



CENTRAL DESERT NATIVE TITLE SERVICES

ANNUAL REPORT 2013

WARNING TO ABORIGINAL AND TORRES STRAIT ISLANDER READERS:

This report may contain culturally sensitive information and images of people who have passed away since publication.

We sincerely regret any distress that may be caused.

Glossary

AC	Aboriginal Corporation
ATSIC	Aboriginal and Torres Strait Islander Commission
CAT	Cultural Awareness Training
CATSI Act	<i>Corporations (Aboriginal and Torres Strait Islander) Act 2006</i>
Central Desert	Central Desert Native Title Services Limited
CDEP	Community Development Employment Project
CHMP	Cultural Heritage Management Plan
CSR	Canning Stock Route
DEC	WA Department of Environment and Conservation
DPaW	WA Department of Parks and Wildlife
DSS	Desert Support Services
FaHCSIA	Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs
GDNR	Gibson Desert Nature Reserve
ILUA	Indigenous Land Use Agreement
IPA	Indigenous Protected Area
KLC	Kimberley Land Council
MNR	Mungarlu Ngurrurangkatja Rirraunkaja (Aboriginal Corporation)
MOU	Memorandum of Understanding
NNTT	National Native Title Tribunal
NRM	Natural Resource Management
NTA	<i>Native Title Act 1993</i>
NTRB	Native Title Representative Body
NTSP	Native Title Service Provider
NTU	Ngaanyatjarra Council (AC) Native Title Unit
ONT	WA Office of Native Title (Department of the Attorney General)
ORIC	Office of the Registrar of Indigenous Corporations
PBC	Prescribed Body Corporate
PFA	Program Funding Agreement
RNTBC	Registered Native Title Body Corporate
RPA	Regional Partnership Agreement
SEWPAC	Department of Sustainability, Environment, Water, Population and Communities
TNTLAC	Tjurabalan Native Title Land (Aboriginal Corporation)
TO	Traditional Owner
UCL	Unallocated Crown Land
WIN	World Indigenous Network
WDLAC	Western Desert Lands Aboriginal Corporation
YNPAC	Yarnangu Ngaanyatjarraku Parna Aboriginal Corporation





Senator the Hon. Nigel Scullion
Minister for Indigenous Affairs
Parliament House
Canberra ACT 2600

27 September 2013

Dear Minister

I have great pleasure in presenting the Annual Report of Central Desert Native Title Services Limited for the period 1 July 2012 to 30 June 2013.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Chaney", is positioned above the typed name.

Hon. Fred Chaney AO
Chairperson



Australian Government
Department of Sustainability, Environment, Water, Population and Communities
Mungahla Ngununankopi Rinununkopi (Aboriginal Corporation) RNTJ
Birriliburu
INDIGENOUS PROTECTED AREA



Australian Government
Department of Sustainability, Environment, Water, Population and Communities
Mungahla Ngununankopi Rinununkopi (Aboriginal Corporation) RNTJ
Birriliburu
INDIGENOUS PROTECTED AREA



Signature Line: Print on behalf of
The Elders, Yarn-Brook
Yarn-Brook, Birriliburu

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DIRECTORS



The Honourable Fred Chaney AO

(Chairperson)

Appointed 11 September 2007

In recent years Fred Chaney has served as a Member and Deputy President of the National Native Title Tribunal, Co-Chair and director on the board of Reconciliation Australia Limited, Chair of Desert Knowledge Australia and Chair of the Consultation Committee on a Human Rights Act for Western Australia. In 2008 he was awarded the Sir Ronald Wilson Leadership Award for "Exceptional leadership in the fields of social justice, human rights, equality and anti racism". Fred continues to serve as a director of Reconciliation Australia Limited, Chair of Desert Knowledge Australia, and is a co-founder and Deputy Chair of the Graham (Polly) Farmer Foundation. In 2011 he was a member of the Expert Panel on the Constitutional Recognition of Indigenous Australians.



Dr Fiona Skyring

Appointed 7 October 2008

Fiona Skyring is a historian. While employed by the Kimberley Land Council from 1999 to 2005 as an expert witness, Fiona gave evidence on behalf of the native title applicants in five trials in the Federal Court. Since then Fiona has worked for native title service providers on behalf of applicants, for Aboriginal heritage organisations and for government. She has contributed to community history projects and academic publications. Fiona is the author of 'Justice: A history of the Aboriginal Legal Service of Western Australia', which was published by UWA Publishing in 2011. For this book Fiona won the 2012 Margaret Medcalf Award, for excellence in research and referencing using the State Archives Collection, and in the WA Premier's Book Awards she won the State Library of Western Australia WA History Prize and the WA Premier's Prize.



Mr Andrew Gilmour

(Chairperson Audit Committee)

Appointed 14 December 2012

Andy is a director of national chartered accounting firm RSM Bird Cameron practising in the Corporate Finance Division. He has over 30 years experience as a chartered accountant and business adviser, initially in the area of audit and subsequently in corporate finance and transaction support. He has had a wide breadth of experience with exposure to businesses in diverse industries and of varying sizes. Andy holds a Bachelor of Arts (Honours) from the University College of Wales, Aberystwyth and is the West Australian representative of the Business Valuation Special Interest Group of the Institute of Chartered Accountants. Andy was admitted as a partner of RSM Bird Cameron in 1994.



Dr Carolyn Tan

Appointed 14 December 2012

Carolyn Tan has been an In-house Legal Counsel at Yamatji Marlpa Aboriginal Corporation since 2003 where she has provided native title advice and appeared in the Federal Court, High Court and before the National Native Title Tribunal and the Mining Warden. Prior to that she was a litigation partner at Dwyer Durack for 15 years and headed up their Native Title Department as well as being engaged in a range of commercial, administrative and other civil and industrial litigation. Carolyn has been a Deputy President of the WA Equal Opportunity Tribunal and has served on numerous legal and social justice committees. She holds a PhD for her research on a topic related to Indigenous heritage and religious freedom laws in Australia, New Zealand, USA and Canada.





Mr Terence Grose

Appointed 14 December 2012

Terry Grose has a strong commercial background gained through his experience as a merchant banker, senior executive and business consultant in Australia and overseas. After a decade spent in Hong Kong, Terry returned to Australia in 2008 and since then has undertaken consulting assignments with companies that have benefited from his broad commercial background. He is a director of Yirra Yaakin Aboriginal Corporation, Martu People Limited, Arafura Resources Limited and Central Desert Native Title Services Limited.

RETIRING DIRECTORS



Mr George Irving

(Chairperson Rtd)

Retired 14 December 2012

George Irving is a barrister and solicitor who specialises in native title law. He was Legal Officer with Kimberley Land Council from 1993 to 1997 and Principal Legal Officer from 1997 to 2002. He then practised as a barrister and successfully represented Aboriginal groups from around the State in Federal Court hearings, National Native Title Tribunal hearings and in negotiations with the State and other respondents to native title claims. In 2012 he left the WA Bar to take up a position as the Director of Legal Services with the Juluwarlu Group Aboriginal Corporation. In that position he is the acting solicitor and in-house counsel for Yindjibarndi Aboriginal Corporation RNTBC, the prescribed body corporate for the Yindjibarndi People in the Pilbara.



Mr Peter Thomas

(Chairperson Audit Committee Rtd)

Retired 14 December 2012

Peter Thomas is a senior executive at Fortescue Metals Group Limited and is currently Project Director – Port and Rail Expansion. He was previously Chief Financial Officer (TPI) at Fortescue where he was responsible for group management and commercial project performance. His strong international finance, corporate and investment banking skills have developed over the last 20 years while he served in various executive, corporate and advisory roles.



CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY



Mr Ian Rawlings

Appointed Company Secretary 26 November 2007

Ian Rawlings has extensive experience working with Indigenous organisations in Western Australia. Since the early 1990s he has held community development and administration roles in remote communities, worked in the field for ATSIC and was the Administration Manager for the Ngaanyatjarra Council Native Title Unit for five years and Acting Unit Manager for one and a half years prior to taking on the role of Chief Executive Officer at Central Desert. Mr Rawlings is the Chairman of Carbon Neutral Charitable Fund Ltd.

CHIEF OPERATING OFFICER AND PRINCIPAL LAWYER



Mr Malcolm O'Dell

Malcolm O'Dell has served as the company's Principal Lawyer since its inception in 2007. He is also the company's Chief Operating Officer, managing all its operational activities. Mr O'Dell has extensive native title experience having worked for the National Native Title Tribunal from 1996 to 1999 before entering legal practice with Dwyer Durack. He joined Ngaanyatjarra Council in 2004, working in the Native Title Unit, and moved to Central Desert when it was formed in 2007. He has experience in native title in the areas of mediation, negotiation, agreement making, court representation, arbitral inquiries and hearings. Mr O'Dell is a committee member of Access Housing Association and a Board Member of Access Housing Australia Ltd.

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY



Mr Ric West JP

Appointed Company Secretary 24 September 2010

Ric West serves as the company's Chief Financial Officer and Company Secretary. Mr West has worked with and for Indigenous organisations since 1992 when he joined ATSIC. His experience includes working in a private accounting practice providing offsite accounting solutions for remote Indigenous organisations, serving as CFO for a large city-based CDEP and running his own firm specialising in audits of Indigenous and other non-profit organisations. Mr West is a certificated member of Chartered Secretaries Australia. He is currently completing a Masters degree (Mineral Economics) at Curtin Graduate School of Business.



CHAIRPERSON'S REPORT

As the incoming Chair I am pleased to report a very successful result for Central Desert Native Title Services against its key strategic areas. Key developments in each area are detailed in the following report.

There has been significant progress of native title matters in the Central Desert region with a collection of Martu matters being determined on May 16 and the Wiluna claim being determined just out of the reporting period on July 29.

Recent changes to the *Native Title Act*, which gave the Federal Court greater powers to direct matters, have increased mediation activity and seen greater activity in litigated matters. This has raised challenges for Central Desert to resource the increased activity within tight timeframes. We have worked closely with our key funding bodies to maintain adequate levels of support but they warn that their capacity to fund the rising level of litigation activity is limited.

It was a very busy and successful year for Central Desert's Land and Community team, whose work primarily focuses on land management projects which, as well as having sound environmental purposes, also produce significant social and economic development outcomes for the community. The work that Central Desert undertakes to assist native title holders to gain social, economic, environmental and cultural value from their native title is vitally important and a very high priority for the Board.

The declaration of an Indigenous Protected Area (IPA) over 6.6 million hectares of the Birriliburu determination area was a highlight for the year. The Board is particularly pleased with the range of collaborations that have come on the back of the IPA process; commercial arrangements have been negotiated with Newmont Mining, the Department of Environment and Conservation and Telstra. Other negotiations are also in train.

The Central Desert Board has established two subsidiary companies to provide support and capacity building to Prescribed Bodies Corporate (PBCs). Desert Support Services Ltd (DSS) was established to deliver administration, financial, labour hire and other services. Rockhole Funds Management Ltd, in the process of formation, will act as a trustee to hold funds. Providing these core services to PBCs at cost effective rates frees up resources so PBCs can focus on their core business of managing native title matters.

I thank our sponsors and our other supporters for their commitment to working with us to benefit the people of the Central Desert. Their contributions are outlined elsewhere in this report, and it is important to stress how essential that contribution is.

The progress made in the past year is the result of the efforts of many people and many partnerships but would not have been possible without the leadership of the Central Desert Board, our CEO, Ian Rawlings, and the tireless efforts and commitment of Central Desert staff.

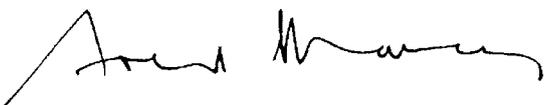
I would like to acknowledge the leadership and commitment of outgoing Chair Mr George Irving. George chaired the Board of Central Desert for five years and led the organisation through times of major change and development. The Board also bade farewell to director Peter Thomas earlier this year. Peter's expertise and experience were greatly valued by the Board. We all extend our thanks and best wishes to George and Peter.

The Board welcomed three new directors in December 2012, Dr Carolyn Tan, Mr Andy Gilmour and Mr Terry Grose. With the Board's combined wealth of native title and business knowledge, I am genuinely excited about the future for our organisation and our constituents.

Finally and most importantly, I acknowledge the courage and commitment of all of the traditional owners of the Central Desert region. It is a great privilege to work together, sharing the journey towards an empowered and sustainable future.

Sincerely,

Hon. Fred Chaney AO



Chairperson



CHIEF EXECUTIVE OFFICER'S REPORT



The 2012-2013 year has heralded a high level of activity and achievement across the Central Desert region.

The Federal Court of Australia's more direct role in the native title process is bearing fruit. Numerous small parcels of land not settled with the initial Martu determination of 2002 were determined by consent on 16 May 2013. The parties to the Wiluna native title claim (Wiluna 1) reached consent and the formal 'on country' determination ceremony is scheduled on 29 July 2013. A number of questions of law in relation to several claims have been referred to the Court for settlement by litigation. All matters under the Court's direction are progressing and we are anticipating several more determinations in the coming year. The Court's firm stewardship of matters is refreshing, bringing life to matters that have been stalling for some time. A major concern, however, is sustaining the level of resourcing and effort required to meet the Court's tight timeframes.

Post determination activities are driving innovative and engaging projects across the region. The Wiluna and Birriliburu Martu are collaborating with a range of partners to develop a business model that is creating demand for Martu expertise on their traditional country. The 2008 Birriliburu exclusive possession native title determination was the catalyst for a process which saw the Birriliburu Indigenous Protected Area declared in April 2013. The Wiluna Ranger Program came out of the IPA process, as well as a range of economic opportunities for Martu generally. Ongoing training and employment contracts have been secured between the Wiluna Rangers and the State Department of Environment and Conservation and with Newmont Mining Corporation. A number of other contracts are in negotiation. I particularly acknowledge the willingness of Newmont Mining Corporation to collaborate on and commit to an innovative engagement model that is well outside industry standard.

FaHCSIA's review of the roles and functions of native title organisations, launched at the 2013 Native Title Conference in Alice Springs, is providing among other things, a timely forum for discussion around the needs of PBCs and the structures required to support them.

In order to maximise our ability to deliver a wide range of services and to minimise our risk, the Central Desert Board has developed two subsidiary companies, Desert Support Services and Rockhole Funds Management. Desert Support Services provides bookkeeping and accounting, administration, labour hire and property management services to PBCs and community organisations. Rockhole Funds Management will act as trustee for organisations receiving monies from their native title or other land related activities.

Central Desert and Desert Support Services act as backbone organisations providing support to four of the six prescribed bodies corporate within our region. The four PBCs represented receive minimal funding from FaHCSIA and have been meeting their corporate compliance requirements. All have varying degrees of activity and complexity





Carnarvon Range at sunset Photo: Chris Brown

to manage and our approach to supporting them is through facilitating good governance processes and providing appropriate technical and administrative support at a fair fee for service rate.

Central Desert hosted the 2012 WA Alliance of Native Title Organisations in November last year. This forum is a valuable opportunity for native title representative bodies and service providers to discuss state-wide issues and to raise them with the State Premier, politicians and the bureaucracy. One of the significant outcomes of the November meeting was a commitment from the State to give native title claimants and holders advance notice of State Agreements to be negotiated over their lands. The Premier's ongoing commitment to the Alliance is greatly appreciated.

Central Desert has re-engaged with the Wiluna Regional Partnership process. A collaborative partnership involving government, Indigenous organisations and industry in the Wiluna area, it's reinvigoration has had a very productive and consolidating first year.

I thank all of the stakeholders that have invested in Central Desert in the 2012-2013 year. FaHCSIA provided core native title funding and also made several additional and targeted allocations. SEWPAC made significant contributions to land and community activities and Lotterywest funded the completion of the land management base in Wiluna. A range of supporters made welcome contributions to various programs.

The Central Desert Board has a new Chair. I acknowledge outgoing Chairperson, Mr George Irving, for his dedication to the organisation and his personal support and assistance to me. I am very pleased that Mr Fred Chaney has taken on the role. His support, guidance and wealth of experience is greatly appreciated. The reconfigured Board, with three new members, is an experienced and innovative group.

The Central Desert team consists of a phenomenal bunch of individuals all deeply committed to their work and their clients. I thank and congratulate them all on their achievements in a challenging environment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ian Rawlings'. The signature is stylized and cursive.

Ian Rawlings

Chief Executive Officer



Operational Summary

During the reporting period Central Desert:

- Continued to significantly expand its operational activities;
- Secured a consent determination of native title over the balance of the Martu claim area;
- Assisted Mungarlu Ngurrarankatja Rirraunkaja Aboriginal Corporation in securing an Indigenous Protected Area declaration over the Birriliburu determination area;
- Significantly progressed the Wiluna, Wiluna # 2, Tarlpa, Pilki and the balance of the four Birriliburu claims towards consent determinations of native title in financial year 2013 – 2014;
- Filed a new claim in the northern Great Sandy Desert named Ngurra Kayanta;
- Progressed the Kulyakartu and Ngurra Kayanta claims towards determinations of native title in calendar year 2014; and
- Completed the last tranche of indigenous evidence at the Cosmo Newberry community in the eastern Goldfields for the Yilka claim in June 2013, with expert evidence to be given in September 2013 and a decision expected in 2014.

Native Title Claims

General

The progress of native title claims in the Central Desert region continued with considerable momentum during the reporting period assisted by direct case management or mediation of all Central Desert claims by the Federal Court. In particular, significant progress was made towards advancing the Wiluna and Tarlpa claims with a determination date set for 29 July 2013.

The Wiluna # 2 claim was substantially settled during the period, but a question of law remains to be considered on whether s.47B of the *Native Title Act 1993* (Cth) applies to this area. The matter is listed for hearing on 15 July 2013.

The balance of the Birriliburu claims (Birriliburu 1,2,3 and 4¹) and the Pilki claim² were also substantially settled, but a single question to be litigated remains - 'whether the native title right to take and use resources' has any

1 WAD6284/1998 BP (Deceased) & Ors v State of Western Australia (Birriliburu #1), WAD108/2008 Slim Williams & Ors v State of Western Australia (Birriliburu #2), WAD50/2010 Darren Andrew Farmer v State of Western Australia (Birriliburu #3) and WAD299/2011 Ivan Wongawol v State of Western Australia (Birriliburu #4).

2 WAD6002/2002 Victor Willis & Ors v State of Western Australia (Pilki).

'limitation' imposed (other than by legislation). The State argues that the native title right to take and use resources is limited to 'non-commercial' purposes. The Applicant in each claim argues that the native title right to take and use resources is not limited and can be for any purpose (including commercial purposes). The hearing for this question will be heard 'on country' in the first week of September 2013.

Determinations

After 15 years of mediation and litigation the balance of the Martu claims were determined by consent at a determination hearing in Perth in May 2013³. Importantly, the determination included a determination of exclusive use, occupation and possession native title over the area, including over a number of mining leases granted prior to the commencement of the *Native Title Act 1993* (Cth). The State and affected mining companies argued that these mining leases extinguished native title, but the Full Federal Court held against the State and mining parties⁴ allowing for the determination of exclusive native title to be made.

Litigated Claims

The hearing of the Yilka claim⁵ continued during the reporting period and the last tranche of indigenous evidence was completed at the Cosmo Newberry community in the eastern Goldfields in June 2013. Expert evidence is to be given in September 2013 and a decision expected in 2014.

New Claims

The Ngurra Kayanta claim⁶ was filed over land and waters in the northern Great Sandy Desert in the second half of 2012 and together with the Kulyakartu claim⁷, also in the northern Great Sandy Desert, is targeted for determination in the second half of 2014.

Research is underway in areas of the northern Goldfields to the south of Wiluna with the intention of filing new claims in this area in 2014. Research also continues into filing new claims in a large area of unclaimed land in the eastern Goldfields.

3 Peterson v State Of Western Australia [2013] FCA 518.

4 James v State of Western Australia (2010) 184 FCR 582.

5 WAD297/2008 Harvey Murray on behalf of the Yilka NT Claimants v State of Western Australia (Yilka).

6 WAD410/2012 Helicopter Tjungarrayi v State of Western Australia (Ngurra Kayanta).

7 WAD293/2005 Muuki Taylor & Ors v State of Western Australia (Kulyakartu).



Future Acts

In keeping with instructions from our various native title claimant groups and prescribed bodies corporate, Central Desert negotiates Land Access Agreements on behalf of its clients on all future acts. Larger future act matters are dealt with as 'major projects' as mentioned below.

The State of Western Australia still maintains a policy of notifying all exploratory mining tenements under the future act 'expedited procedure' provisions of the *Native Title Act 1993* (Cth). This policy continues notwithstanding that by notifying mining tenements in this way, questions of access to and from those tenements are not resolved which often leaves mining companies stranded with a granted mining tenement that they cannot access.

In keeping with our standing instructions, where Land Access Agreements cannot be negotiated, objections to the application of the expedited procedure are lodged. A significant number of these objections were successfully prosecuted during the reporting period.

Major Projects

The number and diversity of 'major projects' within the Central Desert region continues to generate a significant amount of activity. During the reporting period:

1. Negotiations continued with Rosslyn Hill Mining (formerly Magellan Metals) after the reopening of its lead mine at Wiluna.
2. Negotiations continued with Toro Energy for its Lakeway uranium deposits.
3. Negotiations continued with gold mining company Gold Road Resources Limited over its Gold Bore gold deposit near the Cosmo Newberry community, east of Laverton.

As with all matters that affect the native title rights of our clients, Central Desert spends a considerable amount of time and resources ensuring that the processes involved in all major projects support high quality outcomes for our clients, and ensure that the native title holders are able to give their 'free, prior and informed consent' to any outcomes achieved. Central Desert considers this not only to be 'best practice', but it is also essential to comply with the statutory regulations that govern the way native title decisions are made.

Monitoring and Implementing Agreements

Central Desert continually monitors the effectiveness of all agreements it negotiates on behalf of its clients. During the reporting period Central Desert identified numerous examples of non-compliance or other breaches by mining companies and others, requiring appropriate remedial actions.

The monitoring of compliance with agreements and ensuring that our clients are able to fully and beneficially implement agreements continues to be an increasing area of activity for Central Desert.

Compensation Claims

Work continues on the compensation claim over the Gibson Desert Nature Reserve⁸. During the reporting period the State unsuccessfully tried to 'strike out' aspects of the Applicant's case⁹ which was a costly, time consuming and resource-intensive diversion. The claim will now be progressed through case management to either a negotiated settlement or to a litigated outcome.

Central Desert will also progressively seek instructions to file compensation claims on behalf of native title holders in our region with a view to seeking compensation for the numerous 'past acts' that have been undertaken on native title land since the advent of the *Racial Discrimination Act* (Cth) 1975, in circumstances where compensation has not already been paid.



Collecting honey ants Photo: Emma Drake

⁸ WAD86/2012 Fred Ward and Others on behalf of the Traditional Owners of the Gibson Desert Nature Reserve v State of Western Australia.

⁹ State of Western Australia v Ward [2013] FCAFC 54 (31 May 2013).



Land and Community

The land and community area of activity within Central Desert continued to grow during the reporting period, both in the frequency and type of activity undertaken. The types of activities undertaken by the Land and Community section include land management, oral history recording, return to country trips, research orientated activity, 'fee-for-service' work, tourism related activity and consultations for matters such as Indigenous Protected Areas.

The declaration of an Indigenous Protected Area over the Birriliburu determination area was an important milestone achieved during the reporting period. This declaration together with significant Commonwealth funding will allow Mungarlu Ngurrarankatja Rirraunkaja Aboriginal Corporation, the prescribed body corporate for the Birriliburu determination area, to properly manage the environmental and cultural aspects of their land.

Significant progress was made during the reporting period in extending land and community activities into the eastern part of our region, in particular to the Kiwirrkurra and Ngururpa determination areas. We look forward to continuing to expand our land and community services into the future.



Malcolm O'Dell

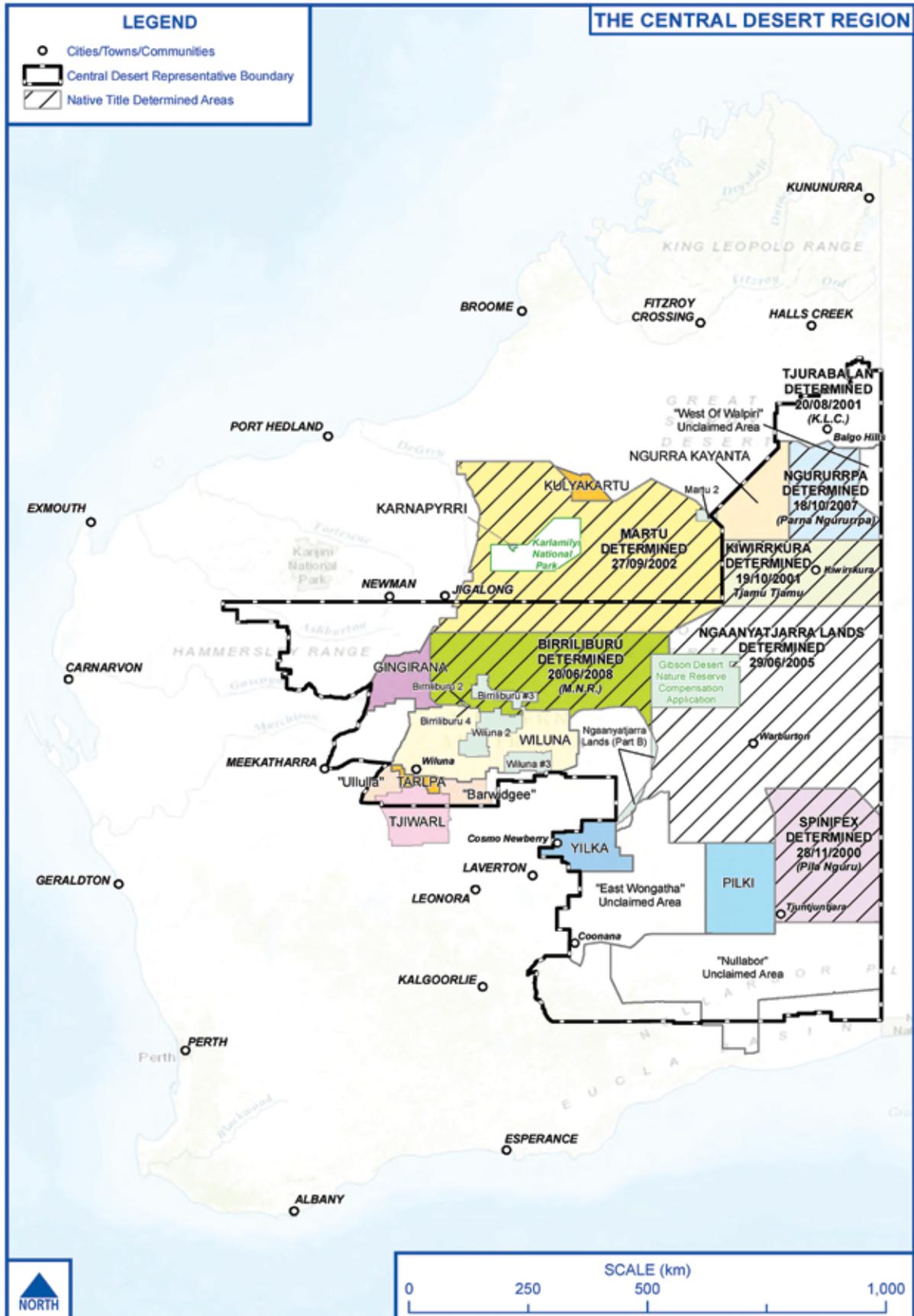
Principal Lawyer



Talbot Rockhole Photo: Lindsey Langford



THE CENTRAL DESERT REGION



WHO WE ARE

Our Vision

That the Indigenous peoples of the Central Desert use their traditional lands to achieve their social, cultural and economic aspirations.

Our Mission

To secure for the Indigenous peoples of the Central Desert:

- The highest level of native title rights and interests;
- Alternative forms of title to land in those areas where native title cannot be recognised or where such titles are in their social, cultural and economic interests;
- Protection of cultural heritage; and
- Best practice agreements, which advance their social, cultural and economic interests.

To build for the Indigenous peoples of the Central Desert native title/land title holding entities that are sustainable, effective and culturally appropriate and that empower them to use their traditional lands to achieve their social, cultural and economic aspirations.

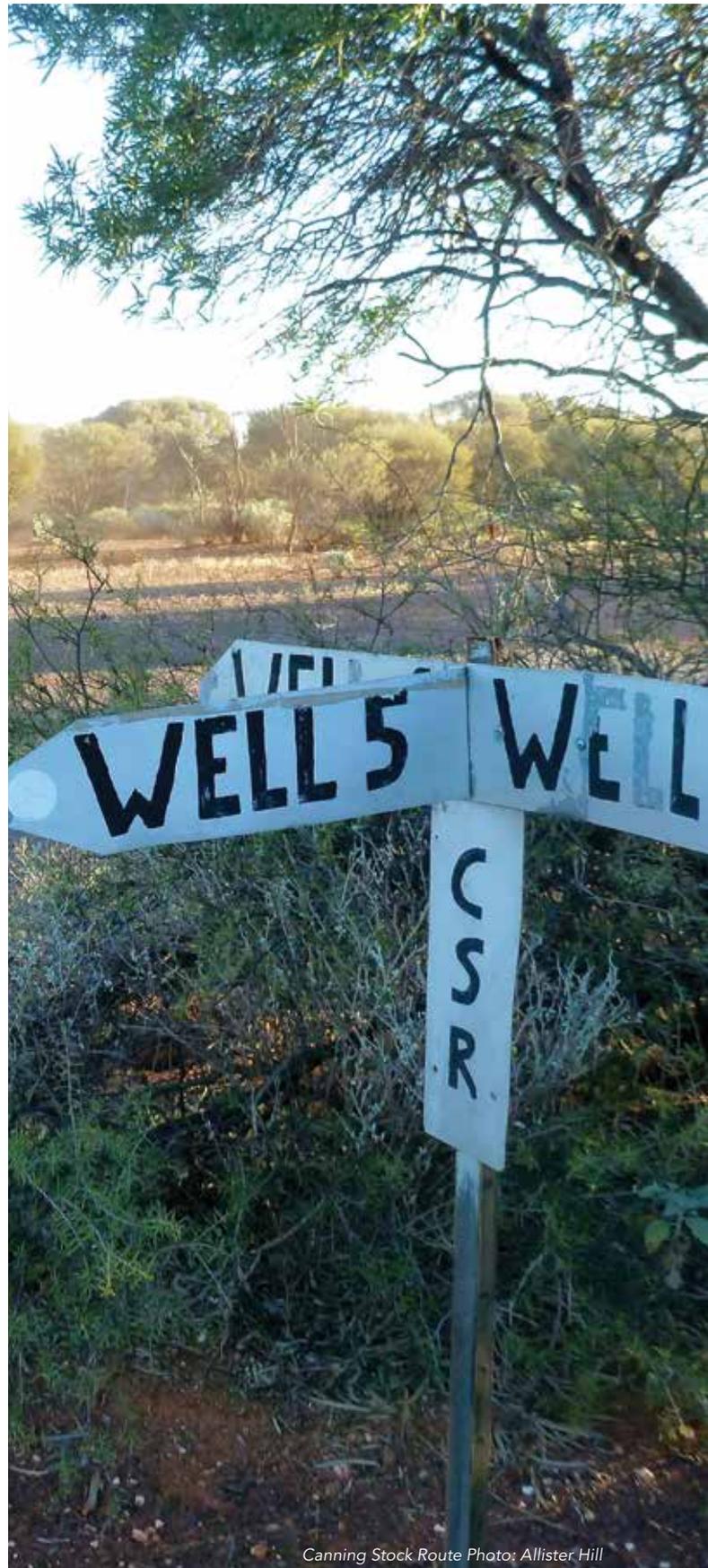
Objectives

Our objectives are:

- Social, Cultural and Economic Outcomes
 - The social, cultural and economic conditions of the peoples of the Central Desert are improved within a culturally respectful framework.
- Traditional Owner Capacity
 - The Indigenous corporate entities established out of the native title process are functional, empowered and independent.
- Determinations and Agreements
 - Central Desert is maintaining momentum in progressing high value determinations and agreements.
- Central Desert Capacity
 - Central Desert has the capacity to deliver on its mission.

Our Values

- Professionalism and commitment.
- Respect for the peoples and cultures of the Central Desert.
- Respect, honesty, integrity and fairness towards all staff.
- Honesty and integrity towards all stakeholders.
- Innovation and imagination.



Canning Stock Route Photo: Allister Hill



Our Role and Functions

Central Desert Native Title Services Limited (Central Desert) was registered under the *Corporations Act 2001* (Cth) on 16 April 2007 as a public company limited by guarantee.

Central Desert is the recognised native title service provider for the native title claimants and holders of the Central Desert region of Western Australia. Our professional team with their wealth of knowledge and experience are committed to advancing and protecting the native title rights and interests of our constituents.

Central Desert operates with core funding provided by the Federal Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) in accordance with s203FE of the *Native Title Act 1993* (Cth).

As a native title service provider Central Desert has specific functions under part 11, Division 3 of the *Native Title Act*. These functions are:

- Facilitation & assistance;
- Certification functions;
- Dispute resolution;
- Notification functions;
- Agreement-making;
- Internal review; and
- Other functions as conferred by the Act.

Central Desert is committed to the promotion of a corporate culture that is ethical and transparent and an organisational culture that is client focused and based on merit, teamwork and results.

Central Desert places great value on a sound corporate governance platform to underpin high quality service delivery in a complex and evolving environment. The Central Desert Constitution and governance framework documents are regularly reviewed to reflect our commitment to open, transparent and efficient governance. As is required under the Central Desert governance framework, an audit committee was established by the Board at its meeting in December 2008 to ensure proper management of corporate and financial risk.

Central Desert is highly respected by its constituents, by government and by industry.



Mt Methwin Photo: Lindsey Langford



Our Organisational Structure



Our Outcome and Output Structure

Central Desert’s current Strategic Plan was approved by the Board in 2011. This plan restates the Central Desert focus on achieving highest quality native title outcomes and land access agreements for our clients and to facilitate the use of their native title to articulate and pursue their highest aspirations.

The plan is the basis of Central Desert’s outcome and output structure which looks at four strategic focus areas:

- Empowering PBCs to improve the social, cultural and economic situations of their constituents;
- Establishing and supporting strong PBCs;
- Securing and protecting native title; and
- Building internal capacity.



HOW WE PERFORM

Objective: Social, Cultural and Economic Outcomes

The social, cultural and economic conditions of the peoples of the Central Desert region are improved within a culturally respectful framework.

Central Desert is committed to seeing tangible, ongoing benefits flowing to the peoples of the Central Desert as a direct result of the native title process. We have identified streams of activity to help facilitate on the ground outcomes. The first stream is working with claim groups and Prescribed Bodies Corporate (PBCs) to develop their long-term strategic thinking and to facilitate the appropriate planning and implementation processes that may flow from that. The second stream is working with government to ensure that the rights and benefits enabled by a native title determination or alternative outcomes are fully appreciated and honoured, in the spirit of the preamble of the *Native Title Act 1993 (Cth)*, by government and other stakeholders.

Tjamu Tjamu (Aboriginal Corporation) RNTBC

Central Desert provided administrative and accounting support and assisted the corporation to review its income management policy which directs income into a range of activities for the benefit of the community. The day-to-day operations of the corporation is supported in part through Central Desert's funding agreement with FaHCSIA.

Yilka

Central Desert has continued to support the Yilka claimants by facilitating discussion around capacity building and income management during regular claim meetings. Central Desert also provided administrative and accounting support to manage current and potential income.

Parna Ngurrurpa (Aboriginal Corporation) RNTBC

Central Desert has supported the Ngurrurpa native title holders to consider their approach to dealing with potential income as a part of the PBC capacity building process.

Mungarlu Ngurrurangkatja Rirraunkaja (Aboriginal Corporation) RNTBC

Central Desert has supported the Birriliburu native title holders by facilitating discussions about governance and capacity building. Members have also considered money management strategies in relation to potential income of the PBC.

Land and Community Program

Central Desert has continued to expand its services in the area of land and community projects. These services aim to assist emerging and established PBCs to become sustainable, effective and culturally supportive. This support extends to working with and empowering native title holders to use and manage their traditional lands to achieve their social, cultural and economic aspirations.

Land and community services complement our existing legal, anthropological and community engagement services, to deliver integrated support to native title holders and claimants on a determination-by-determination and claim-by-claim basis. Central Desert continues to establish strategic partnerships and alliances between our constituents and other relevant stakeholders in order to empower and enable native title holders and claimants to fully realise their native title rights and interests on their traditional lands.

While the areas of the Wiluna claim and Birriliburu determination lands have concentrated our efforts in the past twelve months, the rollout of land and community projects to other locations within our region remains a focus. During the reporting period land management planning and activities have taken place with Ngurrurpa, Spinifex, Pilki and Yilka groups.

Wiluna and Birriliburu

Central Desert's Land and Community team has developed and implemented a land management program across the Wiluna and Birriliburu lands. The program uses cultural and natural resource management activities to create regional Indigenous employment and build social and cultural capital in the process. Outcomes from the program continue to be very encouraging as it engages intergenerational participants and a range of committed partners.

The model for this program is underpinned by thorough participatory planning within a framework of contemporary community decision-making. Participatory planning combines on-country work and off-country 'demonstration activities' as a means to engage Martu in planning and visioning for their country. It also facilitates the transfer of stories and traditional knowledge about country from the old people and elders to younger generations.



Over the past year Martu ranger teams have been operating across three primary work and learning spaces on a range of projects. The workspace includes the Birriliburu Indigenous Protected Area, Lorna Glen and Earraheedy ex-pastoral leases and the Jundee Pastoral Lease currently held by Newmont Asia Pacific.

Birriliburu Indigenous Protected Area (IPA)

On the 23rd of April 2013, the entire 6.6 million hectares of the Birriliburu native title determination was declared an Indigenous Protected Area (IPA). The Birriliburu IPA is now one of the largest conservation reserves in Australia and will be managed to International Conservation Union standards by the Birriliburu native title holders and the ranger teams.

The Birriliburu IPA management plan is available from the Central Desert website.

Land management projects currently operating within the new Birriliburu IPA area provide ongoing work for the developing ranger teams and make a real contribution to overall conservation of biodiversity and health of country across the region.

Projects on the Birriliburu IPA

During the reporting period the following activities were undertaken:

- Nationally significant natural and cultural heritage survey performed over the Carnarvon Ranges funded by the WA State NRM Office;
- A multi-season bio-survey of the Carnarvon Ranges conducted in partnership with Department of Environment and Conservation (now Dept. of Parks and Wildlife);
- A full-scale bilby habitat survey performed by Desert Discovery in partnership with the Birriliburu ranger team;
- The completion of the Western Desert Fire Project in which Birriliburu native title holders partnered with Martu native title holders to provide fire management services over 16 million hectares;
- Continuation of the Western Desert Biodiversity project;
- Ongoing consultations and management activities on the Canning Stock Route and the first year of operation of the automated permit system; and
- A new partnership with Trackcare WA to upgrade infrastructure on the Canning Stock Route.

Newmont Jundee Land Management Partnership

Since late 2011 the collaboration between Wiluna Martu Rangers and Newmont has been progressing. The partnership was formalised by a Memorandum of Understanding (MoU) signed in March this year signalling the maturation of the project into a valuable and resilient land management model. The MoU was recognised at Newmont's highest management level with Denver-based CEO and President Gary Goldberg present to sign the agreement.

The success of the partnership has been further highlighted with Newmont Asia Pacific and the Wiluna Martu Ranger program being shortlisted for the Golden Gecko Award. The Golden Gecko Award is a prestigious award issued by the Western Australian Department of Mines and Petroleum that recognises environmental and social excellence.

Female Ranger Team

In early 2013 we welcomed our first Women's Ranger Coordinator, Emma Drake, to the Land and Community team. The Women's Ranger project is a pilot designed to create opportunities for women in Wiluna to work in the field of land management.

DEC Co-Management Framework

The co-management of stations Lorna Glen (Matuwa) and Earraheedy (Kurrara Kurrara) made a significant step forward in June this year. The signing of a formal contract for conservation services between the Wiluna claimants and the State Department of Parks and Wildlife (DPaW) was a strong vote of confidence for the co-management working relationship.

During the reporting period accredited training was delivered at Lorna Glen and the rangers working there have continued to steadily increase the quality of their work. In addition, the Wiluna Martu rangers are working with the Wiluna Remote Community School on a Junior 'Bush Ranger' Program based at Matuwa (Lorna Glen). The Bush Ranger program is funded through the DPaW.

Wiluna Land Management Base

Significant progress has been made towards completing a building in Wiluna where the Martu land managers will base their activities. Once operational, the base will bring together the various land and community projects operating within the Wiluna and Birriliburu determination lands, and be a hub for the development of ideas, learning, collusive planning and increased community ownership of existing and future projects.



Parna Ngurrurpa Plan

Over the last couple of years, the country managed by Parna Ngurrurpa PBC has been a pilot area for the 'Keeping Desert Country Healthy' project supported by Rangelands NRM (WA). As a result of the consultation process, a plan has been developed to articulate the desires of the Parna Ngurrurpa PBC. With this plan in place, we are well placed to seek targeted funding for projects relevant to the aspirations of the PBC. The plan can be downloaded from the Central Desert website.

Yilka

The Yilka claim is also considered a pilot area for land management activities. To date a series of demonstration activities have been carried out with members of the Yilka claim group. Much of the focus of the activity has been around biodiversity monitoring through the 'Keeping Desert Country Healthy' project. Yilka claimants have also worked on environmental compliance monitoring and reporting in relation to ground disturbance.

Kiwirrkurra

In November the Tjamu Tjamu PBC requested Central Desert provide support to facilitate the establishment of an Indigenous Protected Area over Kiwirrkurra native title determination lands. Kiwirrkurra native title lands cover an area of approximately 4.3 million hectares at the interzone between the Great Sandy and Gibson Deserts in Western Australia, immediately adjacent to the Northern Territory boundary.

The area has significant cultural and natural values, with many important sites and stories, as well as a range of threatened fauna and flora species which are priority listed. Threatened fauna species recorded from, and likely to still be present in the area, include the greater bilby, marsupial mole, mulgara, princess parrot, great desert skink and woma python.

Once declared, the Kiwirrkurra IPA will join a network of other declared IPAs (including the recently declared Birriliburu IPA, see page 18) that not only provide the platform for conserving the important natural and cultural values of the Western Desert, but will also enable much needed economic participation opportunities in some of Western Australia's most remote communities.

The Kiwirrkurra IPA will also form a continuous corridor of vast country managed by Traditional Owners that stretches from Lajamanu in the Northern Territory to Sandy Bore in South Australia. In addition to Kiwirrkurra, this corridor will incorporate the Northern and Southern Tanami, Ngaanyatjarra, Watarru, Aparra-Makiri-Punti, Walalkara and Antara-Sandy Bore IPAs.

A plan of management will be finalised and the declaration of the IPA will be made in the next financial year.

Nyunnyulangku Tjuma (Telling Our Story)

Nyunnyulangku Tjuma is a series of cultural awareness products collaboratively developed and delivered by Wiluna Martu people and facilitated by staff from Central Desert. In addition to creating local employment opportunities for Martu, the aim of this project is to foster relationships between Martu and non-Martu people working on Martu country.

Workshops were delivered locally in Wiluna to industry groups. In the coming year the Nyunnyulangku Tjuma project will be prioritised in recognition of the strong demand for the service.

World Indigenous Network Conference

Members of the Matuwa and Kurrara Kurrara working groups from Wiluna attended the World Indigenous Network (WIN) conference in Darwin. The WIN network will be an ongoing initiative to bring together Indigenous Peoples and local communities to share stories, knowledge, cultural experiences and ideas about how to better manage ecosystems, protect the environment and support sustainable livelihoods.



Delegates at WIN Conference Photo: Lindsey Langford



HOW WE PERFORM

Objective: Traditional Owner Capacity

The Indigenous corporate entities established out of the native title process are functional, empowered and independent.

As at 30 June 2013 there were seven (7) registered Prescribed Bodies Corporate (PBC) functioning within the Central Desert region.

Mungarlu Ngurrurangkaja Rirraunkaja (Aboriginal Corporation) RNTBC (MNR)

MNR was registered by the Office of the Registrar of Indigenous Corporations (ORIC) on 11 October 2010. Central Desert has continued to provide advice throughout the reporting period in relation to MNR's obligations under its Rules and Commonwealth legislation and regulations. Capacity building in the last reporting period focused on developing members' understanding of good governance.

Central Desert also provided assistance dealing with future act matters affecting the Birriburu determination area. This assistance involved negotiations in relation to Land Access Agreements and Inquiries regarding the protection of native title rights and interests conducted by the National Native Title Tribunal.

FaHCSIA provided some funding to the PBC in the reporting period to support its day-to-day operations.

Parna Ngururpa (Aboriginal Corporation) RNTBC

In the reporting period Central Desert provided information and capacity building to the Ngururpa native title holders regarding the roles, functions and running of its PBC. ORIC registered Parna Ngururpa on 18 September 2009. Central Desert continued to provide advice in relation to Parna Ngururpa's obligations under its Rules and Commonwealth legislation and regulations. Capacity building was undertaken with the directors in relation to good governance, and Parna Ngururpa directors attended the annual National Native Title Conference held in Alice Springs this year.

Central Desert also provided assistance negotiating future act matters affecting the Ngururpa determination area.

FaHCSIA provided some funding to the Parna Ngururpa PBC in the reporting period to support its day-to-day operations.

Pila Nguru (Aboriginal Corporation) RNTBC

The Spinifex native title holders nominated Pila Nguru (Aboriginal Corporation) RNTBC to hold on trust the rights and interests recognised in the Spinifex determination of native title by the Federal Court of Australia on 28 November 2000.

During the reporting period Central Desert continued to provide advice to the directors and assist Pila Nguru in complying with its obligations under its Rule Book and Commonwealth legislation and regulations. Central Desert also provided legal advice to Pila Nguru to assist negotiating on future acts that affect the Spinifex determination area.

FaHCSIA provided some funding to Pila Nguru, via Central Desert's Program Funding Agreement (PFA), to support the PBCs day-to-day administrative functions. Pila Nguru is in the process of reviewing its operational structure and processes with a view to improving the way it operates as it continues to grow and develop.

Tjamu Tjamu (Aboriginal Corporation) RNTBC

On 4 June 2003 the Kiwirrkurra native title holders nominated Tjamu Tjamu (Aboriginal Corporation) to hold on trust the rights and interests recognised in the determination of native title made by the Federal Court of Australia on 19 October 2001.

During the reporting period Central Desert continued to provide advice and assistance to maintain compliance with Commonwealth legislation and the Tjamu Tjamu Rule Book. Central Desert also provided legal advice to assist Tjamu Tjamu to negotiate on future acts affecting the Kiwirrkurra determination area.

During the reporting period FaHCSIA provided some funding to Tjamu Tjamu via the Central Desert PFA to support its day-to-day administrative functions. Four directors of Tjamu Tjamu attended the National Native Title Conference in Alice Springs to learn about issues facing other native title holders around Australia and build their capacity to act in the role as directors.



Tjurabalan Native Title Land (Aboriginal Corporation) RNTBC

The Tjurabalan native title holders nominated the Tjurabalan Native Title Land (Aboriginal Corporation) RNTBC to hold in trust the rights and interests recognised to exist in the determination made in the Federal Court of Australia on 20 August 2001. TNTLAC did not seek assistance from Central Desert during the reporting period. Central Desert maintains open communications with TNTLAC.

Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC (WDLAC)

The Martu native title holders nominated WDLAC to hold in trust their native title rights and interests recognised to exist within the Martu lands by the Federal Court of Australia on 27 September 2002. On 16 May 2013 native title rights and interests were further recognised in additional Martu lands and WDLAC was also nominated to hold in trust these native title rights and interests.

WDLAC did not seek assistance from Central Desert during the reporting period. Central Desert maintains open communications with WDLAC

Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC (YNPAC)

The Ngaanyatjarra Lands native title holders nominated YNPAC to hold in trust their rights and interests recognised to exist in the determination made in the Federal Court of Australia on 29 June 2005.

YNPAC did not seek assistance from Central Desert during the reporting period. Central Desert maintains open communications with YNPAC.



Martu Rangers burning areas on the CSR Photo: Lindsey Langford



HOW WE PERFORM

Objective: Determinations and Agreements

Central Desert is maintaining momentum in progressing high value determinations and agreements.

Native Title Matters

As at 30 June 2013 there had been eleven (11) determinations that native title exists on lands within the Central Desert region.

CLAIM	FCA NO.	AREA	DATE FILED	DATE DETERMINED
Spinifex	WAD6043/98	50,000 km ²	30/09/98	28/11/00
Tjurabalan	WAD160/97	25,917 km ²	18/12/97	20/08/01
Kiwirrkurra	WAD619/98	42,905 km ²	30/09/98	19/10/01
Martu	WAD6110/98	16,764 km ²	30/09/98	27/09/02
Martu Part B	WAD6110/98	3010.4km ²	30/09/98	16/05/13
Ngaanyatjarra Lands part A	WAD6004/04	187,600 km ²	23/04/04	26/06/05
Ngururrpa	WAD357/06	29,600 km ²	08/12/06	18/01/07
Ngaanyatjarra Lands part B	WAD6004/04	1,427 km ²	23/04/04	03/06/08
Birriliburu	WAD6284/98	66,875 km ²	30/09/98	20/06/08
Martu #2	WAD141/2010	836 km ²	1/6/2010	16/05/13
Karnapyrri	WAD77/2006	151 km ²	22/3/2006	16/05/13

There were three (3) native title claims determined during the reporting period 1 July 2012 to 30 June 2013.

Central Desert had 16 claims in progress for the reporting period 1 July 2012 to 30 June 2013.

Birriliburu People No 2 parts A&B

FCA No. WAD108/08
Area 105km²
Date Filed 27/06/08

During the reporting period mediation in the National Native Title Tribunal to reach an agreed approach with the State for finalising the matter was terminated. The matter was referred to case management by the Federal Court of Australia.

Birriliburu People No 3

FCA No. WAD50/10
Area 3319km²
Date Filed 15/03/10

During the reporting period mediation in the National Native Title Tribunal to reach an agreed approach with the State for finalising the matter was terminated. The matter was referred to case management by the Federal Court of Australia.

Birriliburu People No 4

FCA No. WAD299/11
Area 1 5km²
Date Filed 18/07/11

During the reporting period mediation in the National Native Title Tribunal to reach an agreed approach with the State for finalising the matter was terminated. The matter was referred to case management by the Federal Court of Australia.

Gibson Desert Nature Reserve Compensation Application

FCA No. 86/2012
Area 18,458km²
Date Filed 29/03/12

The parties are in the process of identifying the issues in dispute and will seek to narrow the issues through mediation or pleadings. The Federal Court has nominally set a trial date for July/August 2014.

Gingirana

FCA No. WAD6002/06
Area 12,150km²
Date Filed 10/03/06

This matter is now in active case management by the Federal Court of Australia following the termination of mediation with the National Native Title Tribunal. Proposed amendments to the application were filed during the reporting period, and made by the Federal Court shortly after.



Kulyakartu

FCA No. WAD293/05
Area 3,550km²
Date Filed 11/10/05

During the reporting period the matter was removed from mediation with the National Native Title Tribunal and referred for case management in the Federal Court. Orders were made and complied with in relation to the provision of a statement of facts, issues and contentions to the Court and respondent parties. Substantive research towards a connection report to the Court was delayed but will resume in the coming year.

Martu #2

FCA No. WAD141/10
Area 836.29km²
Date Filed 01/06/10

This matter was resolved by way of a consent determination made by the Federal Court of Australia on 16 May 2013.

Karnapyrri

FCA No. WAD77/06
Area 151km²
Date Filed 22/03/06

This matter was resolved by way of a consent determination made by the Federal Court of Australia on 16 May 2013.

Pilki

FCA No. WAD6002/02
Area 124,399 km²
Date Filed 12/08/02

Connection materials and supplementary connection materials have been submitted to the State. The claim was in mediation before a Member of the National Native Title Tribunal but was referred back to the Federal Court for active case management. The matter is listed for hearing of a limited issue in early September 2013 before Justice North.

Tarlpa

FCA No. WAD248/07
Area 5,369km²
Date Filed 14/12/07

The matter has progressed substantially in this reporting period. All parties have signed a Minute of Proposed Consent Determination and the claim is scheduled for determination in July 2013 along with the Wiluna and Wiluna No 3 claims.

Tjiwarl

FCA No. WAD288/11
Area 13,623.41km²
Date Filed 17/06/11

The claim has been placed in case management with the Federal Court with orders to resolve any issues relating to the claim groups' connection to the claim area. The parties have agreed to put further questions on connection to Dr. Lee Sackett for expert opinion and comment.

Wiluna

FCA No. WAD6164/98
Area 47,594km²
Date Filed 30/10/98

The matter has progressed substantially in this reporting period. All parties have signed a Minute of Proposed Consent Determination and the claim is scheduled for determination in July 2013 along with the Tarlpa and Wiluna No 3 claims.

Wiluna No 2

FCA No. WAD241/04
Area 5,615km²
Date Filed 26/10/04

The parties have agreed that native title exists in the claim area but were unable to reach an agreement on the application of section 47B of the *Native Title Act 1993 (Cth)* in relation to the former pastoral leases that comprise the claim. The Federal Court ordered that mediation cease and the matter has been scheduled for hearing by Justice Jagot in Sydney in July 2013.

Wiluna No 3

FCA No. WAD181/12
Area 3,5965 km²
Date Filed 3/08/12

The matter was lodged and progressed to a point where all parties have signed a Minute of Proposed Consent Determination. The claim is scheduled for determination in July 2013 along with the Wiluna and Tarlpa claims.

Yilka

FCA No. WAD297/08
Area 12,260 km²
Date Filed 15/12/08

The Yilka claim remains in litigation. A Court-facilitated Conference of Experts involving the anthropological experts for the Yilka Applicant, the Sullivan Applicant and the State was convened. Programming orders were agreed on the process for finalising the witness and documentary evidence in the overlapping native title claims.

The State's interlocutory application to strike out the Yilka native title claim has been adjourned until final submissions have been heard.

Ngurra Kayanta

FCA No. WAD410/2012
Area 19,574 km²
Date Filed 21/12/2012

During the reporting period an authorisation meeting was held and instructions received to file an application for a determination of native title. Subsequently the application met the registration conditions applied by the National Native Title Tribunal. The application is in active case management by the Federal Court of Australia.



HOW WE PERFORM

Progress on Other Native Title Activities

Central Desert is researching and preparing claim applications for a number of groups across the region.

Cosmo Newberry (Appeal)

FCA No: WAD 43/07
Area: 12,260km²

The Cosmo Newberry claim boundary was located wholly within the Wongatha native title claim area. In 2007 the Federal Court of Australia dismissed the Cosmo Newberry claim along with all other overlapping claims in the Wongatha area. Central Desert lodged an appeal against the decision on behalf of the Cosmo Newberry claimants. The Cosmo Newberry appeal is adjourned pending the resolution of the Yilka native title claim.

East Wongatha

Central Desert is researching the eastern part of the area left unclaimed following the dismissal of the Wongatha claim in 2007. During the reporting period Central Desert undertook further desktop research. Central Desert is yet to formalise a claim strategy in relation to this area.

West of Walpiri

This is a low priority area and little more than maintaining ongoing communications with Central Land Council and monitoring any future act notifications is expected in the next reporting period.

Nullarbor

Central Desert intends to brief out further preliminary anthropological and historical research and make this area more of a priority after the Pilki native title application has been resolved.

Compensation Matters

As at 30 June 2013 there is one compensation application lodged by Central Desert, being the Gibson Desert Nature Reserve compensation application. There are however a number of other areas of compensable extinguishment or partial extinguishment of native title, together with other areas where native title rights and interests may have been otherwise affected, that would also give rise to compensation.

Gibson Desert Nature Reserve

As stated by Black J at the Ngaanyatjarra Lands determination in June 2005, but for the creation and vesting of the Gibson Desert Nature Reserve, the people of the Gibson Desert would have been enjoying the full benefits of exclusive possession native title rights over their land.

A claim seeking compensation for the people of the Gibson Desert for the extinguishment of their native title rights and interests was filed in the Federal Court on 29 March 2012 (Compensation Claim). The State of Western Australia attempted to strike out aspects of the claim but Justice Barker in the Federal Court dismissed the State's strike out application as did the Full Court on appeal.

Other Compensation Matters

Central Desert is undertaking consultations with native title holders with a view to seeking compensation for the numerous other areas of extinguishment or the effect of 'past acts' that have been undertaken on native title land across the region since the advent of the *Racial Discrimination Act (Cth)* in 1975 where compensation previously has not already been paid.

Agreements

Land Access Agreements

On instructions from its various client groups, Central Desert continues to develop strong Land Access and Heritage Agreements with mining

companies wishing to enter onto native title lands. The agreements vary from area to area depending on the nature of the land tenure and whether the area is subject to a determination of native title.

On areas where native title is determined, the agreements that have been developed encompass all aspects of land access including heritage issues, rehabilitation of the land, compensation, cultural awareness, employment and training opportunities and access to and from an area of interest. Some agreements also include special conditions for mining companies wishing to explore for uranium.

Other Agreements

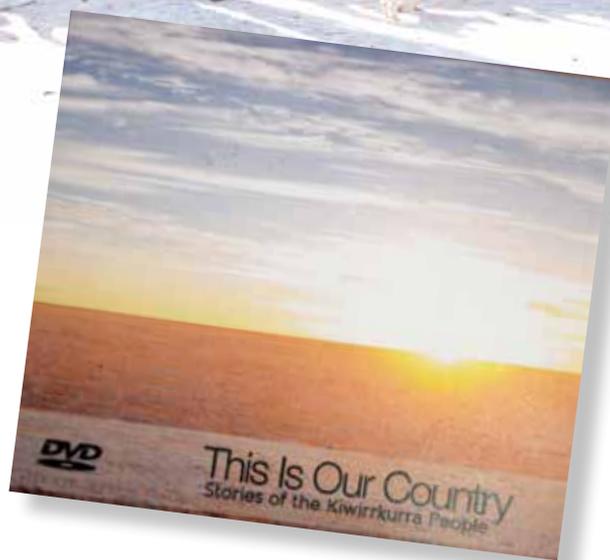
Central Desert on instructions from its various clients continues to develop agreements designed to facilitate access to determined native title land. These agreements may be utilised by interest groups such as tourists, tour operators and researchers.

Outcomes from Agreements

Educating mineral explorers on native title rights and interests

With the establishment of the Agreement Implementation team at Central Desert, greater efforts are being made to increase mineral explorers' understanding of our clients native title rights and interests. Explorers and miners are invited to engage directly with our clients at native title group meetings where they can hear first hand the importance of respecting the traditional owners' cultural heritage and complying with their obligations under the exploration or mining agreements. Central Desert has also increased its dialogue with exploration and mining companies on agreement implementation and compliance issues. A compliance database is being developed which will assist in this process.





Kiwirrkurra People at Lake Mackay Photo: Jason Thomas

Developing a Cultural Heritage Management Plan (CHMP)

A mining agreement involving the Wiluna Martu people provides for the development of a Cultural Heritage Management Plan. Central Desert has worked with the Wiluna Martu to develop a draft plan informed by cultural mapping (ethnographic studies) and archaeological surveys in and adjacent to the project area. It is envisioned that the CHMP will be finalised and implemented in the next reporting period.

Kiwirrkurra Cultural Awareness Project

Through funding obtained from exploration agreements and Office of the Arts in the previous year, Central Desert worked with the Kiwirrkurra People to complete a DVD film called, "This Is Our Country – Stories of the Kiwirrkurra People". This film, showcasing Kiwirrkurra culture and

history, will be used as the centrepiece of a Cultural Awareness Training (CAT) program for non-Aboriginal people working or living on Kiwirrkurra land. It is expected that the first CAT program will be delivered on country in August 2013.

Wiluna Cultural Awareness Project

[\(also see Nyunnyulangku Tjuma \(Telling Our Story\) Project on page 19\)](#)

Through funding obtained from exploration and mining agreements within the Wiluna area, the traditional owners in conjunction with Central Desert have developed a cultural awareness program which will be used to educate non-Aboriginal audiences about Martu culture and history. This program has been delivered to mining companies operating in the Wiluna area during the reporting period.



HOW WE PERFORM

Objective: Central Desert Capacity

Central Desert has the capacity to deliver on its mission.

Central Desert's capacity to perform is limited only by the funding constraints that all non-profits experience. Our strategies involve focusing on four key areas: sound governance, recruiting the best people, building robust systems and broadening our resource base.

Sound Governance

Our directors bring a strong blend of skills and experience to the company's corporate governance. Their profiles are available on pages 4-6. Central Desert is a company limited by guarantee. Being a not-for-profit organisation, our directors do not have a beneficial interest in the company. They volunteer their time, enthusiasm and expertise to this important work. While the Board maintains strict independence from operational matters involving claims and future acts, their influence is felt through the company's strategic and policy frameworks. These flow from their keen interest in setting a clear strategic direction for the company with the cooperation of the CEO, senior management team and staff.

High-Quality Staff

Central Desert is blessed with skilled, experienced and professional staff. We pride ourselves on recruiting well. We provide staff with clear expectations through the ongoing review and development of job descriptions, employment contracts and conditions, and the management of a Performance Evaluation and Learning system. This system provides the opportunity for performance evaluation as well as encouraging learning and development. We partner with another not-for-profit organisation, Community Business Bureau (CBB), to provide tailor-made salary packaging opportunities to staff. This, and our family friendly workplace, enables us to go some way to competing with the resource industry for talent. At the foundation of this outcome is the creation of a shared view of directions and values that contribute to building long term relationships and tenure for staff within Central Desert.

Effective Systems

Central Desert focuses on delivering outcomes related to native title and land. We have now been operating for six years. To deliver our services consistently in some of the remotest parts of the country we have to:

- Build and maintain effective finance, administrative and

business systems to support our operational staff;

- Preserve our corporate knowledge; and
- Keep our stakeholders informed.

Our Corporate Services, Finance, Logistics and Compliance teams perform this behind-the-scenes work with enthusiasm, skill and dedication.

Particular initiatives this year include:

- Taking the first steps in a knowledge management project that will bring several separate databases together;
- Further progress in developing a Cultural Geography database;
- The ongoing development of a project-specific accounting and reporting system using MYOB and Calxa;
- The upgrade and ongoing maintenance of our IT systems and network;
- Regular meetings of our safety committee;
- Developing and implementing documented policies and procedures; and
- Involving staff in decisions at all levels of project planning and reporting, and encouraging the contribution of ideas and feedback. Staff attend operational planning meetings and regular staff meetings.

This coming year will see Central Desert focusing on the development of risk management strategies for both operational and financial areas of business, and the continued development and implementation of documented policies, including a formal code of conduct outlining appropriate ethical standards for all staff, senior management and Board of Directors.

The company has expanded to a 'group' with the formation of two wholly-owned subsidiaries:

- Desert Support Services Pty Ltd (6 Jan 2012) to provide labour hire, accounting and bookkeeping services, and other administration services; and
- Rockhole Funds Management Pty Ltd (26 July 2013) to act as an independent trustee of native title trust funds.

There is much still to do to have these entities fully operational but they are 'prototyping' programs to support native title holders and claimants.



Adequate Resources

In order to support and add to its current range of activities, Central Desert is continually investigating further funding and income opportunities.

FaHCSIA provided Central Desert with core funding from its native title program to provide the services described and approved in the 2010-2013 grant funding agreement operational plan. Core funding for the reporting year and anticipated core funding in forward years is:

2012-13	\$3,625,000 (total with capital, PBC and Contested Litigation funding was \$5,033,080)
2013-14	\$4,056,000
2014-15	\$4,129,000 (notional)

An agreement with State Office of Native Title (ONT) to provide funding towards Future Act processes, in recognition of the pressures brought to bear by the resources boom, expired on June 30, 2010. Unfortunately, the WA State Government has not provided any funding to deal with native title matters since that time.

Central Desert continually negotiates with industry to assist with the funding of meetings and to provide training to claimants and native title holders in situations where there are mutual benefits. In the reporting period, mining and exploration companies were encouraged to assist with funding for meetings to ensure fast tracking of agreement negotiations. They also supported training for claimants and native title holders in relation to monitoring compliance of exploration agreements. We are particularly proud of developments with WA Department of Environment and Conservation and Newmont Mining Corporation. Our clients have benefitted from their assistance in developing land management projects in the Wiluna and Birriliburu areas. Golden West Resources and Toro Energy are also notable in the assistance they have provided to project development and negotiations in the Wiluna area.

Grant funding received during the year included amounts from:

- Rangelands NRM for several land management projects under the Caring for Country Program;
- The Commonwealth Department of SEWPAC under the Indigenous Heritage Program and the Indigenous Protected Area Program;
- Lotterywest to fund a vehicle specially equipped for use by women and children for land management activities and to support our land management facility in Wiluna;
- The Western Australian Government's State NRM Program to conclude projects in Ngurrpa country and Carnarvon Ranges; and
- Ninti One for a Camel Management program.

The ratio of FaHCSIA funding compared to all other

sources for 2012-2013 was 56% to 47% compared to 60% to 40% in 2011-2012.

Central Desert wishes to thank the various departments and companies for their support during the year.

Trends Influencing Principal Functions and Services

The Federal Court of Australia's directed case management is expediting native title matters in the region. However, it is also increasing workloads for Central Desert staff in order to meet the strict timeframes set by the Court.

A combination of the Court's case management strategy and the State of Western Australia taking a hard line on consenting to the rights of our clients has seen an increase in the number of matters being litigated. This trend is putting further pressure on staff workloads and putting extreme pressure on FaHCSIA's Contested Litigation funding capacity.

External Scrutiny

The Minister has made no directions or determinations during the reporting period in relation to Central Desert.

There have been no judicial or Administrative Tribunal decisions in relation to Central Desert during the reporting period, other than legal decisions that affect native title matters generally.

There have been no other reports on Central Desert operations by any of the above bodies during the reporting period.

During the reporting period Central Desert was subject to one external review request under 203FBA of the *Native Title Act 1993*. As a result of the review, the Secretary's delegate decided to make funding available under s203FE of the Act to commission an independent, experienced legal practitioner from the Legal Services Multi User List to assist a group of people claiming native title to compile and present evidence of their connection to an area already subject to an application for a determination of native title within the Central Desert region.



Painting a canvas to commemorate the Birriliburu IPA declaration Photo: Tessa Herrmann



MANAGEMENT OF HUMAN RESOURCES

Our Staff

Central Desert Native Title Services owes its continued success to the outstanding efforts of our staff. We value each of them highly and thank them for their dedication to helping achieve successful, sustainable native title outcomes for the people of the Central Desert.

We thank all of the people listed below who were employed by Central Desert during the 2012-2013 year.

2012-2013	
Abigail Watson	Lindsey Langford
Alex Toyne	Malcolm O'Dell
Alissa Smart	Mark D'Lima
Allister Hill	Max Harwood
Anita Field	Melvin Farmer
Barry Hooper	Michael Ierace
Catherine Higgins	Michelle Alexander
Christina Araujo	Mike Allbrook
Claire Greer	Mladen Mrvelj
Darren Farmer	Mo Pawero
Des Godber	Monique Jekel
Ellen Maybery	Nick Bisbout
Emlyn Collins	Pandy Lee
Emma Drake	Phil Ramsay
Emma Thompson	Rachel Ropiha-Melville
Gavin Dunn	Ric West
Gemma Wheeler-Carver	Rob Thomas
Giacomo Boranga	Robbie Wongawol
Grant Sutherland	Robin Smythe
Hamish Morgan	Rose Lukman
Heather Lynes	Sam Hall
Ian Rawlings	Sarah Hobson
Irene Assumpter Akumu	Sasa Oentarijo
Janamat Sharma	Sean Calderwood
Jarrad Goold	Slim Williams
Jo Lanagan	Sorcha Stapleton
Karine Flematti	Stephen Bai
Kate Fuller	Sue Ware
Kate Fulton	Sue Yoong
Katie Curo	Tessa Herrmann
Katrina Shaw	Victor Ashwin
Kim Baldwin	

Staffing Levels and Retention Rates for the Year

	2013	2012	CHANGE	%
Staff as at 30 June	57	49	8	16
During Year				
Full time	45	38	7	18
Part Time	5	6	(1)	(17)
Casual	6	7	(1)	(14)
Maternity Leave	1	1	-	-
Total	57	52	5	10
Staff Turnover	9	10	(1)	(10)
% Change	16	19		
Retention rate	84	81		

At 30 June 2013 Central Desert Native Title Services comprised a core staff of 45 full-time employees, 5 part-time and 6 casual and 1 staff member on parental leave.

A turnover of 9 staff (which includes 2 casual staff on short term projects) during the reporting period represents a retention rate of 84%, compared with 81% in 2012.

The predicted increase in workload for the coming year will necessitate the recruitment of a further 3-4 operational and liaison staff.

Staff remuneration is based on individual common law agreements negotiated with regard to operational requirements, the prevailing recruitment environment, and available resources. All staff are supported and encouraged to participate in regular professional development workshops and courses. These are sourced from a wide range of training providers to consolidate and increase relevant skills and knowledge.

Occupational Safety and Health Performance

Central Desert Native Title Services has a comprehensive Occupational Safety and Health (OSH) Policy and is fully compliant with the statutory obligations of the *Occupational Safety and Health Act 1984 (WA)* and the *Occupational Safety and Health Regulations 1996 (WA)*.

An increase in the number of incidents reported compared to the previous year reflects the implementation of an improved reporting system within the organisation.



Injuries and Lost Time

	2013	2012	2011	2010
Incidents reported	6	-	2	2
Lost Time (days)	-	-	1	-

Consultants and Competitive Tendering and Contracting

Central Desert is committed to achieving value for money in the purchasing of goods and services, including tendering and contracting. Central Desert maintains a register of consultants with skills and experience in relevant areas.

In accordance with our grant conditions Central Desert ensures that contract specifications do not bias or predetermine the outcome by placing unreasonable restrictions or qualifications on the prospective tenders.

Where services are expected to cost more than \$20,000 but not greater than \$80,000 we obtain three written competitive quotes from suitable suppliers or service providers.

Where we expect the cost of an asset or service to exceed \$80,000 we either obtain public tenders or invite three suitable, qualified service providers to tender for the provision of the asset or service.

Exemptions to the above procedures apply to:

- The engagement of an auditor;
- The acquisition of services from water, electrical, telephone, gas or municipal authorities where there is no other competitor in reasonable proximity; or
- In respect of native title related activities for the engagement of anthropological, legal or other professional service providers, or their staff, who are members of, or eligible for membership of the relevant professional association, where the service fee is less than \$80,000.

Consulting Agreements from Native Title Funds

	2013	2012	2011	2010
Number of consultancies for goods or services	29	18	26	28
Value of consultancies for goods or services	\$747,100	\$826,200	\$747,024	\$392,683
Consultancies with Traditional Owners	\$4,250	\$19,504	\$50,490	\$8,905



Perth-based Central Desert staff Photo: Max Harwood



OUTPUTS

NTRBs are required to report on the number of the following they have dealt with throughout the year.

	2013	2012	2011	2010	2009
FACILITATION AND ASSISTANCE					
The Claims Experience					
Number of claims at 1 July	15	13	13	10	9
Plus: Filed this year by NTSP	2	-	2	3	1
Less: Claims determined	3	-	-	-	-
Less: Claims dismissed	-	-	-	-	-
Less: Claims withdrawn	-	-	-	-	-
Less: Claims amalgamated/altered	-1	-	2	-	-
Number of current active claims at 30 June	15	13	13	13	10
Claims in Development	5	6	5	3	3
Non-claimant Applications					
Compensation claims		1	-	-	-
The Agreements Experience					
Future Acts					
Notices received	439	335	238	321	81
Responses to Future Acts	439	335	238	321	81
Agreements					
Agreements concluded	69	74	55	56	104
Agreements in development	-	-	-	-	-
ILUAs					
ILUAs concluded and registered	-	-	-	-	-
ILUAs in development	-	-	-	-	-
COMPLAINTS AND DISPUTES					
Complaints					
Received	-	-	1	-	-
Resolved	-	-	1	-	-
Pending	-	-	-	-	-
Disputes relating to native title	1	-	-	-	-
Disputes relating to ILUAs, rights of access and other matters	-	-	-	-	-
Requests for s203B1 reviews of decisions not to assist					
Completed	1	1	-	-	-
Pending	-	-	-	-	-



CENTRAL DESERT NATIVE TITLE SERVICES LTD

(ABN 53 124 921 811)

Consolidated Annual Financial Statements

For the Year Ended 30 June 2013

Issued: 23 September 2013

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GLOSSARY

The "Act"	the <i>Native Title Act 1993</i>
ACNC	Australian Charities and Not-for-Profits Commission
ASIC	the Australian Securities and Investments Commission
ATO	the Australian Taxation Office
BIR/PIL	Birriburu and Pilki
The Company	Central Desert Native Title Services Limited
DAFWA	Department of Agriculture and Food WA
DSS	Desert Support Services Pty Ltd
FaHCSIA	the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs
GDNR	Gibson Desert Nature Reserve
GST	Goods and Services Tax
IHP	Indigenous Heritage Program
IPA	Indigenous Protected Area
KDCH	Keeping Desert Country Healthy
LM	Land Management
MWW	Mutuwa Kurrara Kurrara
NRM	Natural Resource Management
NTA	the <i>Native Title Act 1993</i>
PBC	Prescribed Body Corporate
RFM	Rockhole Funds Management Pty Ltd
SEWPAC	the Commonwealth Department of Sustainability, Environment, Water, Population and Communities
TO	Traditional Owner



DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the group) consisting of Central Desert Native Title Services Limited and the entities it controlled at the end of, or during, the year ending 30 June 2013.

Directors

The following persons were directors during the whole of the year and up to the date of this report:

Hon. F M Chaney
Dr. F M Skyring

Mr. G M Irving and Mr. P J Thomas were directors from the beginning of the year until their resignation on 14/12/12.

Dr. C L Tan, Mr. A J Gilmour and Mr. T L Grose were all appointed on 14/12/12 and continue in office at the date of this report.

Their profiles are provided in the annual report.

Company Secretaries

The company has two company Secretaries who both served throughout the year:

Mr. I J Rawlings
Mr. R J C West

Mr. Rawlings is the Chief Executive Officer of the company. Mr. West serves as Chief Financial Officer.

Review of Operations

This is the company's seventh year of operations and it has continued to perform its responsibilities under the *Native Title Act 1993* ("NTA"). The group also provides a range of related services to Indigenous communities in the Central Desert region. The details of these services and the operating results are shown below and are further expanded upon in the full Annual Report.

Operating Results

The total comprehensive loss of the company for the year was \$8,473 (2012: surplus of \$303,487).

Principal Activities

The company provides services equivalent to a Native Title Representative Body, and therefore the company has specific functions under Part 11, Division 3 of the *Native Title Act 1993*. These functions are:

- (i) Facilitation & assistance functions referred to in section 203BB;
- (ii) Certification functions referred to in section 203BE;
- (iii) Dispute resolution functions referred to in section 203BF;

- (iv) Notification functions referred to in section 203BG;
- (v) Agreement-making functions referred to in section 203BH;
- (vi) Internal review functions referred to in section 203BI, and
- (vii) Other functions referred to in section 203BJ, and such other functions as are conferred on representative bodies by the Act.

The company is registered with the Australian Charities and Not-for-Profits Commission ("ACNC") as a Public Benevolent Institution as it conducts a range of charitable activities. The Australian Taxation Office ("ATO") has endorsed the company for a range of tax concessions and as a Deductible Gift Recipient. Donations of \$2 or more are tax deductible. No change in its tax status as a result of activities undertaken during the year is likely.

Significant Changes in State of Affairs

On the 6th of January 2012 the company formed a not-for-profit wholly-owned subsidiary, Desert Support Services Pty Ltd (ABN 41 154 511 494) ("DSS"). DSS was formed to deliver administrative, financial, labour hire, and training services to support communities, Prescribed Bodies Corporate ("PBCs") and other projects on Aboriginal Land. Administrative and financial support services previously being delivered to several PBCs and to Tjuntjuntjara community by the company were transferred to DSS with each client's consent. DSS did not trade in the period prior to 30 June 2012 and began operations midway through 2012-13. This is, therefore, the first year in which the group's accounts have been consolidated.

The company changed auditors during the year, having established an auditor rotation policy. The new auditor was appointed for a period of three years.

Other than the matter listed above, no other significant changes in the company's state of affairs occurred during the year.

After Balance Date Events

On 26th July 2013 the company formed a not-for-profit wholly owned subsidiary, Rockhole Funds Management Pty Ltd (ABN 65 164 808 333) ("RFM").

Other than the matter listed above, no matter has arisen since the end of the year that will or may significantly affect:

- (i) the group's operations in future financial years or,
- (ii) the results of those operations in future financial years, or,
- (iii) the group's state of affairs in future financial years.



Likely Developments

RFM was formed to manage native title trust funds for claimant groups pending the formation of a PBC, and for PBC's which wish to maintain arms-length relationships with trust funds. The company has engaged the professional services of Perpetual Limited to provide investment strategies for trust funds held. It is envisaged that trusts currently held by the company will be transferred to the management of RFM during the 2013-2014 year as each claimant group provides instructions.

Other than the matter listed above, there are no significant changes expected in the nature of the operations of the company.

Environmental Performance

The company is not subject to any particular and significant environmental regulation under a Commonwealth, State or Territory law.

Distributions to members during the year

No dividends or distributions were recommended, declared or paid to members during the year. The company is a non-profit company and its Constitution does not allow payments including dividends, bonuses or distributions of profit, directly or indirectly, to members, officers, servants, agents or employees other than as reasonable remuneration for services actually rendered.



Spinifex in Cosmo Newberry Aboriginal Reserve. Photo: Mladen Mrvelj



Meetings of Directors

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

	DIRECTOR'S MEETINGS		AUDIT COMMITTEE MEETINGS	
	ELIGIBLE TO ATTEND	NUMBER ATTENDED	ELIGIBLE TO ATTEND	NUMBER ATTENDED
Hon F M Chaney	6	6	2	1
Dr F M Skyring	6	6	-	-
Mr G M Irving	3	3	1	1
Mr P J Thomas	3	3	1	1
Dr C L Tan	4	4	-	-
Mr A J Gilmour	4	4	1	1
Mr T L Grose	4	4	1	1

Indemnifying Officers or Auditor

The group has provided Deeds of Access and Indemnity to its directors to the extent allowed at law. Other than these, no indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. The company holds an Association's Liability insurance policy which includes both Professional Indemnity and Directors and Officers cover.

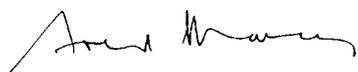
Proceedings on Behalf of the Company

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

Auditor's Independence Declaration

The group's auditor is Mr. Paul Gerard Gilbert (ASIC Reg. 165334). Mr. Gilbert's independence declaration for the year ended 30 June 2013 has been received and can be found on the following page of this report.

Signed in accordance with a resolution of the board of directors:



F M Chaney AO

Chairperson

23 September 2013



A J Gilmour

Director

23 September 2013



AUDITOR'S INDEPENDENCE DECLARATION

The Directors

Central Desert Native Title Services Ltd
76 Wittenoom Street
EAST PERTH WA 6004



MACLEOD
CORPORATION PTY LTD.

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Albany WA 6330

PO Box 5151 Albany WA 6332

t. 08 9841 2277

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e. paul@macleodcpa.com.au

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Dear Directors,

Under Section 307C Of The Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the Year Ended 30 June 2013 there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of the requirements of the Accounting Professional and Ethical Standards Board in relation to the audit.

Yours faithfully,

Paul Gilbert

Registered Company Auditor

4 August 2013

CERTIFIED PRACTISING ACCOUNTANTS



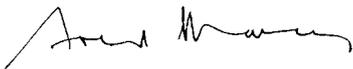
DIRECTORS' DECLARATION

For The Year Ended 30 June 2013

The directors of the group declare that:

1. The financial statements and notes, as set out in the following pages, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with applicable Accounting Standards and the *Corporations Regulations 2001*; and
 - (b) give a true and fair view of the financial position as at 30 June 2013 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the group 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.



F M Chaney AO

Chairperson

23 September 2013



A J Gilmour

Director

23 September 2013



The Members

Central Desert Native Title Services Ltd

Report on the Financial Statements

We have audited the accompanying consolidated general purpose financial statements of Central Desert Native Title Services Ltd (the "group") which comprises the consolidated balance sheet as at 30 June 2013, the consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, and the directors' declaration. We have also audited the grant acquittal statements attached.

The Responsibility of Directors for the Financial Statements

The directors of the company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are 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 statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, 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 statements in order to design audit procedures that are appropriate in the circumstances. 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 statements.



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001* and the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion the consolidated financial statements of the company are in accordance with the *Corporations Act 2001*, including

1. 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
2. complying with Australian Accounting Standards - Reduced Disclosure Requirements and complying with the Corporations Regulations 2001.

Inherent Uncertainty Regarding Going Concern

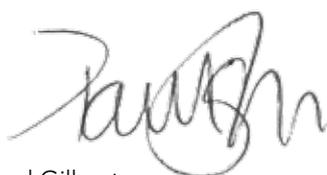
Without qualification to the opinion expressed above, attention is drawn to the following matter. The financial statements are prepared on the basis of company being a going concern. This is dependent upon continued funding from government agencies.

Report on other Legal, Contractual and Regulatory Requirements

Compliance with Commonwealth Grant Conditions for Native Title Grants

In accordance with clauses 10.7 and 41.7 of the *Terms and Conditions - Native Title Agreement: for Agreements entered into after 1 July 2010*, I certify that:

1. The actual expenditure is in accordance with the budget;
2. The financial statement for the activity for the financial year is based on proper accounts and records and the financial statements are in agreement with those accounts and records;
3. You are able to pay all your debts as and when they fall due and that you have sufficient resources to discharge all your debts at the end of the financial year;
4. Where an asset has been purchased using grant funds, adequate insurance has been arranged in accordance with clause 12 of the Agreement, and the asset has been included in the Corporation's asset register; and,
5. The receipts, expenditure and the investment of money, and Central Desert's acquisition and disposal of assets during the year, have been in accordance with:
 - (a) the provisions of the Act (including the conditions of funding set out in section 203CA(1)); and,
 - (b) the Agreement.



Paul Gilbert

Registered Company Auditor

23 September 2013

CERTIFIED PRACTISING ACCOUNTANTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended 30 June 2013

	NOTE	2013 \$	2012 \$
Revenue from continuing operations	4	8,417,124	7,999,771
Other gains	4	1,554	1,275
Employee benefits expense		(3,993,867)	(3,303,546)
Services and supplies		(2,231,096)	(2,386,120)
Other expenses	5	(1,871,539)	(1,746,973)
Interest expense		-	
Depreciation / amortisation		(315,749)	(260,920)
Other Losses		(14,900)	-
Net Income before income tax		(8,473)	303,487
Income tax expense	3	-	-
Net Income after income tax		(8,473)	303,487
Other comprehensive income		-	-
Total Comprehensive Income		(8,473)	303,487

The accompanying notes form part of these financial statements.



CONSOLIDATED BALANCE SHEET

As At 30 June 2013

	NOTE	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	6	1,728,792	1,395,192
Trade and other receivables	8	748,533	368,664
Other current assets	9	35,269	66,130
Total Current Assets		2,512,594	1,829,986
Non-Current Assets			
Property, plant & equipment	10	969,081	800,684
Investments in Associates	11	-	-
Other non-current assets	12	420,368	265,899
Total Non-Current Assets		1,389,449	1,066,583
Total Assets		3,902,043	2,896,569
Current Liabilities			
Trade and other payables	13	367,636	312,838
Current tax liabilities	14	282,417	82,277
Payroll liabilities	15	27,041	1,167
Provisions and accruals	16	418,628	309,647
Unexpended grants	17	1,218,844	711,479
Trust liabilities	18	355,798	164,811
Other current liabilities	19	24,455	37,111
Total Current Liabilities		2,694,819	1,619,331
Non-Current Liabilities			
Provisions and accruals	16	130,926	192,467
Total Non-Current Liabilities		130,926	192,467
Total Liabilities		2,825,745	1,811,798
Net Assets		1,076,298	1,084,771
Equity			
Member's Funds		1,076,298	1,084,771

The accompanying notes form part of these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 June 2013

	RETAINED EARNINGS	RESERVES		TOTAL
	\$	GENERAL \$	ASSET REVALUATION \$	\$
Balance at 30 June 2011	781,284	-	-	781,284
Total comprehensive income for the period	303,487	-	-	303,487
Movement in reserves	(105,700)	105,700	-	-
Revaluation increment	-	-	-	-
Balance at 30 June 2012	979,071	105,700	-	1,084,771
Total comprehensive income for the period	(8,473)	-	-	(8,473)
Movement in reserves	105,700	(105,700)	-	-
Revaluation increment	-	-	-	-
Balance at 30 June 2013	1,076,298	-	-	1,076,298

The accompanying notes form part of these financial statements



CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 June 2013

	NOTE	2013 \$	2012 \$
Cash Flow from Operating Activities			
Receipts from government and customers		8,502,736	7,850,547
Payments to employees		(3,927,135)	(3,296,532)
Payments to suppliers		(3,650,128)	(3,977,995)
Interest received		46,307	50,192
Finance costs		-	-
Net cash from operating activities	7	971,780	626,212
Cash Flow from Investing Activities			
Proceeds from sale of property & equipment		436	3,064
Payment for property & equipment		(638,616)	(585,240)
Payments for investments in associates		-	-
Net cash used in investing activities		(638,180)	(582,176)
Cash Flow from Financing Activities			
Repayment of financing commitments		-	-
Increase in financing commitments		-	-
Net cash from financing activities		-	-
Net (decrease) increase in cash held		333,600	44,036
Cash at the end of the financial year	6	1,728,792	1,395,192
Cash at the beginning of the financial year	6	1,395,192	1,351,158
Net Increase / (Decrease) in cash held		333,600	44,034

The accompanying notes form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 30 June 2013

1. THE REPORTING ENTITY

Central Desert Native Title Services Ltd is a public company limited by guarantee. It was incorporated under the *Corporations Act 2001* on 16 April 2007 and domiciled in Australia.

The financial statements cover the consolidated group including, for the first time, the newly formed, wholly owned subsidiary, Desert Support Services Pty Ltd which was incorporated on 6 January 2012, but did not trade during the period ended 30 June 2012.

All companies in the group have the following registered and business address:

76 Wittenoom Street
East Perth, WA, 6004.

2. BASIS OF PREPARATION OF THE FINANCIAL REPORT

Date of Issue

These consolidated financial statements were authorised for issue by the directors on 23 September 2013. The directors have the authority to amend the financial statements after that date.

Basis of Accounting

The consolidated financial statements are general purpose financial statements that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Corporations Act 2001*, and the Regulations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The group has determined that it is a Tier 2 entity for the purposes of AASB 1053 and has consequently applied the Reduced Disclosure Regime in these financial statements.

The statements are prepared on an accruals basis from the records of the group.

They are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The report is presented in Australian dollars (\$AUD) and are rounded to the nearest dollar.

Going Concern

The accounts have been prepared on a going concern basis.

Economic Dependence

The ability of the company to continue as a going concern is dependent upon continued support from various Government funding bodies. At the date of this report the directors have no reason to believe that governments will not continue to fund the native title operations of the company.

Compliance with International Financial Reporting Standards

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRSs) to be made where the financial statements complies with these standards. Some Australian equivalents to IFRSs and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The company is a not-for-profit entity and has applied these requirements, so while these financial statements comply with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards (AEIFRSs) it cannot make this statement.

Application of new and revised Accounting Standards

New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 Presentation of Financial Statements effective 1 July 2012 now require the statement of comprehensive income to show the items of comprehensive income grouped into those that are not permitted to be reclassified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met.

The company has consolidated its accounts for the first time using AASB 127 (Not for Profits). These were early adopted.



Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

3. SIGNIFICANT ACCOUNTING POLICIES

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

Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Central Desert Native Title Services Ltd ('company' or 'parent entity') as at 30 June 2013 and the results of all subsidiaries for the year then ended. Central Desert Native Title Services Ltd and its subsidiaries together are referred to in this financial report as the group or the consolidated entity. Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company

becomes a party to the contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and Subsequent Measurement

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.



Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Derivative instruments

The company does not deal with or hold derivative instruments.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

Inventories

The company does not hold inventories of goods for sale.

Investments (financial assets)

Available-for-sale financial assets

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Recognition

Financial assets are initially measured at cost of trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

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

The depreciation rates used for each class of depreciable assets are based on their useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Intangible assets

Software

Software developed specifically for the company is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and two years. It is assessed annually for impairment. All other software is expensed as it is purchased.

Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. These cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Government grants received by the company do not currently allow the charging of employee liabilities against the grant revenue. The result is that unexpended grant liabilities are overstated by the amount of the accrued benefits. FaHCSIA permits employee entitlements to be charged against grants as and when they fall due and payable and may provide additional funds.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.



Borrowings

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

Funds Held on Trust

From time to time the company holds funds on trust for Native Title Claimant groups pending the formation of a Prescribed Body Corporate ("PBC"). Such funds are held as liabilities and retained in the company's bank accounts pending the establishment of bank accounts for the purpose. The receipt of those funds, and interest pertaining to the bank accounts, are not recognised as revenue to the company.

Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Grant Revenue

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to the grant revenue relating to the use of those grants for specific purposes it is recognised as a liability until such time as those conditions are met or the services provided.

Sale of Services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is presently recoverable.

Sale of Goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest

Interest revenue derives from interest on funds held on deposit and are recognised when they are received. Other interest received 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.

Donations and Bequests

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose where they are carried as prepaid income.

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

Taxation

Public Benevolent Institution

The Australian Charities and Not-for-Profits Commission has registered the company as a Public Benevolent Institution. Consequently the Australian Taxation Office has endorsed the company for the following concessions:

- (i) GST concession;
- (ii) FBT exemption;
- (iii) Income taxation exemption.

The company is endorsed as a Deductible Gift Recipient. All donations of \$2 or more are tax deductible.

No change in its tax status as a result of activities undertaken during the year is likely.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a net basis.

Critical Accounting Estimates and Judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.



4. REVENUE FROM CONTINUING OPERATIONS

	NOTE	2013 \$	2012 \$
Revenue from continuing operations			
Net grant revenue	17	6,129,147	5,903,537
Revenue from the sale of services			
Administration fees		158,361	213,963
Fee for service		1,907,938	1,495,136
Reimbursements		97,064	336,543
Sales of goods		39,424	340
Rent & Utilities		32,991	-
Donations		2,000	-
Sundry		3,892	60
Interest		46,307	50,192
		8,417,124	7,999,771
Other Gains			
Proceeds on sale of non-current assets		1,554	1,275
		1,554	1,275

5. NET OPERATING RESULT

Net Operating Result before Income Tax is determined after the following significant Other Expenses:

Occupancy costs	643,504	623,990
Travel and accommodation expenses	705,991	578,801
Motor vehicle expenses	336,507	326,200
Program expenses	166,701	200,000
Repairs & maintenance	15,234	16,967
Charitable activities	3,602	1,015
Sundry	-	-
	1,871,539	1,746,973

6. CASH AND CASH EQUIVALENTS

Cash at Bank		
Operating Account (New)	147,008	-
Operating account	27,100	63,320
Max-i direct	200,547	79,654
FaHCSIA account	401,094	547,784
IPA cash mgt account	358,696	116,170
Gift fund account	67,711	6,612
DSS - Operating (Old Acc)	20,257	98



	NOTE	2013 \$	2012 \$
DSS - New Account		15,229	-
Paypal Account		5,769	97
Term deposit 1		-	205,615
Term deposit 2		-	154,660
Term deposit 3		205,615	56,173
Trust Accounts			
Pilki claimant group		50,697	48,960
Tarlpa claimant group		51,723	25,123
Cosmo claimant group		164,214	90,625
Kulyakartu claimant group		10,139	-
Cash on Hand			
Petty cash		300	300
Gift Vouchers		2,693	-
		1,728,792	1,395,192

Terms: Cash at bank is held in at-call interest bearing deposits.

Restrictions. Cash at bank includes an amount of \$1,218,844 (2012, \$711,749) representing the balance of unexpended grants. The restriction arises as a result of the terms and conditions of various funding agreements which require unspent funds to be returned or used in future years for the purposes specified in the funding agreements. A further amount of \$355,798 (2012, \$164,811) is held on Trust for claimant groups – see note 18. A Term deposit is held as security for the bank guarantee referred to in note 24.

7. CASH FLOW INFORMATION

(a) Reconciliation of Cash Flows from Operating activities

Profit after income tax	(8,472)	303,487
Non Cash Flows included in Profit		
Depreciation and amortisation	315,749	260,920
Contribution of assets	(436)	-
Net other non cash flows in profit		(1,274)
Changes in Assets and Liabilities		
(Increase)/Decrease in receivables	(379,766)	57,524
(Increase)/Decrease in other current assets	30,758	19,162
Increase/(Decrease) in payables	54,799	66,583
Increase/(Decrease) in provisions and accruals	47,441	58,501
Increase/(Decrease) in current tax liabilities	200,139	(44,914)
Increase/(Decrease) in unexpended grants	507,365	(201,924)
Increase/(Decrease) in other liabilities	204,204	108,147
Cash flows from operating activities	971,780	626,212



8. TRADE AND OTHER RECEIVABLES

	NOTE	2013 \$	2012 \$
Trade receivables		763,073	360,899
Other receivables		360	20,060
Less: Provision for doubtful debts		(14,900)	(12,295)
		748,533	368,664

Terms: Trade and other debtors are non-interest bearing and are generally settled on terms of 30 days. Trade debtors are reported net of GST.

9. OTHER CURRENT ASSETS

Prepayments		1,294	64,127
Bonds		6,900	1,900
Accrued Income		27,075	103
		35,269	66,130

10. PROPERTY PLANT & EQUIPMENT

Leasehold improvements			
Leasehold improvements at cost		637,262	601,957
Less: accumulated depreciation		(198,653)	(88,831)
		438,610	513,126
Motor vehicles			
Motor vehicles at cost		1,102,711	698,588
Less: accumulated depreciation		(686,222)	(537,616)
		416,489	160,972
Office equipment & furniture			
Office equipment & furniture at cost		288,952	255,368
Less: accumulated depreciation		(191,694)	(147,488)
		97,258	107,880
Plant & equipment			
Plant & equipment at cost		62,967	54,909
Less: accumulated depreciation		(49,319)	(36,203)
		13,649	18,706
Artworks		3,076	-
Less: Accumulated depreciation		-	-
		3,076	
Carrying Amount		969,081	800,684



(a) Movements in carrying amounts

	L/HOLD IMP	MOTOR VEHICLES	OE & FURN	PLANT & EQUIPMENT	ARTWORKS	TOTAL
	\$	\$	\$	\$	\$	\$
2012						
Balance at 1 July 2011	121,118	228,321	73,431	27,158	-	450,028
Additions by purchase	469,390	70,953	68,208	4,815	-	613,365
Depreciation expense	(75,592)	(138,301)	(33,759)	(13,267)	-	(260,920)
Disposals	(1,789)	-	-	-	-	(1,789)
Carrying amount at 30 June 2012	513,126	160,973	107,879	18,706	-	800,684
2013						
Additions by purchase	35,305	404,122	33,585	8,058	3,076	484,146
Depreciation expense	(109,822)	(148,606)	(44,206)	(13,115)	-	(315,749)
Disposals	-	-	-	-	-	-
Carrying amount at 30 June 2013	438,609	416,489	97,258	13,649	3,076	969,081

11. SUBSIDIARIES

Details of the Group's subsidiaries at the end of the reporting period are as follows:

NAME	PRINCIPAL ACTIVITY	PLACE OF INCORPORATION	PROPORTION OF OWNERSHIP HELD BY GROUP	
			30/06/13	30/06/12
Desert Support Services Pty Ltd	Accounting, labour hire	Australia	100%	100%

Central Desert is the head entity of the group.

12. OTHER NON-CURRENT ASSETS

	NOTE	2013 \$	2012 \$
Work In Progress		420,368	265,899
		420,368	265,899

Work in Progress: Work in Progress comprises the cost of construction work on the company's land management facility, situated at Lot 501 Wotton Street Wiluna.



13. TRADE AND OTHER PAYABLES

	NOTE	2013 \$	2012 \$
Trade payables		284,681	235,661
Other payables		27,235	880
Credit cards			
Mastercard		28,599	50,249
American express		27,121	26,048
		367,636	312,838

Credit Card Facilities: The company has a \$100,000 credit card facility with Westpac Banking Corporation of which \$71,401 remained unused at balance date. The company has a \$70,000 credit card facility with American Express of which \$36,831 remained unused at balance date. MasterCard and American Express purchasing card balances are cleared on or about the 27th of each month.

14. CURRENT TAX LIABILITIES

GST payable		400,411	143,540
GST receivable		(168,212)	(99,156)
PAYG Withholding payable		50,218	37,893
		282,417	82,277

15. PAYROLL LIABILITIES

Superannuation payable		27,041	1,167
		27,041	1,167

16. PROVISIONS AND ACCRUALS

a) Current

Provisions			
Audit fees		8,000	9,325
Accrued Employee Entitlements			
Wages			
Annual Leave		259,552	177,674
Long Service Leave		109,110	88,589
Program Expenses		41,966	34,059
		418,628	309,647

b) Non -current

Accrued Employee Entitlements			
Long Service Leave		130,926	192,467
		130,926	192,467



Accrued Entitlements: Some employees continue to have entitlements accrued from their service with a predecessor entity. These entitlements were recognised by the company under: “transmission of business” provisions which transferred to the company. Accruals for Annual and Long Service Leave are not charged to grant funding unless approved by the relevant funding bodies.

17. UNEXPENDED GRANTS

	YEAR	UNEXP B/FWD	NEW GRANTS	AGI	EXP'D	UNEXP C/FWD
Native Title - Operational	12/13	-	3,752,500	291,141	4,043,641	-
Contested Litigation - GDNR	10/11	19,434	333,000	-	158,539	193,895
Contested Litigation - Yilka	11/12	429,336	318,000	-	329,542	417,794
Contested Litigation - Wiluna	12/13	-	129,580	-	10,295	119,285
Contested Litigation - BIR/PIL	12/13	-	300,000	-	20,038	279,962
PBC Support Funds	12/13	-	200,000	-	200,000	-
		448,770	5,033,080	291,141	4,762,055	1,010,936
SEWPAC						
IPA MWW	10/11	29,340	-	-	29,340	-
IPA Birriburu	11/12	28,705	-	-	28,705	-
Biodiversity partnerships	12/13	-	285,000	-	285,000	-
IPA MWW	12/13	-	136,500	-	95,454	41,046
IPA Birriburu	12/13	-	320,000	-	320,000	-
Community Heritage	13/14	-	25,000	-	-	25,000
IHP						
Kuju Wangka	11/12	44,537	-	21,667	66,204	-
IHP	12/13	-	49,012	-	-	49,012
Lotterywest						
Head Office Building	11/12	5,826	-	-	5,826	-
Women's Vehicle	12/13	-	72,113	20,000	92,113	-
Land Management Facility	12/13	-	128,470	-	128,470	-
Rangelands NRM						
Bio-Regional	11/12	58,310	-	-	58,310	-
Biodiversity	12/13	-	93,397	-	73,482	19,915
Keeping Desert Country Healthy	11/12	45,662	228,785	-	213,269	61,178
Fire Management	12/13	-	63,863	-	52,106	11,757
Fire Management - PPE	12/13	-	9,091	-	9,091	-
Women's Biodiversity Project	12/13	-	130,000	-	130,000	-
State NRM						
Carnarvon Ranges	12/13	19,884	25,000	-	44,884	-
Ngururpa	12/13	30,445	-	-	30,445	-
Ninti One						
Camel Managment	12/13	-	37,200	-	37,200	-
		262,709	1,603,431	41,667	1,699,899	207,908
		711,479	6,636,511	332,808	6,461,954	1,218,844



Net Grant Revenue: Net Grant Revenue is represented by new grants plus unexpended grants b/fwd less unexpended grants c/fwd. 2013: \$6,129,146 (2012: \$5,903,537)

18. TRUST LIABILITIES

	NOTE	2013 \$	2012 \$
Funds held for			
Pilki Native Title claimants		50,697	48,960
Tarlpa Native Title claimants		51,723	25,226
Cosmo Newberry non-resident claim members		169,214	90,625
Kulyakartu Claimants		10,139	-
Toro Trust		62,270	-
Mantjiltjarra Wurrugumu		11,755	-
		355,798	164,811

19. OTHER CURRENT LIABILITIES

Unearned Income	24,455	37,111
	24,455	37,111

Unearned Income: Funds are held under agreements with mining companies to deliver particular services including the purchase a motor vehicle for women's activities and develop cross cultural training packages.

20. KEY MANAGEMENT PERSONNEL

The company's Key Management personnel comprise the directors identified in the Directors' Report and the following Management staff:

POSITION	2013	2012
Chief Executive Officer	Ian Rawlings	Ian Rawlings
Principal Lawyer	Malcolm O'Dell	Malcolm O'Dell
Chief Financial Officer	Ric West	Ric West



(a) Remuneration of Key Management Personnel

	DIRECTORS		MANAGEMENT STAFF	
	2013 \$	2012 \$	2013 \$	2012 \$
Short Term Benefits				
Salaries & allowances	-	-	499,185	491,854
Directors fees	-	-	-	-
Travel allowances	-	-	-	-
Post Employment Benefits				
Superannuation	-	-	44,183	43,636
Total	-	-	543,368	535,490

21. RELATED PARTY TRANSACTIONS

There were no related party transactions during the financial year. Where related party transactions occur they are conducted on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

22. CAPITAL AND LEASING COMMITMENTS

Capital Expenditure Commitments

The company is constructing a land management facility in Wiluna, Western Australia. It is reasonably expected that a further \$190,000 will be expended to complete of the project. This is being funded by Lotterywest and Midwest Development Commission.

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements relate to office properties in Perth, Kalgoorlie and Wiluna and leases for office equipment. Rental lease arrangements include market review clauses.

OPERATING LEASE	EXPIRING	PAYMENTS DUE		
		WITHIN 1 YEAR	1-5 YEARS	OVER 5 YEARS
76 Wittenoom Street East Perth ¹	31/03/16	378,971	757,942	-
225 Piccadilly St Kalgoorlie	18/07/14	23,140	1,928	-
Wiluna Office - Thompson Street ²	1/10/23	110	4,400	-
Wiluna LM Facility - Wotton Street	29/06/22	1,100	5,500	-
Storage units (2 units)	30/06/13	10,116	-	-
		413,437	769,770	-

¹ Lease Options: The property at 76 Wittenoom Street has ² three year options expiring in 31/3/2022.



23. COMMITMENTS – GRANT FUNDING

Commitments entered into by the company for the supply of goods and services as at 30 June 2013, and which are to be paid from grant funds carried forward are as follows:

	NOTE	2013 \$	2012 \$
Commitments relating to capital contracts entered into		80,000	-
Commitments for other goods or services		47,500	-
		127,500	-

The commitments arise from contracts for the delivery of goods or services that were entered into by 30 June 2013 but for which the goods or services had not been delivered or completed at balance date. Additionally, the company is committed to rental and operating lease commitments and accrued annual and long service leave entitlements for staff. Other than those items listed above, there are no other grant funding commitments.

24. CONTINGENT ASSETS AND LIABILITIES

Contingent Assets

The company is eligible for an additional \$13,647 in funding from Mid West Development Commission under the Royalties for Regions program upon completion of Stage 1 of the Land Management Facility. This is expected to be completed during 2013.

Contingent Liabilities:

A Bank Guarantee in favour of Kella Nominees Pty Ltd in the amount of \$205,614.60 is in place and represents the equivalent of 6 month's rental. The guarantee is secured by a term deposit.

25. MEMBERS' GUARANTEE

Central Desert is incorporated as a public company limited by guarantee under the *Corporations Act 2001*.

If the company is wound up the constitution requires each member to contribute a maximum of \$1 each towards the property of the company for payment of the debts and liabilities of the company. At 30 June 2013 the number of members was five (5).

26. EVENTS AFTER THE BALANCE DATE

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



ACKNOWLEDGEMENT

We gratefully acknowledge the people and communities with whom we work: for their support, encouragement, and patience with what is often a time consuming and difficult process.

We also acknowledge our funding providers:

- The Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)
- The Commonwealth Department of Sustainability, Environment, Water, Population and Communities (SEWPAC)
- Lotterywest
- Rangelands NRM Western Australia
- Western Australian Government's State NRM Program and the Department of Agriculture and Food
- Ninti One.

For More Information:

Contact officer:

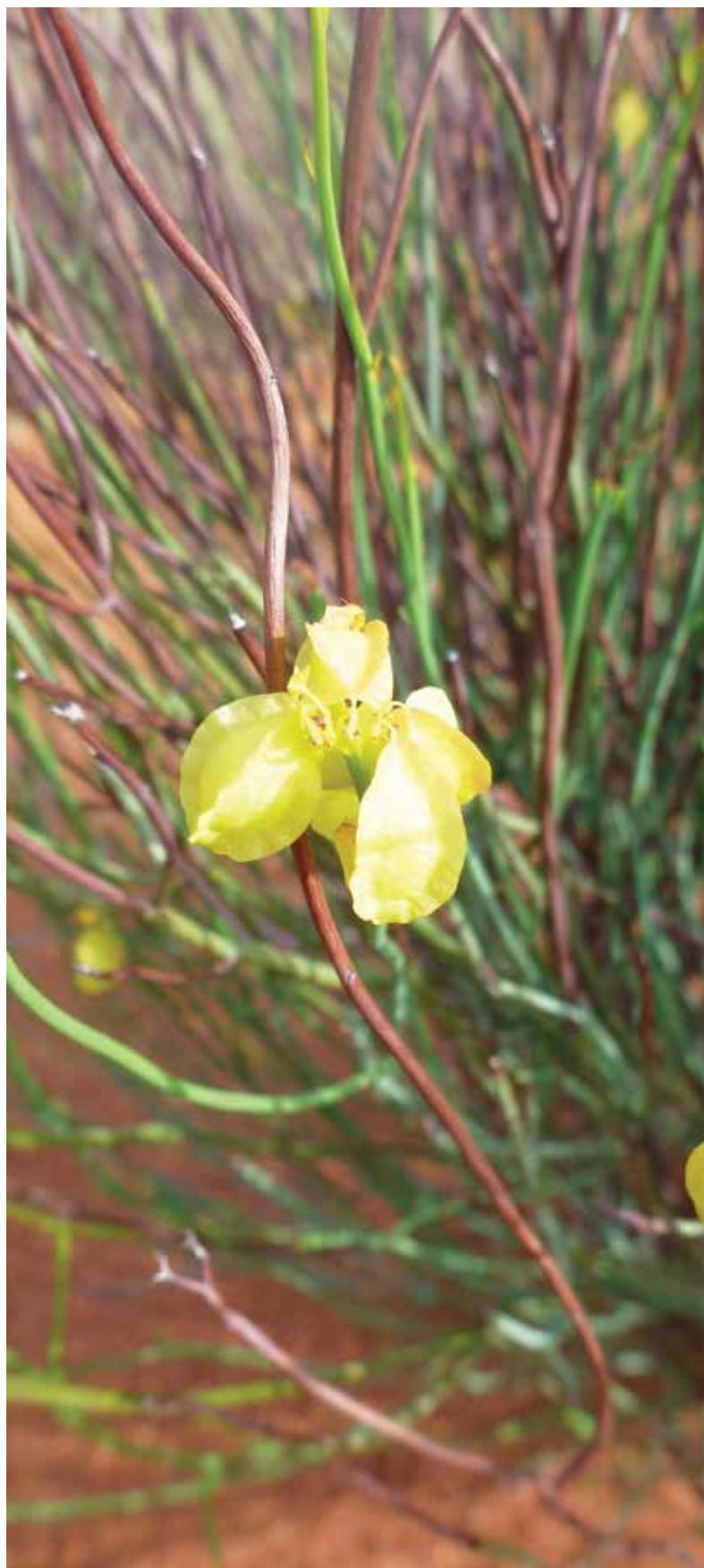
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Web address for annual report:

www.centraldesert.org.au/who-we-are/Annual-Reports



Central Desert Native Title Services produces high quality outcomes in all facets of native title work including legal and anthropological research, managing future acts, mediation and litigation, cultural translation, governance and capacity building and natural resource management. The organisation facilitates and maintains strong co-operative relationships between Traditional Owners and government agencies, non-government organisations, exploration and mining companies, and other stakeholders.



Women Rangers biodiversity monitoring, Jundee Station

Central Desert Native Title Services Ltd

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