



***No Interest Loans Scheme  
Information Package***



# Kyabra's No Interest Loans Scheme

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Thank you for your interest in Kyabra's No Interest Loans Scheme.

This Information package can assist you to decide whether or not a No Interest Loan is right for your situation.

You will find the following information in this booklet:

<b>What is Kyabra's No Interest Loans Scheme? .....</b>	<b>3</b>
<b>I am interested in applying for No Interest Loan – what do I do? .....</b>	<b>4</b>
<b>What will happen at my No Interest Loans appointment?.....</b>	<b>6</b>
<b>I have filled out a loan application and I have got quotes...what next?.....</b>	<b>6</b>
<b>If I proceed with the loan, what are my rights and responsibilities?.....</b>	<b>7</b>
<b>Your Budget .....</b>	<b>8</b>
<b>What is Kyabra? .....</b>	<b>9</b>
<b>Frequently Asked Questions.....</b>	<b>10</b>
<b>Our Partners .....</b>	<b>11</b>

## *Janice's Story*

*Janice is a single mum with 3 kids. She is on a disability pension. She prides herself on her ability to keep her spending within her budget which is often difficult most weeks. When her fridge finally gave up in the same week as her child required emergency dental work Janice became distressed with her financial situation. She didn't want a handout, and she didn't want to take out a loan with high interest rates and added fees and charges. Janice eventually contacted Kyabra and was approved for a loan to purchase a new fridge.*

# Kyabra's No Interest Loans Scheme

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## ***What is Kyabra's No Interest Loans Scheme?***

Kyabra's No Interest Loans Scheme provides interest-free loans for individuals or families on low income. It's a community-based program that enables people to access fair, safe and equitable credit for the purchase of goods and services.

### **What can the loan be for?**

A No Interest Loan is generally for the purchase of essential household items like a fridge, washing machine, TV, bed or clothes dryer. A No Interest Loan may also be provided to meet other essential needs like health aids or education costs. Generally a No Interest Loan is not for emergency relief, bond or rent money, living expenses or debt repayments.

### **Am I eligible?**

To access a No Interest Loan, you must have a low income. Evidence of low income is usually a health care or pension card.

### **How much can I borrow?**

Loans are usually between \$200 and \$1000 and the repayment period is usually around 12 to 18 months.

### **Are there any fees or charges?**

There are no fees, charges or penalty payments when taking out a No Interest Loan.



*Kyabra is accredited to run the No Interest Loans Scheme by the Good Shepherd Youth and Family Services.*

# Kyabra's No Interest Loans Scheme

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***I am interested in applying for a No Interest Loan – what do I do?***

## **Step 1- Check your eligibility**

1. I receive a Centrelink payment as my main source of income Yes  No
  
2. I have a Health Care Card or a Pension Card or I can prove I am on a low income Yes  No
  
3. I am over 18 years of age Yes  No
  
4. I live in one of the following suburbs:

Acacia Ridge	<input type="checkbox"/>	Kuraby	<input type="checkbox"/>	Rochedale	<input type="checkbox"/>
Algerster	<input type="checkbox"/>	MacGregor	<input type="checkbox"/>	Runcorn	<input type="checkbox"/>
Berrinba	<input type="checkbox"/>	MacKenzie	<input type="checkbox"/>	Salisbury	<input type="checkbox"/>
Calamvale	<input type="checkbox"/>	Mansfield	<input type="checkbox"/>	Stretton	<input type="checkbox"/>
Coopers Plains	<input type="checkbox"/>	Mt Gravatt	<input type="checkbox"/>	Sunnybank	<input type="checkbox"/>
Drewvale	<input type="checkbox"/>	Mt. Gravatt	<input type="checkbox"/>	Sunnybank Hills	<input type="checkbox"/>
		East			
Eight Mile Plane	<input type="checkbox"/>	Parkinson	<input type="checkbox"/>	Upper Mt. Gravatt	<input type="checkbox"/>
Karawatha	<input type="checkbox"/>	Robertson	<input type="checkbox"/>	Wishart	<input type="checkbox"/>
  
5. I have lived in my current (or last residence) for at least 3 months Yes  No
  
6. I can afford to repay the loan Yes  No

**If you have indicated “yes” to each of the 6 questions above, you are eligible to apply for a No Interest Loan.**

## **Step 2 – Contact Kyabra's No Interest Loans staff**

If after reading this information you wish to apply for a No Interest Loan, you must call Kyabra and make an appointment to meet with one of our staff. The number to call is:

**Phone: 3373 9499**

# Kyabra's No Interest Loans Scheme

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## Step 3 – Prepare for the appointment

Please bring the following information/documents to the appointment:

### Personal Documents:

- A statement of your income from Centrelink. This can be obtained by contacting Centrelink and having your statement sent or faxed to you. If you have access to the internet, you may also be able to obtain this via your own personal Centrelink account (requires username and password).
- Your current Health Care Card or Pension Card
- Pay slips from any casual or part-time work
- Most recent bank statement
- Copy of your lease showing the length of stay at your current address
- Drivers License – if you have one

### Household Bills

- Details of usual household expenses
- Rent receipt or statement of rental payments or mortgage statement
- Most recent Electricity and Gas Account (if applicable)
- Most recent Water Account
- Most recent Telephone Account including Mobile phone/Internet where applicable
- Most recent Credit Card Statement
- Statements detailing any other loans or debts

### *Peter's Story*

*Peter is 40 years old and lives by himself. He was on a Centrelink payment and was looking for work. He recently did a work experience placement at a real estate company. He was given praise by the manager for his selling skills who said he would probably employ him if he could complete the required training. Peter had used all his savings purchasing new clothes for his work experience placement and simply couldn't afford the fees to undergo the real estate training course. He applied for a No Interest Loan and was approved for a loan to pay the training fees. Peter is now working full time in real estate and has repaid his loan.*

# Kyabra's No Interest Loans Scheme

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## ***What will happen at my No Interest Loans appointment?***

Your No Interest Loans appointment at Kyabra will cover a range of issues to help you and Kyabra make sure a No Interest Loan is the best thing for your situation. We will complete a fortnightly budget to work out a plan to reach your financial goals to see if you can afford to repay the loan. If a No Interest Loan isn't the best option for you, we maybe able to assist in other ways. If a No Interest Loan does suit your situation, the following steps are taken:

1. A No Interest Loan application form is completed
2. You will be asked to get two quotes for the thing/s you want to buy with the loan

## ***I have filled out a loan application and I have got quotes...what next?***

### **Step 1 – The Kyabra Loans Committee**

The loan application, your budget and quotes are taken to the Kyabra Loans Committee who will make a decision whether or not to approve the loan. Your personal details such as your name will not be provided to the Kyabra Loans Committee. The Kyabra Loans Committee usually meets once a week to assess loan applications.

### **Step 2 – You will be contacted**

Kyabra staff will contact you within a week to let you know if your loan was approved. If your loan has been approved, another appointment will be made to meet with you to:

1. Fill in a loan agreement about how much money you will repay each fortnight
2. Organize cheque/s
3. Fill in a Centrepay form

If your loan was not approved, you will be called by phone stating why. We will also explain ways you can appeal the decision as well as alternative ways to access finance or obtain the goods you require.

## **Kyabra's No Interest Loans Scheme**

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### ***If I proceed with the loan, what are my rights and responsibilities?***

#### **You have a right to:**

- Be treated fairly and with respect regardless of your personal circumstances or beliefs
- Be informed about the Kyabra's No Interest Loans eligibility criteria
- Be informed about the loan decision making process
- Receive support, mentoring and financial education
- Be informed about the Terms and Conditions of the loan.
- Know how information about you is recorded and who will have access to your information
- Make a complaint and have the complaint dealt with fairly and promptly without retribution
- Access your personal file after the Kyabra Loans Committee has received a request in writing.

#### **Your responsibilities are to:**

- Act in a manner that respects the rights of other applicants and employees of the agency
- Ensure all information provided for the purpose of the loan enquiry and interview are true and correct and that no false or misleading information is given at any time.
- Make regular repayments as stated in your contract
- Check loan statements to ensure they are correct
- Advise Kyabra if you are experiencing difficulties making your repayments
- Advise Kyabra if you need a replacement repayment book
- Advise Kyabra if Centrepay is no longer available to you due to changes in your circumstances
- Arrange to obtain a repayment book if Centrepay is no longer available to you
- Advise Kyabra if you change your address or telephone number

# Kyabra's No Interest Loans Scheme

## Your Budget

When you meet with Kyabra staff to discuss your loan application, the following budget template will be used to help us determine your ability to repay your loan.

### Fortnightly Budget

<b>INCOME</b>			
Take home wage		Rent Assistance	
Disability Support Pension		Child Support	
Parenting Payment		Other Income	
Family Tax Benefit		<b>Savings &amp; Investments</b>	
Newstart Allowance			
Youth Allowance			
			<b>TOTAL INCOME (A)</b>
<b>EXPENDITURE</b>			
<b>Utilities</b>		<b>Housing</b>	
Electricity/Gas		Rent	
Home telephone		House repayments/repairs	
Mobile phone		Property/Excess water rates	
Cable/internet		House and contents insurance	
Transport		Bond payments	
Petrol		<b>Food and Groceries</b>	
Repairs		Groceries	
Registration		Takeaway/Eating Out	
Insurance (comp/3 <sup>rd</sup> party)		Pet Food	
Fines		<b>Education</b>	
License and RACQ		School Fees	
Fares – Public Transport		Uniforms	
<b>Debts/Loans</b>		School Excursions	
Car repayments		Tutoring/Books	
Credit cards		Sports/out of school activities	
Store cards (GE/Myer)		Childcare/preschool	
Loans (eg, Cash Converters)		Uni/TAFE fees/Books	
Bank Loans		<b>Personal</b>	
Family/Friends		Newspaper/magazines	
Centrelink Advance Payment		Haircuts/Clothing	
Other		Entertainment	
<b>Medical</b>		Birthdays and Christmas	
Private Health Insurance		Drinks (alcohol)	
Dentist		Cigarettes	
Doctor/Physio etc		Sporting	
Optometrist		Other	
Pet and Vet			
Chemist			
			<b>TOTAL EXPENDITURE (B)</b>
<b>TOTAL INCOME LESS TOTAL EXPENDITURE (A – B)</b>			
			<b>No interest loan repayment</b>
			<b>FINAL BALANCE</b>

# Kyabra's No Interest Loans Scheme

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## ***What is Kyabra?***

Kyabra Community Association is a community-based organisation which works with individuals, families and children in your community towards achieving their goals.

We do this by:

- Providing medium term accommodation for families experiencing crisis or homelessness
- Providing support to families who have a member with a disability
- Delivering family and relationship education
- Providing supported accommodation for young people
- Providing flexible childcare for families
- Providing Foster Care for children and young people whilst working alongside their families
- Recruiting, training and supporting Foster Carers and Volunteers
- Providing information and referral services
- Encouraging community discussion about local issues
- Working with groups of people around community concerns and projects
- Providing a No Interest Loans Scheme for people on low incomes

Kyabra's main office is located at:  
Corner Kyabra and Gumtree Streets  
Runcorn, Qld 4113

We can be contacted by:

Phone: (07) 3373 9499

Fax: (07) 33739444

Email: [kyabra@kyabra.org](mailto:kyabra@kyabra.org)

More information on Kyabra can be found on our website:

[www.kyabra.org](http://www.kyabra.org)



# **Kyabra's No Interest Loans Scheme**

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## ***Frequently Asked Questions***

### **I need a loan in a hurry, how long will it take to get the money?**

The process Kyabra uses to allocate loans has been developed over many years. Kyabra's No Interest Loan Scheme isn't just another form of credit, rather it is a way to work with people on low incomes to better manage their financial situation. We need to be careful that we provide loans to people who can make the repayments as this will enable us to make loans to other people who require a No Interest Loan. This booklet has detailed a process which requires both Kyabra and the loan applicant to work together and as everybody's circumstances are different the time it takes will also vary. Once an application has been lodged, and if approved, it is possible that loan funds could be available within a week.

### **How much will my fortnightly repayments be?**

Fortnightly repayment generally range from \$15 - \$30

### **I need money now – should I take out a loan from a “Same Day Lender”?**

If you are on a low income you need to be very cautious about taking out a loan from a “Same Day Lender” (also called “Pay Day Lenders”). The interest rates can be very high and fees and charges can also be very high. Some “Same Day Lenders” have very high penalties if you miss payments. So while you may solve a financial situation in the short term, over time you could find yourself in greater financial hardship.

### **I am in real financial hardship what can I do?**

You maybe eligible for emergency relief. Various organisation can provide food or other vouchers. Contact Kyabra for information on this.

### **Can I take out another No Interest Loan?**

Once you have repaid one loan, you are eligible to apply for another loan.

# Kyabra's No Interest Loans Scheme

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## Our Partners

The money Kyabra uses to provide No Interest Loans is made possible to the generosity of the following organisations:



National Australia Bank



Queensland Government



Brisbane City Council



Zonta Club North



The Ian Potter Foundation

# Kyabra's No Interest Loans Scheme in 9 Steps

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1

Phone Kyabra and discuss your situation.



2

Read the Information Pack to decide if want to apply for a No Interest Loan.



3

If you decide you want to apply for a loan, make an appointment with Kyabra.



4

Collect all the documents you will need to take to the appointment, such as bills and bank statements. You will also need to bring two quotes for the item you wish to purchase.



5

At the meeting Kyabra staff will discuss your financial situation. If a loan is suitable for your situation, an application for a Loan will be completed.



6

Your Loan will be assessed at the next Loans Committee.



7

If approved, you will need to sign a Loan Agreement and then a cheque or cheques will be provided and your item/s can be purchased.



8

Repayments on the Loan will begin.



9

Your Loan is repaid in full.

