



2017 ANNUAL REPORT



CENTRAL DESERT GROUP

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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GLOSSARY

AC	Aboriginal Corporation
ACNC	Australian Charities and Not-for-Profits Commission
AGM	Annual General Meeting
BHA	Bush Heritage Australia
CAT	Cultural Awareness Training
CATSI	Act Corporations (Aboriginal and Torres Strait Islander) Act 2006
Central Desert	Central Desert Native Title Services Limited
CDG	Central Desert Group
CHMP	Cultural Heritage Management Plan
CLC	Central Land Council
CSR	Canning Stock Route
DPaW	WA Department of Parks and Wildlife
DPBCA	Desert PBC Alliance
DPM+C	Commonwealth Department of Prime Minister and Cabinet
DSS	Desert Support Services
GDNR	Gibson Desert Nature Reserve
IAS	Indigenous Advancement Strategy
IDA	Indigenous Desert Alliance
ILUA	Indigenous Land Use Agreement
IPA	Indigenous Protected Area
MKK	Matuwa Kurarrakurra
MNR	Mungarlu Ngurrurangkatajja Rirraunkaja (Aboriginal Corporation)
NNTT	National Native Title Tribunal
NPY	Ngaanyatjarra Pitantjatjara Yankunytjatjara
NRM	Natural Resource Management
NSRL	Northern Star Resources Limited
NTA	Native Title Act 1993
NTRB	Native Title Representative Body
NTSP	Native Title Service Provider
ORIC	Office of the Registrar of Indigenous Corporations
PBC	Prescribed Body Corporate
PFA	Program Funding Agreement
RFM	Rockhole Funds Management
RNTBC	Registered Native Title Body Corporate
PBC	Prescribed Body Corporate
PBI	Public Benevolent Institution
PFA	Program Funding Agreement
RFM	Rockhole Funds Management Pty Ltd
RNTBC	Registered Native Title Body Corporate
TMPAC	Tarlka Matuwa Piarku (Aboriginal Corporation)
TO	Traditional Owner



CENTRAL DESERT NATIVE TITLE SERVICES

Senator the Hon. Nigel Scullion
Minister for Indigenous Affairs
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 2016 to 30 June 2017.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2017.

Sincerely,

Mr Terry Grose
Chairperson



Lake at Jalyirr, near the site of the Ngurra Kayanta determination.
Photo: Trinity Handley

CHAIRPERSON'S REPORT

It is with pleasure that I report on the activities of the Central Desert Group for the year to 30 June 2017, our tenth year as a native title service provider. In addition to reporting on what has been a successful year of transition for the Central Desert Group I am pleased to have this opportunity to reflect on some of our achievements over those ten years.

At the heart of the Group's achievements has been the work done to facilitate the 18 native title determinations over 8 claim areas for the traditional owners of the central desert. The most recent of these was the Tjiwarl determination celebrated at Jones' Creek on 27 April. I was very pleased to be able to attend the celebration to hear Justice Mortimer declare her decision and offer warm words of encouragement and thanks to the assembled community. As I write this I am also looking forward to attending the Yilka determination on 27 September.

In addition to the native title determinations, a growing part of the Group's operations over the past ten years has been an increased focus on offering services and assistance to communities as they work to maximize the benefits flowing from native title. This is provided in a number of ways; ranging from assistance with the creation and development of the Prescribed Bodies Corporate (PBCs), to assisting with the establishment of ranger programs and the generation of revenue through contracts with mining companies and governments for the rehabilitation and protection of country.

In recognition of the increasing emphasis of the Group on the various aspects of community development we re-organised the structure during the year to more clearly delineate the various activities. Under the new structure our key focus in working with traditional owners to obtain native title will continue to be done by Central Desert Native Title Services, while the subsidiary, Desert Support Services, will focus its efforts on providing financial, administrative and development services to PBCs in the Central Desert. This better reflects our mission and revised strategic plan

"...to ensure that solid foundations are laid for the peoples of the Central Desert to determine and build their own social, cultural and economic futures."

The Central Desert Board has, since its inception, recognised that native title is a fundamental step in the journey towards Aboriginal people realising their unmet aspirations. These recent changes open up new opportunities for native title holders and PBCs to protect, manage and leverage recognised native title rights and interests in their terms and under their own direction. In preparing for the changes Mr Guy Singleton was invited to join the board in July 2016. As you will see from his brief biography (page 12 of this report) Guy has strong academic and practical experience in remote development and we are already benefitting from this experience, which nicely complements that of our well-qualified board.

Finally I wish to congratulate our CEO, Ian Rawlings, and his dedicated staff for their work during the year in managing the organisational changes and continuing to perform at a very high level. I would also like to thank my Board colleagues for their ongoing contribution and support. We all look forward to continuing our work in the year ahead.

Terry Grose
Chairperson

CHIEF EXECUTIVE OFFICER'S REPORT

In March 2017 Western Australia had a change of State Government, Central Desert congratulates the Hon Ben Wyatt on becoming Australia's first Indigenous Treasurer. Minister Wyatt is also the Minister for Aboriginal Affairs, the Minister for Energy and the Minister responsible for Native Title. We are looking forward to building a strong and collaborative working relationship with the Minister and his colleagues in Government.

As noted in the Chairperson's Report, the Central Desert Group has been working through some significant structural changes over the reporting period. While this work has been progressing, our day to day priorities continue and there have been some important milestones through the reporting year.

We congratulate the Ngurra Kayanta, Kulyakartu and Tjiwarl peoples for securing the recognition of their native title rights and interests through their respective native title determinations. These achievements would not come about without the strength of our constituents to continually work through what is often an exhausting and frustrating process to ensure the recognition of their rights. It is also due to the dedicated staff at Central Desert and the expert consultants who all work tirelessly to ensure the best outcome for our constituents.

On 1 February 2017 the first ever successful application to vary a determination of native title was handed down by the Federal Court. The variation recognised that the Wiluna/Tarlpia native title holders hold native title over areas of pastoral improvements. The original determination in 2013 found those were areas where native title does not exist, but allowed for a variation if the High Court's decision in the *Brown* matter found that to be incorrect, which was the case.

We have successfully secured funds from the PBC Capacity Building program to initiate the 'Realising local and regional desert economies' project, which has already been the catalyst for the formation of the Desert PBC Alliance Western Australia, a regular forum for Desert based PBCs to collaborate and have a united voice across the region.

The Wiluna Martu Ranger program has been nominated by its partners for the (former) Department of Mines and Petroleum Community Partnership Awards and is currently a finalist.

Our Land and Community team has assisted two PBCs to each host highly successful on-country 'Pay It Forward' projects with Telstra employees.

The Department of Prime Minister and Cabinet has reinvigorated its cycle of performance reviews of Native Title Representative Bodies and Service Providers and Central Desert has been selected as one of the five bodies being reviewed in the coming reporting year. The reviews will be looking at the effectiveness and efficiency of the five selected bodies. We are looking forward to meeting with the review team and taking the opportunity to showcase our processes and achievements with them.

My sincere thanks go to the Central Desert Native Title Services and the Desert Support Services Boards, both ably chaired by Mr Terry Grose, for their hard work and commitment to the people of our region. My gratitude is also extended to our core funders, the Department of Prime Minister and Cabinet and to all key partners for their consistent support and productive working relations.

I note the departure of our Chief Finance Officer of eight years, Mr Ric West. Ric made a huge and valuable contribution to the organisation and I thank him and wish him all the best in the future. I also welcome Ric's replacement, Mr Colin Napier who is proving an able successor.

I'd like to thank our constituents for their commitment to our organisation and the generosity and support they consistently show to our staff. I thank our dedicated team for their tireless work and enduring commitment to our constituents.

The Central Desert region is a vast and challenging landscape and in that context, I want to acknowledge the amazing work done by all our staff. Those staff that travel out on country and those who may not be on the front line, but who make sure that everything happens in a seamless and seemingly effortless manner - you are all champions!

Thank you.

I submit the CEO Report for your consideration.



Ian Rawlings

Chief Executive Officer



Alice Allison returning to the Labbi Labbi Rockhole
Photo: Nick Brisbourn

DIRECTORS AND OFFICERS

DIRECTORS



MR TERRY GROSE
(Chairperson of Central Desert and DSS)

Appointed 14 December 2012
**Central Desert and Desert
Support Services (DSS)**

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



THE HON. FRED CHANEY AO

Appointed 11 September 2007
Central Desert and DSS

Fred Chaney has served as a Member and Deputy President of the National Native Title Tribunal, Co-Chair and director on the board of Reconciliation Australia Limited, Chair of Desert Knowledge Australia and Chair of the Consultation Committee on a Human Rights Act for Western Australia. In 2008 he was awarded the Sir Ronald Wilson Leadership Award for "Exceptional leadership in the fields of social justice, human rights, equality and anti racism". Fred continues to serve as a director of Reconciliation WA and is a co-founder and Deputy Chair of the Graham (Polly) Farmer Foundation. In 2011 he was a member of the Expert Panel on the Constitutional Recognition of Indigenous Australians. Fred was the recipient of the Senior Australian of the Year for 2014.



DR FIONA SKYRING

Appointed 7 October 2008
Central Desert and DSS

Fiona Skyring is a historian. While employed by the Kimberley Land Council from 1999 to 2005 as an expert witness, Fiona gave evidence on behalf of the native title applicants in five trials in the Federal Court. Since then Fiona has worked for native title service providers on behalf of applicants, for Aboriginal heritage organisations and for government. She has contributed to community history projects, museum exhibitions and academic publications. Fiona is the author of 'Justice: A History of the Aboriginal Legal Service of Western Australia', which won the 2012 Margaret Medcalf Award, the State Library of Western Australia's WA History Prize and the WA Premier's Prize. Fiona's next book, on returned soldier riots at the end of World War I in Australia, will be published by UWA Publishing in 2018.



**MR ANDREW (ANDY)
GILMOUR**

Appointed 14 December 2012
**Central Desert, DSS and Chair of
Rockhole Funds Management**

Andy is a director of national chartered accounting firm RSM Australia practising in the Corporate Finance Division. He has over 30 years experience as a chartered accountant and business adviser initially in the area of audit and subsequently in corporate finance and transaction support. He has had a wide breadth of experience with exposure to businesses in diverse industries from financial services to mining. There he would deal with everything from small family concerns, to those of large multinational corporations. Andy holds a Bachelor of Arts (Honours) from the University College of Wales, Aberystwyth and recently stepped down as the West Australian representative of the Business Valuation Special Interest Group of the Institute of Chartered Accountants. Andy was admitted as a partner of RSM Australia Partners in 1994.



DR CAROLYN TAN

Appointed 14 December 2012
Central Desert only

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

**DR GUY SINGLETON**

Appointed 20 July 2016
Central Desert and DSS

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 Western Australia, South Australia and the Northern Territory. Since 2012 Guy has held a range of Social Responsibility positions within the resource industry sector, with his current position being Principal - Environment, Social Responsibility and Government Relations at Northern Star Resources Limited. 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.

**MR IAN BAIRD**

Appointed 23 September 2014
Rockhole Funds Management

Mr Ian Baird is the General Manager of Pila Nguru Aboriginal Corporation (PNAC), the Registered Native Title Body Corporate for the Spinifex native title holders, based in Tjuntjuntjara community. The PNAC hosts the Spinifex Land Management (SLM) program, which has been conducting its land management programs in the Great Victoria Desert from Tropicana west into South Australia. Over the last couple of years SLM has become the largest employer of local people in Tjuntjuntjara. Ian recently assumed management of Spinifex Contracting Aboriginal Corporation, a commercial arm of the Spinifex group involved primarily in road works and mining support. Ian has been an adviser to the Maralinga Piling Trust (Western Australia Fund) for the past 24 years. He speaks fluent Pitjantjatjara and has over 30 years experience in community development practice and administration while living in remote Aboriginal communities in the Western Desert. Ian was elected as a councillor in 2015 and subsequently, Deputy President of the Menzies Shire Council.

**MR ALLAN JAMES**

Appointed 1 October 2014
Rockhole Funds Management

Allan James is a Wongi/Yamatji man who was raised on a remote pastoral station in the Northern Goldfields region of Western Australia. As a qualified accountant, he has a strong commercial background. He has undertaken several consulting roles with Indigenous organisations and communities, providing business development, financial, insurance and risk management advice through his business consultancy. He also has an extensive history in the mining industry having worked with Rio Tinto at Argyle Diamonds, BHP Billiton, Newmont Boddington Gold and more recently with Carey Mining. He has filled various management roles in the mining sector, including delivering Social Responsibility and Community Relations strategies as they relate to Heritage and Land Access approvals, Indigenous Affairs, Community Investment, Media Communications, Government and Stakeholder relations.

COMPANY OFFICERS

**CHIEF EXECUTIVE OFFICER
AND COMPANY SECRETARY****MR IAN RAWLINGS**

Appointed Company Secretary
26 November 2007

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

**PRINCIPAL LAWYER****MR MALCOLM O'DELL**

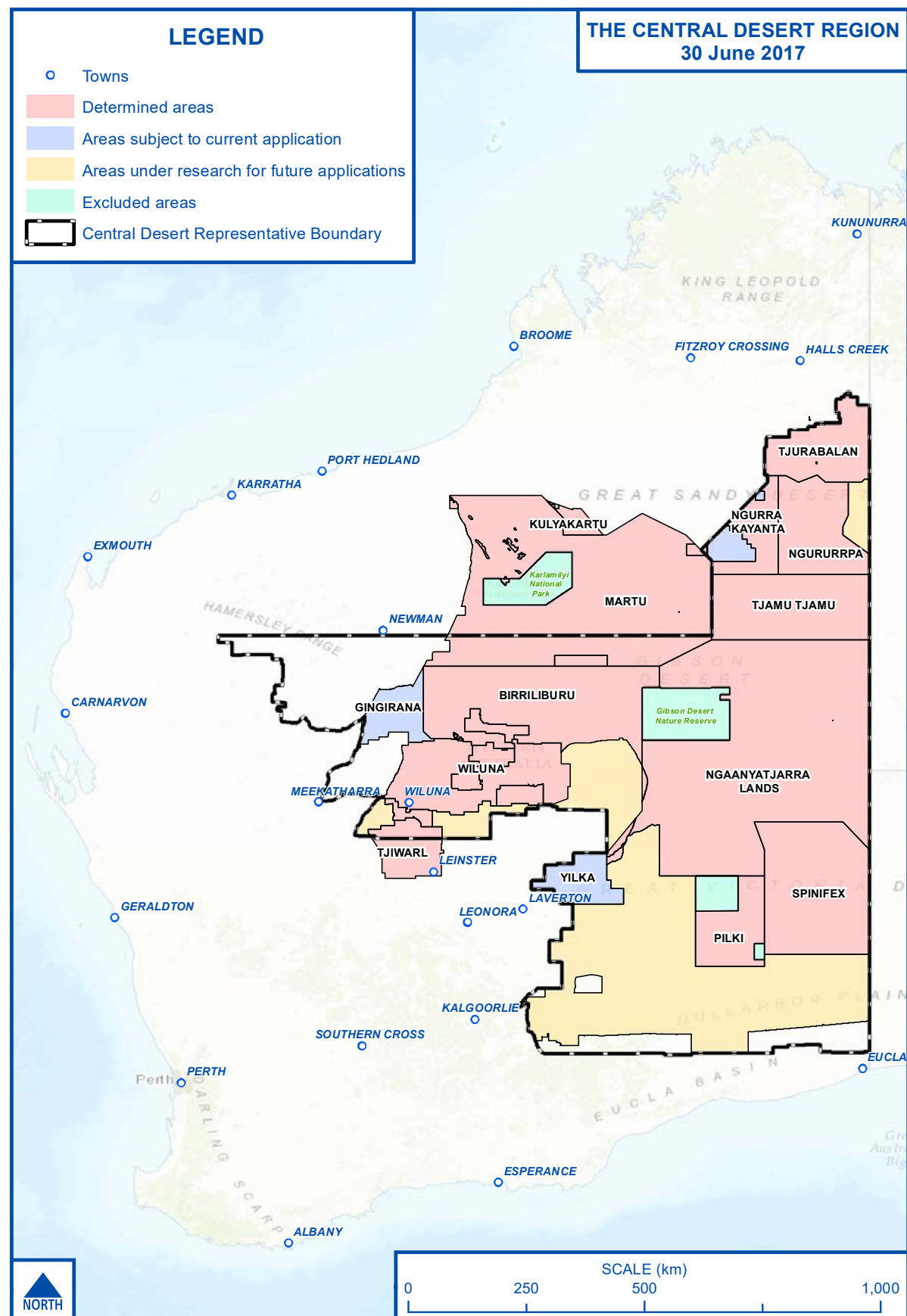
Malcolm O'Dell has served as the company's Principal Lawyer since its inception. Malcolm has extensive native title experience having worked for the National Native Title Tribunal from 1996 to 1999 before entering legal practice with Dwyer Durack. He joined Ngaanyatjarra Council in 2004, working in the Native Title Unit, and moved to Central Desert when it was formed in 2007. He has extensive experience in native title in the areas of mediation, negotiation, agreement making, court representation, arbitral inquiries and hearings. Malcolm is also a director of Access Housing Australia Ltd, a not-for-profit provider of social and affordable housing in Western Australia.

**CHIEF FINANCIAL OFFICER
AND COMPANY SECRETARY****MR COLIN NAPIER**

Appointed Company Secretary
23 September 2016

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

THE CENTRAL DESERT REGION



WHO WE ARE

THE CENTRAL DESERT GROUP

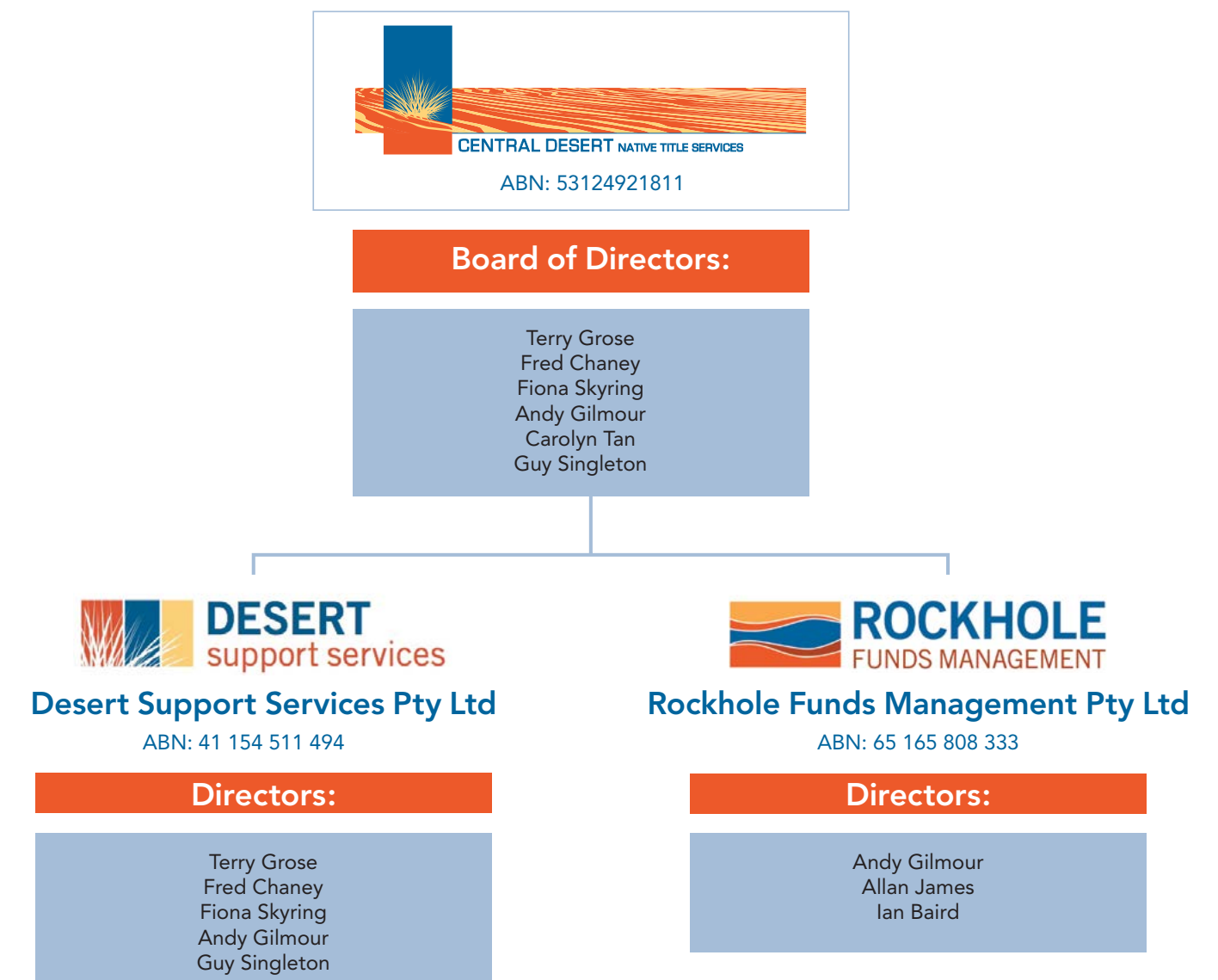
Since its inception in 2007 Central Desert Native Title Services Limited (Central Desert) has established two subsidiary companies. Desert Support Services Pty Ltd (DSS) commenced operations in 2011 and Rockhole Funds Management Pty Ltd (RFM) in 2013.

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

Central Desert currently has six directors on its Board of Management who volunteer their time. This year the CDG welcomed a new director, Dr Guy Singleton to both the Central Desert and DSS boards. Read more about the wealth of skills and experience that our directors bring to the company at the profile pages 10-13.

The two subsidiary companies have their own respective governing boards. As shown in the diagram below, the five directors of DSS are also Central Desert directors.

RFM is governed by a director of Central Desert and two independent directors and receives administrative support to operate through DSS.



Central Desert and its subsidiaries are registered with the Australian Charities and Not-for-profits Commission (ACNC). As such, the directors of the Central Desert Group place great value on meeting the ACNC governance standards outlined below.

Standard 1: Purposes and not-for-profit nature

Charities must be not-for-profit and work towards their charitable purpose. They must be able to demonstrate this and provide information about their purposes to the public.

Standard 2: Accountability to members

Charities that have members must take reasonable steps to be accountable to their members and provide them with adequate opportunity to raise concerns about how the charity is governed.

Standard 3: Compliance with Australian laws

Charities must not commit a serious offence under any Australian law or breach a law that may result in a penalty of \$10, 200 or more.

Standard 4: Suitability of responsible persons

Charities must take reasonable steps to:

- Be satisfied that its responsible persons are not disqualified from managing a corporation under the Corporations Act 2001 (Cth) or disqualified from being a responsible person of a registered charity by the ACNC Commissioner; and,
- Remove any responsible person who does not meet these requirements.

Standard 5: Duties of responsible persons

Charities must take reasonable steps to make sure that responsible persons are subject to, understand and carry out the duties set out in this standard. The duties are:

- Act with reasonable care and diligence;
- Ensure that financial affairs are managed responsibly;
- Act honestly in the best interests of the charity and for its purposes;
- Not misuse their position or information;
- Disclose any actual or perceived conflict of interest; and,
- Not allow a charity to operate while insolvent.

http://www.acnc.gov.au/ACNC/Manage/Governance/ACNC/Edu/GovStds_overview.aspx

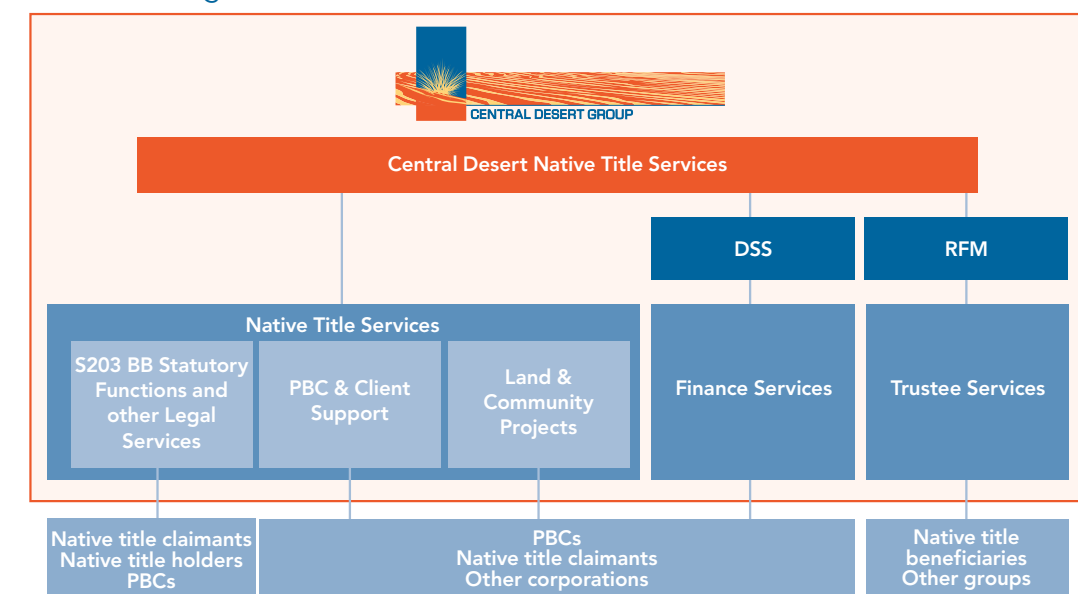
Being prepared for dancing at the Kulyakartu determination.
Photo: Trinity Handley

OUR ORGANISATIONAL STRUCTURE

In December 2015 the Central Desert Board initiated a review of the Central Desert Group's activities and structures in acknowledgment of the change in the balance of services we deliver as more claims are determined and more Prescribed Body Corporates (PBCs) come on line. The review noted the strong and consistent native title outcomes we have achieved over time and recognised the need to maintain a keen focus on our statutory functions as a native title service provider. At the same time the review highlighted the widening range of needs and differing circumstances of the growing number of PBCs in the region. The review recommended structural changes to the Group in order to address the changes in our operating environment.

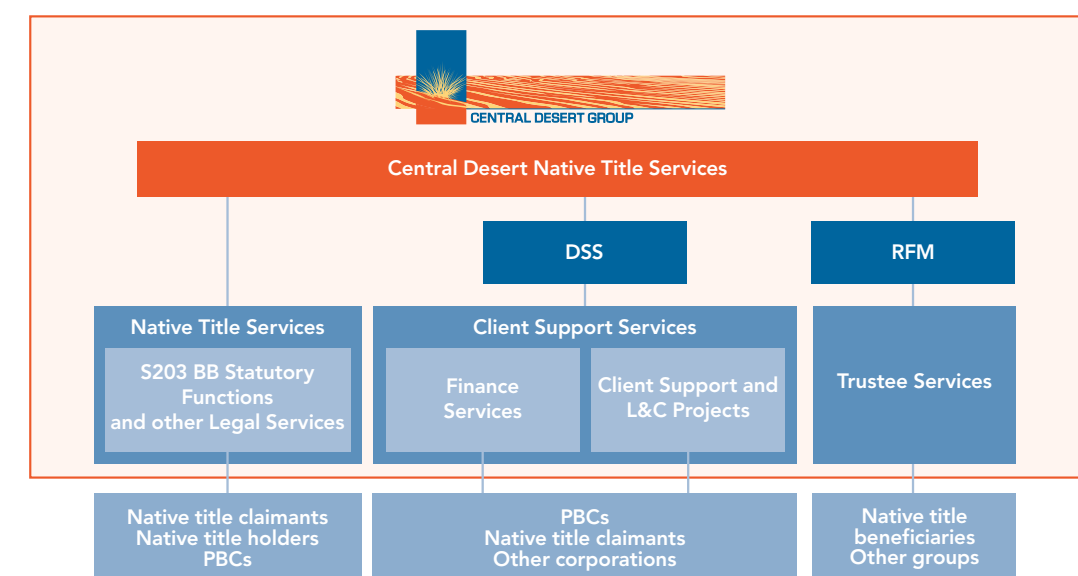
In February 2016 the first stage of a new organisational structure was implemented, which took the range of PBC services out of the statutory functions team and into a new PBC and client services team within Central Desert. This is the structure below that operated for this reporting period through to June 30, 2017 in preparation for a full transition which takes all non-statutory functions out of Central Desert and into its wholly owned subsidiary Desert Support Services. This new structure, as shown in the second diagram titled Current Structure, took effect on July 1, 2017.

Structure Stage One



Central Desert Group - Functional Chart

Current Structure



Central Desert Group - Functional Chart

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. The work carried out by Central Desert can be divided into four main areas, described briefly below:

- Statutory functions under the NTA ('Legal Services');
- Heritage Agreements and Compliance;
- Prescribed Bodies Corporate Services ('PBC Services'); and
- Subsidiaries

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

Legal Services

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

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

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

Heritage Agreements and Compliance

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



Daniel Walbidi leading the boys at the Kulyakartu determination.
Photo: Trinity Handley



Meridoo Walbidi at the Kulyakartu determination.
Photo: Trinity Handley

PBC Services

Central Desert's PBC Services supports native title bodies with their governance obligations and with land management program development, including support for Indigenous ranger employment and training programs. The work of the section, which includes our well established Land and Community team, builds the capacity of native title communities to manage their own land and community programs and promotes partnerships between native title communities and other organisations for mutual benefit. Much of this work is funded through project specific grants. This suite of functions will be transferred to DSS as of this reporting period.

Subsidiaries

Desert Support Services (DSS)

DSS principal activities during the financial year were:

- Labour hire of casual employees, usually regionally-based Traditional Owners undertaking future act and land management activities for Central Desert;
- Accounting, bookkeeping and human resources services for Prescribed Bodies Corporate (PBC) and other Indigenous community groups within the Central Desert region; and,
- Property management of surplus office space at 76 Wittenoom Street East Perth on behalf of Central Desert.

DSS is a non-profit organisation. It is endorsed by the Australian Charities and Not-for-profits Commission (ACNC) and the Australian Taxation Office (ATO) as a

Public Benevolent Institution (PBI).

Rockhole Funds Management (RFM)

RFM continued to serve as a Native Title Trust fund management service for Central Desert PBCs and for claim groups where native title has not been determined. Trusts held are below the commercial threshold for private trust fund services. The company deliberately operates on a low cost model and use the Public Trustee as its 'high' benchmark for costs. Over the past 12 months RFM took over responsibility for all the native title trusts funds held by Central Desert. The company holds legal advice stating that the company does not need to be the holder of an Australian Financial Services Licence.

RFM is a non-profit organisation. It is endorsed by the Australian Charities and Not-for-profits Commission (ACNC) and the ATO as a charity.

It is the intention of the Central Desert Board to consult with clients and other stakeholders on a timeframe and structure to devolve ownership of both subsidiaries to PBCs within the region.

OUR STRATEGIES

During the 2016-17 year the Central Desert Group continued its focus on delivering against the objectives of its Strategic Plan (2015-18).

Central Desert prioritises securing timely and strong settlements and agreements for our constituents and maximising effective and beneficial use and management of Aboriginal lands, with a strong emphasis on supporting native title land holding entities (PBCs). These three Key Focus Areas are at the core of our purpose.

A range of key activities have been identified which contribute to achieving results in the Key Focus Areas.

Central Desert Group’s Strategic Plan is provided below.

OUR VISION

is that the peoples of the Central Desert are using their traditional lands to fulfill their highest social, cultural and economic aspirations.

OUR MISSION

is to ensure that solid foundations are laid for the peoples of the Central Desert to determine and build their own social, cultural and economic futures.

The values that drive our behaviour are

- Community focused
- Innovative and adaptive
- Professional
- Collaborative
- Goal oriented

OUR KEY FOCUS AREAS ARE

WORKING WITH CLIENTS, PARTNERS AND STAKEHOLDERS TO:

Secure timely and strong settlements and agreements	Develop and support well governed and self determining land holding entities	Maximise effective and beneficial use and management of Aboriginal lands
Researching, preparing and settling claims;	Supporting PBCs to develop strategic and business plans, identifying financial and other opportunities;	Facilitating engagement and planning processes to assist land holders to identify their land use and management values and priorities (make a plan);
Securing strongest native title or alternative outcomes;	Facilitating professional, individual and corporate learning and development workshops and training opportunities;	
Securing compensation for past extinguishment of or interference with native title;	Providing high quality governance, administrative and financial advice and support;	Advocating and brokering of partner support and resources to implement the plans;
Negotiating best agreements to deliver on social, cultural and economic aspirations and ensure implementation and compliance of agreements;	Developing and implementing tailored strategies for PBCs to become wholly independent and sustainable entities;	
Assisting in non native title land acquisition by working with groups to identify opportunities, funding and land management implications.	Securing partner support and investment for organisational development;	Provide program development and project and management support and training.
	Working with PBCs to devolve access to Cultural Knowledge and Information (CKI) archive.	

OUR KEY ACTIVITY AREAS

HOW WE PERFORM

SECURE TIMELY AND STRONG SETTLEMENTS AND AGREEMENTS

Legal Services

LITIGATION

Ngurra Kayanta Part B - application of s47B to land covered by petroleum exploration permits at the time the claim was filed

FCA No.	WAD 410/2012	Area	19 574 km ²	Date Filed	21/12/12
	WAD 326/2015		19 574 km ²		30/06/15

The Ngurra Kayanta and Ngurra Kayanta No. 2 native title claims were partly determined on-country, by way of consent, on 10 August 2016. This was referred to as the Ngurra Kayanta Part A determination.

On 19 May 2017 Barker J handed down his decision with respect to the Ngurra Kayanta Part B litigation in *Helicopter Tjungarrayi on behalf of the Ngurra Kayanta People v State of Western Australia* (No 2) [2017] FCA 587, finding in favour of the Applicants. The decision allows for the recognition of exclusive native title rights and interests (i.e the right of possession, occupation, use to the exclusion of all others) over the remaining Part B portion of the Ngurra Kayanta claim areas. It is expected that the Part B determination will occur in August of 2017.

Tjiwarl and Tjiwarl No. 2

FCA No.	WAD217/2017	Area	13,623.41 km ²	Date Filed	18/05/17
	WAD217/2017		113,623.41 km ²		18/05/17

In May 2017, BHP Billiton Nickel West and the State of Western Australia filed notices of appeal in relation to the aspects of the Tjiwarl judgment² that related to the invalidity of the miscellaneous licences. The State of Western Australia also filed a notice of appeal in relation to the finding of Mortimer J which held that exploration licences do not serve to disapply the application of section 47B of the Native Title Act. A notice of cross-appeal and notice of contention were filed on behalf of the Applicant on 8 June 2017 in relation to the aspects of the primary judgment which failed to apply section 47B in some important cultural areas. A hearing date in relation to these appeals has yet to be set.



Traditional owners at the Ngurra Kayanta determination.
Photo: Trinity Handley

DETERMINATIONS OF NATIVE TITLE

As at 30 June 2017 there have been 24 determinations that native title exists on lands within the Central Desert Representative Area.

CLAIM	FCA NO.	AREA (KM ²)	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
Ngururrpa	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 No. 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 No.3	WAD181/2012	3,596	03/08/12	29/07/13
Tarlpa	WAD248/2007	5,369	14/12/07	29/07/13
Wiluna No.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 No. 2	WAD 108/2008	105	27/06/08	06/06/16
Birriliburu No. 3	WAD 50/2010	3,319	15/03/10	06/06/16
Birriliburu No. 4	WAD 299/2011	15	18/07/11	06/06/16
Ngurra Kayanta Part A	WAD410/2012 WAD326/2015	19,574 19,574	21/12/12 30/06/15	10/07/16
Kulyakartu Part A	WAD293/2005 WAD720/2015	3,550 3,550	11/10/05 04/12/15	12/10/16
Tjiwarl	WAD228/2011	13,623	17/06/11	27/04/17
Tjiwarl No. 2	WAD302/2015	1,312	22/06/15	27/04/17

There were four native title claims determined within the Central Desert Representative Area during the reporting period.

² *Narrier v State of Western Australia* [2016] FCA 1519

CLAIMS IN PROGRESS AS AT 30 JUNE 2017

As at 30 June 2017 there were nine native title applications in progress within the Central Desert representative area. Three of these claims are not represented by Central Desert being, the Mirning native title application (WAD 6001/2001), the Wutha native title application (WAD6064/1998) and the Sullivan/Edwards native title application (WAD498/2011).

CLAIM	FCA NO.	AREA (km²)	DATE FILED
Cosmo Newberry	WAD43/2007	12,260	02/03/07
Gingirana	WAD6002/2006	12,150	10/03/06
Kulyakartu Part B	WAD293/2005	3,550	11/10/05
Kulyakartu No. 2 Part B	WAD720/2015	3,550	04/12/15
Mirning	WAD6001/2001	40,601	27/02/01
Ngurra Kayanta Part B	WAD410/2012	19,574	21/12/12
Ngurra Kayanta No. 2 Part B	WAD326/2015	19,574	30/09/98
Sullivan/Edwards	WAD498/2011	9,310	07/12/11
Wutha	WAD6064/1998	32,629	19/01/99
Yilka	WAD297/2008	12,260	15/12/08
Yilka No. 2	WAD303/2013	3.5	06/08/13

Gingirana

FCA No. WAD6002/2006
Area 12,150 km²
Date Filed 10/03/06
The Gingirana claim is in active case management in the Federal Court. On 26 October 2015, Justice Barker made orders for the production of a joint experts’ report in two volumes by the Applicant’s anthropologist, Dr David Martin, and the State of Western Australia’s anthropologist, Dr Ron Brunton. The first volume of the joint report was filed on 8 June 2016 and the second volume was filed on 2 August 2016.

Following the recent positive judgment in Narrier v State of Western Australia [2016] FCA 1519, which dealt with many of the same legal/factual issues of ‘society’ as Gingirana, the State of Western Australia indicated in June 2017 that it agrees to enter into negotiations for a consent determination of native title. The terms of that consent have not been provided to the Applicant, nor has the position of the other respondent parties been communicated. A draft consent determination is expected to be provided by the State by 31 July 2017.

Kulyakartu

FCA No. WAD293/2005
Area 3,550 km²
Date Filed 11/10/05
A consent determination over Part A of the Kulyakartu and Kulyakartu No. 2 native title claims occurred on-country on 12 October 2016. Kulyakartu Part B was held in abeyance pending the outcome of the Ngurra Kayanta Part B litigation. The parties are working towards agreement to a consent determination of the Part B proceedings early in the next reporting period.

Kulyakartu No. 2

FCA No. WAD720/2015
Area 3,550 km²
Date Filed 4/12/15
This application is brought by the same claim group as in the Kulyakartu matter and overlaps the entirety of that application. This claim was filed to enable evidence of occupation to trigger the operation of section 47B of the *Native Title Act 1993* (Cth). See ‘Kulyakartu’ above for recent milestones and future trajectory of Kulyakartu No. 2.

Ngurra Kayanta

FCA No. WAD410/2012
Area 19,574 km²
Date Filed 21/12/2012
A consent determination over Part A of the Ngurra Kayanta and Ngurra Kayanta No. 2 native title claims occurred on-country on 10 August 2016. Ngurra Kayanta Part B was programmed for trial on the issue of whether section 47B of the *Native Title Act 1993* (Cth) applies to existing petroleum exploration permits. See ‘Ngurra Kayanta Part B – application of s47B to land covered by petroleum exploration permits at the time the claim was filed for recent milestones and future trajectory.’
On 2 June 2017, the Ngurra Kayanta (Aboriginal Corporation) RNTBC was determined by the Federal Court to be the registered native title body corporate for the Ngurra Kayanta Part A determination area. The Ngurra Kayanta Part A determination has now been entered on the National Native Title Register.

Ngurra Kayanta No. 2

FCA No. WAD326/2015
Area 19,574 km²
Date Filed 30/06/2015
This application is brought by the same claim group as in the Ngurra Kayanta matter and overlaps the entirety of that application and was lodged to enable evidence of occupation to trigger the operation of section 47B of the *Native Title Act 1993* (Cth). See ‘Ngurra Kayanta’ above for recent milestones and future trajectory of Ngurra Kayanta No. 2.

Tjiwarl

FCA No. WAD288/2011
Area 13,623.41 km²
Date Filed 17/06/11
The Tjiwarl claim was determined on 27 April 2017 after being contested by the State of Western Australia and other respondent parties. Two weeks of connection evidence was heard on-country from 27 July – 5 August 2015 with expert anthropological and linguistic evidence following in Perth on 27 – 29 October 2015. Extinguishment arguments and final submissions were made on 13 – 15 December 2015. The extinguishment submissions included a legal challenge to the validity of different forms of tenure granted by the State of Western Australia on the basis that they were invalid future acts.

On 16 December 2016 Justice Mortimer ruled in favour of the Tjiwarl claim group’s connection to the land as published in *Navrrier v State of Western Australia* [2016] FCA 1519. The judgment included a ruling that six miscellaneous licences in the determination area were invalid future acts with no force or affect against the recognised native title rights and interests of the Tjiwarl native title holders.

On 15 February 2017 a further judgement was published by the Court in relation to the interpretation of section 47B of the *Native Title Act in Narrier v State of Western Australia* (No 2) [2017] FCA 104 which made findings against the interpretation that would have benefited the Applicant.

The Federal Court made orders to determine Tjiwarl (Aboriginal Corporation) RNTBC to be the prescribed body corporate for the determination area on 1 June 2017.

Tjiwarl No 2

FCA No. WAD302/2015
Area 1,312 km²
Date Filed 22/06/15
The Tjiwarl #2 claim is a small claim that overlaps parts of the Tjiwarl claim and was lodged to enable evidence of occupation for the purpose of triggering section 47B of the *Native Title Act 1993* (Cth). When section 47B is triggered, previous instances of extinguishment may be disregarded. This claim was determined with the primary claim on 27 April 2017.

Yilka

FCA No. WAD297/2008
Area 12,260 km²
Date Filed 15/12/08
This matter was fully litigated with final written submissions filed on 22 September 2015. On 29 June 2016, Justice McKerracher delivered a judgment finding that the Yilka claimants had made out their case and that native title exists in relation to the application area and the Yilka No. 2 application noted below.
In Murray on behalf of Yilka Native Title Claimants v State of Western Australia (No 6) Justice McKerracher found that there was to be one determination of native title and one Prescribed Body Corporate. The final form of the determination is expected to be finalised early in the next reporting period.

Yilka No. 2

FCA No. WAD303/2013
Area 3.5 km²
Date Filed 06/08/2013
The Yilka No. 2 claim is a small claim that overlaps parts of the Yilka claim and was lodged to take advantage of changes in tenure in the area.

Cosmo Newberry (Appeal)

FCA No. WAD 43/07
Area 12,260 km²
The Cosmo Newberry claim boundary was located wholly within the Wongatha native title claim area. In 2007 the Federal Court of Australia dismissed the Cosmo Newberry claim along with all other overlapping claims in the Wongatha area. The Cosmo Newberry claimants appealed that dismissal. The appeal has been adjourned pending the resolution of the Yilka native title claim.

Wutha

FCA No. WAD 6064/1998
Area 32,629 km²
Date Filed 19/01/99
Central Desert is a respondent party to this proceeding acting in its capacity as a body performing the functions of a native title representative body for part of the area covered by the Wutha native title determination application. Central Desert’s primary involvement as a respondent party is to make submissions that seek to avoid a negative determination of native title.
An on-country hearing occurred during a two-week period in March 2017, followed by a conference of experts in Perth in April and the hearing of further evidence from claimants and experts in Perth from 29 May – 1 June 2017. The matter was referred to mediation which took place in Kalgoorlie on 20 June 2017. Closing submissions are scheduled to be heard in Perth during September 2017.

PROGRESS ON PROPOSED NEW NATIVE TITLE CLAIMS

Central Desert is in the process of researching a number of potential claim areas within its representative area with at least three being marked for filing in the coming year: Manta Rirrtinya, West of Warlpiri and Barwidgee/Wonganoo.

Manta Rirrtinya

An authorisation meeting was held for this proposed new claim in August 2016. The claim covers part of Prenti Downs pastoral lease and a large unclaimed area of unallocated crown land which is partially surrounded by determinations of exclusive possession native title to the north (Birriburru), west (Wiluna No.3) and east (Ngaanyatjarra Lands). We expect to file the Form 1 application by early August 2017 after collecting affidavit evidence from identified claimants.

West of Warlpiri

The resolution of a number of high priority claims during the reporting period led to a review of priorities and allowed for research to be advanced towards the preparation of new claims with the Central Desert representative area. One of these areas lies between the Ngururpa native title determination area and the Western Australian border. Central Desert's Senior Anthropologist spent two weeks conducting research in the Northern Territory and then a field trip to the claim area took place in June 2017 with traditional owners that had been identified for the proposed claim area. Further research is planned for early in the next reporting period with an authorisation meeting planned to take place in September 2017.

Nullarbor

During the reporting period Central Desert briefed Dr Scott Cane to undertake anthropological research into the Nullarbor claim. We had expected to receive a draft Connection Report by the end of April 2017, this report should now be received early in the next reporting period. The Nullarbor claim is now considered a medium priority as a result of the Pilki native title application being determined and subsequent litigation arising from the Pilki determination being finalised.

Barwidgee/Wonganoo

A Central Desert anthropologist was briefed in March 2016 to undertake anthropological research into the areas immediately to the east of the Tjiwarl determination area. An internal report was prepared in May 2017 and a supplementary report is due to be provided in early July 2017 to identify the potential claimants for the area.

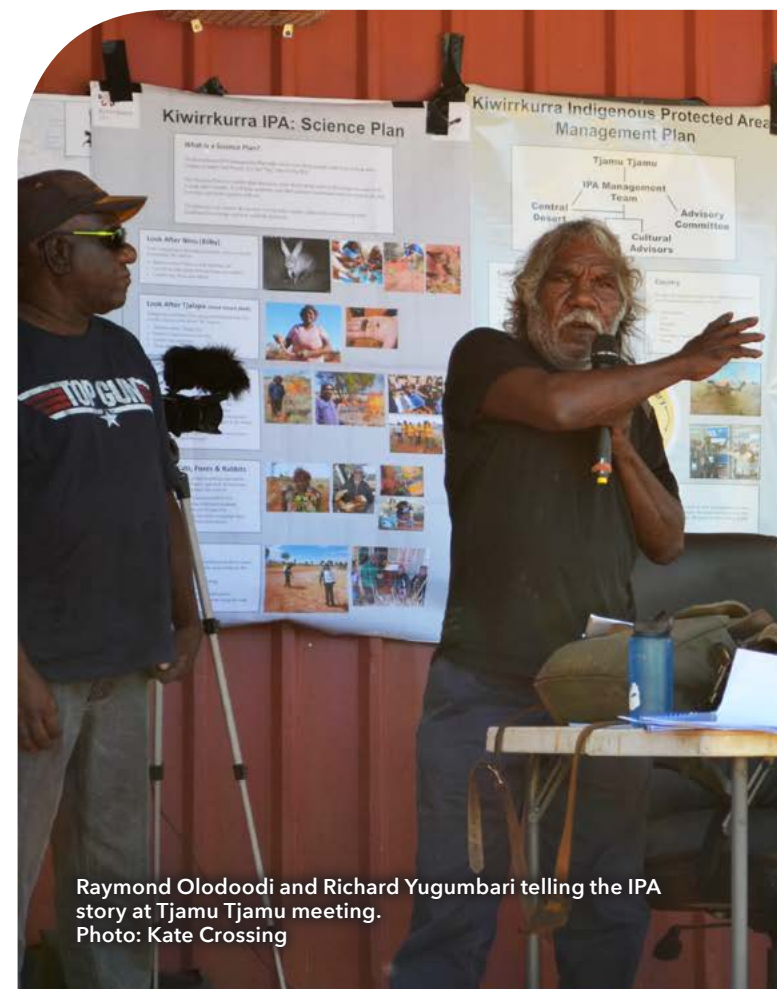
A preliminary group meeting is planned to discuss the outcomes of the anthropological report and an authorisation meeting is expected to be held towards the end of 2017.

Ululla

Research in relation to this area is in the early stages and will be developed further during the next reporting period.

Lake Rason

A large portion of the former Wongatha native title claim area falls within the Central Desert representative area. Following the 2007 dismissal of the Wongatha claim, Central Desert conducted preliminary anthropological research in the area. Further research was put on hold pending the outcome of estoppel arguments raised by the State of Western Australia in the Yilka proceeding. The estoppel argument was unsuccessful and Central Desert aims to develop a claim strategy for the Lake Rason area during the next reporting period.



Raymond Olodoodi and Richard Yugumbari telling the IPA story at Tjamu Tjamu meeting.
Photo: Kate Crossing

COMPENSATION MATTERS

The Northern Territory compensation application in relation to the township of Timber Creek was handed down on 24 August 2016. The Timber Creek decision provided the first litigated precedent in relation to how entitlement to compensation is assessed under the *Native Title Act 1993 (Cth)*. Central Desert, along with the Yamatji Marlpa Aboriginal Corporation, sought and obtained leave to intervene in the appeal which was heard in Darwin in February 2017. The matter has been reserved for judgment. Central Desert plans to develop a strategy for dealing with compensation claims within its representative area based on the outcomes of this decision.

LAND ACCESS AND HERITAGE AGREEMENTS

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

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

Central Desert continues its efforts to increase mineral explorers' understanding of our clients' native title rights and interests. Explorers and miners are invited to engage directly with our clients at native title group meetings where they can hear first hand the importance of respecting the traditional owners' cultural heritage and complying with their obligations under exploration or mining agreements. Central Desert has also increased its dialogue with exploration and mining companies on agreement implementation and compliance issues. A compliance database developed in the previous reporting period has been assisting to ensure that implementation and compliance issues are kept current.

CULTURAL HERITAGE MANAGEMENT PLANS (CHMP)

The Kiwirrkurra native title holders through their PBC, Tjamu Tjamu (Aboriginal Corporation) RNTBC, have been developing a comprehensive CHMP over the Lake Mackay Sulphate of Potash (SOP) Project. The CHMP will form part of a comprehensive mining agreement for the project that is expected to be finalised by October 2017.

Ngururpa country.
Photo: Nick Brisbourn

DEVELOP AND SUPPORT WELL GOVERNED AND SELF DETERMINING LAND HOLDING ENTITIES

PBC Services

The PBC services unit is focused on working with native title holders to develop independent and sustainable entities aimed at advancing their objectives and aspirations.

Staff have worked together with PBCs in the region to strengthen governance frameworks and information delivery methods, which have increased each corporation's ability to manage core business decisions. A collaborative approach to capacity building ensures our PBCs receive quality services and achieve the greatest benefit from traditional lands whilst maintaining and promoting culture.

Major Projects

Realising local and regional desert economies

We secured Indigenous Advancement Strategy (IAS) funding to build capacity amongst PBCs across the desert. A steering committee, consisting of two individuals from three PBCs (Tjamu Tjamu, MNR and Ngururrpa) has been established to lead the project. The Committee met for the first time in Perth and mapped out individual and corporate capacity building initiatives tailored to engage with and maximise economic opportunities. The committee resolved to conduct a further workshop to bring together PBCs from the desert region (see below).

Desert PBC Alliance WA

Twenty-four native title holders representing 10 PBCs from the desert regions of WA travelled to Perth in June to attend a networking meeting. The workshop was held over three days and involved a panel discussion with representatives from State and Federal government agencies. One of the many outcomes of this meeting was the decision to formalise the alliance through creating the Desert PBC Alliance WA (DPBCA). The aim of DPBCA is to be a peak body that can provide a "strong voice for the desert", facilitate knowledge transfer, identify synergies amongst PBCs and influence policy decisions affecting the region.

Prescribed Bodies Corporate (PBCs)

As at 30 June 2017 there were 11 registered PBCs functioning within the Central Desert region. Seven of these have retained the Central Desert Group, via service agreements, to provide a range of support services. Key activities and highlights for respective PBCs include:

Kaltupakal (Aboriginal Corporation) RNTBC

PBC development services assisted Kaltupakal throughout the year and attended two on-country meetings of the corporation. These meetings were held at the shed, which is the designated Kaltupakal meeting place. In the absence of substantial exploration activity, the native title holders achieved the following outcomes:

- Established a strategic plan and apportioned funds to achieve this;
- Created on-country, part time employment opportunities for native title holders;
- Made decisions around signage and access to Pilki determined lands;
- Partnered with neighbouring PBC to jointly deal with an exploration matter; and
- Agreed on standing instructions around corporate cultural information.

Mungarlu Ngurrurangkajja Rirraunkaja (Aboriginal Corporation) RNTBC (MNR)

MNR has been steadily progressing its independence as it co-ordinates the transition process of projects from CDNTS into its own corporation or subsidiary organisation that is yet to be determined. In addition to building competencies through this process, MNR has also been pursuing related projects, such as:

- Establishing a corporate office
- Development of a policy book;
- Using native title land for economic benefit, e.g. creating a sandalwood harvesting reserve and commencing the early stages of a tourism initiative; and
- Involvement in regional alliances e.g. DPBCA and the IDA.

Parna Ngururrpa (Aboriginal Corporation) RNTBC (Ngururrpa)

In May the directors of Ngururrpa successfully negotiated an agreement to cover exploration licenses over their traditional lands. Other significant corporate activities undertaken include:

- Creation and approval of a cultural awareness video;
- On-country trip to finalise a Protected Area Plan with the aim of securing the long-term goal of having a ranger program and funds for land management activities;
- Drone footage captured of country to assist the development of an online permit system and future tourism ventures; and
- Representatives attended the National Native Title Conference.

Pila Nguru (Aboriginal Corporation) RNTBC

Pila Nguru employs a number of staff who have responsibility for managing the corporation's business. Central Desert provides Pila Nguru with legal advice, financial services and other assistance as requested. Presently, Pila Nguru and Central Desert are working together on a service agreement to better define and formalise the relationship.

Tarlka Matuwa Piarku (Aboriginal Corporation) RNTBC (TMPAC)

Central Desert assists TMPAC with its land management projects. These are supervised by the Matuwa and Kurrara (MKK) IPA management team which consists of TMPAC members.

Tjamu Tjamu (Aboriginal Corporation) RNTBC (Tjamu)

Tjamu's major business item has been negotiating a mining agreement over Lake Mackay. This process has provided many opportunities for Tjamu native title holders to build capacity and decision-making experience. Other key corporate activities included:

- Participation in an ORIC Governance Workshop;
- Development of a corporate policy book;
- Application for grant funding to construct an office and ranger shed; and
- Negotiating land access agreements and sub-leases.

Ngurra Kayanta (Aboriginal Corporation) RNTBC (Ngurra Kayanta (AC))

Pursuant to orders made by Barker J on 2 June 2017, the Ngurra Kayanta (AC) was determined to hold the native title rights and interests comprising the native title as determined by Barker J on 10 August 2016 in 'Ngurra Kayanta (Part A)', in trust for the native title holders.

It is the intention that the Ngurra Kayanta (AC) will also become the relevant registered native title body corporate for 'Ngurra Kayanta (Part B)' upon a determination being made in those proceedings.

Kulyakartu (Aboriginal Corporation) (Kulyakartu (AC))

Instructions have been provided by the Kulyakartu native title holders to apply for the registration of 'Kulyakartu (AC)' and subsequently, nominate Kulyakartu (AC) as the registered native title body corporate for the Kulyakartu (Part A) determination area. Pursuant to orders made by McKerracher J on 12 October 2016, this nomination is to occur prior to 12 October 2017.

It is the intention that the Kulyakartu (AC) will also become the relevant registered native title body corporate for 'Kulyakartu (Part B)' upon a determination being made in those proceedings.



Tjamu Tjamu / Agrimin negotiation team.
Photo: Nick Brisbout

MAXIMISE EFFECTIVE AND BENEFICIAL USE AND MANAGEMENT OF ABORIGINAL LANDS

Land and Community Program

Central Desert provides specialised land and community project development and management services through its Land and Community Team. The program of activities delivered by the team involves working with and empowering native title holders to use and manage their traditional lands to achieve their social, cultural and economic aspirations. Central Desert continues to establish partnerships and strategic alliances between our constituents and other relevant stakeholders in order to support and sustain mutually beneficial outcomes in the longer term.

Through these partnerships Birriliburu, Wiluna and Kiwirrkurra native title holders now have well established and growing land and community programs on their lands and Ngururpa native title holders have continued the steady growth of projects on their lands. These programs use cultural and natural resource management activities to create regional Indigenous employment and build social and cultural capital in the process. This year has seen the emergence of a similar program for Gingirana lands, which will continue to grow over coming years.

Over \$2.5 million of partnership investment has flowed into the five land and community programs. This has generated nearly 1500 days of paid local Indigenous employment, over \$50,000 in critical infrastructure investment, along with a broad range of social, cultural and environmental outcomes.

Central Desert (through Desert Support Services) continues to provide coordination services to the Indigenous Desert Alliance. The IDA is a coalition of Indigenous land management groups who are developing regionally significant, desert wide (Northern Territory, Western Australia and South Australia), collaborative projects that leverage resources, skills and Indigenous Protected Areas (IPA) programs to manage shared issues and threats and promote understanding of the values of Australia's deserts.

Highlights of the five land and community programs for this year include:

Kiwirrkurra

Governance of the Kiwirrkurra IPA program has strengthened this year with the IPA Management Team working with staff to develop annual work plans and taking the lead in reporting back to Tjamu Tjamu members.

Kiwirrkurra's threatened species conservation program has continued strongly. Activities included a knowledge sharing Cat Camp at Newhaven Wildlife Sanctuary, ongoing feral cat control, monitoring surveys, showing both ninu (bilby) and tjalapa (great desert skink) are surviving well, weed control at priority locations, and

mosaic burning to maintain good habitat.

Building fire management skills has been a focus of the past 12 months. Following training in mid-2016, rangers now regularly use satellite imagery alongside traditional skills to help plan burning activities. A developing partnership with the Central Land Council and Kintore community enabled Kiwirrkurra IPA to undertake our first helicopter-assisted burning trip along our shared boundary. Two rangers undertook certified training in aerial incendiary burning prior to the trip. We have also secured an agreement for Department of Parks and Wildlife (DPAW) to include Kiwirrkurra in their annual fire scar mapping program, helping to standardise methodologies across the Central Desert region and supporting fire planning, monitoring and reporting.

On the cultural side, the focus has continued to be on bush foods and water places. Two trips with a linguist/ecologist partner allowed us to record detailed knowledge of many traditional bush foods in language. A highlight for the women in 2016 was a *minyma* culture camp, in partnership with Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) Women's Council's youth program. Women and girls of all ages camped at a special women's site where important *tjukurrpa* songs were taught, traditional hunting, burning and food preparation skills passed on and time away from the pressures of daily life was shared.

Kiwirrkurra Rangers presented their great work at a number of forums this year, further building their skills and confidence in public speaking. This included two visits to Canberra, one at the invitation of the Threatened Species Commissioner and the other Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS), a presentation at the Australian Mammal Society's Feral Cat Symposium in Alice Springs, and a seminar on bilby conservation at Sydney University.

Cross-cultural knowledge sharing was also a key feature of the Desert Discovery natural sciences expedition in August 2016, covering both Kiwirrkurra and Ngururpa country. Kiwirrkurra Rangers welcomed Desert Discovery team members to their country, provided expert training in bilby survey methodology, and shared knowledge on plants, birds and other animals.

Birriliburu

The Birriliburu IPA continues to build on success and the breadth and depth of the program continues to expand. The program is based on the effective management of the land through empowering traditional knowledge and land management leadership. This continues with a range of fire, invasive animal and weed management activities, biological surveys, infrastructure development, tourism partnerships and developing an on-country education program with the Wiluna school. The active management of the land has enabled traditional owners to take a strong leadership role and this has led to better on-the-ground outcomes and significant capacity developing opportunities. This is well captured in a quote from Birriliburu IPA Management Team member, Annette Williams, who has observed significant changes in the health of country:

"I talked a long time ago about how country was empty, but now it's got lots of life, it's a good change. We now have work happening all over country. People are taking more pride and care for country and for the connection. We have seen the fire management get better and all the plants are coming back."

Regina Ashwin also has observed changes in the community:

"Looking at the whole community I have seen it [the land management program] help a lot of people, they feel better about themselves. That connection with the old people kind of broke down, but now with the ranger program we are making it strong again."

The partnership between Birriliburu and Bush Heritage Australia (BHA) continues to grow, with Bush Heritage supporting rangers to manage country, to conduct helicopter based fire management and to participate in national conservation and leadership forums. As such, Rita Cutter has been selected to join the national Recovery Team for the Bilby, and Annette Williams, Yvonne Ashwin and Vera Anderson presented their work to a number of BHA high-net worth donors at a series of dinners in Sydney. Their presentation was well received and a highlight of the evening. Lastly, young rangers continue to present at the Ecological Society of Australia's annual conference and other regional conferences to high commendation.

Wiluna

The 'hub' for the Wiluna program continues to be the Matuwa and Kurrara Kurrara (MKK) IPA from which a number of other projects in the region interact. An IPA Management Team has been established to lead the decision making for the IPA and meets on a quarterly basis. The IPA is continuing to implement key elements of the IPA management plan which include fire management, weed management, threatened species monitoring and research, training, partnership

and infrastructure development. These projects have enabled a number of other interrelated projects to be developed, these include:

- A Science Pathways partnership with CSIRO and the Wiluna School. This project engages school aged children in STEM education (Science, Technology, Engineering, Maths) through hands-on, experiential team based on-country learning at Matuwa. The learning modules are delivered jointly by Martu elders and rangers, CSIRO, DPAW research partners, and Wiluna school staff. The program has been highly successful. Project team members Lena Long, Rita Cutter and Leonie Anderson and CDG staff member Mo Pawero, were selected to attend the World's Indigenous Peoples Conference in Canada to present on the program.
- An integrated approach to the management of surrounding pastoral leases through the Wiluna Biodiversity Project, funded through Rangelands NRM. The project is led by Wiluna Martu women and is based on two-way science. Two-way science is a method that brings together Indigenous bio-cultural knowledge (knowledge accumulated over hundreds of generations based on first-hand practical experience of resource management and use) with standard scientific principles (standard experimental design, survey and data analysis). Practically, this has enabled Wiluna women to use their knowledge of country to identify Malleefowl habitat and nesting sites, to define burn plans and implement patch burning of hummock grasslands that protects these habitats from large summer wildfires, to implement regional fauna monitoring sites across three pastoral leases, and to lead two management plans (Ululla and Windidda).
- In May this year the MKK hosted Telstra's 'Pay It Forward' Program. 'Pay it Forward' is an employee assistance program, based on rewarding high achieving staff with a community development based leadership experience. The program this year was focused on implementing a new signage strategy for MKK that included entry statements, an interpretive experience installation at 'Norman Thompson's Humpy' and an IPA office information sign. The program also enabled Telstra employees to learn about country through working alongside rangers on priority environmental management activities and to engage in MKK's rich cultural history through an immersive and on-country cultural experience. The program continues to transform people through on-country connection and to contribute towards real reconciliation - Indigenous and non-Indigenous Australians building mutually beneficial relationships through working together.

Ngururrpa

Parna Ngururrpa (PNAC) members have been working on a Protected Areas Management Plan for the past few years. A focus on tourism and visitor management has been a large part of the plan development. This year we travelled to the Stansmore Range (Mangkayi) to undertake consultation about how to manage tourists coming onto country off the Kiwirrkurra to Balgo Road. As part of the work, we also recorded footage of Ngururrpa country by drone. The footage will form the basis for a range of products, including a web-based management plan and tourism products.

PNAC have also produced a cultural awareness film to share their story with people wishing to come onto country.

Gingirana

The Plutonic Gingirana Ranger Project which commenced on 1 August 2016, is a partnership between the Gingirana native title claimant group, the Australian Government and Northern Star Resources (the former owner of Plutonic minesite).

In late 2016 a transition of the project partnership was successfully negotiated following the change of ownership of the Plutonic mine to Billabong Gold, with a new Memorandum of Understanding signed in early 2017. Since the change, the project has continued to focus on safe and timely work scope completion around the mine site village and airstrip. In its first 'startup' year, a total of 18 rangers from five local towns and communities have engaged in the project.

TRENDS INFLUENCING PRINCIPAL FUNCTIONS AND SERVICES

The State election in March 2017 saw the incumbent Liberal Government deposed. The incoming Labor Government has initiated a major reorganisation of the machinery of government across Western Australia. The changes are significant but their impact on our operating environment remains to be seen.

EXTERNAL SCRUTINY

The Minister has made no directions or determinations during the reporting period in relation to Central Desert. There have been no judicial or Administrative Tribunal decisions in relation to Central Desert during the reporting period, other than legal decisions that affect native title matters generally. There have been no other reports on Central Desert operations by any of the above bodies during the reporting period.

During the reporting period Central Desert received nil external review requests under 203FBA of the *Native Title Act 1993*.

As part of its policy of periodic reviews, The Department of Prime Minister and Cabinet has announced that it will be undertaking performance reviews of five native title representative bodies and service providers in the 2017/2018 financial year and that Central Desert will be one of the five bodies being reviewed.

CORPORATE SERVICES

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

Corporate Services strategies focus on four key areas:

- Sound governance;
- Recruiting and retaining high-quality staff;
- Building robust, effective systems; and
- Diversifying our resource base.

SOUND GOVERNANCE

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

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

HIGH-QUALITY STAFF

Central Desert operates with a team of skilled, experienced and professional staff. We pride ourselves on recruiting well and retaining employees. We provide staff with clear expectations through the ongoing review and development of job descriptions, employment contracts and conditions, and the management of a performance evaluation and learning system.

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

Central Desert and its staff are currently negotiating an Enterprise Agreement for a term of four years to provide benefits to staff over and above the modern award and national employment standards. It is envisaged this agreement will be lodged with the Fair Work Commission within the 17/18 financial year.

EFFECTIVE SYSTEMS

Central Desert focuses on delivering outcomes related to native title and land. To deliver our services to a consistent standard in some of the remotest parts of the country we have to:

- Build and maintain effective finance, administrative and business systems to support our operational staff;
- Preserve our corporate knowledge; and
- Keep our Board, staff, clients and stakeholders informed.

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

Key activity indicators and previous year comparison are provided in the table below:

	2017	2016	2015
Turnover	\$9,483,590	\$8,945,045	\$9,572,593
Number of trips	191	160	190
Number of return flight bookings	574	436	514
Number of person days travelling	3,009	2,805	3,922
Number of vehicle operating days	953	960	1,398

Particular initiatives this year include:

- Enhancement of our in-house database system to unify information gathering and retention and automate many of the basic functions of our logistics and reporting systems. This included the development and implementation of the Human Resources and Project Planning databases;
- Successful and smooth transition of 15 staff into Desert Support Services for the commencement of the new financial year;
- Refurbishment and fit out of our Perth office premises;
- Commencement of transfer to a cloud base system for IT services (DSS);
- Continued streamlining of travel planning and booking processes with the aim to significantly reduce costs associated with air fares;
- Continued development of policies and processes for key aspects of the organisation;
- Ongoing development of a Cultural Geography database, which now captures over 5200 people, 2600 places and 1100 documents;
- Streamlined disaster recovery processes;
- An increase in staff safety awareness and incident reporting rates; and
- Quarterly meetings of our safety committee.



Burning country west of Walpiri.
Photo: Nick Brisbout



Justice Debra Mortimer presents Yvonne Ashwin with a copy of the determination for the Tjiwarl claims. Left to right: Maxine Beaman, Edwin Beaman and Brett Lewis. Photo: Marian Hennessy

ADEQUATE RESOURCES

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

Central Desert received core funding through a two year grant funding agreement covering 2016 - 18 to provide the services described in the operational plan. Core funding for the reporting year and anticipated core funding in forward years has reduced from previous levels as the Department of Prime Minister and Cabinet has changed its funding processes to an outcomes-based model as part of the Indigenous Advancement Strategy:

2015-16	\$4,084,210
2016-17	\$3,990,400
2017-18	\$3,990,400

Central Desert applied to and received some additional amounts from the Department of Prime Minister and Cabinet, including the PBC Support Fund to assist PBCs in the region to meet their corporate compliance requirements.

The Western Australian 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.

It was another successful year working with key partners in our Land and Community program, namely Bush Heritage Australia, Rangelands NRM, the WA Department of Parks and Wildlife and Northern Star Resources.

Other Grant funding received during the year included amounts from:

- The Commonwealth Department of Environment for Indigenous Protected Area projects (IPA);
- Rangelands NRM for several land management projects focussing on protecting biodiversity and threatened species; and
- The Western Australian Government’s State NRM Program through the Department of Agriculture and Food supporting collaborations in land management.

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

HUMAN RESOURCES MANAGEMENT

OUR STAFF

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

During 2016/17 Desert Support Services had a total of 15 staff transfer into the entity as part of the Group’s restructure.

We thank all of the people listed below who were employed by the Central Desert Group during the 2016/17 year (not including labour hire contractors).

Aaron Tan	Malcolm O’Dell
Alissa Strain	Marian Hennessy
Anita Field	Michael Allbrook
Christina Araujo	Michael Ierace
Claire Greer	Michael McMahon
Colin Napier	Monique Jekel
Darren Farmer	Mo Pawero
David Reger	Nicholas Brisbout
Des Godber	Pandy Lee
Emma Thompson	Phil Ramsay
Felicity Noonan	Peter Jarvis
Gavin Dunn	Ric West
Giacomo Boranga	Richard Anthonisz
Glenda Allen	Richard Gordine
Grant Sutherland	Rob Thomas
Hamish Morgan	Rose Lukman
Ian Rawlings	Sam Hall
Janamat Sharma	Sarah Hobson
Jenn Lui	Sasa Oentarijo
Jo Lanagan	Sean Calderwood
Julian Santamaria	Shanti Fatchen
Kara Baldwin	Stephen Bai
Karine Flematti	Susan Ware
Kate Crossing	Sue Yoong
Katrina Shaw	Tessa Herrmann
Kim Baldwin	Tessa Maybery
Lindsey Langford	Thomas Griffiths
Maia Williams	Trinity Handley



Mike Allbrook, Graham Narrier, Brett Lewis and Edwin Beaman proudly display the determination for the Tjiwarl claims. Photo: Marian Hennessy

STAFFING LEVELS AND RETENTION RATES FOR THE YEAR

As at 30 June 2017 Central Desert Native Title Services comprised of 28 core staff. This included 22 full-time employees and six part-time. Three staff accessed parental leave during the 2016/17 year.

A turnover of 6 staff during the financial year represents a retention rate of 86%. This is not inclusive of the 10 employees who were transferred to Desert Support Services just prior to the end of the financial year.

At 30 June 2017 Desert Support Services comprised 22 employees; 16 fulltime and five part time and one casual. The staff retention rate for the year was 95%.

Staff remuneration is based on individual common law agreements negotiated with regard to operational requirements, the prevailing recruitment environment, and available resources.

Staff and management have commenced the process of entering an Enterprise Bargaining Agreement to ensure optimum employment conditions within our funding guidelines.

PROFESSIONAL DEVELOPMENT

All staff are supported and encouraged to participate in regular professional development workshops and courses. These are sourced from a wide range of training providers to consolidate and increase relevant skills and knowledge.

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

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

OCCUPATIONAL SAFETY AND HEALTH PERFORMANCE

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

Central Desert encourages its staff to report any incidents and/or identified hazards. Central Desert's incidents are divided into four categories: Accidents, Injuries, Hazards Identified and Near Misses.

The following incidents were reported this financial year.

INCIDENT REPORTED	2017	2016	2015
Accident	5	5	8
Injury	4	4	1
Hazard Identified	5	5	4
Near Miss	1	0	2
Total:	15	14	15

Lost time injuries for the 2016-17 year were 2.



Ngurra Kayanta determination.
Photo: Trinity Handley

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 give bias to or predetermine the outcome by placing unreasonable restrictions or qualifications on the prospective tenders.

Where services are expected to cost more than \$20,000 but not greater than \$80,000 we obtain three written competitive quotes from suitable suppliers or service providers. Where we expect the cost of an asset or service to exceed \$80,000 we either obtain public tenders or invite three suitable, qualified service providers to tender for the provision of the asset or service.

Exemptions to the above procedures apply to:

- The engagement of an auditor;
- The acquisition of services from water, electrical, telephone, gas or municipal authorities where there is no other competitor in reasonable proximity; or
- 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 for native title activities, where the service fee is less than \$80,000; and
- Vehicle purchases.



Dancers at the Ngurra Kayanta determination. Left to right: Tom Lawford, Richard Yugumbari, Matthew West.
Photo: Trinity Handley

OUTPUTS

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

	2017	2016
FACILITATION AND ASSISTANCE		
Number of claims at 1 July		
Active in the Central Desert Region	13	
Active and represented by CDNTS	10	15
Plus: Filed this year by CDNTS	0	1
Less: Claims determined	4	4
Less: Claims dismissed	0	0
Less: Claims Withdrawn	0	2
Less: Claims Amalgamated/Altered	0	0
Number of active Claims at 30 June		
Active and represented by CDNTS	6	10
Active in the Central Desert Region	9	
CDNTS as Respondent	2	
CDNTS as Intervener	1	
Claims in Development	6	4
Non-claimant Applications	0	0
Compensation claims	0	1
The Agreements Experience		
Future Acts		
Notices received	216	217
Responses to Future Acts	216	217
Agreements		
Agreements concluded	9	10
Agreements in development	6	4
ILUAs		
ILUAs concluded and registered	0	0
ILUAs in development	0	0
COMPLAINTS AND DISPUTES		
Complaints		
Received	0	1
Resolved	0	1
Pending	0	0
Disputes relating to native title	0	0
Disputes relating to ILUAs, rights of access and other matters	1	0
Requests for s203B1 reviews of decisions not to assist		
Completed	0	0
Pending	0	0

SUBSIDIARIES

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

DESERT SUPPORT SERVICES Pty Ltd

Formed: 6 January 2012

Objectives as stated in the Constitution

- 1.1. The objects of Desert Support Services Pty Ltd are to:
- (a) deliver services including administrative, financial, labour hire, training, and land management services to support Aboriginal people, Aboriginal Communities and Aboriginal Organisations (including PBCs) and projects on Aboriginal Land;

(b) promote and further the economic, social and cultural development of Aboriginal people in Australia;

(c) establish and maintain Amenities for the benefit of Aboriginal people; and

(d) relieve poverty, sickness, misfortune, suffering, distress and helplessness of socially and financially disadvantaged Aboriginal people in Australia through the provision of services to people and organisations, including those services set out in rule 4.1(a).
- 1.2. The Company must operate solely for the purpose of promoting and advancing its objects. However, the Company is not required to promote each specific object at the same time or in any particular order and may, in its absolute discretion, determine the level and amount of promotion, funding or any other support that should be applied to anyone or more specific objects at any given time.

	2017	2016
Financial Results	\$107,000	\$33,203
Casual Employees	250	251

ROCKHOLE FUNDS MANAGEMENT Pty Ltd

Formed: 26 July 2013

Objectives as stated in the Constitution

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

(a) Acting as trustee for trusts that receive, hold or manage benefits (including cash or non-cash benefits) within the meaning of the ITAA97, that relates to:

(i) native title (within the meaning of the Native Title Act 1993); or

(ii) traditional indigenous rights of ownership, occupation, use of enjoyment of land; and

(b) Any other function or purpose that is consistent with or furthers the objects of the trusts which the Company acts as trustee.

	2017	2016
Financial Results	\$(4,422)	\$1,006
Funds Under Management	\$1,567,112	\$1,400,773
Trust Funds	8	8

SUMMARY FINANCIAL INFORMATION

PERFORMANCE UNDER NATIVE TITLE REPRESENTATIVE BODY GRANT

	ACTUAL 2015-16	BUDGET 2016-17	ACTUAL 2016-17	VARIANCE 2016-2017
Income				
Native Title Funding				
Unexpended grants	392,940	-	77,000	77,000
Capital	-	-	-	-
Operational	4,679,210	4,549,492	5,334,240	784,748
Other Income				
Other Income	32,126	42,000	66,368	24,368
Recoveries	15,586	32,700	33,991	1,291
Interest	18,566	42,000	8,757	(33,243)
	5,138,428	4,666,192	5,520,356	854,164
Expenditure				
Capital Acquisitions				
Corporate	1,584,044	1,526,300	1,563,815	37,515
Activities	3,477,384	3,139,892	3,561,257	421,365
	5,061,428	4,666,192	5,125,072	458,880
Net Result (Unexpended Grant Carried Forward)	77,000	-	395,284	395,284

CENTRAL DESERT NATIVE TITLE SERVICES LTD AND SUBSIDIARIES

THE CENTRAL DESERT GROUP
CONSOLIDATED DIRECTORS'
AND FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

Issued: 29 September 2017

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Burning country west of Walpiri.
Photo: Nick Brisbout

CORPORATE DIRECTORY

The Group	Central Desert Native Title Services Ltd Desert Support Services Pty Ltd Rockhole Funds Management Pty Ltd
Chairperson	Mr. Terence Grose
Company Secretaries	Mr. Ian Rawlings Mr. Colin Napier
Group CEO	Mr. Ian Rawlings
Registered Address	76 Wittenoom Street, EAST PERTH WA 6004
Telephone	08 9425 2000
Fax	08 9425 2001
Email address	reception@centraldesert.org.au
Group Auditor	Paul Gilbert CPA MacLeod Corporation Pty Ltd Registered Company Auditor No: 165334

GLOSSARY

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

DIRECTORS' REPORT

The directors of Central Desert Native Title Services Ltd present this report on the Central Desert Group for the year ended 30 June 2017.

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

DIRECTORS

Directors within the group are as follows:

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

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

OFFICERS & COMPANY SECRETARIES

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

NAME	CENTRAL DESERT	DSS	RFM
Mr. Ian Rawlings	Chief Executive Officer, Company Secretary	CEO	CEO
Mrs. Jo Lanagan	Executive Director Client Services and Operations (since 15 Feb 2016)	-	-
Mr. Colin Napier	Chief Financial Officer, Company Secretary	CFO, Secretary	CFO, Secretary
Mr. Malcolm O'Dell	Principal Lawyer, Chief Operations Officer	-	-

The officers and secretaries 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 surplus for the year was \$362,417 (2016: surplus 256,087).

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 provides the following services to Traditional Owners and claimants:

- Supporting PBCs to manage land under Indigenous Protected Area (IPA) programs.
- Managing ranger programs in a number of determined and claim areas.
- Developing Land Management and Access plans.

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

The Australian Taxation Office (“ATO”) endorsed the company as a Public Benevolent Institution and it conducts a range of charitable activities. The company is also endorsed as a Deductible Gift Recipient. Donations of \$2 or more are tax deductible. No change in its tax status as a result of activities undertaken during the year is likely.

Desert Support Services

DSS’s principal activities during the financial year were:

- (a) Labour hire of casual employees, usually regionally-based Traditional Owners to Central Desert for future act and land management activities;
- (b) Accounting, bookkeeping and HR services for Prescribed Bodies Corporate (PBC) and community groups within the central desert region; and,
- (c) Property management of surplus office space at 76 Wittenoom Street East Perth on behalf of Central Desert.

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

Rockhole Funds Management

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

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

Significant Changes in State of Affairs

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

After Balance Date Events

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

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

Likely Developments

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

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	DIRECTORS		AUDIT AND FINANCE COMMITTEE	
	ELIGIBLE TO ATTEND	NUMBER ATTENDED	ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr. Terence Grose	5	5	2	2
Hon. Frederick Chaney AO	5	4	2	2
Dr. Fiona Skyring	5	5	0	0
Dr. Carolyn Tan	5	5	0	0
Mr. Andrew Gilmour	5	3	2	2
Dr. Guy Singleton	5	4	0	0

ENVIRONMENTAL PERFORMANCE

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

DISTRIBUTIONS TO MEMBERS DURING THE YEAR

No dividends or distributions were recommended, declared or paid by members of the Group during the year. The companies within the Group are all non-profit companies and their constitutions do not allow payments including dividends, bonuses or distributions of profit, directly or indirectly, to members, officers, servants, agents or employees other than as reasonable remuneration for services actually rendered.

INDEMNIFYING OFFICERS OR AUDITOR

The Group has entered into deeds of access and indemnity with all directors and officers to the extent allowed at law. Other than these, no indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. The company holds an Association’s Liability insurance policy which includes both directors and officers and professional indemnity cover.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Group or to intervene in any proceedings, to which 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 Group’s auditor is Mr. Paul Gerrard Gilbert (ASIC Reg. 165334). Mr. Gilbert’s independence declarations for the year ended 30 June 2017 have been received and Central Deserts can be found on page 46 of the financial statements.

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

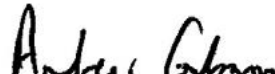
Terence Grose



Director/Chairperson

29 September 2017

Andrew Gilmour



Director/Audit and Finance Committee Chairperson

29 September 2017

11th August 2017

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

Dear Directors,

AUDITOR'S INDEPENDENCE DECLARATION

AS REQUIRED BY SECTION 307C OF THE CORPORATIONS ACT 2001

As lead Auditor for the audit of Central Desert Native Title Services Ltd for the year ended 30 June 2017, I declare to the best of my knowledge and belief, that there have been:

- (a) no contraventions of the Auditor independence requirements of the *Corporations Act 2001*, in the relation to the audit, and
- (b) no contraventions of any applicable code of professional conduct of the Accounting Professional and Ethical Standards Board relation to the audit.

This Declaration is made in respect of Central Desert Native Title Services Ltd during the period of the audit.



Paul Gilbert, FCPA MBA
Registered Company Auditor
Macleod Corporation Pty Ltd



MACLEOD
CORPORATION PTY LTD.

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CERTIFIED PRACTISING ACCOUNTANTS

CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2017

DIRECTORS' DECLARATION

FOR THE YEAR ENDED 30 JUNE 2017

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 47 to 68 are in accordance with the *Corporations Act 2001*, the Regulations and the company's constitution and:
 - (a) Comply with Australian Accounting Standards – Reduced Disclosure Requirements; and,
 - (b) Give a true and fair view of the financial position of the consolidated group as at 30 June 2017 and of its performance for its operations as a whole for the year then ended.
2. In the directors' opinion that 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/Chairperson

29 September 2017

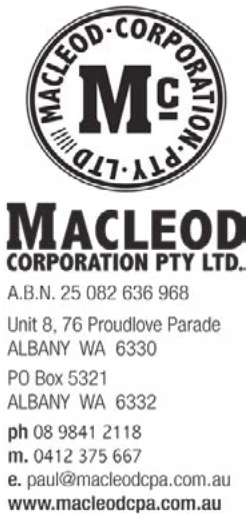
Andrew Gilmour



Director/Audit and Finance Committee Chairperson

29 September 2017

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.



Paul Gilbert FCPA MBA
Registered Company Auditor
Macleod Corporation Pty Ltd

Dated this 25th day of August 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017 \$	2016 \$
Revenue and Other Gains			
Revenue from continuing operations	4	9,413,538	9,215,073
Other gains	4	70,052	12,133
		9,483,590	9,227,206
Expenses and Other Losses			
Employee benefits expense		(5,127,911)	(4,953,477)
Services and supplies		(2,018,843)	(1,843,052)
Motor vehicle expenses		(248,274)	(248,820)
Occupancy costs		(433,760)	(702,040)
Travel expenses		(636,160)	(494,948)
Other expenses	5	(408,296)	(424,727)
Depreciation / amortisation		(246,680)	(302,159)
Interest expense		(1,248)	(1,896)
Other Losses		-	-
		(9,121,172)	(8,971,119)
Net Income before income tax		362,418	256,087
Income tax expense	3 (j)	-	-
Net Income after income tax		362,418	256,087
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gains on revaluation of motor vehicle fleet		-	434,840
Total comprehensive income for the year		-	434,840
Total Comprehensive Income		362,418	690,927

The accompanying notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2017

	NOTE	2017 \$	2016 \$
Current Assets			
Cash and cash equivalents	7	6,457,237	3,488,328
Trade and other receivables	9	291,101	325,941
Other current assets	10	99,389	75,658
Total Current Assets		6,847,727	3,889,927
Non-Current Assets			
Property, plant & equipment	11	1,635,156	1,673,089
Total Non-Current Assets		1,635,156	1,673,089
Total Assets		8,482,883	5,563,016
Current Liabilities			
Trade and other payables	13	274,928	162,943
Provisions and accruals	14	493,767	707,587
Employee benefits	15	545,411	489,593
Deferred income	16	2,989,959	561,347
Trust liabilities	17	1,567,112	1,408,062
Interest bearing borrowing	18	15,866	15,051
Total Current Liabilities		5,887,043	3,344,583
Non-Current Liabilities			
Employee benefits	15	226,136	195,280
Interest bearing borrowing	18	-	15,867
Total Non-Current Liabilities		226,136	211,147
Total Liabilities		6,113,179	3,555,730
Net Assets		2,369,704	2,007,286
Equity			
Member's Funds		2,369,704	2,007,286

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	RETAINED EARNINGS \$	RESERVES \$	TOTAL \$
Balance at 30 June 2015		1,316,359	-	1,316,359
Operating result for the year		256,087	-	256,087
Other comprehensive income for the year		-	434,840	434,840
Movement in reserves		(158,400)	158,400	-
Balance at 30 June 2016		1,414,046	593,240	2,007,286
Operating result for the year		362,418	-	362,418
Other comprehensive income for the year		-	-	-
Movement in reserves		30,975	(30,975)	-
Balance at 30 June 2017	6	1,807,439	562,265	2,369,704

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2017	2016
		\$	\$
Cash Flow from Operating Activities			
Receipts from government and customers		10,216,723	9,317,236
Payments to employees		(4,415,336)	(4,974,996)
Payments to suppliers		(2,665,917)	(2,893,774)
Interest received		32,249	33,898
Finance costs		-	-
Net cash from operating activities	8	3,167,719	1,482,364
Cash Flow from Investing Activities			
Proceeds from sale of property & equipment		38,692	6,170
Payment for property & equipment		(221,204)	(225,822)
Payments for investments in associates		-	-
Net cash used in investing activities		(182,512)	(219,652)
Cash Flow from Financing Activities			
Increase in financing commitments		-	45,320
Repayment of financing commitments		(16,298)	(16,298)
Net cash from financing activities		(16,298)	29,022
Net (decrease) increase in cash held		2,968,909	1,291,734
Cash at the end of the financial year	7	6,457,237	3,488,328
Cash at the beginning of the financial year	7	3,488,328	2,196,594
Net Increase / (Decrease) in cash held		2,968,909	1,291,734

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1. THE PARENT COMPANY

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

(a) Registered Office

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

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

(b) Not For Profit

The Company is a not-for-profit organisation. It is registered as a PBI with the ACNC and the ATO.

2. BASIS OF PREPARATION OF THE FINANCIAL REPORT

(a) Date of Issue

These consolidated financial statements of Central Desert Native Title Services Ltd and the Central Desert Group were authorised for issue by the directors on 29 September 2017. The Directors have the authority to amend the financial statements after that date.

(b) Basis of Accounting

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

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and

conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial report covers the company and its subsidiaries as a consolidated Group.

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

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

The Commonwealth Department of Prime Minister and Cabinet ("DPMC") offered \$3,990,400 in core funding for each of the next two funding years, 16-17 and 17-18, on 5 August 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the parent entity (the parent) and all subsidiaries as at 30 June 2017 and the results of the parent and all subsidiaries for the year then ended. Central Desert Native

Title Services Ltd and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity. Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

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

(b) 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.

(c) Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

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

De-recognition

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

Classification and subsequent measurement

Financial assets at fair value through profit and loss

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

Loans and receivables

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

Held-to-maturity investments

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

Available-for-sale financial assets

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

Financial liabilities

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

Derivative instruments

The company does not deal with or hold derivative instruments.

Fair value

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

Impairment

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

(d) Inventories

The company does not hold inventories of goods for sale.

(e) Investments (financial assets)

Available-for-sale financial assets

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

Fair value

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

Recognition

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

(f) 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 building are measured on the cost basis.

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

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

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

(g) Intangible assets

Software

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

(h) Employee benefits

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

(i) Provisions

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

(j) Borrowings

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

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

(k) Funds held on trust

From time to time the company holds funds on trust for indigenous organisations. Such funds are held as liabilities and retained in the company's bank accounts pending the establishment of bank accounts for the purpose. The receipt of those funds, and interest pertaining to the bank accounts, are not recognised as revenue to the company.

(l) Revenue

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

Grant revenue

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

Sale of services

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

Sale of goods

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

Interest

Interest revenue derives from interest on funds held on deposit and are recognised when they are received. Other interest received is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Donations and bequests

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

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

(m) Taxation**Public Benevolent Institution**

The Australian Charities and Not-for-Profits Commission has registered the company as a Public Benevolent Institution. The Australian Taxation office has endorsed the company as 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.

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.

(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.

4. REVENUE FROM CONTINUING OPERATIONS

	NOTE	2017	2016
		\$	\$
Revenue from continuing operations			
Net grant revenue	18	6,583,834	6,453,398
Revenue from the sale of services		2,250,335	2,536,286
Sales of goods		14,286	12,568
Reimbursements		522,600	65,490
Rent & Utilities		6,562	19,174
Donations		186	62,878
Sundry		3,486	31,381
Interest		32,249	33,898
		9,413,538	9,215,073
Other Gains			
Proceeds on sale of non-current assets		26,234	6,264
Other Gains		23,460	5,869
Bad Debts - Recovered		20,358	-
		70,052	12,133
Total		9,483,590	9,227,206

5. NET OPERATING RESULT

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

PBC Program expenses	365,897	380,399
Repairs & maintenance	18,229	7,125
Charitable payments	1,651	1,014
Bad debts provn/written off	11,782	21,590
Other Expenses	10,737	14,599
	408,296	424,727

6. MOVEMENT IN RESERVES

	RETAINED EARNINGS	ASSET REVALUATION	GENERAL RESERVE	VEHICLE REPLACEMENT	TOTAL
Reserves at beginning of year	1,414,046	434,840	108,900	49,500	2,007,286
Operating result for the year	362,418	-	-	-	362,418
Comprehensive income	-	-	-	-	-
Movement in reserves	30,975	-	(30,975)	-	-
Reserves at end of year	1,807,439	434,840	77,925	49,500	2,369,704

Note: Share capital reserves are eliminated on consolidation.

7. CASH AND CASH EQUIVALENTS

	2017	2016
	\$	\$
Cash at Bank		
Central Desert	4,474,245	1,873,208
DSS	410,261	210,748
RFM	5,320	3,299
	4,889,826	2,087,255
Trust Accounts		
Held by Central Desert	-	-
Held by RFM	1,567,111	1,400,773
	1,567,111	1,400,773
Cash on Hand		
Petty cash	300	300
Gift vouchers	-	-
	6,457,237	3,488,328

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

- \$1,341,853 representing the balance of unexpended grants – see note 17b
- \$1,646,985 in Grants in advance – see note 17c

The restrictions arise as a result of the terms and conditions of various funding agreements which require unspent funds to be returned or used in future years for the purposes specified in the funding agreements.

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

- \$1,567,111 is held on Trust for 3rd parties – see note 18.

8. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities

	2017	2016
	\$	\$
Surplus/(loss) after income tax	362,419	256,087
Non cash flows included in surplus/(loss)		
Depreciation and amortisation	246,680	302,158
Sale of assets	(26,235)	(6,264)
Lease/Hire Purchase Charge Reclassified as Financing	1,248	1,895
Changes in assets and liabilities		
(Increase)/decrease in receivables	34,876	(28,208)
(Increase)/decrease in other current assets	(23,766)	130,247
Increase/(decrease) in payables	111,984	2,439
Increase/(decrease) in deferred income	2,428,612	(211,846)
Increase/(decrease) in provisions and accruals	(143,012)	460,718
Increase/(decrease) in Trust liabilities	159,050	747,650
Increase/(decrease) in other liabilities	15,866	(172,512)
Cash flows from operating activities	3,167,722	1,482,364

9. TRADE AND OTHER RECEIVABLES

Trade receivables	304,026	343,691
Other receivables	35	2,608
Less: Provision for doubtful debts	(12,960)	(20,358)
	291,101	325,941

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.

(a) Aging of amounts receivable, past due (over 30 days) but not impaired

31-60	-	59,168
61-90	72	17,468
90+	13,011	6,224
	13,083	82,860

10. OTHER CURRENT ASSETS

Prepayments	38,740	37,889
Bonds	1,980	1,980
Accrued Income	58,669	35,789
	99,389	75,658

11. PROPERTY PLANT & EQUIPMENT

	2017	2016
	\$	\$
Freehold land and buildings		
Freehold land	23,500	23,500
Buildings at cost	923,210	923,210
Less: accumulated depreciation	(82,367)	(54,379)
	864,343	892,331
Leasehold improvements		
Leasehold improvements at cost	895,466	530,654
Less: accumulated depreciation	(554,553)	(491,543)
	340,913	39,111
Motor vehicles		
Motor vehicles at cost	1,171,042	1,227,668
Less: accumulated depreciation	(767,239)	(703,892)
	403,803	523,776
Office equipment & furniture		
Office equipment & furniture at cost	322,608	322,608
Less: accumulated depreciation	(302,085)	(283,645)
	20,523	38,963
Plant & equipment		
Plant & equipment at cost	72,316	72,316
Less: accumulated depreciation	(69,818)	(67,900)
	2,498	4,416
Artwork		
Artwork	3,076	3,076
Less: accumulated depreciation	-	-
	3,076	3,076
	1,635,156	1,501,673
Work In Progress		
Work In Progress - Office Fitout	-	171,416
	-	171,416
	1,635,156	1,673,089

(a) Movements in carrying amounts

	F/HOLD LAND & BUILDINGS	L/HOLD IMP	MOTOR VEHICLES	OE & FURN	PLANT & EQUIPMENT	ARTWORKS	TOTAL
	\$	\$	\$	\$	\$	\$	\$
2016							
Opening balance	921,353	144,815	219,783	23,465	1,998	3,076	1,314,490
Additions							
by purchase	-	-	15,000	33,656	5,750	-	54,406
Depreciation expense	(29,022)	(105,704)	392,504	(18,158)	(6,932)	-	232,688
Disposals	-	-	(103,511)	-	3,600	-	(99,911)
	892,331	39,111	523,776	38,963	4,416	3,076	1,501,673
2017							
Additions							
by purchase	-	364,812	27,808	-	-	-	392,620
Depreciation expense	(27,987)	(63,010)	(135,325)	(18,441)	(1,917)	-	(246,680)
Disposals	-	-	(12,457)	-	-	-	(12,457)
Closing Balance	864,344	340,913	403,802	20,522	2,499	3,076	1,635,156

Freehold Land and Buildings: The land management facility and native title office located in Wiluna Western Australia were valued in January 2016. The market value at that date were determined to be:

Lot 1489 Woodley Street - \$30,000

Lot 501 Wotton Street - \$435,000

The company continues to hold these freehold properties at cost, rather than market value, because market value is not considered reliable due to the lack of market sales activity in Wiluna WA and the fact that the value-in-use to the company more closely matches cost.

12. INVESTMENTS IN ASSOCIATES

	2017	2016
	\$	\$
Investments carried at cost		
Desert Support Services Pty Ltd	100	100
Rockhole Funds Management Pty Ltd	100	100
	200	200

Note: Shareholding in subsidiaries is eliminated on consolidation.

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

(a) Ownership Interests

NAME	PRINCIPAL ACTIVITY	PLACE OF INCORPORATION	PROPORTION OF OWNERSHIP HELD BY GROUP	
			2017	2016
Desert Support Services P/L	Labour Hire, Accounting, Property Management	Australia	100%	100%
Rockhole Funds Management P/L	Native Title Trust Management	Australia	100%	100%

Both companies are formed as not-for-profit private companies and therefore Central Desert is not entitled to dividends or other distributions from either subsidiary. Investments in associates are carried at cost rather than using the equity method as the parent has not right to the equity of the subsidiaries.

(b) Financial Results

NAME	2017		2016	
	SURPLUS/(LOSS)	NET ASSETS	SURPLUS/(LOSS)	NET ASSETS
Desert Support Services Pty Ltd	107,000	213,403	33,203	106,403
Rockhole Funds Management Pty Ltd	(4,422)	4,235	1,006	8,657

13. TRADE AND OTHER PAYABLES

	2017	2016
	\$	\$
Trade payables	182,614	107,794
Other payables	7,502	6,204
Credit card		
Mastercard	35,698	36,428
American Express	49,114	12,517
	274,928	162,943

Credit Card Facilities. The company has a \$100,000 credit card facility with Westpac Banking Corporation of which \$64,651 remained unused at balance date. The company has a \$70,000 credit card facility with American Express of which \$20,886 remained unused at balance date. MasterCard and American Express purchasing card balances are cleared on or about the 27th of each month.

14. PROVISIONS & ACCRUALS

Provisions		
Audit fees	16,850	14,450
Accruals		
Wages	82,912	268,377
GST & PAYG	330,506	72,177
Accrued Program Expenses	63,499	352,583
	493,767	707,587

15. EMPLOYEE BENEFITS

	2017	2016
	\$	\$
Current		
Annual Leave	303,182	307,080
Long Service Leave	242,229	182,513
	545,411	489,593
Non -current		
Long Service Leave	226,136	195,280
	226,136	195,280

16. DEFERRED INCOME

Grants-in-advance	1,648,106	-
Unexpended grants	1,341,853	561,347
	2,989,959	561,347

(a) Grants-in-advance

Native Title representation and services	1,648,106	-
	1,648,106	-

(b) Unexpended grants

Native Title - contested litigation	395,284	77,000
Native Title - PBC support	381,597	-
Department of the Environment	564,972	348,564
Rangelands NRM	-	135,783
	1,341,853	561,347

Net Grant Revenue: Net grant revenue is represented by new grants plus Unexpended Grants b/fwd less unexpended grants c/fwd. 2017: 6,496,834 (2016: \$6,453,398).

(c) Unexpended commitments - NTRS

Native Title representation services PFA	7	-	240,000
		-	240,000

17. TRUST LIABILITIES

Funds held by DSS	-	7,289
Funds held by RFM	1,567,112	1,400,773
	1,567,112	1,408,062

18. INTEREST BEARING BORROWING

	2017	2016
	\$	\$
Bank Loan	16,298	16,298
Less: Unexpired Interest	(432)	(1,247)
	15,866	15,051

Non-current

Bank Loan	-	16,298
Less: Unexpired Interest	-	(431)
	-	15,867

19. AUDITOR REMUNERATION

Auditor remuneration for the year ended 30 June		
Audit of the financial report	14,500	14,450
Audit of the grants acquittals IPA projects	2,250	-
Other non-audit services	-	-
	16,750	14,450

20. KEY MANAGEMENT PERSONNEL

The company's Key Management Personnel comprise the directors identified in the directors' report and the following management staff:

POSITION	2017	2016
Chief Executive Officer	Ian Rawlings	Ian Rawlings
Manager - Statutory Functions	Jo Lanagan	Jo Lanagan
Principal Lawyer	Malcolm O'Dell	Malcolm O'Dell
Chief Financial Officer	Colin Napier/Ric West (Resigned)	Ric West
Manager - Land & Community	Rob Thomas	Rob Thomas

(a) Remuneration of Key Management Personnel

	DIRECTORS		MANAGEMENT STAFF	
	2017	2016	2017	2016
	\$	\$	\$	\$
Short Term Benefits				
Salaries & allowances	-	-	890,418	807,990
Directors fees	-	-	-	-
Travel allowances	-	-	-	-
Post Employment Benefits				
Superannuation	-	-	78,652	75,633
Total	-	-	969,070	883,623

21. CAPITAL AND LEASING COMMITMENTS

Capital Expenditure Commitments

Capital expenditure commitments at balance date are:

	2017	2016
	\$	\$
Leasehold improvements: 76 Wittenoom Street	-	171,416

Operating Lease Commitments

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

OPERATING LEASE	EXPIRING	PAYMENTS DUE		
		WITHIN 1 YEAR	1-5 YEARS	OVER 5 YEARS
76 Wittenoom Street East Perth ¹	31/03/23	235,789	1,251,836	44,423
225 Piccadilly St Kalgoorlie	30/06/18	18,013	-	-
Canon photocopiers	13/06/19	8,072	10,090	
		261,874	1,261,926	44,423

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

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

22. CONTINGENT ASSETS AND LIABILITIES

Contingent Assets:

Nil.

Contingent Liabilities:

Nil.

23. MEMBERS’ GUARANTEE

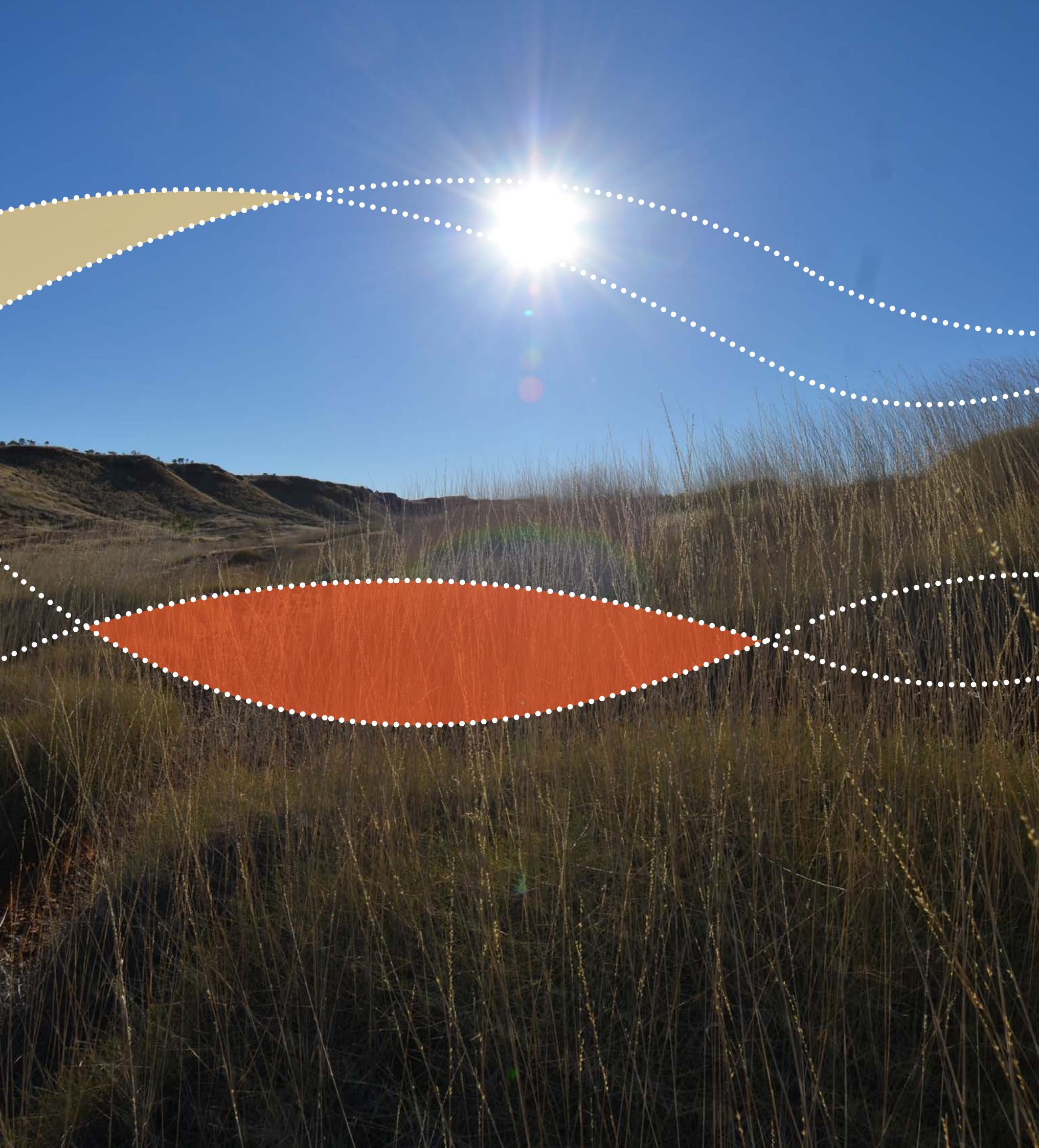
Central Desert is incorporated as a company limited by guarantee under the *Corporations Act 2001*.

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 2017 the number of members was five (5).

24. EVENTS AFTER THE BALANCE DATE

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

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ACKNOWLEDGEMENTS

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

We also acknowledge our funding providers and partners:

- The Department of Prime Minister and Cabinet
- Department of Environment and Energy
- Rangelands NRM
- The Western Australian Government’s NRM Program through the Department of Agriculture and Food
- Bush Heritage Australia

FOR MORE INFORMATION:

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<http://www.centraldesert.org.au/about-us-item/annual-reports/>

The Central Desert Group is Central Desert Native Title Services Ltd, Desert Support Services Pty Ltd and Rockhole Funds Management Pty Ltd. The Group delivers high quality services to native title holder and claimant groups in the Central Desert region of WA, including legal representation, natural resource management facilitation services, as well as financial and governance support. The organisation fosters and maintains strong cooperative relationships between traditional owners and government agencies, non-government organisations, exploration and mining companies and other stakeholders.



CENTRAL DESERT GROUP

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