



TIWI LAND COUNCIL

2013 / 2014

Thirty-Fifth Annual Report

35

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This document must be attributed as the Tiwi Land Council 2013 / 2014 Annual Report.

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ANNUAL REPORT

2013-14



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

ENABLING LEGISLATION

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

RESPONSIBLE MINISTER

The Honourable Jenny Macklin MP was our responsible Minister 1 July to September 2013. Senator the Honourable Nigel Scullion, Minister for Indigenous Affairs, has been our responsible Minister for the remainder of the reporting period.

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

Senator the Honourable Nigel Scullion
Minister for Indigenous Affairs
P.O. Box 6100.
Senate
Parliament House
CANBERRA ACT 2600

Dear Minister,

THIRTY-FIFTH ANNUAL REPORT

In accordance with clause 1 of schedule 1 of the Commonwealth Authorities and Companies Act 1997, I am pleased to present to you the thirty-fifth annual report of the Tiwi Land Council for the period 1 July 2013 to 30 June 2014. The report includes a copy of our audited financial statements forwarded to you by the Australian National Audit Office.

Yours sincerely,

Gibson Farmer Illortaminni
Chairman
Tiwi Land Council

17th December 2014

CONTENTS

STATEMENTS AND VISION	4
CHAIRMAN'S REPORT	5
ANNUAL REPORTING REQUIREMENTS	7
ORGANISATIONAL STRUCTURE	7
REVIEW OF OPERATIONS AND FUTURE PROSPECTS	9
1.0 Performance	10
1.1 <i>Financial Resources and Application</i>	11
2.0 Principal Outputs	11
2.1 <i>Land, Sea and Natural Resource Management</i>	11
2.2 <i>Economic Development and Commercial Services</i>	15
2.3 <i>Advocacy Services</i>	25
2.4 <i>Administration and Support Services</i>	27
2.5 <i>Judicial Decisions, Ministerial Directions and Legislation Impact</i>	27
Certification	29
3.0 Corporate Governance	29
3.1 <i>Director Profiles</i>	29
3.2 <i>Meetings of Directors</i>	31
3.3 <i>Governance Practices</i>	34
3.4 <i>Risk Management Register</i>	37
3.5 <i>Other Statutory Requirements</i>	37
AUDIT COMMITTEE ASSESSMENTS	42
COMPLIANCE INDEX	43
FINANCIAL STATEMENTS	46

A STATEMENT OF OUR PAST

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

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

A STATEMENT OF PRESENT PURPOSE

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

(Matthew Wonaeamirri, Eric Brooks, Hyacinth Tungutalum, Raphael Apuatumi, Cyril Rioli – A Special Meeting of Clan Leaders at Pularumpi, 1st June 1977).

OUR VISION FOR THE FUTURE

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

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



CHAIRMAN'S REPORT



Chairman: Gibson Farmer Illortaminni

With 35 years` of work as a Land Council now behind us, we have reached an interesting cross-road of change that has been building up these past decades. The Land Council has responded, this past year, to some fundamental structural shifts of management, administration and governance, with demands quite unlike any in our history.

Interestingly, these changes have been driven both by Government legislation and traditional adaptations required by our landowners. Rarely does the confluence of legislative requirement match our own social change. Enactment of the Public Governance Performance and Accountability Act 2013 requiring our own accountability and performance has occurred at precisely the time of our own readiness to accept these responsibilities and aspire to those performance levels required of us.

We have been preparing for these changes, especially through the past six years since foundation of our Independent Audit Committee, who continue to alert us to risks we must manage. From the beginning of our Land Council, we have never been comfortable with line management structures; our advisers and managers have been required to work through our own Management Committee wholly comprising Tiwi leadership, since the mid-1990`s.

Our traditions have demanded our "big men" be those best managers of land able to sustain and manage our resources through antiquity. These were the men who founded our Land Council in 1978. They have guided our decisions and planned for our future. Of forty such men only three remain as members – all have indicated their retirement next year. John Hicks, Secretary to our Management Committee and CEO since 1986 also retires. We thank them all for their work and for the strength they have nurtured among our Land Council leadership today.

Meetings through the year have recognised the task ahead for us. Our June meeting dealt with issues of group entitlement to leadership positions and contrasted those with requirements for performance and accountability under new legislation. Debates and discussions from past meetings were re-visited. The Land Council was unanimous in declaring the imperative of our own management of our own Tiwi Land Council served by advisers accountable to an expanded Tiwi Land Council Management Committee. The Land Council also unanimously resolved that members of such a Committee must be those outstanding landowners of ethical character, not necessarily those entitled by group or family influences to professional positions.

Accepting responsibility and being accountable to both our own landowners and to Government has been a transformative experience for our members and the highlight of our year. Governance training is on-going. Our Management Committee is driven by the pride we have in our elders and the foundations of our Tiwi economy they have created upon our land. It is also driven by determination, and by the realization that only by accepting our own responsibility for our own Land Council and what it stands for, can we truly be respected leaders and managers of land for the strength and security of our people in this modern era.



Gibson Farmer Illortaminni

Chairman

3rd September 2013



ANNUAL REPORTING REQUIREMENTS

BASIS

Section 9 of the Commonwealth Authorities and Companies Act 1997 requires preparation of an Annual Report in accordance with Schedule 1 of that Act.

FINANCIAL STATEMENTS

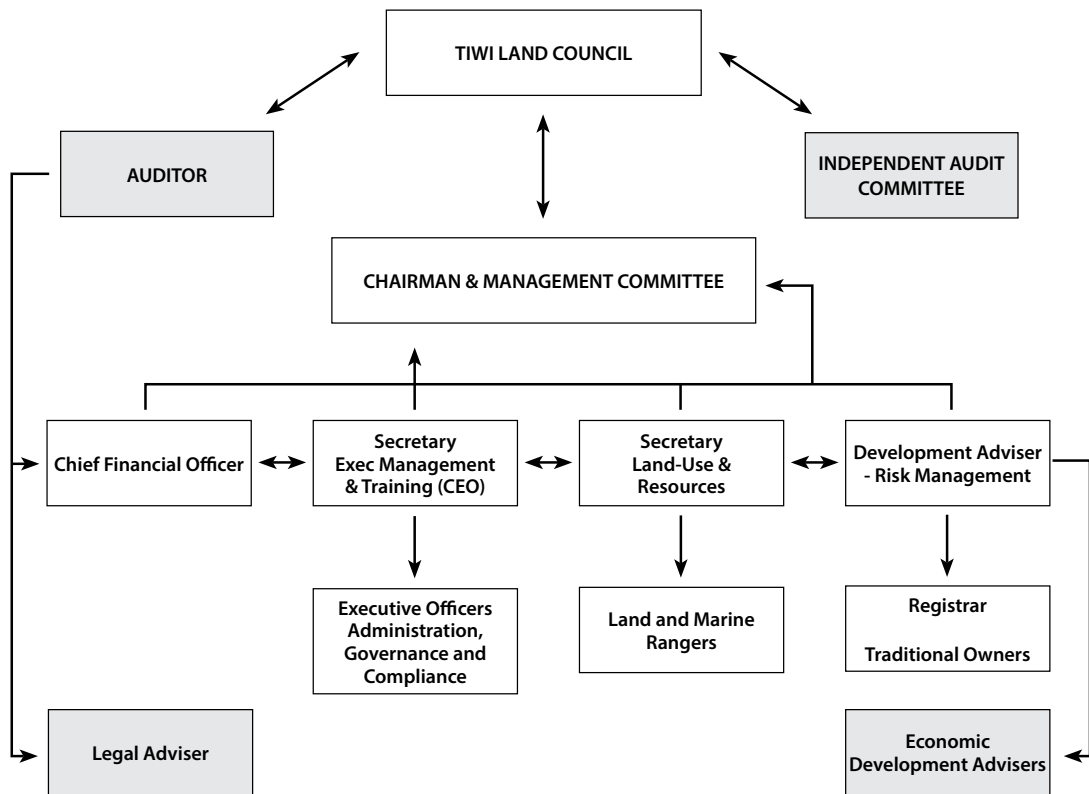
This report contains our prepared financial statements, including the Auditor-General’s report on those financial statements.

REPORT OF OPERATIONS

Commonwealth Authorities (Annual Reporting) Orders 2011, as amended, provides detailed requirements for information about operations and activities. This report contains that detail required.

OUTLINE OF ORGANISATIONAL STRUCTURE

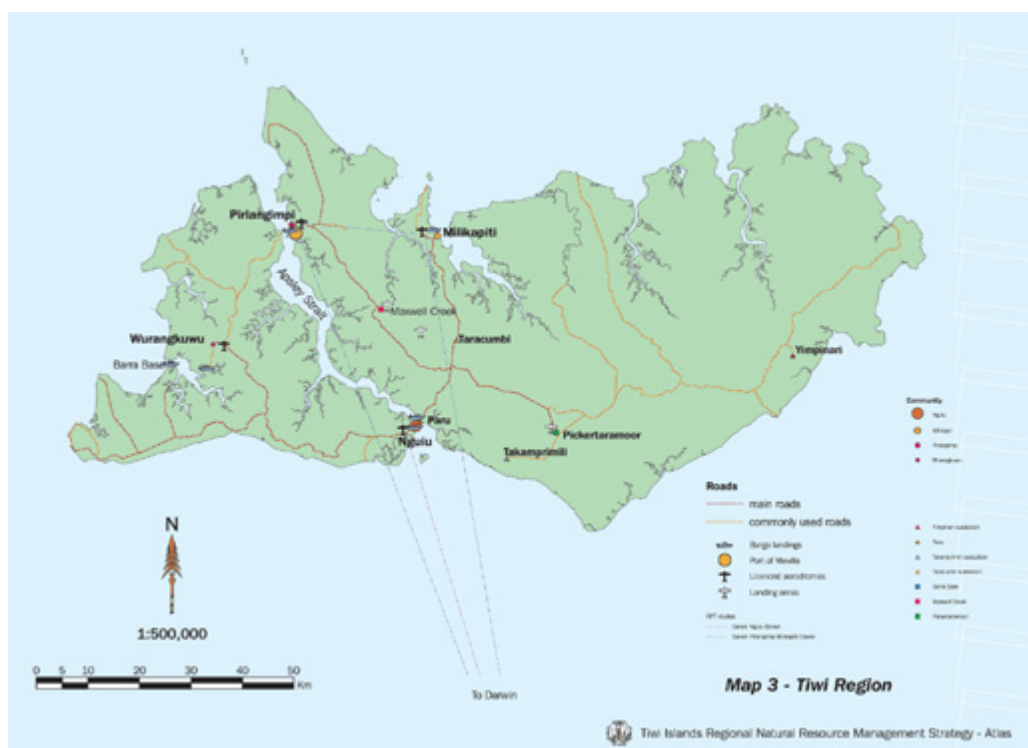
Shading represents external positions



LOCATION OF ACTIVITIES AND FACILITIES

The map provided below locates facilities developed by the Land Council for the conduct of required major activities. These include:-

- Headquarters office, meeting hall and ceremonial grounds at Pickataramoor adjacent to the Tiwi College. This facility is the centre for most meetings of the Land Council and the Management Committee and is so situated to draw upon students from the College, including members of the Junior Land Council, to participate at meetings and develop an understanding of the leadership challenges facing Tiwi society.
- Offices at all three Townships where Managers and members of the Management Committee also reside.
- Secretariat/CEO (leased) office in Darwin that monitors legal, natural resource management, environmental audit and financial compliance and provides support to our staff on the Islands.



STAFF RETAINED AND EMPLOYED

Limited and best use of funds has required the Land Council retain external professional staff to provide key services:

- Legal - Piper Alderman, Melbourne and Adelaide.
- Economic and Corporate – KPMG, Darwin, Perth and Sydney; Department of Business NTG.
- Tiwi Corporate being 10 corporations all with skilled managers meeting every second month with economists, financiers and skilled successful independent businessmen.

The Land Council is required to employ permanent staff. During the 2013/14 Financial Year it directly employed seven persons:

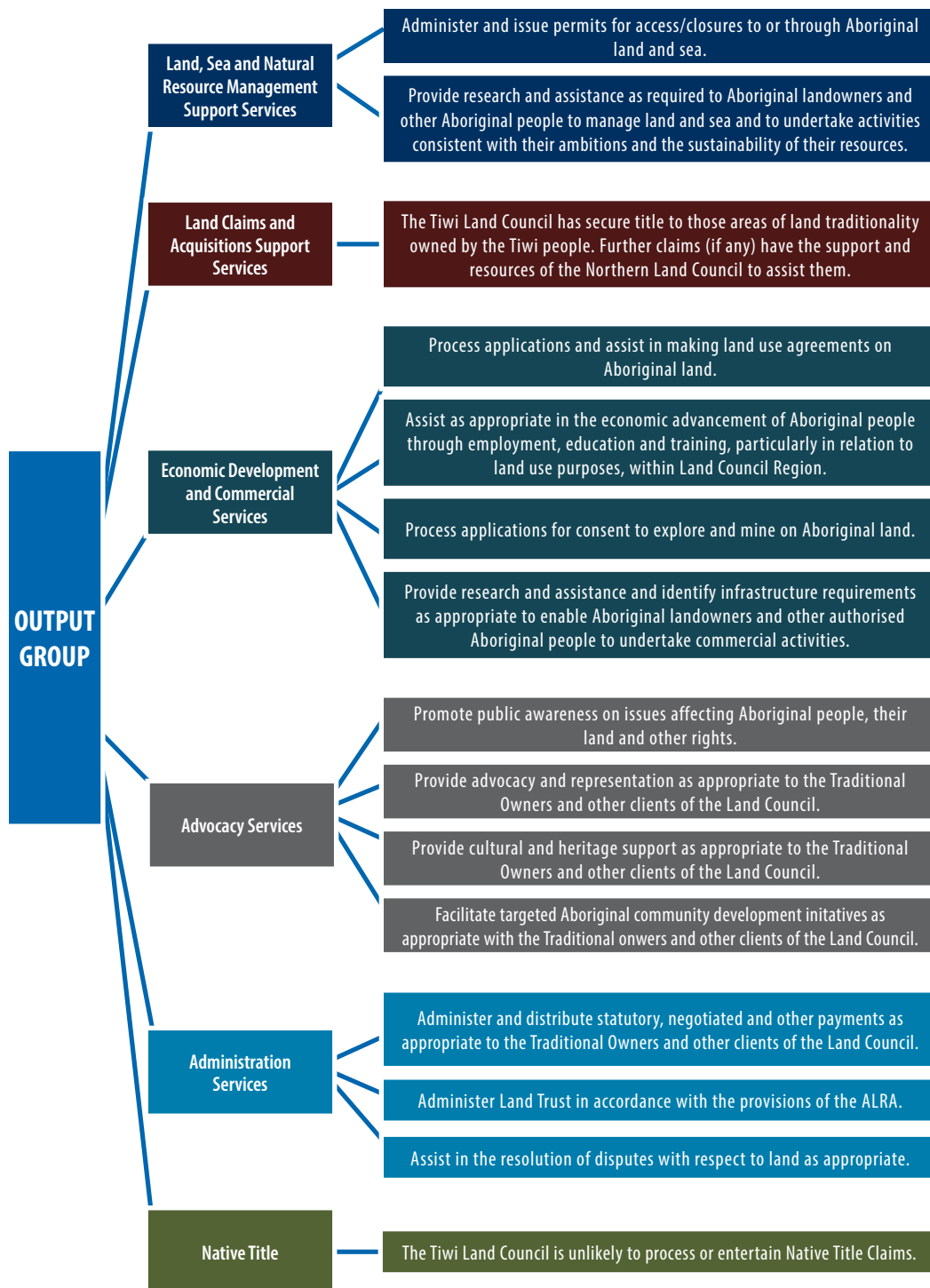
- Chief Executive Officer, John Hicks LLB was retained by the Land Council in April 1986 and was provided with, and retained on, a ten year contract from 2005. In 1995 Mr. Hicks also became Secretary to the newly established Management Committee of the Land Council.
- Secretary, Land and Resource Management, Kate Hadden BSc (Hons); McKell Medallist, Accredited Environmental Auditor, was seconded from the NT Government in 2000 and remains a Land Council employee subject to tri-annual reviews of her secondment.
- Development and Risk Management Advisor Brian Clancy DipEd, is employed on a ten year contract from 2008.
- Registrar of Traditional Owners - Mrs Jennifer Clancy Ullungurra, Cert Teacher, is employed on a ten year contract from 2008.
- Executive Officer, Terry Larkin - based at the Pickataramoor HQ Office; assisting the Land Council with ICT support across its various locations, office administration and implementation of digital records management.
- Operations and Cultural Liaison Officer - Rachel Burke, also based at the Pickataramoor HQ; fully trained representative for Work Health and Safety, office administration, operation of Pickataramoor HQ hospitality duties (guest accommodation and meetings), cultural liaison with wider Tiwi community.

REVIEW OF OPERATIONS AND FUTURE PROSPECTS

The functions of the Land Council are described at Section 23 of the enabling legislation and refer to the good management, protection and development of land pursuant to the express wishes of those who own the land, having regard to the opinions of others who also live on that land. Timeliness, resource allocation and priority protection mandates are also provided at Section 23AA.

1.0 PERFORMANCE

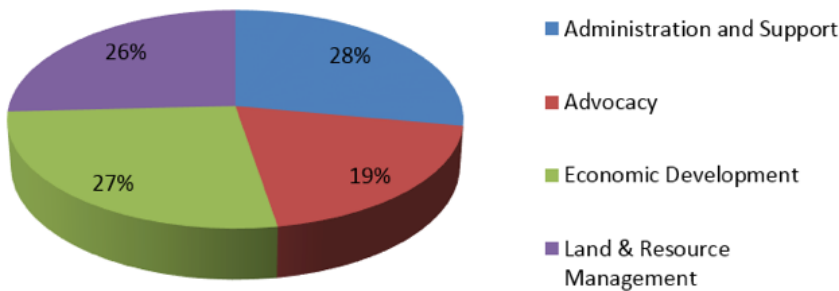
Through the past decade the Land Council has adopted key performance indicators integrated within the outcome budgeting and financial management process.



Note – Where appropriate a reference to Land also refers to Sea or other Waterways secured as a result of High Court determinations 2007/08.
Performance is measured and monitored within these output groups.

1.1 Financial Resources and Application

Detailed audited financial statements are attached. In summary the Land Council received approximately \$1.65m from the Commonwealth. It was allocated during the financial year against the four output groups as illustrated in the charts below:



Dollar expenditure for the year can be summarized in this accompanying graphic:



In addition to these funds, the Land Council also applies for and is in receipt of grants, significantly applied for management and environmental compliance in the use of land. Grant totals are reflected in our financial statements and noted in the Principal Output Group.

2.0 PRINCIPAL OUTPUTS

2.1 Land Sea and Natural Resource Management Support Services

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

The 2013/14 year produced mixed results for land, sea and natural resource management on the Tiwi Islands. Cessation of ABA/ILC grant funding led to the termination of all Land Rangers in April 2014. One Ranger was immediately employed by Tiwi Plantations, and we were able to offer another four Rangers part-time environmental work with surplus funds from Tiwi Enterprises.

As a result of the reduced staff, focus shifted to fire management and implementing burning regimes that have the potential to provide income through carbon trading. Key threats, however, such as mimosa pigra and lantana control were ongoing, as were contract quarantine services and support.

Operational and capital grant funding from ABA enabled the creation of a fully equipped Tiwi Islands fire team, and an Islands-wide strategic fire management plan was developed and implemented for the 2014 fire season. End of dry season mapping will ascertain if there was a resultant reduction in greenhouse gas emissions from changed fire regimes, and will inform planning for subsequent years.

Marine Ranger staffing remained constant, and the buffalo herd reduction programme was completed with the total removal of 1,640 animals from severely degraded wetland areas. Monitoring during the 2013/14 wet season continued to show a reduction in erosion and sediment deposition in wetlands where the programme was undertaken.

Marine threatened species management continued to focus on turtle monitoring, and in April 2014 more than 260 successful nesting events were recorded over a 10 night period. These numbers are higher than recent years, indicating that the nesting population continues to be sustainable. The project remains the most extensive successive-year monitoring of Olive Ridley turtles in Australia.

Fee for service based activities continued to be sought to provide a local revenue stream, and in 2013/14 the amount received was around \$7,000, which is nearly half of last year's earnings. This was made up of AQIS fee for service quarantine monitoring, contract fire management and threatened species assessment. It remains obvious that ad-hoc fee for service work cannot sustain ranger programmes, and there remains an urgent need for long term sustainable economic land use to support land management activities.

2.1.1 *Details of consultants engaged:*

Total Land and Resource Management Consultancies 2013-2014: \$115,585

TLC Research Access Agreements are in place for all consultants identified below.

- CSIRO - Assist the Tiwi Land Council to develop a CFI (Carbon Farming Initiative) project application using the savanna burning methodology. 70,000
- Wildman River Contracting consortium – Development and joint implementation of a buffalo management programme on Melville Island, including training. 45,585

2.1.2 *Grants received*

Funding stream & project	Project/purpose	Amount received 2013/14
NT Fisheries	Indigenous Marine Ranger support	\$60,000
Commonwealth Government Working on Country	Marine Ranger wages support	\$326,410
Commonwealth Government Indigenous Capability and Development	Sustainable Ranger Wages and Changed Fire Regimes	\$603,000
ABA beneficial payments under section 64(4)	The Keeping House Managers Residence	\$396,912
ABA beneficial payments under section 64(4)	Land Ranger Safe Storage Facilities in 4 communities	\$360,000
Commonwealth Government Indigenous Capability and Development	Tiwi Cultural, Language and leadership support (funeral & ceremonies)	\$317,000
Commonwealth Indigenous Carbon Farming Fund	Fire Management for GHG abatement on the Tiwi Islands	\$147,350

2.1.3 Fee for service received

AQIS quarantine monitoring	\$4,282.00
As contractors to Serco Sodexo Defence Services: weed control Defence facility Point Fawcett	\$484.00
NT Government threatened species surveys	\$2,211.00

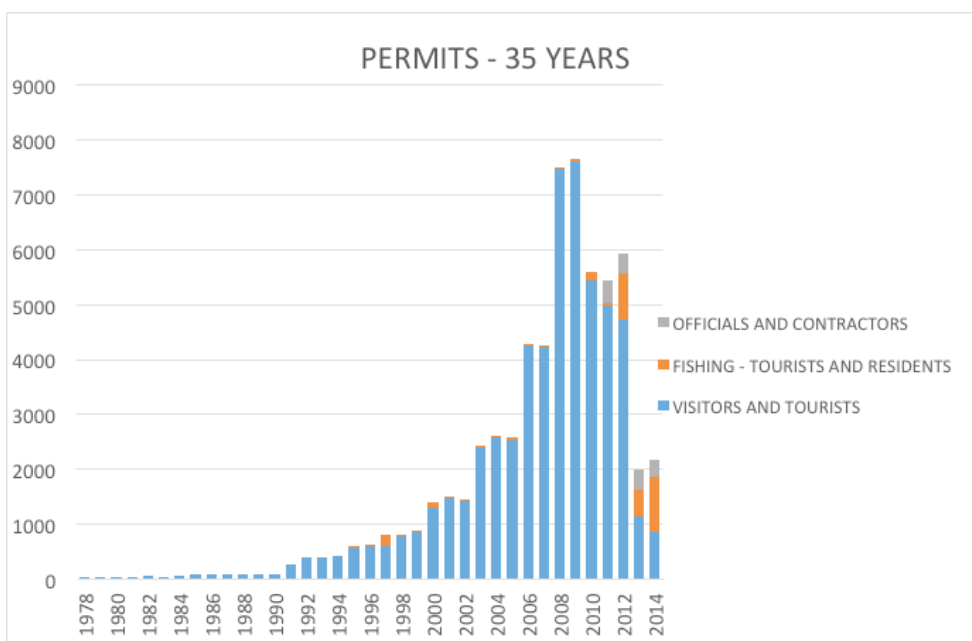
2.1.4 Permit Administration 2012/13:

Authority to issue permits is provided under the Aboriginal Land Act 2010 (NT) amended. Tiwi require that there be an on island resident person or organization willing to undertake responsibility for the visitor and the visit. We also attach some quarantine restrictions to permits in regard to feral animals, invasive weeds and other documented and advised environmental risks.

Trends over the last 35 years illustrate changing patterns and influences upon owners and residents of the Tiwi Islands. Total numbers of known annual visitor's barely exceeded 1000 people in the period from 1978 to 1993. Numbers reached a peak of over 7000 by 2008 and have collapsed again to pre-2000 levels with only 1985 last year. In the current 2013-2014 period a total of 2,183 permits were issued – an increase of 10%.

Of interest are the changing purposes and interests of visitors. Fishing tourists now outnumber all others. Government officials and service contractors have maintained numbers that escalated from 2010. Fishing tourists managed by our Tiwi owned Tiwi Islands Adventures from their three fishing lodges are a significant reason for visitor numbers. There is also some evidence of increasing tourist numbers to the Islands as a result of affordable (\$40) one way sea Ferry fares introduced on a professionally operated service commenced last year. The operators Sealink have recently joined with our landowners and Tiwi Islands Adventures to expand the tourism experience and attractions.

The Visitors Chart more accurately defines the three visitor classes maintained.



Permits are the process of the Permission Principle that underwrites Tiwi traditional governance now being more strongly asserted by the current generation of leaders and landowners. The online Permit application process has dramatically reduced the workload in administering the system and has allowed more accurate, accessible data to be compiled and retrieved.

Income received as a benefit to landowners was \$147,171 plus \$173,000 of back permit fees recovered as a result of litigation with a private fishing tour operator. Total \$320,171.

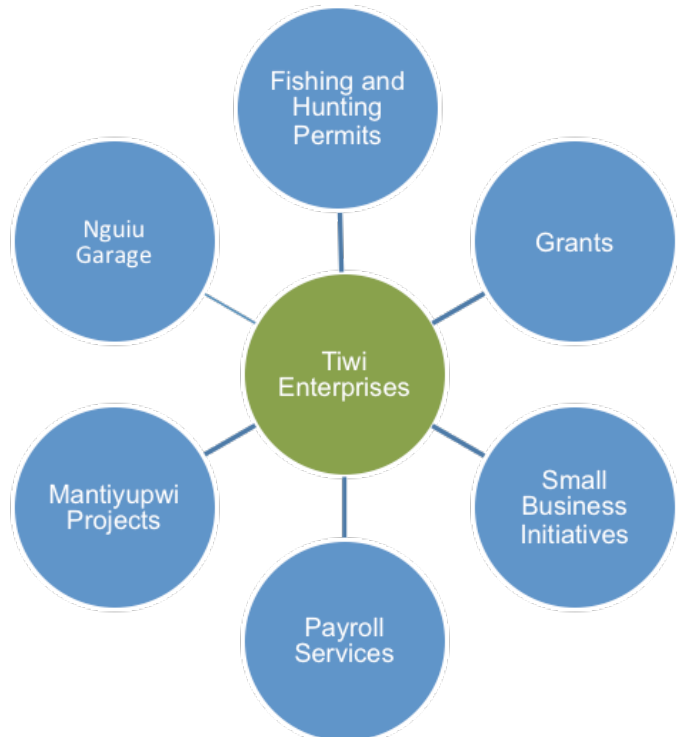
2.2 Economic Development And Commercial Services

The Land Council strategy over many decades has sought to fund and facilitate a Tiwi private economy. 27% of expenditure targets those industries and activities capable of providing jobs and a viable Tiwi economic future. The land, and assets upon the land (other than land under lease), is owned and held by the Tiwi Aboriginal Land Trust. The only organisation able to direct and operate that Trust is the Tiwi Land Council. Since the 1980’s Land Owners, in development of their private economy, have been required to take commercial risks – something the Land Council is prevented from entertaining by law. Landowners have developed their own private trustee corporations to manage and develop their assets, including plantations, commercial sub-divisions, ports and multiplier industry and activity linked to these core industries. All corporations have a beneficial purpose.

2.2.1 Tiwi Enterprises:

Tiwi Enterprises Pty Ltd was established in 2008 by the 8 Tiwi Land Groups to provide expertise, develop, facilitate and manage economic development opportunities, many of these as a result of Township Leasing at Wurrumiyanga and with their Mantiyupwi owners. At 30 June, 2014 Tiwi Enterprises had 48 employees, 35 of these are Tiwi.

Activities of Tiwi Enterprises in 2013-14 are summarized below:



- ***Management of Mantiupwi projects, including:***
 - Mantiupwi Motel – now has 16 self-contained single units available for visitors, as well as the 8 person and 6 person complexes. The motel also has a conference room, an outdoor meeting area, and the office space is utilised by TITEB for their RJCP program.
 - Shopping Centre, Wurrumiyanga – has now been open for business for over a year. It is a busy complex and Tiwi Enterprises provides the cleaning service. Landscaping of the grounds is an ongoing project.
- ***Working in partnership with Tiwi Islands Training and Employment Board (TITEB):***
 - In June 2013 TITEB and Tiwi Enterprises were successful in winning the Remote Jobs In Community Program contract. Tiwi Enterprises provides payroll and administration services to the project, as well as working with local employers to ensure that where possible, jobs and training opportunities within local businesses go to Tiwi workers.
- ***Provision of payroll services:***
 - For TITEB employees based on Tiwi Islands.
 - For Tiwi Islands Football League game officials.
- ***Small Business initiatives:***
 - Hire car service – now have a fleet of 10 cars, all based in Wurrumiyanga. Three of the vehicles are owned by Tiwi Landowner organisations, and managed by Tiwi Enterprises.
 - Garden and maintenance service established in early 2012.
- ***Management and administration of grants for the operations of:***
 - ILC Natural Resources Management Program – finished in March 2014 and employed 15 Tiwi staff
 - ILC Milikapiti Nursery/Farm – employs 9 Tiwi staff.
 - NTG grant for the design of pontoons at Wurrumiyanga and Paru.
- ***Management and administration of the Tiwi Land Council Visitors, Fishing & Hunting Permits.***
 - This function was handed back to the Tiwi Land Council in January 2014.
- ***Ongoing sponsorship of the Tiwi Bombers Football Club.***
- ***Nguiu Garage***
 - In September 2013, Tiwi Enterprises took over the Nguiu Garage from Nguiu Ullintjinni Association. The Nguiu Garage has the dual purpose of keeping the hire fleet in good repair as well as providing mechanical workshop services to the community. Currently employs 7 people, 5 of whom are Tiwi.

2.2.2 Tiwi Forests:

In 1999/2000 a total of 31,200 ha of hardwood plantations was approved for establishment and operation on the Tiwi Islands, including clearing of native tropical savanna woodland. 28,326 ha has been cleared and planted to *Acacia mangium*, leaving 2,874 ha currently uncleared and not planted. In addition, there are 767 ha of commercially harvestable Caribbean pine planted over the period 1975 to 1985.

Harvesting of these plantations, originally proposed for March 2014, has now been delayed until February/ March 2015 because of delays in accessing funding for ship loading equipment and extended lead-times for procurement of harvesting equipment as a consequence of the upturn in the forestry industry in southern Australia. It is now planned that the first woodchip shipment will be consigned at the end of April/early May 2015.

A Memorandum of Understanding was signed with Mitsui on 10th February 2014 for the sale of Tiwi woodchips and for a feasibility study for investment in the second rotation. Mitsui is a large Japanese Trading Company and are actively seeking customers for Tiwi woodchips.

It is intended that approximately 3,000 ha of plantations would be harvested and replanted each year, providing for a sustainable and ongoing operation. It is planned to progressively replace the Acacia mangium with a more suitable eucalypt hybrid, providing both woodchip and saw logs. Eucalypt planting trials have been established and further trials are underway.

Receivers and Managers of the Great Southern group issued a notice abandoning their forestry leases on the Tiwi Islands on 30 September 2009. Tiwi terminated the leases on 1st October 2009. Since then, Tiwi have managed the plantations themselves through their own company Tiwi Plantations Corporation and a contractor, Plantation Management Partners. Management of the plantations is ISO 14001:2004 Environmental Management System certified.

By the end of February 2013, Tiwi had spent \$12.2 million on the ongoing management of the plantations with no external debt. This included \$1.5 million of family money. On 19th May 2014 the Northern Territory Government provided a significant loan for ongoing operational funding to bring the plantations to harvest. Plantations comprise 4% of the total area of both islands.

The wharf face on the land backed groyne of the port constructed by Sylvatech in 2003, failed in September 2007. Tiwi negotiated with a Singapore company, Ezion Holdings Limited, to install a wharf for the export of woodchips. The wharf comprises floating pontoons to provide a woodchip loading facility. It has no environmental impact, consistent with the previous advice from the NT Minister for the Environment and Heritage in 2003. The floating pontoon wharf was completed on 3 October 2013 by the Australian subsidiary Ezion Offshore Logistics Hub (Tiwi) Pty Ltd (EOLHT).

On 17th March 2014, the Tiwi Company Port Melville Pty Ltd entered into a Port Operating Deed with EOLHT, appointing EOLHT as Port Operator. On 15th April 2014 Port Melville was declared a Security Regulated Port and Ezion Offshore Logistics Hub (Tiwi) Pty Ltd was declared as the Port Operator. Both declarations were gazetted under the Australian Government Maritime Transport and Offshore Facility Security Act 2003.

On 6th June 2014, the Minister for Indigenous Affairs approved a grant from the Aboriginal Benefits Account for \$4,845,800 for the purchase of ship loading equipment and specialised forestry equipment for the first harvest unit. The Minister also approved \$1,194,000 for sustainable land management activity. Tiwi are now negotiating with potential financiers to secure additional funding for a second harvest unit and woodchip trucks.

In May 2014 the forestry consulting company Poyry Management Consulting (Australia) Pty Ltd completed a Viability Assessment of the Tiwi Islands Plantation Project. The Assessment confirmed once again that the Tiwi Islands Forestry Project under its Tiwi management, is commercially viable.

Plantations have been developed on Melville Island from the 1960s, initially by the Australian Government, then the Territory Government, then a range of private investors - Forbio, Sylvatech and, more recently, Great Southern. All the commercial investments by external investors failed.

What has not failed are the growing of plantation timber and a determined belief of Land Owners that this industry holds their pathway to economic independence. Past failures have been in the business models adopted. More recent Managed Investment Schemes provided huge capital injections in the years 2004/2009. Acacia plantations now nearing maturity vested in the Tiwi Land Owners following the abandonment of the plantations by Great Southern in 2009. Tiwi Plantations Corporation has been directed by landowners to bring these 30,000 ha plantations to commercial harvest with a participating Tiwi labour force.

By 2016 it is expected that the plantations will provide up to 100 jobs for Tiwi. Stumpage payments to Land Owners for the trees should be in the order of \$1 to 1.5 million per annum. Other benefits will flow to Land Owners and Tiwi communities. Training of Tiwi will occur through the Tiwi Training and Education Board.

For Tiwi, the viability of the industry is jobs on their islands. Given the history of previous failures, the sustainability of an ongoing industry is critical. There will need to be a major investment in replanting to ensure a sustainable industry. Tiwi are determined that this replanting will happen, including through investment of income from harvest of the current plantation.

Roger Smith
General Manager
Tiwi Plantations Corporation



In February, 2014 Tiwi Plantations held a signing ceremony on Bathurst Island, celebrating the agreed Memorandum of Understanding with Japanese Company – Mitsui.

2.2.3 Process and assist Land Use Agreements

The following major activities summarize the significant focus of landowners, staff and consultations at meetings through the year. These are the links between Land owner strategies to achieve employment and private industry participation, tied to the authority's principal outputs.

- Township Leases over Milikapiti, Ranku and Wurrumiyanga currently in place with Federal Government. Discussions with OTL continuing over possible township lease at Pirlangimpi.
- Further development of Ranger and Land Management programs.
- Ongoing development of Marine Ranger powers and training.
- Ongoing coordination with medical researchers studying Tiwi susceptibility to kidney disease and other afflictions.
- Management of Exploration Licence Applications from a range of mining companies.
- Agreement with agents for Carbon Trading projects.
- Review and support for Outstation funding for essential services.
- ILC funded land and resource management projects.
- Buffalo surveys, culls, counts and recommendations as feral animals.

- Fishing and hunting permits managed through Tiwi Enterprises Pty Ltd to January 2014. With increased Land Council on island staff, improved efficiency and reduced costs have been achieved by again undertaking this function in house.
- Construction projects and consultations in reference to landowner revenue from gravel, soil and sand extraction.
- Continuing harvest and collection of Crocodile Eggs on Bathurst and Melville Islands and payments related thereto.
- Buffalo hunting and utilization on Melville Island.
- Continuation of Olive Ridley Turtle research, tagging and protection planning on various beach locations, together with more detailed genetic and sustainable population analysis.
- Continuing assessment of various incidents of beach erosion and coastal threats.
- Continuing feral animal and weed discovery and eradication programs.
- Continuing support and discussion with the Land Ranger program targeting endangered species, soils, water, weeds, fire management, buffer zone compliance and fortnightly community consultations especially in the schools.
- Commencement of intensive appraisal and land capability assessments for agri-business opportunities initiated in agreement with Northern Territory Government.
- Vernon Islands Land Claim – finalising of key aspects of Tiwi ownership over Vernon Islands through continuing discussions with Federal Government and NLC.
- Dedicated Fire Management Committee resourced - formal meeting processes undertaken at four comprehensive meetings throughout the reporting period.
- Integration of Fire Management for Greenhouse Abatement with general Land Council strategies and landowner participation, assisted through CSIRO research.
- Rehabilitation nursery contracts with Matilda Zircon continuing.
- Support and planning with Marine Rangers in Border Security; insect monitoring; disposal of foreign vessels and pilot services at Port Melville.
- Acceptance of back rent for Commonwealth seized land for 2 communities -Milikapiti and Pirlangimpi – due as part of the former Northern Territory Emergency Response.
- Fisheries Agreement and Settlement Deed negotiated with Northern Territory Government providing commercial support for Tiwi corporations involved in Tourist Fishing whilst encouraging permit free access for recreational fishermen across large coastline areas of both islands.
- Litigation to secure back payments for landowners from a private fishing tour operator. Terminations of lease notices served on Clearwater Island Lodge at Pirlangimpi. Application made to the Supreme Court for a repossession order.
- Plans further discussed to develop the site at Fort Dundas, adjacent to Port Melville, as a historical tourist attraction with support from the adjacent Port Melville lease holders.
- Approval given for the construction of an additional Pirlangimpi Progress Association (PPA) staff dwelling on Lot Number currently/already utilised by PPA for staff housing.
- Feral cat trial on Bathurst Island continuing in partnership with Tiwi Rangers.

Outcomes and Benefits:

Outcomes from land use agreements are the strength and self-reliance being generated by Tiwi society in returning again to their own use of land and participating in its management to secure the economic use required by 21st century Tiwi living and working on their land. The tensions of “cultural economic land use” and “sustainable economic land use” once indivisible, continue to be promoted by sections of the media. Tiwi landowners have settled upon the use of up to 10% of their land for the purposes of engaging with, and participating in, the Australian economy.

Benefits include:

- Roads constructed.
- Educational infrastructure.
- Housing.
- Water conservation and planning.
- Sporting infrastructure.
- Land security (weeds, endangered species management) and protection.
- Land management expertise and land owner identification with improving use and required skills.
- Township Planning and professional appraisal of living spaces.
- Electricity Planning and assessments of central power generation and distribution networks.
- Elevated governance and compliance regimes driven by economic purposes now exposed to validation and transparency demands of all landowners.
- General health improvements. A dramatic decline in Tiwi death rates since the late 1990's, now in published data, suggests a twenty year improvement in the Tiwi lifespan from 47 years twenty years ago to in excess of 65 years today.
- Business appraisals and planning linked to professional advisers across a range of industries – agri-business; tourism and small business.
- Meetings initiated with the ten major Tiwi Corporate enterprises every second month for Tiwi business leaders to share information, experience and needs.
- Tiwi Business Guide published with core information of Tiwi private economy leaders.
- Attracting required Tiwi good science through the Scientific Reference Committee.
- Increasing identification of jobs with behaviour purposes and the skills required to attain them and participate in the Tiwi beneficial purpose.
- Income accruing to landowners from their use of land regularly exceeds \$1m every year. This year comprising permit fees (\$300,000); rents and levies (\$150,000); revenues under mining agreements (\$750,000) and sales of sand gravel and other resources (\$68,000). None of this income benefits the Land Council. It is directly paid to landowner corporations who are audited and monitored for “group benefit” compliance outcomes.
- Increasing landowner investments from their use of land income are also beginning to return revenues to their trust accounts. Profits from Hire Cars; Rents from investment houses and buildings; Contracts secured; Interest on funds deposited - are all over six figure amounts.

2.2.4 Assist economic advancement through employment education and training

The Tiwi Land Council's focus on training and education is manifest in its ongoing support for the Tiwi Islands Training and Employment Board and Tiwi Education Board. Reports on the operations of these bodies are provided below.

Tiwi Islands Training and Employment Board

The Tiwi Islands Training and Employment Board, TITEB, delivers and coordinates all training on the Tiwi Islands. TITEB is a Registered Training Organisation, RTO, and a Group Training Organisation, GTO, and is owned and managed by a Tiwi Board of Directors. The CEO reports to the Board. As of the 1st of July 2013 TITEB became the provider of the Remote Jobs and Communities Program, (RJCP), on the Tiwi Islands. RJCP rolled up the CDEP, IEP and the JSA function on the Islands. Instead of job seekers having to deal with three and sometimes four agencies, one which operated from Cairns, they can now deal directly with TITEB which they know and trust as it is owned by the Tiwi. As a result TITEB now has 53 staff, 39 Tiwi, looking after 621 jobseekers and 62 CDEP participants. We now also have a deputy CEO and several senior managers.

Under the RJCP contract we are required to place job seekers in activities which lead to employment. In our application to take over RJCP we said we would be limited in what we could achieve in activities unless we inherited the assets which had been purchased with CDEP funding over the previous 10 years. Unfortunately this did not happen and consequently hampers our ability to achieve the Commonwealth's objectives for this program on the Tiwi Islands.

In 2013-14 the Board delivered 18,662 Actual Hours Contact (AHC), which was an increase of 4,237 AHC or 30%. Table 1 below outlines training activity for the past seven years.

Year	Training Activity (AHC)
2013-14	18,662
2012-13	14,425
2011-12	32,010
2010-11	15,324
2009-10	17,995
2008-09	17,180
2007-08	31,076

Table 1: AHC delivery 2007 to 2014

The increase in activity was directly related to the awarding of the RJCP contract to TITEB. When TITEB took over CDEP from the training for this cohort was again delivered through the TITEB, RTO instead of being imported from Tasmania and Cairns which had been the previous practice. The increase in hours was also helped with the Commonwealth's breaching of people who had agreed to attend Language Literacy and Numeracy Programs, LLNP, as part of their agreement to receive welfare payments, but did not attend.

The Board is currently conducting a Language Literacy and Numeracy Program in three communities for unemployed people receiving income support. The aim of the program is to provide participants with foundation skills to go onto further study and employment. This program has guaranteed notional funding for 3 years. The contract expires on the 30th June 2015.

The TITEB Group Training Organisation (GTO) has been established for almost 14 years now. The GTO was established to house our group Apprenticeship Scheme. To date 292 Tiwi have completed their apprenticeships. There were 35 apprentices in training in 2013-14. The Tiwi Islands Shire Council withdrew all their apprentices from the TITEB in 2012.

Our Apprenticeship programs are under threat with the Commonwealth changes. The Workplace English Language and Literacy program has been axed as has the mentor support program. The joint funding agreement between the Commonwealth and Territories and States is also under scrutiny. These place our Group Training Organisation at risk.

Capital Infrastructure funding from the Vocational Indigenous Industry Program has been axed as has the Indigenous Industry Skill Centre funding. We were lucky to fund 3 of our projects from these funding pools before they were wound up. We managed to purchase farm equipment to put the farm back together at Wurrumiyanga with a \$150,000 grant from the Community Development Fund, CDF. We have 5 submissions with CDF for various infrastructure projects mostly to do with building accommodation and offices. We currently have infrastructure assets to the value of \$3.6 million.

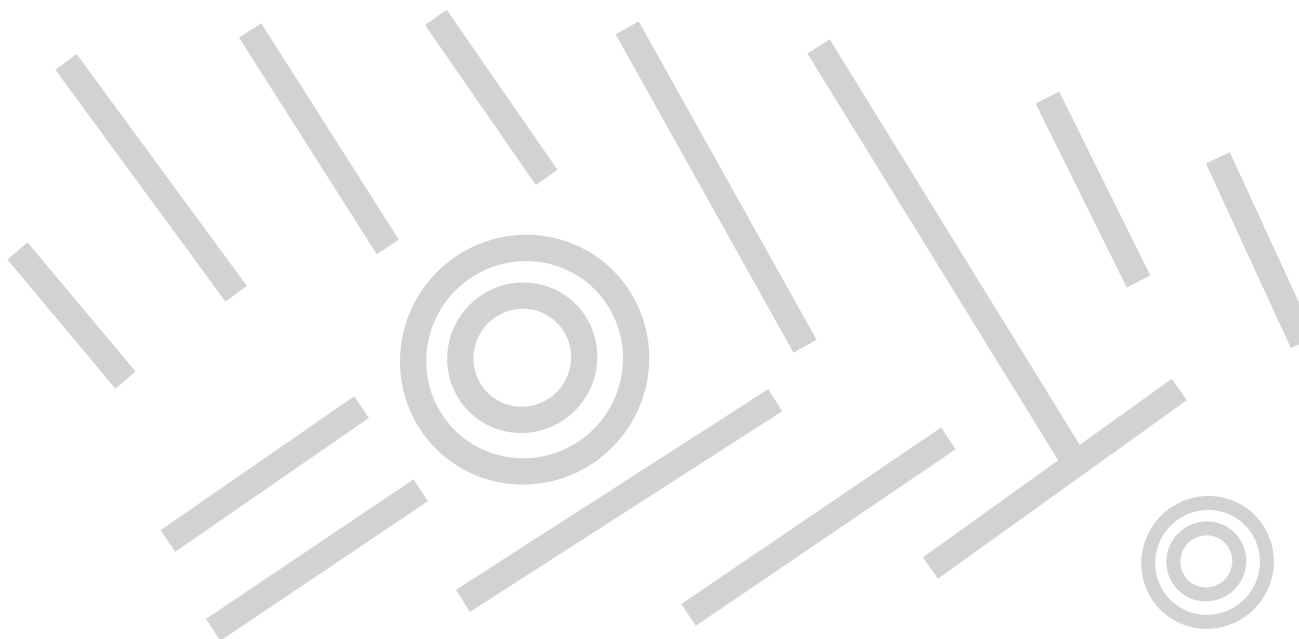
TITEB continues to go from strength to strength despite recent drawbacks! We are fortunate to have staff that are passionate about their roles in TITEB and persevere with some hardships which we consider as short term. And we are optimistic that we can make things work for the Islands. We still consider that, in TITEB, we have a model worthy of consideration by other communities! It is a model with a proven track record and a "can do" attitude.

Our new Community Action Plan, "Tiwi together" points a clear, cohesive picture forward and has the full backing of the Tiwi. Together we will achieve our Vision for "A prosperous future for all Tiwi through lifelong learning and skills development.

Norm W Buchan

CEO

Tiwi Islands Training and Employment Board.



The Land Council remains encouraged at the impact of meaningful wage earning employment on training completion rates. Our Training Board is attempting to manage and train a largely illiterate and purposeless workforce. These are risks that have been visited upon many aboriginal populations. Land owners and their leaders have created the opportunities for full employment of the Tiwi workforce. These opportunities exist. The risks must be managed.

The established Tiwi Education Board is a significant strategy supported and encouraged by the Land Council to deliver apprentices for training who understand the purposes of industries upon their land and seek participation within that workforce.

Tiwi Education Board

2013/14 has been another exciting year for the Tiwi Education Board and the Tiwi College in particular. After steadily increasing our attendance rate over the last couple of years, we consistently achieved over 80% in the first semester of 2014. We all know that our kids vote with their feet and they are showing us that by coming to school every week - we must be doing something right.

We have an ever growing waiting list of students wanting to be part of our Tiwi College Community and are currently working on our urgent need for expansion to cater for this demand.

Our Growing Young Women are undergoing mainstream year 10, 11 and 12 and have won their second straight RYCO Cup Women's competition in Darwin, while our Strong Young Men are in training to become the future workforce of a vibrant and successful Tiwi economy.

The quality of our staff are as good as any school Australia wide with staff retention rates the envy of remote education. Their commitment, professionalism and willingness to help deliver the Tiwi vision is astounding.

Government, Corporate Australia and others are regularly asking 'what is it that the Tiwi College has done and are doing that is working?' With the answer being that our Tiwi leaders, past and present, always knew the answer - let our people take control of our own future through Education and the results will come.



Students from Tiwi College, including Francis Fernando and Una Kerinauia (pictured here), participate in regular Tiwi Culture lessons alongside a mainstream curriculum.

So, where to from here for the Tiwi Education Board? We need to grow the Tiwi College so that more of our Tiwi children can share the benefits of our Tiwi College community. We are also in ongoing discussions with Tiwi people and NTG Education about Milikapiti, Pirlangimpi and Ranku Primary Schools coming under the TEB umbrella, with the eventual development of the Tiwi Education Board having a governing role of all Education throughout the Tiwi Islands. Benefits that we believe will come from this include the sharing of staff, curriculum, resources and student data as they move between Island schools. Not to mention all Tiwi schools sharing the one Tiwi vision and direction.

It's an exciting time for Education on the Tiwi Islands and we thank all our Tiwi and non-Tiwi staff in our Tiwi schools in all communities for sharing yourselves with us to help develop the future leaders of the Tiwi Islands.

Nimpangi

Jennifer Ullungura Clancy

Chairwoman

Tiwi Education Board

2.2.5 Process Mining and Exploration applications:

TABLE OF RECEIVED MINING APPLICATIONS AND PROCESSES.

ELA NUMBER	APPLICANT	APPLIED & CONSENTED	DATE BY WHICH PROPOSAL MUST BE LODGED	CONSULTATION PERIOD ENDS <i>Discussions with Landowners must occur prior to this date</i>
27664	Rio-Tinto	30.4.2010	30.7.2010	31.10.2014 <i>Initial exploration discussions completed. Agreements in draft.</i>
28617	Tennant Creek Gold	14.2.2011	7.12.2011	<i>This now a Rio-Tinto interest which the Land Council has agreed to consider in 2014-15</i>
29035 29036 29222	Kalbar Resources	4.9.2012 4.9.2012 12.6.2012	30.11.2012 30.11.2012 1.12.2012	<i>Under consideration</i>
29243	Rio-Tinto	17.7.2012	27.6.2012 Received 10.7.2012	<i>Rio-Tinto to advise of continuing interest.</i>
29244	Rio-Tinto	17.4.2012	27.6.2012 Received 10.7.2012	<i>Rio-Tinto to advise of continuing interest</i>
EP(A)216	MBS Oil	15.2.2011	5.7.2012	<i>Under review by the Land Council.</i>

The only existing miner Matilda Zircon (now MZI Resources) have completed mineral sands recovery on Melville Island and commenced surveys for environmental studies at Kilimiraka, Bathurst Island. This project may be some years from commencement as an operating mine site. MZI are completing rehabilitation work on their abandoned site on Melville Island.

2.2.6 *Provide research and assistance for Infrastructure needs:*

Several studies by the Northern Territory Government in recent years have substantiated and engineered roading infrastructure costs for the Tiwi Islands at over \$35m required to be spent over five years. Local Government lacks both revenue and capacity for road works beyond small and minor maintenance tasks. Road closures remain a certainty every wet season on every road.

The Northern Territory Government funded and completed a very thorough study by the Power Water Corporation of electricity grid proposals and options assuming single site power generation.

Costs savings of an electricity grid are not demonstrated at this time.

The Northern Territory Government also funded and has responded to a study of inter and intra island sea transport needs. A Darwin to Tiwi passenger ferry service commenced in September 2013, providing subsidized fares of \$40 each way. Fares at this level have not been known since single engine aircraft and a DC3 were operating in the 1970's.

The Land Council Science Reference Committee (SRC) with Melbourne University is managing changed University staff positions prior to convening again in the 2013/14 year. Work, however, has continued through the year with University support and includes:

- Effects of different fire regimes on small mammal populations
- Effects of different fire regimes on native seedling recruitment
- Development of dynamic models of economic development, biodiversity and ecosystem services, to understand and predict the benefits and impacts of development options.
- Olive Ridley Turtle monitoring and scientific trials to assess the possible effects of climate change on Tiwi turtle populations;
- Post-doctoral research associated with growth rates, tree breeding and environmental compliance of Tiwi plantations.
- Assistance with fisheries research and Barotrauma.
- Urban and township planning specifically related to Pirlangimpi and impacts of returning landowners and sea level rises affected that Township.
- Research ethics and further genetic investigation particularly related to kidney disease and impacts.
- Conservation park design and management regimes and options.

Biodiversity, marine research and infrastructure planning are also under consideration by our Science Reference Committee.

CSIRO partnerships have been enhanced through the continuation of Carbon-fire studies with our students at Tiwi College. Scientists have been engaged in a project to produce a seasonal calendar showing native plants and animals, their uses and seasonality. A large contour scale model of the islands has been used to demonstrate calculated "event attribution" as a consequence of climate change – particularly sea level impacts.



The Darwin – Tiwi ferry service (pictured in background) is warmly welcomed back to the islands. Operated by Sealink and subsidised by the NT Government, the service began operation in October, 2013.

<i>Economic and Commercial Services Consultancies 2013/14:</i>	<i>\$110,312</i>
• K. Stewart Contracting - Asset assessment repair and maintenance	\$7,000
• Piper Alderman - Legal; Mining; Land management and Township Leases	\$16,484
• Midena Lawyers; Contractual obligations	\$24,004
• • Lex Silvester; Barrister	\$55,875
• Tiwi Enterprises Pty Ltd – Cultural Archival work Magdalen Kelantamama	\$6,949

2.1 ADVOCACY SERVICES

2.1.1 Promote Public Awareness

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

The output tools to achieve these outcomes are:

- The publication of “The Tiwi”, a newsletter published every second month by the Tiwi Land Council to advise our landowners of the key activities undertaken by the Land Council throughout the year. “The Tiwi” contains a range of historically and environmentally relevant articles designed to ensure that our people receive accurate information about the history and traditions of Tiwi people and are able to make those connections of land use and beneficial purpose in the modern era. It is posted online to our web site as well as 1000 copies distributed among our people, along with a presence on social media.
- Land Council quarantine and environmental policy brochures distributed at all airline, shipping and all tourism and private organizations and business dealing with and on the Tiwi Islands. 1,000 copies distributed each year.
- Publications and booklets of our people, our land and of the Land Council on sale and through distribution retail outlets.
- Booklets and flyers detailing Forestry work opportunities and the new Tiwi College were also produced and distributed to Tiwi constituents.
- Press and media releases and commentaries on general Land Council activity during the year in television; print media and various web pages.
- Annual Report 600 printed copies.
- Tiwi Land Council web site - with links to other partners and organizations. Web management and additional segments were added during the year following redesign and continued utilising more cost effective website hosts. The website averaged over 350 visits per month over the course of the year.
- An online version of ‘The Tiwi’ (our bi-monthly newspaper for landowners) has been active since January 2014. This online version is a dedicated Facebook page, closely monitored by staff at our Pickataramoor Headquarters. It provides us with the ability to keep the Tiwi community up to date more regularly via ‘posts’ such as meeting notices and text/photos relating to current events/items of interest across the islands. This came in response to landowners clearly using social media more and more to communicate in this digital age.

2.1.2 *Provide Advocacy and representation*

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

Direct and minuted consultations of the Management Committee and the Land Council number between 30 and 40 a year. Meeting every 10 days is required to manage business. This is far less than the 80-100 or so meetings that have been recorded annually in past years. This decline is attributable to the increasing number of Tiwi-owned and operated businesses that now lay claim to the attentions of Traditional Owners and are unrelated to Land Council functions. The Office of Township Leasing and Township Landowners engage in their own meetings. In addition, the Land Council Management Committee is required to operate a small budget and must balance the frequency of meetings with available funds. It does this on the basis that such a reduction does not result in a reduction of the Land Council's ability to represent Tiwi people.

Consultations provide the foundation of Land Council decision-making across all output groups. The execution of Township Leases over Milikapiti and Ranku was the culmination of a lengthy consultation process with all affected Traditional Owners.

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

2.1.3 *Cultural and Heritage Support:*

Support was provided during the year for:

- Film and audio recording of interviews with elders recording their experiences including ceremonial and dance preparation and routines.
- Kalama and Pukamani Ceremony funding and support; as well as the recording of important meetings and decisions.
- Funding of funeral and final ceremony related to death and group respect.
- Funding to Art Centres for interaction with primary school children and teaching by artists.
- Funding of Art Centre planning of exhibitions, travel and attendance.
- Land Ranger survey of Sites of Significance in areas that may be affected by various land use proposals and developments.
- Hosting detailed meetings of landowners to discuss genealogies, inheritance patterns and considerations by landowners for their management of risks related to land ownership and use of land.
- Preliminary discussions with Glen Wightman for editing and expansion work on the second edition of the Tiwi Plant and Animal Book.

2.1.4 *Facilitate Community Development Initiatives:*

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

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

The Land Council increased its extended support to landowners at Wurrumiyanga in economic development within their community including motel, Government Business Centre, Shopping Complex, take away restaurant, vehicle hire and other accommodation projects. This also includes support for their Consultative Forum, now a key plank in Lease arrangements and development of the Wurrumiyanga Township.

Township Leases in Milikapiti, Ranku and Wurrumiyanga are currently in place between the respective Traditional Owners and the Federal Government. Government discussions with relevant Traditional Owners are continuing in regard to a possible township lease at a fourth community, Pirlangimpi.

The Land Council assisted the Commonwealth and Landowners in their five year review of the Wurrumiyanga Township Lease during the year. The review addressed, among routine procedural matters, unpaid rates from Government authorities and made adjustments to the satisfaction of landowners.

Advocacy Services Consultancies 2012/13:

- Piper Alderman Lawyers – Land Trust advice and consultations

\$ 1,690

\$1,690

2.2 ADMINISTRATION AND SUPPORT SERVICES

2.2.1 Administer and Distribute Payments:

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

Grants for Funeral and Ceremonial purposes require detailed applications and approval processes in both the access and distribution of these payments. Funds from the ABA have been applied for these purposes.

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

2.2.2 Administer the Land Trust

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

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

2.2.3 Assist in resolution of land disputes

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

The Northern Territory Government and the Tiwi Land Council are in the process of finalizing the agreement for the Tiwi people to assume ownership and control over the Vernon Islands.

Administration and Support Service Consultancies 2012/13:	\$ 28,592
• Piper Alderman Lawyers – Land Trust advice and consultations	\$ 190
• KPMG- Fuel Tax assessments and appraisal	\$ 21,488
• Media – web site management	\$ 6,914

2.3 JUDICIAL DECISIONS, MINISTERIAL DIRECTIONS AND LEGISLATIVE IMPACT

The Aboriginal Land Commissioner continued to seek completion of matters associated with our land claim number 9 related to the Vernon Islands. Matters in progress at the end of the year were, final consultations pertaining to a settlement deed given the decision in Northern Territory of Australia v Arnhem Land Aboriginal Land Trust (2008) 236 CLR 24 by the Land Council and, the Northern Land Council's consultation with Traditional Owners and affected Aboriginal people of the area. Call-overs in September 2013 and May 2014 assisted the parties. The Tiwi claim to ownership of the Vernon Islands has been accepted by all relevant parties and final details of the transfer of ownership. Justice Mansfield further urged settlement during 2014.

The High Court decisions in ‘Blue Mud Bay’ (2007/8) continues to provide significant strength to our Landowners who are refining their management and authority over these resources of the streams, creeks and estuaries consistent with Permission and Resource Management Principles developed through generations of tradition. The Northern Territory Government has been constructively working on these matters since August 2012 with mutually agreed protocols likely to be finalized prior to December 2014.

The Minister made no directions to us during the year. Consultations with the Minister and his office are regular and provide thoughtful advice and comment to the Land Council across a range of portfolio issues – Township Leasing; Trust and Land Management; Rights and Entitlements; Health and Disability; Education; Economic and Social issues and Income Management.

Senior officials of the Department of Finance visited in February and again in April 2014 to assist our accountability and responsibility obligations under the Public Governance, Performance and Accountability Act from July 2014. The Land Council intention to itself appoint its own 10 member Accountable Management Authority was developed as a result of these discussions.

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

- *Aboriginal and Torres Strait Islander Amendment (A Stronger Land Account) Bill 2014.*
- *Australian Charities and Not-For-Profits Commission Bill 2014. Repeal.*
- *Carbon Farming Initiative Amendment Bill 2014.*
- *Energy Efficiency Opportunities (Repeal) Bill 2014.*
- *Public Governance, Performance and Accountability Act 2013.*
- *Environmental Legislation Amendment Bill 2013.*
- *Environmental Protection and Biodiversity Conservation Amendment Bill 2014.*
- *Marine Safety (Domestic Commercial Vessel) National Law Amendment Bill 2014.*
- *Native Title Amendment (Reform) Bill 2014.*

- *Alcohol Protection Orders Bill 2013. NTG.*
- *Criminal Code Amendment (Child Abuse Material) Bill 2013. NTG.*
- *Local Government Amendment Bill 2013. NTG.*
- *Public and Environmental Health Amendment Bill 2013. NTG.*
- *Stronger Futures in the Northern Territory*
- *Treasury Legislation – Unclaimed Monies.*
- *Aboriginal and Torres Strait Islander Peoples Recognition Act.*
- *Indigenous Education (targeted assistance) amendment Act.*
- *Aboriginal Land Rights (Northern Territory) Amendment (Delegation) Regulation 2013.*
- *Commonwealth Authorities (Annual Reporting) Orders 2014.*
- *Firearms Amendment Bill 2014. NTG.*
- *Livestock Amendment Bill 2014. NTG*
- *Fisheries Amendment and Mud-Crab Fishery Management. NTG.*
- *Barramundi Fishery Management Plan amendment. NTG.*
- *Marine Regulations. NTG.*
- *Work Health and Safety. NTG.*

CERTIFICATION

This report of operations and related activity is made in accordance with a resolution of the Management Committee of the Tiwi Land Council at meeting 372 held at Milikapiti on 3rd September 2014, acknowledging the responsibility of the Management Committee of the Land Council under Section 9 of the Commonwealth Authorities and Companies Act 1997, for the preparation and content of this Report of Operations in accordance with Finance Minister's Orders.



Gibson Farmer Illortaminni

Chairman/Director.

3rd September 2014

3.0 CORPORATE GOVERNANCE

The Land Council discarded a line-management structure 17 years ago in favour of more traditional responsibility and decision making processes through a Management Committee. The Management Committee was approved by the Minister pursuant to section 29A of the Land Rights Act on 21 March 1995.

3.1 Director Profiles

CHAIRMAN

Gibson Farmer Illortaminni was born on 23 June, 1958 at Milikapiti on Melville Island and educated at schools in Darwin and McKay. He returned to the Tiwi Islands to take up apprentice forester employment in the plantations being developed on Melville Island during the 1970s

Mr Illortaminni is a senior elder of the Mantiyupwi people and was an early supporter of the formation of the Tiwi Land Council in 1978, He has represented their interests on the Land Council for the past decade.

During that time Mr Illortaminni has been a strong advocate for education and training and the creation and security of Tiwi jobs.

Since being elected to the Chairmanship in February 2012, Mr Illortaminni has been tireless in promoting Tiwi interests on the Tiwi Islands, on the mainland and overseas. He recently embarked on a trip to Singapore and secured a crucial commitment from listed Singaporean company Ezion to assist in the construction of Port Melville.

Mr Illortaminni leads by example in all facets of his life and has recently celebrated his 28th wedding anniversary with his wife Linda, with whom he lives in Milikapiti. They have two children and eleven grandchildren.

MANAGERS

Cyril Kalippa OAM was born on Munupi land, Melville Island 7 July 1934. Mr. Kalippa was the founding Chairman of the Land Council in 1978. He has continued an active and influential interest in all Tiwi affairs throughout his life.

He is an experienced and respected businessman with interests in retail, tourism, transport, aquaculture, horticulture and forestry. His wise counsel has been invaluable to the Land Council over thirty years and at over 1000 formal meetings. He serves his people on the Tiwi Education Board, Tiwi Islands Adventures Board, Coastal Waters, Forestry and Land Management Committees and Chairs the Biological Reference Group of environmental scientists monitoring forestry impacts. He also holds directorships with community and Tiwi regional enterprises.

Mr. Kalippa is a foundation Board Member and current Deputy Chairman of the Tiwi Bombers and has represented his people as a speaker in reconciliation and enterprise development forums. He was recognized in the Australia Day Honours 26 January 2008 for a lifetime of service to his people. He is resident at Pirlangimpi on Melville Island.

Walter Kerinaia continued to serve his people until his untimely death in October 2013. RIP.

Danny Munkara was born on 14 June 1957 at Wurrumiyanga, Bathurst Island and joined the Land Council on 14 April 1994 as a representative of his Tikilaru people. Mr Munkara was educated at St Theresa and Xavier Catholic College Bathurst Island. He later attended Downlands College in Toowoomba, completing Year 11 and returning to Wurrumiyanga to complete Year 12.

Mr Munkara is an accomplished Artist, Screen Printer and business manager, as evidenced by his work with Tiwi Designs over 25 years, including 10 as President. He then moved to a position as a community liaison officer, managing the Exploring Together Program for six years, a program aimed at aiding the development of children and families in Wurrumiyanga, Pirlangimpi and Milikapiti.

Mr Munkara is a Heath Advisory Officer, and spends many hours working at the Wurrumiyanga Clinic and Wellbeing Centre. He is the Chairman of the Aboriginal Land Trust, a member of the Tiwi Education Board and a member of the Closing the Gap Committee established by the Minister for Families, Community and Indigenous Affairs, the Hon Jenny Macklin MP. Mr Munkara is a strong, caring and well-respected community leader whose people look to him for advice on all manner of issues that arise.

Andrew Tipungwuti was born in Darwin 10 February 1974. Mr. Tipungwuti joined the Land Council as a representative of the Wuranguwu group in 1999. He was educated at the Slade School in Queensland and graduated through the Defence Industry Study Course in 2001.

He is a certified international coxswain and was also appointed to the position of Tiwi Marine Ranger in 2003. Mr. Tipungwuti was elected as one of three Tiwi representatives to the ATSIC Regional Council in 2002. He is Chairman of Tiwi Islands Adventures, the Tiwi Land Council's delegate to the Aboriginal Benefits Account Committee, a member of Tiwi Local Government Council and Port Melville. During 2007 Mr.

Tipungwuti was also appointed as a member of the FRDC (Fisheries Research and Development Council) Indigenous Advisory Group.

While juggling the myriad of responsibilities he has assumed on behalf of his people, he still spends every Sunday afternoon fishing by the beach with his wife and two children with whom he resides at Milikapiti on Melville Island.

Leslie Tungatulum was born 7 January 1976 at Royal Darwin Hospital. His early years were spent at Wurrumiyanga, Snake Bay and Garden Point. He completed primary schooling years at St Theresa School, Nguui and School of the Air before enrolling at St John's College where he completed Year 11.

Mr Tungatulum recently completed a business and corporate governance training course run by FaHCSIA in order to develop his leadership and business skills. Prior to that, he obtained qualifications to become a Sport and Recreation Officer and completed a six month course in technical aspects of media and radio, which he applied in his time as a traveling journalist at Broadcasting in Remote Aboriginal Communities.

Mr Tungatulum is a key member of a range of Boards and Committees, including the Health Advisory Committee, the Tiwi Education Board, Tiwi Plantations, the Bathurst Island Housing Association and the Nguui Ullintjinni Association. He is one of the Tiwi's most promising young leaders and shows great dedication to the continued development of the Tiwi people.

3.2 Meetings of Directors

All correspondence is tabled at meetings of the Management Committee who also co-opt other members to attend upon their meetings as required. 24 were required during the year to manage the business of the Land Council.

DATE	MEETING NUMBER	EXECUTIVE DIRECTORS ATTENDING	NON EXECUTIVE DIRECTORS AND OTHER MEMBERS ATTENDING	ABSENT
10/7/13	347	Gibson Farmer, Andrew Tipungwuti, Walter Kerinauia, Leslie Tungatulum, Cyril Kalippa		Robert Tipungwuti, Danny Munkara
8/8/13	348	Gibson Farmer, Walter Kerinauia, Cyril Kalippa, Danny Munkara, Leslie Tungatulum, Robert Tipungwuti	Ivan Fernando, John Wilson, Brian Tipungwuti	Andrew Tipungwuti
27/8/13	349	Cyril Kalippa, Gibson Farmer, Danny Munkara, Leslie Tungatulum,	John Wilson, Eric Tipiloura, Gabriel Womatakammi, Brian Tipungwuti, Ivan Fernando	Walter Kerinauia, Andrew Tipungwuti, Robert Tipungwuti
29/8/13	350	Gibson Farmer, Cyril Kalippa, Andrew Tipungwuti, Leslie Tungatulum, Danny Munkara,	Wally Kerinauia, Ivan Fernando, Eric Tipiloura	Walter Kerinauia, Robert Tipungwuti

2/9/13	351	Gibson Farmer, Andrew Tipungwuti, Cyril Kalippa;	John Wilson, Ivan Fernando, Wally Kerinauia,	Robert Tipungwuti, Leslie Tungatalum, Danny Munkara
4/10/13	352	Gibson Farmer, Cyril Kalippa, Robert Tipungwuti, Danny Munkara, Andrew Tipungwuti, Leslie Tungatalum,	Eric Tipiloura, Ivan Fernando, Brian Tipungwuti, John Wilson, Gabriel Womatakammi	
8/10/13	353	Gibson Farmer, Robert Tipungwuti, Andrew Tipungwuti, Cyril Kalippa, Danny Munkara	John Wilson, Ivan Fernando, Wally Kerinauia, Brian Tipungwuti, Gabriel Womatakammi, Eric Tipiloura	Leslie Tungatulum
16/10/13	354	Gibson Farmer, Cyril Kalippa, Robert Tipungwuti, Leslie Tungatalum, Danny Munkara, Andrew Tipungwuti	Brian Tipungwuti, CJ Kerinauia, John Wilson, Ivan Fernando, Wally Kerinauia, Eric Tipiloura, Gabriel Womatakammi	
4/11/13	355	Andrew Tipungwuti, Cyril Kalippa, Gibson Farmer		Leslie Tungatulum, Danny Munkara, Robert Tipungwuti
7/11/13	356	Cyril Kalippa, Andrew Tipungwuti, Gibson Farmer, Leslie Tungatalum	Ivan Fernando, Brian Tipungwuti, Wally Kerinauia, Gabriel Womatakaminni, Eric Tipiloura, John Wilson	Danny Munkara, Robert Tipungwuti
13/11/13	357	Gibson Farmer, Cyril Kalippa, Leslie Tungatulum, Andrew Tipungwuti,	Eric Tipiloura, John Wilson, Ivan Fernando, Wally Kerinauia, Gabriel Womatakammi,	Robert Tipungwuti, Danny Munkara
12/2/14	358	Gibson Illortaminni, Robert Tipungwuti, Andrew Tipungwuti, Cyril Kalippa, Leslie Tungatulum,	Brian Tipungwuti, John Wilson	Danny Munkara

4/3/14	359	Gibson Farmer, Cyril Kalippa, Robert Tipungwuti, Leslie Tungatulum, Danny Munkara, Andrew Tipungwuti		
21/3/14	360	Gibson Farmer, Andrew Tipungwuti, Leslie Tungatulum, Robert Tipungwuti, Cyril Kalippa,	John Wilson	Danny Munkara
23/4/14	361	Gibson Farmer, Andrew Tipungwuti, Cyril Kalippa, Leslie Tungatulum	John Wilson	Robert Tipungwuti, Danny Munkara
2/5/14	362	Gibson Farmer, Cyril Kalippa, Leslie Tungatulum, Andrew Tipungwuti	John Wilson	Robert Tipungwuti, Danny Munkara
28/5/14	363	Danny Munkara, Andrew Tipungwuti, Gibson Farmer, Cyril Kalippa,	Richard Puruntatameri, Kym Puruntatameri, Wesley Kerinauia, John Wilson	Leslie Tungatulum, Robert Tipungwuti
5/6/14	364	Danny Munkara, Andrew Tipungwuti, Gibson Farmer, Cyril Kalippa,	Richard Puruntatameri, Kym Puruntatameri, Wesley Kerinauia, John Wilson	Leslie Tungatulum, Robert Tipungwuti
17/6/14	365	Cyril Kalippa, Gibson Farmer, Danny Munkara, Robert Tipungwuti, Andrew Tipungwuti	John Wilson, David Junior Guy, Stanley Tipiloura, Brian Tipungwuti, Richard Puruntatameri	Leslie Tungatulum

The Management Committee is required to meet regularly to:

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

3.3 Governance Practices:

Tiwi traditional governance and risk management sustained their people through 6,000 -8,000 years upon the Tiwi Islands. Processes and decisions were developed containing strict codes to manage resources, relationships and uncertainty. Governance itself required the presentation of arguments, debate and verdicts that validated claims and enforced compliance. This experience continues to influence Land Council governance for 21st century Tiwi, now seeking the sustainable purpose of modern governance requirements.

The Land Council must not only demonstrate its own compliance, but provide convincing participatory opportunities to its members and landowners of the purpose now required to demonstrate their own. This work has been the focus of leadership through the life of the Land Council – a Tiwi purpose and convictions to sustainably manage them. Participation in a private economy is now illustrating a purpose. It requires gathering accurate information and testing that information for sustainable decision making. This work is assisted and informed by Committee structures developed by the Land Council.

As a Statutory Authority, the Land Council aims to promote and manage the efficient and effective use of the financial and human resources of the Land Council in undertaking the directions and policy of the Land Council and to monitor that use consistent with the commitment of the Land Council to responsible development and the ambitions of the Tiwi people. Committees assist to achieve these aspirations:

- The Management Committee sits also as an Internal Finance Committee which operates in conjunction with the Independent Audit Committee to control the expenditure of the Land Council, reporting to the Land Council. Its members are the Land Council Management Committee and also include the CEO; Land Council Accounts Manager and external Auditors. The Finance Committee monitors progress against the budget at regular meetings and makes recommendations to the Independent Audit Committee.
- Independent Audit Committee (IAC) completed the required four meetings for the year. The IAC, now in its seventh year, is obliged to review its charter each year and has done so during 2013/14. The Committee comprises Mr. Hugh Bradley (Chief Magistrate retired), Mr. Mike Baxter (Businessman) who retired at June 2013 and Mr. Deven Patel (Auditor and Accountant). Mr. Ross Connolly (Architect and Businessman) replaced Mr. Baxter and attended all meetings of the IAC during the year. The Land Council CEO, Accounts Manager/External Accountant and Executive Officer are ex-officio members and attend meetings as required. The committee's responsibilities and rights are outlined in its charter that has been adopted and is contained on the Land Council website www.tiwilandcouncil.com. The IAC monitors financial progress and systems of the Land Council but has a much broader role in identifying risk and advising on management and processes to better manage those risks. Members are required to assess their own performance each year and to also review the Audit Committee Charter annually. Members complied with these requirements held in the 2013-14 period. The Committee is also required to meet with our Auditors during the process of our audit from May through September 2013. These meetings and exchanges have taken place. The Committee has also invited two Tiwi members of the Land Council Management Committee to attend IAC meetings on a regular basis.
- Natural Resource Management Committee and Rangers. These committees met 4 times during the year and include Land and Marine Rangers employed together with co-opted members in areas of relevant science and task requirements.
- Science Reference Committee did not meet during this reporting period due to University staff changes. This committee has been established at the direction of the Land Council for better and more scientific detail and information to assist Tiwi decisions. Current work of this committee does continue and has been detailed earlier in this report and includes assessments of maritime infrastructure, Olive Ridley research; environmental impact and risk; plantation forestry and various economic and technical studies; maritime protection areas and Marine biosphere studies in collaboration with CSIRO.
- In conjunction with KPMG (on an honorary basis), governance training has been in the final planning stages during this reporting period. The pilot version of the course with draft materials was delivered in May, 2013 over 2 days. This gave senior Land Council members the opportunity to request that KPMG make final changes where necessary so that the course might be further fine-tuned for a broader Tiwi audience. Training will commence in the 2013-14 reporting period and will be delivered first and foremost to Land Council Management Committee and delegates. It will develop an understanding of the distinction between 'governance' and 'management' so that the Management Committee are better equipped to know 'what to ask and when'. It will be based on the practical business environment in which Tiwi enterprises operate.

Meetings of Committees

COMMITTEE	DATE	MEETING NUMBER	MEMBERS ATTENDING	EX-OFFICIO ATTENDANCE	ABSENT
Land Rangers Committee Meeting	10/3/14		Willie Rioli, Colin Kerinaiaua, Jose Puruntatameri,	Yvonne Kelly, Kate Hadden	Desmond Bruppacher, Vivian Kerinaiaua
Fire and Weed Management	10/12/13	15	Willie Rioli, Pedro Wonaeamirri, Christopher Burak, Vincent Mungatopi, Colin Kerinaiaua, Kim Brooks, Des Bruppacher, Jose Puruntatameri,	Berkeley Braham, Karl Sibley, Quinten Pope, Jodie Millsom, Kate Hadden	Gibson Farmer, John Wilson, Vivian Kerinaiaua, Brian Tipungwuti, Willie Roberts, Mavis Kerinaiaua
Fire and Weed Management	27/3/14		Willie Rioli, Pedro Wonaeamirri, John Wilson, Connell Tipiloura, Bernard Tipiloura, Lynette Johnson, Dennis Tippakalippa, Colin Kerinaiaua, Vivian Kerinaiaua, Willie Roberts, Jose Puruntatameri	Kate Hadden, Bruce Holland, Jodie Millsom	Gibson Illortaminni, Brian Tipungwuti, Des Bruppacher, Kim Wommatakimmi
Fire and Weed Management	20/5/14	17	Willie Rioli, Gibson Farmer Illortaminni, John Wilson, Bernard Tipiloura, Connell Tipiloura, Colin Kerinaiaua, Dennis Tippakalippa, Willy Roberts, Jose Puruntatameri, Eric Tipiloura, Vincent Mungatopi, Brian Tipungwuti	Anna Richards, Bruce Holland, Kate Hadden	

Independent Audit Committee	30/9/13	22	Hugh Bradley; Deven Patel	Derek Mayger, John Hicks, Terry Larkin	Mike Baxter, Merit Partners (Auditors)
Independent Audit Committee	18/12/13	23	Hugh Bradley, Ross Connolly	John Hicks, Brian Clancy, Derek Mayger	Deven Patel
Independent Audit Committee	11/3/14	24	Hugh Bradley; Deven Patel; Ross Connolly	John Wilson; John Hicks; Derek Mayger; Kate Hadden; Terry Larkin	
Independent Audit Committee	30/6/14	25	Hugh Bradley; Deven Patel; Ross Connolly	John Wilson; John Hicks; Derek Mayger; Kate Hadden; Terry Larkin	

3.4 Risk Management Register

The Land Council retained the services of the Australian Federal Police during the year to further develop our Risk Management protocols, Registers and Manuals. This work will be completed in 2014/15 and align systems, codes and responses to the Security Frameworks of Government and the particular interests and difficulties of managing Tiwi risk in particular. The Land Council maintains a comprehensive Risk Management Register. Compliance is a continuing focus discussed during the year.

3.5 OTHER STATUTORY REQUIREMENTS

Indemnities and insurance premiums for officers:

Pursuant to Clause 19, Section 16 of Division 3 of the Commonwealth Authorities (Annual Reporting) and Companies Orders 2011, the Land Council is obliged to report upon any indemnity given for a current or former officer, or any premium paid for insurance against legal liabilities. None have been given. However in 2004 the Land Council was obliged to adopt Comcover as insurer. Policy Terms and Conditions do include Management Committee Members' and Officers' Liability and cover a range of indemnities that are not specifically prevented under the CAC Act and corresponding legislation. The limit of liability is \$100m. A premium of \$2,296 was paid for this cover for the 2013-14 year and a certificate of currency has been issued.

ASSET VALUE:

A revaluation of our assets is undertaken three years. This required valuation at 30 June 2013 and was completed by the Australian Valuation Office (AVO), with the next valuation due for the year ending 30 June 2016.

APPROVED ABA BUDGET

Our approved budget at 1st July 2013 remained unvaried throughout the year. Our attached financial statements record our performance against this income.

CORPORATE GOVERNANCE AND PLANNING:

Compliance with Commonwealth Authorities (Annual Reporting) Orders 2011 is referred to throughout the Report, particularly in Committee Sections as well as Performance Outcomes reported.

Basic Corporate Governance training for Tiwi members began last year, with some members undertaking courses provided by the Tiwi Training and Employment Board. Our Land Council specific corporate governance training program has been formulated with Manuals and course structures designed by KPMG. These include a board evaluation and performance review protocols of our Members and Management Committee. Delivery was anticipated in August 2014 and has been delayed by academic staff changes and accreditation delays. These have now been resolved. Our first intake is now scheduled for training over six months commencing in October 2014.

SECTION 35 PAYMENTS:

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

SECTION 35 PAYMENTS:

Tiwi Resources was paid \$49,050.24 from fund received from the Department of Mines and Energy under section 16 of the Aboriginal Land Rights Act

FRAUD CONTROL:

The Land Council has completed the Commonwealth Fraud Control 2014 report for the Attorney General and is satisfied that it has in place appropriate fraud control mechanisms to meet the needs and integrity of the Land Council. There were no detected or reported incidents during the year. The Land Council has adopted a Code of Conduct and Terms and Conditions that are supported by the Members. Introduction of a Pecuniary Interests Register during 2010 continues to be formally confirmed each year and members obliged to formally declare interest at every meeting.

PECUNIARY INTERESTS REGISTERS:

The Land Council has adopted the advice of the Minister and maintains Pecuniary Interest Registers for all members from January 2010. All Land Council members annually update their details in the Pecuniary Interests Register. This has been complied with for the 2013 year. Of our 222 suppliers, there are twelve in which one or more of our members are directors.

RELATED PARTIES REGISTERS:

All members have signed a Related Parties register to enable the Land Council to guard against potential conflicts of interest beyond conflicts of pecuniary interest. All members declare any relevant pecuniary interests before each meeting. Some Land Council Members are Directors of thirteen suppliers. During the year the Land Council conducted business of varying amounts with these suppliers. They are:

NAME	TOTAL \$AUD
Bathurst Island Housing Assoc.	525,723
Milikapiti Progress Association and Store	2,472.85
Munupi Progress Assoc/Stores	25,000.00
Nguiu Ullintjinni Assoc.	44,533.68
Pillyamanyirra Suppermarket	3,198.09
Pirlangimpi Progress Assoc.	32,947.56
Plantation Management Partners	10,530.27
Ranku General Store	1,250.00
Tiwi Education Board	10,030.09
Tiwi Enterprises Pty Ltd	1,027,477.29
Tiwi Islands Regional Council	92,254.34
Tiwi Plantations Corporation	77,128.89
Tiwi Resources	548,221.19

Energy Efficiency in Government Operations:

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

Compliance Report - Finance:

In addition to both Management and Solicitor representation letters required by the Australian National Audit Office as part of audit procedures, the Finance Minister requires a report of compliance against costs and forecasts of government revenue managed and applied by the Tiwi Land Council. The compliance report for the financial year 2012/2013 has been completed.

Protective Security Policy Framework

Transition to the new Protective Security Policy Framework (PSPF) required our auditors enquire of security clearances applicable to contract personnel retained for the audit of the Tiwi Land Council. Access arrangements under Sub-Section 56(2) of the Archives Act 1983 were supported by the Land Council Audit Committee for the purposes of field work and testing required by our external auditors. Further detail and the compliance regimes required have recently been discussed by the Land Council in August 2013. An exemption has been sought as permitted by the legislation.

Compliance with Commonwealth Authorities (Annual Reporting) Orders 2011:

A compliance Index is provided at page 44 to 46 of this report. It refers to matters required to be contained and reported herein. Those matters relevant to our Authority are listed. Those outside the authority or legislative powers and functions of the Tiwi Land Council are not included and are expressly noted.

Compliance Report – Legal:

The Attorney General requires a statement each year of legal expenses incurred by the authority including in-house legal costs and fees. This report has been completed for the 2013/14 financial year.

Compliance with Legal Service Directions 2005 require Legal Service Expenditure Reports to the Office of Legal Services Coordination by 27 August 2014. The Tiwi Land Council has completed and forwarded this Report.

Legal Service Multi Use List:

The Legal Services Amendment Direction 2012 (No.1) was made 31st May 2012 and commenced at 1 June 2012, effectively requiring the Land Council utilize only approved providers of legal services endorsed by the Commonwealth. Transitional arrangements extend the mandatory nature of this direction to 1 July 2013. The Tiwi Land Council has endorsed the listing of our major law firm Piper Alderman for continuing legal services. Piper Alderman comply with the listing requirements.

Australian National Archives:

The Land Council information and records management framework has been upgraded and extended further during the year. Audit against Australian National Archives (ANA) standards were the subject of two benchmark assessments last year and one during the current 2013-14 year. The Tiwi Land Council falls within the 60 agencies benchmarked by ANA under the CAC Act. The average rating last year was 3.76. The Tiwi Land Council rating was slightly above average at 4.0. This has been maintained during the current year.

Transition to digital record keeping is well underway with plans to implement and operate our own secure on-site server during the 2013-14 financial year. The server will be installed to our Darwin office space and will meet all the necessary ANA standards/requirements. It will be accessible to select Land Council staff in various locations in both Darwin and at the various Tiwi Islands operational offices outlined earlier in this report (Location of Activities and Facilities).

Our consultative obligations and meeting processes require manual paper trails rather than electronic and digital references. For these reasons it is likely both paper and digital records will be required for many years ahead.

Commonwealth Disability Strategy:

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

Ecologically sustainable development:

Discussions continued with the University of Melbourne through the Scientific Reference Committee to work up a project that develops optimal management strategies for biodiversity, ecosystem services and economic development. Funding support was not received in 2013 and the project is currently being re-worked in the hope that funding can be sourced in late 2014 for commencement in early 2015.

The Land Use Request process was maintained throughout the year, with an increasing acceptance by external organisations of their obligations to assess the impact of their operations on the natural resources of the islands.

The Tiwi Land Council has an accredited internal environmental auditor on staff who conducts annual internal environmental audits for Plantation Management Partners, the managers of the Tiwi plantation estate. The 2012/13 audit was carried out in September 2013, and led to a successful independent (external) audit for 2013, resulting in the Tiwi Forestry Project maintaining ISO14001 accreditation.

Environmental performance:

Energy efficiency

The Land Council Secretariat maintains small (190 sq meter) leased premises in Darwin. Operations and offices of the Land Council (5) are maintained on the Tiwi Islands reducing the need for air flights and charters. Members have investigated the use of tidal; wind and solar power, and undertaken detailed studies since 1999. The Land Council HQ Office at Pickataramoor is planning a small hydro and supporting

solar energy generation with current design work and costing under review.

To further these aims, Tiwi-owned corporations commissioned and paid for a study of options for increasing electricity efficiency on the Tiwi Islands. As a result of that study, Power and Water NT are now considering installing a 4ha solar panel farm to improve electricity efficiency and sustainability.

Waste

Tiwi Land Council has required the Shire to progress licensing of Wurrumiyanga tip in accordance with environmental legislation, and supported their efforts to apply the same management standards to all tips across the Tiwi Islands (although this is currently not a legislative requirement).

Water

The Water Resource Strategy for the Tiwi Islands, developed by the Tiwi Islands Water Advisory Committee, made up of a NT Government Water Planner and three Tiwi Land Rangers, was signed off by the Minister and the full Tiwi Land Council in 2013. The Strategy identifies the freshwater resource on the Tiwi Islands, and sets out a framework for its sustainable management. Results to date clearly show that the freshwater resource is being used well within sustainable limits.

3.2.13 Occupational Health and Safety:

Information is required to be reported pursuant to Schedule 2 of the *Work Health and Safety Act 2011*. This report is required to comment upon:

- The health and safety management arrangements of the Tiwi Land Council.
 - The Land Council adopts audited standard for ISO 14001 complied with by our Forest Corporation in as much as they are relevant to employees of the Tiwi Land Council. Our Land and Marine Rangers are required to comply with Risk and Obligations Registers maintained by Tiwi Plantations Corporation. Detail that is relevant for other staff and Land Council facilities includes:
 - *Australian Workplace Safety Standards Act 2005* incident reporting procedures.
 - *Transport Safety Investigations Act 2003* incident reporting procedures.
 - *Work Health and Safety Act 2011* incident reporting procedures
 - Dangerous Goods and Transport Regulations Precautions and incident reporting procedures.
 - Poisonous and Dangerous Drugs Act and Regulations. Storage and fumigation procedures.
 - *Coroners Act 1993* incident reporting procedures.
 - Fire and Emergency Act and Regulations.
- Initiatives taken during the year to ensure the health, safety and welfare at work of employees and contractors of the Entity or authority.

The Tiwi Land Council has taken particular interest through initiatives of new staff since last year. These steps were taken to assure Land Council compliance with Australian Federal Legislation and to promote a risk averse approach to Work Health and Safety and the legislation promoting these requirements.

- Training of one of its Employees, Rachel Burke, to become the Health and Safety Representative on the Islands for Tiwi Land Council. The training was delivered by Darwin Human Resource and Computer Academy.
- The Tiwi Land Council Island Headquarters based at Pickataramoor on Melville Island is a remote location. The nearest Community is Milikapiti which is 50 km from Pickataramoor. The Tiwi Land Council recognised that in the case of an emergency it must be prepared. Steps we have taken to ensure the safety of our employees are:

Rachel Burke has received extensive relevant training. All of the First Aid training was delivered by St John Ambulance NT Rachel received Certificates and training for/in:

- Manage First Aid in the Workplace
- Apply Advanced First Aid
- Apply First Aid
- Intramuscular Injections
- First Aid Management of Anaphylaxis
- Emergency Medicines Kit Information Seminar, Royal Darwin Hospital
- Obtained Authorisation to Possess Poisons in a Medical Kit
- Approval to hold an Emergency Medical Kit which contains drugs (such as morphine) to be used in an Emergency
- Have installed CB Radio's in Pickataramoor HQ vehicle and including a base station for radio communication here at the TLC Pickataramoor office
- Provided appropriate First Aid Kits in all TLC Vehicles and Accommodation.
- Purchased Emergency equipment. Spinal board, Neck braces, Trauma Bag, Inflatable splints, Equipment for taking patient 'obs', lockable cupboards to store restricted drugs
- Have advertised in 'The Tiwi', informing communities that if an emergency takes place near Pickataramoor, the TLC HQ can assist
- Displayed appropriate First Aid signs around the building
- Implemented an evacuation procedure – on display in prominent locations throughout the HQ
- Slippery when wet signs
- Non Slip strips on steps
- Reporting procedures in place
- Any WH&S issues are now a permanent agenda item at all meetings.
- Two Comcare inspectors performed site visit and issued a positive report regarding our adherence to all aspects of our WH&S requirements and responsibilities
- Health and safety outcomes (including the impact on injury rates of employees and contractors of the Entity or authority) achieved as a result of initiatives mentioned under paragraph (d) or previous initiatives.
 - No reported injuries at any Land Council locations.
- Statistics of any accidents or dangerous occurrences during the year that arose out of the conduct of undertakings by the Entity or authority and that required the giving of notice under section 68;
 - No accidents or dangerous occurrences.
- Any investigations conducted during the year that relate to undertakings carried on by the employer, including details of all notices given to the employer under section 29, 46 or 47 during the year;
 - No investigations
- Such other matters as are required by guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit.
 - None
- Where an annual report of the activities of the Commonwealth authority is not required, under the Act or other law by or in accordance with which the authority is established or incorporated, to be prepared with a view to its being laid before each House of the Parliament, a report concerning details, in relation to the authority in relation to a particular financial year, of the matters referred to in subsection (1), must be attached.
 - Not applicable.

- if a controlling interest in the Commonwealth authority is held, either directly or indirectly, by another Commonwealth authority in respect of the activities of which an annual report is so required to be prepared—to that annual report;
 - Not applicable
- or
- if a controlling interest in the Commonwealth authority is not so held—to the annual report of the Entity or an Entity, administered by the responsible Minister for the first mentioned authority.
 - Not applicable

3.2.14 Audit Committee Required Assessments:

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

The IAC performed the required self-assessment this year. Performance was agreed within acceptable performance benchmarks.

Review of Audit Committee Charter is also required annually. This review will include consultation with the Land Council. This has occurred for the 2013-2014 year and is contained with the minutes of the Committee. Substantive changes to the charter as are required to be recommended by the Committee are formally approved by the Land Council. No substantive changes advised during 2013-14.

The Audit Committee has noted requirements for Audit Charter changes in the 2014-2015 year as a consequence of the Public Governance, Performance and Accountability Act 2013. These have been reviewed at recent meetings and the Committee intends adoption of a new Charter consistent with new legislation.



Compliance Index of Commonwealth Authorities and Companies Act 1997 (CAC Act) Requirements for Commonwealth Authorities also covered by the Aboriginal Land Rights (Northern Territory) Act 1976

Requirement:	Reference:	Page(s)
Approval by Directors	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 6	Pages 29, 51
Details of exemptions granted by Finance Minister in regard to reporting requirements	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 7	N/A
Enabling legislation	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 10	Pages 1
Responsible Minister	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 11	Page 1
Ministerial Directions	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	Certified none were advised. Page 28
General Policy Orders	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	N/A
Work Health and Safety	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	Pages 41, 42 & 43
Advertising and Market Research	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	Web site monitoring and feedback protocols.
Disability Reporting Mechanisms	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	Page 40
Ecologically sustainable development and environmental performance	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 12	Pages 40 & 41
Information about Directors	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 13	Pages 29 - 33
Organisational Structure	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 14	Pages 7, 8 & 9
Board Committees and their main responsibilities	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 14	Pages 35 - 37 & 43
Education and performance review processes; and ethics and risk management policies	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 14	Pages 37 & 38

Related Entity Transactions	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 15	No Related Entities. At risk transactions informed by Register at page 38
Significant events under section 15 of the CAC Act	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 16 (a)	There were no significant events in the period
Operational and financial results	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause (b)	Page 11 Attached audited financial statements
Key changes to the authority's state of affairs or principal activities	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 16 (c)	No changes in the period Page 11 & 12 provides significant activities
Amendments to authority's enabling legislation	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 16 (d)	Legislative impacts on page 28 & 29 None amending enabling legislation.
Significant judicial or administrative tribunal decisions	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 17 (a)	Page 28
Reports made about the authority	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 17 (b)	References to Government reports contained within this Report. No significant others.
Obtaining information from subsidiaries	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 18	The Tiwi Land Council has no subsidiaries
Indemnities and insurance premiums for officers	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 19	Premiums paid and noted page 37
Disclosure Requirements for Government Business Enterprise	Commonwealth Authorities (Annual Reporting) Orders 2011, Clause 20	The Tiwi Land Council is prevented by legislation from engaging itself in business enterprise and neither operates or benefits from such business enterprise.

COMPLIANCE INDEX	Page(s)
Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA)	
<p>Fees</p> <p>Specify the total fees received for services provided by the land council:</p> <ul style="list-style-type: none"> a) under Part IV (Mining); and b) under 33A for services prescribed by the regulations that it provides in performing any of its functions, whether in the reporting year or the previous year. <p>Specify total fees received under s33B (other fees charged to the Commonwealth).</p>	<p>Provided specifically at pages 13</p>
<p>Section 35 Determinations</p> <p>Include details of payments by the Council under Sec. 35 (2) or (3) and any determinations made by the Minister under Sec. 35 (6) made during the reporting year.</p> <p>Details of payments made by determination or otherwise under 35(2), 35(6), 35(4), 35(4B), 35(11), and 67B (6) must be provided and include, the recipient of the amount; the subsection under which the amount was paid; and the total of the amount paid.</p>	<p>None are determined or made and are so certified at page 38</p>
<p>Details of amounts held in trust</p> <p>In respect of amounts paid to the Council and held in trust at the end of the year; provide details of the amount paid to Council and the year it was paid, the amount held in trust, and the mining operation concerned.</p>	<p>Some Grant funds referred to in the attached financial reports and Notes.</p>
<p>Delegations</p> <p>If there is a delegation under s28, particulars of activities during the year related to any delegated functions or activities must be provided</p>	<p>No delegations provided during the year</p>
<p>Committees</p> <p>If a committee has been appointed under s29A to assist the Council in relation to the performance of any of its functions or the exercise of any of its powers, detailed information of its activities must be included.</p>	<p>The Tiwi Land Council has one Committee so appointed in 1995. This Management Committee is referred to at pages 29 & 30 - 35</p>
<p>Consultants</p> <p>Specify each consultant engaged by council during the year and the amount paid to each consultant. In order for comprehensive information to be reported details of the nature of work undertaken the total cost of the consultancy and the reasons why a consultant was required could be included in addition to the details required by this provision.</p>	<p>Consultants retained for each output activity are noted for that activity in the text from Page 12 - Principal Outputs.</p>



ABN 86 106 441 085

**TIWI LAND COUNCIL
GENERAL PURPOSE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2014**

CONTENTS

INDEPENDENT AUDIT REPORT	49
STATEMENT BY OFFICERS	51
STATEMENT OF COMPREHENSIVE INCOME	52
STATEMENT OF FINANCIAL POSTION	53
STATEMENT OF CHANGES IN EQUITY	54
CASH FLOW STATEMENT	55
SCHEDULE OF COMMITMENTS	56
SCHEDULE OF CONTINGENCIES	57
TABLE OF CONTENTS - NOTES	58
NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	59
NOTE 2: EVENTS AFTER THE REPORTING PERIOD	66
NOTE 3: EXPENSES	67
NOTE 4: INCOME	69
NOTE 5: FAIR VALUE MEASUREMENTS	70
NOTE 6: FINANCIAL ASSETS	71
NOTE 7: NON-FINANCIAL ASSETS	72
NOTE 8: PAYABLES	75
NOTE 9: PROVISIONS	76
NOTE 10: CASH FLOW RECONCILIATION	77
NOTE 11: CONTINGENT ASSETS AND LIABILITIES	78
NOTE 12: REMUNERATION OF COUNCIL MEMBERS	79
NOTE 13: DIRECTORS REMUNERATION	80
NOTE 14: SENIOR EXECUTIVE REMUNERATION	81
NOTE 15: REMUNERATION OF AUDITORS	83
NOTE:16: FINANCIAL INSTRUMENTS	84
NOTE 17: FINANCIAL ASSETS RECONCILIATION	86
NOTE 18: ASSETS HELD IN TRUST	87
NOTE 19: INCOME & EXPENDITURE AGAINST BUDGET S64(1)	88



INDEPENDENT AUDITOR'S REPORT

To the Minister for Indigenous Affairs

I have audited the accompanying financial statements of the Tiwi Land Council for the year ended 30 June 2014, which comprise: a Statement by the Directors, Chief Executive and Chief Financial Officer; the Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

Directors' Responsibility for the Financial Statements

The directors of the Tiwi Land Council are responsible for the preparation of the financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Tiwi Land Council's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tiwi Land Council's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Independence

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

Opinion

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

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Tiwi Land Council's financial position as at 30 June 2014 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Ron Wah
Audit Principal

Delegate of the Auditor General

Canberra
17 December 2014

TIWI LAND COUNCIL
FINANCIAL STATEMENTS
for the year ended 30 June 2014

STATEMENT BY THE DIRECTORS, CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2014 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the Commonwealth Authorities and Companies Act 1997, as amended.

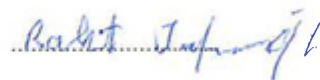
In our opinion, at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they become due and payable.

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



Gibson Farmer Illortaminni
Chairperson

17 December 2014.



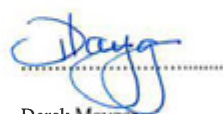
Robert Tipungwuti
Director

17 December 2014



Brian Clancy
Acting Chief Executive

17 December 2014



Derek Mayger
Chief Financial Officer

17 December 2014

TIWI LAND COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
EXPENSES			
Employee benefits	3A	884,589	808,354
Supplier	3B	2,324,123	1,470,865
Depreciation and amortisation	3C	180,664	165,677
Losses from asset disposal	3D	-	218,478
Other expenses	3E	529,218	19,046
Total expenses		3,918,594	2,682,420
LESS:			
OWN-SOURCE INCOME			
Own-source revenue			
Sale of goods and rendering of services	4A	16,725	364,564
Interest	4B	26,362	24,313
Total own-source revenue		43,087	388,877
Gains			
Sale of assets	4C	3,509	-
Total gains		3,509	-
Total own-source income		46,597	388,877
Net cost of services		(3,871,998)	(2,293,543)
Revenue from Government	4D	3,778,297	1,914,928
Deficit before income tax on continuing operations		(93,701)	(378,615)
Deficit after income tax on continuing operations		(93,701)	(378,615)
Deficit attributable to the Australian Government		(93,701)	(378,615)
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus		-	501,844
Total other comprehensive income		-	501,844
Total comprehensive income (loss) attributable to the Australian Government		(93,701)	123,229

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

TIWI LAND COUNCIL
STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

	Notes	2014 \$	2013 \$
ASSETS			
Financial Assets			
Cash and cash equivalents	6A	469,906	933,941
Trade and other receivables	6B	45,478	48,096
Total financial assets		515,384	982,037
Non-Financial Assets			
Land and buildings	7A	1,184,851	871,570
Property, plant and equipment	7B,C	335,879	385,054
Other non-financial assets	7D	13,046	3,233
Total non-financial assets		1,533,776	1,259,857
Total assets		2,049,160	2,241,894
LIABILITIES			
Payables			
Suppliers	8A	31,992	103,476
Other payables	8B	142,800	197,801
Total payables		174,793	301,277
Provisions			
Employee provisions	9A	204,803	177,351
Total provisions		204,803	177,351
Total liabilities		379,596	478,628
Net assets		1,669,564	1,763,266
EQUITY			
Parent Entity Interest			
Asset Revaluation Reserve		513,406	503,170
Retained surplus		1,156,159	1,260,096
Total parent entity interest		1,669,564	1,763,266
Total equity		1,669,564	1,763,266

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

TIWI LAND COUNCIL
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2014

	Retained earnings		Asset revaluation surplus		Total equity	
	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$
Opening balance						
Balance carried forward from previous period	1,260,096	1,526,617	503,170	113,419	1,763,265	1,640,036
Adjusted opening balance	1,260,096	1,526,617	503,170	113,419	1,763,265	1,640,036
Comprehensive income						
Deficit for the period	(93,701)	(378,615)	-	-	(93,701)	(378,615)
Other comprehensive income - Asset Revaluation	-	-	-	501,844	-	501,844
Total comprehensive income	(93,701)	(378,615)	-	501,844	(93,701)	123,229
of which:						
Attributable to the Australian Government	(93,701)	(378,615)	-	-	(93,701)	(378,615)
Transfers between equity components	(10,237)	112,094	10,237	(112,094)	-	-
Closing balance as at 30 June	1,156,158	1,260,096	513,407	503,170	1,669,565	1,763,266
Closing balance attributable to the Australian Government	1,156,158	1,260,096	513,407	503,170	1,669,565	1,763,266

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

TIWI LAND COUNCIL
CASH FLOW STATEMENT
for the year ended 30 June 2014

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from Government		4,286,746	1,914,928
Goods and services		90,231	88,428
Interest		26,362	24,313
Net GST received		129,659	-
Total cash received		4,532,998	2,027,669
Cash used			
Employees		857,354	777,101
Suppliers		2,135,984	1,026,378
Net GST paid		-	64,788
Grants		1,562,433	601,208
Other		-	524,928
Total cash used		4,555,771	2,994,403
Net cash used by operating activities	10	(22,774)	(966,734)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sales of property, plant and equipment		12,000	-
Total cash received		12,000	-
Cash used			
Purchase of property, plant and equipment		453,262	164,834
Total cash used		453,262	164,834
Net cash used by investing activities		(441,262)	(164,834)
Net decrease in cash held		(464,035)	(1,131,569)
Cash and cash equivalents at the beginning of the reporting period		933,941	2,065,510
Cash and cash equivalents at the end of the reporting period	6A	469,906	933,941

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

TIWI LAND COUNCIL
SCHEDULE OF COMMITMENTS
as at 30 June 2014

	2014	2013
	\$	\$
BY TYPE		
Commitments payable		
Other commitments		
Property Rental	67,600	67,600
Total other commitments	<u>67,600</u>	<u>67,600</u>
Net commitments by type	<u>67,600</u>	<u>67,600</u>
BY MATURITY		
Commitments payable		
Other Commitments		
One year or less	67,600	67,600
From one to five years	-	-
Over five years	-	-
Total other commitments	<u>67,600</u>	<u>67,600</u>
Net commitments by maturity	<u>67,600</u>	<u>67,600</u>

The nature of other commitments pertain to lease of property at Knuckey Lagoon.

The Land Council in its capacity as leasee of 5 Benson Court Knuckey Lagoon is committed to pay \$1,300 per week until purchase of property.

This schedule should be read in conjunction with the accompanying notes.

TIWI LAND COUNCIL
SCHEDULE OF CONTINGENCIES
as at 30 June 2014

	2014	2013
	\$	\$
Contingent liabilities		
Guarantees	-	-
Indemnities	-	-
Claims for damages or costs	35,000	-
Total contingent liabilities	35,000	-
Net contingent assets (liabilities)	(35,000)	-

Details of each class of contingent liabilities listed above are disclosed in Note 11, along with information on significant remote contingencies and contingencies that cannot be quantified.

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

TABLE OF CONTENTS - NOTES

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	59
NOTE 2: EVENTS AFTER THE REPORTING PERIOD	66
NOTE 3: EXPENSES	67
NOTE 4: INCOME	69
NOTE 5: FAIR VALUE MEASUREMENTS	70
NOTE 6: FINANCIAL ASSETS	71
NOTE 7: NON-FINANCIAL ASSETS	72
NOTE 8: PAYABLES	75
NOTE 9: PROVISIONS	76
NOTE 10: CASH FLOW RECONCILIATION	77
NOTE 11: CONTINGENT ASSETS AND LIABILITIES	78
NOTE 12: REMUNERATION OF COUNCIL MEMBERS	79
NOTE 13: DIRECTORS REMUNERATION	80
NOTE 14: SENIOR EXECUTIVE REMUNERATION	81
NOTE 15: REMUNERATION OF AUDITORS	83
NOTE:16: FINANCIAL INSTRUMENTS	84
NOTE 17: FINANCIAL ASSETS RECONCILIATION	86
NOTE 18: ASSETS HELD IN TRUST	87
NOTE 19: INCOME & EXPENDITURE AGAINST BUDGET S64(1)	88

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 1: Summary of Significant Accounting Policies

1.1 Objectives of the Entity

The Tiwi Land Council is an Australian Government Controlled entity formed within the provisions of Section 21 of the Aboriginal Land Rights (NT) Act and is not-for profit entity. The Land Council receives appropriations from the Aboriginal Benefits Account pursuant to ministerially approved estimates prepared in accordance with Section 34 of the Act and made available under Section 64 of the Act.

The objectives of the Land Council are:

Outcome 1: Our objective is to establish an independent and resilient Tiwi society built on the orderly and well managed utilisation of our natural and human resources through reliance upon our own management, maintenance and protection of unique cultural and natural resource values for the enjoyment and benefit of future generation of Tiwi.

Outcome 2: Compliance with the statutory regulations through effective and structured corporate governance.

Outcome 3: Establishment of communities to provide independent assurance and assistance to the Board on the Land Council's risk, control and compliance framework, and its external accountability responsibilities.

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

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

1.2 Basis of Preparation of the Financial Statements

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

The financial statements have been prepared in accordance with:

- Finance Minister's Orders (or FMO's) for reporting periods ending on or after 1 July 2011; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

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

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

Unless an alternative treatment is specifically required by an accounting standard or the FMO's, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the Land Council or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under executor contracts are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

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

1.3 Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Land Council has a judgement that have the most significant impact on the amounts recorded in the financial statements: The fair value of land and buildings has been taken to be the depreciated replacement cost of similar buildings as determined by an independent valuer. In some instances, Land Council buildings are purpose built and may in fact realise more or less in the market.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

All standards that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the entity's financial statements.

Future Australian Accounting Standard Requirements

All other standards that were issued prior to the sign-off date and are applicable to future reporting period(s) are not expected to have a future material impact on the entity's financial statements

1.5 Revenue

Revenue from the sale of goods is recognised when:

- a) the risks and rewards of ownership have been transferred to the buyer;
- b) the Land Council retains no managerial involvement or effective control over the goods;
- c) the revenue and transaction costs incurred can be reliably measured; and
- d) it is probable that the economic benefits associated with the transaction will flow to the Land Council.

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

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

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

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

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

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

Revenue from Government

Funding received or receivable from agencies is recognised as Revenue from Government by the CAC Act Body unless the funding is in the nature of an equity injection or a loan.

1.6 Gains

Resources Received Free of Charge

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

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Employee Benefits

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts.

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

Leave

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

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

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

Separation and Redundancy

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

Superannuation

Staff of the Land Council are members of the BT Financial Group, HostPlus Superannuation Fund, Catholic Superannuation Fund, ING Superannuation Fund, Sunsuper Pty Ltd and NTGPASS.

The NTGPASS is a defined benefit scheme. The liability for the defined benefit scheme is recognised in the financial statements of the Northern Territory Government and is settled by the Northern Territory Government in due course. All the other superannuation funds are defined contribution schemes.

The Land Council makes employer contributions at the rate of 9.25% and 10%, in accordance with the employment contract.

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

1.8 Leases

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

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

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

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

1.9 Borrowing Costs

All borrowing costs are expensed as incurred.

1.10 Fair Value Measurement

The entity deems transfers between levels of the fair value hierarchy to have occurred at upon annual review of inputs, where inputs change in their nature or previously unobtainable measurable inputs commence or cease to exist.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) cash on hand; and
- b) demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

1.12 Financial Assets

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

- a) held-to-maturity investments; and
- b) loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

Held-to-Maturity Investments

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

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at end of each reporting periods.

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

1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Fair Value Through Profit or Loss

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

Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

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

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

1.14 Contingent Liabilities and Contingent Assets

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

1.15 Acquisition of Assets

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

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

1.16 Property, Plant and Equipment

Asset Recognition Threshold

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

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the Land Council where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Land Council's leasehold improvements with a corresponding provision for the 'make good' recognised.

Revaluations

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

Asset Class:	Fair value measured at:
Buildings	Depreciated replacement cost
Infrastructure, Plant and Equipment	Depreciated replacement cost
Motor vehicles	Depreciated replacement cost
Marine ranger boats	Depreciated replacement cost

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

Revaluation adjustments were made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

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

Depreciation

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

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

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

	2014	2013
Buildings	20 to 25 years	20 to 25 years
Plant and Equipment	2 to 20 years	2 to 20 years
Motor Vehicles	5 to 8 years	5 to 8 years
Marine Ranger Boats	15 years	15 years

Impairment

All assets were assessed for impairment at 30 June 2014. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

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

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

1.17 Taxation / Competitive Neutrality

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

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

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

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

Note 2: Events After the Reporting Period

There was no subsequent events that have the potential to significantly affect the ongoing structure and financial activities of the Land Council.

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 3: Expenses

	2014	2013
	\$	\$
<u>Note 3A: Employee Benefits</u>		
Wages and salaries	778,687	713,248
Superannuation:		
Defined contribution plans	63,337	51,209
Defined benefit plans	15,113	14,764
Leave and other entitlements	27,452	29,133
Total employee benefits	884,589	808,354

Note 3B: Supplier

Goods and services

Airfares and charters	142,583	167,607
Business Development	33,545	22,967
Compliance	103,815	161,816
Culture, ceremony and land use distributions	317,780	132,178
Information Communications Technology	59,237	71,704
Land Group Township Leasing	5,328	18,162
Land and resource management	636,259	191,478
Special projects	569,410	224,209
Vehicle operations	143,736	130,389
Other	275,397	311,540
Total goods and services	2,287,090	1,432,050

Goods and services are made up of:

Provision of goods – external parties	2,287,090	1,432,050
Total goods and services	2,287,090	1,432,050

Other supplier expenses

Operating lease rentals – external parties:

Minimum lease payments	33,800	36,019
Workers compensation expenses	3,233	2,796
Total other supplier expenses	37,033	38,815
Total supplier expenses	2,324,123	1,470,865

Note 3C: Depreciation and Amortisation

Depreciation:

Infrastructure, plant and equipment	25,285	37,482
Marine ranger boats	15,570	12,751
Buildings	46,719	64,028
Motor Vehicles	93,090	51,416
Total depreciation	180,664	165,677

Note 3D: Losses from Asset Disposals**Property Plant and Equipment**

Loss on assets disposed	-	218,478
Impairment on intangible assets	-	-
Revaluation decrement - [asset class]	-	-
Impairment of non-current assets held for sale	-	-
Other	-	-
Total losses from asset disposals	-	218,478

\$ \$

Note 3E: Other Expenses

Special Projects	529,218	19,046
Total other expenses	529,218	19,046

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014
Note 4: Income

	2014	2013
	\$	\$

OWN-SOURCE REVENUE
Note 4A: Sale of Goods and Rendering of Services

Rendering of services - external parties	16,725	364,564
Total sale of goods and rendering of services	16,725	364,564

Note 4B: Interest

Deposits	26,362	24,313
Total interest	26,362	24,313

Note 4C: Sale of Assets

Motor vehicle		
Proceeds from sale	12,000	-
Carrying value of assets sold	(8,491)	-
Net gain from sale of assets	3,509	-

Note 4D: Revenue from Government

Receipts from ABA: S64(1)	1,526,000	1,482,000
Other Revenue		
ABA - Ceremony/Kelama Funeral Fund	317,000	-
ABA- Land Ranger Safe Storage	360,000	-
Department of the Prime Minister and Cabinet	603,000	-
Dept Sustainability,Environment,Water,Pop & Comm.	326,410	232,650
Marine Ranger	60,000	80,000
ABA - The Keeping House	396,912	99,228
Indigenous Carbon Farming Fund	147,350	21,050
Australian Taxation Office - Fuel Tax Credit	41,625	-
Total revenue from Government	3,778,297	1,914,928

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 5: Fair Value Measurements

The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The Council determines fair value for its non-financial assets using the level 2 and 3 inputs in the fair value hierarchy. The following table discloses the fair value at 30 June 2014 and the valuation techniques used to derive its fair value.

Fair value measurements - valuation technique and the inputs used for assets and liabilities in 2014

	Category (Level 2 or Level 3)	Fair value	Valuation inputs used technique(s)
\$			
Non-financial assets			
Marine Ranger Boats	2	85,640	market based valuation on direct comparison basis
Buildings	3	1,184,851	Depreciated Replacement cost based on comparable price of replacement cost modern equivalent Remaining useful life of the building
Infrastructure, plant & equipment	2	67,634	market based valuation on direct comparison basis
Motor Vehicles	2	182,606	market based valuation on direct comparison basis
		1,520,731	

The fair value of the Council's buildings as at 30 June 2014 have been determined and approved by the Council using the basis of the valuation carried out by the Australian Valuation Office as at 30 June 2013, who is a certified practising valuer and with relevant experience in the valuation of property. The fair value measurement for buildings has been categorised as Level 3 fair value based on the inputs of the valuation technique (see above).

The fair value of Marine Ranger Boats, Motor Vehicles and Infrastructure, plant & equipment as at 30 June 2014 has also been determined and approved by the Council using the basis of valuation carried out by the Australian Valuation Office as at 30 June 2013. The fair value measurement for these assets has been categorised as Level 2 fair value based on the inputs of the valuation techniques (see above).

For those Infrastructure, plant & equipment that are carried at cost, their cost approximates their market value.

The highest and best use of the infrastructure, plant and equipment approximates its current use.

The reconciliation for the recurring level 2 and 3 fair market value measurements of Buildings, Marine Ranger Boats, Motor Vehicles, Infrastructure, plant & equipment are detailed in note 7.

There was no change in valuation technique used by Council during the year.

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

NOTE 6: Financial Assets

	2014	2013
	\$	\$
<u>Note 6A: Cash and Cash Equivalents</u>		
Cash on hand or on deposit	469,906	933,941
Total cash and cash equivalents	469,906	933,941
<u>Note 6B: Trade and Other Receivables</u>		
Other receivables:		
GST receivable from the Australian Taxation Office	41,518	48,096
Other	3,960	-
Total other receivables	45,478	48,096
Total trade and other receivables (gross)	45,478	48,096
Total trade and other receivables (net)	45,478	48,096
Receivables are expected to be recovered in:		
No more than 12 months	45,478	48,096
Total trade and other receivables (net)	45,478	48,096
Receivables are aged as follows:		
Not overdue	45,478	48,096
Overdue by:		
More than 90 days	-	-
Total receivables (gross)	45,478	48,096

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

Note 7: Non-Financial Assets

	2014 \$	2013 \$
Note 7A: Land and Buildings		
Buildings on Aboriginal land:		
Work in progress	360,000	-
Fair value	871,570	1,106,071
Accumulated depreciation	(46,719)	(234,501)
Total buildings on freehold land	1,184,851	871,570
Total land and buildings	1,184,851	871,570

No indicators of impairment were found for land and buildings.

No land or buildings were expected to be sold or disposed of within the next 12 months.

Note 7B: Property, Plant and Equipment

Infrastructure, plant and equipment:		
Infrastructure at fair value		
Plant & Equipment at fair value	92,919	122,545
Accumulated depreciation	(25,285)	(45,010)
Total infrastructure, plant and equipment	67,634	77,535
Motor Vehicles:		
Fair value	272,999	467,896
Accumulated depreciation	(90,394)	(261,587)
Total Motor Vehicles	182,605	206,309
Marine Ranger Boats		
Marine Ranger Boats at fair value	101,210	233,545
Accumulated depreciation	(15,570)	(132,335)
Total Marine Ranger Boats	85,640	101,210
Total property, plant and equipment	335,879	385,054

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

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated at Note 1. On 30 June 2013, an independent valuer, Australian Valuation Office, conducted the revaluations.

Revaluation increment of \$0, were credited to the asset revaluation surplus by asset class and included in the equity section of the balance sheet (2013: of \$501,844 in total represented by \$76,013 Marine Ranger Boats; \$385,479 Buildings; \$25,600 Motor vehicles; \$14,752 Infrastructure Plant and Equipment), no increments were expensed (2013: \$0 expensed).

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 7: Non-Financial Assets

Note 7C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2014

	Marine Ranger Boats	Buildings	Motor Vehicles	Infrastructure, plant & equipment	Total
	\$	\$	\$	\$	\$
As at 1 July 2013					
Gross book value	233,546	1,106,071	467,897	122,544	1,930,057
Accumulated depreciation and impairment	(132,335)	(234,501)	(261,587)	(45,010)	(673,433)
Net book value 1 July 2013	101,210	871,570	206,310	77,534	1,256,624
Additions:					
By purchase	-	360,000	77,877	15,384	453,262
Revaluations recognised in other comprehensive income	-	-	-	-	-
Depreciation expense	(15,570)	(46,719)	(93,090)	(25,285)	(180,664)
Other movements reclassification	-	-	-	-	-
Disposals:					
	-	-	(8,491)	-	(8,491)
Net book value 30 June 2014	85,640	1,184,851	182,606	67,634	1,520,731
Net book value as of 30 June 2014 represented by:					
Gross book value	101,210	1,231,570	272,999	92,919	1,698,698
Accumulated depreciation and impairment	(15,570)	(46,719)	(90,393)	(25,285)	(177,967)
Net book value 30 June 2014	85,640	1,184,851	182,606	67,634	1,520,731

Note 7C (Cont'd): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2013

	Marine Ranger Boats	Buildings	Motor Vehicles	Infrastructure, plant & equipment	Total
	\$	\$	\$	\$	\$
As at 1 July 2012					
Gross book value	265,396	850,690	500,806	573,360	2,190,252
Accumulated depreciation and impairment	(227,447)	(381,653)	(299,907)	(307,144)	(1,216,151)
Net book value 1 July 2012	37,948	469,038	200,899	266,216	974,100
Additions:					
By purchase	-	109,415	47,273	8,147	164,834
Revaluations recognised in other comprehensive income	76,013	385,479	25,600	14,752	501,844
Depreciation expense	(12,751)	(64,028)	(51,416)	(37,482)	(165,677)
Other movements reclassification	-	20,743	-	(20,743)	-
Disposals:					
	-	(49,076)	(16,045)	(153,357)	(218,478)
Net book value 30 June 2013	101,210	871,570	206,310	77,534	1,256,624
Net book value as of 30 June 2013 represented by:					
Gross book value	233,546	1,106,071	467,897	122,544	1,930,057
Accumulated depreciation and impairment	(132,335)	(234,501)	(261,587)	(45,010)	(673,433)
Net book value 30 June 2013	101,210	871,570	206,310	77,534	1,256,624

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

Note 7: Non-Financial Assets

	2014	2013
	\$	\$
Note 7D: Other Non-Financial Assets		
Prepayments	110	3,233
Salary and Wages paid in advance	12,936	*
Total other non-financial assets	13,046	3,233
Total other non-financial assets - are expected to be recovered in:		
No more than 12 months	13,046	3,233
More than 12 months	*	*
Total other non-financial assets	13,046	3,233

No indicators of impairment were found for other non-financial assets.

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 8: Payables

	2014	2013
	\$	\$
<u>Note 8A: Suppliers</u>		
Trade creditors and accruals	31,992	103,476
Total suppliers payables	31,992	103,476
Suppliers payables expected to be settled within 12 months:		
External parties	31,992	103,476
Total	31,992	103,476
Total suppliers payables	31,992	103,476
Settlement is usually made within 30 days.		
<u>Note 8B: Other Payables</u>		
Salary and Wages PAYG	20,249	12,835
Other	122,551	184,966
Total other payables	142,800	197,801
Total other payables are expected to be settled in:		
No more than 12 months	142,800	197,801
More than 12 months	-	-
Total other payables	142,800	197,801

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 9: Provisions

	2014 \$	2013 \$
Note 9A: Employee Provisions		
Leave	204,803	177,351
Total employee provisions	204,803	177,351
Employee provisions are expected to be settled in:		
No more than 12 months	143,260	155,823
More than 12 months	61,543	21,528
Total employee provisions	204,803	177,351

TIWI LAND COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the year ended 30 June 2014***Note 10: Cash Flow Reconciliation**

	2014 \$	2013 \$
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash flow statement	469,906	933,941
Statement of Financial Position	469,906	933,941
Difference	<u>0</u>	<u>(0)</u>
 Reconciliation of net cost of services to net cash from operating activities:		
Net cost of services	(3,871,998)	(2,293,543)
Add revenue from Government	3,778,297	1,914,928
 Adjustments for non-cash items		
Depreciation / amortisation	180,664	165,677
Loss / (Gain) on disposal of assets	(3,509)	218,478
 Changes in assets / liabilities		
(Increase) / decrease in trade & other receivables	2,618	(48,096)
(Increase) / decrease in non financial assets	(9,813)	(437)
Increase / (decrease) in employee provisions	27,452	29,133
Increase / (decrease) in supplier payables	(71,484)	(137,219)
Increase / (decrease) in other payable	(55,000)	(815,656)
Net cash used by Operating activities	<u>(22,774)</u>	<u>(966,734)</u>

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 11: Contingent Assets and Liabilities

	Claims for damages or costs		Total
	2014	2013	2014
	\$	\$	\$
Contingent assets			
Balance from previous period	-	-	-
New contingent assets recognised	-	-	-
Re-measurement	-	-	-
Assets recognised	-	-	-
Expired	-	-	-
Total contingent assets	-	-	-
Contingent liabilities			
Balance from previous period	-	(200,000)	(200,000)
New	35,000	-	35,000
Re-measurement	-	-	-
Liabilities recognised	-	-	-
Obligations expired	-	200,000	200,000
Total contingent liabilities	35,000	-	35,000
Net contingent assets (liabilities)	35,000	-	35,000
Quantifiable Contingencies			

The schedule of contingencies reports contingent liabilities in respect of 2014 of \$35,000, (2013: \$0). The amount represents an estimate of the Tiwi Land Council's potential liability based on legal advice in defending the Tiwi Land Council in disputed claims for charges.

TIWI LAND COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2014

Note 12: Remuneration of Council Members

	2014	2013
	\$	\$
The number of members of the Land Council included in these figures are shown below in the relevant remuneration bands:		
\$ Nil - \$ 29,999	39	41
\$ 30,000 - \$ 59,999	5	3
Total number of members of the Land Council	44	44
Total remuneration received or due and receivable by members of the Land Council.	206,596	199,497

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

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

Bush, Andrew	Puruntatameri, Kim
Farmer, Gibson	Puruntatameri, Marius
Fernando, Ivan	Puruntatameri, Richard
Guy Jnr., David	Timaepatua, Bonventure
Kalippa, Cyril	Tipakalippa, Dennis
Kanitilla, Stephen	Tipakolippi, Dennis
Kantilla, Dominic	Tipiloura, Bernard
Kantilla, Steve	Tipiloura, Conell
Kerinaiuua, Cyril J.	Tipiloura, Eric
Kerinaiuua, Lorenzo	Tipiloura, Stanley
Kerinaiuua, Max	Tipungwuti, Andrew
Kerinauia, Wally	Tipungwuti, Baylon
Molaminni, Damian	Tipungwuti, Brian
Mungatopi, Fredrick	Tipungwuti, Emmanuel
Mungatopi, Marcellus	Tipungwuti, Robert
Mungatopi, Vincent	Tungutulul, Leslie
Munkara, Danny	Wilson, John
Munkara, Jonathon	Wilson, Trevor
Pautjimi, Andre	Wommatakimmi, Gabriel
Pilakui, Vernard	Wommatakimmi, Kim Brooks
Portaminni, Bernie	Wommatakimmi, Neville
Puantulura, Joseph	Wonaeamirri, Pedro

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 13: Directors Remuneration

	2014	2013
	No.	No.
The number of Non-Executive Directors of the Council are shown below in the relevant bands:		
\$0 to \$29,999	*	1
\$30,000 to \$59,999	<u>5</u>	<u>4</u>
Total	<u>5</u>	<u>5</u>
	\$	\$
Total remuneration received or due and receivable by directors of the entity	<u>195,286</u>	<u>181,167</u>

Remuneration of executive directors is included in Note 14: Senior Executive Remuneration.

TIWI LAND COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the year ended 30 June 2014***Note 14: Senior Executive Remuneration****Note 14A: Senior Executive Remuneration Expenses for the Reporting Period**

	2014 \$	2013 \$
Short-term employee benefits:		
Salary	181,213	172,616
Annual leave accrued	398	4,254
Total short-term employee benefits	<u>181,612</u>	<u>176,870</u>
Post-employment benefits:		
Superannuation	18,121	17,262
Total post-employment benefits	<u>18,121</u>	<u>17,262</u>
Other long-term benefits:		
Long-service leave	7,573	7,248
Total other long-term benefits	<u>7,573</u>	<u>7,248</u>
Termination benefits	-	-
Total employment benefits	<u>207,306</u>	<u>201,380</u>

Notes:

1. Note 14A excludes acting arrangements and part-year service where total remuneration expensed for a senior executive was less than \$195,000.

Note 14B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives During the Reporting Period

2014						
Average annual reportable remuneration ¹	Substantive Senior Executives	Reportable salary ²	Contributed superannuation ³	Reportable allowances ⁴	Bonus paid ⁵	Total
	No.	\$	\$	\$	\$	\$
Total remuneration (including part-time arrangements):	1	181,213	18,121	-	-	199,335
\$195,000 to \$224,999	1					
Total	1					

2013						
Average annual reportable remuneration ¹	Substantive Senior Executives	Reportable salary ²	Contributed superannuation ³	Reportable allowances ⁴	Bonus paid ⁵	Total
	No.	\$	\$	\$	\$	\$
Total remuneration (including part-time arrangements):	1	172,616	17,262	-	-	189,878
Less than \$195,000	1					
Total	1					

Notes:

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.
2. 'Reportable salary' includes the following:
 - a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
 - b) reportable fringe benefits (at the net amount prior to 'grossing up' to account for tax benefits);
 - c) exempt foreign employment income; and
 - d) salary sacrificed benefits
3. The 'contributed superannuation' amount is the actual superannuation contributions paid to senior executives in that reportable remuneration band during the reporting period, as per the individuals' payslips.
4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

TIWI LAND COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the year ended 30 June 2014***Note 15: Remuneration of Auditors**

	2014	2013
	\$	\$
Financial statement audit services are provided to the Land Council by the Australian National Audit Office (ANAO).		
Fair value of the services provided		
Australian National Audit Office	18,000	17,400
Total	<u>18,000</u>	<u>17,400</u>

No other services were provided by the auditors of the financial statements.

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014
Note 16: Financial Instruments

	2014 \$	2013 \$
<u>Note 16A: Categories of Financial Instruments</u>		
Financial Assets		
Loans & Receivables		
Cash at Bank	469,906	933,941
Receivables	3,960	-
Total	473,866	933,941
Carrying amount of financial assets	473,866	933,941
Financial Liabilities at amortised cost:		
Trade Creditors	31,992	103,476
Other payables	122,551	184,966
Total	154,543	288,442
Carrying amount of financial liabilities	154,543	288,442
	2014 \$	2013 \$
<u>Note 16B: Net Income and Expense from Financial Assets</u>		
Held-to-maturity:		
Interest revenue	26,362	24,313
Net gain/(loss) held-to-maturity	26,362	24,313
Net gain/(loss) from financial assets	26,362	24,313

The net income/expense from financial assets not at fair value from profit and loss is \$0 [2013: \$0].

Note 16C: Fair Value of Financial Instruments

The carrying amount of all financial instruments is a reasonable approximation of fair value in both the current year and the prior year, due to their short term nature.

Note 16D: Credit Risk

The Land Council is exposed to minimal credit risk as the majority of financial assets is cash held with one of Australia's "Big 4", banks. The maximum exposure to credit risk the risk that arises from potential default of a debtor. This amount is equal to the total amount of receivables (2014: \$3,960 and 2013: \$nil). The Tiwi Land Council has assessed the risk of default and decided that no impairment is required, (2014:\$nil and 2013:\$nil).

The Tiwi Land Council holds no collateral to mitigate against credit risk.

Note 16E: Liquidity Risk

The Land Council's financial liabilities are trade creditors. The exposure to liquidity risk is based on the notion that the Land Council will encounter difficulty in meeting its obligations associated with financial liabilities. Thus was highly unlikely due to government funding and mechanisms available to the entity and internal policies and procedures put in place to ensure there were appropriate resources to meet its financial obligations.

Maturities for non-derivative financial liabilities 2014

	On demand	within 1 year	1 to 2 years	2 to 5 years	> 5 years	Total
	\$	\$	\$	\$	\$	\$
Trade Creditors and accruals	*	31,992	*	*	*	31,992
Other Payables	*	122,551	*	*	*	122,551
Total	*	154,543	*	*	*	154,543

Maturities for non-derivative financial liabilities 2013

	On demand	within 1 year	1 to 2 years	2 to 5 years	> 5 years	Total
	\$	\$	\$	\$	\$	\$
Trade Creditors and accruals	*	103,476	*	*	*	103,476
Other Payables	*	184,966	*	*	*	184,966
Total	*	288,442	*	*	*	288,442

The Land Council had no derivative financial liabilities in either 2014 or 2013

Note 16F: Market Risk

The Land Council held basic financial instruments that did not expose the Land Council to certain market risks such as currency risk and other price risk.

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 17: Financial Assets Reconciliation

		2014	2013
		\$	\$
Financial assets	Notes		
Total financial assets as per balance sheet		515,384	982,037
Less: non-financial instrument components:			
Trade and other receivables	6B	41,518	48,096
Total non-financial instrument components		41,518	48,096
Total financial assets as per financial instruments note		473,866	933,941

TIWI LAND COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS***for the year ended 30 June 2014***Note 18: Assets held in Trust****Monetary assets**

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

	2014	2013
	\$	\$
Cash		
Total amount held at the beginning of the reporting period	577	27,244
Receipts	215,978	4,072,387
Payments	(216,555)	(4,099,055)
Total amount held at the end of the reporting period	(0)	577
Total	(0)	577

The Tiwi Land Council holds on trust for the Office of Township Leasing an insurance settlement for the Wurrumiyanga pontoon destroyed by fire. These funds will be used towards the construction phase of the new ferry pontoon terminal.

	2014	2013
	\$	\$
Cash		
Total amount held at the beginning of the reporting period	-	-
Receipts	122,551	-
Payments	-	-
Total amount held at the end of the reporting period	122,551	-
Total	122,551	-

TIWI LAND COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2014

Note 19: Income & Expenditure Against Budget S64(1)

Aboriginal Benefits Account Appropriations

	ABA Approved Estimates 2013/14 \$	ABA Actuals 2013/14 \$	Difference \$
Expenditure			
Administration and Support	458,000	461,814	(3,814)
Advocacy	328,000	322,656	5,344
Economic Development	416,000	444,243	(28,243)
Land & Resource Management	414,000	427,508	(13,508)
Capital Expenditure	10,000	16,982	(6,982)
Total expenditure	1,626,000	1,673,202	(47,202)
Income			
ABA			
S64(1)	1,526,000	1,526,000	-
Total ABA	1,526,000	1,526,000	-
Other			
Other	100,000	147,301	47,301
Total Other	100,000	147,301	47,301
Total Income	1,626,000	1,673,301	47,301

