – Jodetluk
2. VICE PRESIDENT – Marcus Rosas – Katherine
3. TREASURER – Carol Dowling – Katherine
4. SECRETARY – Terrance Fredricks – Rockhole
5. Gary Manbulloo – Myalli Brumby
6. Heather Mundul – Myalli Brumby
7. Anita Bronghur – Rockhole
8. Gregory Maroney – Rockhole
9. Noeleen Andrews – Rockhole
10. Lisa Mumbin – Myalli Brumby
11. Ned Poulson – Geyulkgan
12. Mark Stevens – Geyulkgan
13. Doreen Fordimail – Jodetluk
14. Jack Gala – Katherine
15. Joyce Blinter – Katherine
16. Billy Driver – Myalli Brumby



PRESIDENT'S REPORT

MR IAN WOODS

COMPLIANCE HAS BEEN MET...

Good Morning to everyone and welcome to Kalano's 2014 AGM.

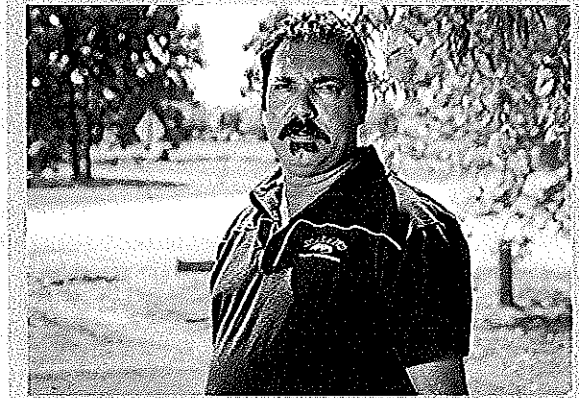
I'd like to acknowledge the Traditional Owners and the Elders, past and present of the land where I work and live.

Let me start to say this report reflects on the current and ongoing process that Kalano is undertaken as I speak. It reflects on the dramatic changes that the Commonwealth Government has thrown at Indigenous Organisation by down grading all of the 150 indigenous programs into five new indigenous Advancement Strategy which being, Jobs, land and Economy, Children and Schooling, Safety and Wellbeing, Culture and Capability and Remote Australia Strategies.

So in saying this Kalano this year was handed a Compliance review report from the Commonwealth Government and in this report it was delivered and handed fourteen recommendations attached to the report, and I have to say that all of the recommendations have been fully met under the guidance of the Board and Management. I would like to tell the members it was a long time consuming effort by the Board who undertook numerous workshops including Governance Training delivered by BIITE, also Funding Agreement with the Department of Prime Minister & Cabinet now known as Indigenous Advancement Strategy. We've completed our Strategic Plan for 2014 to 2017 and I believe that this has now gone to Managers to work shop with the employee's to develop an operational plan coincide with the Strategic plan.

I would also like to tell the members that Kalano Community Association has also reviewed and updated all Policies and Procedure and also have started to work on the Enterprise Bargaining Agreement. In doing so I would like to thank the Board for their commitment to engage in the workshops and come out with positive decision making towards the policies, But a Huge Thank you must also go to Treasurer Dowling for her dedication and tremendous commitment to pursue these complicated matters and that Kalano Community Association is now focus ready to comply with Government standards to date.

There will be more challenging changes that this Government will throw at us and at least to say that we will be ready.



MR IAN WOODS

I would like to say welcome to Alan Mole to his position as Deputy Chief Executive Officer and I'm sure he will bring in Strength and depth of knowledge to the Association, Welcome Alan.

In Finishing off I Thank all Staff that have continue to work hard and the passion to keep programs running and viable to the Association to ensure that Members can continue to utilise these services that the Association delivers to its members.

To the Board, Chief Executive Officer, BDO, and all Staff thank you all for your tireless effort this year it's been fantastic to say that Kalano Community Association can continue to strive by the compassion that each and every one puts in.

So to further more to add Merry Xmas and a Happy New Year to you all.

THANK YOU.

Ian Woods - Chairperson

CHIEF EXECUTIVE OFFICER REPORT

MR RICK FLETCHER

GOOD GOVERNANCE IS GOOD BUSINESS...

I thank members for the opportunity to serve as the CEO of the Association in what has been a tough year amid changes to Government at a Federal level and changes in the leadership of the Northern Territory Government, both of which have served to bring uncertainty to our sector.

Our heavy reliance on Government investment to deliver basic services to our member communities means we continue to be tied to the directions that Governments choose to take Indigenous policy and programs and if the past year is anything to go by, we're in for more change, reforms and more instability.

This year I want to speak about the importance of the Strategic Plan the Council have developed and the work that is required to achieve it.

Each year I have spoken about the importance of the partnership between Council, Administration and Community to achieve positive results and now more than ever, amid the changes that new Governments bring, we need to focus on this partnership.

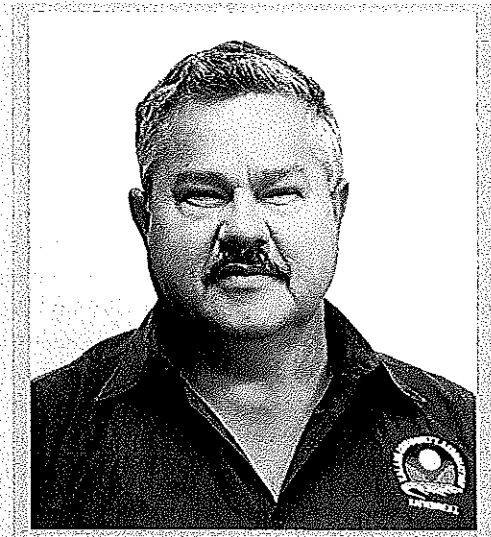
We each have an energy that drives the work needed to serve our needs, our needs are any and varied and so our responses must be many and varied to match.

In the past I have spoken of the need to harness the energy and the interest in the community to form the motivation and commitment to create and sustain activities that produce positive outcomes for us all.

The results achieved by our community organization is only as good as the effort we make to keep our partnership strong, deliver good social services and build platforms for us to develop sustainable economic programs.

The Strategic Plan sets out the direction that we will take to achieve what is important to us and as far as possible achieve our own goals with the energy and motivation we have to determine our future.

The Council have worked hard to review policies and undertake governance training and Administration are implementing a number of changes to finance, assets and human resource management for the road ahead.



RICK FLETCHER

I encourage all members to think of the ways in which you can play a part in keeping our organization strong and building on the hard work that's already done.

If we to stick together and work hard we can overcome the hurdles that successive Governments place on us and achieve the goals that we set for ourselves.

Our way forward is to put our energy into tackling the issues that are important to us, at a local level, and rely on our own efforts to get the job done. The more we leave to others, the less control we have.

The Council continues to provide a stable platform for us to work from and I want to thank Ian and his hard working Councillors for their leadership and governance. I am particularly grateful for the guidance they provide to me throughout the year.

Finally, as always, let me finish my report by paying my respect and offering my sincere condolences to the families who have lost loved ones in our community this year.

Thank You

Rick Fletcher – CEO

WHAT A YEAR IT HAS BEEN FOR THE FINANCE TEAM...

Good Morning and welcome all Community Members and Staff of Kalano Community Association, just updating you all in our Finance and administration Department. We are still being assisted by Ryan Pettit, Yu Yu Aung and Richard David who work at the BDO Office in Darwin.

As you know every year is a busy year for us in the Admin/Finance Section as we trying to run it as smooth as possible and we believe we have had another successful. Ashley and myself working to the best of our ability with the daily Centrelink downloads, the entering of invoices, answering general questions and giving a hand when it's needed. Maxine Allyson has improved her skills at the front desk, and is now taking bookings for Conference room, she also keeps the office clean and smelling fresh.

Everyone is still getting used to FMS as it gets updated every couple of months, this program is used on a daily bases for the purchasing of goods

Earlier this year Ashley completed her Certificate III in Community Services along with Adrianna Weetra and later this year I (April Rosas) will have completed my Diploma in Management. And after 16 long years (thanks to the housing crew) we decided to give our Administration office a new and fresh paint job.

The Finance/Admin Team would like to say thank you to Rick, all the Kalano Staff, our BDO Team and the Kalano Council for their support.



APRIL ROSAS



ASHLEY ROSAS

HOUSING TENANCY MANAGEMENT

ADRIANNA WEETRA

TRYING TO MAINTAIN OUR HOUSES
WITH WHAT WE ARE RECEIVING IS
DIFFICULT...

First of all I would like to welcome all Members & Staff of Kalano to the 2013 – 2014 Annual General Meeting (AGM).

In Housing Tenancy this year it has been another challenging year for us myself as Tenancy Manager, Andrea McDonald and Sonia Agale both as Tenancy Officers. Trying to get tenants to pay rent regularly is the toughest job ever as you know we don't receive much funding from the Government and trying to maintain our houses with what we are receiving is so difficult.

In the last two/three weeks we have been making changes to the Tenancy Agreements from a fixed term agreement to a periodic agreement it has been a long process studying the Residential Tenancy Act checking what regulations we need to abide by as a landlord and getting tenants to sign up on the new agreement.

We still have Housing Member Committee Meeting were all housing matters are discussed and the Committee Members make all decision around housing for their Member Communities.

I would like to encourage tenants and other community members to contribute to the yard maintenance again so the yards and the Communities' looks tidy all the time and we don't need to worry about cyber bullying on Facebook about our Communities.

That is all I have for Housing Tenancy I look forward to working with you again.

Adrianna Weetra
Tenancy Manager



ADRIANNA WEETRA



Andrea McDonald



Sonia Agale

ONCE AGAIN IT HAS BEEN A BUSY
YEAR FOR US...

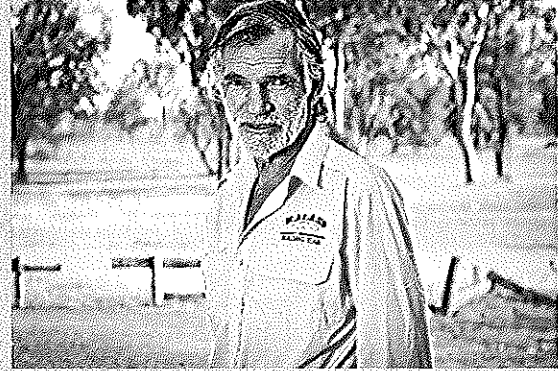
Good Morning Everybody,

Once again it has been a busy year for us. Since last year we have lost Maurice, Liam and Michael Taylor who has moved to Wurli. Good luck in the future Michael. We have taken on Ronald Scott who has moved back from Aged Care. This leaves us with myself, Kenny (Jnr.) Maxwell, Angelo Costales, Keith (Bomma) Baumgarten as Kenny's apprentice, Philip (Trash) Ellis and Ronald as full time workers. As well Phillip Fejo is with us on RJCP.

Due to budget restraints we are unable to replace the 2 workers we have lost. This increases the work load on the rest of the crew and we apologize if it is taking longer to do the repairs needed for your houses.

I would appreciate if people at Rockhole, Myalli Brumby and keep an eye on the houses we are working on as people are going to these overnight and undoing all the work done during the day. Because of this, it is costing us extra money and time to complete our jobs. If we have to go back and redo the work we did yesterday it means we have less time to do our normal maintenance program.

In this financial year this department exceeded its water and sewerage budget by an enormous amount. I am asking all residents of our communities if you see any water leaks, dripping taps, blocked toilets or any kind of sewerage problem please report these immediately. If these are allowed to go on for too long not only does this department have to pay for the repairs to the infrastructure but also for all the water that has been wasted. If we overspend on this budget item it means we have less money to do repairs and maintenance to your houses.



STEVE BERRYMAN

If you need repairs done to your house please come in and see Kenny or myself to fill out the necessary paper work. This can also be done through the Tenancy Department or if Kenny or I am not available at the Reception Desk. I would prefer if you come to my office so I can talk to you to get a clearer idea of your problem.

Thank you.

Steven Berryman,
Housing Property

THE KALANO COMMUNITY STORE HAS A COMPLETE RANGE OF SERVICES...

The Kalano Community Store has had a fantastic year we have increased growth and its customer base and hoping to continue to expand services further. Sam and Chrissy have taken on the roll on managing the store.

The new combination oven has now been installed and being used to cater for a large amount of people at any time, which has allowed us to increase the amount of people we provide HACC meals to daily as well as catering for meetings and other functions.

The store offers a variety of services and products to not only Kalano but to surrounding communities and facilities.

We have had the opportunity to be a part of the RJCP activities as well as taking on local high school students to help them with their training and skills as part of their work experience to benefit them for their future employment.

The store is now supplying all the RJCP participants with their uniforms and any PPE required for them to be involved in their activities.

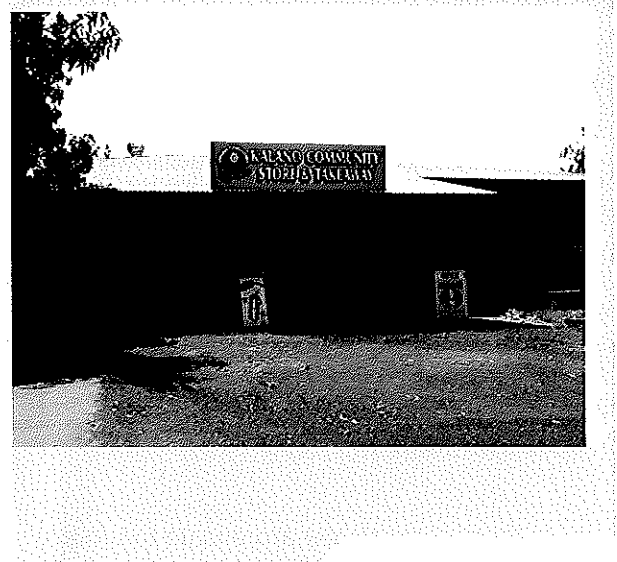
The store has added white goods, furniture and a larger range of clothing to the range of products available. The store is able to order a variety of items as requested by customers from hardware, musical instruments, manchester or anything else as required.

This year Kalano Store offered fireworks for the first time on NT day with great support from Kalano community as well as the entire Katherine Community. Sales were more than we anticipated and sold out by lunch time. Next year we aim to be the main supplier for whole of Katherine.

OPENING HOURS

Monday – Friday 7am- 4pm except for every second
Friday store closes at 1pm

Saturday – 7.30am – 12pm



The store has a complete range of services to offer to the community including:

- Comprehensive range of daily grocery needs
- Takeaway cooked to order and large selection of ready to go food (Sandwiches, Salad, Dim Sims, Chips etc.)
- Extensive range of drinks and ice creams
- Milk and Juice
- A good selection of frozen meat
- Fresh fruit and vegetables
- White goods and Furniture
- Clothing and shoes
- Smokes and tobacco
- ATM
- Basic cards are also accepted here
- Home delivery service

ANOTHER PRODUCTIVE YEAR FOR THE FARM...

Another productive year for Kalano Farm as we are in our fourth Season of production with currently 8 blocks of Tomatoes producing on average 2 – 3 tons a week and produce being sold at the Woolworths and Coles markets and Seconds being sold at Katherine and Alice Springs Markets, We are trailing Sweet Corn and Capsicum recording growth rates and timing of plant statuses to gain knowledge to go into commercial production next year.

Farm Staff –

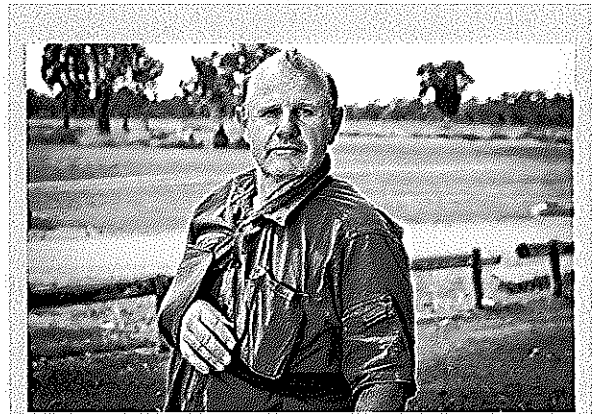
The Farm team consists of Rob Gordon - Farm Manager, Casey McElhone & Teale Fletcher - Administration and Quality Management, Frank Luguna Irrigation and Fertigation Management, Dennis Arnold – Field Management, Toni Watts – Packing Shed Management, and George Mudge - Sanitation Management

Machinery -

The Farm has also purchased a second Harvest Aid to accommodate the growing capacity of produce along with a second Tractor Spraying Rig to provide accurate and efficient fertilization.

Farm Opportunities -

The Farm has also been working in conjunction with Jobfind to assist RJCP Participants with training in the horticulture field, with up to 20 participants training on the farm. Giving these participants the skill set they need to move into an agriculture/horticulture industry, we also have students from Katherine High School Volunteering in production to gain work experience.



ROB GORDON



CASEY MCELHONE

Aus Veg Convention -

In June, Casey McElhone and Teale Fletcher attended an Aus. Veg Convention in Cairns Queensland, with Casey and Teale gaining information on topics such as Plant Health, Eco Friendly Packaging, and International Exporting coupled along with networking and strategizing with other farmers around Australia.

IT HAS BEEN PROGRESSIVE YEAR IN THE HACC TEAM THIS YEAR...

The Kalano Home and Community Care (HACC) program is operated from the Women's Resource Centre building. This program has been in operation for a number of years.

The program operates with 2 full time staff:

Lisa Butler is a personal carer of the program and conducts her duties from the Kalano Community Aged Care facility which is currently operated by the Australian Red Cross. Ms Butler assists clients in the facility with personal care which includes bathing, laundry needs, meals and case management.

Raymond Cadell provide assistance to clients within the communities of Kalano and the township and do the meals runs.

Currently we are serving 19 clients on the HACC program, we are hoping to increase this number in the next few coming months to meet the demand that currently exist for the HACC program.

Prior to clients receiving the HACC service, each person undergoes an assessment process. This assessment is vital in determining the level of care /services required by the client, as in some cases, the client may be too higher risk for the level of service that Kalano HACC program provides.

The services that the HACC program provides are as follows:

- Personal Care
- Domestic Assistance
- Assessment
- Case Management
- Centre base day care / Respite
- Meals
- Transport
- Shopping
- Social Support



MELVINA VEERARAGOO

Congratulation to Lisa Butler who has completed successfully her Cert III in Home and Community Care through the Charles Darwin University (CDU) and Cert III in Aged Care, well done!

We look forward to provide another year of HACC services to the community with a high quality and culturally appropriate services.

2013 – 2014 SAW RJCP IN ITS FIRST YEAR OF OPERATION...

2013 – 2014 was a very challenging first year for the RJCP unit, the Remote Jobs and Communities Program was new so we all had much to learn to meet our contractual and compliance obligations.

The Kalano RJCP unit is a sub-contractor to Job Find and here in the office we have a great working relationship between Job Find and Kalano, supporting each other on the ground as needed. Kalano RJCP also has access to the wonderful support from Job Find head office in Cairns including IT, processes and compliance advice.

The unit had an up and down year for 2013 – 2014 which might be expected for a first year of operation. The ups far outweighed the downs; a particular highlight was putting 5 young blokes thru a pre-employment mining course. The support that the Kalano RJCP unit provided to these fellas was a fantastic demonstration of team work, but the real credit goes to the boys. They undertook everything required of them with enthusiasm and successfully completed the course. We all really enjoyed working with these terrific young blokes.

We are looking forward to a productive 2014 -2015, new staff will be trained and ready to go for the 2015 New Year and we have some exciting activities and training planned for 2015. The RJCP unit through the Participation account will be providing funds for community projects at Rockhole, it is expected that this program will be rolled out to other Kalano Community sites during 2015.

We will also refer clients to a Supervisors course and Ci in Family Wellbeing to kick off the New Year. These courses will give participants skills and knowledge not only for employment but for their day to day lives as well.

Below is a snapshot of the outcomes for 2013 – 2014 year. Disappointing is that out of 43 education commencements only 11 completed, we are confident we can improve this in 2015. Pleasing is the 26 week out comes, this means we have placed 13 clients into employment and provided support to maintain employment for 26 weeks. Many clients struggle to maintain employment for a variety of reasons and we provide support and assistance in effort to get them over the 7 week mark, then on to the 13 week mark.

The staff of the Kalano RJCP Unit looks forward to working with you all in 2014-2015 to deliver positive outcomes to our clients by way of employment, training and community improvements



RJCP_Region_Name	Katherine Region NT
Claim_Status	Approved
Creation_Date	(All)
Creation_User_ID	(Multiple Items)

AS AT 30/6/14

Outcome	# of Outcomes
RJCP 13 week Full Outcome	27
RJCP 13 week Full Outcome PWC Eligible	1
RJCP 13 week Pathway Outcome	9
RJCP 15-49 Hours Job Placement Fee	1
RJCP 26 week Full Outcome	12
RJCP 26 week Pathway Outcome	1
RJCP 50+ Hours Job Placement Fee	7
RJCP 7 week Full Outcome	51
RJCP 7 week Full Outcome PWC Eligible	2
RJCP Education Commencement Outcome	43
RJCP Education Completion Outcome	11
RJCP first 13 week Activity Payment	47
RJCP second 13 week Activity Payment	90
RJCP third 13 week Activity Payment	23
RYLDC - initial payment	4
Grand Total	329

MONEY MANAGEMENT

ADRIANNA WEETRA

CHANGES IN GOVERNMENT MEAN CHANGES TO SERVICES...

The Money Management Program was funded by Department of Social Services (DSS) to teach our clients to budget, save and to use our money the right way.

In the Program there was myself as Manager, Jacqueline Jackson, Jane Davis and Ashley Rosas all as Money Management Workers we delivered workshop out at Rockhole, Mialli Brumby and Geyulkgan, the workshops we delivered were Making the money last until payday, planning for the future, how can banks help?, Internet and phone banking, credit can be a hazard, money loans – sharks and traps, home ownership, tenancy, and managing paperwork.

We also could work one on one with individual client assisting and families with ID's, advocate on their behalf with Centrelink, banks or and credit agencies and refer clients to other Money Management Programs for Financial counselling, NILS and or for something that we were able to assist with.

Unfortunately on the 30th September 2014 we lost the program due to changes of the new government.

Hopefully in the future we will get a similar program that our mob can use that can empower them and they can become more independent and do things on their own.

Thank you

Adrianna





Appendix 1

FINANCIAL STATEMENTS

FOR YEAR ENDED

30th JUNE 2014



Kalano Community Association Incorporated
P.O. Box 646; Katherine NT 0851
Lot 508 McKeddie Rd Katherine, N.T. 0851
Phone: (08) 89 722 588 Facsimile: (08) 89 710 105

KALANO COMMUNITY ASSOCIATION INC
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

KALANO COMMUNITY ASSOCIATION INC

**Council Members' Declaration
For the year ended 30 June 2014**

In the opinion of the Council Members,

- (a) the attached financial statements and notes thereto as set out on pages 4 to 27, being general purpose financial statements under the reduced disclosure regime, are in accordance with the Associations Act NT, including compliance with Australian Accounting Standards - Reduced Disclosure Requirements, and give a true and fair view of the financial position of the Association as at 30 June 2014 and performance of the Association for the year ended on that date;
- (b) the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association; and
- (c) as at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Council Members

The names of the council members throughout the financial year and up to the date of this report are:

Lisa Mumbin	Robert Cambell Jnr	Barbara Berto
Carol Dowling	Kevin Rogers	Terrance Federicks
Ian Woods	Evelyn Andrews	Marcus Rosas
Gary Manbulloo	Billy Driver	Joyce Blitner
Heather Mundul	Pauline Marapunya	Gregory Maroney
Betty Friday	Ned Poulson	Jack Gala
Ann Marie Macdonald	Mark Stevenson	Anita Bronghur
Doreen Fordimail	George King	

Principal Activity

The principal activities of the Association during the financial year were administering to the health, housing and employment requirements and the overall general well being of the members of the Kalano Community and their families.

Significant Changes

No significant changes in the state of affairs of the Association occurred during the financial year.

Operating Results

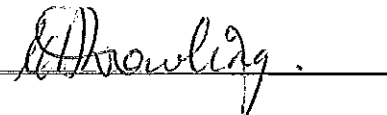
The deficit of the Association for the financial year ended 30 June 2014 amounted to \$243,502 (2013: \$397,641 surplus).

After Balance Date Events

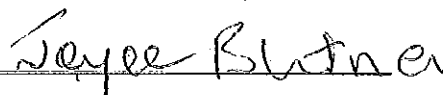
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operation of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

This statement is made in accordance with a resolution of the Council Members and is signed for and on behalf of the Council Members by:

Council Member



Council Member



Dated:

3/11/14

KALANO COMMUNITY ASSOCIATION INC**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2014****Report on the Financial Report**

We have audited the accompanying financial report of Kalano Community Association Inc (the Association) in which comprises the Council Member's Declaration, the statement of comprehensive income for the year ended 30 June 2014, the statement of financial position as at 30 June 2014, the statement of changes in equity, the statement of cash flows, a summary of significant accounting policies, along with other explanatory notes.

The Responsibility of the Council Members for the Financial Report

The Council Members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and ensuring that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Northern Territory of Australia Associations Act and are appropriate to meet the needs of the members. 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

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagement 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies use and the reasonableness of accounting estimates made by the Association, as well as evaluating the overall presentation of the of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Association's financial reporting obligations under the Northern Territory of Australia Associations Act. We disclaim any assumption of responsibility for reliance on this report or the financial report to which it relates, to any person other than the members, or for any purpose other than that for which it was prepared.

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 followed applicable independence requirements of Australian professional ethical pronouncements.

KALANO COMMUNITY ASSOCIATION INC**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Continued)****Auditor's Opinion**

In our opinion the financial report of the Kalano Community Association Inc presents a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements, of the financial position of the Kalano Community Association Inc as at 30 June 2014 and the results of its operations and its cash flows for the year then ended.

It is also our opinion that:

- (a) the prescribed accounting records and other records and registers required to be kept by the Association have been properly kept throughout the year;
- (b) the receipt, expenditure and investment of moneys and the acquisition and disposal of assets by the Association during the year have been in accordance with the prescribed requirements;
- (c) the financial statements have been properly drawn up in accordance with the prescribed requirements and are in agreement with accounts and records;
- (d) the financial statements present fairly the financial position of the Association as at 30 June 2014 and the results of its operations and its cash flows for the year then ended;
- (e) the Association has complied with the provisions under the Act in respect of the conduct of its financial affairs; and
- (f) the financial statements are in accordance with Australian Accounting Standards, other mandatory professional reporting requirements and applicable sections of the Act.

Inherent Uncertainty

Without qualification to the statement expressed above, attention is drawn to the following matter set out in Note 1 to the financial report for the year ended 30 June 2014.

The Association is dependant on operating grants from various government departments. The financial report of the Association has been prepared on a going concern basis on the expectation that such funding will continue. Without such funding there is significant uncertainty whether the Association will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

LOWRYS ACCOUNTANTS
Colin James
Registered Company Auditor

Date: 30 October 2014

KALANO COMMUNITY ASSOCIATION INC

**Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June 2014**

	Notes	2014 \$	2013 \$
Revenue			
Administration Fees	3(a)	261,424	103,678
Grants Received	3(b)	5,847,085	6,969,385
Rent Received		1,020,433	947,284
Operating Income	3(c)	1,120,360	1,215,251
Other Income	3(d)	956,292	197,258
Gross revenue and other income		<u>9,205,594</u>	<u>9,432,856</u>
Expenses			
Administrative Expenses	4(a)	1,105,161	879,421
Bad Debts		18,759	44,765
Depreciation	4(b)	591,075	949,074
Doubtful Debts Expense	7(b)	19,315	129,184
Employee Expenses	4(c)	5,053,967	4,614,920
Fringe Benefits Tax		-	5,555
Housing Expense		148,641	143,152
Motor Vehicle Expense		444,405	404,628
Repairs and Maintenance	4(d)	174,334	280,746
Utilities	4(e)	691,638	589,422
Other Expenses	4(f)	1,201,801	994,348
Total Expenses		<u>9,449,096</u>	<u>9,035,215</u>
Surplus/(Deficit) for the year		(243,502)	397,641
Other comprehensive income/(loss) for the year		-	-
Total comprehensive income/(loss) for the year		<u>(243,502)</u>	<u>397,641</u>

The accompanying notes form part of these financial statements.