

2021 ANNUAL REPORT

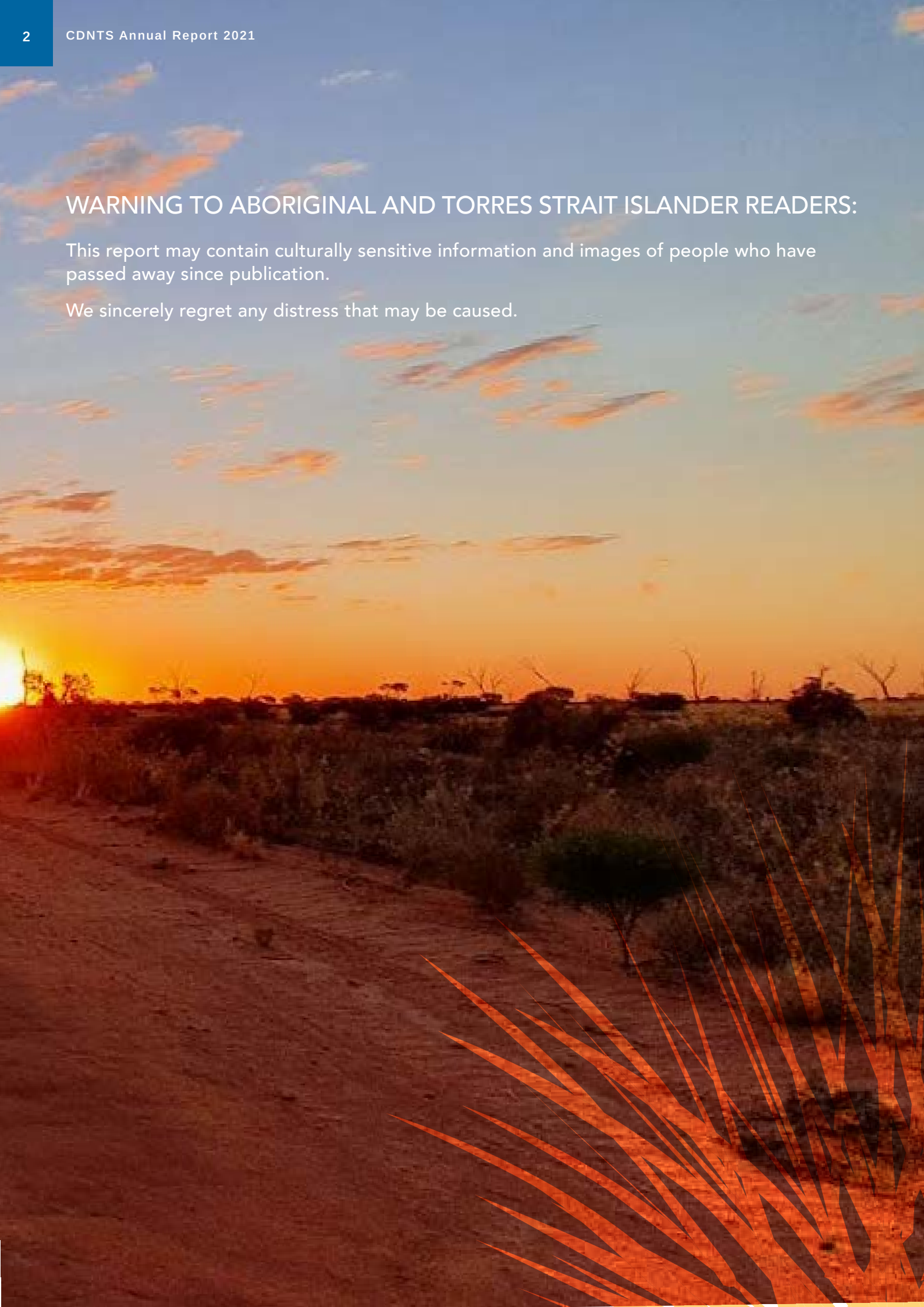


CENTRAL DESERT NATIVE TITLE SERVICES

WARNING TO ABORIGINAL AND TORRES STRAIT ISLANDER READERS:

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

We sincerely regret any distress that may be caused.



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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 2020 to 30 June 2021.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2021.

Sincerely,

Mr Terry Grose
Chairperson

CHAIRPERSON'S REPORT

It is with pleasure that I present this year's report on behalf of the Board of Central Desert Native Title Services Ltd. Despite the many challenges caused by Covid 19 the company has been able to make strong progress in many areas, some of which I will discuss below, and I am very pleased to note that this has been achieved without any major outbreaks of Covid in any of the remote communities in Western Australia.

A major step was celebrated on 28 October 2020, when the State of WA and the people of the Gibson Desert signed a comprehensive settlement agreement to settle the State's compensation liability for the extinguishment of native title over the Gibson Desert Nature Reserve (now to be called Pila Nature Reserve). I was privileged to attend the signing ceremony that took place at Mina Mina with both the then Treasurer, Ben Wyatt and the then Environment Minister Stephen Dawson in attendance. This event was a long time in the making and the signing ceremony was a truly joyous occasion with the Traditional Owners greeting the visitors with song and dance. Since the signing a compensation application has been filed over the settlement area and will be settled by Consent as agreed in the comprehensive settlement Agreement. This compensation claim was made possible by amendments to the Native Title Act 1993 (Cth) passed in the Federal Parliament in February 2021. Amongst the amendments a new Section 47C was included, it is now possible to disregard the extinguishment of native title rights and interests which would normally follow the creation of national, state or territory parks. As a consequence the Gibson Desert People were able to authorise a s47C claim over Pila Nature Reserve. This claim is expected to be filed by 28 July 2021 (as per the comprehensive Agreement) the State intend to agree to a Consent Determination.

In November 2020 a third Tjiwarl compensation claim was filed to supplement the two that were filed at the end of June during the last reporting period. These three compensation claims will run together and are expected


to allow the courts to consider compensation matters that were not fully addressed in the Timber Creek (or "Griffiths") decision which was delivered by the High Court in March 2019.

In March 2021 I was fortunate to be invited to attend, along with Central Desert staff, a day of cultural training run by the Tjiwarl Aboriginal Corporation. It was an excellent day and I left feeling inspired by the planning and execution of the work being done by the Tjiwarl people.

There have been several organisational changes during the year. As I foreshadowed in last year's Annual Report, on 1 November 2020 the PBC Support function was transferred from Desert Support Services (DSS) back to Central Desert. In addition it has been decided to separate the group finance function that has been located within the DSS structure and create a new organisation called Desert Accounting and Business Support. This subsidiary company will be headed by Ruwan Silva the Group Chief Financial Officer who will report to the central Desert CEO, Jo Lanagan.

The remaining team within DSS is headed up by Stuart Bradfield. Mr Andy Gilmour chairs the Board of DSS Land & Community (L&C). It has been another successful year even as a new senior management team, staff and rangers continue to grapple with COVID. While ongoing travel restrictions meant the larger ranger gatherings unfortunately had to be held online, the new operating environment has sharpened the focus on ranger development, with DSS L&C assisting increasingly with ranger led trips.

Highlights through the year include the Ngururrpa Indigenous Protected Area (IPA) dedication where I was lucky enough to join nearly 200 Traditional Owners and partners gathered south of Balgo for 2 days of celebrations and discussions. Nearby Ngurra Kayanta is also to become an IPA, with consultation phase planning



now underway. The DSS L&C assisted Kiwirrkurra Men's Ranger program received a seven-year extension of their program, with increased funding. Since November with the transfer of PBC services noted above, DSS L&C has been able to focus on transferring contracts and assets to Aboriginal Corporations. It is anticipated the Matuwa and Karara Karara IPA will be transferred to the Wiluna based Indigenous land management company later in 2021.

DSS L&C also facilitated an historic first contract between Birrilburu Pty Ltd (BPL) and longtime supporter Bush Heritage Australia. With DSS L&C assistance, BPL entered a multi-year Australia Research Council project led by the University of Western Australia which will document and conserve precious rock art and assist rangers to manage their country.

In addition to the organisational changes there are also several changes under way to the composition of the Central Desert Board. On 11 December 2020 Shaneane Weldon was appointed as a director of the company. Shaneane is a Wangkatja woman and is already making a valuable contribution to the company. We are looking forward to her ongoing contribution. Other Board changes since the end of the reporting period are as follows.

First, Fred Chaney has decided not to nominate for re-election to the Board at the October 2021 Annual General Meeting. Fred has been a director of the company since its creation in 2007 and during that time has made an enormous contribution to its success. During my term as Chair Fred has always been there to provide me, and all of our colleagues, with valuable guidance and support and I would like to record my gratitude for that. I know that all my Board colleagues feel the same way. Fred will be greatly missed by the Board and staff of Central Desert.

Andy Gilmour, who joined the Board in 2012 has announced his intention to stand down from the Central Desert Board at this year's AGM. Over the past 9 years

Andy has contributed greatly to Board deliberations and his counsel will be missed by his colleagues. As I noted in last year's report Andy spent several months during 2020 working full time, not only acting as chief executive of DSS but also reviewing the company's structure and making recommendations on changes required to improve the efficiency of the operations. Those changes, which included the transfer of the PBC Support function, as noted above, have been implemented.

I am sorry to have to report that in August 2021 Allan James resigned from the Board. Allan has accepted a position at BHP Limited and it was felt that this would provide at least a perception of a conflict should he remain on the Board. The Board and staff were sorry to lose Allan's input. During the relatively short time he spent on the board his counsel was greatly appreciated.

I can report that we are well advanced in finding replacements for Fred, Andy and Allan and expect to be able to announce the new Board members very soon.

Finally, I want to thank our CEO, Jo Lanagan, and all staff for their dedication in what has been another difficult and disrupted year. Their commitment has again been exceptional, as has been the commitment of my Board colleagues. Working with my dedicated and skilled colleagues is a real pleasure and a privilege



Terry Grose
Chairperson

CHIEF EXECUTIVE OFFICER'S REPORT

On behalf of Central Desert, I would like to commence by acknowledging the traditional owners who passed away during the year, I offer sincere condolences to their family and friends. A number of significant community leaders passed, who each contributed a great deal to their own and the broader community, Central Desert valued and respected all of these people. They will be sadly missed.

The past year has been highly productive, with brief interludes of lockdown due to the COVID-19 pandemic not causing too much disruption to ongoing work in Western Australia. Central Desert has continued to ensure the safety of the communities we travel into by complying with the individual requirements of those communities and by making sure that before travelling our team are in good health.

Central Desert filed 3 new claims at the instructions of our clients during the year, two native title applications; Gingiranna #4 and Upurli Upurli Nguratja and a compensation application; Gibson Desert Nature Reserve. It is expected that very early in the new financial year a further 3 native title applications will be filed under existing instructions. One of those is expected to be the first native title application which relies on section 47C of the amended Native Title Act 1993 (NTA). Section 47C allows for extinguishment of native title in National, State or Territory parks to be disregarded by agreement with the relevant government, see the Chair's report about Pila Nature Reserve.

In July the Federal Court of Australia handed down a Consent Determination (via video link from Sydney)

recognising the native title rights and interests held by the Untiri Pulka people. Unfortunately due to COVID-19 and border restrictions an on-country celebration was not held, it is hopeful there may be one in the near future. During the year a great deal of work continued on the Tjiwarl compensation applications, with the Tjiwarl and Central Desert teams working closely together to meet the requirements of the Court program. In early June 2021 by agreement, the proceedings were referred to mediation to be conducted by a Registrar of the Federal Court. The next reporting period will have a clearer picture of the future of the Tjiwarl compensation applications.

Along with the continuing claim work, compensation applications and PBC assistance, our research team was kept very busy developing supporting material for the 3 native title applications to be filed very early in the new financial year. The team also prepared the report to meet the relevant provisions of the NTA to register Upurli Upurli Nguratja.

I would like to add my congratulations to the Gibson Desert People who as noted in the Chair's report executed a major Agreement with the State government over Pila Nature Reserve, the on country signing celebrated a significant and extremely joyful occasion.

In last year's report it was mentioned that Central Desert made submissions on the proposed Aboriginal Cultural Heritage Bill 2020, noting the major inadequacies with the draft. Through the remainder of the 2020 calendar year and the remainder of the then term of government, further drafts of



the proposed Bill were not made public. This meant it was an unknown, as to what issues within the submissions were to be addressed by amended drafting of the proposed Bill. In April the Alliance of Representative Bodies in WA met with the newly appointed Minister for Aboriginal Affairs who was not able to provide a timeframe for publication of the proposed next draft of the Bill. The Alliance wrote to the Minister in July noting that we looked forward to a briefing on further amendments and again requesting a copy of the draft Bill. Although a detailed briefing took place, without the draft Bill it is not clear whether the issues of great importance to the People of the Central Desert have been addressed to protect their heritage.

Aboriginal people have planned a march in October to voice their concern that the proposed Bill should not be introduced into Parliament as they maintain that in its current form it will not stop the destruction of cultural heritage sites. The march is supported by members of the WA Alliance of Representative Bodies and other organisations who believe Aboriginal people should have direct input into further drafting of the Bill.

I would like to thank the Central Desert Chairperson and Directors for their commitment and attention to ensure the organisation is achieving the best outcomes for the people in our communities. To the retiring Directors, who have each been on various Central Desert Group boards, we are grateful for the contribution that they have individually and collectively made. The Hon Fred Chaney has given wise counsel over 14 years, Mr Andy Gilmour has contributed his skills for 9 years and Mr Allan James has been a valuable contributor to

the strategy of the Central Desert Group for 7 years. I would also like to mention the productive partnership with our core funders, the National Indigenous Australians Agency and to all key partners for their consistent support and productive working relations.

Finally, I want to acknowledge the team of exceptional people who work at Central Desert. This team of people come to work each day and give their 100% commitment to achieve the best outcomes they can for the people in our communities. Each member of the team contributes because they believe in the work of Central Desert and are proud to be a part of that work. I am grateful to work alongside the team at Central Desert and to work with the people in our communities. I want to acknowledge the support and care given to our team by the traditional owners, we understand the impositions that are often placed on you and we are grateful for your patience and generosity of spirit.

Thank you

I submit the CEO report for your consideration.



Jo Lanagan
Chief Executive Officer



DIRECTORS



MR TERRY GROSE
(Chairperson)

Appointed 14 December 2012

Terry Grose has a strong commercial background gained through his experience as a merchant banker, senior executive and business consultant in Australia and overseas.

He has gained extensive experience working with Aboriginal organisations over the past ten years. Terry joined the board of Central Desert Native Title Services Ltd in 2012 and was appointed Chair in 2013. He is also Chair of Desert Support Services Pty Ltd and Native Title Services Goldfields Ltd.

Terry has been on the board of Yirra Yaakin Aboriginal Theatre Company for a decade. He is an Ambassador for Community First Development (formerly known as Indigenous Community Volunteers) and has carried out assignments for them in the Kimberley and Gascoyne regions and in Arnhem Land.

Earlier in his career Terry spent time as a merchant banker before joining Wesfarmers where he worked for a decade in a range of senior management positions, before moving to Hong Kong where he was CFO of an innovative computer software company for three years before establishing Grose International, a commercial and financial consultancy operating in Hong Kong and through Asia.



THE HON FRED CHANEY AO

Appointed 11 September 2007]

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
Retired October 2020**

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, award-winning museum exhibitions and to 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.



MR ANDREW (ANDY) GILMOUR

Appointed 14 December 2012

Andy has over 40 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 has provided advice and consulting services to Government departments, Government Funded Organisations and Not for Profits. Andy was admitted as a partner of RSM Australia Partners in 1994 and retired in 2018 after more than 25 years of service with that organisation.

From April 2020 to 31 December 2020 Andy filled the role of Interim CEO of Desert Support Services Pty Ltd.

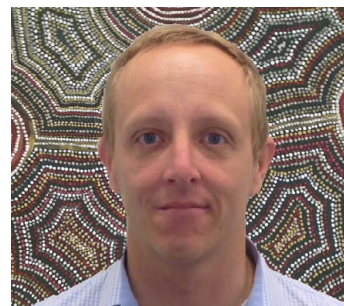


DR CAROLYN TAN

Appointed 14 December 2012

Carolyn Tan has been an In-house Legal Counsel at Yamatji Marlpa Aboriginal Corporation since 2003 where she has provided native title advice and appeared in the Federal Court, High Court and before the National Native Title Tribunal and the Mining Warden. Prior to that she was a litigation partner at Dwyer Durack for 15 years and headed up their Native Title Department as well as being engaged in a range of commercial, administrative and other civil and industrial litigation.

In 2019, Carolyn became a director of Native Title Services Goldfields. 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
Resigned 6 August 2020**

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.



MS SHANEANE WELDON

Appointed December 2020

Shaneane Weldon is a Wangkatja woman raised in the North Eastern Goldfields home/country of her mother and grandparents. Shaneane has a degree in Community Management and Development, as well as a Bachelor of Education. She has over 25 years experience in dealing with Aboriginal politics and has held leadership positions in various Aboriginal Corporations. At present Shaneane is the Deputy President of the Shire of Laverton where she has been a Shire Councillor for the past 16 years. Included in her various Community commitments, Shaneane is also a Justice of Peace a role she has held for the past 24 years.

She is also an active board member of several not-for-profit organisations and Native Title bodies, including more recently the Yilka Talitji Aboriginal Prescribed Body Corporate where she is a Traditional Owner under her father's side of the family.

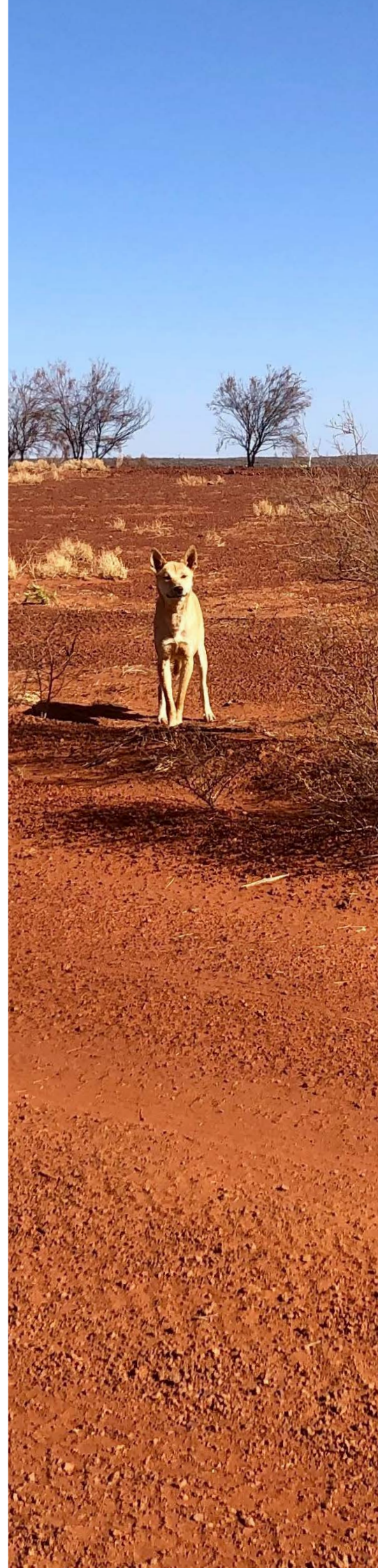
Shaneane is passionate about Aboriginal languages and the preservation of it. She believes that education is the key to success, and was one of the reasons she became a Teacher so that she can influence and be a role model to her Aboriginal students.



MR ALLAN JAMES

Appointed December 2020

Allan James is a Tjupan Wongi – Badimia Yamatji man raised on country in the remote Western Australian pastoral regional of the Northern Goldfields. He is highly experienced in leadership, policy development, communications and strategic planning. An accounting graduate of Curtin University, Allan has over 25 years experience across the corporate business world, having held senior management positions within the mining and insurance sector. He has also managed his own commercial consulting business. Allan is currently the CEO of the Carey Group of companies, one of Australia's largest 100% privately owned Indigenous Businesses. He is also an active board member of several not for profit organisations and Native Title bodies, including more recently the Tjiwarl Aboriginal Prescribed Body Corporate and Desert Support Services Pty Ltd. Allan is passionate about Indigenous Affairs and changing the dialogue for Aboriginal Australians and believes that culture, education and employment are key to leaving a positive legacy and 'closing the gap'.



COMPANY OFFICERS



MRS JO LANAGAN
Chief Executive Officer and
Company Secretary

**Appointed Company Secretary
31 December 2019**

Jo joined Central Desert Native Title Services (Central Desert) in 2012 where she has held various senior management roles. She was appointed as the Chief Executive Officer on 1 January 2020.

Jo has extensive experience in native title holding senior roles in both the Commonwealth and State Governments. Jo worked with The National Native Title Tribunal for 9 years from 1994. In 2003, Jo joined Office of Native Title in the State Government where she spent 7 years. She then worked with the Department of Aboriginal Affairs prior to commencing with Central Desert.

Jo's extensive native title experience includes conducting mediations, Delegate work, negotiating major State and Commonwealth agreements, governance and agreement implementation work.

Jo was appointed to the Conservation and Parks Commission in May 2018 and was appointed Deputy Chair in May 2019.

Jo was appointed Company Secretary of Central Desert on 31 December 2019.



MR MALCOLM O'DELL
Principal Lawyer

Malcolm has served as the company's Principal Lawyer since its inception. He has extensive native title experience having worked for the National Native Title Tribunal from 1996 to 1999 before entering legal practice with Dwyer Durack.

Malcolm 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, corporate establishment and governance, agreement making, court representation, arbitral inquiries and hearings.



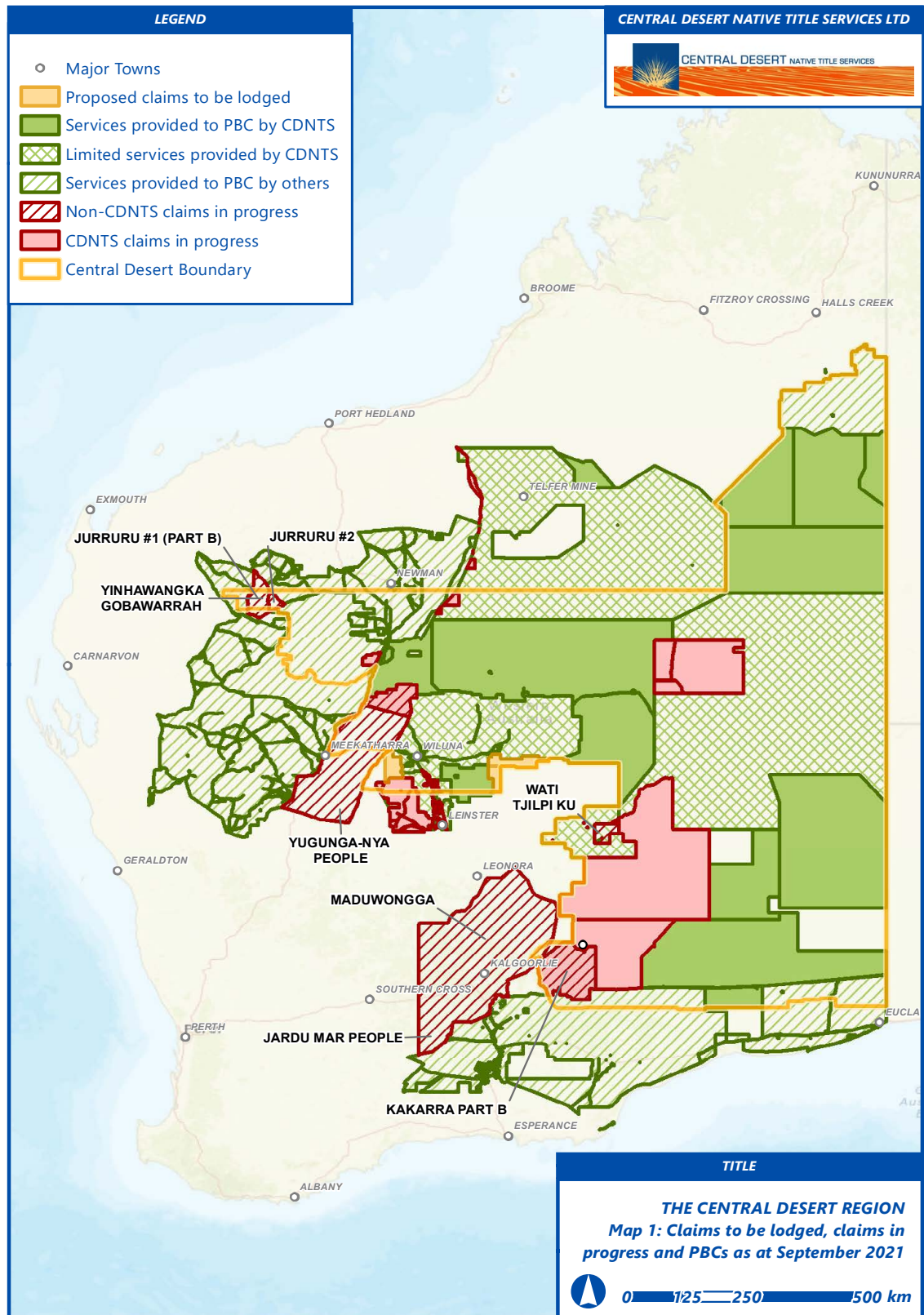
MR RUWAN SILVA
Chief Financial Officer and
Company Secretary

Ruwan holds a bachelor's 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 18 years starting his career in Port Hedland as a Financial Counsellor and then as Manager of the Pilbara Community Legal Service.

Ruwan has many years' experience working with indigenous communities in the Pilbara region and worked at Parkerville Children and Youth Care for more than 10 years as the Financial Accountant overseeing rapid growth.

Ruwan was appointed Company Secretary of Central Desert on 31 December 2019.

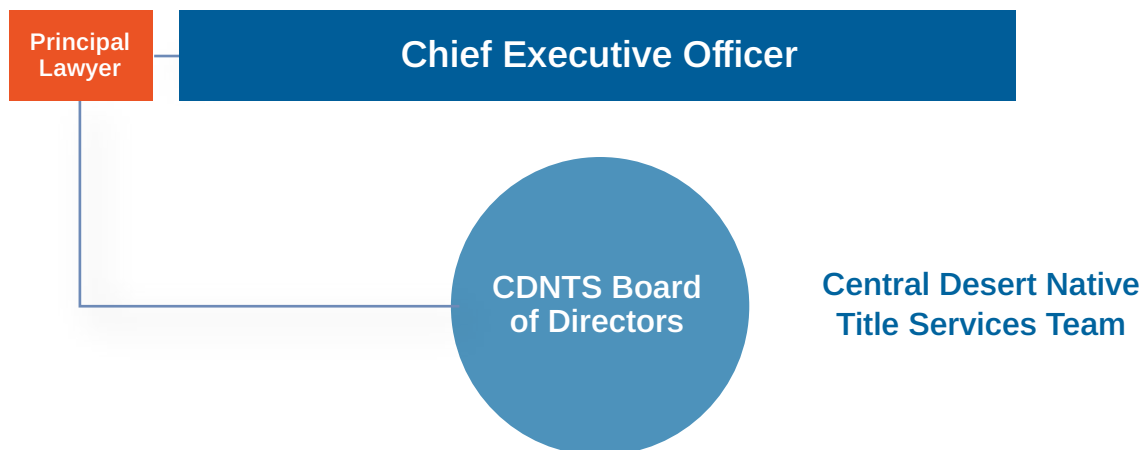
THE CENTRAL DESERT REGION



ORGANISATIONAL CHART



CENTRAL DESERT CLIENTS, PARTNERS AND COMMUNITY MEMBERS



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 focusing on what matters most, fostering teamwork & collaboration, committing to health, safety & wellbeing. 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. On behalf of our clients, Central Desert monitors the implementation of Agreements to ensure both compliance with the terms of the Agreement and that timeframes are being met.

LEGAL SERVICES SUPPORT TO PBCS

Central Desert 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.

CENTRAL DESERT GROUP STRATEGIES

During the 2020-21 year the Central Desert Group continued to focus on delivering against the objectives of its Strategic Plan.

Central Desert prioritises securing timely and strong settlements and agreements for our clients 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/

At the beginning of 2020, the Central Desert team worked together to reset its values. The new values align with our way of working.





OBJECTIVES AS STATED IN THE CONSTITUTION

The objects of the Company are to directly assist and benefit the Aboriginal people of the Central Desert Area by: -

- (a) relieving poverty, sickness, suffering, distress, misfortune, destitution and helplessness amongst Aboriginal people of the Central Desert Area;
- (b) recognising that such poverty, sickness, suffering, distress, misfortune, destitution and helplessness result from such Aboriginal people having been progressively dispossessed of their land and/ or waters, without compensation, as a consequence of which they have become socially, spiritually and economically dis-empowered and are now the most disadvantaged section of Australian society to:
 - (i) directly assist them in regaining recognition of their rights and interests in lands and waters arising from their traditional laws and customs and to satisfy their aspirations with respect to such land and/or waters;
 - (ii) assist such Aboriginal people to regain access to their traditional lands and/or waters;
 - (iii) assist such Aboriginal people to have a voice in relation to the future use and exploitation of their traditional lands and/ or waters; and/ or
 - (iv) assist such Aboriginal people to obtain compensation in relation to their dispossession from their traditional lands and/or waters and in relation to the future use and exploitation of such traditional lands and/or waters.
- (c) promoting and protecting their distinctive laws and customs and Aboriginal culture generally; and
- (d) otherwise directly assist in the advancement of the general welfare of the Aboriginal people of the Central Desert Area;

to the extent that these are charitable purposes as recognised by the law of equity and the *Income Tax Assessment Act 1997* (Cth).

HOW WE PERFORM (AS AT 30 JUNE 2021)

OPERATIONAL – SECTION 203BB ‘FACILITATION AND ASSISTANCE FUNCTION’

STRATEGIC PLAN FOCUS AREAS:

- 1. Securing strongest native title or alternative outcomes and researching, preparing and settling claims.
- 2. Securing compensation for past extinguishment of, or interference with, native title.

DETERMINATIONS

Untiri Pulka

FCA No.	WAD472/2019
Area	66,325km ²
Date Filed	19/09/2019
Date	27/07/2020

The Untiri Pulka claim was filed on 19 September 2019. The claim was registered on 22 November 2019 and the notification period for the claim closed on 31 March 2020. On 27 July 2020, Justice Griffiths made a consent determination of native title in favour of the Untiri Pulka native title claimants and determined that Pila Nguru (Aboriginal Corporation) RNTBC would be the prescribed body corporate for the native title holders.

The determination of native title recorded in *Minning on behalf of the Untiri Pulka Claim Group v State of Western Australia* [2020] FCA 1051 comprises exclusive and non-exclusive native title rights and interests and covers the eastern part of the Nullarbor to the South Australian border, including the area of the Kanandah, Kinclaven, Gunnadorah, Balgair and Kybo pastoral leases.



APPLICATIONS IN PROGRESS IN THE CENTRAL DESERT REGION AS AT 30 JUNE 2020

As at 30 June 2021, there were eleven native title applications and five compensation claims in progress within the Central Desert Native Title Services Ltd (**Central Desert**) representative area. Seven of these claims are represented by Central Desert.

CLAIM	TYPE OF CLAIM	FCA NO.	AREA KM ²	DATE FILED
Represented by Central Desert				
Nangaanya-ku	Native title	WAD460/2018	48,676	09/10/2018
Tjiwarl (Aboriginal Corporation) RNTBC Compensation Claim	Compensation	WAD141/2020	7,430	17/06/2020
Tjiwarl Claim Group Compensation Claim	Compensation	WAD142/2020	3	17/06/2020
Gibson Desert Nature Reserve Compensation Claim Group	Compensation	WAD222/2020	1,804	18/09/2020
Gingirana #4	Native title	WAD230/2020	4,039	06/10/2020
Kapi Tjiwarl Compensation Claim	Compensation	WAD269/2020	6	26/11/2020
Upurli Upurli Nguratja	Native title	WAD281/2020	26,692	02/12/2020
Not represented by Central Desert				
Yugunga-Nya People	Native title	WAD229/2019	30,280	09/12/1999
Jurruru #1 (Part B)	Native title	WAD537/2018	2,737	24/07/2000
Jurruru #2	Native title	WAD538/2018	666	22/11/2012
Yinhawangka Gobawarra	Native title	WAD490/2016	3,423	17/10/2016
Maduwongga	Native title	WAD186/2017	25,472	21/04/2017
Wati Tjilpi Ku on behalf of the Yilka Sullivan Edwards People Compensation Claim	Compensation	WAD266/2020	1,529	23/11/2020
Kakarra Part B	Native title	WAD298/2020	9,827	16/12/2020
Kakarra Part A	Native title	WAD297/2020	10,889	16/12/2020
Jardu Mar People	Native title	WAD4/2021	55,151	14/01/2021

Nangaanya-ku

On 9 October 2018, the Nangaanya-ku claim was filed in the Federal Court of Australia. The claim was entered onto the Register of Native Title Claims on 9 November 2018.

The claim area was overlapped by the Nanatadjarra People claim [WAD348/2017], however pursuant to orders made by the Federal Court on 18 January 2021, the Nanatadjarra People claim was summarily dismissed, or 'struck out', under section 31A(2) of the *Federal Court of Australia Act 1976* (Cth).

The Nangaanya-ku applicant is seeking a determination of exclusive possession native title over the entirety of

the Nangaanya-ku claim, including those parts covered by mining leases M39/139 and M39/196, by virtue of section 47B of the *Native Title Act 1993* (Cth). The application of section 47B over certain mining and petroleum tenure was addressed by the High Court of Australia in *Ngurra Kayanta* (P37/2018), however this proceeding dealt specifically with exploration licences/permits, and not mining leases.

Accordingly, the parties have agreed to separate the Nangaanya-ku claim into two parts, enabling that part of the claim which is not affected by the abovementioned issue – being Part A – to continue progressing towards a consent determination, whilst the balance – Part B – will be separately litigated on the issue of section 47B.

Tjiwarl Compensation Claims

Three compensation claims are currently on foot in relation to the Tjiwarl determination area:

- (a) **Tjiwarl (Aboriginal Corporation) RNTBC Compensation Claim**, filed by Tjiwarl (Aboriginal Corporation) RNTBC on 17 June 2020 for acts that impaired the native title rights and interests of the Tjiwarl native title holders;
- (b) **Tjiwarl Claim Group Compensation Claim**, filed by Brett Lewis & Ors on behalf of the Tjiwarl compensation claim group on 17 June 2020 for acts that extinguished the native title rights and interests of the Tjiwarl native title claimants; and
- (c) **Kapi Tjiwarl Claim Group Compensation Claim**, filed by Shirley Wonyabong & Ors on behalf of the Kapi Tjiwarl compensation claim group on 26 November 2020 for acts that extinguished the native title rights and interests of the Kapi Tjiwarl native title claimants.

The compensation claims seek compensation pursuant to the *Native Title Act 1993* (Cth) in relation to a variety of past acts, intermediate period acts and future acts since 1975 and include several mining projects within the Tjiwarl determination area.

The proceedings were jointly referred to mediation before Judicial Registrar Daniel on 3 June 2021. Initial pleadings have been filed by the Applicant and Respondents in each proceeding, with more fulsome programming orders to be made by Justice Mortimer in the forthcoming reporting period contemplating a full litigation of all issues, subject to the progress of mediation.

Gibson Desert Nature Reserve (now renamed Pila Nature Reserve)

Following several years of negotiations with the State of Western Australia regarding its compensation liability over the extinguishment of native title caused by the vesting of the Pila Nature Reserve (PNR), in 2018, the State of Western Australia agreed to enter into negotiations with the PNR Traditional Owners for an alternative settlement package to compensate the PNR Traditional Owners for the extinguishment of their native title.

Negotiations ensued, and in November 2020, an agreement in principle was reached between the parties regarding the terms of the alternative settlement package. This agreement was subsequently authorised by the PNR

Traditional Owners on 10 September 2020, and an on-country signing ceremony took place on 28 October 2020. Part of the settlement package involves the recognition of native title over the entirety of the PNR, which involves the filing of a native title determination application pursuant to the newly legislated section 47C of the *Native Title Act 1993* (Cth). The section 47C claim will be filed in the forthcoming reporting period.

At the State's request, a compensation claim was filed on behalf of the PNR compensation claim group. The claim was filed on 18 September 2020 and seeks a determination from the Federal Court of full and final compensation, by consent of the parties, having regard to the agreement reached in the alternative settlement package.

It is anticipated that the compensation claim and the native title claim will be determined by the Court contemporaneously in the forthcoming reporting period.

Gingirana #4

On 6 October 2020, an application for native title was filed in relation to an area of land and waters south of the existing Gingirana determination area. The claim was entered on the Register of Native Title Claims on 12 April 2021.

The claim overlaps existing native title application, the Yugunga-Nya People claim (WAD29/2019). The proceedings were referred to mediation before Judicial Registrar Daniel on 16 March 2021 for the purpose of seeking to resolve the overlap, with such mediation involving a conference of those experts commissioned to complete anthropological research for each claim.

Upurli Upurli Nguratja

On 2 December 2020, the Upurli Upurli Nguratja native title determination application was filed over an area of land and waters to the west of the Untiri Pulka determination area. The claim was registered on the Register of Native Title Claims on 22 January 2021.

On 17 December 2020, overlapping claim Kakarra Part B (WAD298/2020) was filed over approximately one third of the area of the Upurli Upurli Nguratja claim. The claim was registered on the Register of Native Title Claims on 17 March 2021. The Federal Court has been case managing each proceeding during the reporting period.

Central Desert has been progressing negotiations with the State over the balance of the Upurli Upurli Nguratja claim area.

PROGRESS ON PROPOSED NEW NATIVE TITLE CLAIMS

Central Desert is in the process of researching and assisting groups to file both native title determination applications and compensations claims within its representative area.

An area west of the Gingirana determination area

Following a request for assistance, Central Desert undertook research in relation to an area of land and waters west of, and contiguous with, the Gingirana determination area. This research was finalised in the reporting period and presented at an on-country meeting on 11 August 2020.

At this meeting, the Applicant was authorised to bring a native title claim over the area, with the claim to be filed in the forthcoming reporting period.

Ullula Pastoral Lease

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. Discussions have been held with Tarlka Matuwa Piarku (Aboriginal Corporation) RNTBC in relation to holding the pastoral lease on trust ahead of an authorisation meeting for the area in the forthcoming reporting period.

An area south of the Wiluna determination area

Central Desert has undertaken research in relation to an area of unallocated Crown land which is immediately south of the Wiluna #3 determined lands. Central Desert will convene an authorisation meeting to discuss the research in the forthcoming reporting period.

Request for assistance to bring compensation claims

Central Desert has received requests for assistance from:

- (a) Mungarlu Ngurrarankatja Rirraunkaja (Aboriginal Corporation) RNTBC to research and file a compensation claim(s) over all or part of the Birriliburu determination area; and
- (b) Tarlka Matuwa Piarku (Aboriginal Corporation) RNTBC to research and file a compensation claim(s) over all or part of the Wiluna determination area,

and will work with these two prescribed bodies corporate over the forthcoming reporting period on advancing these requests.

ASSISTANCE TO PRESCRIBED BODIES CORPORATE

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

Central Desert continues to provide section 203BB agreement making and implementation assistance to the following prescribed bodies corporate:

- (a) Kaltupakal Aboriginal Corporation RNTBC – the Pilki PBC;
- (b) Kultju Aboriginal Corporation RNTBC – the Kultju PBC;
- (c) Kulyakartu (Aboriginal Corporation) RNTBC – the Kulyakartu PBC;
- (d) Marputu Aboriginal Corporation RNTBC – the Gingirana PBC;
- (e) Mungarlu Ngurrarankatja Rirraunkaja (Aboriginal Corporation) RNTBC (MNR) – the Birriliburu PBC;
- (f) Ngurra Kayanta Aboriginal Corporation RNTBC – the Ngurra Kayanta PBC;
- (g) Parna Ngururrpa (Aboriginal Corporation) RNTBC (Parna Ngururrpa) – the Ngururrpa PBC;
- (h) Pila Nguru (Aboriginal Corporation) RNTBC – the Spinifex PBC;
- (i) Rapi (Aboriginal Corporation) RNTBC – the Lappi Lappi and Ngulupi PBC;
- (j) Tjamu Tjamu (Aboriginal Corporation) RNTBC (Tjamu Tjamu) – the Kiwirrkurra PBC;
- (k) Tjiwarl (Aboriginal Corporation) RNTBC (Tjiwarl AC) – the Tjiwarl PBC;
- (l) Wakamurru (Aboriginal Corporation) RNTBC (Wakamurru) – the Manta Rirrintinya PBC; and
- (m) Yilka Talintji (Aboriginal Corporation) – the Yilka/Sullivan/Edwards PBC.

DETERMINATIONS OF NATIVE TITLE

As at 30 June 2021 there have been 34 determinations that native title exists on lands within the Central Desert Representative Area.

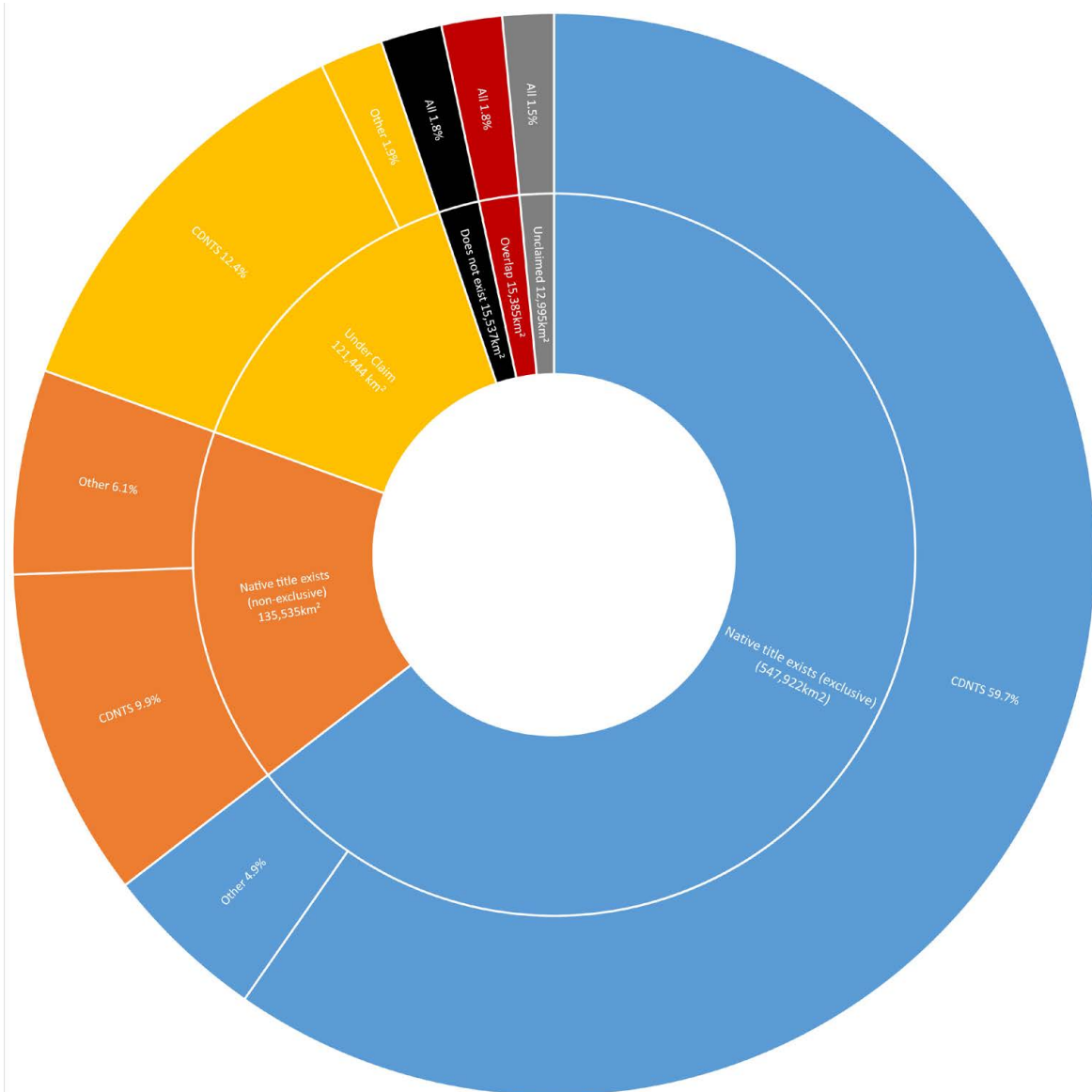
CLAIM	FCA NO.	AREA KM2	DATE FILED	DATE DETERMINED
Spinifex	WAD6043/98	50,000	30/09/98	28/11/00
Tjurabalan	WAD160/97	25,917	18/12/97	20/08/01
Kiwirrkurra	WAD619/98	42,905	30/09/98	19/10/01
Martu part A	WAD6110/98	135,942	30/09/98	27/09/02
Ngaanyatjarra Lands part A	WAD6004/04	187,600	23/04/04	26/06/05
Ngurrupa	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	22/03/06	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	23526.97	15/8/17	13/09/18
Lappi Lappi and Ngulupi	WAD48/2018	6072	14/2/18	24/10/18
Kultju	WAD225/2018	5490.7316	28/05/18	30/10/19
Untiri Pulka	WAD472/2019	66,309.23	19/09/19	27/07/20

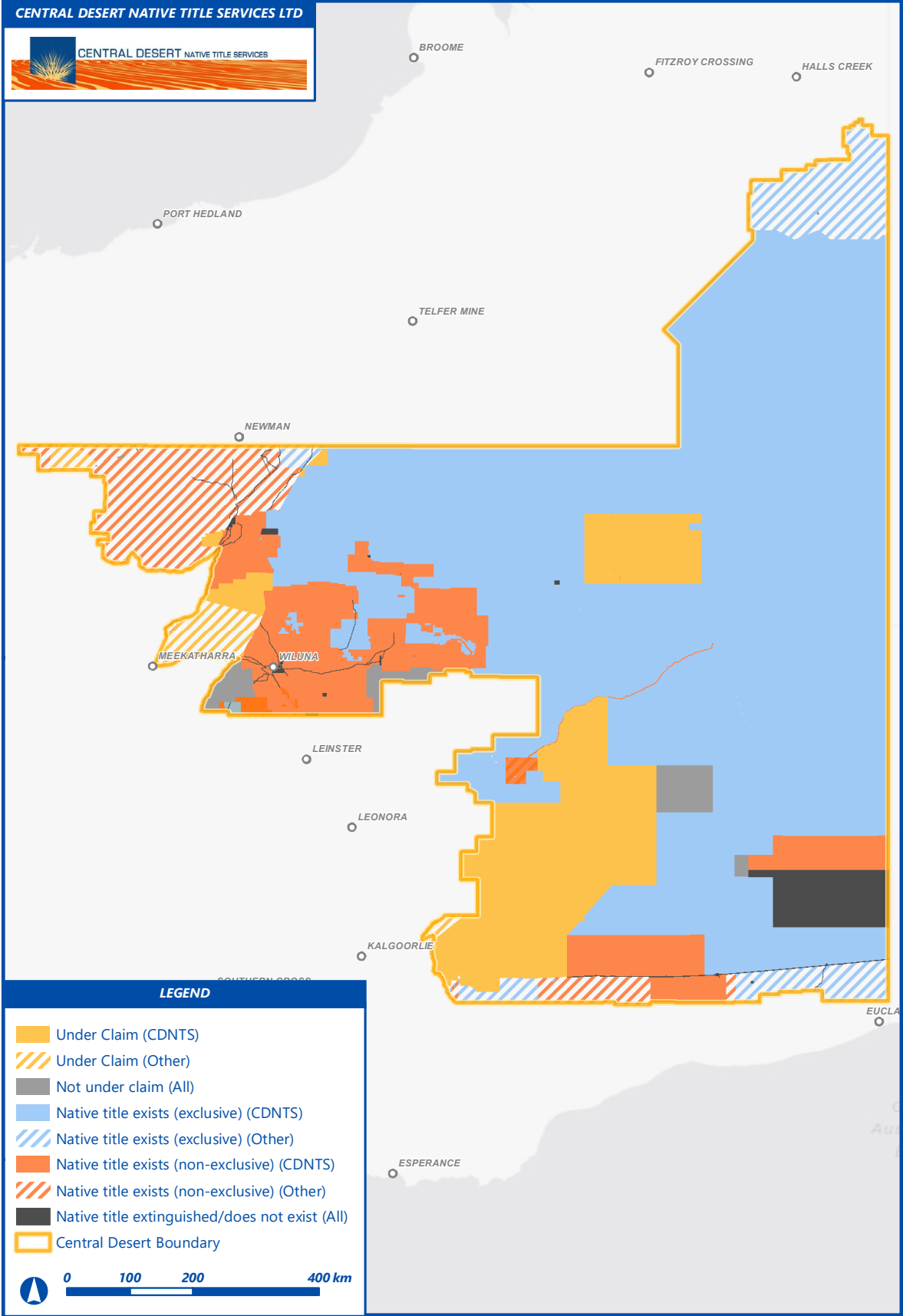
There was 1 native title claims determined within the Central Desert Representative Area during the reporting period.

CENTRAL DESERT REP BODY REGION

848,818km²

Determination outcomes over land area percentage





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 employees.

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. They have a keen interest in setting a clear strategic direction for the company with the cooperation of the CEO, management team and employees.

HIGH-QUALITY EMPLOYEES

Central Desert operates with a team of skilled, experienced and professional employees. We pride ourselves on recruiting well and retaining quality people. 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 and offers various flexible working arrangements. A Joint Consultative Committee comprising of management and non-management team members has been established to oversee and deal with any potential issues arising from the Enterprise Agreement during the course of its lifetime.

Following COVID we have introduced a Working from Home Policy which allows up to two days per week to work from home for those employees who wish to access the policy. All home based working areas are assessed to ensure compliance with health and safety requirements as a condition of approval to work from home.

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

EFFECTIVE SYSTEMS

To deliver our services to a consistent standard in some of the remotest parts of the country we have to:

- build and maintain effective business systems to support our operational team;
- preserve our corporate knowledge; and
- keep our Board, employees, clients and stakeholders informed.

The Organisational and Operational Support 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.

	2020/21	2019/20
Number of trips	101	69
Number of return flight bookings	385	214
Number of person days travelling	2404	1180
Number of vehicle operating days	524	102

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. Maintenance of revenue and grant funding is critical to the organisation's ability to achieve its strategic aims and advance the objectives of our clients.

Central Desert received core funding through a two-year grant funding head agreement to provide the services described in the operational plan. Core funding for the reporting year was maintained due to COVID but it is anticipated core funding in forward years will continue



to reduce from previous levels. The National Indigenous Australians Agency (NIAA) changed its funding processes to an outcomes-based model as part of the Indigenous Advancement Strategy in the last few years.

The outcomes-based funding model includes an opportunity to apply for additional mid-year funding if all outcome targets are met. Central Desert has been successful in meeting targets and receiving additional funding in the reporting year. The NIAA also provides PBC Support Funding to assist PBCs in the region in meeting their governance and 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.

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.

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 from preferred suppliers.

HUMAN RESOURCES MANAGEMENT

OUR TEAM

Central Desert Native Title Services owes its continued success to the outstanding efforts of our team. We value each of them highly and thank them for their dedication to assisting to 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 2020/21 year.

Alex Wittkuhn	Jo Lanagan	Patrick Smith
Courtney Henry	Karine Flematti	Rachel Melville
Dale Murugan	Kim Baldwin	Rebecca Parker
David Reger	Louise Ireland	Salome Legris
Emilie Goegan	Malcolm O'Dell	Sarah Hobson
Emma Thompson	Marian Hennessy	Scout Yeeda
Elle Sewell	Matthew Spooner	Sean Calderwood
Felicity Noonan	Melanie Hannah	Sel Gregory
Gavin Dunn	Melanie Kirsten	Susan Ware
Giacomo Boranga	Michael Allbrook	Thomas Rossiter
Glenda Allen	Monica Walker	Tracey Blokland
Hugh Manning	Monique Jekel	Victoria Camp
Jasmine Morris	Nadisha Senasinghe	William (Bill) Kruse
Jack Price		

PROFESSIONAL DEVELOPMENT

Central Desert encourages and supports its employees 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 employees travelling in remote locations. New employees receive a detailed induction program including training in first aid, safety equipment and how to manage and maintain four-wheel drive vehicles.

Central Desert was successful in obtaining a \$3000 grant through AIM WA's Community training grants to contribute to our professional development program.

In 2020/21 Central Desert team members received training in cultural awareness, first aid, four-wheel drive, management courses, human resources practices, governance and minute taking, appropriate legal practice courses to obtain CPD points as well as attending the national native title conference, and AIATSIS legal practice conference.

EMPLOYEE LEVELS AND RETENTION RATES FOR THE YEAR

As at 30 June 2021 Central Desert Native Title Services comprised a core team of 23 employees. This included 17 full-time and 6 part-time. 6 people are filling fixed term contracts. Two Employees accessed parental leave during the period.

During the 2020/21 year, Central Desert's staff retention rate for permanent contracts was 80%.

OUTPUTS

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

FACILITATION AND ASSISTANCE	2020/2021	2019/2020
Claims in Central Desert region at 30 June		
1. Active native title claims	11	8
- Claims represented by CDNTS	3	2
- Claims where CDNTS is a Respondent	0	0
- Claims where CDNTS is an Intervener	0	0
2. Active compensation claims	5	2
- Claims represented by CDNTS	4	2
- Claims where CDNTS is a Respondent	0	0
- Claims where CDNTS is an Intervener	0	0
3. Active non-claimant applications	0	0
CDNTS Activities from 1 July - 30 June		
1. Native title claims		
- Claims filed	2	1
- Claims determined	1	1
- Claims dismissed	0	0
- Claims withdrawn	0	0
- Claims amalgamated	0	0
- Claims in development	4	6
2. Compensation claims		
- Claims filed	2	2
- Claims determined	0	0
- Claims dismissed	0	0
- Claims withdrawn	0	0
- Claims amalgamated	0	0
- Claims in development	2	2
3. Determination variations		
- Native title	0	1
- Compensation	0	0
Future Acts and Agreements at 30 June		
1. Future Acts		
- s 29 notifications received (expedited procedure)	219	185
- s 29 notification received (not expedited procedure)	1	4
- Objections to expedited procedure lodged	29	64
- s 24 notifications received	25	35
- s 24 objections lodged	2	6
2. Agreements		
- s 31 agreements executed	0	0
- ILUAs executed and registered	0	0
- Native Title Party preferred agreement executed	21	13
- Agreements in development	24	2

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

COMPLAINTS AND DISPUTES

1. Complaints	
- Received	2
- Resolved	2
- Pending	0
2. Disputes relating to native title	0
3. Disputes relating to ILUAs, rights of access and other matters	0
4. Requests for s203B1 reviews of decisions not to assist	
- Completed	0
- Pending	0



SUMMARY FINANCIAL INFORMATION

PERFORMANCE UNDER NATIVE TITLE REPRESENTATIVE BODY GRANT

	Budget 2019-2020	Actual 2019-2020	Variance 2019-2020	Budget 2018-2019	Actual 2017-2018
Income					
Native Title Funding					
Unexpended grants	505,100	505,100	-	499,100	395,284
Capital	-				90,000
Operational	4,911,430	4,911,430	-	5,223,350	5,024,975
Other Income					
Other Income	50,000	57,879	(7,879)	21,440	134,407
Recoveries	45,000	15,906	29,094	29,328	52,348
Interest	36,000	1,471	34,529	30,482	31,486
	5,547,530	5,491,786	55,744	5,803,700	5,728,500
Expenditure					
Capital Acquisitions	-	-	-	-	110,151
Corporate	1,539,750	1,717,798	(178,048)	1,596,322	1,727,094
Activities	4,007,780	3,089,468	918,312	3,702,278	3,392,155
	5,547,530	4,807,266	740,264	5,298,600	5,229,400
Net Result	-	684,520	684,520	505,100	499,100

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 2021

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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. Ruwan Silva

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 Australia Audit (WA)

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
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
NIAA	National Indigenous Australian Agency
NRM	Natural Resource Management
NTA	the Native Title Act 1993
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 2021.

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 acts management.	16 Apr 2007	N/A
Desert Support Services Pty Ltd	Accounting, HR, labour hire, land and community management services.	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 & Risk Committee CDNTS Group		
Mr. Terence (Terry) Grose	Chairperson	Member	Chairperson	-
Hon. Frederick (Fred) Chaney AO	Director	-	Director	-
Dr. Carolyn Tan	Director	-	-	-
Mr. Andrew (Andy) Gilmour	Director	Chairperson	Director	Chairperson
Mr. Ian Baird	-	-	-	Director
Dr Guy Singleton (resigned from CDNTS board on 06/08/2020)	Director	Member	Director	-
Fiona Skyring (resigned from CDNTS board on 16/10/2020)	Director	-	Director	-
Mr. Allan James (resigned from RFM board on 16/10/2020)	Director	-	Director	Director
Ms. Shaneane Weldon (appointed to CDNTS board on 11/12/2020)	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
Mrs. Jo Lanagan	Chief Executive Officer, Company Secretary	Chief Executive Officer	-
Mr. Ruwan Silva	Chief Financial Officer, Company Secretary	General Manager, Company Secretary	Chief Financial Officer, Company Secretary
Mr. Malcolm O'Dell	Principal Lawyer	-	-
Mr. Andrew Gilmour (resigned on 31/12/2020)	-	Chief Executive Officer	-

The officers have been in office since the beginning of the financial year unless otherwise stated. Their profiles are provided in the annual report.

REVIEW OF OPERATIONS

Operating Results

The Group's consolidated comprehensive income for the year was **\$313,800** (2020: \$290,502).

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 because of activities undertaken during the year is likely.

Desert Support Services

The principal activities of the Company 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;
- c) Assist aboriginal groups with Land management, capacity building and ranger programs;

- d) The 10 Desert project funded by BHP Foundation has operated for the full term in 2020/21 financial year; and
- e) Property management of surplus office space at 76 Wittenoom Street, East Perth on behalf of Central Desert.

The Company is a not-for-profit organisation. The Company is endorsed by Australian Charities & Not-For-Profit Commission (ACNC) and the Australian Taxation Office (ATO) as a Public Benevolent Institution (PBI).

Rockhole Funds Management

The principal activities of the Company during the financial year was 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. Trust funds 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. 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 & Not-For-Profit Commission (ACNC) and the Australian Taxation Office (ATO) as a charity.

Significant Changes in State of Affairs

In November 2020, Desert Support Services transferred the PBC Support Program to Central Desert Native Title Services to create efficiencies and maintain low cost, economical services to our PBC clients. This will not have any major impact to the operations of the group. No other significant changes in the company's state of affairs occurred during the year.

Events Subsequent to the End of the Reporting Period

On 1 July 2021 with the endorsement of the BHP Foundation, and Desert Support Services Board approval, the 10 Deserts Project was transitioned to the Indigenous Desert Alliance ("IDA"). This represented the achievement of a key milestone of the Project. One of the deliverable outcomes of the Project was to have a representative Indigenous organisation to support

Indigenous land management across the desert into the future, and one which had capacity to lead the 10 Deserts Project – the IDA is that organisation.

Desert Support Services is proud of the work it undertook in successfully leading the Project over the first few years and is confident that IDA will continue to work with the 10 Deserts Project Steering Committee to support traditional owners seeking to look after their country and build a positive future for their future generations.

No other 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.

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. Terrence Grose	5	5	3	3
Hon. Frederick Chaney AO	5	5	-	-
Dr. Carolyn Tan	5	5	-	-
Mr Andrew Gilmour	5	5	3	3
Dr. Fiona Skyring	1	-	-	-
Dr Guy Singleton	-	-	3	1
Mr Allan James	5	5	-	-
Ms Shaneane Weldon	2	2	-	-

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 not-for-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 2021 has been reviewed and can be found on page 7 of the financial report.

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



Terence Grose
Director
22 October 2021



Andrew Gilmour
Director
22 October 2022

**Moore Australia Audit (WA)**

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C 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 2021, there have been no contraventions of:

- a) 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
- b) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'Wen-Shien Chai'.

WEN-SHIEN CHAI
PARTNER

A handwritten signature in blue ink, appearing to read 'Moore Australia'.

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 22nd day of October 2021.

CONSOLIDATED FINANCIAL REPORT

For The Year Ended 30 June 2021

DIRECTORS' DECLARATION

For The Year Ended 30 June 2021

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 8 to 30 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 2021 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
22 October 2021



Andrew Gilmour
Director
22 October 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue and Other Gains			
Revenue from continuing operations	4	15,644,414	15,253,703
Other gains	4	168,177	220,177
		15,812,591	15,473,880
Expenses			
Employee benefits expense - CDNTS group		(5,924,511)	(6,038,512)
Employee benefits expense - labour hire		(1,279,162)	(1,139,802)
Services and supplies		(4,762,314)	(4,185,103)
Motor vehicle expenses		(208,012)	(202,600)
Occupancy costs		(277,549)	(390,543)
Travel expenses		(1,130,488)	(1,182,664)
Depreciation/amortisation		(429,873)	(372,033)
Interest expense		(53,486)	(82,143)
Other expenses	5	(1,433,396)	(1,589,978)
		(15,498,791)	(15,183,378)
Operating result for the year before income tax		313,800	290,502
Income tax expense	3(j)	-	-
Operating result for the year after income tax		313,800	290,502
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		313,800	290,502

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	7	10,703,738	9,114,787
Trade and other receivables	9	450,041	896,846
Other current assets	10	604,774	616,406
Total Current Assets		11,758,553	10,628,039
Non-Current Assets			
Property, plant & equipment	11	1,215,771	1,428,620
Right of use assets	12	849,021	1,194,232
Total Non-Current Assets		2,064,792	2,622,852
Total Assets		13,823,345	13,250,891
Current Liabilities			
Trade and other payables	14	551,354	734,024
Lease liabilities	15	126,612	172,509
Provision for employee benefits	16	1,063,308	877,654
Contract liability	17	4,756,542	4,222,622
Trust liabilities	18	2,015,009	1,998,740
Other liabilities	19	495,000	440,000
Total Current Liabilities		9,007,825	8,445,549
Non-Current Liabilities			
Lease liabilities	15	782,123	1,069,046
Provision for employee benefits	16	173,582	190,281
Total Non-Current Liabilities		955,705	1,259,327
Total Liabilities		9,963,530	9,704,876
Net Assets		3,859,815	3,546,015
Equity		3,859,815	3,546,015

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 June 2021

	Note	Retained Earnings \$	Reserves \$	Total \$
Balance at 30 June 2018		3,185,522	69,991	3,255,513
Operating result for the year		290,502	-	290,502
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		290,502	-	290,502
Movement in reserves		20,491	(20,491)	-
Balance at 30 June 2020		3,496,515	49,500	3,546,015
Operating result for the year				-
Other comprehensive income for the year		313,800	-	313,800
Total comprehensive income for the year		313,800	-	313,800
Movement in reserves		-	-	-
Balance at 30 June 2021	6	3,810,315	49,500	3,859,815

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Cash Flow from Operating Activities			
Receipts from government and customers		16,239,880	15,879,798
Payments to employees		(7,220,372)	(7,188,680)
Payments to suppliers		(7,216,886)	(6,682,827)
Interest received		31,148	86,382
Net cash from operating activities	8	1,833,770	2,094,673
Cash Flow from Investing Activities			
Payment for property & equipment	11	(72,310)	(212,313)
Net cash used in investing activities		(72,310)	(212,313)
Cash Flow from Financing Activities			
Repayment of lease liabilities	12	(172,509)	(167,485)
Net cash used in financing activities		(172,509)	(167,485)
Net increase in cash held		1,588,951	1,714,875
Cash and cash equivalents at the beginning of the financial year	7	9,114,787	7,399,912
Cash and cash equivalents at the end of the financial year	7	10,703,738	9,114,787

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For The Year Ended 30 June 2021

1. THE PARENT COMPANY

Central Desert Native Title Services Ltd (the Company) 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 Central Desert Native Title Services Ltd and its controlled entities (the Group) were authorised for issue by the directors on 22 October 2021. Directors have the authority to amend the statements after that date.

(b) Basis of Accounting

The 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 consolidated financial statements, except cash flow information, have been prepared on an accrual 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 Group in preparation of this financial report:

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (Central Desert Native Title Services Ltd) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 13.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(b) Revenue

Contributed Assets

The Group receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Group recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The Group recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

Operating Grants, Donations and Bequests

When the Group receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Group:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement

- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Group:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138).
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Group recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Group receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards. The Group recognises income in profit or loss when or as the Group satisfies its obligations under terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Group recognises dividends in profit or loss only when the Group’s right to receive payment of the dividend is established.

Service Income

The Group recognises service income when services are rendered to its clients.

Trust Management and Service Fees Income

The Group recognises trust management and service fees income when services are rendered to its clients.

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

(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 3(f) 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:

Class of Fixed Asset	Depreciation Rate
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

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;

- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group as lessor

Upon entering into each contract as a lessor, the Group assesses if the lease is a finance or operating lease. The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term. Rental income due under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. When a contract is determined to include lease and non-lease components, the Group applies AASB 15 to allocate the consideration under the contract to each component.

(e) Financial Instruments

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 Entity 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.

(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.

(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 the 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 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, the 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

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or

implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Lease term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Group will make. The Group determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic, and which are key to future strategy of the Group.

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.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(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) New and Amended Accounting Policies Adopted by the Group**Initial adoption of AASB 2020-04 COVID-19 – Related Rent Concessions**

AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19- Related Rent Concessions amends AASB 16 by providing a practical expedient that permits lessees to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and, if certain conditions are met, account for those rent concessions as if they were not lease modifications.

Initial adoption of AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business

AASB 2018-6 amends and narrows the definition of a business specified in AASB 3 Business Combinations, simplifying the determination of whether a transaction should be accounted for as a business combination or an asset acquisition. Entities may also perform a calculation and elect to treat certain acquisitions as acquisitions of assets.

The standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

4. REVENUE FROM CONTINUING OPERATIONS

	2021	2020
	\$	\$
Revenue from continuing operations		
Net grant revenue	12,218,690	11,972,345
Revenue from the sale of services	2,907,460	2,618,365
Sales of goods	-	6,802
Reimbursements	435,116	540,780
Rent & utilities	-	6,300
Donations	52,000	16,837
Sundry	-	5,892
Interest	31,148	86,382
	<u>15,644,414</u>	<u>15,253,703</u>
Other Gains		
Profit on sale of non-current assets	-	87,010
Other Gains	140,874	128,191
Bad Debts - Recovered	27,303	4,976
	<u>168,177</u>	<u>220,177</u>
	<u>15,812,591</u>	<u>15,473,880</u>

5. NET OPERATING RESULT

Net Operating Result before income tax is determined after the following significant other expenses:

PBC Program expenses	1,090,859	991,154
Repairs & maintenance	175,181	212,921
Charitable payments	909	8,316
Bad debts provision/written off	-	16,166
Other expenses	166,447	361,421
	<u>1,433,396</u>	<u>1,589,978</u>

6. MOVEMENT IN RESERVES

	General Reserve	Vehicle Replacement Reserve	Total
	\$	\$	\$
Reserves at beginning of year	-	49,500	49,500
Operating result for the year	-	-	-
Comprehensive income	-	-	-
Movement in reserves	-	-	-
Reserves at end of year	-	49,500	49,500

Vehicle Replacement Reserve

This is the amount received from the Company's insurer after a vehicle accident in a prior period. It is held to fund a replacement vehicle at some point in the *future*.

7. CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash at Bank		
Central Desert Native Title Services Ltd (CDNTS)	5,951,599	3,470,248
Desert Support Services Pty Ltd (DSS)	2,716,031	3,629,116
Rockhole Funds Management Pty Ltd (RFM)	21,078	16,383
	<u>8,688,708</u>	<u>7,115,747</u>
Trust Accounts		
Held by Rockhole Funds Management Pty Ltd (RFM)	2,015,009	1,998,740
	<u>2,015,009</u>	<u>1,998,740</u>
Cash on Hand		
Petty cash	21	300
	<u>10,703,738</u>	<u>9,114,787</u>

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

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

- \$4,756,542 representing the balance of unexpended grants – see note 17(a).

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.

- \$2,015,009 is held in trust for 3rd parties – see note 18.

8. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities

Operating result for the year after income tax	290,502	721,560
Non cash flows included in operating result		
Depreciation and amortisation	372,032	241,177
Interest expense on lease liabilities	82,116	-
Net (profit)/loss sale of assets	-	(39,273)
Changes in assets and liabilities		
Increase in receivables	838,603	51,433
Increase/(decrease) in other current assets	(346,300)	(198,467)
Decrease in payables	(537,077)	168,628
Increase in contract liabilities	856,216	350,074
Increase/(decrease) in provision for employee benefits	(43,836)	172,346
Increase in trust and other liabilities	582,417	652,058
Cash flows from operating activities	<u>2,094,673</u>	<u>2,119,536</u>

9. TRADE AND OTHER RECEIVABLES

	2021	2020
	\$	\$
Trade receivables	393,961	875,001
Other receivables	68,703	61,771
Less: Provision for impairment	(12,623)	(39,926)
	<u>450,041</u>	<u>896,846</u>

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	90,145	93,044
Bonds	3,000	14,401
Accrued income	9,072	68,961
Shares held in trust by Rockhole Funds Management Pty Ltd (RFM)	495,000	440,000
Establishment costs - DABS	7,557	-
	<u>604,774</u>	<u>616,406</u>

11. PROPERTY, PLANT & EQUIPMENT

Freehold land and buildings		
Freehold land at cost	23,500	23,500
Buildings at cost	1,116,691	1,116,691
Less: accumulated depreciation	(378,396)	(311,566)
	<u>761,795</u>	<u>828,625</u>
Leasehold improvements		
Leasehold improvements at cost	915,375	915,375
Less: accumulated depreciation	(771,868)	(713,115)
	<u>143,507</u>	<u>202,260</u>
Motor vehicles		
Motor vehicles at cost	971,235	1,165,897
Less: accumulated depreciation	(794,099)	(891,999)
	<u>177,136</u>	<u>273,898</u>
Office equipment & furniture		
Office equipment & furniture at cost	491,857	481,288
Less: accumulated depreciation	(428,745)	(381,561)
	<u>63,112</u>	<u>99,727</u>
Plant & equipment		
Plant & equipment at cost	131,363	69,620
Less: accumulated depreciation	(64,218)	(48,586)
	<u>67,145</u>	<u>21,034</u>
Artwork		
Artwork at cost	3,076	3,076
	<u>3,076</u>	<u>3,076</u>
	<u>1,215,771</u>	<u>1,428,620</u>

a) Movements in carrying amounts

	Freehold Land & Buildings	Leasehold Improvements	Motor Vehicles	Office Equipment & Furniture	Plant & Equipment	Artworks	Total
	\$	\$	\$	\$	\$	\$	\$
2020							
Opening balance	772,681	234,594	350,252	88,369	6,675	3,076	1,455,647
Additions	119,288	19,909	1,446	51,989	19,681	-	212,313
Depreciation expense	(63,344)	(52,243)	(77,800)	(40,631)	(5,322)	-	(239,340)
Disposals	-	-	-	-	-	-	-
	828,625	202,260	273,898	99,727	21,034	3,076	1,428,620
2021							
Additions	-	-	-	10,568	61,742	-	72,310
Depreciation expense	(66,830)	(58,753)	(62,735)	(47,183)	(15,631)	-	(251,132)
Disposals	-	-	(34,027)	-	-	-	(34,027)
	761,795	143,507	177,136	63,112	67,145	3,076	1,215,771

12. RIGHT OF USE ASSETS

The Group's lease portfolio includes buildings (office lease). This lease has a term of 7 years.

Options to Extend or Terminate

The option to extend or terminate are contained in the property lease of the Group. These clauses provide the Group opportunities to manage the lease in order to align with its strategies. All of the extension or termination options are only exercisable by the Group. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

	2021	2020
	\$	\$

i) AASB 16 related amounts recognised in the balance sheet**Right of use assets**

Leased buildings	1,027,762	1,326,924
Accumulated depreciation	(178,741)	(132,692)
Total right of use assets	849,021	1,194,232

Movement in carrying amounts

Leased buildings:		
Balance at the start of the financial year	1,194,232	1,326,924
Balance at the start of the financial year	(166,470)	-
Depreciation expense	(178,741)	(132,692)
Balance at the end of financial year	849,021	1,194,232

ii) AASB 16 related amounts recognised in the statement of profit and loss

Depreciation charge related to right of use assets	178,741	132,692
Interest expense on lease liabilities	53,483	82,116
	232,224	214,808

iii). Total cash outflow for leases

	172,509	167,485
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13. 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	6/1/12	Australia	100
Rockhole Funds Management Pty Ltd	65 164 808 333	26/7/13	Australia	100

Both companies are not-for-profit private companies and therefore Central Desert Native Title Services Ltd 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	2021		2020	
	Surplus \$	Net Assets \$	Surplus \$	Net Assets \$
Desert Support Services Pty Ltd	122,003	1,109,203	190,165	987,200
Rockhole Funds Management Pty Ltd	6,386	20,403	1,507	14,017

14. TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Trade payables	221,445	330,840
Other payables	5,930	3,580
Payroll payables	29,331	17,182
GST & PAYG	202,215	76,547
Credit card		
Mastercard	7,414	28,857
American Express	6,053	9,305
Accrued wages	12,321	225,875
Accrued program expenses	66,645	41,705
Prepaid fees	-	131
	551,354	734,022

Credit Card Facilities. The group has a \$175,000 credit card facility with Westpac Banking Corporation of which \$160,172 remained unused at balance date. The group has a \$70,000 credit card facility with American Express of which \$63,948 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

Trade and other payables		
Total current liabilities	551,354	734,024
Less other payables (net amount of GST payable)	(202,215)	(76,547)
Financial liabilities as trade and other payables	349,139	657,477

15. LEASE LIABILITIES

	2021	2020
	\$	\$
<i>Current</i>		
Lease liabilities	126,612	172,509
	<u>126,612</u>	<u>172,509</u>
<i>Non-current</i>		
Lease liabilities	782,123	1,069,046
	<u>782,123</u>	<u>1,069,046</u>

16. PROVISION FOR EMPLOYEE BENEFITS

<i>Current</i>		
Annual leave	527,770	454,330
Long service leave	535,538	423,324
	<u>1,063,308</u>	<u>877,654</u>
<i>Non-current</i>		
Long service leave	173,582	190,281
	<u>173,582</u>	<u>190,281</u>

	Employee Benefits
	\$
Analysis of total provisions	
Opening balance at 1 July 2020	1,067,935
Additional provisions raised during year	609,995
Amounts used	(441,040)
Ending balance at 30 June 2021	<u>1,236,890</u>

17. CONTRACT LIABILITY

	2021	2020
	\$	\$
Unexpended grants	4,756,542	4,222,622
	<u>4,756,542</u>	<u>4,222,622</u>
a) Unexpended grants		
Native Title Grants	3,132,001	1,471,326
Land & Community and Other Grants	1,623,420	2,750,175
Auspiced Grant	1,121	1,121
	<u>4,756,542</u>	<u>4,222,622</u>

These grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15. Therefore, the amount received is initially recorded as a contract liability and recognised as revenue over time as performance obligations are satisfied.

18. TRUST LIABILITIES

	2020	2019
	\$	\$
Funds held by Rockhole Funds Management Pty Ltd (RFM)	2,015,009	1,998,740
	<u>2,015,009</u>	<u>1,998,740</u>

19. OTHER LIABILITIES

Liabilities associated with shares held in trust by Rockhole Funds Management Pty Ltd (RFM)	495,000	440,000
	<u>495,000</u>	<u>440,000</u>

20. AUDITOR REMUNERATION

Audit of the financial report	30,000	30,000
Other non-audit services	-	1,000
	<u>30,000</u>	<u>31,000</u>

21. KEY MANAGEMENT PERSONNEL

The Group's key management comprise the directors identified in the director's report and senior management staff.

Remuneration of Key Management Personnel

Name	Directors		Senior Management	
	2021 \$	2020 \$	2021 \$	2020 \$
Short Term Benefits				
Salaries & allowances	-	-	771,846	885,153
Post Employment Benefits				
Superannuation	-	-	72,140	73,234
Total	<u>-</u>	<u>-</u>	<u>843,986</u>	<u>958,387</u>

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.

22. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

The Group does not have any lease commitments for non-capitalised leases as at 30 June 2021.

Capital Expenditure Commitments

The Group does not have any capital commitments as at 30 June 2021.

23. CONTINGENT ASSETS AND LIABILITIES

The Group does not have any contingent assets and contingent liabilities as at 30 June 2021.

24. 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 2021, the number of members was six (6).

25. EVENTS AFTER THE REPORTING PERIOD

On 1 July 2021 with the endorsement of the BHP Foundation, and DSS Board approval, the 10 Deserts Project was transitioned to the Indigenous Desert Alliance ("IDA"). This represented the achievement of a key milestone of the Project. One of the deliverable outcomes of the Project was to have a representative Indigenous organisation to support Indigenous land management across the desert into the future, and one which had capacity to lead the 10 Deserts Project – the IDA is that organisation.

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

26. FINANCIAL RISK MANAGEMENT

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

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	2021 \$	2020 \$
Financial Assets at amortised cost			
Cash and cash equivalents	7	10,703,738	9,114,787
Trade and other receivables	9	450,041	896,846
Total Financial Assets		11,153,779	10,011,633
Financial Liabilities at amortised cost			
Trade and other payables	14	349,139	657,477
Lease liabilities	15	908,735	1,241,555
Contract liability	17	4,756,542	4,222,622
Total Financial Liabilities		6,014,416	6,121,654

The Members
Central Desert Native Title Services Ltd
76 Wittenoom Street
East Perth WA 6004

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Report

We have audited the accompanying financial report of Central Desert Native Title Services Ltd, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Central Desert Native Title Services Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Economic Dependency

Without qualification to the opinion expressed above, attention is drawn to the fundamental accounting principal that the financial statements are prepared on the basis of company being a going concern. As disclosed in the notes to the financial statement this is dependent upon continued funding from government agencies.

Responsibilities 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 and the Corporations Act 2001 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. The going concern basis of accounting is appropriate when it is reasonably foreseeable that the company will be able to meet its liabilities as they fall due.

The directors are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our objective is 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 aggregate, they could reasonably be expected to influence the economic decisions of members taken on the basis of this financial report.

We have complied with the competency standards set by Australian Securities & Investments Commission (ASIC). Our audit has been conducted in accordance with Australian Auditing Standards. These standards require that we comply with relevant ethical requirements relating to audit engagements, and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free from material misstatement.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

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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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