



2019 Annual Report



CENTRAL DESERT NATIVE TITLE SERVICES

WARNING TO ABORIGINAL AND TORRES STRAIGHT 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
ACNC	Australian Charities and Not-for-Profits Commission
AGM	Annual General Meeting
CATSI	The Corporations (Aboriginals and Torres Strait Islander) Act 2006
Central Desert	Central Desert Native Title Services
CDG	Central Desert Group
CHMP	Cultural Heritage Management Plan
DPM+C	Commonwealth Department of Prime Minister and Cabinet
DSS	Desert Support Services
GDNR	Gibson Desert Nature Reserve
IAS	Indigenous Advancement Strategy
ILUA	Indigenous Land Use Agreement
MNR	Mungarlu Ngurrarankatja Rirraunkaja (Aboriginal Corporation)
MOU	Memorandum of Understanding
NIAA	National Indigenous Australians Agency
NNTT	National Native Title Tribunal
NTA	Native Title Act
NTRB	Native Title Representative Body
NTSP	Native Title Service Provider
ORIC	Office of the Registrar of Indigenous Corporations
PBC	Prescribed Body Corporate
RFM	Rockhole Funds Management
RNTBC	Registered Native Title Body Corporate
TMPAC	Tarlka Matuwa Piarku (Aboriginal Corporation)
TO	Traditional Owner

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CENTRAL DESERT NATIVE TITLE SERVICES

The Hon Ken Wyatt AM MP
Minister for Indigenous Australians
Parliament House
Canberra
ACT 2600

Dear Minister

I have great pleasure in presenting the Annual Report of Central Desert Native Title Services Limited for the period 1 July 2018 to 30 June 2019.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2019.

Sincerely,

Mr Terry Grose
Chairperson



CHAIRPERSON'S REPORT

On behalf of the Board of Central Desert Native Title Services I am pleased to present the company's Annual Report for the year to 30 June 2019. In the body of the report you will find details of the company's activities during the year. The report outlines the role we play in working with the people of the Central Desert as they seek to use their traditional lands to fulfil their social, cultural and economic aspirations.

The 2018-19 year saw many changes in the administration of Aboriginal and Torres Strait Island matters. The 2019 Federal election led to the Hon. Ken Wyatt being appointed as the country's first Aboriginal cabinet minister. The Government also established the National Indigenous Australians Agency (NIAA) overseen by Mr Wyatt and dedicated to the advancement of Australia's First Nations people. It is expected that this new Agency will provide a significant opportunity for the Government to work with Aboriginal and Torres Strait Islanders and encourage shared decision making and partnership across all levels. Central Desert looks forward to working with the NIAA to further progress native title in the Central Desert region.

In April 2019 the NIAA called for expressions of interest in providing native title services to the people of the Goldfields region. After careful consideration the Board decided to register its interest in establishing a company to provide these services. This decision was reached on the basis that the Board believes that Central Desert has been successful in its native title work in the Central Desert region and feels confident that its expertise and its procedures will be transferrable to a new Goldfields organisation. The proposal made to the NIAA was subject to two provisos. First, any work in the Goldfields area should be funded and staffed independently so that the services to our existing clients would not be adversely affected and, secondly, the new entity would be quite separate from Central Desert with its own staff and board.

The NIAA accepted this proposal and as I write this work is well under way with the establishment of Native Title Services Goldfields, with the key management and board positions already filled.

A recent judgement in the Full Federal Court in *Northern Land Council v Quall* [2019] FCAFC 77 found that a Native Title Representative Body could not delegate the certification of an application for registration of an Indigenous Land Use Agreement (ILUA). The same outcome would similarly flow with respect to the certification of an application for a determination of native title. In response to the court's decision, the Board of Central Desert will certify all applications for registration of an ILUA and certify all applications for determination of native title. Investigations are ongoing as to whether any past certifications could be affected by this decision.

The past 12 months brought several changes to our Senior Management Team. We farewelled Colin Napier as Chief Financial Officer and since the end of the financial year we have welcomed Ruwan Silva to the CFO role. Colin brought clear advice and leadership to our policy and resourcing decisions and significantly strengthened our forecasting, budgeting and reporting capability. Ruwan comes from a strong not for profit and regional services background and brings a valuable range of skills to the organisation.

At the end of the calendar year we will be farewelling our CEO Ian Rawlings, as he takes his well-earned retirement. Ian has been CEO of Central Desert since its establishment in 2007 and has played a huge role in the success of the organisation. Central Desert has changed dramatically since its inception and Ian has been a key driver of those changes. The Board has greatly appreciated the contribution Ian has made during his tenure and wishes him all the best for the future.

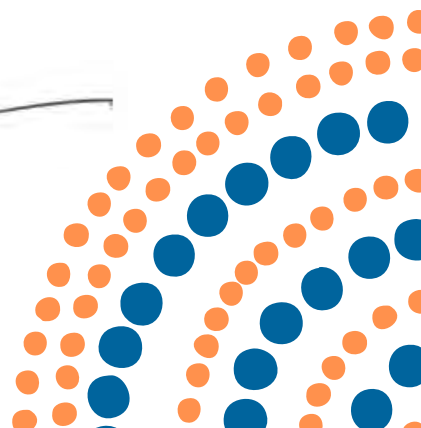
Jo Lanagan, currently Deputy CEO, has been chosen to replace Ian in his role as CEO of Central Desert. Jo has many years of native title experience, both in her current role and in earlier roles within the State government and the National Native Title Tribunal and the Board is confident that Jo will achieve a seamless transition to her new role.

One of the major changes undertaken during Ian's leadership was the creation of Desert Support Services. This company has grown substantially since its creation and, in recognition of that growth, and the changes that has entailed, the Board has decided to separate the leadership roles of the two companies. At the beginning of 2020 James Back will assume the role of CEO of Desert Support Services.

In closing, may I convey the Board's thanks to all staff for another successful year. As they have always done, they continue to respond to challenging roles with dedication, creativity and vigour, under sometimes very difficult circumstances. I would also like to extend a heartfelt thanks to my Board colleagues for their continued support, and for their dedication and commitment to the work of Central Desert.



Terry Grose
Chairperson



CHIEF EXECUTIVE OFFICER'S REPORT

On the ground the past 12 months have been demanding yet successful for Central Desert Native Title Services. I am pleased to report that Central Desert has maintained a steady momentum; progressing native title claims, managing future act matters, supporting and developing prescribed bodies corporate and exploring and building land related social, economic and cultural opportunities for our clients.

As at 30 June 2019 there have been 32 determinations that native title exists on lands within the Central Desert Representative Area which equates to 76% of the total region. There were 2 native title claims determined within the year and a further 5 applications in progress, 3 of which are represented by Central Desert.

As mentioned in last year's report, we were eagerly awaiting the High Court findings on the Timber Creek compensation matter in which Central Desert and Yamatji Marlpa AC had jointly intervened. On 13 March 2019 the High Court delivered its judgement, which is the first significant High Court decision guiding the approach that should be taken to resolve Compensation claims.

Only a limited range of compensation issues were resolved by the Timber Creek judgement and no doubt there will be further matters to test in the future, nevertheless this judgement is an important first step. Since the judgement was made Central Desert has entered into discussions with the State about what compensation matters may be able to be settled by agreement within our region and what matters may need to be tested in the Court. We have commenced the arduous task of assessing tenure across a number of determined areas in preparation for potential compensation claims.

I am pleased to report that progress is being made on preparations for negotiation of a settlement package for the people of the Gibson Desert Nature Reserve. Since the handing down of the Timber Creek compensation decision the State have been considering their position on the GDNR. We have now entered into an agreement with the State to cover a negotiation process over the first half of 2019/20.

At a corporate level we have reviewed several processes and systems within Central Desert to ensure the company remains effective and efficient, and that our staff are supported to be safe and maintain their wellbeing. IAG Risk Partners reviewed our Occupational Safety and Health protocols in June 2019. CDNTS has been given a 5-star rating on all of our OSH policies and procedures. We have been assessed as a benchmark for the industry. I congratulate all of our Logistics, HR and Corporate staff for ensuring staff are safe and protected when undertaking their important work.

It is a great privilege to work at Central Desert. We have highly dedicated partners, community members and staff, all of whom seek to improve the lives of our constituents across the Central Desert region. I thank you all for your professionalism and ongoing commitment. I would like to acknowledge and thank Wayne Beswick and his team at NIAA for their ongoing support as well as Kate Alderton and her team at the Office of the Premier and Cabinet. I also extend my gratitude to the Central Desert Board of Directors, my colleagues on our Senior Management Team, the members of our Joint Consultative Committee and our community and justice sector partners.

On behalf of my fellow colleagues may I acknowledge with sadness the passing of important traditional owners in the past year and extend our sincere condolences to those who miss them.

Farewell

After 12 years, I will conclude my time as the CEO at the end of the 2019 calendar year. It has been a privilege to lead Central Desert for so long. I am proud of the work that our staff and partners do every day to secure and protect the rights of the traditional owners of this region. The work that we do at Central Desert is all about supporting the people of the Western Australian desert lands to be recognised as the rightful and lawful owners of their traditional country and the holders and practitioners of their laws and customs and to hold and manage their lands in ways that are beneficial to themselves, their families and their wider communities. It has been my great privilege to be involved in this process for so long with such strong and determined peoples. I have been welcomed onto magnificent country and been exposed to the most sacred and ancient traditions and customs of those lands and for that I am most grateful and truly honoured. Thank you all.



Ian Rawlings
Chief Executive Officer



DIRECTORS AND OFFICERS

DIRECTORS



MR TERRY GROSE

(Chairperson of Central Desert and DSS)

Appointed 14 December 2012

Central Desert Native Title Services & Desert Support Services

Terry Grose has a strong commercial background gained through his experience as a merchant banker, senior executive and business consultant. After a decade spent in various senior roles within the Wesfarmers Group, Terry moved to Hong Kong where he worked as Chief Financial Officer of an innovative software company before establishing his own commercial consulting business. Since returning to Australia in 2008 he has undertaken consulting assignments with commercial companies and a number of Aboriginal organisations. For some time he served on the Board of the Martu Trust and he has worked in remote communities and in Perth with Indigenous Community Volunteers. Terry is currently an ICV Ambassador. He is also a director of the Yirra Yaakin Theatre Company.



THE HON FRED CHANEY AO

Appointed 11 September 2007

Central Desert Native Title Services & Desert Support Services

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, Chair of the Consultation Committee on a Human Rights Act for Western Australia and as Minister for Aboriginal Affairs from 1978-80. 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 WA 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. Fred was the recipient of the Senior Australian of the Year for 2014.



DR FIONA SKYRING

Appointed 7 October 2008

Central Desert Native Title Services & Desert Support Services

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, museum exhibitions and academic publications. Fiona is the author of 'Justice: A History of the Aboriginal Legal Service of Western Australia', which won the 2012 Margaret Medcalf Award, the State Library of Western Australia WA History Prize and the WA Premier's Prize. Fiona's next book, on returned soldier riots at the end of World War I in Australia, will be published by UWAP.



**MR ANDREW (ANDY)
GILMOUR**

(Chairperson of Rockhole Funds Management)

Appointed 14 December 2012

**Central Desert Native Title Services &
Desert Support Services**

Andrew has over 35 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 from financial services to mining, and of varying size, from small to medium sized family concerns to large multinational corporations. Andy holds a Bachelor of Arts (Honours) from the University College of Wales, Aberystwyth and recently stepped down as 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 Australia Partners in 1994 and has recently retired after more than 25 years of service.



DR CAROLYN TAN

Appointed 14 December 2012

**Central Desert Native Title Services
only**

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.



DR GUY SINGLETON

Appointed 20 July 2016

**Central Desert Native Title Services &
Desert Support Services**

Guy Singleton has a diverse educational and professional background, which support his interests in realising meaningful Aboriginal opportunity. Guy has a first-class Honours degree in biological science and a PhD in remote Aboriginal community development and Indigenous affairs from Curtin University's Business School. He has worked with and for a range of Aboriginal corporations on development projects in WA, SA and the NT. Since 2012 Guy has held a range of Social Responsibility positions within the resource industry sector. His current position of Manager – Social Responsibility and External Relations at Northern Star Resources Limited sees him leading the Environment, Social Responsibility, Sustainability and Government Relations functions across the company's assets in Australia and the United States (Alaska). Guy is also an Adjunct Research Fellow at the University of Western Australia within the Centre for Regional Development. His published works have been cited by a range of organisations, including the United Nations.



COMPANY OFFICERS



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. He was the Administration Manager for the Ngaanyatjarra Council Native Title Unit and Acting Unit Manager prior to taking on the role of Chief Executive Officer at Central Desert Native Title Services Ltd, now Central Desert Group.

Mr Rawlings is the Chairman of Carbon Neutral Charitable Fund Ltd.



PRINCIPAL LAWYER

MR MALCOLM O'DELL

Malcolm O'Dell has served as the company's Principal Lawyer since its inception. 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 extensive experience in native title in the areas of mediation, negotiation, agreement making, court representation, arbitral inquiries and hearings.

Mr O'Dell is also a director of Access Housing Australia Ltd, a not-for-profit provider of social and affordable housing in WA.



CHIEF FINANCIAL OFFICER
AND COMPANY SECRETARY

MR COLIN NAPIER

Appointed Company Secretary
23 September 2016

Mr Napier is a qualified chartered accountant and holds an MBA from the Australian Graduate School of Management. He began his career in private practice working for such firms as PWC and RSM in a capacity advising small and medium sized businesses. He subsequently worked for Coogee Chemicals Pty Ltd where he was CFO as well as a Director and Company Secretary and then worked for ASX listed Neptune Marine Services Ltd as CFO during their turnaround period. Mr Napier has over 30 years experience working in and consulting to a range of industries such as transport, oil and gas, professional firms, service businesses, manufacturing and construction.



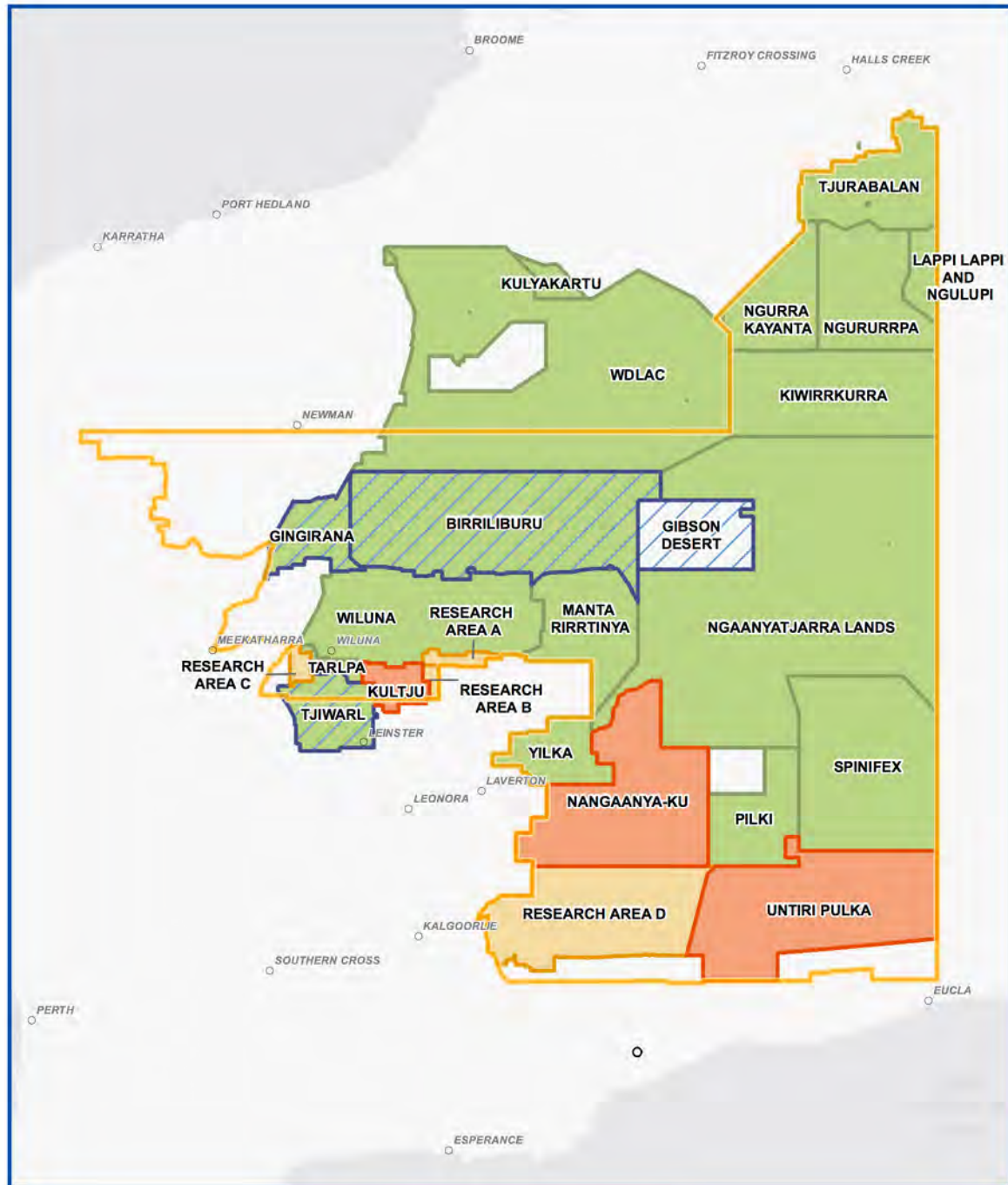
CHIEF FINANCIAL OFFICER
AND COMPANY SECRETARY

MR RUWAN SILVA

Appointed Company Secretary
26 June 2019

Ruwan Silva holds a Bachelor Degree in Accounting and Finance from Curtin University and is a Fellow of the Institute of Public Accountants. He has worked in the Not for Profit sector for the past 16 years starting his career in Port Hedland as a Financial Counsellor and then as Manager of the Pilbara Community Legal Service. He has many years' experience working with indigenous communities in the Pilbara region. For the past 11 years Ruwan has worked at Parkerville Children and Youth Care as the Financial Accountant overseeing rapid growth in the past 10 years.

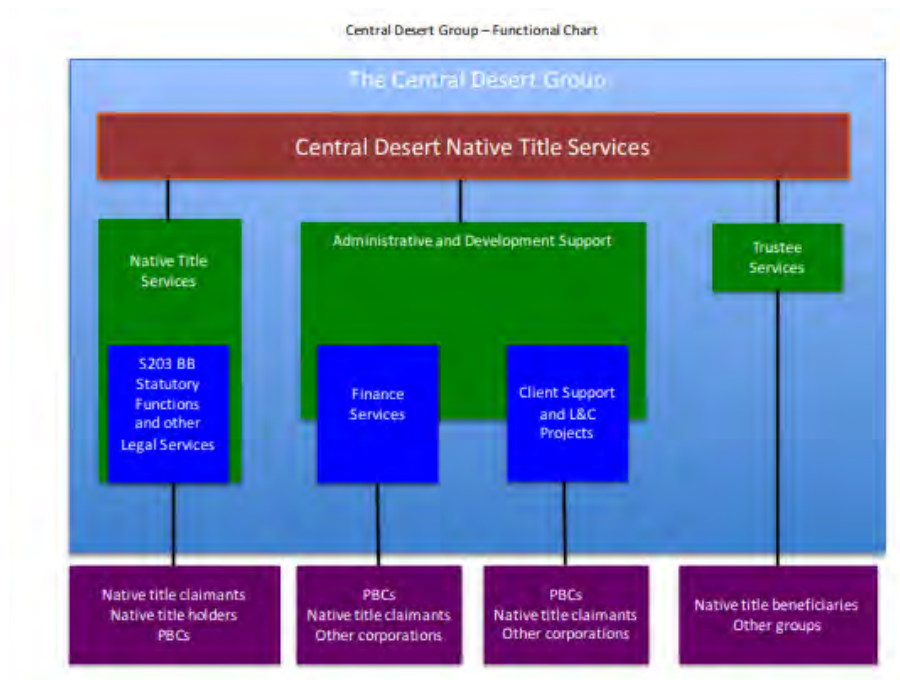
THE CENTRAL DESERT REGION



WHO WE ARE

THE CENTRAL DESERT GROUP

Since its inception in 2007 Central Desert Native Title Services Limited (Central Desert) has established two wholly owned subsidiary companies. Desert Support Services Pty Ltd (DSS) commenced operations in 2011 and Rockhole Funds Management Pty Ltd (RFM) in 2013.



The three entities are collectively referred to as the Central Desert Group (CDG) and we continue to deliver the services of a recognised native title service provider through Central Desert Native Title Services, along with a suite of expanded services provided by the subsidiaries. The CEO of all entities comprising the CDG is Mr Ian Rawlings. Our professional team with their extensive knowledge and experience are committed to advancing and protecting the native title rights and interests of our constituents.

Central Desert currently has six directors on its Board of Management who volunteer their time. Read more about the wealth of skills and experience that our directors bring to the company at the profile pages 10-11.



CENTRAL DESERT NATIVE TITLE SERVICES

ABN: 53 124 921 811

Board of Directors:

Terry Grose
Fred Chaney
Fiona Skyring
Andy Gilmour
Carolyn Tan
Guy Singleton



ABN: 41 154 511 494



ABN: 65 165 808 333

Directors:

Terry Grose
Fred Chaney
Fiona Skyring
Andy Gilmour
Guy Singleton

Directors:

Andy Gilmour



WHAT WE DO

OUR ROLE AND FUNCTIONS

As a native title service provider Central Desert carries out specific functions under part 11, Division 3 of the Native Title Act (NTA). In addition to these prescribed activities, Central Desert provides a range of related services and expertise to native title communities in the Central Desert region of WA.

Central Desert is committed to the promotion of a corporate culture that is ethical and transparent and an organisational culture that is community-focused, and driven by values based on innovation, collaboration and professionalism. Central Desert is highly respected by its constituents, by government and industry.

LEGAL SERVICES

As a native title service provider Central Desert has specific functions under part 11, Division 3 of the NTA.

These functions are:

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

Central Desert's statutory functions and corporate services operate with core funding provided by the Commonwealth in accordance with s203FE of the NTA 1993 (Cth).

HERITAGE AGREEMENTS AND COMPLIANCE

Central Desert assists and facilitates negotiations between native title holders or claimants and resource or other companies regarding access to areas within the Central Desert region. This area of work also monitors that agreement terms are being implemented and timeframes complied with.

LEGAL SERVICES SUPPORT TO PBCS

Central Desert Native Title Services' supports PBCs to advance their native title rights and interests and manage and maximise native title outcomes through the development of strong corporations and strong agreements. Please refer to the DSS Annual Report for the ongoing status of PBCs in our region.
www.desertsupportservices.com

CENTRAL DESERT GROUP STRATEGIES

During the 2018-19 year the Central Desert Group continued its focus on delivering against the objectives of its Strategic Plan.

Central Desert prioritises securing timely and strong settlements and agreements for our constituents and maximising effective and beneficial use and management of Aboriginal lands, with a strong emphasis on supporting native title land holding entities (PBCs).

Central Desert Group's Strategic Plan is provided below. Our Mission, Vision and Values statements and Strategic plan can be found on our website at:

www.centraldesert.org.au/about-us-item/our-vision-mission-and-values/



HOW WE PERFORM

LEGAL SERVICES UNIT

Strategic Plan Focus Areas - Securing strongest native title or alternative outcomes and Researching, preparing and settling claims

CONSENT DETERMINATIONS

Manta Rirtinya

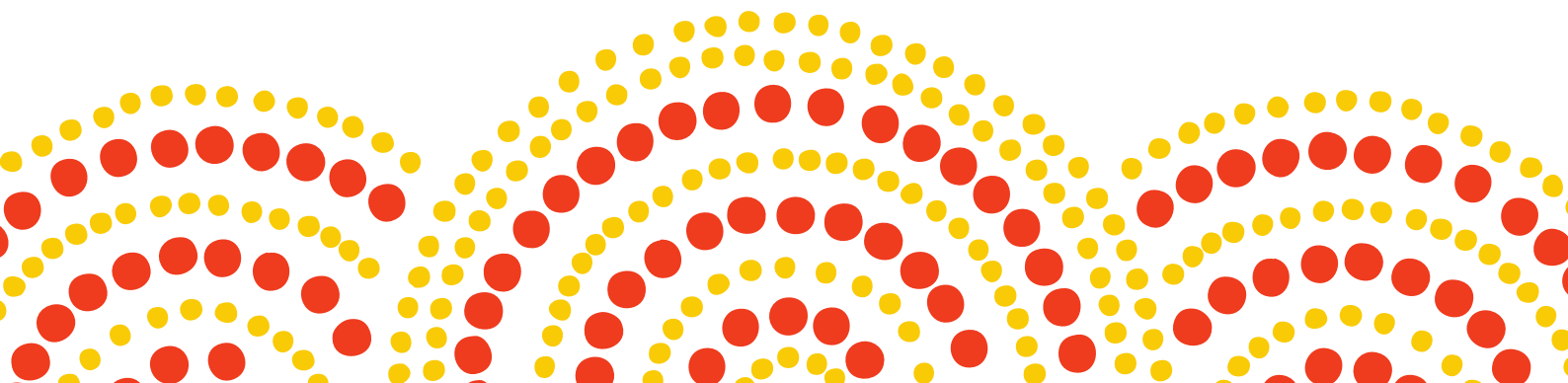
FCA No. WAD453/2017 **Area** 23, 526km
Date Filed 15/09/2017

The Manta Rirtinya claim was filed on 15 September 2017. The claim was registered on 21 December 2017 and the notification period for the claim closed on 7 May 2018. On 13 September 2018, Justice Charlesworth made a consent determination of native title in favour of the Manta Rirtinya claimants and determined that Wakamurru (Aboriginal Corporation) RNTBC would be the prescribed body corporate for the native title holders at the same time.

Lappi Lappi and Ngulupi

FCA No. WAD48/2018 **Area** 6,072km
Date Filed 14/02/18

The Lappi Lappi and Ngulupi claim was filed on 14 February 2018 and the claim was registered on 23 April 2018. On 24 October 2018, Justice Barker made a consent determination of native title in favour of the Lappi Lappi and Ngulupi claimants and determined that Rapi (Aboriginal Corporation) RNTBC would be the prescribed body corporate for the native title holders at the same time.



LITIGATION

Ngurra Kayanta & Tjiwarl – Appeal to the High Court

HCA No. P37 of 2018; P38 of 2018
Date Filed 05/07/2018

On 21 June 2018, the High Court of Australia granted special leave to appeal part of the judgment of the Full Court of Australia in *BHP Billiton Nickel West Pty Ltd v K.N (Deceased) (TJIWARL and TJIWARL #2) [2018] FCAFC 8* and *Attorney-General v Helicopter-Tjungarrayi (Ngurra Kayanta & Ngurra Kayanta #2) [2018] FCAFC 35*. The issue on appeal was whether an exploration licence granted under the Mining Act 1978 (WA) or a petroleum exploration permit granted under the Petroleum and Geothermal Energy Act 1967 (WA) was a “lease” for the purposes of section 47B of the Native Title Act 1993 (Cth).

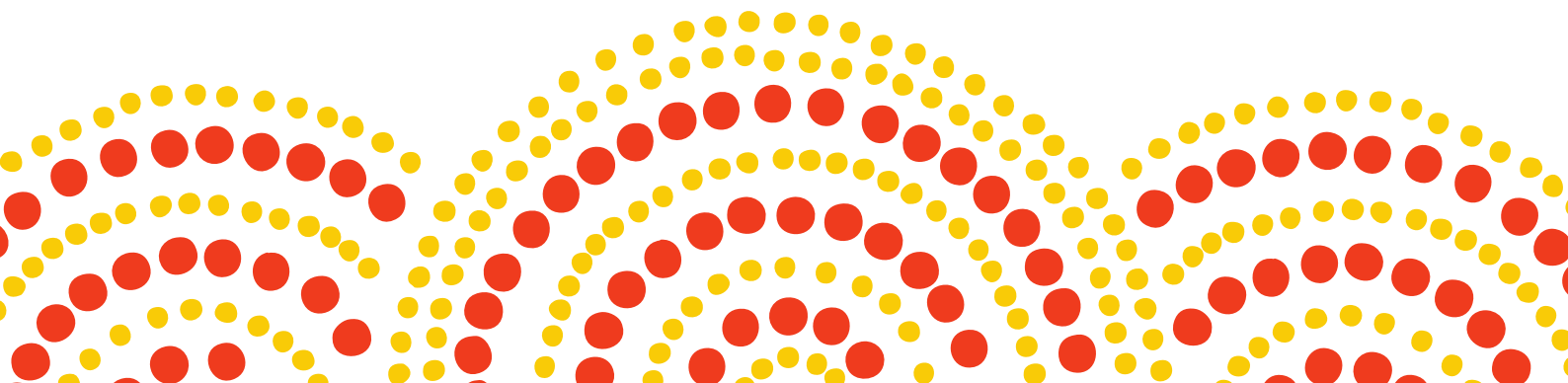
On 17 April 2019, the High Court of Australia unanimously held that exploration tenements are not “leases” for the purposes of section 47B of the Native Title Act. In some circumstances, the Native Title Act will allow a licence or authority to be classified as a “lease”, however this will only be in circumstances where there is an express textual reference to a “mining lease” such that section 242(2) of the Native Title Act would be engaged. However, there is no reference to a “mining lease” in section 47B. On that basis, the High Court held that an exploration tenement would not disapply the provisions of section 47B of the Native Title Act and as a result any prior extinguishment of native title rights and interests is required to be disregarded and exclusive possession native title rights and interests are required to be recognised.

Timber Creek – Compensation application under the Native Title Act

HCA No. D1 of 2018, D2 of 2018 and D3 of 2018
Date Filed 01/03/2018

Central Desert and Yamatji Marlpa Aboriginal Corporation jointly intervened and were granted leave to appear at a special hearing of the High Court of Australia convened in Darwin, Northern Territory from 4 – 6 September 2018. The primary basis of the intervention was to make submissions on why it would be inappropriate to overturn the findings of the primary judge on matters relating to “non-economic loss” which was assessed at an amount of \$1.3 million.

The High Court delivered its reasons for judgment on 13 March 2019 in *Griffiths v Commonwealth of Australia*. The Court outlined the principles upon which future compensation claim applications will be assessed with the “economic loss” value of use and enjoyment of native title rights and interests being assessed by comparison to the freehold value of land, with a reduction being considered appropriate where non-exclusive rights and interests are impacted. Importantly, the High Court established that an additional payment of “cultural loss” is appropriate for native title compensation claims and did not disturb the compensation awarded by the primary judge which was not considered to be manifestly excessive, nor out of touch with broader community expectations.



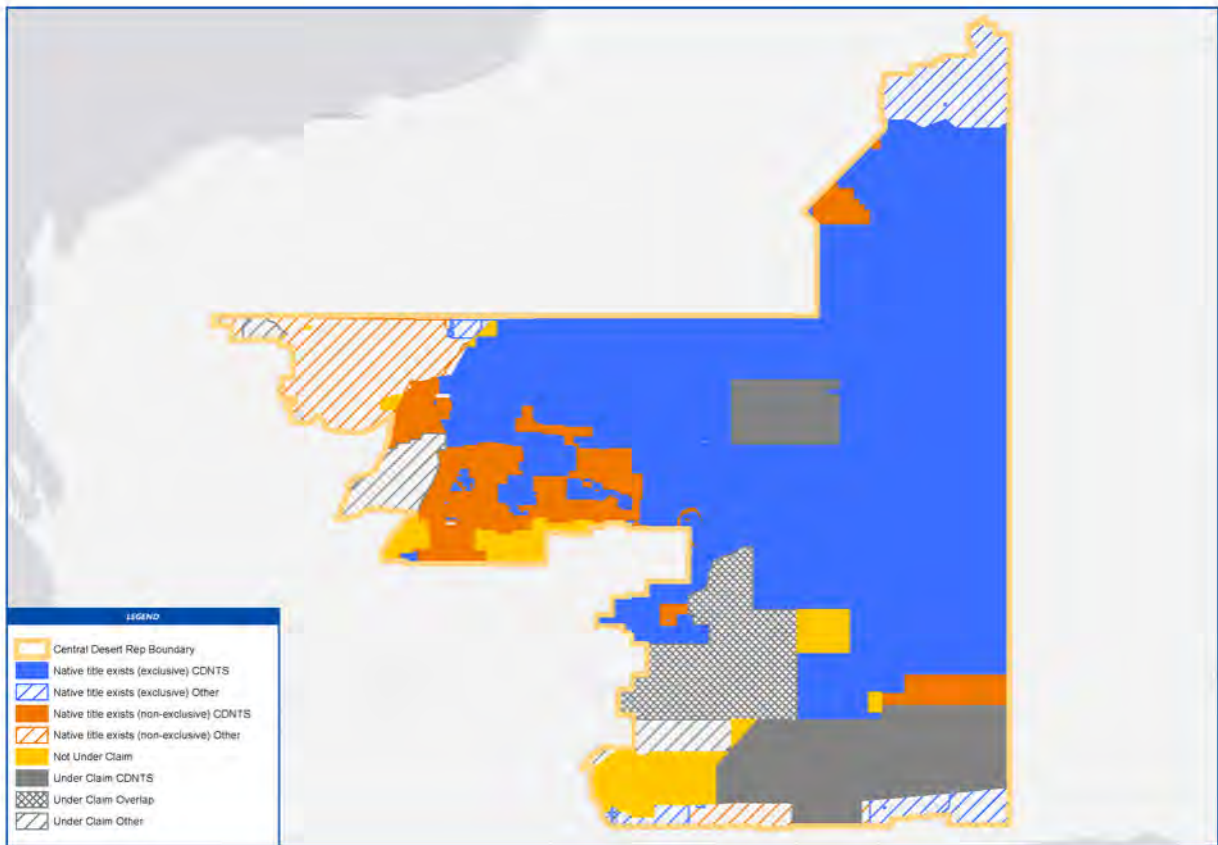
DETERMINATIONS OF NATIVE TITLE

As at 30 June 2019 there have been 32 determinations that native title exists on lands within the Central Desert Representative Area. There were 2 native title claims within the Central Desert Representative Area during the reporting period.

CLAIM	FCA NO.	AREA KM2	DATE FILED	DATE DETERMINED
Spinifex	WAD6043/98	50,000	30/09/98	28/11/00
Tjurabalan	WAD160/97	25,917	18/12/97	20/08/01
Kiwirrkurra	WAD619/98	42,905	30/09/98	19/10/01
Martu part A	WAD6110/98	135,942	30/09/98	27/09/02
Ngaanyatjarra Lands part A	WAD6004/04	187,600	23/04/04	26/06/05
Ngururpa	WAD357/06	29,600	08/12/06	18/01/07
Ngaanyatjarra Lands part B	WAD6004/04	1,427	23/04/04	03/06/08
Birriliburu part A	WAD6284/98	66,875	30/09/98	20/06/08
Martu part B	WAD6110/98	3,010	30/09/98	16/05/13
Martu #2	WAD141/2010	836	01/06/10	16/05/13
Karnapyrri	WAD77/2006	151	K22/03/06	16/05/13
Wiluna	WAD6164/1998	45,796	30/09/98	29/07/13
Wiluna #3	WAD181/2012	3,596	03/08/12	29/07/13
Tarlpa	WAD248/2007	5,369	14/12/07	29/07/13
Wiluna #2	WAD241/2004	5,616	28/10/04	03/09/13
Pilki	WAD6002/2002	17,858	12/08/02	02/12/14
Birriliburu part B	WAD6284/98	105	30/09/98	06/06/16
Birriliburu #2	WAD108/2008	105	27/06/08	06/06/16
Birriliburu #3	WAD50/2010	3,319	15/03/10	06/06/16
Birriliburu #4	WAD299/2011	15	18/07/11	06/06/16
Tjiwarl #1	WAD228/2011	13,623	17/06/11	27/04/17
Tjiwarl #2	WAD302/2015	1312	22/06/15	27/04/17
Ngurra Kayanta #1	WAD410/2012	19,574	21/12/12	15/08/17
Ngurra Kayanta #2	WAD326/2015	19,574	30/06/15	15/08/17
Yilka #1	WAD297/2008	12,260	15/12/08	27/09/17
Yilka #2	WAD303/2013	3	06/08/13	27/09/17
Sullivan/Edwards	WAD498/2011	9,308	07/12/11	27/09/17
Kulyakartu #1	WAD293/2005	3,550	11/10/05	27/10/17
Kulyakartu #2	WAD720/2015	3,550	04/12/15	27/10/17
Gingirana	WAD6002/2006	12,150	10/03/06	07/12/17
Manta Rirrtinya	WAD453/2017	23,527	15/08/17	13/09/18
Lappi Lappi and Ngulupi	WAD48/2018	6,072	14/02/18	24/10/18

DETERMINATION OUTCOMES OVER LAND AREA PERCENTAGE

Central Desert Rep Body Region
825,552km



APPLICATIONS WITHDRAWN OR DISMISSED DURING THE REPORTING PERIOD

Wutha – Connection Hearing

FCA No. WAD6064/1998

Date Filed 19/01/1999

The Wutha native title claim was made to a number of non-contiguous areas of land, partly located within Central Desert's representative region. On that basis, Central Desert joined as a party to the proceedings and participated in a trial on connection which was heard between March – September in 2017.

On 8 March 2019, the Federal Court of Australia handed down its reasons for judgment in *Ashwin v State of Western Australia* (No 4) [2019] FCA 308 dismissing the Wutha native title claim on the basis that the applicant had not established that native title rights existed within the area and in any event, was not properly authorised to bring the application.

Gingirana – Appeal against the application of the expedited procedure

FCA No. WAD552/2017

Date Filed 19/01/1999

The Gingirana native title claim group filed an appeal against the determination of the National Native Title Tribunal in *Miriam Atkins & Ors* on behalf of *Gingirana v Cosmopolitan Minerals Ltd and Another* [2017] NNTTA 63 (11 October 2017) finding that the expedited procedure applied to the grant of an exploration licence. The appeal was withdrawn by consent on 22 October 2018.

APPLICATIONS IN PROGRESS IN THE CENTRAL DESERT REGION AS AT 30 JUNE 2019

As at 30 June 2019 there were 5 native title applications and one variation application in progress within the Central Desert representative area. Two of these claims are not represented by Central Desert, the Nanatadjarra People native title claim application (WAD348/2017) and the Maduwongga native title application (WAD186/2017).

CLAIM	FCA NO.	AREA KM2	DATE FILED
Manta Rirrtinya - Variation	WAD298/2019	23,526	29/05/2019
Nangaanya-ku	WAD460/2018	48,697	09/10/2018
Kultju	WAD225/2018	5490	28/05/2018
Nanatadjarra People	WAD348/2017	57,134	07/07/2017
Maduwongga	WAD186/2017	25,476	21/04/2017

Manta Rirrtinya – Variation Application

FCA No. WAD298/2019 **Area** 23, 526

Date Filed 28/05/19

Following the decision of the High Court of Australia in the Tjiwarl and Ngurra Kayanta matters, Wakamurru (Aboriginal Corporation) RNTBC on behalf of the Manta Rirrtinya native title holders filed an application to vary the determination of native title made on 13 September 2018. A Form 3 variation application was filed on 28 May 2019 and it is anticipated that the matter will be determined by consent upon the expiry of the notification period in November 2019.

Kultju

FCA No. WAD225/2018 **Area** 5490 km

Date Filed 28/05/19

An authorisation meeting was held on 8 May 2018 at Barwidgee Mill where the proposed Kultju claim was authorised, and the applicant chosen. The Kultju Claim was filed on 28 May 2018 and registered on 20 June 2018. The notification period for the claim commenced on 22 August 2018 and ended on 21 November 2018.

The applicant provided connection materials to the State government in early 2019 and on 4 April 2019 the Darlot claim [WAD142/2018] was withdrawn to the extent that there was an overlap with the Kultju claim. There is a strong likelihood of the claim being finalised by consent before the end of 2019.

Central Desert briefed anthropologist Dr Heather Lynes to undertake anthropological research into the Lake Rason area and her findings have been presented at a series of community meetings convened in Kalgoorlie since December 2017.

On 21 September 2018, an authorisation meeting was held in Kalgoorlie and on 9 October 2018 the Nangaanya-ku claim was filed in the Federal Court of Australia. The claim passed the registration test on 9 November 2018 and was entered on the register of native title claim applications on the same day.

The claim area is overlapped by the Nanatadjarra People claim [WAD348/2017] and the Federal Court has been case managing the matter and Central Desert is assisting the Nangaanya-ku applicant in resolving the overlap.



PROGRESS ON PROPOSED NEW NATIVE TITLE CLAIMS

Central Desert is in the process of researching the final few unclaimed areas within its representative area.

Nullarbor

In 2017, Central Desert briefed anthropologist Dr Scott Cane to undertake anthropological research within the Nullarbor area of Central Desert's representative region. Central Desert held information meetings to update potential native title claimants in this area on the progress of that research on 30 October 2017, 3 October 2018 and 18 March 2019. At the 18 March 2019 meeting it was decided by the proposed native title claimants that two native title applications should be made over that area.

The progress of the native title application in the east of the area is noted below and Dr Cane is currently undertaking further research in the western portion of the Nullarbor region. It is anticipated that a community meeting will be held with a view to authorising a native title claim based on that research before the end of 2019.

Untiri Pulka

On 12 June 2019, following the 18 March 2019 meeting referred to above, a meeting was held to authorise the filing of the Untiri Pulka native title claim application over the eastern portion of the Nullarbor region. This claim is expected to be filed in September 2019.

Ullula

Central Desert is in discussions with interested indigenous parties in relation to holding the Ullula pastoral lease to bring it within the Aboriginal estate on trust for a future native title claim group. Internal research is being undertaken in relation to the balance of the area to identify the possible native title claimants for the area.

Strategic Plan Focus Area - Negotiating best agreements to deliver on social, cultural and economic aspirations and ensure implementation and compliance of agreements

MINING AGREEMENTS

Tjiwarl (Aboriginal Corporation) RNTBC / BHP Billiton Nickel West Pty Ltd - Mining Agreement

On 1 November 2018 Tjiwarl (Aboriginal Corporation) RNTBC on behalf of the Tjiwarl native title holders and mining company BHP Billiton Nickel West Pty Ltd signed a comprehensive agreement in relation to BHP's proposed Mount Keith Satellite project and existing projects at Mount Keith and Leinster operations. An associated Indigenous Land Use Agreement was registered with the National Native Title Tribunal on 8 January 2019.

LAND ACCESS AND HERITAGE AGREEMENTS

On instructions from its clients, Central Desert continues to develop strong Land Access and Heritage Agreements with mining companies wishing to enter onto native title lands. The agreements vary 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 have been developed to encompass all aspects of land access including; heritage issues, rehabilitation of the land, compensation, cultural awareness and employment and training opportunities. Some agreements also include special conditions for mining companies wishing to explore for uranium. These agreements are subject to periodic review.

Central Desert continues its efforts 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 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 to assist in this process has been implemented during the reporting period.

During the reporting period, there continues to be a significant number of applications made under section 18 of the Aboriginal Heritage Act 1972 (WA) to obtain permission from the Minister for Aboriginal Affairs to interfere with or destroy Aboriginal sites. Central Desert is working with PBCs who have opposed section 18 applications in their determined lands to ensure that their legal rights to protect sites of significance are upheld.

Agreements designed to facilitate access to determined native title land by other interest groups such as tourists, tour operators, as well as government agencies and researchers, are developed on a demand driven basis, subject to instructions from our clients.

CULTURAL HERITAGE MANAGEMENT PLANS (CHMP)

The Tjiwarl native title holders, with the assistance of Central Desert, developed a comprehensive 'Cultural Heritage Management Plan' (CHMP) over the mining project area for the BHP agreement noted above. Central Desert assisted Tjiwarl AC, the PBC for the Tjiwarl determination area to undertake ethnographic and archaeological studies that informed the development of the CHMP for the area.

Strategic Plan Focus Area - Working with PBCs to devolve access to Cultural Knowledge and Information (CKI) archive.

Central Desert has been working with partnered prescribed bodies corporate (PBC) on the 'pilot programme' for the return of cultural knowledge and other information and materials. The pilot program coordinated the development and implementation of the access to materials, by the PBC partnered with Central Desert.

Central Desert and Yilka (Aboriginal Corporation) entered into a Memorandum of Understanding to work collaboratively to assess any restrictions and sensitivities regarding the material before it is transferred. It is anticipated that the test project will be finalised by the end of 2019 and can be rolled out to other PBCs in the region following an internal review of the process.

CORPORATE SERVICES

Central Desert's success is supported by its corporate services strategies.

Corporate Services strategies focus on four key areas:

- sound governance;
- high-quality staff;
- effective systems; and
- diversifying our resource base.

SOUND GOVERNANCE

Central Desert is a public company limited by guarantee, registered with the Australian Charities and Not-for-profits Commission (ACNC) as a Public Benevolent Institution. We are endorsed by the Australian Taxation Office (ATO) as a Deductible Gift Recipient. Maintaining an effective compliance system is a priority for our directors and senior staff.

Our directors bring a strong blend of skills and experience to the company's corporate governance. 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 operates with a team of skilled, experienced and professional staff. We pride ourselves on recruiting well and retaining quality employees. We provide staff with clear expectations through the ongoing review and development of duty statements, employment contracts and conditions, and the management of a performance evaluation and learning system.

An Enterprise Agreement has been in place since 5 June 2018, ensuring conditions of employment with the organisation are of a high and consistent level. The agreement applies to all non-management and non-labour hire staff within the Central Desert Group. A Joint Consultative Committee comprising of management and non-management staff members has been established to oversee and deal with any potential issues arising from the Enterprise Agreement during the course of its lifetime.

We partner with another not-for-profit organisation, Community Business Bureau, to provide tailor-made salary packaging opportunities to staff. This, and our family friendly workplace, enables us to provide a competitive offer to attract and retain talented people.



EFFECTIVE SYSTEMS

Central Desert focuses on delivering outcomes related to native title and land. To deliver our services to a consistent standard 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 Board, staff, clients and stakeholders informed.

Our Corporate Services, Finance, and Logistics teams perform this behind-the-scenes work with enthusiasm, skill and dedication. Key activity indicators and previous year comparison are provided in the table below. This data is only for Central Desert led activities and does not include activities conducted by DSS or RFM.

	2019	2018
Number of trips	113	109
Number of return flight bookings	396	370
Number of person days travelling	2502	2327
Number of vehicle operating days	268	441

DIVERSIFYING OUR RESOURCE BASE

In order to support and add to its current range of activities, Central Desert is continually investigating ways to diversify and expand its funding and income opportunities. Revenue from all sources this year was \$TBATBATBA. Maintenance of revenue and grant funding is critical to the organisation's ability to achieve its strategic aims and advance the objectives of our constituents.

Central Desert received core funding through a two year grant funding head agreement covering 2016-18

to provide the services described in the operational plan. This head agreement has been extended via variation to cover the 2018 -19 and 2019 – 20 financial years. Core funding for the reporting year and anticipated core funding in forward years continues to reduce from previous levels as the Department of Prime Minister and Cabinet has changed its funding processes to an outcomes-based model as part of the Indigenous Advancement Strategy:

2016-17	\$3,990,400
2017-18	\$3,990,400
2018-19	\$3,672,000
2019-20	\$3,603,050

The outcomes based funding model includes an opportunity to apply for additional funding mid year if all outcome targets are being met. Central Desert has been successful in meeting targets and getting additional funding in the reporting year. The Department of Prime Minister and Cabinet also provides PBC Support Funding to assist PBCs in the region to meet their corporate compliance requirements.

The WA Government has not provided any funding to deal with future act processes since 2010 when a funding agreement expired. Some agreements, which were formed on the presumption of ongoing State support in relation to future act matters, are still in force. These agreements place considerable pressure on administration costs as they restrict the ability to charge for legitimate services.

Central Desert negotiates with industry to assist with the costs of meetings dealing with agreement negotiations and to provide training to claimants and native title holders in situations where there are mutual benefits.

Central Desert wishes to thank our funding bodies and corporate partners for their support during the year.



HUMAN RESOURCES MANAGEMENT

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 2018/19 year.

Bridie Hardy	Karine Flematti	Monique Jekel
Christina Araujo	Katrina Shaw	Phil Ramsay
David Reger	Kim Baldwin	Rachel Melville
Emma Thompson	Lauren Seal	Samantha Murray
Felicity Noonan	Malcolm O'Dell	Sarah Hobson
Gavin Dunn	Marian Hennessy	Sean Calderwood
Giacomo Boranga	Marika Erceg	Susan Ware
Glenda Allen	Matthew Spooner	Tanya O'Dea
Heather Lynes	Melanie Kirsten	Tracey Blokland
Holly Ramage	Michael Allbrook	Trinity Handley
Ian Rawlings	Michael Ierace	Victoria Camp
Jo Lanagan	Michael McMahon	
Kaila Stevens	Monica Walker	

STAFFING LEVELS AND RETENTION RATES FOR THE YEAR

As at 30 June 2019 Central Desert Native Title Services comprised a core staff of 31 staff. This included 24 full-time, 5 part-time and 2 casual employees. Two staff accessed parental leave and 6 staff commenced employment during the 2018/19 year. Two staff took periods of extended leave during the year. A turnover of 6 staff during the financial year represents a retention rate of 87%.

PROFESSIONAL DEVELOPMENT

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.

Priority is given to those employees obliged to complete annual requirements of Continuing Professional Development (CPD) to retain their certificate of practice or professional affiliations.

Central Desert also has a focus on safety for staff travelling in remote locations. New employees receive training in first aid and how to manage and maintain four-wheel drive vehicles.

OCCUPATIONAL SAFETY AND HEALTH PERFORMANCE

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

Central Desert encourages its staff to report any incidents and/or identified hazards and has an effective in hours built online system to assist the process. Central Desert's OSH events are captured for the Central Desert Group (including its subsidiary Desert Support Services Pty Ltd) AND are divided into three categories: Incidents, Witness Reports and Hazards. Incidents include people and injury related and also vehicle damage. The following OSH events were reported this financial year:

	2019	2018
Incident	12	1
<i>People/Injury</i>	5	-
<i>Vehicle Incidents</i>	7	-
Witness Reports	1	0
Hazard	4	1
Total	17	2

Lost time injuries for the 2018-19 year were zero.

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 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; and
- Vehicle purchases.



OUTPUTS

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

FACILITATION AND ASSISTANCE	2019	2018
Number of claims at 1 July		
Active in the Central Desert Region	8	6
Active and represented by CDNTS	4	3
Plus: Filed this year by CDNTS	1	3
Less: Claims determined	2	2
Less: Claims dismissed	0	0
Less: Claims withdrawn	0	0
Less: Claims Amalgamated/Altered	0	0
Number of active Claims at 30 June		
Active in the Central Desert Region	9	4
Active and represented by CDNTS	3	7
CDNTS as Respondent	9	2
CDNTS as Intervener	0	1
Claims in Development	4	5
Non-claimant Applications	0	0
Compensation claims	10	0
The Agreements Experience		
Future Acts		
Notices received	227	251
Responses to Future Acts	227	251
Agreements		
Agreements concluded	15	12
Agreements in development	5	3
ILUAs		
ILUAs concluded and registered	0	1
ILUAs in development	0	0
FACILITATION AND ASSISTANCE	2019	2018
Complaints		
Received	2	2
Resolved	2	2
Pending	0	0
Disputes relating to native title	0	0
Disputes relating to ILUAs, rights of access and other matters	0	0
Requests for s203B1 reviews of decisions not to assist		
Completed	0	0
Pending	0	0



SUBSIDIARIES

Central Desert Native Title Services has two wholly owned subsidiaries, being Desert Support Services Pty Ltd and Rockhole Funds Management Pty Ltd.

DESERT SUPPORT SERVICES (DSS)

Formed: 6 January 2012

OBJECTIVES AS STATED IN THE CONSTITUTION

The objects of Desert Support Services Pty Ltd are to:

- (a) deliver services including administrative, financial, labour hire, training, and land management services to support Aboriginal people, Aboriginal Communities and Aboriginal Organisations (including PBCs) and projects on Aboriginal Land;
- (b) promote and further the economic, social and cultural development of Aboriginal people in Australia;
- (c) establish and maintain Amenities for the benefit of Aboriginal people; and
- (d) relieve poverty, sickness, misfortune, suffering, distress and helplessness of socially and financially disadvantaged Aboriginal people in Australia through the provision of services to people and organisations, including those services set out in rule 4.1(a).

The Company must operate solely for the purpose of promoting and advancing its objects. However, the Company is not required to promote each specific object at the same time or in any particular order and may, in its absolute discretion, determine the level and amount of promotion, funding or any other support that should be applied to anyone or more specific objects at any given time.

	2019	2018
Financial Results	\$481,092	\$102, 540
Casual Labour Hire Employees	349	330

ROCKHOLE FUNDS MANAGEMENT

Formed: 26 July 2013

OBJECTIVES AS STATED IN THE CONSTITUTION

The Company is established as a not for profit company for the sole purpose of:

- (a) Acting as trustee for trusts that receive, hold or manage benefits (including cash or non-cash benefits) within the meaning of the ITAA97, that relates to:
 - (i) native title (within the meaning of the Native Title Act 1993); or
 - (ii) traditional indigenous rights of ownership, occupation, use of enjoyment of land; and
- (b) Any other function or purpose that is consistent with or furthers the objects of the trusts which the Company acts as trustee.

	2019	2018
Financial Results	\$5953	\$2,322
Funds Under Management	\$1,856,323	\$1,204,265
Trust Funds	9	8

SUMMARY FINANCIAL INFORMATION

PERFORMANCE UNDER NATIVE TITLE REPRESENTATIVE BODY GRANT

	Budget 2018-19	Actual 2018-19	Variance 2018-19	Actual 2017-18	Actual 2016-17
Income					
Native Title Funding					
Unexpended grants	499,100	499,100	-	395,284	77,000
Capital	-	-	-	90,000	
Operational	5,223,350	5,223,350	-	5,024,975	5,334,240
Other Income					
Other Income	50,000	21,440	28,560	134,407	66,368
Recoveries	45,000	29,328	15,672	52,348	33,991
Interest	36,300	30,482	5,818	31,486	8,757
	5,853,750	5,803,700	50,050	5,728,500	5,520,356
Expenditure					
Capital Acquisitions		-	-	110,151	
Corporate	1,697,100	1,596,322	100,778	1,727,094	1,563,815
Activities	4,156,650	3,702,278	454,372	3,392,155	3,561,257
	5,853,750	5,298,600	555,150	5,229,400	5,125,072
Net Result	-	505,100	505,100	499,100	395,284





CENTRAL DESERT NATIVE TITLE SERVICES LTD AND ITS CONTROLLED ENTITIES

THE CENTRAL DESERT GROUP

CONSOLIDATED DIRECTORS' AND FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

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CORPORATE DIRECTORY

The Group	Central Desert Native Title Services Ltd Desert Support Services Pty Ltd Rockhole Funds Management Pty Ltd
Chairperson	Mr. Terence Grose
Company Secretaries	Mr. Ian Rawlings Mr. Ruwan Silva
Group CEO	Mr. Ian Rawlings
Registered Address	76 Wittenoom Street, EAST PERTH WA 6004
Telephone	08 9425 2000
Fax	08 9425 2001
Email address	reception@centraldesert.org.au
Group Auditor	Mr. Wen-Shien Chai Moore Stephens (WA) Pty Ltd

GLOSSARY

ABN	Australian Business Number
ACNC	the Australian Charities and Not-for-Profits Commission
ASIC	the Australian Securities and Investments Commission
ATO	the Australian Taxation Office
Central Desert	Central Desert Native Title Services Ltd
Central Desert Group	Central Desert, DSS and RFM
The company	Central Desert Native Title Services Ltd (ABN 53 124 921 811)
DAF	WA Department of Agriculture and Food
DGR	Deductible Gift Recipient
DPM&C	the Commonwealth Department of the Prime Minister and Cabinet
DSS	Desert Support Services Pty Ltd (ABN 41 154 511 494)
FBT	Fringe Benefits Taxation
GST	Goods and Services Tax
HR	Human Resources
IPA	Indigenous Protected Area
NRM	Natural Resource Management
NTA	<i>the Native Title Act 1993</i>
PBC	Prescribed Body Corporate
PBI	Public Benevolent Institution
RFM	Rockhole Funds Management Pty Ltd (ABN 65 164 808 333)
TO	Traditional Owner

DIRECTORS' REPORT

The directors of Central Desert Native Title Services Ltd present this report on the Central Desert Group for the year ended 30 June 2019.

THE CENTRAL DESERT GROUP

The Central Desert Group comprises the following entities:

NAME	PRINCIPAL ACTIVITY	FORMED	% HELD
Central Desert Native Title Services Ltd	Native Title service provider, heritage surveys and future act management.	16 Apr 2007	N/A
Desert Support Services Pty Ltd	Labour hire, accounting, HR, land and community management services and property management.	6 Jan 2012	100%
Rockhole Funds Management Pty Ltd	Management of Native Title Trusts for PBCs and Claimant groups.	26 Jul 2013	100%

DIRECTORS

Directors within the Group are as follows:

NAME	CENTRAL DESERT		DSS	RFM
	BOARD	AUDIT & FINANCE COMMITTEE		
Mr. Terence (Terry) Grose	Chairperson	Member	Chairperson	-
Hon. Frederick (Fred) Chaney AO	Director	Member	Director	-
Dr. Fiona Skyring	Director	-	Director	-
Dr. Carolyn Tan	Director	-	-	-
Mr. Andrew (Andy) Gilmour	Director	Chairperson	Director	Chairperson
Dr Guy Singleton	Director	-	Director	-
Mr. Ian Baird	-	-	-	Director
Mr. Allan James	-	-	-	Director

The directors have been in office since the beginning of the financial year unless otherwise stated. Their profiles are provided in the annual report. Directors do not have a beneficial interest in the companies in the Group and volunteer their time to their duties.

OFFICERS & COMPANY SECRETARIES

The following people serve as officers and secretaries within the Group:

NAME	CENTRAL DESERT	DSS	RFM
Mr. Ian Rawlings	Chief Executive Officer, Company Secretary	CEO	CEO
Mrs. Jo Lanagan	Executive Manager Client Services and Operations	-	-
Mr. Colin Napier (Resigned: 18/04/2019)	Chief Financial Officer, Company Secretary	CFO, Secretary	CFO, Secretary
Mr. Ruwan Silva (Appointed: 26/06/2019)	Chief Financial Officer, Company Secretary	CFO, Secretary	CFO, Secretary
Mr. Malcolm O'Dell	Principal Lawyer, Chief Operations Officer	-	-

Colin Napier resigned as Chief Financial Officer and Company Secretary on 18/04/2019, and Ruwan Silva was appointed as Chief Financial Officer and Company Secretary on 26/06/2019. Apart from the movement of CFO, the officers and secretaries have been in office since the beginning of the financial year. Their profiles are provided in the published annual report.

REVIEW OF OPERATIONS

OPERATING RESULTS

The Group's consolidated comprehensive income for the year was \$721,560 (2018: \$164,249). The increase in surplus was due primarily to two factors – increase in level of capital grants received and increase in the level of activity without a corresponding increase in overhead costs. The increase in level of activity has resulted in both resource and accommodation constraints which will not be sustainable. As a result, the group's overhead costs will need to increase to maintain the current level of activity in the 2020 financial year. This will inevitably result in a reduced surplus.

PRINCIPAL ACTIVITIES

Central Desert

Central Desert 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:

- Facilitation & assistance functions referred to in section 203BB;
- Certification functions referred to in section 203BE;
- Dispute resolution functions referred to in section 203BF;
- Notification functions referred to in section 203BG;
- Agreement-making functions referred to in section 203BH;
- Internal review functions referred to in section 203BI, and
- Other functions referred to in section 203BJ, and such other functions as are conferred on representative bodies by the Act.

The company also coordinates Heritage and Archaeological surveys on a Fee-for-service basis, linking exploration and mining companies with Traditional Owners and Native Title Claimants.

The Australian Taxation Office ("ATO") endorsed the company as a Public Benevolent Institution and it conducts a range of charitable activities. The company is also endorsed 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.

Desert Support Services

DSS's principal activities during the financial year were:

- (a) Labour hire of casual employees, usually regionally-based Traditional Owners to Central Desert for future act and land management activities;
- (b) Accounting, bookkeeping and HR services for Prescribed Bodies Corporate (PBC) and community groups within the central desert region; and,
- (c) Property management of surplus office space at 76 Wittenoom Street East Perth on behalf of Central Desert.
- (d) Supporting PBCs to manage land under Indigenous Protected Area (IPA) programs.
- (e) Managing ranger programs in a number of determined and claim areas, and
- (f) Developing Land Management and Access plans.

The company is a non-profit organisation. The company is endorsed by Australian Charities & Non Profit Commission (ACNC) and the Australian Taxation Office (ATO) as a Public Benevolent Institution (PBI).

Rockhole Funds Management

RFM continued to serve as a Native Title Trust fund management service for Central Desert PBCs and for claim groups where Native Title has not been determined. Trusts held are below the commercial threshold for private trust fund services. The company deliberately operates on a low cost model and use the Public Trustee as its 'high' benchmark for costs. RFM has responsibility for all the native title trusts funds previously held by Central Desert. The company holds legal advice stating that the company does not need to be the holder of an Australian Financial Services Licence.

The company is a non-profit organisation. The company is endorsed by Australian Charities & Non Profit Commission (ACNC) and the Australian Taxation Office (ATO) as a charity.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Group's state of affairs occurred during the year.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

No matter has arisen since the end of the year that will or may significantly affect:

- The Group's operations in future financial years; or,
- The results of those operations in future financial years; or
- The Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS

There are no significant changes expected in the nature of the operations of the Group.

NEW ACCOUNTING STANDARDS IMPLEMENTED

The Group has implemented AASB 9: Financial Instruments, which has come into effect and is included in the results. Comparative amounts have not been restated as permitted by the transitional provisions of AASB 9.



MEETINGS OF DIRECTORS

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

DIRECTORS	DIRECTOR'S MEETINGS		AUDIT AND FINANCE COMMITTEE MEETINGS	
	ELIGIBLE TO ATTEND	NUMBER ATTENDED	ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr. Terence Grose	4	4	3	3
Hon. Frederick Chaney AO	4	4	4	3
Dr. Fiona Skyring	4	4	0	0
Dr. Carolyn Tan	4	4	0	0
Mr. Andrew Gilmour	4	2	3	2
Dr Guy Singleton	4	4	0	0

ENVIRONMENTAL PERFORMANCE

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

DISTRIBUTIONS TO MEMBERS DURING THE YEAR

The companies within the Group are all non-profit companies and their constitutions do 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.

INDEMNIFYING OFFICERS OR AUDITOR

The Group has entered into deeds of access and indemnity with all directors and officers 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 group. The group holds an Association's Liability insurance policy which includes both directors and officers and professional indemnity cover.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or to intervene in any proceedings, to which any company within 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 auditor's independence declaration for the year ended 30 June 2019 has been reviewed and can be found on page 6 of the financial report.

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



Terence Grose

Director

02 October 2019



Andrew Gilmour

Director

02 October 2019

MOORE STEPHENS

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S307C OF THE CORPORATIONS ACT 2001 AND
SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE DIRECTORS OF CENTRAL DESERT NATIVE TITLE SERVICES LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



WEN-SHIEN CHAI
PARTNER



MOORE STEPHENS
CHARTERED ACCOUNTANTS

Date: 04 October 2019

Address: Perth, WA

CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2019

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2019

In accordance with a resolution of the directors of Central Desert Native Title Services Ltd, the directors of the company declare that:

1. The consolidated financial statements and notes, as set out in pages 7 to 28 are in accordance with the *Corporations Act 2001* and:
 - (a) Comply with Australian Accounting Standards – Reduced Disclosure Requirements; and,
 - (b) Give a true and fair view of the financial position of the Group as at 30 June 2019 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the company, and the Group, will be able to pay its debts as and when they fall due.



Terence Grose

Director

02 October 2019



Andrew Gilmour

Director

02 October 2019



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Revenue and Other Gains			
Revenue from continuing operations	4	15,098,821	11,685,443
Other gains	4	78,503	48,595
		15,177,324	11,734,038
Expenses			
Employee benefits expense - CDNTS group		(5,652,861)	(4,736,929)
Employee benefits expense - labour hire		(1,578,534)	(1,603,320)
Services and supplies		(3,956,749)	(2,514,360)
Motor vehicle expenses		(301,592)	(305,833)
Occupancy costs		(481,429)	(415,200)
Travel expenses		(1,448,062)	(1,122,466)
Depreciation/amortisation		(241,177)	(304,391)
Interest expense		-	(432)
Other expenses	5	(795,360)	(566,858)
		(14,455,764)	(11,569,789)
Operating result for the year before income tax			
		721,560	164,249
Income tax expense	3 (k)	-	-
Operating result for the year after income tax			
		721,560	164,249
Other Comprehensive Income For The Year			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Total other comprehensive income for the year			
		-	-
Total Comprehensive Income For The Year			
		721,560	164,249

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	7	7,399,912	5,465,167
Trade and other receivables	9	1,735,449	1,786,882
Other current assets	10	270,106	71,638
Total Current Assets		9,405,467	7,323,687
Non-Current Assets			
Property, plant & equipment	11	1,455,647	1,472,761
Total Non-Current Assets		1,455,647	1,472,761
Total Assets		10,861,114	8,796,448
Current Liabilities			
Trade and other payables	13	1,271,101	1,102,473
Provisions for employee benefits	14	911,124	773,925
Deferred income	15	3,366,406	3,016,332
Trust liabilities	16	1,856,323	1,204,265
Total Current Liabilities		7,404,954	6,096,995
Non-Current Liabilities			
Provision for employee benefits	14	200,647	165,500
Total Non-Current Liabilities		200,647	165,500
Total Liabilities		7,605,601	6,262,495
Net Assets		3,255,513	2,533,953
Equity		3,255,513	2,533,953

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	RETAINED EARNINGS	RESERVES	TOTAL
		\$	\$	\$
Balance at 30 June 2017		1,807,439	562,265	2,369,704
Operating result for the year		164,249	-	164,249
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		164,249	-	164,249
Movement in reserves		490,274	(490,274)	-
Balance at 30 June 2018		2,461,962	71,991	2,533,953
Operating result for the year		721,560	-	721,560
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		721,560	-	721,560
Movement in reserves		2,000	(2,000)	-
Balance at 30 June 2019	6	3,185,522	69,991	3,255,513

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2018	2017
		\$	\$
Cash Flow from Operating Activities			
Receipts from government and customers		14,947,387	10,200,956
Payments to employees		(7,196,248)	(6,167,184)
Payments to suppliers		(5,714,507)	(4,936,599)
Interest received		82,904	46,506
Net cash from/(used in) operating activities	8	2,119,536	(856,321)
Cash Flow from Investing Activities			
Proceeds from sale of property & equipment		49,621	22,545
Payment for property & equipment		(234,412)	(141,996)
Net cash from/(used in) investing activities		(184,791)	(119,451)
Cash Flow from Financing Activities			
Repayment of financing commitments		-	(16,298)
Net cash used in financing activities		-	(16,298)
Net (decrease)/increase in cash held		1,934,745	(992,070)
Cash and cash equivalents at the beginning of the financial year	7	5,465,167	6,457,237
Cash and cash equivalents at the end of the financial year	7	7,399,912	5,465,167

The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

1. THE PARENT COMPANY

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 is domiciled in Australia.

(a) Registered Office

The company's registered and principal place of business address is:

**76 Wittenoom Street
East Perth, WA, 6004**

(b) Not For Profit

The Company is a not-for-profit organisation. It is registered as a Public Benevolent Institution (PBI) with the ACNC and the ATO. It is endorsed as a Deductible Gift Recipient.

2. BASIS OF PREPARATION OF THE FINANCIAL REPORT

(a) Date of Issue

These consolidated financial statements of the Central Desert Group were authorised for issue by the directors on 19 September 2019. Directors have the authority to amend the statements after that date.

(b) Basis of Accounting

The Central Desert Group applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

These consolidated financial statements are General Purpose Financial Statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. All companies in the Group are not-for-profit entities for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing

relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except cash flow information, have been prepared on an accruals basis and are based on historic costs. They do not take into account changing money values or, except where specifically stated, the measurement at fair-value of selected non-current assets, financial assets and financial liabilities.

This financial report covers the company and its subsidiaries as a Consolidated Group.

These accounts are presented in Australian dollars (\$AUD) and are rounded to the nearest dollar.

(c) Going Concern

The accounts have been prepared on a going concern basis.

(d) Economic Dependence

The ability of the group 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 a reasonable belief that governments will continue to fund the core operations of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The following specific policies, which are consistent with the previous year unless otherwise stated, have been adopted by the company in the Central Desert Group in preparation of this financial report:-

(a) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the parent entity (the parent) and all subsidiaries as at 30 June 2019 and the results of the parent and 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 established or 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 statement of financial position respectively.

(b) Revenue

Grant revenue

Non-reciprocal grant revenue is recognised in profit or loss when the Group obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Group and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Group receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Provision of services

Revenue from rendering of services is recognised upon the delivery of the service to customers.

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 and dividend

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).

(c) 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.

Freehold land and buildings

Freehold land and buildings is located in a remote area of Western Australia. There is not an active market for properties of the type owned. Director's have determined that such assets be measured on the cost basis less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying

amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3f for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

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 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.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	10%
Leasehold improvements	20%
Motor vehicles	12.5%
Office equipment and furniture	20%
Plant and equipment	33.3%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Accounting policies from 1 July 2018:

Initial Recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and Subsequent Measurement

Financial Liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss
- on the basis of the two primary criteria, being:
 - the contractual cash flow characteristics of the financial asset; and
 - the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and
- interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

The Group initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity Instruments

At initial recognition, as long as the equity instrument is not held for trading or not a

contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Group did not make an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity which the Group elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not

reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the simplified approach to impairment, as applicable under AASB 9.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables has been used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Accounting policies applied until 30 June 2018:

Initial Recognition and measurement

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

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

Such assets are subsequently measured at fair value with changes in carrying amount included in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned from the financial asset and is included in other gains or losses in the statement of profit and loss and other comprehensive income.

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 subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

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 immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

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.

(f) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(g) Employee benefits**Short-term employee benefits**

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages and salaries are recognised as current provisions in the statement of financial position.

Other long-term employee benefits

The Group classifies employees' long service leave and annual leave entitlements as other long-term employee benefits, as they are not expected to be settled wholly within 12 months after the

end of the annual reporting period in which the employees render the related service. Provision is made for the Group's obligation for other long-term employee benefits, which is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(h) 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.

(i) 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.

(j) Income Tax

Public Benevolent Institution

The Australian Charities and Not-for-Profits Commission has registered Central Desert Group as a Public Benevolent Institution ("PBI"). The Australian Taxation office has endorsed the Group as being eligible for the following concessions:

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

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

(k) Provisions

Provisions are recognised when the Group 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Investments

Investments in Subsidiaries

Investments in subsidiaries are carried at cost and will be eliminated on consolidation. All three entities in the Central Desert Group are not-for-profit entities.

(m) Funds Held on Trust

From time to time the Group holds funds on trust for indigenous organisations. Such funds are held as liabilities and retained in the group'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 Group.

(n) 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.

Key Estimates

Motor Vehicles - Useful Life assessment

At 30 June 2016 Directors approved a revaluation of vehicles based on extensive assessment of the useful life of work vehicles. In previous periods, vehicles had been written down in the expectation of a useful life of 4 years with limited recoverable value. Ongoing assessment has shown this to have been overly aggressive and vehicles are now deemed to have a useful life of 8 years or 200,000km.

Land Management Facilities in Wiluna

At 30 June 2018 Directors approved an adjustment to the useful life of land management facilities in Wiluna. The adjustment is based on reductive assessment of the useful life of the facilities from 40 years to 20 years with a commensurate adjustment to depreciation.

Rent reviews

Rental commitments for the property at 76 Witttenoom Street East Perth are based on a 3% annual increase contained in the lease. No provision is made of the Market reviews other than the annual review allowance.

Key Judgements*Employee Benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service.

Annual leave is expected to be taken in the year in which it falls due or within the immediately following year as a result the directors believe that obligations for annual leave entitlements satisfy the definition of short-term employee benefits. Long Service Leave is calculated using a probability assessment of a person becoming eligible for Long Service Leave and that they will take it in a given year. The directors believe that obligations for long service leave entitlements satisfy the definition of both short and long-term employee benefits.

(o) Fair Value of Assets and Liabilities**Valuation of freehold land and buildings**

"Fair value" is the price the group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The Group holds buildings in Wiluna, Western Australia that were originally held under Crown Leases. The land was purchased in December 2014. There is not an active market for properties in Kalgoorlie. The Directors have determined that land shall therefore be held at cost. Buildings are held at the cost of construction. The cost of regular valuation is a significant impost on the Group due to the remote location of the assets and the unlikelihood of its disposal.

(p) Trade and Other Receivables

Trade and other receivables include amounts receivable from customers for goods sold and services provided in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 3(e) for further discussion on the determination of impairment losses.

(q) Trade and Other Payables

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

(r) Comparative Figures

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

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or re-classifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(s) Impact of the Application of New Accounting Standards

The Group has adopted AASB 9: Financial Instruments from 1 July 2018. This note explains the impact of the adoption of AASB 9. The Group has decided not to restate comparative information as permitted by the transitional provisions of AASB 9.

AASB 9 has resulted in a change in accounting policies (highlighted in note 3e) and the following impact on the opening balance sheet as at the date of initial application of the standard. These adjustments are therefore not reflected in the closing balance sheet as at 30 June 2018 but are recognised in the opening balance sheet on 1 July 2018.

The following table show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

(i) Classification and measurement

BALANCE SHEET (EXTRACT)	30 JUNE 2018 (ORIGINALLY PRESENTED)	AASB 9 ADJUSTMENT	1 JULY 2018 (RESTATED)
	\$	\$	\$
Loans and receivables (AASB 139)	1,786,882	(1,786,882)	-
Financial assets at amortised cost (AASB 9)	-	1,786,882	1,786,882

(ii) Impairment

BALANCE SHEET (EXTRACT)	IMPAIRMENT UNDER AASB 139 AS AT 30 JUNE 2018	REMEASUREMENT	1 JULY 2018 (RESTATED)
	\$	\$	\$
Loans and receivables under AASB 139 / Financial assets at amortised cost under AASB 9	-	-	-

4. REVENUE FROM CONTINUING OPERATIONS

	NOTE	2018	2017
		\$	\$
Revenue from continuing operations			
Net grant revenue		11,137,638	7,838,693
Revenue from the sale of services		3,666,383	3,676,551
Sales of goods		2,924	16,468
Reimbursements		189,948	100,020
Rent & Utilities		6,833	7,200
Donations		9,825	-
Sundry		2,366	5
Interest		82,904	46,506
		15,098,821	11,685,443
Other Gains			
Profit on sale of non-current assets		49,622	22,545
Other Gains		28,881	18,550
Bad Debts - Recovered		-	7,500
		78,503	48,595
Total		15,177,324	11,734,038

5. NET OPERATING RESULT

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

PBC Program expenses	492,436	456,546
Repairs & maintenance	153,305	62,458
Charitable payments	224	2,420
Bad debts provision/written off	34,024	-
Other Expenses	115,371	45,434
	795,360	566,858

6. MOVEMENT IN RESERVES

	RETAINED EARNINGS	ASSET REVALUATION	GENERAL RESERVE	VEHICLE REPLACE'T	TOTAL
	\$	\$	\$	\$	\$
Reserves at beginning of year	2,461,962	-	22,491	49,500	2,533,953
Operating result for the year	721,560	-	-	-	721,560
Comprehensive income	-	-	-	-	-
Movement in reserves	2,000	-	(2,000)	-	-
Reserves at end of year	3,185,522	-	20,491	49,500	3,255,513

Note: Share capital reserves are eliminated on consolidation.

7. CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash at Bank		
Central Desert	1,614,760	1,641,043
DSS	3,915,812	2,612,402
RFM	12,717	7,157
	5,543,289	4,260,602
Trust Accounts		
Held by Central Desert	-	-
Held by RFM	1,856,323	1,204,265
	1,856,323	1,204,265
Cash on Hand		
Petty cash	300	300
	7,399,912	5,465,167

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

Restrictions: Cash at bank for Central Desert and DSS includes the following restricted amounts

- \$3,366,406 representing the balance of unexpended grants – see note 15a

The restrictions arise 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.

Further restrictions are in place over funds held in respect of third party agreements

- \$1,856,323 is held on Trust for 3rd parties – see note 16.

8. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities

	2019	2018
	\$	\$
Operating result for the year after income tax	721,560	164,249
Non cash flows included in operating result		
Depreciation and amortisation	241,177	304,391
Net (profit)/loss sale of assets	(39,273)	(22,545)
Other non-cash items	-	432
Changes in assets and liabilities		
(Increase)/decrease in receivables	51,433	(1,495,781)
(Increase)/decrease in other current assets	(198,467)	27,751
Increase/(decrease) in payables	168,628	333,778
Increase/(decrease) in deferred income	350,074	26,373
Increase/(decrease) in provision for employee benefits	172,346	167,878
Increase/(decrease) in trust liabilities	652,058	(362,847)
Cash flows from operating activities	2,119,536	(856,321)

9. TRADE AND OTHER RECEIVABLES

Trade receivables	1,768,082	1,786,717
Other receivables	1,291	165
Less: Provision for impairment	(33,924)	-
	1,735,449	1,786,882

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.

10. OTHER CURRENT ASSETS

Prepayments	169,397	37,548
Bonds	8,520	9,090
Accrued income	92,189	25,000
	270,106	71,638

11. PROPERTY, PLANT & EQUIPMENT

	2019	2018
	\$	\$
Freehold land and buildings		
Freehold land at cost	23,500	23,500
Buildings at cost	997,403	923,210
Less: accumulated depreciation	(248,222)	(199,716)
	772,681	746,994
Leasehold improvements		
Leasehold improvements at cost	895,466	895,466
Less: accumulated depreciation	(660,872)	(608,756)
	234,594	286,710
Motor vehicles		
Motor vehicles at cost	1,133,856	1,246,965
Less: accumulated depreciation	(783,604)	(850,683)
	350,252	396,282
Office equipment & furniture		
Office equipment & furniture at cost	429,299	354,500
Less: accumulated depreciation	(340,930)	(316,712)
	88,369	37,788
Plant & equipment		
Plant & equipment at cost	80,535	73,771
Less: accumulated depreciation	(73,860)	(71,860)
	6,675	1,911
Artwork		
Artwork at cost	3,076	3,076
	3,076	3,076
	1,455,647	1,472,761

(a) Movements in carrying amounts

	F/HOLD LAND & BUILDINGS	L/HOLD IMP	MOTOR VEHICLES	OE & FURN	PLANT & EQUIPMENT	ARTWORKS	TOTAL
	\$	\$	\$	\$	\$	\$	\$
2018							
Opening balance	864,344	340,913	403,802	20,522	2,499	3,076	1,635,156
Additions	-	-	108,651	31,890	1,455	-	141,996
Depreciation expense	(117,350)	(54,203)	(116,171)	(14,624)	(2,043)	-	(304,391)
Disposals	-	-	-	-	-	-	-
	746,994	286,710	396,282	37,788	1,911	3,076	1,472,761
2019							
Additions	74,193	-	78,655	74,800	6,764	-	234,412
Depreciation expense	(48,506)	(52,116)	(114,336)	(24,219)	(2,000)	-	(241,177)
Disposals	-	-	(10,349)	-	-	-	(10,349)
	772,681	234,594	350,252	88,369	6,675	3,076	1,455,647

12. INVESTMENTS

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

(a) Ownership Interests

NAME	ABN	FORMATION	ORIGIN	% OWNERSHIP
Desert Support Services Pty Ltd	41 154 511 494	6-Jan-12	Aus	100
Rockhole Funds Management Pty Ltd	65 164 808 333	26-Jul-13	Aus	100

Both companies are not-for-profit private companies and therefore Central Desert is not entitled to dividends or other distributions from either subsidiary. Investments are carried at cost and will be eliminated upon consolidation.

(b) Financial Results

NAME	2019		2018	
	SURPLUS/ (LOSS) \$	NET ASSETS \$	SURPLUS/ (LOSS) \$	NET ASSETS \$
Desert Support Services Pty Ltd	481,092	797,035	102,540	315,943
Rockhole Funds Management Pty Ltd	5,953	12,510	2,322	6,557

13. TRADE AND OTHER PAYABLES

	NOTE	2019	2018
		\$	\$
Trade payables		753,856	531,233
Other payables		1,270	2,030
Payroll payables		6,110	5,187
GST & PAYG		173,721	204,799
Credit card			
Mastercard		52,186	50,927
American Express		38,732	76,080
Accrued audit fees			22,990
Accrued wages		111,115	149,733
Accrued program expenses		134,111	59,494
Accrued wages		1,271,101	1,102,473
Accrued program expenses		59,494	63,499
		1,102,473	768,695

Credit Card Facilities. The group has a \$175,000 credit card facility with Westpac Banking Corporation of which \$117,814 remained unused at balance date. The group has a \$70,000 credit card facility with American Express of which \$31,268 remained unused at balance date. MasterCard and American Express purchasing card balances are cleared on or about the 27th of each month.

(a) Financial liabilities at amortised cost classified as trade and other payables

	NOTE	2019	2018
		\$	\$
Trade and other payables			
Total current liabilities		1,271,101	1,102,473
Less other payables (net amount of GST payable)		(173,721)	(204,799)
Financial liabilities as trade and other payables	23	1,097,380	897,674

14. PROVISION FOR EMPLOYEE BENEFITS

	2019	2018
Current		
Annual Leave	440,466	385,553
Long Service Leave	470,658	388,372
	911,124	773,925
Non - current		
Long service leave	200,647	165,500
	200,647	165,500

15. DEFERRED INCOME

	NOTE	2019	2018
		\$	\$
Unexpended grants		3,366,406	2,573,076
Prepaid fees		-	443,256
		3,366,406	3,016,332

Net Grant Revenue: Net Grant Revenue is represented by new grants plus Unexpended Grants b/fwd less unexpended grants c/fwd. 2019 \$11,474,802 (2018: \$8,174,226)

(a) Unexpended grants

	NOTE	2019	2018
		\$	\$
Native Title Grants		2,053,073	499,100
Land and Community Grants		1,312,212	791,567
BHP Foundation		-	1,281,288
Auspiced Grant		1,121	1,121
		3,366,406	2,573,076

16. TRUST LIABILITIES

	2019	2018
Funds held by DSS	-	-
Funds Held by RFM	1,856,323	1,204,265
	1,856,323	1,204,265

17. AUDITOR REMUNERATION

	2019	2018
Auditor remuneration for the year ended 30 June		
Audit of the financial report	28,000	28,000
Other non-audit services	-	-
	28,000	28,000

18. KEY MANAGEMENT PERSONNEL

The group's key management personnel comprise the directors identified in the director's report and the following senior management staff:

POSITION	2019	2018
Chief Executive Officer	Ian Rawlings	Ian Rawlings
Deputy Chief Executive Officer	Jo Lanagan	Jo Lanagan
Principal Lawyer	Malcolm O'Dell	Malcolm O'Dell
Chief Financial Officer	Colin Napier (Resigned: 18/04/2019)	Colin Napier
Chief Financial Officer	Ruwan Silva (Appointed: 26/6/2019)	
Manager - Land & Community	Rob Thomas	Rob Thomas

(a) Remuneration of Key Management Personnel

	DIRECTORS		SENIOR MANAGEMENT STAFF	
	2019	2018	2019	2018
	\$	\$	\$	\$
Short Term Benefits				
Salaries & allowances	-	-	854,081	855,682
Post Employment Benefits				
Superannuation	-	-	80,220	80,404
Total	-	-	934,301	936,086

Directors are unpaid volunteers who give their time and experience to help provide sound governance to the Group and assist to set its strategic direction. They do not have a beneficial interest in the Group or its Subsidiaries.

19. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements relate to office properties in Perth and Kalgoorlie, Western Australia, 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	31/3/23	250,148	796,380	-
		250,148	796,380	-

Right to early termination: The lease has a provision to terminate the lease earlier (in 2019 and 2022) if Central Desert core funding for Native Title Representative Services is withdrawn by the Commonwealth.

Lease Options: The property at 76 Wittenoom Street has two (2) three-year options expiring on 31/3/2029.

Capital Expenditure Commitments

The Group does not have any capital commitments as at 30 June 2019.

20. CONTINGENT ASSETS AND LIABILITIES

The Group does not have any contingent assets and contingent liabilities as at 30 June 2019.

21. MEMBERS' GUARANTEE

Central Desert Native Title Services Ltd is incorporated as a company limited by guarantee under the *Corporations Act 2001*.

If the company is wound up the company's 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 2019 the number of members was five (5).

22. EVENTS AFTER THE BALANCE DATE

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

23. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, local money market instruments and accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	NOTE	2019	2018
		\$	\$
Financial Assets			
Cash and cash equivalents	7	7,399,912	5,465,167
Trade and other receivables	9	1,735,449	1,786,882
Total Current Assets		9,135,361	7,252,049
Financial Liabilities			
Financial Liabilities At Amortised Cost			
Trade and other payables	13	(1,097,380)	(897,674)
Total Financial Liabilities		(1,097,380)	(897,674)

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL DESERT NATIVE TITLE SERVICES LTD

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Central Desert Native Title Services Ltd (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and directors' declaration.

In our opinion the accompanying financial report of Central Desert Native Title Services Ltd is in accordance with the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the period then ended; and
- ii. complying with Australian Accounting Standards – Reduced Disclosure Requirements, *Corporations Regulations 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities with the Code.

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012*.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MOORE STEPHENS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL DESERT NATIVE TITLE SERVICES LTD (CONTINUED)

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to include the economic decisions of the users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our audit report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of Section 60-45(3)(b) of the *Australian Charities and Not-for-profits Commission Act 2012*, in our opinion there are no deficiency, failure or shortcoming in respect of the matters referred to in Section 60-30(3)(b),(c) or (d) of the *Australian Charities and Not-for-profits Commission Act 2012*.



WEN-SHIEN CHAI
PARTNER



MOORE STEPHENS
CHARTERED ACCOUNTANTS

Signed at Perth this 4th day of October 2019.





ACKNOWLEDGEMENTS

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.

Central Desert extends its thanks to the staff who provided photographs for this report and to the communities of those photos which are on country.

We also acknowledge our funding provider the National Indigenous Australians Agency.

FOR MORE INFORMATION:

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WEB ADDRESS FOR ANNUAL REPORT:

www.centraldesert.org.au/about-us-item/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.



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