

# ANNUAL REPORT

2008 - 2009



*Pursuant to Section 48 of the Commonwealth Authorities and Companies Act 1997, the Finance Minister has provided certain orders for the reporting of operations of Commonwealth Authorities in relation to financial years ending on or after June 1999.*

## **ENABLING LEGISLATION.**

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The Aboriginal Land Rights (Northern Territory) Act 1976 provides at Section 12AAA a grant to the Tiwi Land Trust, and is the enabling legislation of the Tiwi Land Council established by Special Gazette No.S162 of 18 August 1978.

## **RESPONSIBLE MINISTER.**

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The Honourable Jenny Macklin MP, Minister for Families, Housing, Community Services and Indigenous Affairs has been our responsible Minister throughout the reporting period.

**Land Council Headquarters  
Pickertaramoor  
Melville Island**



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*The Tiwi Land Council is the Statutory Authority of Owners of the Tiwi Islands*

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The Honourable Jenny Macklin MP,  
Minister for Families, Housing, Community Services and Indigenous Affairs.  
Parliament House,  
CANBERRA, A.C.T., 2600.

Dear Minister,

THIRTIETH ANNUAL REPORT.

In accordance with clause 1 of schedule 1 of the Commonwealth Authorities and Companies Act 1997, I am pleased to present to you the thirtieth annual report of the Tiwi Land Council for the period 1 July 2008 to 30 June 2009. The report includes a copy of our audited financial statements forwarded to you by the Australian National Audit Office.

Yours sincerely,

A handwritten signature in black ink that reads 'Robert Tipungwuti'.

Robert Tipungwuti.  
Chairman.

14th September 2009.

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## **A STATEMENT OF OUR PAST.**

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***“The aboriginals of Bathurst and Melville islands remained a unified entity repelling any unwanted effects of alien contact, embracing others, and generally enjoying authority over their own lives and customs for a period of two centuries.”***

(Krastins,V. “The Tiwi: A Culture Contact History of the Australian Aborigines on Bathurst and Melville Islands 1705-1942.” BA Hons thesis, ANU: 1972.)

## **A STATEMENT OF PRESENT PURPOSE.**

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***“We believe that the Tiwi Land Council provides a continuation of those processes now affirmed in legislation; recognising our one language and common and distinct customs; our constant contact with each other and shared hunting grounds and ceremonies; our established practice of calling meetings and seeking the advice of our elders that have served our people for thousands of years, and is a recognised and respected authority for the management, protection and development of our interests.”***

(Matthew Wonaeamirri, Eric Brooks, Hycinth Tungutalum, Raphael Aputumi, Cyril Rioli – A Special Meeting of Clan Leaders at Pulumpi, 1 June 1977.)

## **OUR VISION FOR THE FUTURE.**

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“Our vision is of an independent and resilient Tiwi society built on the orderly and well managed utilization of our natural and human resources through reliance upon our own management, maintenance and protection of unique cultural and natural resource values for the enjoyment and benefit of future generations of Tiwi.”

(Tiwi Land Council Meetings and Workshops developing the strategies and responsibilities leading to publication and ratification of the Tiwi Islands Regional Natural Resource Management Strategy, 29th. September 2003.)

## CHAIRMAN`S REPORT:

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Welcome to the 30th Edition of the Tiwi Land Council's Annual Report for 2008/9.

Again we pay our respects to those Tiwi who have played such an important role in all our lives and who have left us in this past year. One in particular who will be sorely missed was the first Indigenous MLA in the Northern Territory Government, a cultural Tiwi leader and an inspirational footballer.

May he, and they all rest in peace.

We held our Chairman's' election earlier this year and I am both proud and humbled that the TLC members re-elected me to the position for the next three years. The Chairman's role carries with it huge responsibilities and I hope that I can meet those responsibilities with wisdom and thoughtfulness for the benefit of all Tiwi.

What a year we've had. Let's start with the challenges...Matilda Minerals was the first to go into voluntary administration but have now been purchased by Stirling Resources and Olympia and expect to recommence operations on the Islands later in 2009.

Great Southern was the next to go and it will be a massive challenge for the Tiwi to make this work in our favour. Are we up for it? You bet we are!

Our twenty year strategy for the Tiwi to take control of the Australian Tiwi Timber project now has to happen within months and with it comes many opportunities for the Tiwi to benefit enormously. Sure we need to manage the plantations and repair Port Melville over the next four years before we harvest the first rotation of trees in 2013...and we will. And then the door of opportunity opens. Large numbers of our young Tiwi will have the chance to work on the project and gain the rewards of real employment: high self esteem, a strong future for themselves and their kids, fantastic career opportunities and a real life.

A Senate Inquiry into Forestry and Mining on the Tiwi Islands took place this year and the Tiwi Land Council welcomes the many different views and opinions on the future of the Forestry Industry on the Islands; but we are steadfast in our resolve to build and develop this industry in order for our people to escape the disastrous effect of passive welfare over the past two decades and create a sustainable industry that will serve the Tiwi for many years and many generations to come.

In partnership with CSIRO our Tiwi Rangers and Tiwi College students are investigating Carbon emissions through fire control. This could lead to both environmental and economic benefits for the Tiwi in the not too distant future.

Aquaculture and the barramundi fish farming project is back on the table with a Western Australian based company entering into an MOU with the Tiwi to explore and hopefully develop the fish farming

industry near Milikapiti. One of our families is working with the Darwin aquaculture hatchery, and at years` end had successfully spawned the first crop of spat from Tiwi black lipped oyster. Cyril Kalippa, who has been pushing oyster farming for years, is ecstatic.

The Tiwi are also working towards having greater involvement in Education at all Tiwi Islands Schools. Fruitful discussions are taking place with the Catholic Education Office and the NT Education Department with regard to establishing an inclusive Strategic Tiwi Educational body to have a real and meaningful involvement in all of our Tiwi schools. After all, it is our kids and our future that is at stake.

The Tiwi College is starting to make its mark with about 55 students enrolled and an average attendance rate of 70%-80% regularly attending. We are putting in place strategies and programs to significantly improve this rate further. Stage one of the construction phase is complete with funding applications for further construction of classrooms and science labs in place. To those staff from all Tiwi Islands schools that will leave us at the end of this year, we thank you for your dedication to our children and wish you well.

There are also many changes in all of our communities with Traditional Owners from Pirlangimpi, Milikapiti and Ranku in negotiations with the Federal Government with the prospect of entering into township leases. Many Traditional Owners can see the benefits that are coming to Wurramiyanga (once Nguuu) as a result of their township lease.

The Tiwi Bombers, a key plank in our social development strategy, again reached the finals in their second year in the NTFL, unfortunately going out in straight sets. But, we are two years into, and well ahead of, our five year plan to play in a grand final. We welcome Karl Gunderson, Associate Director of the Tiwi College 'Baby Bombers' Football Academy as the new coach and we wish him and the team all the best for the upcoming season.

As you can see we are at an exciting and challenging time for the Tiwi. It is our task to meet these challenges full on and use them as a springboard to a rewarding and prosperous future for all Tiwi.



Robert Tipungwuti  
Chairman,  
Tiwi Land Council

3rd September 2009.

## **MANAGEMENT COMMITTEE:**

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A committee of management reflecting traditional Tiwi decision-making processes replaced a line management structure in 1995. The Management Committee was approved by the Minister pursuant to section 29A of the Land Rights Act on 21 March 1995.

### **Chairman:**

- Robert Tipungwuti was born on Bathurst Island 13th July 1939. He has had a distinguished career as Commissioner of the Aboriginal Development Commission through the 1980's and has held other senior leadership positions in Aboriginal Affairs. He is widely credited with the establishment of the Ranku Community on Bathurst Island. As President at Milikapiti he also secured the Tiwi strength of this vital township on Melville Island during the 1980's and 1990's.

His determination and leadership has been a driving force behind economic development on the Tiwi Islands for many years. He is also a member of the Tiwi Education Board establishing the Tiwi College at Pickertaramoor on Melville Island in association with government and industry partners. Mr. Tipungwuti is a ceremonial leader with strength and determination committed to the service of his people and to their better education, health and participation as a secure people within Australia. He is the Tiwi representative on the Aboriginal Areas Protection Authority. He is married and resides at Ranku.

### **Managers:**

#### **Cyril Kalippa OAM.**

- Born on Munupi land, Melville Island 7 July 1934, Mr. Kalippa was the founding Chairman of the Land Council in 1978. He has continued an active and influential interest in all Tiwi affairs throughout his life. He is an experienced and respected businessman with interests in retail, tourism, transport, aquaculture, horticulture and forestry. His wise counsel has been invaluable to the Land Council over thirty years and at over 1000 formal meetings. He serves his people on the Tiwi Education Board, Tiwi Local Government and Coastal Waters, Forestry and Land Management Committees, and Chairs the Biological Reference Group of environmental scientists monitoring forestry impacts. He also holds directorships with community and Tiwi regional enterprises. Mr. Kalippa is a foundation Board Member of the Tiwi Bombers and has represented his people as a speaker in reconciliation and enterprise development forums. He was recognized in the Australia Day Honours 26 January 2008 for a lifetime of service to his people. He is resident at Pirlangimpi on Melville Island.

#### **Andrew Tipungwuti.**

- Born in Darwin 10 February 1974, Mr. Tipungwuti joined the Land Council as a representative of the Wuranguwu group in 1999. He was educated at the Slade School in Queensland and graduated through the Defence Industry Study Course in 2001. He is a certified international coxswain and was also appointed to the position of Tiwi Marine Ranger in 2003. Mr. Tipungwuti was elected as one of three Tiwi representatives to the ATSIC Regional Council in 2002. He is Chairman of the Tiwi Islands Training and Employment Board, President of the Milikapiti Social Club and is also the Tiwi Director on Imparja Television, Tiwi Barge Services and Port Melville. During 2007 Mr. Tipungwuti was also appointed as a

member of the FRDC (Fisheries Research and Development Council) Indigenous Advisory Group. He is married and resides at Milikapiti on Melville Island.

### **Matthew Wonaeamirri.**

- Born 14 April 1947 on Yimpinari land, Melville Island, Mr. Wonaeamirri was a founding member of the Land Council at the age of 29. He was elected Chairman in 1994 and was again elected as Chairman for a three year term to February 2003. Mr. Wonaeamirri spent a number of years as an apprentice mechanic in Sydney and Brisbane and returned to the Islands to assist the early development of the Land Council in 1976. He is a respected and influential traditional leader. He is a founding member of the Chief Minister's Development Consultative Forum; Ministerial delegate to the Aboriginal Benefit Account; a director of the Tiwi Training Board, in addition to directorships with various Tiwi enterprises. Resident at Milikapiti, Mr. Wonaeamirri has significant community, tourism, mining and fishing interests and has attracted substantial national and international investment to the Tiwi region. A Chairman of the Tiwi Islands Football League, he is also a founding Board member of the Tiwi Bombers.

### **Walter Kerinaiaua.**

- Mr. Kerinaiaua has returned to assist the Management Committee following a heart attack he suffered in 2005. The Land Council has welcomed his unpaid assistance to the Land Council and to his people, as an ex-officio member of the Management Committee.

Born on Mantiyupwi land, Bathurst Island 17 August 1947. Mr. Kerinaiaua joined the Land Council as a founding member in 1978.

His traditional authority extends throughout the Tiwi region. He was elected Chairman of the Land Council 1991-94. His knowledge and grasp of issues is invaluable to the Management Committee. Mr. Kerinaiaua is resident at Nguui, Bathurst Island.

### **Objectives:**

To promote and manage the efficient and effective use of the financial and human resources of the Land Council in undertaking the directions and policy of the Land Council. And to monitor that use consistent with the commitment of the Land Council to responsible development and the ambitions of the Tiwi people.

### **Performance:**

COMMONWEALTH AUTHORITIES AND COMPANIES (REPORT OF OPERATIONS ORDERS) 2008; PURSUANT TO CLAUSE 10 REQUIRE OUR REPORT OF OPERATIONS TO INCLUDE OPERATIONAL AND FINANCIAL RESULTS; AND INCLUDE BOTH KEY FINANCIAL AND NON-FINANCIAL INDICATORS.

The Tiwi Land Council Financial Results are provided in audit detail as part of our financial statements for the year ending 30 June 2009. They are also included under the PERFORMANCE REPORTING Section of this Report. That same section also contains KEY PERFORMANCE INDICATORS as agreed in 2005 between

all Northern Territory Land Councils and are provided as OUTPUTS in the PERFORMANCE REPORTING SECTION of this report.

KEY NON-FINANCIAL INDICATORS INCLUDE THOSE LISTED BELOW:

KEY PERFORMANCE INDICATORS OF THE MANAGEMENT COMMITTEE ARE:

The Management Committee is required to meet regularly to:

- It is required to meet regularly to:
- Monitor the Budget and control the expenditure of the Land Council, as an internal Finance Committee, reporting to the Land Council and seeking advice from the Independent Audit Committee.
- Assess and advise upon various development and land use proposals, and referring matters requiring decisions to the Land Council.
- Monitor environmental and other development impact upon land and land use
- Monitor the Budget and control the expenditure of the Land Council, as a Finance Committee.
- Develop those strategies to ensure financial controls are adequate and consistent with Government regulations, and provide advice and respond to the independent Audit Committee.
- Attend upon the Natural Resource Management Committee of the Land Council and monitor environmental impact upon land and land use and develop strategies for effective land management for the consideration of the Land Council.
- Assess and monitor community responses to the impact of development and to develop strategies to further the harmonious development of Tiwi society.
- Assess the impact and make such recommendations to the Land Council in regard to Commonwealth and State legislation and policy affecting the Tiwi people.
- Coordinate and monitor the opinions and policies of various Boards and Committees established by the Tiwi people for assessment by the Land Council in undertaking its functions.
- Assess and respond to those requirements of visitors seeking discussions with the Land Council and owners of Tiwi land.

## Outcomes:

A summary of Management Committee outcomes for the year include:

### 1. Management Committee:

#### MANAGEMENT PERFORMANCE

	2006/07	2007/08	2008/09
Number of Meetings	36	29	<b>30</b>
Total absentees from meetings in the year	4	3	<b>3</b>
Land Use proposals considered	28	35	<b>32</b>
Land Use proposals approved	22	28	<b>28</b>
Land Use projects approved and under development	18	23	<b>22</b>
Land Use proposals current investment value	\$140m	\$175m	<b>\$227m</b>
Land Use related Tiwi employment created	47	33	<b>33</b>
Land Use related Tiwi jobs secured through TITEB Training	27	17	<b>25</b>
Land Use rental returns to Land owners	\$718k	\$6.2m	<b>\$1.57m</b>
Community development impact meetings	52	63	<b>47</b>
New legislation affecting Landowners	12	12	<b>15</b>
Boards and Committee Meetings attended	103	116	<b>98</b>
Visitors involved in Tiwi development issues	173	291	<b>264</b>

CLAUSE 14 OF THE COMMONWEALTH AUTHORITIES AND COMPANIES (REPORT OF OPERATIONS ORDERS) 2008, REQUIRE DETAIL OF MEMBERS AND DIRECTORS, THEIR NAMES, QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES AND WHETHER THEY ARE EXECUTIVE OR NON-EXECUTIVE MEMBERS. CLAUSE 14 ALSO REQUIRES THE NAMES AND ATTENDANCE BY NAME OF EACH DIRECTOR OR MEMBER ATTENDING.

The thirty meetings noted in the PERFORMANCE CHART above are detailed in the chart that follows including those absent; Qualifications of Directors are listed at page 7-8:

DATE	MEETING NUMBER	EXECUTIVE DIRECTORS ATTENDING	NON-EXECUTIVE DIRECTORS ATTENDING	ABSENT
9.7.08	221	Robert Tipungwuti; Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri.	Marius Puruntatameri; Andrew Bush.	

16.7.08	222	Robert Tipungwuti; Andrew Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri.	Hycinth Tungutalum; Andrew Bush; Brian Tipungwuti; Wally Kerinauia Jnr; Walter Kerinauia; Ivan Fernando; Kim Brooks Wommatakimmi; CJ Kerinauia.	
22.7.08	223	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.		
8.8.08	224	Robert Tipungwuti, Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri.	Walter Kerinauia; Andrew Bush; Hycinth Tungutalum; Brian Tipungwuti; CJ Kerinauia; Gibson Farmer;	
11.8.08	225	Robert Tipungwuti, Matthew Wonaeamirri; Andrew Tipungwuti.	Brian Ullungurra; Bernard Tipiloura; Hycinth Tungutalum; Walter Kerinauia; Danny Munkara.	Cyril Kalippa.
18.8.08	226	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri.		Andrew Tipungwuti;
2.9.08	227	Robert Tipungwuti; Andrew Tipungwuti; Matthew Wonaeamirri; Cyril Kalippa.	Gibson Farmer; Bernard Tipiloura; Walter Kerinauia; Brian Tipungwuti; Vivian Kerinauia; CJ Kerinauia.	
16.9.08	228	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.		
30.9.08	229	Robert Tipungwuti, Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.	Walter Kerinauia; Brian Tipungwuti; Gibson Farmer; Kim Brooks Wommatakimmi.	
7.10.08	230	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.	Marius Puruntameri; Brian Tipungwuti; Bernard Tipiloura; Walter Kerinauia; Andrew Bush; Gibson Farmer; Patrick Puruntameri.	
20.10.08	231	Robert Tipungwuti; Andrew Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri.	Andrew Bush	

28.10.08	232	Robert Tipungwuti; Andrew Tipungwuti; Matthew Wonaeamirri; Cyril Kalippa.	Marius Puruntatameri; Eric Tipiloura; Andrew Bush; Wally Kerinauia; Brian Tipungwuti; Cadji Dunn.	
12.11.08	233	Robert Tipungwuti; Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri.	Eric Tipiloura; Gibson Farmer; Damian Molaminni; Danny Munkara; Marius Puruntatameri; Walter Kerinauia; Andrew Bush; Baylon Tipungwuti; Wally Kerinauia.	
17.11.08	234	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.	Walter Kerinauia; Wally Kerinauia; Andrew Bush; Maralampuwi Kurrupuyu; Marius Puruntatameri; Patrick Puruntatameri; Bernard Tipiloura.	
3.12.08	235	Andrew Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri.	Walter Kerinauia; Bernard Tipiloura; Eric Tipiloura.	Robert Tipungwuti
17.12.08	236	Robert Tipungwuti; Matthew Wonaeamirri; Cyril Kalippa; Andrew Tipungwuti	Walter Kerinauia; Bernard Tipiloura; Marius Puruntatameri; Gibson Farmer; Maralampuwi Kurrupuyu; Barry Puruntatameri.	
6.01.09	237	Robert Tipungwuti; Andrew Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri.	Bernard Tipiloura; Gibson Farmer; Walter Kerinauia.	
27.01.09	238	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.	Hycinth Tungutalum; Barry Puruntatameri; Walter Kerinauia.	
2.02.09	239	Robert Tipungwuti; Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri.	Bernard Tipiloura; Gibson Farmer; Walter Kerinauia.	
18.02.09	240	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.	Bernard Tipiloura; Gibson Farmer	
25.02.09	241	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.		

3.03.09	242	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.		
8.04.09	243	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.		
17.04.09	244	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.		
30.04.09	245	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.	Maralampuwi Kurrupuyu; Marius Puruntatameri; Patrick Puruntatameri; Bernard Tipiloura.	
5.05.09	246	Robert Tipungwuti; Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.		
25/26.05.09	247	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti	Walter Kerinauia; Maralampuwi Kurrupuyu; Marius Puruntatameri; Bernard Tipiloura; Damian Molaminni; Baylon Tipungwuti; Wally Kerinauia; Andrew Bush;	
10.06.09	248	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri;	Gibson Farmer. Marius Puruntatameri; Walter Kerinauia; Andrew Bush	
20.06.09	249	Andrew Tipungwuti. Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti	Walter Kerinauia.	
30.06.09	250	Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.	Bernard Tipiloura; Marius Puruntatameri; Walter Kerinauia; Maralampuwi Kurrupuyu; Wally Kerinauia; Brian Ullungurra; Eric Tipiloura; Ivan Fernando; Danny Munkara; Andrew Bush	

## **A. Land Use:**

### **Proposals considered were:**

- Airfield and Land Council Office HQ complex development at Pickertaramoor on Melville Island. Continuing construction and completion major structures with full complex completion and landscaping end 2009.
- Matilda Minerals assignment of leases to Matilda Zircon. Cessation of mining October 2008, to resume October 2009.
- Private Tiwi saw milling interests and some production. Discussions with Forestry Tasmania and Darwin saw milling interest with ongoing planning to integrate Tiwi training and employment.
- Continuing and detailed infrastructure planning and funding support for road and bridging works involving all private and government stakeholders to a total cost of \$35m over ten years.
- Shopping and Office complex and Motel plans developed by resourced landowners at Nguuu.
- Completion of Baseline Community data research and resident participation.
- Fisheries and impact of the interim Blue Mud Bay decision; land use impact continuing assessment and planning.
- Thorough review of scheduled Bus Services on Melville Island. Cost review and planning for all of Island Transport Service.
- Collapse of Schedule Airline Service operators. Review, plan and re-develop new operator arrangements with Fly Tiwi and Vincent Aviation.
- Completed construction of four Recreational Fishing Camp Shelters on both Melville and Bathurst Islands, and some maintenance.
- Construction projects and consultations in reference to landowner revenue from gravel, soil and sand extraction.
- Further constructions projects related to industry and landowner joint establishment and use of water points.
- Completion of consultations for final establishment of Forestry Plantation blocks (3000 ha) under current Environmental approvals.
- Plantation private investment company receivership. Consultations and development of strategies by landowners to own, operate and manage these plantations through to rotational harvest 2013 and beyond.
- Negotiations with substantial investors at Snake Bay;- identification, survey and approvals for aquaculture sites for sea-cage farming (barramundi), Melville Island and hatchery grow-out site Bathurst Island.
- Continuing harvest and collection of Crocodile Eggs on Bathurst and Melville Islands and payments related thereto.
- Training and support for contracted Tiwi crocodile egg collection.
- Development of Tiwi Contracting Enterprise for Forestry Contracts; modifying of contracts over an annual cycle; support to access and undertake a range of contract and training opportunities.
- Feral pig survey and baiting on Melville Island and Buffalo hunting and utilization on Melville Island.
- Assistance to Cruise ship tourism at Pirlangimpi and Nguuu and visitation arrangements related thereto.

- Exhaustive consultation with landowners of Townships at Milikapiti , Pirlangimpi and Ranku to discuss Township leasing under Section 19A, of the amended Land Rights Act.
  - Extension of the Olive Ridley Turtle research, tagging and protection planning on various beach locations, together with more detailed genetic and sustainable population analysis.
  - Continuing assessment of various incidents of beach erosion and coastal threats.
  - Continuing feral animal and Weed discovery and eradication programs.
  - Continuing support and discussion with the Land Ranger program to targeting endangered species, soils, water, weeds, fire management, buffer zone compliance and fortnightly community consultations especially in the schools.
  - Vernon Islands Land Claim;- further inspection of sites and review of historical and current attachments, genealogies and required evidential records submitted for hearing. Offer of settlement made by Northern Territory Government under consideration by the Land Commissioner.
  - Dedicated Fire Management Committee resourced and formal meeting processes undertaken at four comprehensive meetings through the year.
  - Integration of Fire Management for Greenhouse Abatement with general Land Council strategies and landowner participation, assisted through CSIRO research.
  - Rehabilitation nursery contracts with Matilda Minerals completed. Further nursery refurbishment and extension to supply plants for householder landscaping.
  - Support and planning with Marine Rangers in Border Security; insect monitoring; disposal of foreign vessels and pilotage services at Port Melville.
  - Water allocation planning with researchers “Tropical Rivers and Coastal Knowledge,” now formalized with CSIRO scientific oversight.
  - Extension and upgrades of internet access and broadband together with the introduction of G-mobile services throughout the Islands.
- a. Lease values for forestry land at \$18 per hectare have been paid and received by landowners through the year. A further \$2 per hectare agreed through a training and education trust is subject to consideration by the Receiver Banks established to manage the liquidation of the investment company Great Southern. Total landowner income received in 2008/2009 for use and development of Tiwi land was \$1,569,054.92.
- b. Employment opportunities created exceed 300 of the 900 workforce total. Limitations of education, work practice and appropriate training continue as the major challenge for Tiwi people to access work opportunities. Employment opportunities are shifting from organizational bureaucratic jobs to Tiwi self motivated contracting opportunities related to industry. The value of these opportunities in harvesting, trucking, replanting and other tasks required of sustainable rotational forestry exceed \$30m on an annual basis from 2013 onwards. Opportunities of this magnitude are rare on aboriginal land and access to them is not assisted by a parallel competing dependency economy based upon the principles of CDEP. It has been regretted during the year, that Tiwi Shire Council identified 90 fulltime jobs with skilled Tiwi able to fill them, and has been denied financial resources to pay them.

- c. The shift from traditional land use to using small areas of land (currently less than 4% of total Tiwi land) for an economic purpose has placed significant demands upon the Land Council to better manage environmental and community impact. These demands of quarantine, environmental planning, controls and audit now consume a significant part of the Land Council budget. The Tiwi Land Council was the proud recipient of the Australian National Indigenous Land Care Award for 2008/09 for the excellence of work undertaken by our Rangers.
- d. The Tiwi Regional Natural Resource Management Strategy and the complimentary GIS data-base developed by the Land Council provides the basis for our management of increasing land management demands. Work has begun to extend this data base and strategy to include the coastal zone following the High Court decision in "Blue Mud Bay."
- e. An illustration of the growing confidence and returning strength of Tiwi identity has followed as a direct result of landowner decisions to lease their 400 hectares of Township land at Nguiu. That the impact of this transaction was in affirming respect and identity of the people who actually owned it (and who had, with some anger, clearly assumed that their rights and interests had been sacrificed to Mission; Government and Local Government, through the years) was not fully appreciated, but is quite quickly emerging. The landowner name for this area is Wurrumiyanga (place of the Cycads), not Nguiu (a place where those people walk around asking "Who You?" all the time). The Northern Territory Place Names Committee is believed to have approved this name change.

## **B. Community Development and Impact:**

Projects assisted and initiated by the Land Council during the year include a range of land management and environmental monitoring work on all communities:- cliff erosion; community rubbish tips; roading and access planning; weed and cane toad monitoring and prevention; regular school discussions and involvement; plant nursery establishment and management; sand, soil and gravel extraction, road works, land survey and valuations and control of both domestic and feral animals.

In addition to this core business of our land management, the Land Council also undertook the lead in promotion and establishment of the Tiwi Bombers Football Team within the NTFL premier competition. This commitment has successfully established the Tiwi Bombers as a continuing "final four" competitive team in the competition. Work also continued to establish the Clontarf Academy as part of the Tiwi College. The excellent ground facilities at the College assist both the development of the youngsters "Baby Bombers" and the elite Tiwi Bombers Teams.

Other community initiatives of the Land Council included the establishment and operation of a scheduled Melville Island Bus Service that was entrenched as the significant community service. The huge costs (\$500,000 per annum) to operate this service have required alternate strategies, now under consideration, to continue these operations.

An outline of various current projects initiated and supported by the Land Council are:

### **Bathurst Island:**

- Nguiu Motel- Mantiyupwi Pty Ltd.
- Nguiu Office and Shopping Complex- Mantiyupwi Pty Ltd.
- Tiwi Tours- Mantiyupwi Pty Ltd.
- Community Benefits Package- 99 year lease at Nguiu.
- 25 new houses at Nguiu.
- 90 new houses SIHIP programs. Training and contracts.
- Fixing Homes for Better Health Program.
- Construction of a 'Well Being' Centre.
- Nguiu cemetery upgrade.
- Nguiu Oval upgrade.
- Nguiu Oval Stadium planning and funding.
- Nguiu Interactive tourism and community Information Centre.
- Northern Territory Maritime College – Port Hurd.
- Tidal generation assessment for significant investment.

### **Melville Island:**

- Tiwi College- Tiwi Education Board.
- Aquaculture Sea Cage Farm Project- Milikapiti.
- Mineral Sands Mining- Matilda Zircon Minerals- Andranangoo.
- Tiwi Forestry – Fire and Plantation management..
- Forestry Contracting - Tiwi Enterprises Pty Ltd.
- Port Melville - Pirlangimpi Wharf Precinct.
- Milikapiti nursery.
- Land Council HQ complex – Pickertaramoor.
- Forestry completion and transfer of ownership of 30,000ha plantation estate.

### **General:**

- Coastal Barging Services.
- Tiwi Bus Service- linking communities with Industry with support from the Shire Council and Tiwi Enterprises Pty Ltd.
- Crabbing, Fishing and Traditional Hunting project: Michael Long/Walter Kerinauia.
- Tiwi Bombers.
- Impact and benefit assessments; and management planning - Blue Mud Bay.

## **C. New Legislation and Impact:**

The Land Council has reviewed and discussed Bills, Amendments and Draft Legislation notified at various meetings. Particular new (Commonwealth and Territory) legislation introduced in draft or enacted during the year that directly affected Tiwi people and the Land Council includes:-

- Review of options for changes to the permit system. The Land Council has continually declared its support for maintaining the permit processes. During the year this lead to:-
- Consideration and consultation of new subsection 70 (2BB) of the Aboriginal Land Rights (Northern Territory) Act 1976, providing access to journalists and government officials under a modified permit system.
- The Emergency Response Consolidation Bill 2008 amendments related to computer audit and the control of pornographic material.
- The Federal Court decision in Blue Mud Bay in March 2007 on Appeal to the High Court December 2007. The (Tiwi) favourable decision of the High Court rejecting this appeal in significant part was handed down in August 2008. A summary of this judgment has been and is a continuing discussion by the Land Council that effect matters of intimate concern to our landowners and to their 800kms of coastline.
- Further review of Financial Framework Legislation including adoption of changing international reporting standards.
- Department of Finance and Administration guidelines and compliance reporting requirements.
- Determination by the NT Government to secure the independent Board status of an Environmental Protection Agency and processes and actions related to their agency and advisory function under the Environmental Protection and Biodiversity Conservation Act, was enacted during the year. The composition and work of this independent EPA continues to influence Tiwi land use and development .
- Comcare Health and Safety and amendments to the Occupational Health and Safety Act.
- Continuing submissions and extensive discussions with NT Government in review of the Fisheries Act 1988.
- Aboriginal and Torres Strait Islander Heritage Protection Act 1984 changes to be reviewed and discussed.

- Review of the Environment Protection and Biodiversity Conservation Act 1999 continues. The Land Council has made a submission to this review panel..
- Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Emergency Response Consolidation) Bill.
- Draft Regulations under Section 19E and 20SB of the Aboriginal Land Rights (Northern Territory) Act 1976 regarding Township Leasing and administrative arrangements.
- Agricultural and Veterinary Chemicals (Control of Use) Act. NT regulations controlling the use of 1080 poison baits for feral animals.
- Local Government Act (NT) 2008, being draft guidelines for the new Tiwi Local Government Shire took effect from 1 July 2008.

## **D. Boards and Committees:**

The Land Council has initiated and facilitated the establishment of a number of self-governing and separately incorporated Boards through its own committee processes. These have included the Tiwi Health Board; The Tiwi Training and Employment Board; Tiwi Islands Local Government, and the Tiwi Education Board. The Land Council continues to support and encourage these bodies in their performance to deliver better outcomes and services to the Tiwi people.

There is a growing trend throughout Tiwi society to value performance and outcomes from their established organisations. Consistent with this trend are to establish “Australian Mainstream Normal” relationships with business and commerce. The establishment of Tiwi Enterprises Pty Ltd (directed at Tiwi contracting and participation in both employment and investment opportunities) was a significant step in these relationships during the year.

### **a. Tiwi Education Board:**

The Board extended its interests to encompass responsibilities across the Islands for all education centers at all communities. The Tiwi College began its own re-structuring as just one of these educational centers and the Board commenced developing relationships with other educational providers on the Islands. Recruitment for a Tiwi Education Board CEO is underway.

The Tiwi College itself, on direction from elders, began to affirm the excellence required from students in dismissing a number of troublesome students and concentrating on the cohort of young boys and girls able and willing to learn, and capable of establishing their responsibilities to their families and to the larger Tiwi society. A distinct culture is being founded at the College that accords with the hopes and vision of Tiwi elders.

In the months and years to come, this is the vision and the direction that the Tiwi Education Board is determined to take, where possible, working together with current service providers to achieve what must be achieved for the benefit of all Tiwi.

**b. Tiwi Training and Employment Board:**

An outline of Training Board achievements during the year are provided in the recent graduation address of Board Chairperson Maurice Rioli:-

“This is the sixth graduation ceremony of the Tiwi Islands Training and Employment Board.

Today another 87 students have graduated with full certificate courses.

Once again we witness the ongoing achievements of the Tiwi since we took control of Vocational Education and Training on our Islands. Today we need to acknowledge the efforts of all the graduates. Since our last graduation much has happened on the Tiwi Islands in connection with the NT and Commonwealth Intervention initiatives. And these initiatives have brought many distractions to the Islands which have not been conducive to learning. We also need to acknowledge the ongoing commitment of the employers on the Islands who employ and train our apprentices. These employers are a crucial link to our employment strategy and without their commitment we could not achieve our goal to place Tiwis into real jobs instead of welfare.

Since our last graduation we have also built new premises here at Wurrumiyanga, a new training centre at Pirlangimpi and we have commenced building another centre at Milikapiti. Bathurst Island Housing will also be building another training room and accommodation block for us here at Wurrumiyanga this year.

This graduation was made possible through the cooperation of the many stakeholders involved. Our partners in training: Batchelor Institute of Indigenous Tertiary Education, Nungalinga College, Charles Darwin University and Industries Services Training have all interrupted their own busy schedules to accommodate today's proceedings.

As well as these organisations, TITEB has delivered more training this year and 63 of the 87 graduates were trained by TITEB staff.

To date 153 apprentices have now finished their apprenticeships with TITEB and 64 are currently in training. We are currently recruiting another 39 apprentices.

I would like to acknowledge all the hard work of the Tiwi Islands Training and Employment staff. We now have 17 staff working across 10 different programs and 11 of these staff are Tiwi. Thanks are also due to the Graduation Committee who organised this event. In addition, I would like to thank David Bond, Sean Phillips, Robert Scrymgour and their CDEP team for helping to make today

a great success. Also thanks again to Steve Sunk and his team from Charles Darwin University for volunteering their services again to do the catering. And a special thanks to our donors who are listed on the back of your graduation program.

Today the Tiwi have demonstrated yet again what we are capable of achieving when given the opportunity to manage our own affairs.

I would like to thank you all for your attendance and invite you to join the graduates for lunch.

Maurice Rioli  
Chairperson  
Tiwi Islands Training and Employment Board

2nd September 2009.

**c. Tiwi Enterprises:**

Activities of Tiwi Enterprises are summarized below:

**1. Motel; Conference Centre: Nguiu**

Survey and business planning; consultation and Corporate structures.

**2. SIHIP; Housing Fit-out and Supply:**

Tendering for housing fit-out and supply contracts. Contract management ordering and supply  
Preliminary consultation for establishment of Nguiu Retail Hardware.

**3. Offices and Shopping Centre:**

Business planning and assessments. Site selection and sub-leasing. Consultations.

**4. Tourism:**

Tiwi management and business planning – Tiwi Tours. Infrastructure development tourist cabins. Planning tourism data base and initial consultations for establishment of Tiwi Tourism Information Centre. Expanded eco-tourism opportunities planning.

**5. Business Advice and Small Business Initiatives Centre:**

Development of Business Incubator concepts with Federal and NT Government departments. Business advice and investment co-ordination with existing landowner commercial entities. Consultations and site selection for Township based center for both Government and private investment interests.

**6. Transport:**

Co-ordination of various and current costing models. Analysis of needs and costs of internal community and all-of-islands transport systems. Linkages and analysis of work demands and inter community traffic. Funding applications.

**7. Broadcast and Community Television:**

Coordination of Top End Aboriginal Broadcast advice and support. Repair and maintenance of existing equipment. Employment of Tiwi personnel. Planned renovation of Broadcast Centre, Consultations technical production staff and preliminary information content planning.

**8. Mainland Access Infrastructure:**

Central Darwin Airport Terminal to accommodate contracted regular passenger services and Tiwi commercial enterprises and conference facilities. Site and corporate negotiations. Investment calculations and funding application and investment opportunities.

**9. Aquaculture:**

Detailed planning and consultation with Marine Produce Australia Limited for establishment of Sea-cage farming at Snake Bay. Visits of investors. Agreements between the parties. Investment and financial models.

**10. General:**

Expanded eco-tourism planning through landowner buy-out. Establishment of NT Maritime College at Port Hurd. Consultation and assessment for Port Melville utilization as overflow from limited capacity Darwin Harbour. Fishing and coastal zone management commercial opportunities.

**d. Tiwi Coastal Waters Committee:**

The Tiwi Coastal Waters Committee with NT Fisheries met once during the year. With ownership of the coastal zone now with Tiwi landowners these Committees are changing to reflect new partnerships and relationships. With the Tiwi Coastal Zone Management plan in place through 2009/2010 various new structures and partnership arrangements will be confirmed.

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**2. Independent Audit Committee: Internal Finance Committee:**

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The Land Council was pleased to appoint its own Independent Audit Committee to supplement internal review processes of the Finance Committee, during the year. The Independent Audit Committee (IAC) is chaired by Mr. Hugh Bradley (Chief Magistrate retd.,) and comprises three qualified members, with ex-officio members being the Land Council Chief Financial Officer and CEO. Five meetings were conducted during the year. The IAC monitors financial progress and systems of the Land Council but has a very much broader role in identifying risk and advising on management and processes to better manage those risks.

PURSUANT TO CLAUSE 15 OF THE COMMONWEALTH AUTHORITIES AND COMPANIES (REPORT OF OPERATIONS ORDERS) 2008, the Land Council is required to provide a statement of main corporate governance practices and include meetings and names of those attending at each committee meeting, and those absent: and including the main responsibilities and rights of all committees.

Whilst our members regularly attend Education; Training and Employment and Tiwi Enterprise Meetings referred to above, they are now all self governing organisations in their own right, and no longer committees or boards of the Land Council itself.

## Committee and Governance Performance

	2006/07	2007/08	2008/09
Meetings Coastal Waters Committee	nil	2	<b>1</b>
Meetings, Independent Audit Committee			<b>5</b>
Meetings Finance Committee	15	7	<b>5</b>
Absentees from total number of meetings	4	-	<b>2</b>
Approved Budget	\$1.75m	\$2.10m	<b>\$1.99m</b>
Direct s.64(1) funding from the Commonwealth (ABA)	\$1.87m	\$1.92m	<b>\$1.76m</b>
Land Council other self generated income	\$893k	\$1.22m	<b>\$961k</b>
Management Costs	\$428,772	\$531,304	<b>\$767,071</b>
Net Asset Value of the Land Council	\$1.17m	\$1.31m	<b>\$1.11m</b>
Written off assets	\$8,562	\$1,983	<b>\$230k</b>
Operating result at years' end	\$494,137	\$269,514	<b>\$287,094</b>
Expenditure above ABA approved budget	nil	nil	<b>\$5,471</b>
Fraud observed or notified	nil	nil	<b>Nil</b>
Member or staff vested interests in contracts or expenditure	nil	nil	<b>Nil</b>
Reports in contravention of Fraud Control Plan	nil	nil	<b>Nil</b>
Audit Committee Recommendations	11	13	<b>13</b>

## Governance and Committee responsibilities and rights:

### Coastal Waters Committee:

Following the High Court decision in 'Blue Mud Bay' during the year, rights and responsibilities of this Committee have changed to a landowner responsibility and partnership with Government in management of the Coastal zone. These roles are being re-defined and the work of this Committee is effectively suspended until both Government and Landowners have developed their responses to changed ownership and exclusion provisions under a new legal framework.

## **Finance Committee:**

The Finance Committee is the internal audit monitoring control of the Land Council. It's members are the Land Council Executive and also include the CEO; Land Council Accounts Manager and external Accountant. Rights and responsibilities are outlined in Clause (e) below.

## **Independent Audit Committee:**

Comprises Mr. Hugh Bradley (Magistrate), Mr. Jim Smith (Businessman and Indigenous Trainer) and Mr. Mike Baxter (Businessman). Mr. Smith was replaced during the year with Mr Devan Patel (Auditor and Accountant). The Land Council CEO, Accounts Manager and External Accountant are ex-officio members and attend meetings as required.

The committee's responsibilities and rights are outlined in its charter that has been adopted:

# **TIWI LAND COUNCIL AUDIT COMMITTEE CHARTER**

The Executive Committee (hereinafter referred to as "the Board") has established the Audit Committee in compliance with section 32 of the Commonwealth Authorities and Companies Act 1997 (CAC Act).

This charter sets out the audit committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

## **Objective**

The objective of the committee is to provide independent assurance and assistance to the Board on the Tiwi Land Council's risk, control and compliance framework, and its external accountability responsibilities.

## **Authority**

The Board authorises the committee, within the scope of its role and responsibilities, to:

- ▶ obtain any information it needs from any employee and/or external party (subject to their legal obligation to protect information);
- ▶ discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- ▶ request the attendance of any employee, including directors, at committee meetings; and
- ▶ obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at Tiwi Land Council expense.

## Composition and tenure

The Board is responsible for the appointment of committee members. The committee will consist of at least three and not more than five members drawn from the Board and external services.

The Board will appoint a non-executive member as Chair of the committee.

Members will be appointed for an initial period not exceeding three years after which they will be eligible for extension or re-appointment, after a formal review of their performance.

The Chief Executive Officer, Chief Finance Officer and the Head of internal audit will not be members of the committee, but may attend meetings as observers as determined by the Chair.

The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Tiwi Land Council. At least one member of the committee should have accounting or related financial management experience with an understanding of accounting and auditing standards in a public sector environment.

## Roles and responsibilities

The committee has no executive powers, unless delegated to it by the Board.

The committee is directly responsible and accountable to the Board for the exercise of its responsibilities. In carrying out its responsibilities, the committee must at all times recognise that primary responsibility for management of the Tiwi Land Council rests with the Chief Executive Officer.

The responsibilities of the committee may be revised or expanded in consultation with, or as requested by, the Board from time to time.

The committee's responsibilities<sup>4</sup> are to:

## Risk management

- ▶ review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of the Tiwi Land Council's financial and business risks, including fraud;
- ▶ review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- ▶ review the impact of the Tiwi Land Council's risk management framework on its control environment and insurance arrangements;
- ▶ review whether a sound and effective approach has been followed in establishing Tiwi Land Council's business continuity planning arrangements, including whether disaster recovery plans have been tested periodically; and

- ▶ review the Tiwi Land Council's fraud control plan and satisfy itself the Tiwi Land Council has appropriate processes and systems in place to capture and effectively investigate fraud related information.

## **Control framework**

- ▶ review whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisors, is sound and effective.
- ▶ review whether management has in place relevant policies and procedures, including Chief Executive Instructions or their equivalent, and that these are periodically reviewed and updated;
- ▶ determine whether the appropriate processes are in place to assess, at least once a year, whether policies and procedures are complied with;
- ▶ review whether appropriate policies and procedures are in place for the management and exercise of delegations;
- ▶ consider how management identifies any required changes to the design or implementation of internal controls; and
- ▶ review whether management has taken steps to embed a culture which is committed to ethical and lawful behaviour.

## **External accountability**

- ▶ review the financial statements and provide advice to the Board (including whether appropriate action has been taken in response to audit recommendations and adjustments), and recommend their signing by the Chair of the Board;
- ▶ satisfy itself that the financial statements are supported by appropriate management signoff on the statements and on the adequacy of the systems of internal controls;
- ▶ review the processes in place designed to ensure that financial information included in the Tiwi Land Council annual report is consistent with the signed financial statements;
- ▶ satisfy itself that the Tiwi Land Council has appropriate mechanisms in place to review and implement, where appropriate, relevant Parliamentary Committee reports and recommendations; and
- ▶ satisfy itself that the Tiwi Land Council has a performance management framework that is linked to organisational objectives and outcomes.

## **Legislative compliance**

- ▶ determine whether management has appropriately considered legal and compliance risks as part of the Tiwi Land Council's risk assessment and management arrangements; and
- ▶ review the effectiveness of the system for monitoring Tiwi Land Council's compliance with relevant laws, regulations and associated government policies.

## **Internal audit**

- ▶ act as a forum for communication between the Board, senior management and internal and external audit;

- ▶ review the internal audit coverage and annual work plan, ensure the plan is based on the Tiwi Land Council's risk management plan, and recommend approval of the plan by the Board;
- ▶ advise the Board on the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved internal audit plan;
- ▶ oversee the coordination of audit programs conducted by internal and external audit and other review functions;
- ▶ review all audit reports and provide advice to the Board on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice;
- ▶ monitor management's implementation of internal audit recommendations;
- ▶ review the internal audit charter to ensure appropriate organisational structures, authority, access and reporting arrangements are in place;
- ▶ periodically review the performance of internal audit; and
- ▶ provide advice to the Board on the internal audit arrangements (in the case of an in-house internal audit function), or recommend to the Board the appointment of the internal auditor.

## **External audit**

- ▶ act as a forum for communication between the Board, senior management and internal and external audit;
- ▶ provide input and feedback on the financial statement and performance audit coverage proposed by external audit (if any) and provide feedback on the audit services provided;
- ▶ review all external plans and reports<sup>9</sup> in respect of planned or completed audits and monitor management's implementation of audit recommendations; and
- ▶ provide advice to the Board on action taken on significant issues raised in relevant external audit reports and better practice guides.

## **Responsibilities of members**

Members of the committee are expected to understand and observe the legal requirements of the CAC Act. Members are also expected to:

- ▶ contribute the time needed to study and understand the papers provided;
- ▶ apply good analytical skills, objectivity and good judgement; and
- ▶ express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of enquiry.

## **Reporting**

The committee will regularly, but at least once a year, report to the Board on its operation and activities during the year. The report should include:

- ▶ a summary of the work the committee performed to fully discharge its responsibilities during the preceding year;
- ▶ a summary of the Tiwi Land Council's progress in addressing the findings and recommendations made in internal, external and Parliamentary Committee reports;

- ▶ an overall assessment of the Tiwi Land Council's risk, control and compliance framework, including details of any significant emerging risks or legislative changes impacting the Tiwi Land Council and
- ▶ details of meetings, including the number of meetings held during the relevant period, and the number of meetings each member attended.

The committee may, at any time, report to the Board any other matter it deems of sufficient importance to do so. In addition, at any time an individual committee member may request a meeting with the Chair of the Board.

## **Administrative arrangements**

### **Meetings**

The committee will meet at least four times per year. A special meeting may be held to review the Tiwi Land Council's annual financial statements.

The Chair is required to call a meeting if asked to do so by the Board, or another committee member.

A forward meeting plan, including meeting dates and agenda items, will be agreed by the committee each year. The forward meeting plan will cover all of the Audit Committee's responsibilities, as detailed in this charter.

### **Attendance at meetings and quorums**

A quorum will consist of a majority of committee members.

Meetings can be held in person, by telephone or by video conference.

The Head of internal audit and external audit representatives may be invited to attend meetings. The committee may also request the Chief Finance Officer or other employees attend committee meetings or participate in certain agenda items.

The committee will meet separately with both the internal and external auditors at least once a year.

The Chair of the Board and/or the Chief Executive Officer may be invited to attend committee meetings to participate in specific discussions or provide strategic briefings to the committee.

### **Secretariat**

A Board-appointed person will provide secretariat support to the committee. The Secretariat will ensure the agenda for each meeting and supporting papers are circulated, after approval from the Chair, at least one week before the meeting, and ensure the minutes of the meetings are prepared and maintained. Minutes must be approved by the Chair and circulated within two weeks of the meeting to each member and committee observers, as appropriate.

### **Conflicts of interest**

Once a year Audit Committee members will provide written declarations to the Board stating they do not have any conflicts of interest that would preclude them from being members of the committee.

Audit Committee members must declare any conflicts of interest at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted.

Where members or observers at Audit Committee meetings are deemed to have a real, or perceived, conflict of interest it may be appropriate that they are excused from committee deliberations on the issue where a conflict of interest exists.

### **Induction**

New members will receive relevant information and briefings on their appointment to assist them to meet their committee responsibilities.

### **Assessment arrangements**

The Chair of the committee, in consultation with the Chair of the Board, will initiate a review of the performance of the committee at least once every two years. The review will be conducted on a self-assessment basis (unless otherwise determined by the Board) with appropriate input sought from the Board, the Chief Executive Officer, the internal and external auditors, management and any other relevant stakeholders, as determined by the Board.

### **Review of charter**

At least once a year the committee will review this charter. This review will include consultation with the Board.

Any substantive changes to the charter will be recommended by the committee and formally approved by the Board.

### **Committee meetings and attendance are outlined:**

<b>COMMITTEE</b>	<b>DATE</b>	<b>MEETING NUMBER</b>	<b>MEMBERS ATTENDING</b>	<b>EX-OFFICIO ATTENDANCE</b>	<b>ABSENT</b>
Coastal Waters	2.7.08	29	Robert Tipungwuti; Kim Brooks Wommatakimmi; Baylon Tipungwuti; Wally Kerinaiaua; Damian Molaminni; Matthew Woaneamirri; Cyril Kalippa; Andrew Tipungwuti; Andrew Bush; Cadji Dunn.		

Finance Committee	2.9.08	8	Matthew Wonaeamirri; Cyril Kalippa; Andrew Tipungwuti.	John Hicks CEO Denise Callander, Accounts Manager	
Audit Committee	16.9.08	1	Mike Baxter; Jim Smith	John McCullough ANAO Director; Amin Islam and Candice Thomson (Merit Partners, ANAO auditors); David Martin External Accountant; Robert Tipungwuti; Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti; John Hicks CEO	Hugh Bradley
Finance Committee	28.10.08	9	Andrew Tipungwuti; Matthew Wonaeamirri; Cyril Kalippa.	John Hicks CEO; Denise Callander.	
Audit Committee	17.11.08	2	Hugh Bradley, Jim Smith; Mike Baxter.	Robert Tipungwuti; Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri; Walter Kerinauia; Marius Puruntatameri; Derek Mayger External Accountant; John Hicks CEO	
Finance Committee	3.12.08	10	Cyril Kalippa; Andrew Tipungwuti; Matthew Wonaeamirri;	Denise Callander (Accounts Manager); John Hicks CEO	
Audit Committee	18.12.08	3	Hugh Bradley; Jim Smith; Mike Baxter	Derek Mayger (External Accountant); Brian Clancy (Development Officer); John Hicks CEO.	
Finance Committee	6.01.09	11	Matthew Wonaeamirri; Andrew Tipungwuti; Cyril Kalippa.	Walter Kerinauia; Robert Tipungwuti; Denise Callander (Accounts Manager); John Hicks CEO	
Audit Committee	26.3.09	4	Hugh Bradley; Mike Baxter; Jim Smith.	Derek Mayger (External Accountant); Peter Gardiner (Accounts Manager); Moe Valentine (Secretarial); John Hicks CEO.	

Finance Committee	30.4.09	13	Cyril Kalippa; Matthew Wonaeamirri; Andrew Tipungwuti.	Derek Mayger (External Accountant); Peter Gardiner (Accounts Manager) John Hicks CEO.	
Audit Committee	21.5.09	5	Hugh Bradley; Mike Baxter.	Derek Mayger External Accountant; Peter Gardiner (Accounts Manager) Moe Valentine (Secretarial)	Jim Smith

CLAUSE 37(2) OF THE COMMONWEALTH AUTHORITIES AND COMPANIES (REPORT OF OPERATIONS) ORDERS 2008 also require a statement of fees received under section 33A during the year. Sale of Goods and Rendering of Services reflected at Note 3B of our attached audited statements include the \$13,522 recovered for services supplied for AQIS Border Security; Turtle Monitoring and Aquatic Pest Monitoring which fall within the Section 33A definition. These are also referred to in our Performance Outputs related to Land and Resource Management. Other sums reflected at Note 3B are caught within Section 64(1) supplementary cost recovery funding for additional legal and other services required by the Commonwealth during the year..

Additional support rather than cost recovery is also referred to as follows:

**a. Self-Generated/Other Income:**

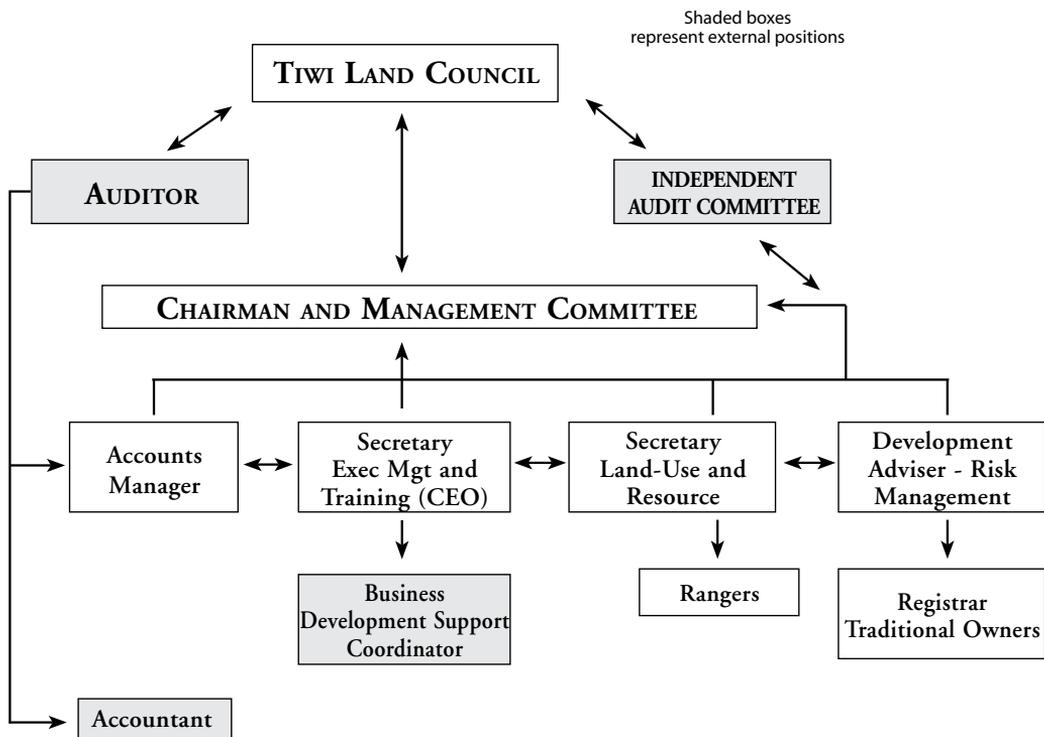
Agreements for private investment in development of land contain various conditions for both participatory revenue and cost recovery to fund the requirements of Land Management. Development conditions and constraints of the new Environmental Protection and Biodiversity Conservation Act 1999, contain strict management and audit requirements. The shift from custody of traditional lands to reliance upon development of portions of that land are the trigger for sophisticated strategies and processes now required. They are funded by a mix of grant and cost recovery income from various investors. The Land Council has been fortunate in accessing Natural Heritage Trust Funding that supported assessment and data collection for baseline studies over the past three years. Continuing land management and resource development costs place a growing burden on other resources and strategies of the Land Council. This burden was greatly assisted by Great Southern Plantations who ended their direct funding of ten Land Management Officer salaried positions on behalf of the Land Council at 30 June 2009. We are currently negotiating alternate grant and landowner self-funding for this work. The Indigenous Land Corporation and WWF Australia also assist with direct operational and mentor salary and on cost support. Matilda Minerals have also funded the rehabilitation nursery now established and producing at Milikapiti. With termination of this support additional grant funding is also assisting staff and production at this nursery. Additional income support was also required to fund legal requirements of a Senate Inquiry into Forestry and Mining and expenses related to three new Township Leases under consideration at Milikapiti, Pirlangimpi and Ranku.

**b. Management Costs:**

Management costs are a separate reporting item and are recorded in our financial statements attached. Following agreement with all Land Councils to adopt the Outcome/Outputs Framework these costs are now spread across the various Output Groups. During the year our Finance Secretary retired and the Land Council has employed a dedicated Accounts Manager and Research Assistant (also working as a Personnel Assistant and Receptionist); both positions were recommended as part of the Independent Audit Committee Risk Assessments.

The Land Council structure is represented below.

**The Tiwi Land Council organisational structure is represented below.**



**c. Asset Value:**

A revaluation of our assets is required every three years. Valuation last occurred at 30 June 2007 and is scheduled again June 2010. Net asset value decreased during the year, significantly as a result of provisions required for staff long leave, as a liability provision. Total financial and non-financial assets, however, increased slightly.

**d. Approved ABA Budget:**

Our approved budget at 1st July 2008 was again varied during the year to recover various legal costs incurred in the Senate Inquiry, in addition to added costs of work and consultation as a result of the

decision in "Blue Mud Bay and the significant development work and opportunity associated as a result of Township leasing at Nguui.

**e. Finance and Audit Committee Recommendations:**

The Finance Committee monitors progress against the budget at regular meetings and makes recommendations to our newly formed Independent Audit Committee. Recommendations made by the IAC include:

- Monitoring of monthly financial reports from independent accountants and managers of Land Use Fund accounts.
- Insisting on investment policies related to these Land Use Funds.
- Conduct of Land Group meetings for budgeting and expenditure policies of Land Use Funds.
- Tightening approval and payment processes for use of funds for Funeral and Ceremony Grant expenditure.
- Reject various operational expenditure quotes and seek alternatives.
- Input data and revise financial accounts to reflect both allocations and expenditure under the various Output groups.
- Comply with requirements for regularly quarterly performance reporting.
- Collate and refine records for Staff Leave and entitlements.
- Review Land Council Risk Registers and develop further strategies to manage these risks particularly as they affect landowners.
- Develop supplementary Budget applications to cover extended work demands of the Land Council.
- Review vehicle and general asset schedules and vehicle running costs.
- Review the impact of Information and Computer technology and use, and modify operational systems for cost efficiencies.
- Monitor monthly fuel and other significant operating costs and adjustments consistent with rising costs.
- Expand negotiation of income streams for traditional owners from their land use resources.

**f. Corporate Plan Governance and Planning:**

Compliance with Clause 15 of the Commonwealth Authorities and Companies (Report of Operations) Orders 2008 are referred to throughout the Report, particularly in Committee Sections as well as Performance Outcomes reported.

Review of our 2006 Corporate Plan was a recommendation of the recent Performance Audit. Through the year the Land Council determined to encourage and support studies and work by Dr. Alan Anderson (CSIRO) that will be of fundamental value to Land Council planning. These studies are targeting the identification of quality of life aspirations as well as the future ambitions and vision of landowners and constituents for themselves and for Tiwi society generally. Indicators developed through these studies will provide the basis for Land Council corporate plans and strategies to 2014. The Land Council is also involved with data collection through Baseline Community profiles currently being collated by researchers from Charles Darwin University. During the 2007 year the Land Council, through our legal advisers, submitted detailed "Terms and Conditions" for both Members and Trustees to the Minister for her approval. The Land Council is also awaiting further advice pursuant to the all of government UHRIG recommendations. Draft governance recommendations have been provided.

**g. Details of Consultants:**

Clause 37 of the Commonwealth Authorities and Companies (Report of Operations) Orders 2008, also requires a list of consultants engaged by the Land Council during the year and amounts paid to them. Note 4B of our audited financial statements records total amounts paid to external parties. The Tiwi Land Council is a small statutory authority relying upon external party advice as the most cost effective support for its functions. Within Note 4B are consultants retained during the year. They are:

ITC – Web site design and formation	- Solmedia	15,135.82
Land Management; Education and Training	- Greg Gibbs	9,000.00
Corporate Governance; structures/financial	- Entity 1	7,209.37
TOTAL		\$31,345.19

**h. Section 35 Payments:**

Following recent amendments to the Aboriginal Land Rights (NT) Act 1976, section 37 of the amending Act 93 of 2006 requires a statement and certification in regard to any payments made by the Tiwi Land Council under Section 35 of the Act. None have been made.

**i. Indemnities and Insurance Premiums for Officers:**

Pursuant to Section 16 of Division 3 of the Commonwealth Authorities and Companies Orders 1998, the Land Council is obliged to report upon any indemnity given for a current or former officer, or any premium paid for insurance against legal liabilities. None have been given. However in 2004 the Land Council was obliged to adopt Comcover as insurer. Policy Terms and Conditions do include Directors and Officers` Liability and cover a range of indemnities that are not specifically prevented under the CAC Act and corresponding legislation. A premium of \$1500 is paid for this cover for the 2008-09 year.

**j. Fraud Control:**

The Land Council has completed the Commonwealth Fraud Control 2009 report for the Attorney General and is satisfied that it has in place appropriate fraud control mechanisms to meet the needs

and integrity of the Land Council. There were no detected or reported incidents during the year. The Land Council has adopted a Code of Conduct and Terms and Conditions that are supported by the Members.

**k. Energy Efficiency in Government Operations:**

Performance and targets for energy efficiency in office buildings to be met by 2011 have been a reporting requirement for Commonwealth Authorities and Companies Act (CAC bodies) since 2006. The Tiwi Land Council has not reported in the past and has been provided an exemption from reporting requirements at this time.

**l. Compliance Report:**

In addition to both Management and Solicitor representation letters required by the Australian National Audit Office as part of audit procedures, the Finance Minister requires a report of compliance against costs and forecasts of government revenue managed and applied by the Tiwi Land Council. The compliance report for the financial year 2008/2009 has been completed.

**m. Commonwealth Disability Strategy:**

Clause 18 of the Commonwealth Authorities and Companies (Report of Operations Orders) 2008 requires an assessment of performance in implementing the Commonwealth Disability Strategy. The reporting template advising various Policy, Regulator, Purchaser and Provider Performance Indicators includes various publicly available information in formats for people with disabilities; purchasing goods that may directly impact upon the lives of people with disabilities; consultation performance for inclusion of disabled people together with evidence of quality improvement and assurance systems in operation.

The small budget and particular remote area land management focus of the Tiwi Land Council has required our seeking an exemption from the Finance Minister from the requirements of the Reporting Schedule.

**Certification:**

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*This report of the Management Committee and accompanying Operations of the Land Council and related activity has been made in accordance with a resolution of the Directors at Milikapiti on fourteenth day of September 2009, consistent with the responsibilities of the Directors of the Land Council under Section 9 of the Commonwealth Authorities and Companies Act 1997, for the preparation and content of this Report of Operations in accordance with Finance Minister's Orders.*



Robert Tipungwuti.

Chairman/Director.

14th September 2009.

## PERFORMANCE REPORTING:

The Outcome/Output Framework adopted in 2005 continues to be refined to both operate and reflect the substance of our functions and what we are required to achieve each year in undertaking this work. Costs to achieve the outcomes sought are itemized and detailed as an aid to planning and transparency. Requirements for performance reports on a quarterly basis have been complied with. Our annual funding is reliant upon the outcomes we can achieve and the relative costs of achieving them.

### Outcome/Output Framework – Tiwi Land Council

#### KEY PERFORMANCE INDICATORS ARE PROVIDED UNDER THE OUTPUT HEADINGS

<b>Outcome</b> <b>Enhanced social, political and economic participation and equity for Aboriginal people in the Land Council's area as a result of the promotion, protection and advancement of their land rights, other rights and interests.</b>	
Output Groups	Outputs
<b>Land, Sea and Natural Resource Management support services.</b>	1.1 Administer and issue permits for access closures to or through Aboriginal land and sea. 1.2 Provide research and assistance as required to Aboriginal landowners and other Aboriginal people to manage land and sea and to undertake activities consistent with their ambitions and the sustainability of their resources.
<i>Land Claims and Acquisitions support services.</i>	<i>The Tiwi Land Council has secure title to those areas of land traditionally owned by the Tiwi people. Further claims (Vernon Islands) have the support and resources of the Northern Land Council to assist them.</i>
<b>Economic Development and Commercial services.</b>	2.1 Process applications and assist in making land use agreements on Aboriginal land. 2.2 Assist as appropriate in the economic advancement of Aboriginal people through employment, education and training, particularly in relation to land use proposals, within the Land Council region. 2.3 Process applications for consent to explore and mine on Aboriginal land. 2.4 Provide research and assistance and identify infrastructure requirements as appropriate to enable Aboriginal landowners and other Aboriginal people to undertake commercial activities.
<b>Advocacy services.</b>	3.1 Promote public awareness on issues affecting Aboriginal people, their land and other rights. 3.2 Provide advocacy and representation as appropriate to the Traditional Owners and other clients of the Land Councils. 3.3 Provide cultural and heritage support as appropriate to the Traditional Owners and other clients of the Land Councils. 3.4 Facilitate targeted Aboriginal community development initiatives as appropriate with the Traditional Owners and other clients of the Land Councils.

## Outcome/Output Framework – Tiwi Land Council

<b>Administration and Support services.</b>	<p>4.1 Administer and distribute statutory, negotiated and other payments as appropriate to the Traditional Owners and other clients of the Land Councils.</p> <p>4.2 Administer Land Trusts in accordance with the provisions of the ALRA.</p> <p>4.3 Assist in the resolution of disputes with respect to land as appropriate.</p>
<i>Native Title.</i>	<i>The Tiwi Land Council is unlikely to process or entertain Native Title claims.</i>

Note – Where appropriate a reference to Land may also refer to Sea or other Waterways.

### OUTPUTS – A summary of operations and costs to achieve the outcome:

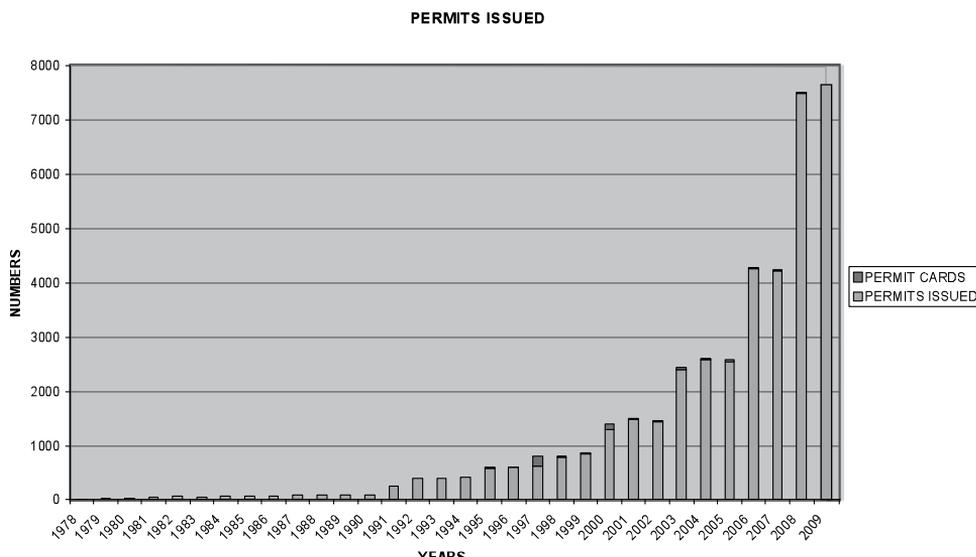
#### 1. Land Sea and Natural Resource Management and Support Services:

##### 1.1. Administer and Issue Permits:

Authority to issue permits is provided under the Aboriginal Land Act 1978 (NT). Tiwi require that there be an on island resident person or organization willing to undertake responsibility for the visitor and the visit. We also attach some quarantine restrictions to permits in regard to feral animals, invasive weeds and other documented and advised environmental risks. There are four classes of visitors:

- a. Those attending at the request and as guests of the Land Council for consultation or advisory purposes. There were 264 in this financial year.
- b. Visitors attending upon other Tiwi organizations or residents record an increase from 1785 to 1829.
- c. Tourist visitors under the control of licensed and approved operators recorded a slight increase from 5402 to 5,518. This includes Fishing and Day Tourists together with Media, Art Tours and Sporting bodies. The figures do not include the approximate 2,000 visitors that attend the Tiwi Football grand final as a “permit free day” every year.
- d. More permanent visitors being contractors and organization staff whose work requires indefinite access, usually beyond a twelve month period. These “permanent” guests are issued laminated permit cards. 48 were issued this year; a 25% increase over last year, and significantly reflective of housing construction contractors now at work on the Tiwi Islands.

Our chart below reveals trends in total visitor number each year. Interestingly changes to the permit legislation are unlikely to greatly affect permit numbers. Persons visiting usually do so for a purpose related to consultations or inspections that are still caught under changed permit conditions other than for visiting Government officials, and some journalists. A condition of landowners under the Nguiu Township Lease is that a permit requirement be maintained. Landowners and the Executive Director of Township Leasing have permit-issuing authority. Numbers are caught in the figures provided above and in the chart.



### Outcome, Cost and Benefit:

Economic participation and equity is the significant outcome. The costs of securing these benefits can be assessed. Apportioning salaries, printing costs and materials to the administration and issuing of permits is approximately 8% of our management and 12% of our administration costs by staff directly involved. These costs also include consultation and legal advice in regard to permit cancellation and special purposes access agreements: eg. filming and research.

**Permit Costs:** TOTAL \$49,601.00

These costs have significantly decreased from last year effectively reducing permit costs from \$9.50 per permit issued during 2007-8, to \$6.47 in the current year.

**Cost per permit** = \$6.47.

**Permit Benefits:** A fee of \$25 per regular permit card applies. Land Council work and Tiwi organizational and resident permits attract no fee. A fee is attached to tourist permits and is directly credited to the land-use accounts of various landowner groups. The Land Council does not retain or accrue these benefits. In the current year:-

To the benefit of Land Owning Groups comprising 2000 persons:

From Licensed Fishing Operators:	\$139,084.00
From Licensed Day Tour Operators	\$67,120.00
From Amateur Fishing Camp Sites	\$987.00
From other permit access.	\$1,200.00
<b>Total:</b>	<b>\$208,391.00</b>

## **1.2. Provide research and assistance to manage land and undertake activities to sustain resources:**

### **Outcomes and Benefits:**

No single output group provides a greater range of social, political and economic participatory outcomes across the range of Land Council activity.

***Our vision is of an independent and resilient Tiwi society built on the orderly and well managed utilisation of our natural resources. Inherent in this is the maintenance and protection of our unique cultural and natural resource values for the enjoyment and benefit of future generations of Tiwi.***

The 2008/09 year brought both successes and additional challenges in natural resource management. An outstanding success was winning the National Indigenous Landcare Award for 2008, and one of the greatest challenges was responding to yet another Senate Inquiry into forestry and mining on the Tiwi Islands. The Inquiry did, however, provide an opportunity to revisit and reconfirm the validity of the Tiwi vision statement.

The Land and Marine Ranger programs continued to deliver solid outcomes in land and marine management. The Land Ranger Team was reduced from 8 filled positions to 6, with one member resigning to take up increased Traditional Owner responsibilities. Another past member of the Team, Willy Rioli, took on the Mentor position that is an outstanding outcome from the program. Since starting in the position in October 2008, Mr. Willy Rioli has proven to be a natural mentor for the Team.

The necessity to restructure funding for the Land Ranger Program has delayed filling the two vacant positions, although the Tiwi Land Council appreciates support from the Indigenous Land Corporation in picking up funding for the mentor position. Despite this, the ongoing sourcing and management of grant funds continues to be a challenge for the Tiwi Land Council in terms of servicing and continuity.

Fee for service activities continued to be sought to provide a revenue stream, however it remains too ad-hoc to provide a reliable source of funding. In 2008/09 the amount received was \$13,552 made up of:

AQIS border security monitoring	\$11,990
Matilda Minerals fire, weed & turtle monitoring	1,210
Fisheries aquatic pest monitoring	352

This is considerable less than the \$53,000 cost recovery last year. "In Survey" requirements for Ranger vessels are currently being completed providing better cost recovery opportunities in the future.

An increase in the crocodile egg quota for 2008/09 is expected to yield approximately \$52,000. This reaffirms the Tiwi tenet that it is use of land and resources that will provide a sustainable income stream into the future.

Sustainable livelihood opportunities and self-funded land and marine management continued to be a source of discussion during the year. The Tiwi Carbon Project, a collaboration between the Tiwi Land Council, Tiwi College and CSIRO was officially launched with a view to providing the science to position Tiwi people to realise opportunities from a carbon trading scheme through fire management.

Other partnership projects agreed to during the year included Tiwi Water Planning:- a collaboration between the Tiwi Land Council, the NT Department of Natural Resources Environment Arts and Sport, and CSIRO.

The Tiwi Islands Natural Resource Management Committee, formed in June 2007, continued to provide an efficient and appropriate forum for facilitating land use approvals and consultations. The Committee met 5 times during the year, and discussed a wide range of issues, including sustainable livelihood projects, weeds, feral animals, threatened species management, fisheries and marine management, fresh water resource management, staff and training and environmental legislation. Industry interests on the islands regularly attended meetings to provide updates on operations and receive advice.

Training, education and capacity building continued as a priority across all Land Council functions. After a hiatus caused by staff changeover, Land and Marine Rangers have now continued Certificate training in Conservation and Land Management through Charles Darwin University. The development of a Cadet Ranger Program at Tiwi College is in the advanced stages of planning, and progress has also been made in scoping a maritime training facility at Port Hurd.

The profile for terrestrial threatened species management was modified during the year. Three years of consistent survey effort has resulted in very good baseline information, so from 2009 the focus will be on managing threats to threatened species habitat. Key activities commenced during the year included an intense feral pig control program on Melville Island (with a view to eradication), research into the response of threatened species to fire, ongoing strategic weed control and freshwater management for rainforest maintenance. Next financial year will see a program developed for the management of feral buffalo on Melville Island with a view to protecting wetland habitat.

Marine threatened species management continued to focus on turtle monitoring, and during the year over 200 olive ridley turtles were either tagged or 'recaptured'. The annual turtle monitoring camp this year included visits by students from Tiwi College. Other marine management issues through 2009 continued to be focused on the effort from recreational and fishing tour operators in Tiwi creeks and rivers. As part of the Blue Mud Bay negotiations, NT Fisheries agreed to collaborate with the Tiwi Marine Rangers to carry out stock assessments on some of the more heavily targeted creeks.

A growingly significant facet of our work will involve our development of Coastal Zone Management Planning, monitoring and protection. We anticipate completing our basic Management Planning during 2009/10.

**Costs: \$1,095,117.**

**Funded By:**

Land Council	\$ 445,654
Great Southern Limited	349,601
Grants applied	239,862
NT Government support	60,000

*Total Costs:* \$1,095,117

**Cost Recovery:**

*Total recovered:* \$ 13,522

## **2. Economic Development and Commercial Service:**

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### **2.1. Process and assist Land Use Agreements:**

The 32 land use applications and proposals considered during the year are listed at the Management Committee summary earlier. Also included is the work of Tiwi Enterprises related to Township Leasing at Nguuu in particular.

### **Outcomes Costs and Benefits:**

Outcomes enhance the social, political and economic participation of landowners.

Benefits from land use agreements are the strength and self reliance being generated by Tiwi society in returning again to their own use of land and participating in its management to secure the economic "engine-room" and foundation for their future. That took some giant leaps forward during the year with the collapse of Great Southern having completed planting and establishment of a 31,000 hectare acacia plantation, being the largest hardwood plantation in Australia.

**Private Funding for Economic Assets on Tiwi land secured through the past decade are:**

Forestry Plantations invested value	\$207,000,000
Roads constructed	4,500,000
Tourism Buildings and infrastructure	2,300,000
Tiwi College	1,500,000
Total private investment on Tiwi land since 1999	\$215,300,000

**General Economic Benefits secured during the year include:**

Great Southern Melville Island road network extension and upgrade.	\$1,000,000
Tiwi College construction	8,000,000
Housing and general benefits package, Nguiu.	11,500,000
Establishment of Water Points and access for Landowner	50,000
Direct landowner cash benefits to Land use funds	1,570,000
Crocodile Egg harvest to Landowners:	52,700
Total	\$22,172,700

**Land Council Costs:** \$518,448

These figures of total economic benefit reflect the value of both Government and private investment as a direct result of Land Council agreements and tenure for the use of land in any one year.

What they do not reveal is what has been the day-by-day creation of a very large and sustainable industry, and a private Tiwi economy capable of employing the bulk of the Tiwi workforce, and continuing to do so through generations.

Tiwi Plantations have a current value of \$207m. The notion of passive lease and levy benefits has excited and misled a number of commentators. However, the Land Council has always sought jobs and participation as the principal value. The substance of this sustainable job participation value starts in earnest when rotational harvest and replanting commence in 2013. Forestry economists have verified to us that the annual value of required contracts within this industry on the Tiwi Islands, from 2012 onwards, is a staggering \$38m. The Tiwi and Forestry challenge is that they accrue to a Tiwi workforce.

## **2.2 Assist economic advancement through employment education and training:**

Outcomes of enhanced social, political and economic participation were secured during the year. The Land Council Education and Training Committee resolved to establish an independent Board to coordinate training in 1999.

The Tiwi Islands Training and Employment Board (TITEB) delivers and coordinates training for all Tiwi and Employers on the Tiwi Islands. An outline of Board activities is provided earlier in this report.

Training continues for the Land and Marine Rangers that have all (8) advanced their accreditation to Certificate 3 in Land and Resource Management and have continued specialized further training during the year. Further training and computer skills assistance was provided for Land Use Fund Managers on a continuing basis.

The Land Council continues to resource the Tiwi Education Board and assists with the rapidly expanding work load of this Board. Some \$15m has established the Tiwi College that has 56 students enrolled with high attendance levels and the beginnings of a distinct Tiwi Education Culture emerging.

**Land Council Costs:** \$118,119

## **2.3 Process Mining and Exploration applications:**

Mining commenced on Tiwi land during 2007 extracting proven deposits of heavy mineral sands containing rutile and zircon from a Melville Island deposit.

Matilda Minerals was granted 9 Exploration Licenses in 2004/05 for a period of six years. In 2007 a Mineral Lease was granted and a Mining Agreement finalized. Pursuant to this agreement some 27,000 tonnes of product were exported prior to Company administration, and approximately 15,000 since.

Matilda advised a halt to their Tiwi operations in August 2008 and entered Administration in October 2008. New owners (Matilda Zircon) anticipate recommenced operations in October 2009.

No other Mining interest (exploration or agreements) were considered during the year.

**Land Council costs:** \$ 39,398

## 2.4 Provide research and assistance for Infrastructure needs:

In 2003 the Land Council commenced preliminary work towards development of a major infrastructure study related to land use planning and private investment. Aquaculture and Forestry impacts and related multiplier effects have been the catalyst for such research and planning. The Federal Government have been willing to support these initiatives.

A detailed scoping study was completed in 2006 and all stakeholders;- Land Council, Great Southern, Tiwi Local Government and Matilda Minerals previously joined forces. During the year the Land Council entered into an agreement with the Northern Territory Government to further develop and cost these studies with a view to their long term funding.

Local Government was AGAIN required to close ALL main Tiwi access roads during the wet season;- January to late March 2009. Great Southern was AGAIN obliged to stand down its workforce; Land Council Rangers, Local Government crews and other staff were also obliged to cease work outside their own communities. Students and Staff at the Tiwi College could not commute by road and aircraft were required as the only means of transport for over two months.

Road closures will again be a certainty in the coming wet season without further urgent works and the Shire Council is doing what it can to prevent this.

The total substantiated and engineered roading infrastructure costs for the Tiwi Islands is \$34m over five years. Significant exports are affected, to say nothing of lives and hazards faced by 3000 Tiwi residents and 7,000 tourists, contractors and visitors using these currently dangerous and inadequate infrastructure tracks.

The Land Council developed an "All of Islands Transport Study" during the year and is discussing funding and further work with the Federal Government. Other studies and research initiated include:

- Tidal generation with major capacity in Apsley Strait.
- Maritime certification of International Shipping lanes into Port Melville; and establishment of entrance markers.
- Further development of Pickertaramoor Airfield and five minor airfields associated with the Plantations.

**Land Council costs:** \$51,035

### 3. Advocacy Services:

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#### 3.1 Promote Public Awareness:

The outcomes of public awareness enhance the general outcomes sought by the Land Council of enhancing social, political and economic participation and equity for Tiwi people.

The output tools to achieve these outcomes are:

- Monthly written newsletters through the Tiwi Times with a circulation of 700 copies per month.
- Land Council quarantine and environmental policy brochures distributed at all airline, shipping and all tourism and private organizations and business dealing with and on the Tiwi Islands. 1,000 copies distributed each year. 10,000 produced.
- Publications and booklets of the Land Council on sale and through distribution retail outlets. Initial sales 2000 copies now 500 per year of 7,000 copies produced.
- Booklets and flyers detailing Forestry work opportunities and the new Tiwi College were also produced and distributed to Tiwi constituents. (1000)
- The Land Council also produced a further 1000 video CD's during the year, professionally filmed and edited. These completed documentaries are significantly for a Tiwi audience. These techniques are particularly useful in transferring information to our constituents and landowners.
- Press and media releases and commentaries on general Land Council activity increased during the year in television; print media and various web pages.
- Annual Report itself. 600 copies.
- Tiwi Land Council web site:- [www.tiwilandcouncil.net.au](http://www.tiwilandcouncil.net.au) with links to other partners and organizations was a particular focus during the year. Expert web designers and managers were retained to redesign the web page and associated links following detailed consultations that are continuing. The site recorded a cumulative total of 15,691 "hits" last year. The increase of 5152 in 2007/8 has been a continuing trend with a further increase of 6419 this year to a cumulative total of 22,110 recorded during 08/09.

**Land Council Costs:** \$47,000

#### 3.2 Provide advocacy and representation:

Promoting, protecting and advancing the rights and interests of Tiwi people through advocacy and representation continues to enhance the outcomes sought by the Land Council.

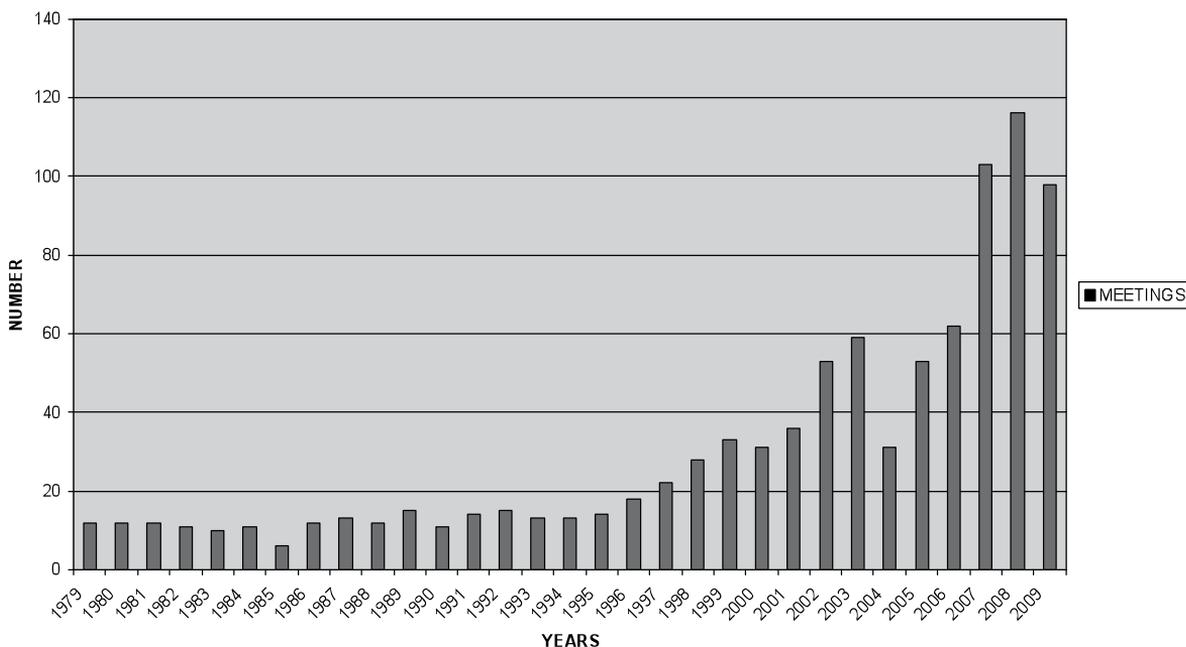
Direct and minuted consultation at 98 meetings through the year are illustrated below.

These consultations provide the foundation of Land Council decision-making across all output groups. The Land Council has been required to capture support for the resources necessary to undertake almost daily general consultation from other colleague organisations. These include CSIRO (forestry, social and

environment planning and land use); Charles Darwin University (data collection; social, corporate and future planning); NT Fisheries (Coastal Zone and aquaculture); NLC (Vernon Islands Land Claim); Bushfires NT (Forest Fire management); Great Southern Forestry (environmental and commercial land use) as well as grant funded projects targeting specific outcomes. Increasingly these consultations are related to mainstream private investor interest.

Advocacy and representation is increasingly provided through various strategic committees and workshops initiated by the Land Council covering these issues, particularly coastal and fisheries management, weed management, threatened species management and NT wide natural resource management, monitoring and evaluation. Additionally education, health, governance and other forums extend the range of representation and interests of members and their determination to secure their future on their land.

### MEETINGS



**Land Council Costs:** \$ 89,109

### **3.3 Cultural and Heritage Support:**

Support was provided during the year for:-

- Continuing recording of film footage of totemic ceremonial and dance preparation and routines.
- Kalama and Pukemani Ceremony funding and support; as well as recording of important meetings and decisions.
- Funding of final Ceremony related to death and group respect.
- Three meetings and consultations for Sacred Sites and Sites of Significance in areas that may be affected by various land use proposals and developments.
- Attendance at Five meetings of the Aboriginal Areas Protection Authority.
- Further detailed meetings of landowners to research genealogies and use of land both in regard to the Vernon Islands Land Claim and anomalies and processes of recording and ensuring the integrity of landowner registers.
- Our contract with AITSIS to transfer Tiwi 1920 genealogies to digital format was completed during the year and work has begun on integrating this data within our Registers and family tree software.

**Land Council Costs:** \$ 56,000

### **3.4 Facilitate Community Development Initiatives:**

Promotion and advancement of rights and interests continues to achieve the outcomes of social, political and economic participation and equity for Tiwi landowners.

The Land Council continued to respond to community requests for landscaping and regular monitoring of sea erosion; weed infestation and training and awareness workshops. Land Management Officers` attended upon all schools in awareness discussions of environmental risks and constraints and the requirements of good land management practices. The enthusiasm of school children is evident and the integration of the cadet ranger program is particularly necessary to further these interests into adulthood.

The Land Council increased its extended support to landowners at Nguui in development of their community package of social and infrastructure requirements; football oval; cemetery and health and education projects. This also includes support for their Consultative Forum, now a key plank in Lease arrangements and development of the Nguui Township.

Township Leasing on the three other communities – Milikapiti, Pirlangimpi and Ranku has been continuing throughout the year with final meeting planned prior to Christmas 2009. Regard for the development impact at Nguui as a result of leasing has encouraged other communities in these discussions.

The Melville Island Bus Service that commenced last year has proven very costly to operate and alternate funding is being planned. Of any project that impacts on community usefulness ALL Tiwi and residents have determined that it is the Bus Service.

**Land Council Cost:** \$ 92,891

## **4. Administration and Support Services:**

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### **4.1. Administer and Distribute Payments:**

Outcomes remain consistent with our endorsed framework. Outputs include the administration of payments to landowners and to Land Council clients.

Grants for Funeral and Ceremonial purposes require detailed applications and approval processes in both the access and distribution of these payments. Funds from the ABA for these purposes are now available.

Land use payments that include lease payments, payments under Mining agreements, payments under permit and fishing agreements accrue to specific landowner accounts now exceeding 70 family groups. These accounts are managed and audited through private accountants retained by the landowners for this purpose. Fund Managers are able to certify expenditure through these accounts following group policies detailed at Group Meetings. Monthly income and expenditure statements are tabled at group meetings and also through the Audit Committee. These accounts are also available through security codes on-line.

**Land Council Costs:** \$ 23,000

### **4.2 Administer the Land Trust:**

The legal structure of the Land Council within which it can achieve the outcomes sought by members is primarily the establishment of a Land Trust to hold title to land. The Tiwi Aboriginal Land Trust is established under Section 12AAA of the Aboriginal Land Rights (Northern Territory) Act 1976. The only body with authority and capacity to direct and administer this Trust is the Tiwi Land Council.

Administration of the Trust also includes work to maintain traditional owner registers and respond to queries and certification of aboriginality and/or Tiwi recognition. The Land Council traditional registers are assisted by data now sourced from the Institute of Aboriginal and Torres Strait Islander Studies.

**Land Council costs:** \$ 28,000.

### **4.3 Assist in resolution of land disputes:**

Tiwi land ownership is a dynamic entitlement with various alliances and structures changing boundaries over time. The advantage of there being only one title to Tiwi land requires continuing Tiwi consensus over various internal clan or "country" disputes. Traditional processes continue to demand consensus over these issues and effectively prevent these matters becoming disputes.

The Land Council retained the Northern Land Council, under agreements, during the year to process a long-standing claim (1983) to ownership of the Vernon Island group. The case went to hearing in May and September 2008 and again in April and May 2009. Mr. Justice Olney has requested that the parties reach an independent agreement between themselves. The Northern Territory Government has offered to settle and this offer has largely been accepted by Tiwi landowners. We await an outcome.

The considerable costs of a Senate Inquiry into Forestry and Mining on Tiwi land has focused the resources of the Land Council during the year. This Inquiry continues.

The Commonwealth Ombudsman has also been required to respond to a complaint in regard to the efficacy and compliance of Land Council processes in completing the 99 year lease for land at Nguiu in 2007. Responding to these complaints have also required considerable resources.

The administrative and legal costs involved in assisting the landowners of the Nguiu Township in their concluded Township Lease at Nguiu were reflected in our accounts from 2006/07 onwards. Whilst Nguiu has largely settled their affairs, the three other Tiwi Townships also seek to consider leasing alternatives and impacts. The Land Council continues to incur costs in this regard.

**Land Council costs:** \$ 377,062



**TIWI LAND COUNCIL  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2009**

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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Minister for Families, Housing, Community Services and Indigenous Affairs**

#### **Scope**

I have audited the accompanying financial statements of the Tiwi Land Council for the year ended 30 June 2009, which comprise: a statement by Members and Chief Executive; Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedules of Commitments and Contingencies; and Notes to and Forming Part of the Financial Statements, including a Summary of Significant Accounting Policies.

#### ***The Responsibility of the Members for the Financial Statements***

The Members the Tiwi Land Council are responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### ***Auditor's Responsibility***

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tiwi Land Council's preparation and fair presentation of the financial statements 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 Tiwi Land Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Members, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### ***Independence***

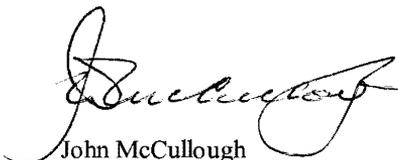
In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

### **Auditor's Opinion**

In my opinion, the financial statements of the Tiwi Land Council:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Tiwi Land Council's financial position as at 30 June 2009 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



John McCullough  
Audit Principal  
Delegate of the Auditor-General

Canberra  
3 September 2009

**TIWI LAND COUNCIL  
FINANCIAL STATEMENTS**  
*for the year ended 30 June 2009*

**STATEMENT BY MEMBERS AND CHIEF EXECUTIVE**

In our opinion, the attached financial statements for the year ended 30 June 2009 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Tiwi Land Council will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Land Council.



Robert Tipungwuti  
Chairman  
2nd September 2009



Cyril Kalippa OAM  
Director  
2nd September 2009



John Hicks  
Chief Executive  
2nd September 2009



Derek Mayger  
Chief Financial Officer  
2nd September 2009

**TIWI LAND COUNCIL  
INCOME STATEMENT**

*for the year ended 30 June 2009*

	Notes	2009 \$	2008 \$
<b>INCOME</b>			
<b>Revenue</b>			
Revenue from Government	3A	<b>2,380,118</b>	3,135,800
Sale of goods and rendering of services	3B	<b>331,408</b>	167,413
Interest	3C	<b>8,585</b>	20,405
<b>Total revenue</b>		<b><u>2,720,111</u></b>	<u>3,323,618</u>
<b>Total Income</b>		<b><u>2,720,111</u></b>	<u>3,323,618</u>
<b>EXPENSES</b>			
Employee benefits	4A	<b>856,015</b>	588,177
Suppliers	4B	<b>1,115,816</b>	1,472,299
Grants	4C	<b>503,333</b>	673,885
Depreciation and amortisation	4D	<b>186,903</b>	184,643
Write-down and impairment of assets	4E	<b>22,899</b>	-
Losses from asset sales	4F	<b>5,405</b>	1,983
Other expenses	4G	<b>260,058</b>	227,562
<b>Total Expenses</b>		<b><u>2,950,429</u></b>	<u>3,148,549</u>
<b>Surplus (Deficit)</b>		<b><u>(230,318)</u></b>	<u>175,069</u>

The above statement should be read in conjunction with the accompanying notes.

**TIWI LAND COUNCIL**

**BALANCE SHEET**

*as at 30 June 2009*

		<b>2009</b>	2008
	Notes	\$	\$
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	5A	<b>287,094</b>	269,514
Trade and other receivables	5B	<b>64,292</b>	-
Investments	5C	<b>1</b>	1
<b>Total financial assets</b>		<b><u>351,387</u></b>	<u>269,515</u>
<b>Non-Financial Assets</b>			
Land and buildings	6A	<b>539,506</b>	577,655
Infrastructure, plant and equipment	6B,C	<b>578,641</b>	616,213
<b>Total non-financial assets</b>		<b><u>1,118,147</u></b>	<u>1,193,868</u>
<b>Total Assets</b>		<b><u><u>1,469,534</u></u></b>	<u><u>1,463,383</u></u>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	7A	<b>202,242</b>	59,481
Other payables	7B	<b>17,430</b>	25,063
<b>Total payables</b>		<b><u>219,672</u></b>	<u>84,544</u>
<b>Interest Bearing Liabilities</b>			
<b>Provisions</b>			
Employee provisions	8A	<b>134,006</b>	66,302
<b>Total provisions</b>		<b><u>134,006</u></b>	<u>66,302</u>
<b>Total Liabilities</b>		<b><u><u>353,677</u></u></b>	<u><u>150,846</u></u>
<b>Net Assets</b>		<b><u><u>1,115,857</u></u></b>	<u><u>1,312,537</u></u>
<b>EQUITY</b>			
<b>Parent Entity Interest</b>			
Reserves		<b>121,526</b>	121,526
Retained surplus (accumulated deficit)		<b>994,331</b>	1,224,649
<b>Total Equity</b>		<b><u><u>1,115,857</u></u></b>	<u><u>1,346,175</u></u>
<b>Current Assets</b>		<b>351,387</b>	269,515
<b>Non-Current Assets</b>		<b>1,118,147</b>	1,193,868
<b>Current Liabilities</b>		<b>353,677</b>	150,846
<b>Non-Current Liabilities</b>		-	-

The above statement should be read in conjunction with the accompanying notes.

**TIWILAND COUNCIL**  
**STATEMENT OF CHANGES IN EQUITY**  
*as at 30 June 2009*

**Opening balance**  
 Balance carried forward from previous period  
**Adjusted opening balance**

Surplus (Deficit) for the period  
**Closing balance as at 30 June**

	Retained Earnings		Asset Revaluation Reserves		Total Equity	
	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>	1,224,649	1,049,580	121,526	121,526	1,346,175	1,171,106
<b>Adjusted opening balance</b>	1,224,649	1,049,580	121,526	121,526	1,346,175	1,171,106
Surplus (Deficit) for the period	(230,318)	175,069	-	-	(230,318)	175,069
<b>Closing balance as at 30 June</b>	994,331	1,224,649	121,526	121,526	1,115,857	1,346,175

The above statement should be read in conjunction with the accompanying notes.

**TIWI LAND COUNCIL**  
**CASH FLOW STATEMENT**  
*for the year ended 30 June 2009*

	Notes	2009 \$	2008 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Goods and services		414,557	184,154
Receipts from Government		2,304,158	3,167,365
Interest		8,585	20,405
Net GST received		105,761	249,471
Other cash received		9,354	-
<b>Total cash received</b>		<b>2,842,416</b>	<b>3,621,395</b>
<b>Cash used</b>			
Employees		738,023	876,973
Suppliers		1,568,487	1,556,048
Grants		393,607	991,592
Other cash used		8,131	-
<b>Total cash used</b>		<b>2,708,249</b>	<b>3,424,613</b>
<b>Net cash from (used by) operating activities</b>	9	<b>134,167</b>	<b>196,782</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		34,500	4,091
<b>Total cash received</b>		<b>34,500</b>	<b>4,091</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		151,087	425,496
<b>Total cash used</b>		<b>151,087</b>	<b>425,496</b>
<b>Net cash from (used by) investing activities</b>		<b>(116,587)</b>	<b>(421,405)</b>
<b>Net increase (decrease) in cash held</b>		<b>17,580</b>	<b>(224,623)</b>
Cash and cash equivalents at the beginning of the reporting period		269,514	494,137
<b>Cash and cash equivalents at the end of the reporting period</b>	5A	<b>287,094</b>	<b>269,514</b>

The above statement should be read in conjunction with the accompanying notes.

TIWI LAND COUNCIL  
SCHEDULE OF COMMITMENTS  
as at 30 June 2009

<b>BY TYPE</b>	<b>2009</b>	<b>2008</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Commitments receivable</b>		
Sublease rental income	-	-
GST recoverable on commitments	-	-
<b>Total commitments receivable</b>	<u>-</u>	<u>-</u>
<b>Capital commitments</b>		
Land and buildings <sup>1</sup>	-	-
Infrastructure, plant and equipment <sup>2</sup>	-	-
Intangibles	-	-
Investments	-	-
Other capital commitments	-	-
<b>Total capital commitments</b>	<u>-</u>	<u>-</u>
<b>Other commitments</b>		
Operating leases <sup>3</sup>	-	-
Project commitments	-	-
Research and development	-	-
Other commitments	-	-
<b>Total other commitments</b>	<u>-</u>	<u>-</u>
<b>Net commitments by type</b>	<u>-</u>	<u>-</u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Operating lease income</b>		
One year or less	-	-
From one to five years	-	-
Over five years	-	-
<b>Total operating lease income</b>	<u>-</u>	<u>-</u>
<b>Other commitments receivable</b>		
One year or less	-	-
From one to five years	-	-
Over five years	-	-
<b>Total other commitments receivable</b>	<u>-</u>	<u>-</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
One year or less	-	-
From one to five years	-	-
Over five years	-	-
<b>Total capital commitments</b>	<u>-</u>	<u>-</u>
<b>Operating lease commitments</b>		
One year or less	-	-
From one to five years	-	-
Over five years	-	-
<b>Total operating lease commitments</b>	<u>-</u>	<u>-</u>
<b>Other commitments</b>		
One year or less	-	-
From one to five years	-	-
Over five years	-	-
<b>Total other commitments</b>	<u>-</u>	<u>-</u>
<b>Net Commitments by maturity</b>	<u>-</u>	<u>-</u>

NB: Commitments are GST inclusive where relevant.

**TIWI LAND COUNCIL**  
**SCHEDULE OF CONTINGENCIES**  
*as at 30 June 2009*

Contingent Assets	Guarantees		Indemnities		Claims for damages or costs		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance from previous period	-	-	-	-	-	-	-	-
New	-	-	-	-	-	-	-	-
Re-measurement	-	-	-	-	-	-	-	-
Assets recognised	-	-	-	-	-	-	-	-
Expired	-	-	-	-	-	-	-	-
<b>Total Contingent Assets</b>	-	-	-	-	-	-	-	-
Contingent Liabilities	Guarantees		Indemnities		Claims for damages or costs		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance from previous period	-	-	-	-	-	-	-	-
New	-	-	-	-	-	-	-	-
Re-measurement	-	-	-	-	-	-	-	-
Liabilities recognised	-	-	-	-	-	-	-	-
Obligations expired	-	-	-	-	-	-	-	-
<b>Total Contingent Liabilities</b>	-	-	-	-	-	-	-	-
<b>Net Contingent Assets (Liabilities)</b>								

The above schedule should be read in conjunction with the accompanying notes.

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## **Note 1: Summary of Significant Accounting Policies**

### **1.1 Basis of Preparation of the Financial Report**

The financial statements and notes are required by clause 1(b) of Schedule 1 to the *Commonwealth Authorities and Companies Act 1997* and are a general purpose financial report.

The Tiwi Land Council is a statutory authority formed within the provisions of Section 21 of the *Aboriginal Land Right (NT) Act*. The Land Council receives appropriations from the Aboriginal Benefits Account pursuant to ministerially approved estimates prepared in accordance with Section 34 of the Act and made available under Section 64 of the Act.

The continued existence of the Land Council in its present form and with its present programs is dependent on Government policy and on continuing appropriations by Parliament for the Land Council's administration and programs.

The funding conditions of the Land Council are laid down by the *Aboriginal Land Right (NT) Act*, and any special purpose grant guidelines. Accounting for monies received from the Aboriginal Benefits Account is subject to conditions approved by the Minister for Families, Housing, Community Services and Indigenous Affairs.

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (FMO) for reporting periods ending on or after 1 July 2008; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial report has been prepared on an accrual basis and is in accordance with historical cost convention, except for certain assets at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial report is presented in Australian dollars and values are rounded to the nearest dollar unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMO, assets and liabilities are recognised in the balance sheet when and only when it is probable that future economic benefits will flow to the Land Council and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the income statement when, and only when, the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

### **1.2 Significant Accounting Judgements and Estimates**

In the process of applying the accounting policies listed in this note, the Land Council has made the following judgements that have the most significant impact on the amounts recorded in the financial statements:

- The fair value of land and buildings has been taken to be the market value of similar buildings as determined by an independent valuer. In some instances, Land Council buildings are purpose built and may in fact realise more or less in the market.

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.

### 1.3 New Accounting Standards

#### Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard. The following new standards and amendments were issued prior to the signing of the statement by the chief executive and chief financial officer, were applicable to the current reporting period and had a financial impact on the entity. It is not expected that these standards, interpretations or amending standards will have a material financial impact but may affect the disclosure presented in future financial reports.

AASB 2007-9 *Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31* relocated a number of paragraphs from AASs 27, 29 and 31 substantively unamended into the following existing standards AASB 3, 5, 8, 101, 114, 116, 127 and 137.

AASB 2007-2 *Amendments to Australian Accounting Standards arising from AASB Interpretation 12* [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139].

Other new standards/revised standards/interpretations/amending standards that were issued prior to the signing of the statement by the chief executive and chief financial officer and are applicable to the current reporting period did not have a financial impact, and are not expected to have a future financial impact on the entity.

AASB 7 Financial Instruments : Disclosures. AASB 101 Presentation of Financial Statements (Dec 2007). AASB 116 Property, Plant & Equipment. AASB 137 Provisions, Contingent Liabilities and Contingent Assets. AASB 139 Financial Instruments: Recognition and Measurement. AASB 1049 Whole of Government and General Government Sector Financial Reporting.

#### Future Australian Accounting Standard Requirements

There are no new standards/revised standards/interpretations/amending standards were issued by the Australian Accounting Standards Board prior to the signing of the statement by the chief executive and chief financial officer, which are expected to have a financial impact on the entity for future reporting periods.

AASB 2007-9 *Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31* relocated a number of paragraphs from AASs 27, 29 and 31 substantively unamended into the following existing standards AASB 3, 5, 8, 101, 114, 116, 127 and 137.

AASB 1004 *Contributions* also received a number of substantively unamended paragraphs from AASs 27, 29 and 31 following their withdrawal.

AASB 1050 *Administered items* and AASB 1052 *Disaggregated Disclosures* were created and received a number of substantively unamended paragraphs from AASs 27 and 29.

It is not expected that the relocation of AASs 27, 29 and 31 will have a material financial impact but may affect the disclosure presented in future financial reports.

Other new standards/revised standards/interpretations/amending standards that were issued prior to the signing of the statement by the chief executive and chief financial officer and are applicable to the future reporting period are not expected to have a future financial impact on the entity.

AASB 101 Presentation of Financial Statements (Sep 2007), AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101, AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101, AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [ aasbs 1, 2, 4, 5, 101, 107, 112, 114, 116, 121, 128, 131, 132, 134, 136, 137, 138 & 139 and Interpretations 9 & 107], AASB 2009-2 Amendments to Australian Accounting Standards - Improved Disclosures about Financial Instruments [AASB 4, AASB 7, AASB 1023 & AASB 1038], AASB 2009-7 Amendments to Australian Accounting Standards [ AASBs 5, 7, 107, 112, 136 & 139 and Interpretations 17].

### 1.4 Revenue

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the seller retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at balance date. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

Revenues from the Aboriginals Benefit Account are recognised as revenue at the time they are received into the Land Council's bank account or are entitled to be received at year end.

Contributions recognised as income during the year that were provided specifically for the provision of goods or services over a future period was \$40,500.

### **Resources Received Free of Charge**

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

## **1.5 Gains**

### **Other Resources Received Free of Charge**

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

### **Sale of Assets**

Gains from disposal of non-current assets is recognised when control of the asset has passed to the buyer.

## **1.6 Employee Benefits**

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for short-term employee benefits (as defined in AASB 119) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

### **Leave**

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Land Council is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that applied at the time the leave is taken, including the Land Council's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined as the net present value of the liability. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

### **Separation and Redundancy**

Provision is made for separation and redundancy benefit payments. Tiwi Land Council recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

### **Superannuation**

Staff of the Land Council are members of the BT Financial Group, HostPlus Superannuation Fund, Colonial First State, Catholic Superannuation Fund, ING Superannuation Fund and NTGPASS. Land Council staff are not public servants and have no entitlement to government superannuation benefits.

The BT Financial Group, HostPlus Superannuation Fund, Colonial First State, Catholic Superannuation Fund, ING Superannuation Fund and NTGPASS are defined benefit schemes.

The liability for defined benefits is recognised in the financial statements of each superannuation and reported in due course.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final quarter of the year.

## **1.7 Leases**

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

## 1.8 Borrowing Costs

All borrowing costs are expensed as incurred.

## 1.9 Cash

Cash and cash equivalents includes notes and coins held and any deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

## 1.10 Financial Assets

The Land Council classifies its financial assets in the following categories:

- at fair value through profit or loss;
- held-to-maturity investments;
- available-for-sale; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon trade date.

### Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets at fair value through profit or loss.

### Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

- have been acquired principally for the purpose of selling in the near future;
- are a part of an identified portfolio of financial instruments that the Land Council manages together and has a recent actual pattern of short-term profit-taking; or
- are derivatives that are not designated and effective as a hedging instrument.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

### Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the asset within 12 months of the balance sheet date.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in the reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part (or all) of the cumulative gain or loss previously recognised in the reserve is included in profit for the period.

Where a reliable fair value can not be established for unlisted investments in equity instruments cost is used. Tiwi Land Council has no such instruments.

### Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

## Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non current assets. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

### Impairment of Financial Assets

Financial assets are assessed for impairment at each balance date.

- *Financial assets held at amortised cost* - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the income statement.

- *Available for sale financial assets* - if there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the income statement.

- *Available for sale financial assets (held at cost)* - if there is objective evidence that an impairment loss has been incurred the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

### **1.11 Financial Liabilities**

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are recognised and derecognised upon trade date.

#### Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

#### Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

### **1.12 Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the balance sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

### **1.13 Financial Guarantee Contracts**

Financial guarantee contracts are accounted for in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

#### **1.14 Acquisition of Assets**

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor Authority's accounts immediately prior to the restructuring.

#### **1.15 Property, Plant and Equipment**

##### **Asset Recognition Threshold**

Purchases of property, plant and equipment are recognised initially at cost in the balance sheet, except for purchases costing less than \$500, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

##### **Revaluations**

Fair values for each class of asset are determined as shown below:

<i>Asset Class</i>	<i>Fair value measured at</i>
Buildings	Depreciated replacement cost
Infrastructure, plant and equipment	Depreciated replacement cost

Following initial recognition at cost, property plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through operating result. Revaluation decrements for a class of assets are recognised directly through operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

### **Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to Tiwi Land Council using, the straight-line method or diminishing method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<u>2009</u>	<u>2008</u>
Buildings	<b>10 years</b>	10 years
Plant and Equipment	<b>3 to 20 years</b>	3 to 20 years

### **Impairment**

All assets were assessed for impairment at 30 June 2009. Where indications of impairment exist, an impairment adjustment is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if Land Council were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

#### **1.16 Taxation**

The Land Council is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

#### **1.17 Related Party Disclosure**

The Land Council has no loans transactions with any related parties and has not entered into any loan facility with any related party during the year.

#### **1.18 Commitments**

The Land Council has no commitments which have arisen from transactions during the year.

#### **1.19 Contingencies**

The Land Council has no contingencies which have arisen or are likely to arise from transactions or events during the year.

**TIWI LAND COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the year ended 30 June 2009*

**Note 2: Events After the Balance Sheet Date**

There are no after balance date events that have any significant capacity to influence the stated results herein.

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

**Note 3: Income**

	2009	2008
	\$	\$

**Revenue**

**Note 3A: Revenue from Government**

CAC Act body payment item	1,767,545	1,917,813
Other	612,573	1,217,987
<b>Total revenue from Government</b>	<b>2,380,118</b>	<b>3,135,800</b>

**Note 3B: Sale of Goods and Rendering of Services**

Rendering of services - related entities	-	27
Rendering of services - external parties	331,408	167,386
<b>Total sale of goods and rendering of services</b>	<b>331,408</b>	<b>167,413</b>

**Note 3C: Interest**

Deposits	8,585	20,405
<b>Total interest</b>	<b>8,585</b>	<b>20,405</b>

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

**Note 4: Expenses**

	2009	2008
	\$	\$
<b>Note 4A: Employee Benefits</b>		
Wages and salaries	767,071	531,304
Superannuation:		
Defined benefit plans	70,525	40,222
Leave and other entitlements	18,419	16,651
<b>Total employee benefits</b>	<b>856,015</b>	<b>588,177</b>
<b>Note 4B: Suppliers</b>		
Provision of goods – external parties	-	13,868
Rendering of services – related entities	-	25,972
Rendering of services – external parties	1,113,276	1,430,187
Workers compensation premiums	2,540	2,272
<b>Total supplier expenses</b>	<b>1,115,816</b>	<b>1,472,299</b>
<b>Note 4C: Grants</b>		
Public sector:		
Culture, ceremony and land use distributions	263,471	213,317
Land and resource management	239,862	460,568
<b>Total grants</b>	<b>503,333</b>	<b>673,885</b>

	2009	2008
	\$	\$
<b><u>Note 4D: Depreciation and Amortisation</u></b>		
Depreciation:		
Infrastructure, plant and equipment	37,140	39,116
Marine ranger boats	20,164	20,219
Buildings	58,720	46,036
Motor Vehilces	70,879	79,272
<b><i>Total depreciation</i></b>	<b><u><u>186,903</u></u></b>	<b><u><u>184,643</u></u></b>

**Note 4F: Write-Down and Impairment of Assets**

Asset write-downs and impairments from:

Impairment on financial instruments	22,899	-
<b><i>Total write-down and impairment of assets</i></b>	<b><u><u>22,899</u></u></b>	<b><u><u>-</u></u></b>

**Note 4F: Losses from Assets Sales**

Motor vehicle assets:

Proceeds from sale	34,500	-
Carrying value of assets sold	( 39,905)	-
Infrastructure, plant and equipment:		
Proceeds from sale	-	4,091
Carrying value of assets sold	-	( 2,108)
<b><i>Total losses from assets sales</i></b>	<b><u><u>5,405</u></u></b>	<b><u><u>1,983</u></u></b>

**Note 4G: Other Expenses**

Special Projects	260,058	227,562
<b><i>Total other expenses</i></b>	<b><u><u>260,058</u></u></b>	<b><u><u>227,562</u></u></b>

TIWI LAND COUNCIL  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

**Note 5: Financial Assets**

	2009	2008
	\$	\$
<b>Note 5A: Cash and Cash Equivalents</b>		
Cash on hand or on deposit	286,885	269,314
Other	209	200
<b>Total cash and cash equivalents</b>	<u>287,094</u>	<u>269,514</u>

**Note 5B: Trade and Other Receivables**

Goods and services - external parties	33,236	21,496
<b>Total receivable for goods and services</b>	<u>33,236</u>	<u>21,496</u>
GST receivable from the Australian Taxation Office	53,955	12,142
<b>Total trade and other receivables (gross)</b>	<u>87,191</u>	<u>33,638</u>

Less impairment allowance account:

Goods and services	(22,899)	-
<b>Total trade and other receivables (net)</b>	<u>64,292</u>	<u>-</u>

Receivables are represented by:

Current	64,292	-
Non-current	-	-
<b>Total trade and other receivables (net)</b>	<u>64,292</u>	<u>-</u>

Receivables are aged as follows:

Not overdue	-	-
Overdue by:		
Less than 30 days	87,191	33,638
30 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	-	-
<b>Total receivables (gross)</b>	<u>87,191</u>	<u>33,638</u>

The impairment allowance account is aged as follows:

Not overdue	-	-
Overdue by:		
Less than 30 days	(22,899)	-
30 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	-	-
<b>Total impairment allowance account</b>	<u>(22,899)</u>	<u>-</u>

**Reconciliation of the impairment allowance account:**

Movements in relation to 2009

	Goods and services 2009	Other receivables 2009	Total 2009
	\$	\$	\$
Opening balance	-	-	-
Amounts written off	-	-	-
Amounts recovered and reversed	-	-	-
Increase/decrease recognised in net surplus	(22,899)	-	(22,899)
<b>Closing balance</b>	<u>(22,899)</u>	<u>-</u>	<u>(22,899)</u>

Movements in relation to 2008

	Goods and services 2008	Other receivables 2008	Total 2008
	\$	\$	\$
Opening balance	-	-	-
Amounts written off	-	-	-
Amounts recovered and reversed	-	-	-
Increase/decrease recognised in net surplus	-	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>	<u>-</u>

**Note 5C: Investments**

Shares (or equity interest in)

Other companies	1	1
<b>Total Investments</b>	<u>1</u>	<u>1</u>

The Investment represents the Land Council's shareholding of one fully paid ordinary share at cost. The Investment was acquired for the purpose of participating in this important Aboriginal development by way of representation on the board of Directors of Imparja Television Pty Ltd. As this investment does not allow the Land Council control of Imparja Television Pty Ltd, this interest is not accounted for as a controlled entity.

TIWI LAND COUNCIL  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

**Note 6: Non-Financial Assets**

	2009	2008
	\$	\$
<b><u>Note 6A: Land and Buildings</u></b>		
Buildings on Aboriginal land:		
Fair value	740,409	719,838
Accumulated depreciation	<u>(200,903)</u>	<u>(142,183)</u>
<b><i>Total buildings on freehold land</i></b>	<b><u>539,506</u></b>	<b><u>577,655</u></b>
<b><i>Total land and buildings (non-current)</i></b>	<b><u>539,506</u></b>	<b><u>577,655</u></b>

No indicators of impairment were found for land and buildings.

**Note 6B: Infrastructure, Plant and Equipment**

Infrastructure, plant and equipment:		
Infrastructure at cost	182,418	182,418
Gross carrying value (at fair value)	223,558	203,847
Accumulated depreciation	<u>(172,036)</u>	<u>(134,896)</u>
<b><i>Total infrastructure, plant and equipment</i></b>	<b><u>233,940</u></b>	<b><u>251,369</u></b>
Motor Vehicles		
Gross carrying value (at fair value)	431,169	389,073
Accumulated depreciation	<u>(189,979)</u>	<u>(147,904)</u>
<b><i>Total motor vehicles</i></b>	<b><u>241,190</u></b>	<b><u>241,169</u></b>
Marine Ranger Boats		
Gross carrying value (at fair value)	201,643	201,643
Accumulated depreciation	<u>(98,132)</u>	<u>(77,968)</u>
<b><i>Total motor vehicles</i></b>	<b><u>103,511</u></b>	<b><u>123,675</u></b>
<b><i>Total infrastructure, plant and equipment (non-current)</i></b>	<b><u>578,641</u></b>	<b><u>616,213</u></b>

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. In 2006/2007, an independent valuer, Australian Valuation Office conducted the revaluations.

No indicators of impairment were found for infrastructure, plant and equipment.

**TIWILAND COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2009*

**Note 6: Non-Financial Assets**

**Note 6C: Analysis of Property, Plant and Equipment**

**TABLE A – Reconciliation of the opening and closing balances of property, plant and equipment (2008-09)**

	Buildings		Buildings and Total Land and Buildings	Other IP & E		Total
	\$	\$		\$	\$	
<b>As at 1 July 2008</b>						
Gross book value	719,838	719,838	976,981		1,696,819	
Accumulated depreciation/amortisation and impairment	(142,183)	(142,183)	(360,768)		(502,951)	
<b>Net book value 1 July 2008</b>	<b>577,655</b>	<b>577,655</b>	<b>616,213</b>		<b>1,193,868</b>	
Additions:						
By purchase	20,571	20,571	130,516		151,087	
Depreciation/amortisation expense	(58,720)	(58,720)	(128,183)		(186,903)	
Disposals:						
Other disposals	-	-	(39,905)		(39,905)	
<b>Net book value 30 June 2009</b>	<b>539,506</b>	<b>539,506</b>	<b>578,641</b>		<b>1,118,147</b>	
<b>Net book value as of 30 June 2009 represented by:</b>						
Gross book value	740,409	740,409	1,038,788		1,779,197	
Accumulated depreciation/amortisation and impairment	(200,903)	(200,903)	(460,147)		(661,050)	
	<b>539,506</b>	<b>539,506</b>	<b>578,641</b>		<b>1,118,147</b>	

**TABLE A – Reconciliation of the opening and closing balances of property, plant and equipment (2007-08)**

	Buildings	Buildings	Total Land and and Buildings	Other IP & E	Total
	\$	\$	\$	\$	\$
<b>As at 1 July 2007</b>					
Gross book value	391,931	391,931	896,367	1,288,298	
Accumulated depreciation/amortisation and impairment	(96,147)	(96,147)	(233,062)	(329,209)	
<b>Net book value 1 July 2007</b>	<b>295,784</b>	<b>295,784</b>	<b>663,305</b>	<b>959,089</b>	
Additions:					
By purchase	327,907	327,907	97,589	425,496	
Depreciation/amortisation expense	(46,036)	(46,036)	(138,607)	(184,643)	
Other movements	-	-	1,275	1,275	
Other movements depreciation	-	-	(399)	(399)	
Disposals:					
Other disposals	-	-	(6,950)	(6,950)	
<b>Net book value 30 June 2008</b>	<b>577,655</b>	<b>577,655</b>	<b>616,213</b>	<b>1,193,868</b>	
<b>Net book value as of 30 June 2008 represented by:</b>					
Gross book value	719,838	719,838	976,981	1,696,819	
Accumulated depreciation/amortisation and impairment	(142,183)	(142,183)	(360,768)	(502,951)	
	<b>577,655</b>	<b>577,655</b>	<b>616,213</b>	<b>1,193,868</b>	

**TIWI LAND COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**Note 7: Payables**

	<b>2009</b>	2008
	\$	\$
<b><u>Note 7A: Suppliers</u></b>		
Trade creditors	<u>202,242</u>	<u>59,481</u>
<b><i>Total supplier payables</i></b>	<b><u>202,242</u></b>	<b><u>59,481</u></b>
Supplier payables - external parties are represented by:		
Current	202,242	59,481
Non-current	-	-
<b><i>Total supplier payables</i></b>	<b><u>202,242</u></b>	<b><u>59,481</u></b>
Settlement is usually made net 30 days.		
<b><u>Note 7B: Other Payables</u></b>		
Accrued expenses	17,000	25,063
Other	430	-
<b><i>Total other payables</i></b>	<b><u>17,430</u></b>	<b><u>25,063</u></b>

**TIWI LAND COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
*for the year ended 30 June 2009*

**Note 8: Provisions**

	<b>2009</b>	2008
	\$	\$
<b><u>Note 8A: Employee Provisions</u></b>		
Annual and Long service leave	<b>87,548</b>	58,399
Salaries and wages PAYG	<b>11,505</b>	6,901
Superannuation	<b>34,953</b>	1,002
<b><i>Total employee provisions</i></b>	<b><u>134,006</u></b>	<b><u>66,302</u></b>
Employee provisions are represented by:		
Current	<b><u>134,006</u></b>	<u>66,302</u>
<b><i>Total employee provisions</i></b>	<b><u>134,006</u></b>	<b><u>66,302</u></b>

The classification of current employee provisions includes amounts for which there is not an unconditional right to defer settlement by one year, hence in the case of employee provisions the above classification does not represent the amount expected to be settled within one year of the reporting date. Employee provisions expected to be settled in twelve months from the reporting date are [\$134,006] (2008: [\$66,302]).

**Note 9: Cash Flow Reconciliation**

	2009	2008
	\$	\$
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</b>		
<b>Report cash and cash equivalents as per:</b>		
Cash Flow Statement	287,094	269,514
Balance Sheet	287,094	269,514
<i>Difference</i>	<u>0</u>	<u>-</u>
<b>Reconciliation of operating result to net cash from operating activities:</b>		
Operating result	( 230,318)	175,069
Depreciation /amortisation	186,903	184,643
(Gain) / Loss on disposal of assets	5,405	1,983
(Increase) / decrease in trade and other receivables	20,000	( 18,075)
(Increase) / decrease in prepayments	( 8,841)	-
Increase / (decrease) in employee provisions	29,148	14,453
Increase / (decrease) in supplier payables	142,761	( 221,562)
Increase / (decrease) in GST receivable	( 41,813)	60,271
Increase / (decrease) in accrued expenses	( 8,063)	-
Increase / (decrease) in superannuation payable	33,851	-
Increase / (decrease) in other payroll deductions	530	-
Increase / (decrease) in tax liabilities PAYG	4,604	-
<i>Net cash from / (used by) operating activities</i>	<u>134,167</u>	<u>196,782</u>

**TIWI LAND COUNCIL**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

for the year ended 30 June 2009

**Note 10: Remuneration of Council Members**

	2009	2008
The number of members of the Land Council included in these figures are shown below in the relevant remuneration bands:		
\$ Nil - \$ 149,999	<u>41</u>	<u>46</u>
<b>Total number of members of the Land Council</b>	<b><u>41</u></b>	<b><u>46</u></b>
Total remuneration received or due and receivable by members of the Land Council.	<b><u>258,006</u></b>	<b><u>172,501</u></b>

The members of the Land Council in consultation with the Traditional Owners of the area, are the decision making body of the Land Council. Three managers and the current chairman form the management committee responsible for the Land Council administration.

The names of each person who held the role of member of the Land Council during the financial year are;

Bush, Andrew	Puantulura, James Darren
Dunn, Cajetan	Puruntatameri, Marius
Farmer, Gibson	Puruntatameri, Patrick
Fernando, Darryn	Timaepatua, Campion
Fernando, Ivan	Timaepatua, Terry
Guy Jnr., David	Tipiloura, Bernard
Kalippa, Cyril - Manager	Tipiloura, Conell
Kantilla, Dominic	Tipiloura, Eric
Kerinaiaua, Cyril J.	Tipiloura, John Howley
Kerinaiaua, Jules	Tipuamantumirri, Bruce
Kerinaiaua, Lorenzo	Tipungwuti, Andrew - Manager
Kerinaiaua, Walter Benedict	Tipungwuti, Baylon
Kerinaiaua, Walter Jnr.	Tipungwuti, Brian
Kurupuwu, Maralampuwi	Tipungwuti, Edward Jude
Long, John Lawrence (Jack)	Tipungwuti, Henry James
Molaminni, Christopher	Tipungwuti, Robert - Chairperson
Molaminni, Damian	Tungatulum, Hycinth
Mungatopi, Vincent	Wilson, John
Munkara, Danny	Wommatakimmi, Gabriel
Pautjimi, Andre	Wommatakimmi, Kim Brooks
	Wonaeamirri, Matthew - Manager

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

**Note 11: Executive Remuneration**

	2009	2008
The number of senior executives who received or were due to receive total remuneration of \$130,000 or more:		
\$160 000 to \$174 999	<u>1</u>	<u>1</u>
<b>Total</b>	<u><u>1</u></u>	<u><u>1</u></u>
The aggregate amount of total remuneration of senior executives shown above.	<u><u>168,409</u></u>	<u><u>163,790</u></u>
The aggregate amount of separation and redundancy/termination benefit payments during the year to executives shown above.	<u><u>0</u></u>	<u><u>0</u></u>

**TIWI LAND COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the year ended 30 June 2009*

**Note 12: Remuneration of Auditors**

<b>2009</b>	2008
\$	\$

Financial statement audit services are provided to the Land Council by the Auditor General.

The fair value of the services provided was:

<u><b>16,000</b></u>	<u>12,600</u>
<u><b>16,000</b></u>	<u>12,600</u>

No other services were provided by the Auditor-General.

**TIWI LAND COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

*for the year ended 30 June 2009*

**Note 13: Financial Instruments**

	2009	2008
	\$	\$
<b><u>Note 13A: Categories of Financial Instruments</u></b>		
<b>Financial Assets</b>		
Cash at bank	287,094	269,314
Receivables	33,236	21,496
	<u>320,330</u>	<u>290,810</u>
<b>Carrying amount of financial assets</b>	<u><u>320,330</u></u>	<u><u>290,810</u></u>
<b>Financial Liabilities</b>		
Trade creditors	202,242	59,481
	<u>202,242</u>	<u>59,481</u>
<b>Carrying amount of financial liabilities</b>	<u><u>202,242</u></u>	<u><u>59,481</u></u>

**Note 13B: Net Income and Expense from Financial Assets**

**Loans and receivables**

Impairment ( see note 4F)	(22,899)	-
<b>Net gain/(loss) loans and receivables</b>	<u>(22,899)</u>	<u>-</u>

**Cash at bank**

Interest revenue (see note 3D)	8,585	20,405
<b>Net gain/(loss)</b>	<u>8,585</u>	<u>20,405</u>
<b>Net gain/(loss) from financial assets</b>	<u><u>(14,314)</u></u>	<u><u>20,405</u></u>

Total interest income for financial assets not at fair value through profit and loss is 2009: \$8,585 and 2008: \$20,405

**Note 13C: Net Income and Expense from Financial Liabilities**

There is neither income or expense from financial liabilities

**Note 13D: Fair Value of Financial Instruments**

The carrying amount of all financial instruments is a reasonable approximation of fair value in both the current year and the prior year.

### **Note 13E: Credit Risk**

The Land Council is exposed to a minimal credit risk as the majority of financial assets are cash. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of receivables (2009: \$10,337 and 2008: \$21,496). The Land Council has assessed the risk of default and decided that an impairment of (2009: \$22,899 and 2008:0) is required.

The Land Council holds no collateral to mitigate against credit risk

#### **Credit risk of financial instruments not past due or individually determined as impaired**

	<b>Not past due nor impaired 2009 \$</b>	<b>Not past due nor impaired 2008 \$</b>	<b>Past due or impaired 2009 \$</b>	<b>Past due or impaired 2008 \$</b>
Cash at bank	<b>287,094</b>	269,314	-	-
Receivables	<b>10,337</b>	21,496	<b>22,899</b>	-
<b>Total</b>	<b>297,431</b>	290,810	<b>22,899</b>	-

### **Note 13G: Liquidity Risk**

The Land Council's financial liabilities are trade creditors. The exposure to liquidity risk is based on the notion that the Land Council will encounter difficulty in meeting its obligations associated with financial liabilities. Since the majority of these debts have been paid in full by the date of this report, this is highly unlikely.

The Land Council is appropriated funding from the Australian Government. The Land Council manages its budget funds to ensure it has adequate funds to meet payments as they fall due.

#### **Maturities for financial liabilities 2009**

	<b>On demand 2009 \$</b>	<b>within 1 year 2009 \$</b>	<b>1 to 2 years 2009 \$</b>	<b>2 to 5 years 2009 \$</b>	<b>&gt; 5 years 2009 \$</b>	<b>Total 2009 \$</b>
Trade creditors		<b>202,242</b>	-	-	-	<b>202,242</b>
<b>Total</b>	-	<b>202,242</b>	-	-	-	<b>202,242</b>

#### **Maturities for financial liabilities 2008**

	<b>On demand 2008 \$</b>	<b>within 1 year 2008 \$</b>	<b>1 to 2 years 2008 \$</b>	<b>2 to 5 years 2008 \$</b>	<b>&gt; 5 years 2008 \$</b>	<b>Total 2008 \$</b>
Trade creditors		59,481	-	-	-	59,481
<b>Total</b>	-	59,481	-	-	-	59,481

### **Note 13H: Market Risk**

#### **Risk to which Land Council is exposed 2009**

The Land Council has no significant exposure to currency risks, interest rate risk or other price risks.

**TIWI LAND COUNCIL****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the year ended 30 June 2009***Note 14: Assets Held in Trust**

The Tiwi Land Council acts as trustee for transactions undertaken on behalf of the Traditional Owners in relation to the use of land and other resources on the Tiwi Islands. These transactions are not recorded in the books of the Land Council. Movements in Land Use Funds during the year were:

	<b>2009</b>	2008
	\$	\$
<b>Cash</b>		
Opening balance	<b>230,191</b>	163,068
Additions received during year	<b>832,484</b>	1,210,130
Disposed:		
Title passed to Australian Government	-	-
Returned to original owner	<u>(970,659)</u>	<u>(1,143,007)</u>
Closing	<u><b>92,016</b></u>	<u>230,191</u>
<b>Other Assets</b>		
Opening balance	-	-
Additions	-	-
Disposed:		
Title passed to Australian Government	-	-
Returned to original owner	-	-
Closing	<u>-</u>	<u>-</u>
<b>Total</b>	<u><b>92,016</b></u>	<u>230,191</u>

The values above are estimated fair values at the time when acquired.

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2009

**Note 15: Income & Expenditure Against Budget S64(1)**

Aboriginal Benefits Account Appropriations

	<b>ABA Approved Estimates 2008/09 \$</b>	<b>ABA Actuals 2008/09 \$</b>	<b>Difference \$</b>
<b>Expenditure</b>			
Administration and Support	<b>314,000</b>	428,062	(114,062)
Advocacy	<b>285,000</b>	282,194	2,806
Economic Development	<b>727,000</b>	734,851	(7,851)
Land & Resource Management	<b>577,700</b>	495,255	82,445
Capital Expenditure	<b>86,000</b>	97,849	(11,849)
<b>Total expenditure</b>	<b><u>1,989,700</u></b>	<b><u>2,038,211</u></b>	<b><u>(48,511)</u></b>
<b>Income</b>			
ABA			
S64(1)	<b>1,767,500</b>	1,757,700	(9,800)
S64(1) offset	<b><u>(9,800)</u></b>	<u>9,845</u>	<u>19,645</u>
Total ABA	<b><u>1,757,700</u></b>	<u>1,767,545</u>	<u>9,845</u>
Other			
Other	<b>232,000</b>	227,626	(4,374)
Total Other	<b><u>232,000</u></b>	<u>227,626</u>	<u>(4,374)</u>
<b>Total Income</b>	<b><u>1,989,700</u></b>	<b><u>1,995,171</u></b>	<b><u>(5,471)</u></b>

