



2022 ANNUAL REPORT



CENTRAL DESERT NATIVE TITLE SERVICES

WARNING TO ABORIGINAL AND TORRES STRAIT ISLANDER READERS:

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

We sincerely regret any distress that may be caused.



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CENTRAL DESERT NATIVE TITLE SERVICES

The Hon Linda Burney MP
Minister for Indigenous Australians
Parliament House
Canberra ACT 2600

Dear Minister

I have great pleasure in presenting the Annual Report of Central Desert Native Title Services Limited for the period 1 July 2021 to 30 June 2022.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2022.

Sincerely,



Mr Terry Grose
Chairperson

CHAIRPERSON'S REPORT

On behalf of the Board of Central Desert Native Title Services Ltd I am pleased to present the company's annual report for the year to 30 June 2022. As you will see when reading the report, it has been another busy year for the company.

Two important determinations were made during the year under review. The Pila Nature Reserve claim was filed on 28 July 2021 and was the first claim to be filed utilising the recently enacted provisions of section 47C of the Native Title Act 1993. This claim was determined on country on 15 June 2022 and resulted in a joyful celebration involving traditional singing and dancing. The celebrations were attended by the Minister for Aboriginal Affairs Dr Tony Buti and the Hon Eric Ripper, a former Minister who worked closely with the Yarnangu People during his time as the Minister for native title. As the presiding judge tested positive for Covid just before boarding a plane to come to the determination he went back to his Chambers to formally announce the determination while his associate travelled to the celebration at Mina Mina (a remote location north of Warburton), to hand down the determination at the celebration. It was clearly a very happy occasion. I was disappointed not to be able to join the celebration as I was traveling.

Nangaanya-ku (Part A) claim was determined on 29 November 2021. On the same day, the Barra Parrapi Aboriginal Corporation was determined to be the Registered Native Title Body Corporate. Unfortunately, due to Covid restrictions the determination was not made on country. The judge announced the decision from his courtroom, and this was broadcast over the internet to native title holders gathered, some in Kalgoorlie and others in the Central Desert office in East Perth. While this may have lacked some of the atmosphere of an on-country determination, it still provided a time to celebrate the recognition of native title for the traditional owners.

As more claims have been determined the requirement for compensation claims has grown. There were three Tjiwarl compensation claims filed during 2020 and these are currently in mediation with negotiations continuing

While Covid continued to disrupt some activities as noted above in relation to the Nangaanya-ku (Part A) and the Pila Nature Reserve claims, the company was able to maintain effective operations. We did fall under the requirement for the mandatory vaccination due to our close relationships with Aboriginal communities, which did not inconvenience us as the organisation was already very focused on keeping communities safe and not traveling unless fully vaccinated.

On 31 March 2022 the regulations under the Work Health & Safety Act 2020 came into effect. The company has sought advice on its obligations under these new regulations and has been advised that no major changes are required to established policies and practices. However, some adjustments are being made to policies and procedures to ensure strict compliance with the regulations.

As foreshadowed in my report last year, a new Group subsidiary was created when, on 1 March 2022, the Accounting and Human Resource functions were transitioned from Desert Support Services to the new entity, Desert Accounting and Business Support (DABS). This occurred without disruption to client services and in its 4 months of operation to 30 June it has inducted a number of new staff members to the business, transitioned to a new IT system with greater cyber security controls and carried out a successful AGM season. It has also been successful in attracting new business both for its financial services and its HR services.



Following creation of the DABS operations, Desert Support Services emerged as a stand-alone land management entity which has allowed it to focus on its core mission of transitioning programs and contracts from DSS to individual desert based Aboriginal corporations.

DSS was proud to assist the Martu owned and run land management company, Birriliburu Pty Ltd, receive its first significant ranger grant from the WA government, as well as direct funding from other key partners.

During the year DSS worked with numerous desert groups on another safe, successful and busy field season. Highlights included the Gingirana rangers first collaboration with Kalium Lakes Ltd using traditional burning to protect mine assets, groundbreaking work identifying the rare Night Parrot with Ngururra and Ngurra Kayanta groups which was reported in the New York Times, and hosting a strong delegation from Kiwirrkurra, who met with several MPs and industry representatives. DSS continued to secure new funding for rangers, and after a long wait, took delivery of three new Toyota Landcruisers which were immediately pressed into service.

In last year's report I thanked Fred Chaney and Andy Gilmour our two retiring directors for their many years of valuable service to the company. Since then, we have been fortunate to welcome two new directors to the Board. They are Ms Helen Cook and Dr Duncan Monro, both very experienced company directors.

Helen is an experienced company director and has served on numerous private, public and not for profit boards for over 20 years. A partner at KPMG until 2014, she led the firm's national energy and natural resources practice in Australia, and in Asia was responsible for the development of the mining practice.

Duncan will be known to some of you through the work he has done in providing financial consulting and mentoring services to a wide range of Indigenous organisations throughout Western Australia over many years. His prior experience includes working initially in audit, then in Corporate Finance for major international accounting firms. He also worked as CFO for a small ASX listed public company.

In concluding I would like to thank Jo Lanagan the CEO, and all staff for their work in what has been another challenging year. I would also like to thank my Board colleagues for their strong support of the company throughout the year. It continues to be a pleasure to work with them.

Terry Grose
Chairperson

CHIEF EXECUTIVE OFFICER'S REPORT

The past year has seen some landmark outcomes for a number of traditional owner groups in the Central Desert region, despite COVID continuing to disrupt planned meetings and events in the 2021-22 year. COVID also caused some disruption in our team as various team members were required to isolate as they inevitably caught COVID. During this time we continued to ensure the safety of the communities we travelled into and complied with the mandatory vaccination rules brought in by the State Government.

COVID aside, 3 new claims were filed at the instruction of our clients during the year, two native title determination applications; Gingiranna #3 and Martu #3 and Pila Nature Reserve s47C application. The Chair has spoken in his report about the significance of the Pila Nature Reserve claim, which was the first s47C determination in Australia; the Gibson Desert compensation claim was settled by consent at the same time. The celebration by the Yarnangu People on the day of the determinations at the recognition of the rights and interests they have always held was extremely joyful, marked by singing, dancing and inspirational words.

Congratulations also go to the Nangaanya-Ku native title holders who (as mentioned by the Chair) were not able to celebrate the recognition of their native title rights

and interests on country due to COVID restrictions. Nevertheless it was an uplifting experience for everyone when the Judge handed down the determination by video link to Kalgoorlie and Perth. Another major activity in the reporting year has been the continuance of the mediation of the Tjiwarl compensation claims which are expected to have an outcome early in the new financial year.

Central Desert provided funding assistance to a number of claims with private representation throughout the year to ensure participation in Court ordered matters. At the commencement of the year the National Indigenous Australians Agency (NIAA) handed over the responsibility of deciding how Basic Support Funding to PBC's is allocated to the Representative Body/Service Providers. Central Desert has placed information on how the basic support funding allocation is made on its website.

On December 14, 2021 the Aboriginal Cultural Heritage Act 2021 (ACHA) was passed by both houses of parliament. Throughout 2022 the State Government have been running workshops to develop the form of the Regulations and other relevant documents that will sit alongside the ACHA. The government have been calling the workshops a co-design process, in the last months of 2022 there will be a series of workshops around the regional towns and major cities for Aboriginal People to attend and have



direct input to government on what the Regulations and other forms should look like and how aboriginal cultural heritage protection will actually work on the ground. It is not expected that documents will be settled until the first part of 2023, which means the ACHA will not be in operation until sometime in 2023.

Many thanks go to the Central Desert Chairperson and Directors for their commitment to ensuring the organisation achieves the best outcomes for the people in our communities. The genuine interest in the work of the organisation shown by our newest Directors has been uplifting. Once again I want to mention the productive partnership with our core funders, the NIAA and to all key partners for their consistent support and productive working relations.

Sadly the communities we work alongside have lost valued and respected members this past year. Central Desert acknowledges the significant contribution made to their local and regional communities by senior elders and claim group members who have passed, they will be sadly missed, I offer sincere condolences to their family and friends.

Lastly, I acknowledge the team of exceptional people who currently work at Central Desert, and the contribution of those who found new opportunities during the year. At times

over the past year our resources have been tested but the Central Desert team continue to achieve strong outcomes for the people in our communities. Our new team members hit the ground running and have quickly established themselves as invaluable assets to Central Desert. I would like to acknowledge the support and care given to our team by the traditional owners, we understand the impositions that are often placed on you and we thank you for your patience and generosity of spirit.

Thank you

I submit the CEO report for your consideration.



Jo Lanagan
Chief Executive Officer



DIRECTORS



MR TERRY GROSE
(Chairperson)

Appointed 14 December 2012

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

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

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

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



THE HON FRED CHANEY AO

Appointed 11 September 2007
Retired from Board October 2021

Fred Chaney has served as a Member and Deputy President of the National Native Title Tribunal, Co-Chair and director on the board of Reconciliation Australia Limited, Chair of Desert Knowledge Australia, Chair of the Consultation Committee on a Human Rights Act for Western Australia and as Minister for Aboriginal Affairs from 1978-80.

In 2008 he was awarded the Sir Ronald Wilson Leadership Award for "Exceptional leadership in the fields of social justice, human rights, equality and anti-racism". Fred continues to serve as a director of Reconciliation WA and is a co-founder and Deputy Chair of the Graham (Polly) Farmer Foundation.

In 2011 he was a member of the Expert Panel on the Constitutional Recognition of Indigenous Australians. Fred was the recipient of the Senior Australian of the Year for 2014.

Fred retired from the Central Desert Board in October 2021.



MR ANDREW (ANDY) GILMOUR

Appointed 14 December 2012
Retired from Board March 2022

Andy Gilmour has over 40 years' experience as a chartered accountant and business adviser initially in the area of audit and subsequently in corporate finance and transaction support. He has had a wide breadth of experience with exposure to businesses in diverse industries from financial services to mining, and of varying size, from small to medium sized family concerns to large multinational corporations.

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

From April 2020 to 31 December 2020 Andy filled the role of Interim CEO of Desert Support Services Pty Ltd. He retired from the Central Desert Board in March 2022.

**DR CAROLYN TAN**

Appointed 14 December 2012

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

In 2019, Carolyn became a director of Native Title Services Goldfields. Carolyn has been a Deputy President of the WA Equal Opportunity Tribunal and has served on numerous legal and social justice committees. She holds a PhD for her research on a topic related to Indigenous heritage and religious freedom laws in Australia, New Zealand, USA and Canada.

**MS SHANEANE WELDON**

**Appointed December 2020
Resigned from board in March 2022
due to federal election;
Reappointed 18 August 2022**

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

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

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

**MR ALLAN JAMES**

**Appointed December 2020
Resigned from Board September 2021**

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

Allan resigned from the Central Desert Board in September 2021.



DR DUNCAN MONRO

Appointed 28 February 2022

Duncan has over 30 years' experience as a chartered accountant and business advisor in Australia and internationally. He recently retired as a Principal in the Corporate Finance division of RSM Australia Pty Ltd. He previously worked for the large accounting firms KPMG and Crowe Horwath. He has also worked as the CFO for a small listed company APA Financial Services in Australia.

Duncan has worked in a diverse selection of industries with a particular focus in mining, manufacturing, government, not-for-profit, property, transport, retail and primary producer sectors. His experience covers a wide range of areas including business valuations, due diligence, business planning, financial mentoring and advisory services for Indigenous entities. Duncan has provided short-term assistance to the Tjuntjuntjara community in Spinifex country totalling about 14 weeks, since December 2020.

He was a Board Member of the Esperance Tjaltjraak Native Title Aboriginal Corporation from 2016 to 2018. He has been a Board member of the Autism Association of Western Australia for many years. Since December 2020, he has been a director on the Board of South Coast Natural Resource Management Inc, and Chair of their Audit Committee since May 2021.



MS HELEN COOK

Appointed 28 February 2022

Helen is a former KPMG Partner leading the firm's Energy and Natural Resources Group and has accumulated over 20 years experience as a Director and Chair on numerous organisations in the commercial, government and NFP sectors.

She is currently Deputy Chairman of the Minerals Research Institute of WA, Councillor of the National Gallery of Australia, WA Divisional Councillor of the Australian Institute of Company Directors, a member of Australia Council's Finance and Governance Panel for all its Multi Year Partnerships and Advisory Panel member for UWA's Centre for Energy and Natural Resources Law and a Director of Juniper. Her work for these organisations includes substantial Committee responsibilities including Chairing audit and risk Committees and serving on the national Corporate Governance Committee of the AICD.

Helen's former board roles include Director of RACWA Holdings, RAC Insurance and RAC Finance Ltd, Chair of the Art Gallery of Western Australia, Deputy Chair of Fremantle Ports, Director of Perth Theatre Trust, Chairman of the Chamber of Arts & Culture WA, Chairman of the Creative and Leisure Industries Training Council, Director of the Energy Policy Institute and Director of the Cruthers Art Foundation (now the Sheila Foundation).



COMPANY OFFICERS



MRS JO LANAGAN
Chief Executive Officer and
Company Secretary

**Appointed Company Secretary
31 December 2019**

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

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

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

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

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



MR MALCOLM O'DELL
Principal Lawyer

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

Malcolm joined Ngaanyatjarra Council in 2004, working in the Native Title Unit, and moved to Central Desert when it was formed in 2007. He has extensive experience in native title in the areas of mediation, negotiation, corporate establishment and governance, agreement making, court representation, arbitral inquiries and hearings.



MR RUWAN SILVA
Chief Financial Officer and
Company Secretary

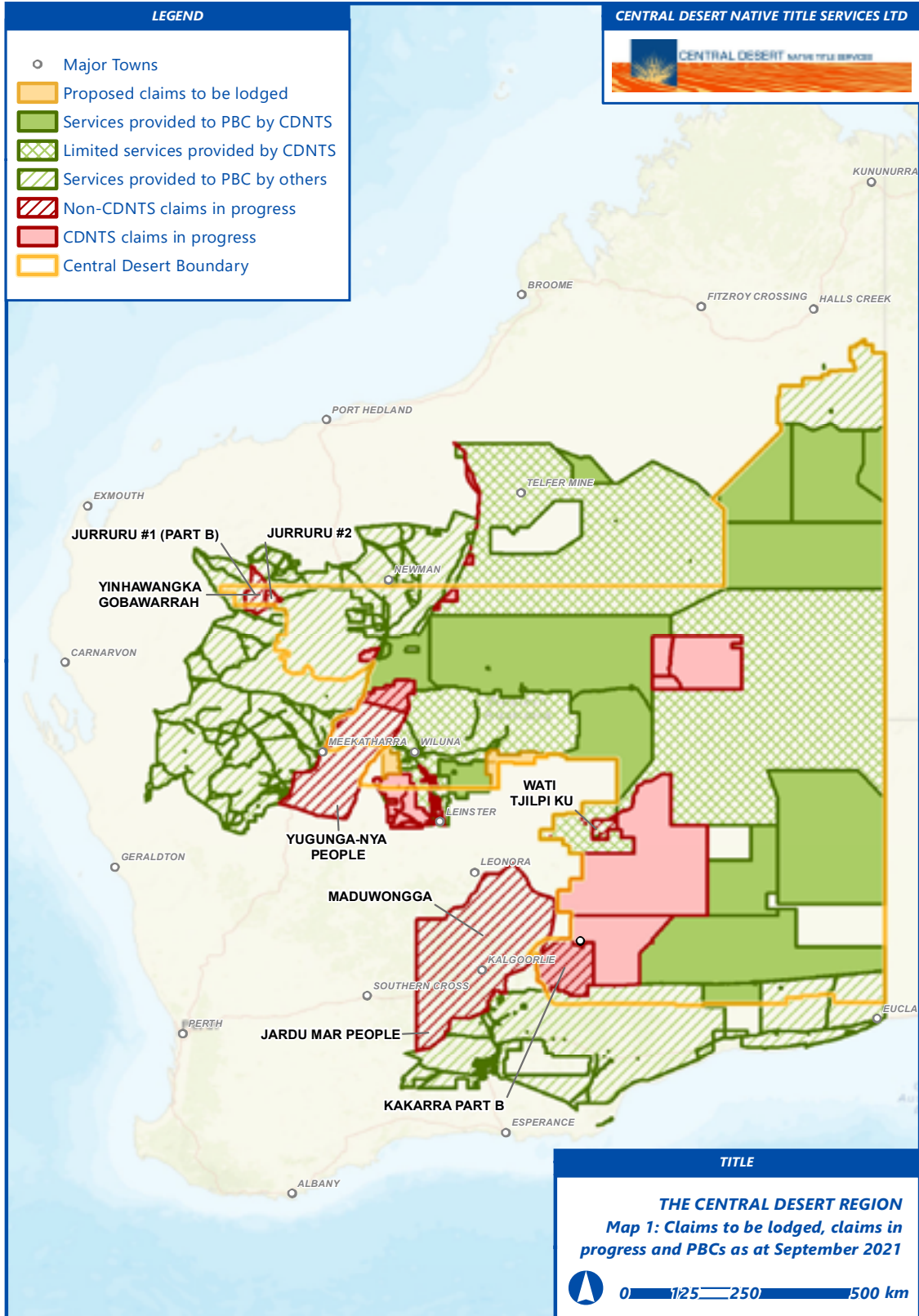
**Appointed Company Secretary
31 December 2019**

Ruwan holds a bachelor's degree in Accounting and Finance from Curtin University and is a Fellow of the Institute of Public Accountants. He has worked in the Not for Profit sector for the past 18 years starting his career in Port Hedland as a Financial Counsellor and then as Manager of the Pilbara Community Legal Service.

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

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

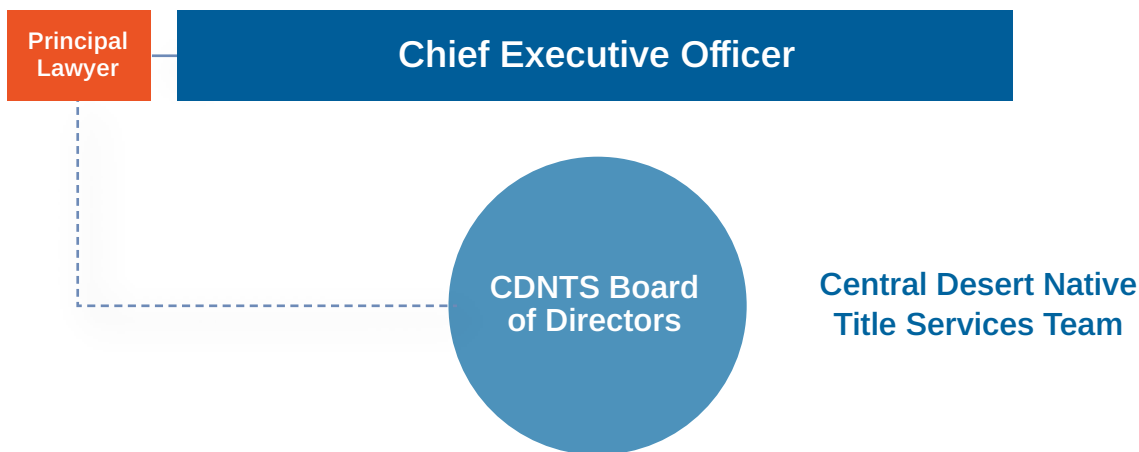
THE CENTRAL DESERT REGION



ORGANISATIONAL CHART



CENTRAL DESERT CLIENTS, PARTNERS AND COMMUNITY MEMBERS



WHO WE ARE

THE CENTRAL DESERT GROUP

Since its inception in 2007 Central Desert Native Title Services Limited (Central Desert) has established three wholly owned subsidiary companies. Desert Support Services Pty Ltd (DSS) commenced operations in 2011 and Rockhole Funds Management Pty Ltd (RFM) in 2013. Most recently, Desert Accounting and Business Services Pty Ltd (DABS) was established in May 2021.

The four entities work closely but independently of each other and continue to deliver the services of a recognised native title service provider through Central Desert Native Title Services, along with a suite of expanded services provided by the subsidiaries. In November 2020 the provision of corporate governance support services to Prescribed Bodies Corporate came back into Central Desert's service provision model. DABS provides accounting and HR services, meaning DSS now has a focus on land management and ranger programs.

Mrs Jo Lanagan is the CEO of Central Desert and DABS. Mr Stuart Bradfield was recently appointed CEO of DSS. Mr Ruwan Silva is the CFO across all entities in the Central Desert Group and holds the General Manager position in DABS. Our professional team with their extensive knowledge and experience are committed to advancing and protecting the native title rights and interests of our clients.

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



WHAT WE DO

OUR ROLE AND FUNCTIONS

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

Central Desert is committed to the promotion of a corporate culture that is ethical and transparent and an organisational culture that is community-focused and driven by values based on focusing on what matters most, fostering teamwork & collaboration, committing to health, safety & wellbeing. Central Desert is highly respected by its constituents, government and industry.

LEGAL SERVICES

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

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

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

HERITAGE AGREEMENTS AND COMPLIANCE

Central Desert assists and facilitates negotiations between native title holders or claimants and resource or other companies regarding access to areas within the Central Desert region. On behalf of our clients, Central Desert monitors the implementation of Agreements to ensure both compliance with the terms of the Agreement and that timeframes are being met.

LEGAL SERVICES SUPPORT AND GOVERNANCE SUPPORT TO PBCS

Central Desert supports PBCs to advance their native title rights and interests and manage and maximise native title outcomes through the development of strong corporations and strong agreements. Provision of strong corporate governance assistance and support, through PBC Support Officers who ensure our PBCs are compliant and aims to enable them to become independent when they are ready.

CENTRAL DESERT GROUP STRATEGIES

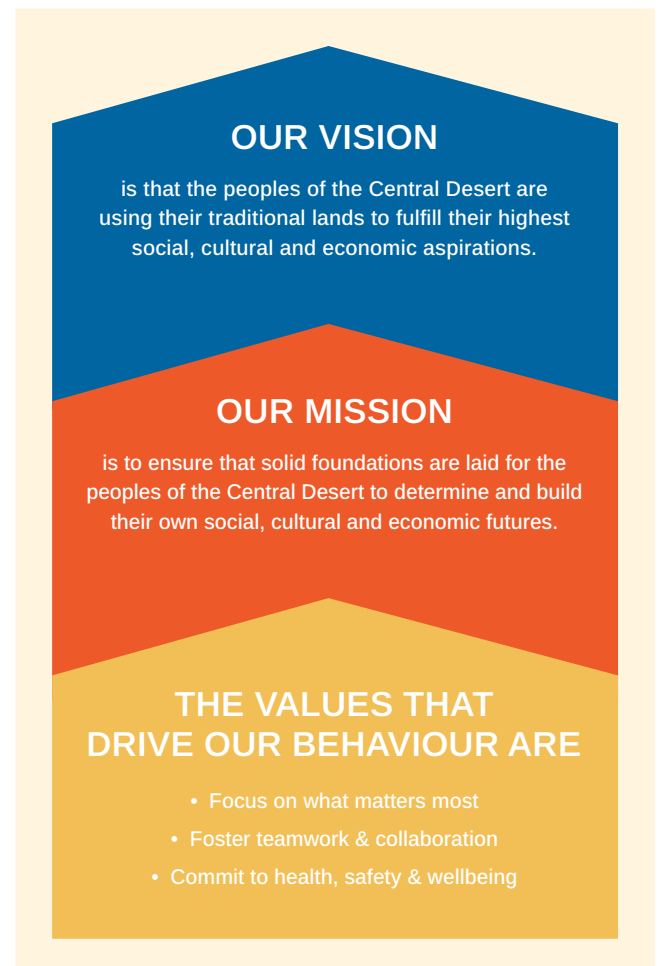
During the 2020-21 year the Central Desert Group continued to focus on delivering against the objectives of its Strategic Plan.

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

Central Desert Group's Strategic Plan is provided below, our Mission, Vision and Values statements and Strategic plan can be found on our website at: www.centraldesert.org.au/about-us-item/our-vision-mission-and-values/

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

In early 2023, the Board will develop a strategic plan to guide the organisation in a new direction.





OBJECTIVES AS STATED IN THE CONSTITUTION

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

- (a) relieving poverty, sickness, suffering, distress, misfortune, destitution and helplessness amongst Aboriginal people of the Central Desert Area;
- (b) recognising that such poverty, sickness, suffering, distress, misfortune, destitution and helplessness result from such Aboriginal people having been progressively dispossessed of their land and/ or waters, without compensation, as a consequence of which they have become socially, spiritually and economically dis-empowered and are now the most disadvantaged section of Australian society to:
 - (i) directly assist them in regaining recognition of their rights and interests in lands and waters arising from their traditional laws and customs and to satisfy their aspirations with respect to such land and/or waters;

- (ii) assist such Aboriginal people to regain access to their traditional lands and/or waters;
 - (iii) assist such Aboriginal people to have a voice in relation to the future use and exploitation of their traditional lands and/ or waters; and/ or
 - (iv) assist such Aboriginal people to obtain compensation in relation to their dispossession from their traditional lands and/or waters and in relation to the future use and exploitation of such traditional lands and/or waters.
 - (c) promoting and protecting their distinctive laws and customs and Aboriginal culture generally; and
 - (d) otherwise directly assist in the advancement of the general welfare of the Aboriginal people of the Central Desert Area;
- to the extent that these are charitable purposes as recognised by the law of equity and the *Income Tax Assessment Act 1997* (Cth).

HOW WE PERFORM (AS AT 30 JUNE 2022)

OPERATIONAL – SECTION 203BB 'FACILITATION AND ASSISTANCE FUNCTION'

STRATEGIC PLAN FOCUS AREAS:

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

DETERMINATIONS

Nangaanya-ku

FCA No.	WAD 460/2018
Area	48,676 km ²
Date Filed	9/10/2018
Date	29/11/2021

The Nangaanya-ku claim was filed on 9 October 2018 and entered on the register of native title claims on 9 November 2018. On 29 November 2021 Justice Griffiths made a consent determination of native title in favour of the Nangaanya-ku native title claimants over the majority of the claim area (Part A) and determined that Barra Parrapi (Aboriginal Corporation) RNTBC would be the prescribed body corporate for the native title holders.

The Part A determination of native title is recorded in *Forrest on behalf of the Nangaanya-ku Native Title Claim Group (Part A) v State of Western Australia [2021] FCA 1489* and comprises largely exclusive native title rights and interests.

The balance of the Nangaanya-ku claim area (Part B) has, with the consent of the parties, been referred to a separate question as to whether section 47 B of the *Native Title Act 1993* (Cth) is enlivened that would allow for prior extinguishment of native title to be disregarded.

Pila Nature Reserve Traditional Owners Compensation Claim

FCA No.	WAD 222/2020
Date Filed	18/09/2020
Date	15/06/2022

The Pila Nature Reserve Traditional Owners compensation claim was filed on 18 September 2020 and a determination that compensation be paid was made by consent on 15 June 2022 by Justice Colvin in *Ward, on behalf of the Pila Nature Reserve Traditional Owners v State of Western Australia [2022] FCA 689*.

Pila Nature Reserve

FCA No.	WAD 174/2021
Area	18,404 km ²
Date Filed	28/07/2021
Date	15/06/2022

The Pila Nature Reserve native title claim was filed on 28 July 2021 and entered on the register of native title claims on 22 October 2021 and was the first native title claim brought under section 47 C of the Native Title Act. On 15 June 2022 Justice Colvin made a consent determination of native title in favour of the people of the Pila Nature Reserve in *Ward, on behalf of the Pila Nature Reserve Traditional Owners v State of Western Australia [2022] FCA 689* and determined that Warnpurru (Aboriginal Corporation) RNTBC would be the prescribed body corporate for the native title holders.



APPLICATIONS IN PROGRESS IN THE CENTRAL DESERT REGION

As at 30 June 2022, there were eleven native title applications and four compensation claims in progress within the Central Desert Native Title Services Ltd (Central Desert) representative area. Eight of these claims are represented by Central Desert.

CLAIM	TYPE OF CLAIM	FCA NO.	AREA KM ²	DATE FILED
Represented by Central Desert				
Nangaanya-ku Part B	Native Title	WAD460/2018	88	09/10/2018
Tjiwarl (Aboriginal Corporation) RNTBC Compensation Claim	Compensation	WAD141/2020	7,430	17/06/2020
Tjiwarl Claim Group Compensation Claim	Compensation	WAD142/2020	3	17/06/2020
Gingirana # 3	Native Title	WAD18/2021	586	15/07/2021
Gingirana #4	Native Title	WAD230/2020	4,039	06/10/2020
Kapi Tjiwarl Compensation Claim	Compensation	WAD269/2020	6	26/11/2020
Martu # 3	Native Title	WAD170/2021	1288	21/07/2021
Upurli Upurli Nguratja	Native Title	WAD281/2020	26,692	02/12/2020
Not represented by Central Desert				
Yugunga-Nya People	Native Title	WAD229/2019	30,280	09/12/1999
Jurruru #1 (Part B)	Native Title	WAD537/2018	2,737	24/07/2000
Jurruru #2	Native Title	WAD538/2018	666	22/11/2012
Yinhawangka Gobawarra	Native Title	WAD490/2016	3,423	17/10/2016
Maduwongga	Native Title	WAD186/2017	25,472	21/04/2017
Wati Tjilpi Ku on behalf of the Yilka Sullivan Edwards People Compensation Claim	Compensation	WAD266/2020	1,529	23/11/2020
Kakarra Part B	Native Title	WAD298/2020	9,827	16/12/2020

Nangaanya-ku Part B

The Nangaanya-ku applicant is seeking a determination of exclusive possession native title over the Nangaanya-ku claim Part B area, which comprises mining leases M39/139 and M39/196, by virtue of section 47B of the *Native Title Act 1993* (Cth). The parties were unable to reach agreement on whether section 47B applies over the area of these mining leases and have agreed to litigate this issue.

Martu # 3

The Martu # 3 claim was filed to complete the area over which the 'Martu' people seek to have their native title recognised. The area of the claim includes small non-contiguous land parcels along the western edge of the existing Martu determinations.

Tjiwarl Compensation Claims

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

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



(c) **Kapi Tjiwarl Claim Group Compensation Claim**, filed by Shirley Wonyabong & Ors on behalf of the Kapi Tjiwarl compensation claim group on 26 November 2020 for acts that extinguished the native title rights and interests of the Kapi Tjiwarl native title claimants.

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

The proceedings were jointly referred to mediation before Judicial Registrar Daniel on 3 June 2021 and agreement in principle to settle the proceedings was reached in March 2022. The drafting of the settlement agreement is expected to be completed by the end of 2022 and the agreement registered as an Indigenous Land Use Agreement (**ILUA**) in 2023.

It is anticipated that the ILUA will settle the Tjiwarl Claim Group Compensation Claim and the Kapi Tjiwarl Claim Group Compensation Claim and, depending on negotiations with other parties also settle, also the Tjiwarl (Aboriginal Corporation) RNTBC Compensation Claim.

Gingirana #3

On 15 July 2021 the Gingirana # 3 claim was filed to protect an important tjukurpa site, by a claim group comprising the native title holders on the adjacent Gingirana determination area.

Gingirana #4

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

The claim overlaps an existing native title application, the Yugunga-Nya People claim (WAD29/2019). Both matters were referred to trial, and on-country hearings are scheduled for the second half of 2022.

Upurli Upurli Nguratja

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

On 17 December 2020, overlapping claim Kakarra Part B (WAD298/2020) was filed over approximately one third of the area of the Upurli Upurli Nguratja claim. The claim was registered on the Register of Native Title Claims on 17 March 2021.

Both matters were referred to mediation to seek to resolve the overlap

PROGRESS ON PROPOSED NEW NATIVE TITLE CLAIMS

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

Ullula Pastoral Lease

Central Desert is in discussions with interested Indigenous parties in relation to holding the Ullula pastoral lease to bring it within the Aboriginal estate on trust for a future native title claim group. Discussions have been held with Tarlka Matuwa Piarku (Aboriginal Corporation) RNTBC in relation to holding the pastoral lease on trust ahead of an authorisation meeting for the area in the forthcoming reporting period.

An area south of the Wiluna determination area

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

Request for assistance to bring compensation claims

Central Desert has received requests for assistance from:

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

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

ASSISTANCE TO PRESCRIBED BODIES CORPORATE

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

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

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

DETERMINATIONS OF NATIVE TITLE

As at 30 June 2022 there have been 36 determinations that native title exists on lands within the Central Desert Representative Area.

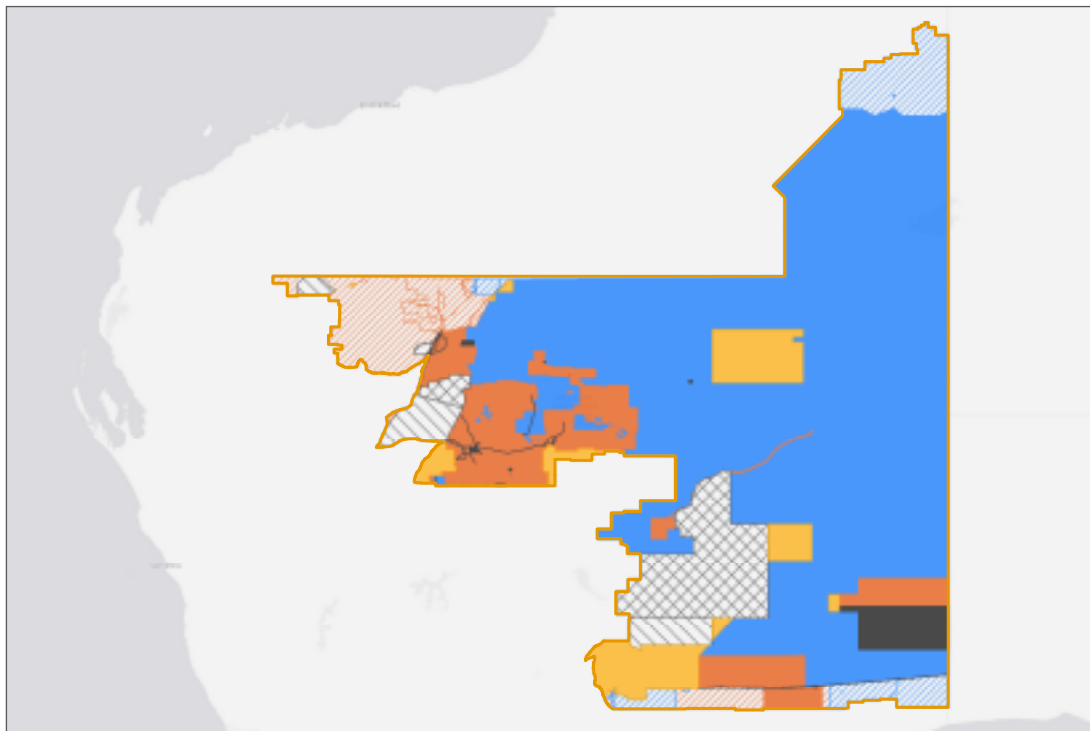
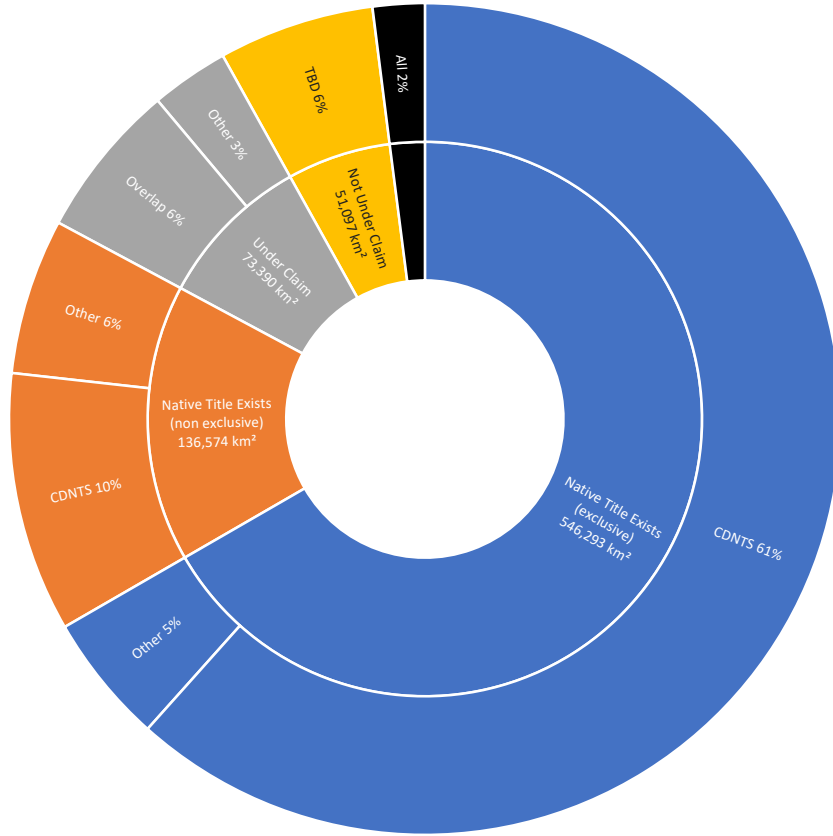
There were 2 native title claims and 1 compensation claim determined within the Central Desert Representation area, during the period.

CLAIM	FCA NO.	AREA KM2	DATE FILED	DATE DETERMINED
Spinifex	WAD6043/98	50,000	30/09/98	28/11/00
Tjurabalan	WAD160/97	25,917	18/12/97	20/08/01
Kiwirrkurra	WAD619/98	42,905	30/09/98	19/10/01
Martu part A	WAD6110/98	135,942	30/09/98	27/09/02
Ngaanyatjarra Lands part A	WAD6004/04	187,600	23/04/04	26/06/05
Ngururpa	WAD357/06	29,600	08/12/06	18/01/07
Ngaanyatjarra Lands part B	WAD6004/04	1,427	23/04/04	03/06/08
Birriliburu part A	WAD6284/98	66,875	30/09/98	20/06/08
Martu part B	WAD6110/98	3,010	30/09/98	16/05/13
Martu #2	WAD141/2010	836	01/06/10	16/05/13
Karnapyrri	WAD77/2006	151	22/03/06	16/05/13
Wiluna	WAD6164/1998	45,796	30/09/98	29/07/13
Wiluna #3	WAD181/2012	3,596	03/08/12	29/07/13
Tarlpa	WAD248/2007	5,369	14/12/07	29/07/13
Wiluna #2	WAD241/2004	5,616	28/10/04	03/09/13
Pilki	WAD6002/2002	17,858	12/08/02	02/12/14
Birriliburu part B	WAD6284/98	105	30/09/98	06/06/16
Birriliburu #2	WAD108/2008	105	27/06/08	06/06/16
Birriliburu #3	WAD50/2010	3,319	15/03/10	06/06/16
Birriliburu #4	WAD299/2011	15	18/07/11	06/06/16
Tjiwarl #1	WAD228/2011	13,623	17/06/11	27/04/17
Tjiwarl #2	WAD302/2015	1312	22/06/15	27/04/17
Ngurra Kayanta #1	WAD410/2012	19,574	21/12/12	15/08/17
Ngurra Kayanta #2	WAD326/2015	19,574	30/06/15	15/08/17
Yilka #1	WAD297/2008	12,260	15/12/08	27/09/17
Yilka #2	WAD303/2013	3	06/08/13	27/09/17
Sullivan/Edwards	WAD498/2011	9,308	07/12/11	27/09/17
Kulyakartu #1	WAD293/2005	3,550	11/10/05	27/10/17
Kulyakartu #2	WAD720/2015	3,550	04/12/15	27/10/17
Gingirana	WAD6002/2006	12,150	10/03/06	07/12/17
Manta Rirtinya	WAD453/2017	23526.97	15/8/17	13/09/18
Lappi Lappi and Ngulupi	WAD48/2018	6072	14/2/18	24/10/18
Kultju	WAD225/2018	5490.7316	28/05/18	30/10/19
Untiri Pulka	WAD472/2019	66,309.23	19/09/19	27/07/20
Nangaanya-ku (part A)	WAD460/2018	48,676	9/10/2018	29/11/2021
Pila Nature Reserve	WAD174/2021	18,404	28/7/2021	15/6/2022
Pila Nature Reserve Traditional Owners Compensation Claim	WAD222/2020	18,404	18/9/2020	15/6/2022

CENTRAL DESERT REP BODY REGION

822,887 km²

Determination outcomes over land area percentage



CORPORATE SERVICES

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

Corporate Services strategies focus on four key areas:

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

SOUND GOVERNANCE

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

Our directors bring a strong blend of skills and experience to the company's corporate governance. Being a not-for-profit organisation, our directors do not have a beneficial interest in the company. They volunteer their time, enthusiasm and expertise to this important work. While the Board maintains strict independence from operational matters involving claims and future acts, their influence is felt through the company's strategic and policy frameworks. They have a keen interest in setting a clear strategic direction for the company with the cooperation of the CEO, management team and employees. The Board has gained the invaluable input of two indigenous Directors during the period, Mr Allan James and Ms Shaneane Weldon.

HIGH-QUALITY EMPLOYEES

Central Desert operates with a team of skilled, experienced and professional employees. We pride ourselves on recruiting quality people. We provide clear expectations through a detailed induction process, the development and ongoing review of duty statements, a performance evaluation and learning system, and regular informal feedback and team meetings.

An Enterprise Agreement has been in place since 5 June 2018, ensuring conditions of employment with the organisation are of a high and consistent level and offers various flexible working arrangements. A Joint Consultative Committee comprising of management and

non-management team members has been established to oversee and deal with any potential issues arising from the Enterprise Agreement during the course of its lifetime.

We partner with another not-for-profit organisation, Community Business Bureau, to provide tailor-made salary packaging opportunities to employees. This, and our family friendly workplace, enables us to provide a competitive offer to attract and retain talented people. Although, during COVID we did lose some long term team members due to a highly competitive job market.

EFFECTIVE SYSTEMS

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

- maintain effective systems to support our operational team;
- ensure the health and safety of our team;
- preserve our corporate knowledge; and
- keep our Board, employees, clients and stakeholders informed.

The Operational Support team perform this behind-the-scenes work with enthusiasm, skill and dedication. This includes providing high level administrative and filing support, compliant and supportive HR processes, robust and secure IT systems and efficient logistics services to ensure our to our team get to where they need to go in a safe and cost effective manner..

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

	2021/22	2020/21
Number of trips	97	101
Number of return flight bookings	370	385
Number of person days travelling	1781	2404
Number of vehicle operating days	305	524



DIVERSIFYING OUR RESOURCE BASE

In order to support and add to its current range of activities, Central Desert is continually investigating ways to diversify and expand its funding and income opportunities. Maintenance of revenue and grant funding is critical to the organisation's ability to achieve its strategic aims and advance the objectives of our clients.

Central Desert received core funding through a two-year grant funding head agreement to provide the services described in the operational plan. Core funding for the reporting year was maintained due to COVID but it is anticipated core funding in forward years will continue to reduce from previous levels. The National Indigenous Australians Agency (NIAA) changed its funding processes to an outcomes-based model as part of the Indigenous Advancement Strategy in the last few years.

Previously, the outcomes based funding model included an opportunity to apply for additional mid-year funding if all outcome targets were met. Central Desert had been successful in meeting targets and receiving additional funding in the reporting year. Recently the NIAA informed Organisations that mid year funding would no longer apply.

The NIAA also provides PBC Support Funding to assist PBCs in the region in meeting their governance and corporate compliance requirements. Just prior to the new financial year the NIAA passed the decision making for that funding onto NTRBs.

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

Central Desert negotiates with industry to assist with the costs of meetings dealing with agreement negotiations and to provide training to claimants and native title holders in situations where there are mutual benefits. Central Desert wishes to thank our funding bodies and corporate partners for their support during the year.

CONSULTANTS AND COMPETITIVE TENDERING AND CONTRACTING

Central Desert is committed to achieving value for money in the purchasing of goods and services, including tendering and contracting. Central Desert maintains a register of consultants with skills and experience in relevant areas. In accordance with our grant conditions Central Desert ensures that contract specifications do not bias or predetermine the outcome by placing unreasonable restrictions or qualifications on the prospective tenders.

Where we expect the cost of an asset or service to exceed \$80,000, we either obtain public tenders or invite three suitable, qualified service providers to tender for the provision of the asset or service. Just prior to the new financial year the NIAA passed the decision making for that funding onto NRTBs.

Exemptions to the above procedures apply to:

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

HUMAN RESOURCES MANAGEMENT

OUR TEAM

Central Desert Native Title Services owes its continued success to the outstanding efforts of our team. We value each of them highly and thank them for their dedication to assisting to achieve successful, sustainable native title outcomes for the people of the Central Desert. We thank all of the people listed below who were employed by Central Desert during the 2021/22 year.

Aline Benkendorf	Glenda Allen	Paige James
Angela Melville	Isaac Bell	Patrick Smith
Bronte Jones	Jack Price	Rachel Melville
Claire Vinten	Jasmine Smith	Rebecca Parker
Courtney Henry	Jo Lanagan	Salome Legris
Dale Murugan	Karine Flematti	Sarah Hobson
David Reger	Lily Wallis	Sean Calderwood
Elizabeth Ugle	Louise Ireland	Sel Gregory
Elle Sewell	Lucy Muir	Susan Ware
Emilie Goegan	Luke Cassidy	Tayla Michelle
Emma Thompson	Malcolm O'Dell	Thomas Rossiter
Felicity Noonan	Marian Hennessy	Tika Wright
Gavin Dunn	Monique Jekel	Tracey Blokland
Giacomo Boranga	Nadisha Senasinghe	Victoria Camp

We also thank and acknowledge the number of interns and work experience students we have supported throughout the year who provide great assistance to our team while learning what life in a native title service provider body can be like.

EMPLOYEE LEVELS AND RETENTION RATES FOR THE YEAR

As at 30 June 2022 Central Desert Native Title Services comprised a core team of 25 employees. This included 17 full-time and 4 part-time on permanent contracts. 4 people are filling fixed term contracts. One employee accessed parental leave during the period and one long term employee entered retirement.

Central Desert has felt the impact of COVID-19 and the international phenomenon of the “great resignation” with a significant level of turnover compared to previous years. During the 2021/22 year, Central Desert’s staff retention rate for those on permanent contracts was 57%, compared to 80% in the previous 12 months.

PROFESSIONAL DEVELOPMENT

Central Desert encourages and supports its employees to participate in regular professional development workshops and courses. These are sourced from a wide range of training providers to consolidate and increase relevant skills and knowledge.

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

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

In 2021/22 Central Desert team members received training in cultural awareness, first aid, four-wheel drive, management courses, mental health first aid, governance and minute taking, appropriate legal practice courses to obtain CPD points as well as attending the national native title conference, and AIATSIS legal practice conference.

OUTPUTS

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

FACILITATION AND ASSISTANCE	2021/2022	2020/2021
Claims in Central Desert region at 30 June		
1. Active native title claims	15	11
- Claims represented by CDNTS	8	3
- Claims not represented by CDNTS	7	0
- Claims where CDNTS is an Intervener	0	0
2. Active compensation claims	3	5
- Claims represented by CDNTS	3	4
- Claims where CDNTS is a Respondent	0	0
- Claims where CDNTS is an Intervener	0	0
3. Active non-claimant applications	0	0
CDNTS Activities from 1 July - 30 June		
1. Native title claims		
- Claims filed	1	2
- Claims determined	2	1
- Claims dismissed	0	0
- Claims withdrawn	0	0
- Claims amalgamated	0	0
- Claims in development	2	4
2. Compensation claims		
- Claims filed	3	2
- Claims determined	1	0
- Claims dismissed	0	0
- Claims withdrawn	0	0
- Claims amalgamated	0	0
- Claims in development	2	2
3. Determination variations		
- Native title	0	0
- Compensation	0	0
Future Acts and Agreements at 30 June		
1. Future Acts		
- s 29 notifications received (expedited procedure)	226	219
- s 29 notification received (not expedited procedure)	5	1
- Objections to expedited procedure lodged	40	29
- s 24 notifications received	51	25
- s 24 objections lodged	8	2
2. Agreements		
- s 31 agreements executed	0	0
- ILUAs executed and registered	0	0
- Native Title Party preferred agreement executed	27	21

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

COMPLAINTS AND DISPUTES

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





CENTRAL DESERT NATIVE TITLE SERVICES
LTD AND ITS CONTROLLED ENTITIES

THE CENTRAL DESERT GROUP

CONSOLIDATED DIRECTORS'
AND FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

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CORPORATE DIRECTORY

The Group

Central Desert Native Title Services Ltd
Desert Support Services Pty Ltd
Desert Accounting & Business
Support Pty Ltd
Rockhole Funds Management Pty Ltd

Chairperson

Mr. Terence Grose

Company Secretaries

Mr. Ruwan Silva
Mrs Jo Lanagan

Registered Address

76 Wittenoom Street,
EAST PERTH WA 6004

Telephone

08 9425 2000

Fax

08 9425 2001

Email address

reception@centraldesert.org.au

Group Auditor

Mr. Wen-Shien Chai
Moore Australia Audit (WA)

GLOSSARY

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

DIRECTORS' REPORT

The directors of Central Desert Native Title Services Ltd present this report on the Central Desert Group for the year ended 30 June 2022.

THE CENTRAL DESERT GROUP

The Central Desert Group comprises the following entities:

Name	Principal Activity	Formed	% Held
Central Desert Native Title Services Ltd	Native Title service provider, heritage surveys and future acts management.	16 Apr 2007	N/A
Desert Accounting & Business Support Pty Ltd	Accounting, HR	5 May 2021	100%
Desert Support Services Pty Ltd	Labour hire, land and community management services.	6 Jan 2012	100%
Rockhole Funds Management Pty Ltd	Management of Native Title Trusts for PBCs and Claimant groups.	26 Jul 2013	100%

DIRECTORS

Directors within the Group are as follows:

Name	Central Desert		DSS	DABS	RFM
	Board	Audit & Risk Committee CDNTS Group			
Mr. Terence (Terry) Grose	Chairperson	Member	Director	Director	-
Dr Carolyn Tan	Director	-	-	-	-
Ms Shaneane Weldon	Director Resigned 3/3/22 Reappointed 18/8/22	-	-	-	-
Ms Helen Cook	Director Appointed 28/2/22	Member	-	Director Appointed 6/9/22	Director Appointed 6/9/22
Dr Duncan Monro	Director Appointed 28/2/22	Chairperson	-	Director Appointed 26/8/22	-
Ms Samantha Murray	-	-	Director Appointed 23/3/22	-	-
Mr Ian Baird	-	-	-	-	Director
Mr Andrew Gilmour	-	-	Chairperson	-	-

The directors profiles are provided in the annual report. Directors do not have a beneficial interest in the companies in the Group and volunteer their time to their duties.

OFFICERS & COMPANY SECRETARIES

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

Name	Central Desert	DSS	DABS	RFM
Mrs. Jo Lanagan	Chief Executive Officer, Company Secretary	-	Chief Executive Officer	-
Mr. Ruwan Silva	Chief Financial Officer, Company Secretary	Chief Financial Officer, Company Secretary	Chief Financial Officer, Company Secretary	Company Secretary
Mr. Malcolm O'Dell	Principal Lawyer	-	-	-

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

REVIEW OF OPERATIONS

Operating Results

The Group's consolidated comprehensive income for the year was \$197,026 (2021: \$313,800).

Principal Activities

Central Desert Native Title Services

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

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

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

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

Desert Accounting & Business Support

The principal activities of the Company during the financial year were:

- Accounting, bookkeeping and HR services for the Central Desert Group of companies;
- Accounting, bookkeeping and HR services for Prescribed Bodies Corporate (PBC) and community groups within the central desert region;
- Assisting aboriginal groups with financial management, financial literacy and capacity building.

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

Desert Support Services

The principal activities of the Company during the financial year were:

- Secure funding for, and assist Aboriginal groups with, land management (ranger) programs, particularly building capacity of groups to hold contracts and run their own programs; and
- Labour hire of casual employees usually regionally based Traditional Owners, for heritage survey and land management activities.

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

Rockhole Funds Management

The principal activities of the Company during the financial year was to serve as a Native Title Trust fund management service for Central Desert PBCs and for claim groups where Native Title has not been determined. Trust funds held are below the commercial threshold for private trust fund services. The company deliberately operates on a low-cost model and use the Public Trustee as its 'high' benchmark for costs.

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

Significant Changes in State of Affairs

In March 2022, Desert Support Services transferred the HR and Financial Services Program to Desert Accounting and Business Support to create efficiencies and maintain low cost, economical services to our clients. This will not have any major impact to the financial viability of Desert Support Services as Desert Support Services operated the HR and Financial Services on a cost recovery basis. No other significant changes in the Group's state of affairs occurred during the year.

Events Subsequent to the End of the Reporting Period

No matters have arisen since the end of the year that will or may significantly affect:

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

Likely Developments

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

NEW ACCOUNTING STANDARDS IMPLEMENTED

The Group has implemented one new Accounting Standard that is applicable for the current reporting period.

AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* has been applied in the current year, resulting in a change in disclosure form and content when compared to the financial statements presented for the year ended 30 June 2021.

MEETINGS OF DIRECTORS

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

Directors	Director's Meetings		Audit and Finance Committee Meetings	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Mr Terence Grose	4	4	3	3
Hon Frederick Chaney AO (resigned 22/10/21)	2	2	-	-
Dr Carolyn Tan	4	4	-	-
Mr Andrew Gilmour (resigned 03/03/2022)	3	3	3	3
Ms Shaneane Weldon	3	3	-	-
Dr Duncan Monro	2	2	2	2
Ms Helen Cook	2	2	2	2

ENVIRONMENTAL PERFORMANCE

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

DISTRIBUTIONS TO MEMBERS DURING THE YEAR

The Companies within the Group are all not-for-profit companies and their constitutions do not allow payments including dividends, bonuses or distributions of profit, directly or indirectly, to members, officers, servants, agents or employees other than as reasonable remuneration for services actually rendered.

INDEMNIFYING OFFICERS OR AUDITOR

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

PROCEEDINGS ON BEHALF OF THE GROUP

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

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2022 has been reviewed and can be found on page 7 of the financial report.

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



Terence Grose
Director
17 November 2022



Duncan Monro
Director
17 November 2022

**Moore Australia Audit (WA)**

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 AND
SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012
TO THE DIRECTORS OF CENTRAL DESERT NATIVE TITLE SERVICES LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been no contraventions of:

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

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

WEN-SHIEN CHAI
PARTNER

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

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 17th day of November 2022.

CONSOLIDATED FINANCIAL REPORT

For The Year Ended 30 June 2022

DIRECTORS' DECLARATION

For The Year Ended 30 June 2022

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

1. The consolidated financial statements and notes, as set out in pages 8 to 32 are in accordance with the *Corporations Act 2001* and:
 - a. Comply with Australian Accounting Standards – Simplified Disclosures; and,
 - b. Give a true and fair view of the financial position of the Group as at 30 June 2022 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the Company, and the Group, will be able to pay its debts as and when they fall due.



Terence Grose
Director
17 November 2022



Duncan Monro
Director
17 November 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue and Other Gains			
Revenue from continuing operations	4	13,109,365	15,644,414
Other income	4	65,207	168,177
		13,174,572	15,812,591
Expenses			
Employee benefits expense - CDNTS group		(5,481,238)	(5,924,511)
Employee benefits expense - labour hire		(1,765,148)	(1,279,162)
Services and supplies		(3,903,542)	(4,762,314)
Motor vehicle expenses		(211,629)	(208,012)
Occupancy costs		(289,058)	(277,549)
Travel expenses		(458,797)	(1,130,488)
Depreciation/amortisation		(400,477)	(429,873)
Interest expense		(61,263)	(53,486)
Other expenses	5	(406,394)	(1,433,396)
		(12,977,546)	(15,498,791)
Operating result for the year before income tax		197,026	313,800
Income tax expense	3(j)	-	-
Operating result for the year after income tax		197,026	313,800
Other Comprehensive Income For The Year:			
- Items that will not be reclassified subsequently to profit or loss		-	-
- Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Total other comprehensive income for the year		-	-
Total Comprehensive Income For The Year		197,026	313,800

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	7	9,757,528	10,703,738
Trade and other receivables	9	1,154,323	450,041
Other current assets	10	449,099	604,774
Total Current Assets		11,360,950	11,758,553
Non-Current Assets			
Property, plant & equipment	11	1,275,783	1,215,771
Right of use assets	12	771,686	849,021
Total Non-Current Assets		2,047,469	2,064,792
Total Assets		13,408,419	13,823,345
Current Liabilities			
Trade and other payables	14	655,387	551,354
Lease liabilities	15	213,868	126,612
Provision for employee benefits	16	1,022,426	1,063,308
Contract liability	17	4,096,204	4,756,542
Trust liabilities	18	2,109,291	2,015,009
Other liabilities	19	400,000	495,000
Total Current Liabilities		8,497,176	9,007,825
Non-Current Liabilities			
Lease liabilities	15	633,454	782,123
Provision for employee benefits	16	220,948	173,582
Total Non-Current Liabilities		854,402	955,705
Total Liabilities		9,351,578	9,963,530
Net Assets		4,056,841	3,859,815
Equity			
Retained Earnings		4,007,341	3,810,315
Reserves		49,500	49,500
Total Equity		4,056,841	3,859,815

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 June 2022

	Note	Retained Earnings \$	Reserves \$	Total \$
Balance at 30 June 2021		<u>3,496,515</u>	<u>45,900</u>	<u>3,546,015</u>
Operating result for the year		313,800	-	313,800
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		<u>313,800</u>	<u>-</u>	<u>313,800</u>
Movement in reserves		-	-	-
Balance at 30 June 2021		<u>3,810,315</u>	<u>45,900</u>	<u>3,859,815</u>
Operating result for the year		197,026	-	197,026
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		<u>197,026</u>	<u>-</u>	<u>197,026</u>
Movement in reserves		-	-	-
Balance at 30 June 2022	6	<u>4,007,341</u>	<u>45,900</u>	<u>4,056,841</u>

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Cash Flow from Operating Activities			
Receipts from government and customers		12,610,743	16,239,880
Payments to employees		(7,272,569)	(7,220,372)
Payments to suppliers		(5,793,775)	(7,216,886)
Interest received		15,225	31,148
Net cash from operating activities	8	<u>(440,376)</u>	<u>1,833,770</u>
Cash Flow from Investing Activities			
Payment for property & equipment	11	(379,366)	(72,310)
Proceeds from sale of property, plant and equipment		200,152	-
Net cash used in investing activities		<u>(179,214)</u>	<u>(72,310)</u>
Cash Flow from Financing Activities			
Repayment of lease liabilities	12	(326,620)	(172,509)
Net cash used in financing activities		<u>(326,620)</u>	<u>(172,509)</u>
Net increase in cash held		<u>(946,210)</u>	<u>1,588,951</u>
Cash and cash equivalents at the beginning of the financial year	7	<u>10,703,738</u>	<u>9,114,787</u>
Cash and cash equivalents at the end of the financial year	7	<u>9,757,528</u>	<u>10,703,738</u>

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For The Year Ended 30 June 2022

1. THE PARENT COMPANY

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

(a) Registered Office

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

76 Wittenoom Street
East Perth, WA, 6004

(b) Not-for-profit

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

2. BASIS OF PREPARATION OF THE FINANCIAL REPORT

(a) Date of Issue

These consolidated financial statements of Central Desert Native Title Services Ltd and its controlled entities (the Group) were authorised for issue by the directors on 17 November 2022. Directors have the authority to amend the statements after that date.

(b) Basis of Accounting

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Group is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis

and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements are in Australian Dollars and have been rounded to the nearest dollar.

(c) Going Concern

The accounts have been prepared on a going concern basis.

(d) Economic Dependence

The ability of the Group to continue as a going concern is dependent upon continued support from various government funding bodies. At the date of this report the directors have a reasonable belief that governments will continue to fund the core operations of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Principles of consolidation

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

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

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling

interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(b) Revenue

Contributed Assets

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

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

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

Operating Grants, Donations and Bequests

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

When both these conditions are satisfied, the Group:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

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

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

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

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

Capital Grant

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

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

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

Service Income

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

Trust Management and Service Fees Income

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

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

(c) Property, plant and equipment

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

Freehold land and buildings

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

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

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

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3(f) for details of impairment). Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

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

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

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

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

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

(d) Leases**The Group as lessee**

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

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

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and

- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

The Group as lessor

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

(e) Financial Instruments

Initial Recognition and measurement

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

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

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

Classification and Subsequent Measurement

Financial Liabilities

Financial liabilities are subsequently measured at:

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

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

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

All other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

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

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are

taken to profit or loss rather than other comprehensive income. A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

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

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

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

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

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

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

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

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of a group of financial liabilities or financial

assets can be managed and evaluated consistently on a fair value basis; and

- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

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

Equity Instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Group did not make an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss. Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

Derecognition

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

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets.

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

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

- the right to receive cash flows from the asset has expired or been transferred;

- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

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

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

Impairment

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

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

Loss allowance is not recognised for:

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

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

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

Simplified approach

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

This approach is applicable to:

- trade receivables; and
- lease receivables.

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

Recognition of expected credit losses in financial statements

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

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset. Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

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

(f) Impairment of Assets

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

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

(g) Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

The Group classifies employees' long service leave and annual leave entitlements as other long-term employee benefits, as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

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

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

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts

are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a net basis.

(j) Income Tax

Public Benevolent Institution

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

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

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

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Investments

Investments in Subsidiaries

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

(m) Funds Held on Trust

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

(n) Critical Accounting Estimates and Judgments

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

Key Estimates

Motor Vehicles – Useful Life assessment

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

Land Management Facilities in Wiluna

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

Rent reviews

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

Key judgements

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Lease term and Option to Extend under AASB 16

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

Employee Benefits

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

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

Coronavirus (COVID-19) pandemic

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

(o) Fair Value of Assets and Liabilities

Valuation of freehold land and buildings

“Fair value” is the price the group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent,

knowledgeable and willing market participants at the measurement date.

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

(p) Trade and Other Receivables

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

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

(q) Trade and Other Payables

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

(r) Comparative Figures

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

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

(s) New and Amended Accounting Policies Adopted by the Group

Initial adoption of AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The Group has adopted AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-

Profit and Not-for-Profit Tier 2 Entities for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: Application of Tiers of Australian Accounting, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

(t) New and Amended Accounting Standards Not Yet Adopted by the Group

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments is an omnibus standard that amends AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The Group plans on adopting the amendment for the reporting period ending 30 June 2023. The impact of the initial application is not yet known.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

4. REVENUE FROM CONTINUING OPERATIONS

	2022	2021
	\$	\$
Revenue from continuing operations		
Net grant revenue	8,491,958	12,218,690
Revenue from the sale of services	3,787,229	2,907,460
Reimbursements	521,004	435,116
Donations	293,950	52,000
Interest	15,224	31,148
	<u>13,109,365</u>	<u>15,644,414</u>
Other income		
Profit on sale of non-current assets	1,422	-
Other Gains	63,785	140,874
Bad Debts - Recovered	-	27,303
	<u>65,207</u>	<u>168,177</u>
	<u>13,174,572</u>	<u>15,812,591</u>

5. NET OPERATING RESULT

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

PBC Program expenses	-	1,090,859
Repairs & maintenance	-	175,181
Charitable payments	-	909
Bad debts provision/written off	489	-
Setup Costs for DABS	335,131	-
Other expenses	70,774	166,447
	<u>406,394</u>	<u>1,433,396</u>

6. MOVEMENT IN RESERVES

	Vehicle Replacement Reserve	Total
	\$	\$
Balance at beginning of year	49,500	49,500
Movement in reserves	-	-
Balance at end of year	<u>49,500</u>	<u>49,500</u>

Vehicle Replacement Reserve

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

7. CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash at Bank		
Central Desert Native Title Services Ltd (CDNTS)	6,121,879	5,951,599
Desert Support Services Pty Ltd (DSS)	995,383	2,716,031
Desert Accounting and Business Support Pty Ltd (DABS)	510,498	-
Rockhole Funds Management Pty Ltd (RFM)	20,327	21,078
	<u>7,648,087</u>	<u>8,688,708</u>
Trust Accounts		
Held by Rockhole Funds Management Pty Ltd (RFM)	2,109,291	2,015,009
	<u>2,109,291</u>	<u>2,015,009</u>
Cash on Hand		
Petty cash	150	21
	<u>9,757,528</u>	<u>10,703,738</u>

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

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

- \$4,096,204 representing the balance of unexpended grants – see note 17(a).
The restrictions arise as a result of the terms and conditions of various funding agreements which require unspent funds to be returned or used in future years for the purposes specified in the funding agreements.
- Further restrictions are in place over funds held in respect of third party agreements.
- \$2,109,291 is held in trust for 3rd parties – see note 18.

8. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities

Operating result for the year after income tax	197,026	313,800
Non cash flows included in operating result		
Depreciation and amortisation	400,477	429,873
Interest expense on lease liabilities	61,262	53,483
Gain on lease modification	(71,260)	(47,324)
Net (profit)/loss sale of assets	77,745	34,027
Changes in assets and liabilities		
(Increase)/Decrease in receivables	(704,281)	446,805
Decrease in other current assets	155,676	11,632
Increase/(Decrease) in payables	104,034	(182,670)
Increase/(Decrease) in contract liabilities	(660,338)	533,920
Increase in provision for employee benefits	94,282	168,955
Increase/(Decrease) in trust and other liabilities	(95,000)	71,269
Cash flows from operating activities	<u>(440,376)</u>	<u>1,833,770</u>

9. TRADE AND OTHER RECEIVABLES

	Note	2022 \$	2021 \$
Current			
Trade receivables		819,923	393,961
Other receivables		345,835	68,703
Less: Allowance for impairment		(11,435)	(12,623)
		<u>1,154,323</u>	<u>450,041</u>

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

Financial Assets at amortised cost classified and trade and other receivables

Trade and other receivables:

Total current		1,154,323	450,041
Less: Other Receivables (net amount of GST receivable)		-	-
	26	<u>1,154,323</u>	<u>450,041</u>

10. OTHER CURRENT ASSETS

Prepayments		-	90,145
Bonds		2,850	3,000
Accrued income		46,249	9,072
Shares held in trust by Rockhole Funds Management Pty Ltd (RFM)		400,000	495,000
Establishment costs - DABS		-	7,557
		<u>449,099</u>	<u>604,774</u>

11. PROPERTY, PLANT & EQUIPMENT

	Note	2022	2021
		\$	\$
Freehold land and buildings			
Freehold land at cost		23,500	23,500
Buildings at cost		1,116,691	1,116,691
Less: accumulated depreciation		(444,886)	(378,396)
		695,305	761,795
Leasehold improvements			
Leasehold improvements at cost		915,375	915,375
Less: accumulated depreciation		(830,619)	(771,868)
		84,756	143,507
Motor vehicles			
Motor vehicles at cost		1,262,000	971,235
Less: accumulated depreciation		(830,862)	(794,099)
		431,138	177,136
Office equipment & furniture			
Office equipment & furniture at cost		414,112	491,857
Less: accumulated depreciation		(389,663)	(428,745)
		24,449	63,112
Plant & equipment			
Plant & equipment at cost		96,558	131,363
Less: accumulated depreciation		(59,499)	(64,218)
		37,059	67,145
Artwork			
Artwork at cost		3,076	3,076
		3,076	3,076
		1,275,783	1,215,771

a) Movements in carrying amounts

	Freehold Land & Buildings	Leasehold Improvements	Motor Vehicles	Office Equipment & Furniture	Plant & Equipment	Artworks	Total
	\$	\$	\$	\$	\$	\$	\$
2021							
Opening balance	828,625	202,260	273,898	99,727	21,034	3,076	1,428,620
Additions	-	-	-	10,568	61,742	-	72,310
Depreciation expense	(66,830)	(58,753)	(62,735)	(47,183)	(15,631)	-	(251,132)
Disposals	-	-	(34,027)	-	-	-	(34,027)
	761,795	143,507	177,136	63,112	67,145	3,076	1,215,771
2022							
Additions	-	-	291,763	78,166	9,437	-	379,366
Depreciation expense	(66,490)	(58,751)	(37,761)	(26,974)	(4,718)	-	(194,694)
Disposals	-	-	-	(89,855)	(34,805)	-	(124,660)
	695,305	84,756	431,138	24,449	37,059	3,076	1,275,783

12. RIGHT OF USE ASSETS

The Group's lease portfolio includes buildings (office lease). This lease has a term of 7 years expires on 31/03/2023.

Options to Extend or Terminate

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

	2022	2021
	\$	\$
<i>i) AASB 16 related amounts recognised in the balance sheet</i>		
Right of use assets		
Leased buildings	977,469	1,027,762
Accumulated depreciation	<u>(205,783)</u>	<u>(178,741)</u>
Total right of use assets	771,686	849,021
Movement in carrying amounts		
Leased buildings:		
Balance at the start of the financial year	849,021	1,194,232
Adjustment due to lease modification	128,448	(166,470)
Depreciation expense	<u>(205,783)</u>	<u>(178,741)</u>
Balance at the end of financial year	771,686	849,021
<i>ii) AASB 16 related amounts recognised in the statement of profit and loss</i>		
Depreciation charge related to right of use assets	205,783	178,741
Interest expense on lease liabilities	61,263	53,483
Short-term and low value leases expense	<u>58,532</u>	<u>140,980</u>
	325,578	373,204
<i>iii). Total cash outflow for leases</i>		
	326,620	172,509
<i>iv) Total future lease payments at the end of the reporting Period</i>		
No later than 1 year	213,868	126,612
Between 1 to 5 years	633,452	782,123
Greater than 5 years	-	-
Total future lease payments	<u>847,320</u>	<u>908,735</u>

13. INVESTMENTS

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

a) Ownership Interests

Name	ABN	Formation	Origin	% Ownership
Desert Support Services Pty Ltd	41 154 511 494	6/1/12	Australia	100
Desert Accounting & Business Support Pty Ltd	99 649 972 663	5/5/21	Australia	100
Rockhole Funds Management Pty Ltd	65 164 808 333	26/7/13	Australia	100

All subsidiaries are not-for-profit private companies and therefore Central Desert Native Title Services Ltd is not entitled to dividends or other distributions from any subsidiaries. Investments are carried at cost and will be eliminated upon consolidation.

b) Financial Results

Name	2022		2021	
	Surplus \$	Net Assets \$	Surplus \$	Net Assets \$
Desert Support Services Pty Ltd	(79,799)	1,029,411	122,003	1,109,203
Desert Accounting & Business Support Pty Ltd	152,500	152,500	-	-
Rockhole Funds Management Pty Ltd	2,597	22,303	6,386	20,403

14. TRADE AND OTHER PAYABLES

	Note	2022 \$	2021 \$
Trade payables		293,580	221,445
Other payables		8,539	5,930
Payroll payables		70,978	29,331
GST & PAYG		212,200	202,215
Credit card			
Mastercard		31,088	7,414
American Express		20,637	6,053
Accrued wages		-	12,321
Accrued program expenses		18,365	66,645
Prepaid fees		-	-
		<u>655,387</u>	<u>551,354</u>

Credit Card Facilities. The group has a \$175,000 credit card facility with Westpac Banking Corporation of which \$143,912 remained unused at balance date. The group has a \$70,000 credit card facility with American Express of which \$49,363 remained unused at balance date. MasterCard and American Express purchasing card balances are cleared on or about the 27th of each month.

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

Trade and other payables			
Total current liabilities		<u>655,387</u>	<u>551,354</u>
Less other payables (net amount of GST payable)		<u>(212,200)</u>	<u>(202,215)</u>
Financial liabilities as trade and other payables	26	<u>443,187</u>	<u>349,139</u>

15. LEASE LIABILITIES

	2022	2021
	\$	\$
<i>Current</i>		
Lease liabilities	<u>213,868</u>	126,612
	<u>213,868</u>	<u>126,612</u>
<i>Non-current</i>		
Lease liabilities	<u>633,454</u>	782,123
	<u>633,454</u>	<u>782,123</u>

16. PROVISION FOR EMPLOYEE BENEFITS

<i>Current</i>		
Annual leave	477,465	527,770
Long service leave	<u>544,961</u>	<u>535,538</u>
	<u>1,022,426</u>	<u>1,063,308</u>
<i>Non-current</i>		
Long service leave	<u>220,948</u>	173,582
	<u>220,948</u>	<u>173,582</u>

	Employee Benefits \$
Analysis of total provisions	
Opening balance at beginning of year	1,236,890
Additional provisions raised during year	616,479
Amounts used	<u>(609,995)</u>
Ending balance at end of year	<u>1,243,374</u>

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 3(g).

17. CONTRACT LIABILITY

The Group receives grants from government funding bodies. The Group has assessed that all its grant agreements are enforceable and contain sufficiently specific performance obligations. This determination was made on the basis that the funding agreements require the Group to carry out various programs with the number of individuals to be serviced, types of services to be provided and duration of such programs prescribed within the relevant agreements. The Group therefore recognises funding received under such agreements as Revenue under AASB 15. Revenue is recognised as the Group delivers the required services (expends the grants). Therefore, the unexpended grant balance at year end is recognised as contract liabilities.

	2022	2021
	\$	\$
Unexpended grants	<u>4,096,204</u>	4,756,542
	<u>4,096,204</u>	4,756,542
a) Unexpended grants		
Native Title Grants	3,417,680	3,132,001
Land & Community and Other Grants	678,524	1,623,420
Auspiced Grant	-	1,121
	<u>4,096,204</u>	<u>4,756,542</u>

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

18. TRUST LIABILITIES

Funds held by Rockhole Funds Management Pty Ltd (RFM)	<u>2,109,291</u>	2,015,009
	<u>2,109,291</u>	<u>2,015,009</u>

19. OTHER LIABILITIES

Liabilities associated with shares held in trust by Rockhole Funds Management Pty Ltd (RFM)	<u>400,000</u>	495,000
	<u>400,000</u>	<u>495,000</u>

20. AUDITOR REMUNERATION

Audit of the financial report	36,125	30,000
Other non-audit services	-	-
	<u>36,125</u>	<u>30,000</u>

21. KEY MANAGEMENT PERSONNEL

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel (KMP).

The totals of remuneration paid to KMP of the entity during the year are as follows:

KMP compensation	<u>802,683</u>	843,986
	<u>802,683</u>	<u>843,986</u>

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

22. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments

The Group does not have any lease commitments for non-capitalised leases as at 30 June 2022.

Capital Expenditure Commitments

The Group does not have any capital commitments as at 30 June 2022.

23. CONTINGENT ASSETS AND LIABILITIES

The Group does not have any contingent assets and contingent liabilities as at 30 June 2022.

24. MEMBERS' GUARANTEE

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

If the Company is wound up the Company's constitution requires each member to contribute a maximum of \$1 each towards the property of the Company for payment of the debts and liabilities of the Company. At 30 June 2022, the number of members was four (4).

25. EVENTS AFTER THE REPORTING PERIOD

No matters have arisen since the end of the year that will or may significantly affect:

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

26. FINANCIAL RISK MANAGEMENT

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

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

	Note	2022 \$	2021 \$
Financial Assets at amortised cost			
Cash and cash equivalents	7	9,757,528	10,703,738
Trade and other receivables	9	1,154,323	450,041
Total Financial Assets		10,911,851	11,153,779
Financial Liabilities at amortised cost			
Trade and other payables	14	443,187	349,139
Lease liabilities	15	847,320	908,735
Contract liability	17	4,096,204	4,756,542
Total Financial Liabilities		5,386,711	6,014,416



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

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Desert Native Title Services Ltd (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and directors' declaration.

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

- i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the period ended; and
- ii. complying with Australian Accounting Standards – Simplified Disclosures, *Corporations Regulations 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the independence requirements of the *Corporations Act 2001* and *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities with the Code.

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

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

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

Responsibility of the Directors for the Financial Report

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

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

Auditor's Responsibility for the Audit of the Financial Report

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

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

Report on Other Legal and Regulatory Requirements

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

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

WEN-SHIEN CHAI
PARTNER

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

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 17th day of November 2022.

ACKNOWLEDGEMENTS

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

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

For More Information:

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

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