



# Kara House

Annual Report 2014-2015



# About

Kara House is part of the Victorian women's refuge service system which aims to provide safe and secure accommodation and support to women and children who have experienced the effects of domestic violence and need to relocate for their safety.

Kara House was established in 1978 by the Italian welfare organisation CO.AS.IT. Over time CO.AS.IT relinquished responsibility and in 1988 the women's refuge became an Incorporated Association.

In 2000 Kara House, in response to community need, established a Domestic Violence Outreach program to provide information and support.

Today Kara House continues to provide secure refuge, transitional housing and outreach support as well as support to women residing short term in motels and education and information in the community. Kara House works collaboratively with a number of other services to provide holistic and comprehensive support to vulnerable women and children.

Kara House is an Incorporated Association governed by a Management Committee.

Chair: Margaret Morrissey

Vice Chair: Susanne Goldie

Secretary: Maureen Breen

Treasurer: Anita Carr

Members

Carmen Gould

Catherine Lockstone

Susan Smith

# Chairpersons Report

On behalf of the Management Committee I am pleased to present the Annual Report for 2014-2015 for Kara House Inc.

This has been an extremely productive, positive and fruitful year for Kara House Inc. With a very successful Accreditation in March 2015, in both the *Quality Improvement Council Standards* and the *Department of Human Services Standards*, Kara House demonstrates the high quality of service it provides to our clients in our Refuge and the broader community, in transitional housing, motels and in client's own homes. The Management Committee is indebted to the staff for their skill and expertise in managing the very complex issues that arise during the course of their work. I would like to acknowledge our Manager Veronica Coleman who, through her knowledge and leadership is responsible for this success.

I also wish to thank my colleagues on the Management Committee and particularly the Kara House Development Committee, who voluntarily give so much of their own time in ensuring that our Association is being given a higher profile, through the development of a web page and networking to obtain grants and donations. This will ensure that the refuge cannot only accommodate our women and children but be able to evolve, to meet the complexities we are experiencing within the domestic violence landscape.

Domestic violence has had a much higher profile in the last 12 months and much of this due to the horrific death of Luke Batty. His mother Rosie Batty, as 2015 Australian of the Year has worked tirelessly to change the culture around the public perception of domestic violence and that it is not OK to assault anyone including a family member. At Kara House we receive women from all races, cultures and sexual orientation, who are terrorised by those who are supposed to love and care for them. This is becoming more complicated, by migrants whose culture in another country regard violence to women acceptable. And within all nationalities the higher incidence of illicit drugs and alcohol is fuelling an increase in aggression and psychotic attacks within families. Staff at the frontline assisting women and children, referred to the refuge or outreach accommodation, need greater support to deal with these situations. This can only happen if Government support is forthcoming in the form of (a) criminal prosecution of the perpetrator, (b) education for the frontline staff and (c) sufficient housing and financial support.

The Management Committee and Staff of Kara House are very committed to ensuring that combatting domestic violence, continues to remain high profile within the Community and Government and appropriate resources are allocated to re-educate the public and reduce the incidence.

At the end of this financial year the Management Committee would like to thank our supporters for their encouragement, support and donations to enable Kara House to continue with this essential service. It is through your support that the women and children that pass through our service have a chance at a better life.

Margaret

# Managers' Report

On behalf of the staff of Kara House I am pleased to provide a report on the 2014-2015 year.

As incoming Manager in 2014 my appointment was one of several staff changes. In August 2014 our long term Manager Desally Turner retired after nine years in the role. Desally will be remembered for her commitment to Kara House, particularly in providing a quality service to clients. We wish her well in her retirement. In September and October respectively Amy and Zehra joined our staff and very quickly became strong team members. We also farewelled Mem who had been both a student on placement with Kara House and a valued staff member for almost 4 years. We recognise the efforts of our former staff members and acknowledge that they have contributed to the work and substance of Kara House.

Kara House has a dedicated Management Committee that has overall responsibility for governance and a new subcommittee, the Development Committee, established for the purpose of fundraising and promoting Kara House. As a result we have launched a website and a refreshed brochure to provide information about our service to the wider community. Kara House Management Committee and Development Committee are progressive and passionate about Kara House, the family violence sector and the status of women.

A significant achievement has been the successful completion of a third round of accreditation in March/April 2015. This could not have been achieved without the support of the Management Committee and the skill and enthusiasm of the staff. Kara House staff have embraced the recommendations of the accreditors and are focussed on continuing to improve and achieving our aims in the years ahead.

One of our priority aims is to collaborate with other services in a considered and purposeful way. Kara House has a long history of working co-operatively with other services in an effort to provide a holistic and comprehensive service to women and children experiencing domestic violence. These partnerships include, domestic violence, homelessness and mental health services as well as childcare, medical, schools and community organisations. One of these partnerships is with Safe Steps Family Violence Response Centre and entails the provision of material aid and emotional support to women and children residing in motels while waiting for a refuge bed. Our attention now is on growing and formalising these relationships and looking for new opportunities that will add value to the service we already provide.

Kara House has identified that the women and children presenting to our service have increased complexity and are staying for longer. As a result we have commenced collecting additional data with a view to analysing and trending this development so we can respond appropriately provide evidence of the demands on our service.

2014-15 has been a year of challenges and opportunities but we choose to concentrate on the opportunities and look forward to the future.

Veronica

# Client Feedback

“Everyone helped me & I’m so grateful & happy”

“...The most satisfaction things for me was the Kara House support and because of this I feel like I’m with my family”(sic)

“...thanks for your perseverance, compassion and patience”

*“support, safety...someone to talk about my situation...”*

“..I thank you from the bottom of my heart..”



# Client Story

*At the beginning of March Kara House received a referral for Lucy\*, a 45 year old woman who had left her husband of 28 years due to domestic violence.*

*Lucy was born in Germany and English was her second language. Lucy's 23 year old son remained in the family home with his father, yet he wanted to support his mother.*

*Lucy suffered from quite significant mental health issues including schizophrenia and clinical depression. She had suicidal thoughts in the past and was on strong medication to assist with these.*

*Lucy's husband was an alcoholic and had used alcohol daily for the duration of their marriage. He controlled Lucy and abused her verbally and physically. He isolated her from family and friends and used her mental health to further the abuse, calling her 'crazy' and saying that no one would believe her if she tried to leave him. He financially abused her by taking all her income and rationing this (giving her \$20 for the week). For a long time Lucy believed that she couldn't leave her husband and that she should just 'put up' with the abuse.*

*Following intake, Lucy and her worker commenced a case plan together. Lucy's worker asked Lucy to identify her goals, needs and wishes for the future. This was a difficult process for Lucy as never before had she been asked to consider her wishes. The case plan worked from a holistic point of view and focussed on Lucy's immediate as well as long term support needs and goals. Lucy was very emotional and we acknowledged that not only was she fleeing from a long term domestic violence situation, she was also separating from her husband whom she still loved.*

*Lucy was referred to, and commenced counselling; her worker ensured she was linked with the correct mental health service for her needs. Lucy's worker started planning for Lucy's future housing requirements, taking Lucy's son into consideration.*

*Lucy's worker was successful in accessing medium term accommodation. This was the next stage in assisting Lucy into moving into a more secure future. Kara House was able to continue working with Lucy whilst she was in shared transitional housing (THM); supporting her in building friendships with other clients, linking her into local community services. Lucy was also able to see her son at the THM and this helped her a lot through the process.*

*After looking around at all options in regards to her housing, an opportunity came up through Community Housing for a long term 2 bedroom property. Kara House advocated for Lucy to be accepted for this unique opportunity as the property was in the vicinity of her mental health worker, close to shops and in a nice neighbourhood. Lucy was accepted for this property and her son was able to move in with her.*

*Lucy and her worker drew up a list of requirements for the new property and Kara House linked her with services who provided her with furniture and whitegoods.*

*Lucy's worker met with her in her new home a few times following the re-location to ensure she was feeling settled. Lucy was extremely happy with the outcome and grateful to Kara House and her worker. After a final visit Lucy sent her worker back to the office with flowers and doughnuts.*

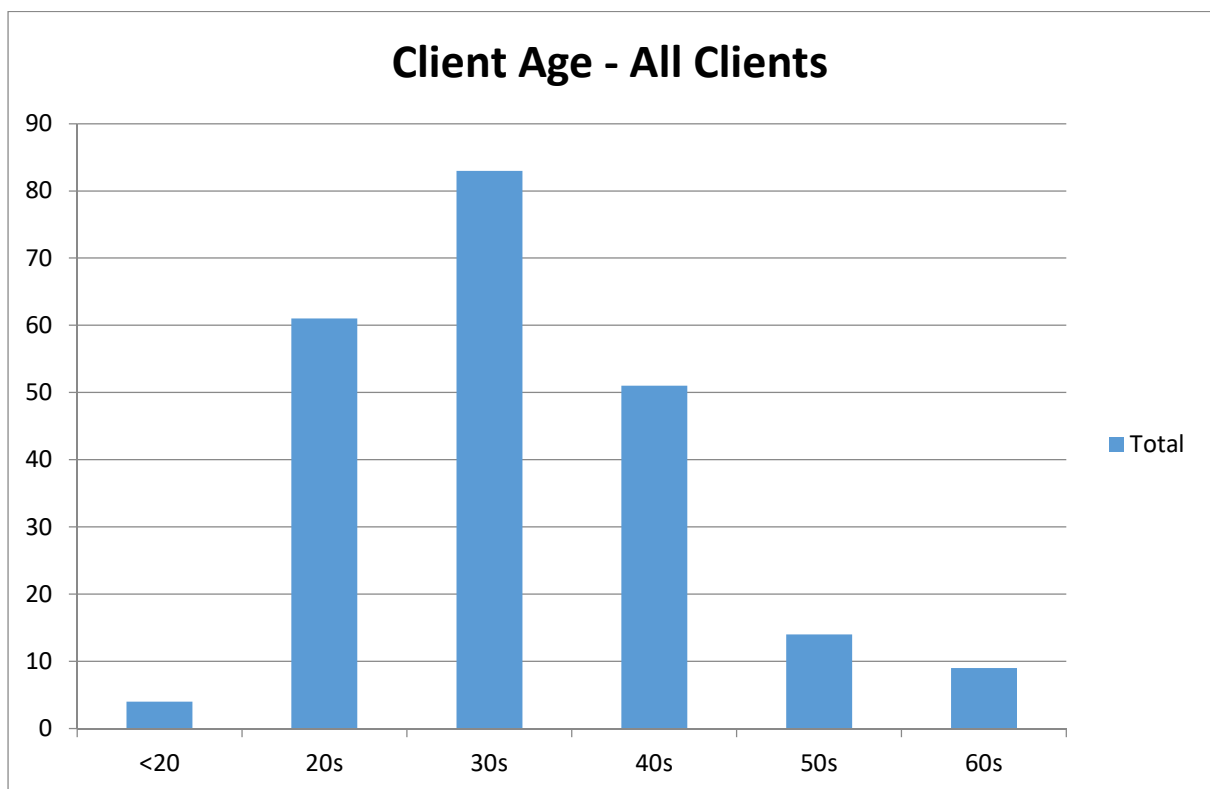
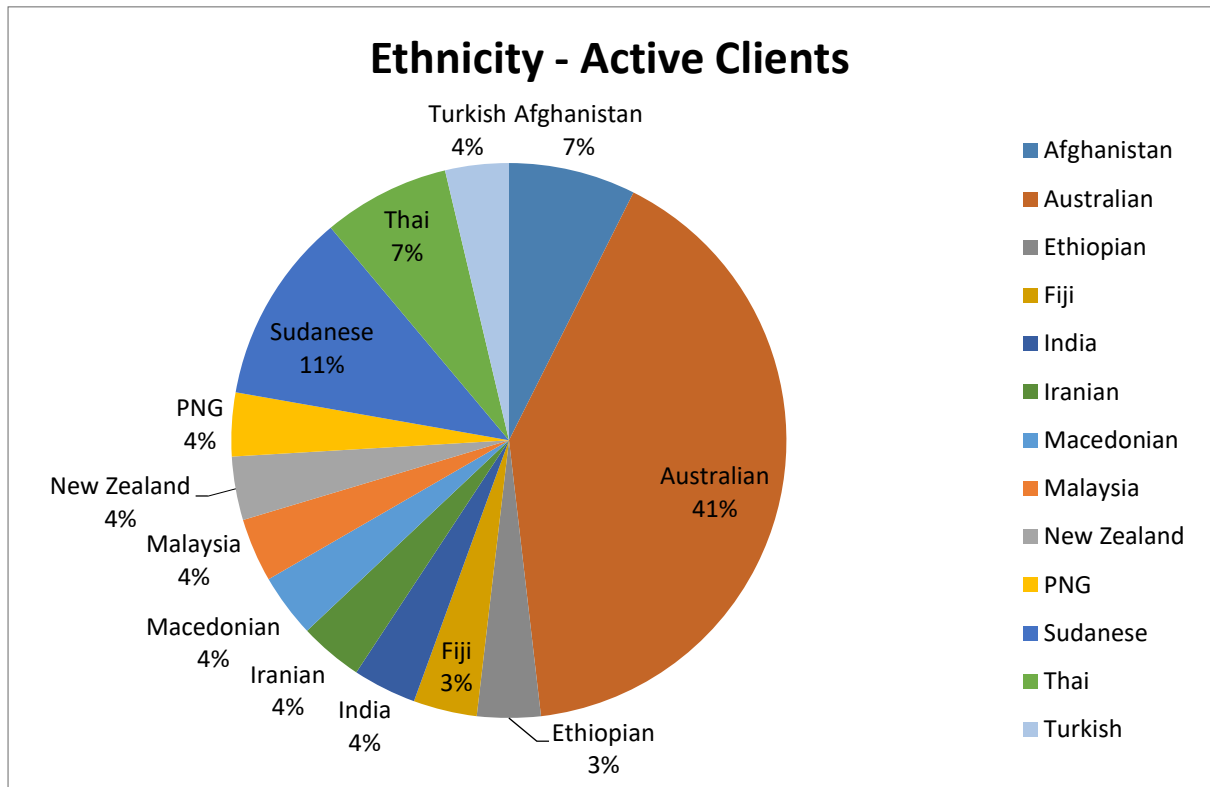
*During her time at Kara House, Lucy's needs were high. After years of abuse and being isolated from mental health supports Lucy had little self-esteem and needed constant encouragement and emotional support to get through the day. Lucy had to learn to make decisions for herself and Kara House would receive multiple phone calls from her through the day for reassurance. As time went on the phone calls lessened and Lucy started to build up her self-assurance.*

*Kara House still hears from Lucy occasionally with updates on how she is going. She has a group of close friends and has gained part-time employment in a community house. Her son, although still living with her is making plans for his wedding and Lucy is happily involved. Kara House has even received a telephone call from another woman asking if Kara House could help her like they did with Lucy.*

*Kara House wishes Lucy continued success.*

*\*Name has been changed to protect the identity of the client.*

# Client Statistics



# Acknowledgements

The Management Committee and staff of Kara House would like to thank the many individuals that provide donations and the organisations we collaborate with.

Working with you enables us to provide additional assistance to the vulnerable women and children we support.

Kara House acknowledges the support of the Victorian Government. We would also like to thank the staff of the Department of Health and Human Services in the Eastern Region for their ongoing advocacy and support.

Alannah and Madelaine Foundation

Box Hill Golf Club- Ladies Charity Committee

Coles

Community Correctional Services Box Hill

Department of Health and Human Services

Don Martin and Partners

DV Vic

Elgar Road Chiropractic

InTouch

Jeanette Elkner

Karen Millot

Migrant Information Centre

Neami

PWC Foundation

Wesley- Resilient Kids Program

Salvocare

St Kilda Mums

View Clubs of Ferntree Gully and Mount Waverley

Women's Housing Ltd

Zonta Club of Mount Waverley

Beta Sigma Phi

Citizens Advice Bureau

Connecting Up

Community Housing limited

Dimmey's

Domestic Violence Resource Centre (DVRC)

Eastern Emergency Relief

Haven: Home Safe

Impact for Women

Jennifer Mc Ivor

Knitting for the Needy

Nappy Collective

Officeworks

Probus Club of Glen Waverley

Safe Steps Family Violence Resource Centre

St Johns Chrysostom Opportunity Shop

Tracy Hart

Wesley College

Women's Liberation Halfway House

*Thank You All*



**Kara House Inc**  
**ABN 20 305 139 734**

**Financial Statements**  
**For the year ended 30 June 2015**

**TST Audit & Assurance Pty Ltd**  
Level 1, 189 Coleman Parade  
Glen Waverley 3150

Phone: 0419541727  
Email: [tony.ager@optusnet.com.au](mailto:tony.ager@optusnet.com.au)

**Kara House Inc**  
**ABN 20 305 139 734**

**Contents**

**Committee's Report**

**Income and Expenditure Statement**

**Detailed Balance Sheet**

**Statement of Cash Flows**

**Notes to the Statement of Cash Flows**

**Notes to the Financial Statements**

**Statement by Members of the Committee**

**Independent Auditor's Report to the Members**

**Certificate by Member of the Committee**

**Kara House Inc**  
**ABN 20 305 139 734**  
**Committee's Report**  
**For the year ended 30 June 2015**

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Your committee members submit the financial accounts of the Kara House Inc for the financial year ended 30 June 2015.

**Committee Members**

The names of committee members at the date of this report are:

Margaret Morrissey  
Anita Carr  
Maureen Breen  
Dr Carmen Gould  
Catherine Lockstone  
Susanne Goldie  
Susan Smith  
Veronica Coleman

**Principal Activities**

The principal activities of the association during the financial year were: A family violence service providing crisis supported accommodation to women and children..

**Significant Changes**


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


**Operating Result**

The profit from ordinary activities after providing for income tax amounted to

Year ended	Year ended
30 June 2015	30 June 2014
\$	\$
18,372	5,471

Signed in accordance with a resolution of the Members of the Committee on:

  
\_\_\_\_\_  
Margaret Morrissey

  
\_\_\_\_\_  
Anita Carr

**Kara House Inc ABN 20 305 139 734****Income and Expenditure Statement****For the year ended 30 June 2015**

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Income</b>		
Interest received	5,878	5,666
Other income	10,355	3,894
Donations	8,090	2,500
Grants Received - DHS		
- DHS - Crisis Supported Fund	477,012	457,543
- DHS - Housing Establishment Fund	11,017	7,624
- NPAH - Sector Capacity	14,360	13,808
- NPAH - A Place to Call home	57,309	54,701
- Transition Support	6,219	5,941
	<hr/>	<hr/>
	565,917	539,616
Profit on sale of property, plant, equip	5,287	-
	<hr/>	<hr/>
Total income	595,527	551,676
	<hr/>	<hr/>
<b>Expenses</b>		
Audit fees	1,394	1,686
Bank Fees And Charges	133	119
Client Expenses	5,931	7,572
Continuous Quality Improvement	8,106	3,928
Depreciation	15,113	12,790
Donations	1,110	2,275
Governance & Management	1,567	2,304
Human Resources	5,832	3,193
Holiday pay	(3,762)	2,704
Housing Establishment Fund	8,008	7,870
Insurance	2,303	1,925
Long service leave	(4,823)	635
Motor Vehicle Expenses	12,932	10,208
Network & Partnerships	2,765	3,705
Office Expenses	35,337	61,156
Rent	27,057	32,242
Refuge Expenses	20,453	21,206
Risk Management & OHS	1,105	1,094
Sick Leave	4,443	1,274
Superannuation	32,905	29,605
	<hr/>	<hr/>

The accompanying notes form part of these financial statements

**Kara House Inc ABN 20 305 139 734**  
**Income and Expenditure Statement**  
**For the year ended 30 June 2015**

	2015 \$	2014 \$
Website Development	4,100	-
Worksafe Injury Insurance	11,883	10,553
Wages & Salaries	383,262	328,163
<b>Total expenses</b>	<b>577,155</b>	<b>546,206</b>
<b>Profit from ordinary activities before income tax</b>	<b>18,372</b>	<b>5,471</b>
Income tax revenue relating to ordinary activities	-	-
<b>Net profit attributable to the association</b>	<b>18,372</b>	<b>5,471</b>
<b>Total changes in equity of the association</b>	<b>18,372</b>	<b>5,471</b>
Opening retained profits	187,311	181,840
Net profit attributable to the association	18,372	5,471
<b>Closing retained profits</b>	<b>205,683</b>	<b>187,311</b>

The accompanying notes form part of these financial statements

**Kara House Inc ABN 20 305 139 734**  
**Detailed Balance Sheet as at 30 June 2015**

	Note	2015 \$	2014 \$
<b>Current Assets</b>			
<b>Cash Assets</b>			
Cash At Bank - General Account		2,380	42,205
Community Solutions Cash Reserve		77,933	47,591
Donation Account		8,091	-
Service Deposit		198	262
Petty Cash		400	400
		<u>89,002</u>	<u>90,457</u>
<b>Other</b>			
Short term deposits		134,340	130,000
Bond		4,405	4,405
		<u>138,744</u>	<u>134,405</u>
<b>Total Current Assets</b>		<u><b>227,747</b></u>	<u><b>224,862</b></u>
<b>Non-Current Assets</b>			
<b>Property, Plant and Equipment</b>			
Buildings Contents - at cost		1,998	3,817
Less: Accumulated depreciation		(133)	(3,387)
Plant & equipment - at cost		33,136	28,098
Less: Accumulated depreciation		(11,531)	(7,313)
Motor vehicles - at cost		65,897	78,737
Less: Accumulated depreciation		(8,715)	(30,318)
		<u>80,652</u>	<u>69,634</u>
		<u><b>80,652</b></u>	<u><b>69,634</b></u>
<b>Total Non-Current Assets</b>			
		<u><b>308,399</b></u>	<u><b>294,496</b></u>
<b>Total Assets</b>			
		<u><b>308,399</b></u>	<u><b>294,496</b></u>

The accompanying notes form part of these financial statements

**Kara House Inc ABN 20 305 139 734**  
**Detailed Balance Sheet as at 30 June 2015**

	Note	2015 \$	2014 \$
<b>Current Liabilities</b>			
<b>Payables</b>			
<b>Unsecured:</b>			
- Other creditors		10,509	8,867
		<u>10,509</u>	<u>8,867</u>
<b>Current Tax Liabilities</b>			
GST payable control account		14,448	13,504
Input tax credit control account		(7,191)	(4,278)
		<u>7,257</u>	<u>9,226</u>
<b>Provisions</b>			
Provision for Annual Leave		43,478	47,240
Provision for Sick Leave		28,098	23,655
		<u>71,576</u>	<u>70,895</u>
<b>Total Current Liabilities</b>		<u><b>89,342</b></u>	<u><b>88,988</b></u>
<b>Non-Current Liabilities</b>			
<b>Provisions</b>			
Provision for Long Service Leave		13,374	18,197
		<u>13,374</u>	<u>18,197</u>
<b>Total Non-Current Liabilities</b>		<u><b>13,374</b></u>	<u><b>18,197</b></u>
<b>Total Liabilities</b>		<u><b>102,716</b></u>	<u><b>107,185</b></u>
<b>Net Assets</b>		<u><b>205,683</b></u>	<u><b>187,311</b></u>
<b>Members' Funds</b>			
Accumulated surplus (deficit)		205,683	187,311
<b>Total Members' Funds</b>		<u><b>205,683</b></u>	<u><b>187,311</b></u>

The accompanying notes form part of these financial statements



**Kara House Inc ABN 20 305 139 734****Statement of Cash Flows****For the year ended 30 June 2015**

	2015 \$	2014 \$
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	584,362	546,011
Payments to Suppliers and employees	(566,511)	(530,501)
Interest received	5,878	5,666
Net cash provided by (used in) operating activities (note 2)	<u>23,729</u>	<u>21,175</u>
<b>Cash Flow From Investing Activities</b>		
<b>Payment for:</b>		
Other Assets	-	(4,405)
Payments for property, plant and equipment	(50,944)	(9,890)
<b>Proceeds from disposal of:</b>		
Proceeds from sale of property, plant and equipment	30,100	-
Net cash provided by (used in) investing activities	<u>(20,844)</u>	<u>(14,295)</u>
Net increase (decrease) in cash held	2,885	6,880
Cash at the beginning of the year	<u>220,457</u>	<u>213,577</u>
Cash at the end of the year (note 1)	<u><u>223,342</u></u>	<u><u>220,457</u></u>



**Kara House Inc ABN 20 305 139 734****Statement of Cash Flows****For the year ended 30 June 2015****2015****2014****Note 1. Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank - General Account	2,380	42,205
Community Solutions Cash Reserve	77,933	47,591
Donation Account	8,091	-
Service Deposit	198	262
Petty Cash	400	400
Short term deposits	134,340	130,000
	<u>223,342</u>	<u>220,457</u>

**Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit**

Operating profit (loss) after tax	18,372	5,471
Depreciation	15,113	12,790
(Profit) / Loss on sale of property, plant and equipment	(5,287)	-
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
Increase (decrease) in other creditors	1,642	(508)
Increase (decrease) in employee entitlements	(4,142)	4,613
Increase (decrease) in sundry provisions	(1,969)	(1,191)
Net cash provided by operating activities	<u>23,729</u>	<u>21,175</u>

## **Note 1: Summary of Significant Accounting Policies**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Reform Act 2012 (Vic). The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

### **(a) Property, Plant and Equipment (PPE)**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

### **(b) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

### **(c) Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

### **(d) Cash and Cash Equivalents**

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

### **(e) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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**Kara House Inc ABN 20 305 139 734**

**Notes to the Financial Statements**

**For the year ended 30 June 2015**

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Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

**(f) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

**(g) Trade and Other Payables**

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

**(h) Income Tax**

Kara House Inc is a Public Benevolent Institution and is income tax exempt, it is endorsed as a Deductible Gift Recipient and is able to receive tax deductible donations.

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**Kara House Inc ABN 20 305 139 734**

**Notes to the Financial Statements**

**For the year ended 30 June 2015**

**2015**

**2014**

**Note 2: Capital and Leasing Commitments**

**Operating lease expenditure contracted for at balance date that is not cancellable and is not provided for in the accounts:**

**Payable:**

<b>No later than one year</b>	26,250	26,250
<b>Later than one year but not later than two years</b>	12,483	38,733
	<u>38,733</u>	<u>64,983</u>



**Kara House Inc ABN 20 305 139 734**  
**Statement by Members of the Committee**  
**For the year ended 30 June 2015**

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The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

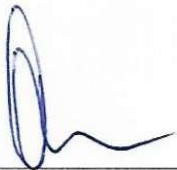
In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

- 1. Presents fairly the financial position of Kara House Inc as at 30 June 2015 and its performance for the year ended on that date.**
- 2. 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.**

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

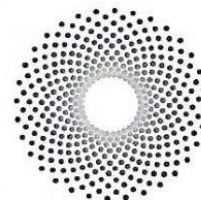


Margaret Morrissey  
Chairperson



Anita Carr  
Treasurer

**Kara House Inc ABN 20 305 139 734**  
**Independent Auditor's Report to the Members**



**TST AUDIT**  
& ASSURANCE

Director:

A. R Ager CA, BEc  
Registered Company Auditor  
Registered SMSF Auditor

TST Audit & Assurance Pty Ltd  
1<sup>st</sup> Floor, 189 Coleman Parade,  
Glen Waverley, Vic 3150  
t: +61 (3) 9560 0211  
f: +61 (3) 9561 5497  
e: tony.ager@optusnet.com.au

Registered company auditor

## **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Kara House Inc (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet, notes comprising a summary of significant accounting policies and other explanatory notes for the financial year ended 30 June 2015.

## **Committee's Responsibility for the Financial Report**

The committee of Kara House Inc are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Associations Incorporation Reform Act 2012 (Vic) and is appropriate to meet the needs of the members. The committee's responsibilities also includes such internal control as the committee determine is necessary to enable the preparation of a financial report that 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 have 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 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 association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

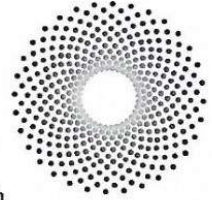
## **Auditor's Opinion**

In our opinion, the financial report presents fairly, in all material respects, the financial position of Kara House Inc as at 30 June 2015 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Reform Act 2012 (Vic).



**Chartered**  
**Accountants**

**Kara House Inc ABN 20 305 139 734**  
**Independent Auditor's Report to the Members**



**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Kara House Inc to meet the requirements of the Associations Incorporation Reform Act 2012 (Vic). As a result, the financial report may not be suitable for another purpose.

**TST AUDIT  
& ASSURANCE**

Director:

A. R Ager CA, BEc  
Registered Company Auditor  
Registered SMSF Auditor

TST Audit & Assurance Pty Ltd  
1<sup>st</sup> Floor, 189 Coleman Parade,  
Glen Waverley, Vic 3150  
t: +61 (3) 9560 0211  
f: +61 (3) 9561 5497  
e: tony.ager@optusnet.com.au

Registered company auditor

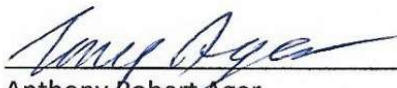
Signed on: 25<sup>th</sup> SEPTEMBER, 2015

TST AUDIT & ASSURANCE PTY. LTD.

TST Audit & Assurance Pty Ltd

Authorised Audit Company Number: 453122

Chartered Accountants

  
\_\_\_\_\_  
Anthony Robert Ager  
Director – Audit & Assurance  
Chartered Accountant



**Chartered  
Accountants**

Kara House Inc

ABN: 20 305 139 734

Postal Address: P.O Box 308, Burwood 3125

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Hours Mon to Fri- 9.00am- 5.00pm

