



# **TIWI LAND COUNCIL**

**2016 / 2017**

*Thirty-Eighth Annual Report*



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This document must be attributed as the Tiwi Land Council 2016 / 2017 Annual Report.

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## **ANNUAL REPORT 2016-17**

*Pursuant to Section 46 of the Public Governance, Performance and Accountability Act 2013, the accountable authority of the entity must prepare and give an annual report to the responsible Minister, for presentation to the Parliament, on the Land Council's activities during the period.*

#### **ENABLING LEGISLATION**

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

#### **RESPONSIBLE MINISTER**

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Senator the Honourable Nigel Scullion, Minister for Indigenous Affairs, has been our responsible Minister for the whole of the reporting period.

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Senator the Honourable Nigel Scullion  
Minister for Indigenous Affairs  
PO Box 6100  
Senate  
Parliament House  
Canberra ACT 2600

Dear Minister,

#### THIRTY-EIGHTH ANNUAL REPORT

In accordance the *Public Governance, Performance and Accountability Act 2013*, I am pleased to present to you the thirty-seventh annual report of the Tiwi Land Council for the period 1 July 2016 to 30 June 2017. The report includes a copy of our audited financial statements forwarded to you by the Australian National Audit Office, tabled at Tiwi Land Council Executive Management meeting number 448 on the 6<sup>th</sup> September 2017.

Yours sincerely,



Gibson Farmer Illortaminni  
Chairman

27<sup>th</sup> September 2017

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## **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.”*

(Krustins, 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**

*“The Tiwi Land Council represents all Tiwi people in the protection of our land, sea and environment, while at the same time supporting sustainable economic development to improve Tiwi lives through employment, income, education and health opportunities.*

*Our reputation is founded on our cultural and leadership strengths, following in the footsteps of our visionary past Leaders.”*

*(Tiwi Land Council Leadership workshop. Chairman and Executive Managers. Pickataramoor, 27<sup>th</sup> and 28<sup>th</sup> of September 2016.)*

## **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, 29<sup>th</sup> September 2003).

## **CONTACT**

Mr. Gibson Farmer Illortaminni

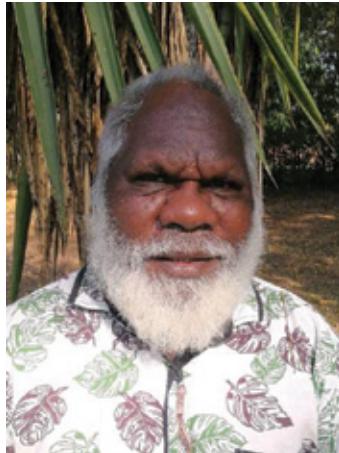
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**Chairman: Gibson Farmer Illortaminni**

## **CHAIRMAN'S REPORT**

Welcome to the 38th Annual Report, including our 38th unqualified audit.

I would like to take some time to pay my respects to our Tiwi families who have lost loved ones over the past twelve months. Quality Tiwi men and women all, who have left a lasting legacy on our Tiwi lives, with many leaving us far too early. I know that we are not alone with this, but the scourge of kidney disease amongst Tiwi and the wider aboriginal population is past the national emergency stage. On the Tiwi Islands, we have dialysis treatment only available at Wurrumiyanga, meaning Traditional Owners living in other parts of the Islands have to reside there, either leaving their close family in the other communities or moving the family to Wurrumiyanga. The pressure this places on services such as Health, Education and Housing at Wurrumiyanga cannot be overstated.

The current Tiwi based dialysis facilities are at capacity, leading to ongoing Tiwi people requiring treatment being forced to move into Darwin, often meaning their close family need to move into Darwin as well, no doubt putting services such as health, education and housing in Darwin under further pressure. We also know of Tiwi people who are living in the long grass in Darwin while undergoing dialysis treatment, surely hindering any chance of these people getting better. The cost to Government must be enormous.

We welcome recent comments from the Northern Territory and Federal Governments recognising kidney disease as the major health issue affecting our Indigenous Australians. I implore our Governments to seriously look at implementing a cost benefit analysis, including the social and cultural impact, of providing dialysis treatment facilities in all of our communities. Common sense dictates that it would have to reduce the enormous burden on the taxpayer, as well as the stress on the patients and our Tiwi families.

On a more positive note, the Tiwi Land Council has taken some time lately to reflect on what it is we are actually doing. We all run around and are dragged here, there and everywhere, often thinking that we're just chasing our tails. We rarely get a chance to take a deep breath and have a good look at our achievements over the past twelve months. I can happily report that we have actually been doing some pretty amazing work for the benefit of all Tiwi people. It's well worth a look.

Some big-ticket projects over the past 12 months, that have come to fruition or are in the final stages of planning include the signing of the Township Lease of Pirlangimpi, the first cheque to the Mantjupwi Traditional Owners arriving for the Wurrumiyanga Township Lease, having repaid the \$5 million upfront payment within ten years when we had fifteen and with some saying it would never happen.

We have secured multimillion-dollar funding for the ferry pontoons and welcome centre at Wurrumiyanga and Paru and we have been working hard to build a morgue at Wurrumiyanga.

The Vernon Islands are in the final stages of being handed over to the Tiwi Land Trust after the TLC and NLC have come to an agreement, having worked together for many years to bring this to fruition.

The Tiwi Islands Power Grid, having been discussed for over 15 years is about to commence, with the tunnel under our great Apsley Strait happening during 2017 and the power line work to Pirlangimpi and Milikapiti and hopefully Pickataramoor and the Tiwi College, to kick off next dry season, connecting Melville Island to the 21<sup>st</sup> century, including outstations and our Forestry headquarters along the way, with power and optic fibre.

We continued to work to help secure the future of the Tiwi Forestry Project, Port Melville has been given the green light and is looking at really cranking up business, the Tiwi Bombers are looking at a new era of excellence and our Tiwi College continues to be a shining light in Indigenous Education, Australia wide.


And probably most pleasing of all over the past twelve months is when we welcomed Andrew Tipungwuti as our first Tiwi Deputy CEO and which is part of our vision for Tiwi people to be elevated on merit to Management positions throughout the Islands and we hope other Tiwi people will follow in his footsteps. Our TLC Executive Team is leading from the front as well, being involved in everything from housing, Environmental, Sea and Land ranger programs, Training, Education, Health, Economic Development and Culture, to help make a better life for our people.

And finally, as noted at the top of this introduction, we have achieved an unqualified audit for the 38<sup>th</sup> year in a row to continue the excellence in governance demanded by our past leaders many years ago.

So, I guess we have been doing something after all!

We hope you enjoy our 2016/17 Annual Report and we look forward to the next twelve months of achievement for Tiwi people.

Muna,

A handwritten signature in dark ink, appearing to read 'Gibson Farmer Illortaminni', written in a cursive style.

Gibson Farmer Illortaminni  
Chairman

27<sup>th</sup> September 2017

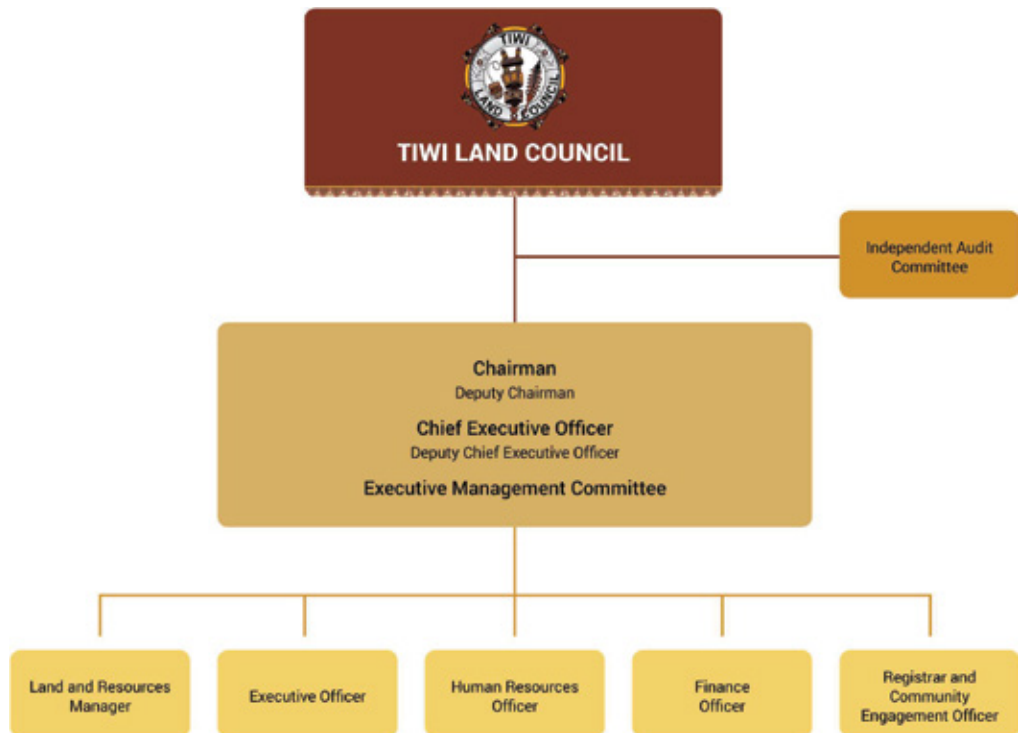
## ANNUAL REPORTING REQUIREMENTS

**Basis:** Section 46 of the *Public Governance, Performance and Accountability Act 2013* requires preparation of an Annual Report.

**Financial Statements:** This report contains our prepared financial statements, including the Auditor-General's report on those financial statements.

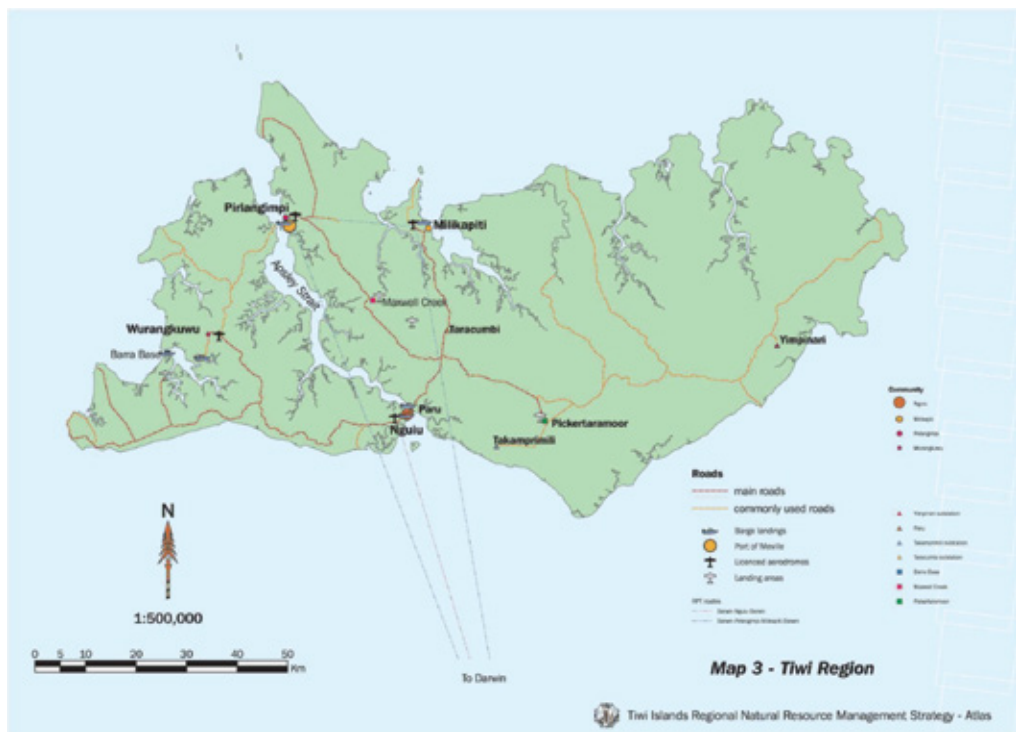
**Report of Operations:** Public Governance, Performance and Accountability (PGPA) Rule 2014. This report contains that detail required.

## OUTLINE OF ORGANISATIONAL STRUCTURE



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.

The Land Council is required to employ permanent staff. During the 2016/17 Financial Year it directly employed seven persons:

- Chief Executive Officer, Brian Clancy Dip Ed was appointed December 2015 and commenced on the 1<sup>st</sup> January 2016 on a 3-year contract. Mr Clancy was previously engaged as Development and Risk Management Advisor and Acting CEO, on a ten-year contract from 2008.
- Deputy Chief Executive Officer, Andrew Tipungwuti was appointed on the 29<sup>th</sup> September 2016 and is employed on a 3-year contract.
- Secretary, Land and Resource Management, Kate Hadden BSc; McKell Medallist, Accredited Environmental Auditor, was initially seconded from the NT Government in 2000, is employed on a three-year contract from July 2015.
- Principal Legal Officer, Derek Mayger BA(Acc.), LLB. MBA FCPA, was employed on a 3-year contract from 1<sup>st</sup> July 2014.
- Registrar of Traditional Owners - Mrs Jennifer Clancy Ullungura, Cert Teacher, is employed on a ten-year contract from 2008.
- Executive Officer - Terry Larkin - based at the Darwin Office; assisting the Land Council with ICT support across its various locations, including office & logistics administration. Is employed on a 5-year contract from the 1<sup>st</sup> of July 2013.
- HR / Administration Officer - Rachel Burke, based at the Darwin Office; fully trained representative for Work Health and Safety, also assists with office administration, including implementation and monitoring of a wide range of HR related tasks. Is employed on a 5-year contract from the 1<sup>st</sup> of July 2013.
- Finance Officer – Josephine Martens, based at the Darwin office, is employed on a 3-year contract from the 18<sup>th</sup> January 2017.

## **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.

To implement the functions of the Land Council with increased efficient and efficacy training has been identified as a strategic development, focus on corporate governance, financial management and statutory legislation and regulations interpretation.

There will be attention to the finalisation of the Vernon Islands land claim during the coming year. Land Council will in addition to continuing the well-respected natural resource management of the Tiwi Islands, devote much of its time to the negotiating. Negotiation pertains to exploration licence applications and petroleum exploration permit application, section 19 leases with traditional owners and interested businesses.

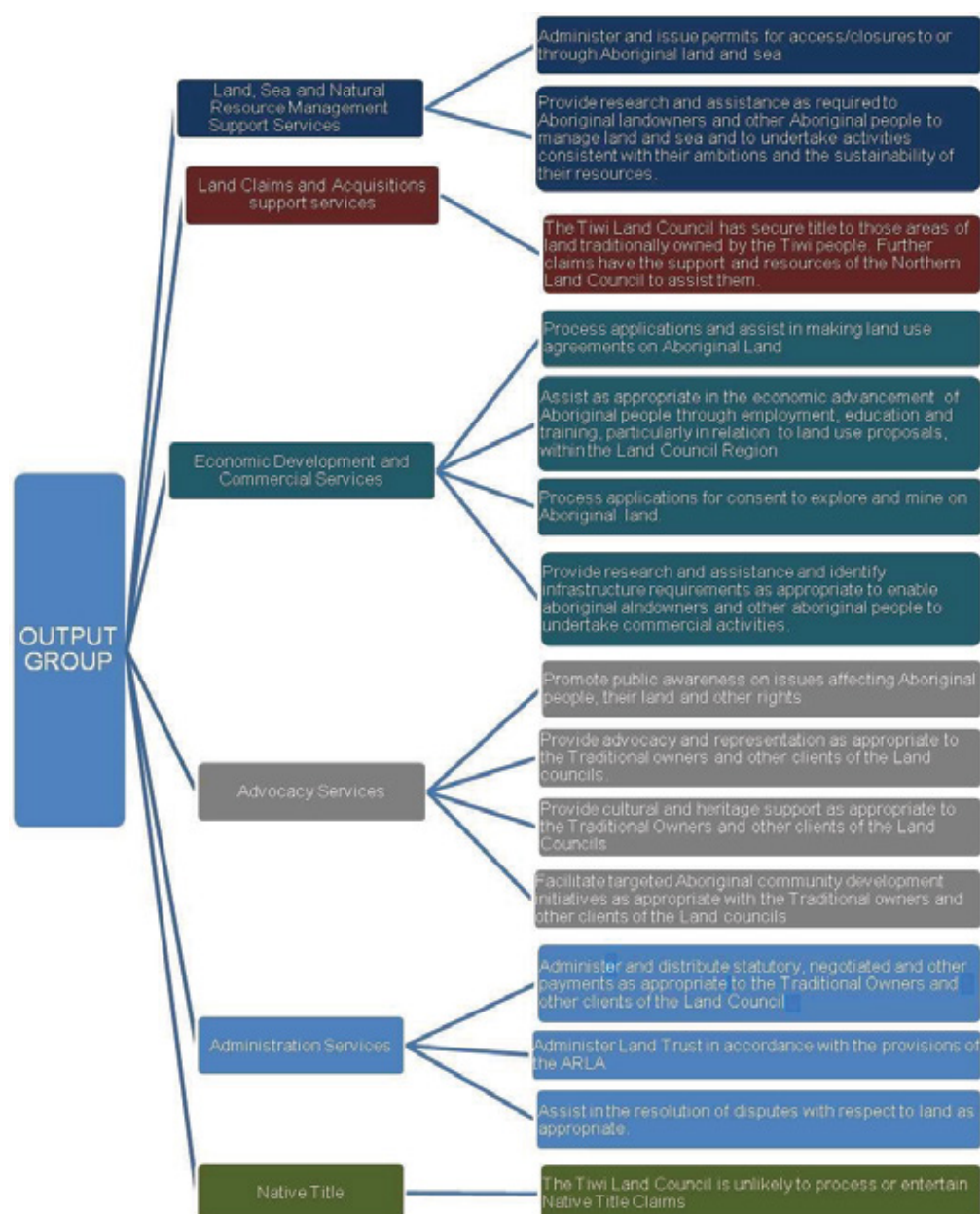
In 2017-2018 it is anticipated that the Tiwi private economy will commence employing Tiwi's in real job and creating income streams on investments. The Land Council looks forward in assisting these enterprises in accordance with section 23(ea) of the *Aboriginal Land Rights (Northern territory) Act 1976*.

We are entering a new phase, with the ten strong men of the Executive Management Committee setting a strong foundation for the future direction of the Tiwi Land Council.



## 1.0 PERFORMANCE

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

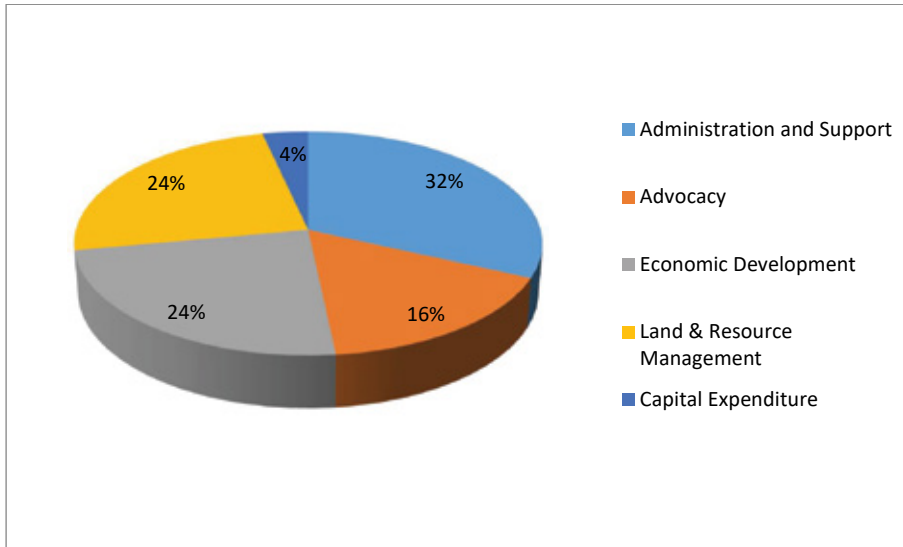


*Note – Where appropriate a reference to Land also refers to Sea or other Waterways secured as a result of High Court determinations 2007/08.*

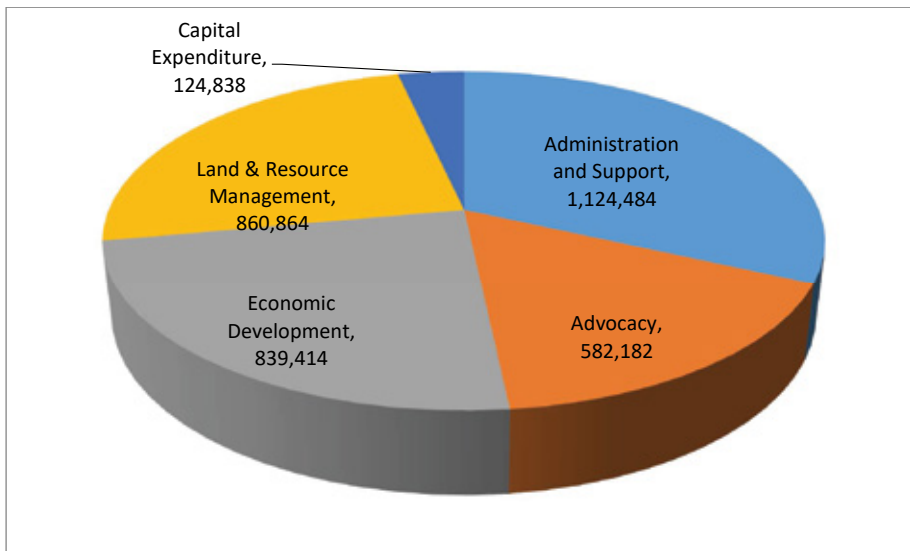
Performance is measured and monitored within these output groups.

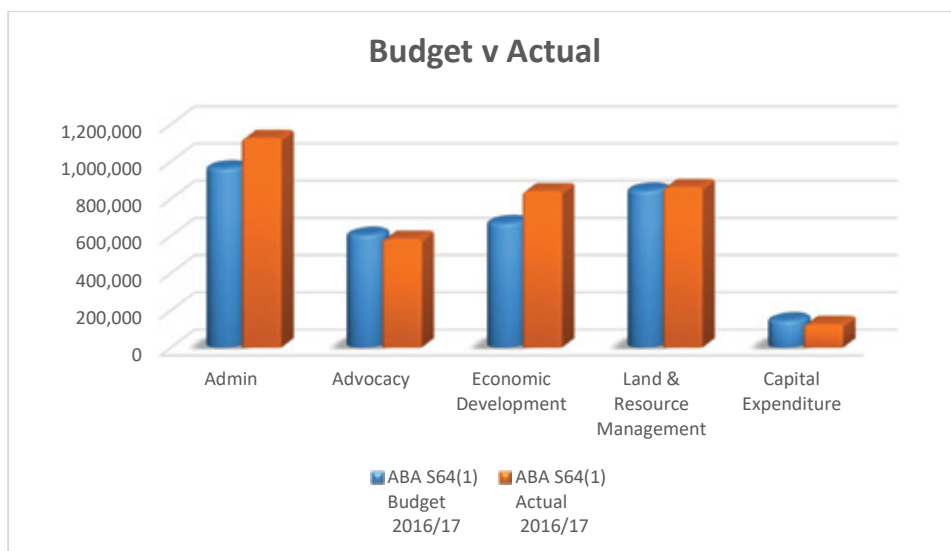
## 1.1 FINANCIAL RESOURCES AND APPLICATION

Detailed audited financial statements are attached. In summary, the Land Council received approximately \$3.214m from the Commonwealth in section 64(1) funding. 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:





#### 1.1.1 Analysis of Performance

Tiwi Land Council expended funds in accordance with approved estimates, sections 34 and 35 of the *Aboriginal Land Rights (Northern Territory) Act 1976*, with total expenditure of \$50,651 above budget. Commitment to purchase at the end of June 2017 of, 1 solar system was \$123,465, these good and service were not received by the 30 June 2016, and had not been recorded in the accounts.

Deficit for the year ending 30 June 2017 of \$67,472, (2016: \$9,609) included \$128,528 (2016: \$157,365) of depreciation non-cash expense, with cash increase of \$1,857,506 (2016: \$80,693) to \$2,466,433 (2016: \$608,927).

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. A Liability is recorded in the statement of financial position for this amount with an equivalent amount of funds held at cash at bank of \$122,551. It is anticipated these funds will be entirely distributed in the 2017-2018 financial year.

Funds received under s64(4) of the *ALR Act*, for the purchase of an office, held prior to final negotiation of grant conditions is \$1,980,244, including interest received less banking fees incurred as at the 30<sup>th</sup> June 2017.

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 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.

A key output for the year was the compilation of all biological and environmental spatial data (maps and data with geographic coordinates) and non-spatial data (e.g. reports, publications, tables, photos) available for the Tiwi and Vernon Islands. The data have been compiled into one database that is the property of the TLC, but will be accessible for future work on the Islands. This project was made possible through funding from the University of Melbourne Hallmark Indigenous Research Initiative.

Funding for Land Ranger wages continued to be sourced from surplus funds elsewhere, and was further reduced during the year. In order to maintain the focus on providing employment, staff levels stayed constant but hours were reduced. Despite this, Rangers were able to undertake a variety of land management activities, including weed control, quarantine monitoring, threatened species surveys and providing support to visiting researchers. There was an increased focus on feral cat management this year, with several projects aimed at quantifying the impact of feral cats in the bush, and promoting responsible cat ownership in community. However, priority work continued on fire management due to ongoing operational funding through an ABA grant, and the Tiwi Land Council fire program was a finalist in the 2016 Banksia Awards.

Analysis of the 2016 controlled burning showed a significant reduction in greenhouse gas emissions, and in December 2016 the Tiwi Islands Savanna Burning Project was accepted for registration as an Emissions Reduction Fund under the *Carbon Credits (Carbon Farming Initiative) Act 2011*. The sales environment remains unlikely to provide secured long-term funding, and discussions continued with Inpex to explore a more sustainable partnership arrangement.

Discussions were also held with the NT and Federal Governments on ongoing support for Ranger programs in the NT more generally.

Marine Ranger numbers remained constant with wages support for four positions from Working on Country, and operational funding support from NT Fisheries. One Marine Ranger left to take on the role of Deputy CEO of the Land Council, and his position was backfilled. Activities included regular coastal and land based patrols, marine and migratory species monitoring, marine debris surveys and clean-ups, coastal weed management, assisting Land Rangers with fire management and maintaining a long-line commercial oyster trial at Pirlangimpi. At the request of Tiwi, there were two joint NT Fisheries patrols around the Islands.

No significant threats were observed, and marine species sightings, turtle nesting events and shorebird nesting were all observed to be normal. Two Marine Rangers completed Certificate II in Fisheries compliance.

The Tiwi Islands Coastal Waters Consultative Committee was reconvened during the year, with two meetings held. The Committee has TLC and NT Fisheries membership, with representation from other stakeholders such as NT Police, NT Seafood Council and the Amateur Fishing Association of the NT.

Work also continued with the University of Melbourne to identify and assess research proposals, and develop decision support systems for the preservation of natural and cultural values in areas where development may be considered. Two meetings were held during the year, one in Melbourne and one in Darwin.

### 2.1.1 Details of consultants engaged

Road, airstrip, and infrastructure maintenance.

- ### 2.1.2 Grants received

20

### 2.1.3 Fee for service received section 37(2)

	Received by Tiwi Land Council 2016/2017
Griffith University	\$10,000
Department of Environment and Energy	\$18,149
Department of Agriculture & Water Resources (Northern Australia Quarantine Strategy)	\$30,258
Department of Primary Industry and Resources	\$1,040
	<b>\$59,447.00</b>

### 2.1.4 Permit Administration 2015/16

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 37 years illustrate changing patterns and influences upon owners and residents of the Tiwi Islands. Total numbers of known annual visitors 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 1573 last year.

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 sea ferry fares introduced on a professionally operated service which commenced in 2014. The operators Sealink have recently joined with our landowners and Tiwi Islands Adventures to expand the tourism experience and attractions.

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.

## 2.2 ECONOMIC DEVELOPMENT AND COMMERCIAL SERVICES

The Land Council strategy over many decades has sought to found and facilitate a Tiwi private economy. 24% 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, each having beneficial purposes, to manage and develop their assets, including plantations, commercial sub-divisions, and multiplier industry and activity linked to these core industries and a private company to manage the port.

### **2.2.1 Tiwi Plantation Corporation and Port Melville**

*The Tiwi forestry and port businesses are managed by the Independent ASIC registered companies, Tiwi Plantations Corporation Pty Ltd (TPC) and Port Melville Pty Ltd (PMPL) respectively. Shareholders of the 2 companies are Tiwi representatives of the 8 Tiwi landowning groups. Directors and Board Members of both companies are Tiwi.*

*Regular briefings are provided to Tiwi Land Council Executive Managers on progress and status of both businesses by the General Manager of both companies. The Tiwi Land Council is not involved and has no role in the businesses of either company.*

#### **Forestry**

*In 1999/2000 a total of 31,200 hectares 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 2874 ha currently uncleared and not planted. In addition, there are 767 ha of commercially harvestable Caribbean pine planted over the period 1975 to 1985.*

*Following advice from the Australian Government Minister for the Environment that the Tiwi export operations for woodchip did not require consideration under the Commonwealth Environment Protection and Biodiversity Conservation Act (EPBC Act) and from the Department of Environment to TPC that the construction and operation of the Tiwi woodchip storage depot at Port Melville did not require assessment under the EPBC Act, the Tiwi woodchip depot at Port Melville was completed by TPC sufficient to operational stage. A lack of capital funding prevented completion of a truck unloader, resulting in double handling of woodchip and additional operating costs.*

*On 25<sup>th</sup> November 2015, the first export of Tiwi woodchip by TPC from Port Melville, Melville Island, was celebrated with many Tiwi and other invited guests, including the Chief Minister of the Northern Territory. The second trial shipment was exported in February 2016.*

*These two shipments were the first time in Australia that woodchip loading of a 3.6 million cubic foot woodchip carrier had been undertaken with mobile conveyors from a floating pontoon wharf. Exports were on time and within contractual requirements for volume and quality.*

*This was also the first time 50,000 dead weight tonne vessels were brought through the Apsley Strait between Melville Island and Bathurst Island, and moored to a floating pontoon wharf.*

*On 3<sup>rd</sup> August 2016 a woodchip sales contract was signed for the sale of 560,000 tonnes of woodchip for export to Japan in 14 consignments over a 3-year period. In total, 7 shipments of woodchip have been exported to Japan over the period November 2015 to June 2017, including 5 shipments under the new contract.*

*Staffing of the Tiwi islands forestry project was ramped up for harvest and export. Staff increased to 55 including 24 Tiwi. Tiwi were being trained in use of harvest equipment. Strategies are being developed with the assistance of the NT government and other Tiwi organisations to increase the recruitment, employment and training of Tiwi.*

*With financial assistance from the Northern Territory government, an independent financial review was carried out of the business, demonstrating its ongoing commercial viability. The Northern*

*Territory government, Commonwealth Bank Australia and the Export Finance Insurance Corporation extended commercial loans to facilitate continuation of harvesting and export.*

*As well as currency fluctuations, price and other market risks, there are also significant financial risks associated with shipping delays. Many of these major risks are outside the control of TPC and as a small indigenous organisation with a minor role in the market, it has little capacity to manage for these risks and their potential impacts.*

*Delays in scheduling of shipping continue to create short-term cash flow difficulties.*

*Discussions are underway with potential investment partners with particular reference to replanting of the second and subsequent rotations.*

### **Port Melville**

*On 16<sup>th</sup> October 2015, the Chairman of the NTEPA advised that Port Melville did not require assessment under the NT Environmental Assessment Act provided it was carried out in accordance with the EOLHT Operational Environmental Management Plan and in accordance with a number of additional recommendations.*

*Plans to operate the port as a marine supply base by the port operator Ezion Offshore Logistics Hub (Tiwi) Pty Ltd (EOLHT) were referred by EOLHT to the Australian Government Department of Environment under the EPBC Act. On 26<sup>th</sup> October 2015, the Department of Environment advised that operating the port as a refueling facility and oil/gas industry supply base was not a controlled action under the EPBC Act provided it was carried out in the manner set out in the decision.*

*On 6<sup>th</sup> December 2016, the delegate of the Minister for the Environment accepted a variation of the proposed Port Melville Marine Supply Base. This now allows the operation of a marine supply base at Port Melville for the shipment of equipment and supplies for projects such as the construction and operation of offshore oil and gas fields, with up to a maximum of 233 vessel berths at Port Melville per annum (including pilot vessels).*

**Roger Smith**

**General Manager**

**Tiwi Plantations Corporation & Port Melville Pty Ltd**

### **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.

- Discussions with the Department of the Prime Minister and Cabinet and 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.
- Management of Exploration Permits Application from MBS Oil and Gas Pty Ltd.



- Fishing and hunting permits managed through 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 three 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.
- Feral cat trial on Bathurst Island continuing in partnership with Tiwi Rangers.

#### **2.2.4 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 21<sup>st</sup> 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.
- 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.

## **2.2.5 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.

### **2.2.5.1 Tiwi Islands Training and Employment Board**

The Tiwi Islands Training Board was inceptioned in 1998 by the Tiwi Land Council. TITEB was created by all the Tiwi Clans to support Tiwi to develop skills and enter the workforce. It has been the base for adult learning programs ranging from industry specific to literacy and numeracy programs. Since 2014/15 we have been delivering the Remote School Attendance Program, supporting one of the highest attendance rates in the Top End for 2017, a Group Training that supports local apprentices to become qualified, a Registered Training Organisation where structured training programs are run for the general public and also for local workforce needs, last a large Community Development Program that has a caseload of 870 across both Islands. The 2016/17 year has seen lots of reform take place across all programs at TITEB. This involves actively living out our local Indigenous Employment Strategy and currently we have 42 Tiwi staff members and 19 Non- Tiwi staff, the aim is over time to increase the number of local employees in middle to senior management.

#### **TITEB Website**

The new looking modern TITEB Website will be launched in October 2017 and will give people global access to our organisation. The website has historical and modern content that will showcase the many contributions that TITEB makes to the Tiwi Communities.

#### **Work for the Dole/Community Development Program**

The Tiwi Islands Caseload is made up of over 700 jobseekers or participants. 460 at Wurrumiyanga, 140 at Milikapiti and 110 at Pirlangimpi. The challenges of delivering the Community Development Program on behalf of the Department of Prime Minister and Cabinet include the complex framework that jobseekers have to comply with in order to maintain their welfare payments. We have been

extremely fortunate with all 3 communities participating at a high rate, this has taken an exceptional effort from our CDP Managers and their staff. We received an 89% result for the month of August which puts TITEB with the highest performers in the Top End. Compared to 46.9% at the same time the previous year. The Tiwi jobseekers are mostly proactive and participation rates are higher in the Tiwi's than in many other places. The Work for the Dole activities bring benefits to the community and provide a range of options for jobseekers to develop their skills. It has been a successful year; the CDP staff have grown their capacity and capabilities to deliver the funding agreement compliantly and this in itself is a great achievement.

On the employment front we have almost tripled last year's figures with benefits also going directly to employers who had jobseekers that remained employed for longer than 26 weeks and received an Employer Incentive.

#### 2016/17 Job Placement and Outcomes Achieved

Job Placements	196
13 Week Outcomes Combined	47
26 Week Outcomes Combined	30
Employer Incentives	11

#### Registered Training Organisation

The Registered Training Organisation TITEB Training ran a range of work place complimentary courses throughout 2016/17. There have been huge staffing challenges and we were able to successfully complete the following Certificate Courses.

Approximately 3,300 hours of training undertaken.

Individual units:

Prepare to work safely in the construction industry (White Card)	71
Provide First Aid	66
Operate and Recover 4WD	7
Undertake Operational Maintenance of Machinery	1

#### Full Qualifications

Certificate I in General Education for Adults (Introductory)	16
Certificate II in Cleaning Operations	6
Certificate II in Community Services	32
Certificate II in Skills for Work and Vocational Pathways	2

## **Skills in Education**

The Skills in Education and Employment Program (Adult Literacy) came to an end with STEPS and 9 Students completed the Adult Literacy requirement of 800 hours before it finished in June 2017.

## **Remote School Attendance (Yellow Shirts)**

The Yellow Shirts team has done a fantastic job once again this year, they were among the highest attendance ranked school in the Top End Region. The RSAS Team is 100% Tiwi, the manager, 2 team leaders and 5 team members are all Tiwi staff and based across the 3 communities in 4 schools. The team members successfully completed Cert II in Business as well as Industry specific training at Batchelor Institute, this supports their development and encourages confidence and high achievement.

## **Group Training Organisation**

On 30/6/17 had 36 Trainee/apprentices signed through TITEB's GTO.

Qualifications included:

- Cert III in Light Automotive
- Cert II in Community Services
- Cert II in Sport and Recreation (School based - Tiwi College)
- Cert III Civil Construction (Plant Operations)

Over the 12-month period we had a total of 11 people successfully complete traineeships and obtain qualifications.

Retention rates were very high during this period with the only cancellations being School based apprentices who either left school or moved into other paid employment.

## **School Meals Program Milikapiti**

TITEB School Meals Program has been running since June 2016. Inheriting from another provider 32 parents registered for School Meals and we have managed to increase parents registered. The menu has been overhauled to ensure fresh nutritious meals and the program employs 3 local women.

A very productive year overall with an emphasis over the next 12 months on youth engagement, training marketing and promotion as well as maintaining high performance in the Community Development Program.

**Maria Harvey**

**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.

#### **2.2.5.2 Tiwi Education Board**

The Tiwi College, under the leadership of the Tiwi Education Board has had another outstanding twelve months of achievement and it was also a time of farewell for two long serving members of our staff.

Ian Smith came to us as principal of Tiwi College in 2011 when the Tiwi Education Board took full control of the College operations.

The role of principal of Tiwi College is not the usual job description. The College is remote, with its own power generation, water, sewage, housing, roads, vehicles needed to bring students in and out of communities, airstrip – the list goes on. As principal, ‘Smithy’ was responsible and had to manage all of that and more on a daily basis - and 24/7. That he was able to do this and run a school at the same time for over six years is testament to his commitment, organisational ability and professionalism.

There were many challenges when he came to the College. Enrolment had been very low and attendance rates were disastrous, placing the College in a financially precarious position. We had major student behaviour issues, poor educational outcomes, low staff morale and high staff turnover. 2011 was tough. Making the required changes took time and an incredible amount of patience and effort but Smithy and the TEB persisted.

In 2012, we could see the Tiwi tide turning and from 2013 to today something very special happened. Enrolment is now around 80 students and growing, attendance rates are hovering around the 80% mark which, in remote secondary indigenous education, is unheard of Australia wide, we had our first cohort of five-year 12 senior female students complete their NT Certificate in 2016, our senior boys are actively part of our SEDA program, with four students completing their Certificate II in Sport and Recreation in term 1, 2017.

This list goes on, we are achieving incredible student retention rates, over 90% staff retention rates, year in, year out. The ‘Culture’ of the Tiwi College has grown strength and resilience. Behaviour issues have been managed by the implementation of our Restorative Justice programs. Long term partnerships have been created with Matthew Hayden, Guy Reynolds and Macquarie Bank, Red Dust, KPMG, Scotch College, Northern Territory and Federal Governments. Over \$8 million worth of infrastructure improvements to the College through grants and other means have come in over these last few years, to the point where the college is financially healthy and sustainable. The list seriously does go on and on.

Our long-term Family Group Home coordinator, Solo Radaniva has also moved on from our Picka Family to spend time with his children and grandchildren after 8 years with us. Solo transformed our Family Group Home Operations where we were going through house parents, often on a term by term basis, to today where they stay with us for many years. Again, this is unheard of in remote Aboriginal communities.

And when one chapter closes, another one begins. We welcome Stuart Ward, who similarly transformed our Senior Young Men into the role models and leaders that our future depends on, to

the position of Principal. Along with Isoa Waqairagata, who has been with us for over eight years and was part of our succession planning to succeed Solo as our Family Group Home Coordinator.

I'd again like to thank all our Tiwi and non-Tiwi staff in all our school communities for your dedication and time you share with us as the Tiwi Education Board continues to strive for Excellence in Education throughout our Islands.

Mana,

Brian Tipungwuti  
Chairman  
Tiwi Education Board

## 2.2.6 Process Mining and Exploration applications

**TABLE OF RECEIVED MINING APPLICATIONS AND PROCESSES.**

<b>ELA NUMBER</b>	<b>APPLICANT</b>	<b>APPLIED AND CONSENTED</b>	<b>DATE BY WHICH PROPOSAL MUST BE LODGED</b>	<b>CONSULTATION PERIOD ENDS</b> <i>Discussions with Landowners must occur prior to this date</i>
<b>27664</b>	<b>Rio-Tinto</b>	<b>30.4.2010</b>	<b>30.7.2010</b>	<b>31.10.2017</b>  Initial exploration discussions completed. Agreements in draft.
<b>28617</b>	<b>Tennant Creek Gold</b>	<b>14.2.2011</b>	<b>7.12.2011</b>	Moratorium ID No 616 – 11 November 2011 to 11 November 2016
<b>29035</b>	<b>Kalbar Resources</b>	<b>4.9.2012</b>	<b>30.11.2012</b>	<b>31.10.2017</b>  Substantive detail presented under consideration
<b>29036</b>		<b>4.9.2012</b>	<b>30.11.2012</b>	
<b>29222</b>		<b>12.6.2012</b>	<b>1.12.2012</b>	
<b>29243</b>	<b>Rio-Tinto</b>	<b>17.7.2012</b>	<b>27.6.2012</b> <i>Received 10.7.2012</i>	<b>31.10.2017</b>  Substantive detail presented under consideration
<b>29244</b>	<b>Rio-Tinto</b>	<b>17.4.2012</b>	<b>27.6.2012</b> <i>Received 10.7.2012</i>	<b>31.10.2017</b>  Substantive detail presented under consideration
<b>30924</b>	<b>MZI RESOURCES</b>	<b>12.10.2015</b>	<b>14.01.2016</b> <i>Received 18.01.2016</i>	<b>31 October 2018</b>

	<b>LIMITED</b>			
<b>EP(A)216</b>	<b>MBS Oil</b>	<b>15.2.2011</b>	<b>5.7.2012</b>	<b>31.10.2017</b>  Substantive detail presented under consideration

## 2.2.7 Provide research and assistance for Infrastructure needs

Several studies by the Northern Territory Government in recent years have substantiated and engineered road 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 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 met twice during the year. Work has continued 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.  
Research ethics and further genetic investigation particularly related to kidney disease and impacts.

New research needs were identified in the areas of:

Recreational fishing impact in response to the Fisheries Settlement Deed under Blue Mud Bay  
Feral buffalo herd management for environment protection and food  
Managing biosecurity threats from the mainland

CSIRO partnerships have been enhanced through the continuation of Carbon-fire studies with Land Rangers and our students at Tiwi College.

## 2.2.7 Details of consultants engaged

<b>Economic and Commercial Services Consultancies 2016/17:</b>	<b>\$107,914</b>
• HWL EBSWORTH Lawyers	\$8,965
• Midena Lawyers	\$4,891
• Piper Alderman - Legal; Land management and Township Leases	\$50,658
• Bowden McCormack Lawyers and Advisers; Township Leases	\$43,400

## **2.3 ADVOCACY SERVICES**

### **2.3.1 Promote Public Awareness**

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

The output tools to achieve these outcomes are:

- 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 itself, 250 copies.
- Corporate plan 2017-2021, published at:  
[http://www.tiwilandcouncil.com/publications/documents/Corporate\\_Plan\\_2017-2021.pdf](http://www.tiwilandcouncil.com/publications/documents/Corporate_Plan_2017-2021.pdf).
- 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 4,961 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.

### **2.3.2 Provide Advocacy and representation**

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

Direct and minuted consultations of the Management Committee and the Land Council number between 30 and 40 a year. Meeting every fortnight 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.

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.

### **2.3.3 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.

### **2.3.4 Facilitate Community Development Initiatives**

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

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

### 2.3.5 Details of consultants engaged

<b>Advocacy Services Consultancies 2016/17:</b>	<b>\$ 30,687</b>
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| <ul style="list-style-type: none"> <li>• View Axis</li> </ul> | \$30,687 |
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## 2.4 ADMINISTRATION AND SUPPORT SERVICES

### 2.4.1 Administer and Distribute Payments

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

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

### 2.4.2 Administer the Land Trust

The legal structure of the Land Council within which it can achieve the outcomes sought by members is primarily the establishment of a Land Trust to hold title to land. The Tiwi Aboriginal Land Trust is established under 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.

### 2.4.3 Assist in resolution of land disputes

Tiwi land ownership is a dynamic entitlement with various alliances and structures changing boundaries over time. The advantage of there being only one title to Tiwi land requires continuing Tiwi consensus over various internal clan or “country” 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.

#### 2.4.4 Details of consultants engaged

<b>Administration and Support Service Consultancies 2016/17:</b>	<b>\$ 101,825</b>
• DJMI Accounting & Consulting	\$75,084
• Tiwi Islands Adventures Pty Limited – Record Management	\$21,750
• Sol Media – web site management	\$ 4,991

#### 2.5 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. The Tiwi claim to ownership of the Vernon Islands has been accepted by all relevant parties and final details of the transfer of ownership.

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.

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

- *Aboriginal Land Rights (Northern Territory) Act 1976* amendment No 175, 2015
- *Public Governance, Performance and Accountability 2013* amendment No 126 2015
- *Personal Property Security Act 2009* amendment No 74 2015

#### Certification:

*This report of operations and related activity is made in accordance with a resolution of the Tiwi Land Council at Meeting 299 held at Yapilika Forestry Centre on 27<sup>th</sup> September 2017, for the preparation and content of this Report of Operations in accordance with Finance Minister's Orders.*



Gibson Farmer Illortaminni  
Chairman and Manager  
27th September 2017

### 3.0 CORPORATE GOVERNANCE

The Land Council discarded a line-management structure 20 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<sup>st</sup> March 1995.

#### 3.1 ACCOUNTABLE AUTHORITY PROFILES

##### 3.1.1 Chairman – Executive member

**Gibson Farmer Illortaminni** was born on 23<sup>rd</sup> 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 Mantiupwi 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 29<sup>th</sup> wedding anniversary with his wife Linda, with whom he lives in Milikapiti. They have two children and eleven grandchildren.

Mr Illortaminni was elected in 11<sup>th</sup> February 2015 an appointed Chair for a further 3 years.

##### 3.1.2 Chief Executive Officer – Executive member

Brian Clancy was born in Melbourne in 1965 and moved to Bathurst Island as a teacher in 1987 until 1993 where he moved into Darwin to teach at St Johns College for six years before returning to Bathurst Island in 1999 as a teacher and principal of Xavier Community Educational Centre. In 2004 Brian was employed as the Training Manager with the Tiwi Islands Training and Employment Board and moved to the Tiwi Land Council in 2007 as Development and Risk Manager Advisor, Deputy CEO, including the role of Tiwi College principal for a short time and currently as TLC CEO.

Married to Jennifer Ullungura Clancy for 22 years, Brian's passion is turning around the disastrous educational outcomes over the past two decades and providing quality Education for our Tiwi youth so that they can access the many employment opportunities right here on their own Islands, in industries that our Tiwi Leaders, past and present, have developed over many years in Forestry, Port Melville, through Township Leasing and Tourism as well as Local Government, Health, Education, Tiwi Enterprises and our many Traditional Owner owned companies.

Brian considers his role is more of a secretariat role rather than a traditional CEO role, in that he understands that the Tiwi people make the decisions on what direction and vision they set for their

future and it is not the role of a non Tiwi person to be setting the platform, with his role to use his skills to help put the Tiwi vision for their people into reality.

Tiwi know what they need for their people to thrive, to be successful and the pathway to get there. Brian does not see his current role as a long-term position and is committed to developing our young leaders to take on the TLC CEO and other Leadership positions that have traditionally been taken by non Tiwi people.

### 3.1.3 Executive Management Committee

Members of the Executive Management Committee are drawn from members of the full land council members. At the conclusion of the year the Executive Management Committee consisted of 9 members.

<u>Name of Executive Management Committee</u>	<u>Full Year or Commencement Date</u>
Farmer, Gibson - Chair	Full Year
Guy Jnr., David	Full Year
Kerinaiaua, Wesley	Full Year
Tipakalippa, Dennis	From October 2016
Puruntatameri, Richard	Full Year
Tipiloura, Stanley - Deputy Chair & Chair of Trustees	Full Year
Tipungwuti, Andrew	Until October 2016
Tipungwuti, Brian - Trustee	Full Year
Tungatulum, Leslie	Full Year
Wilson, John - Trustee	Full Year

## 3.2 MEETINGS OF LAND COUNCIL

The Land Council met on 5 occasions during the year. Correspondence is tabled at meetings of the Executive Management Committee who also co-opt other members to attend upon their meetings as required. 19 were required during the year to manage the business of the Land Council.

### 3.2.1 Land Council Meetings

Five land council meetings were held in 2016-2017:

<u>Meeting Number</u>	<u>Date</u>
294	29 September 2016
295	29 November 2016
296	28 March 2017
297	14 June 2017
298	22 June 2017

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

<b>Name of Trustee / Delegate</b>	<b>Name of Trustee / Delegate</b>
Babui, Francisco	Puruntatameri, Kim - Trustee
Bush, Andrew	Puruntatameri, Patrick
Farmer, Gibson - Chair	Puruntatameri, Richard
Fernando, Ivan - Trustee	Timaepatua, Bonaventure
Guy, David Jnr	Tipakalippa, Dennis
Kantilla, Stephen	Tipiloura, Connell
Kantilla, Dominic	Tipiloura, Stanley - Deputy Chair, Chair of Trustees
Kerinaiaua, Max – Trustee (June resignation)	Tipungwuti, Andrew
Kerinaiaua, Walter Jnr. - Trustee	Tipungwuti, Baylon – June resignation
Kerinaiaua, Wesley	Tipungwuti, Brian - Trustee
Molaminni, Christopher	Tipungwuti, Charles
Molaminni, Damian - Trustee (from August)	Tipungwuti, Emmanuel
Mungatopi, Fredrick	Tungatulum, Leslie
Mungatopi, Vincent	Wilson, John - Trustee
Munkara, Jonathon – Trustee (from June)	Wilson, Trevor – June resignation
Puautjimi, Valentine	Wommatakimmi, Adonis
Pilakui, Vernard	Wommatakimmi, Gabriel – Trustee (dec)
Puantulura, Joseph	Wommatakimmi, Kim Brooks

### 3.2.2 Executive Management Committee Meetings

	Of 5 Land Council Meetings:	Of 19 Executive Meetings:	Of 4 Independent Audit Committee:	Of 3 Land Development Working Group:	Of 2 Fire & Weed Management/ Rangers:	Of 2 Science Reference Committee Meetings:
<b>Member Name</b>						
Francisco Babui	1					
Andrew Bush	5					
Gibson Farmer Illortaminni	5	19		1	2	2
Ivan Fernando	5	5		2		1
David Guy	4	16		1	2	1
Stephen Kantilla	5			3		
Dominic Kantilla	5			1		
Max Kerinaiaua	2	2		1		1
Walter Kerinaiaua Jnr	4	4		2		1
Wesley Kerinaiaua	5	13	1	2	1	1
Christopher Molaminni	2					
Damian Molaminni	4	1				
Fredrick Mungatopi	4	1		2	1	1
Vincent Mungatopi	5				2	
Jonathon Munkara	4	0		1		
Valentine Puautjimi	5					
Vernard Pilakui	4					
Joseph Puantulura	5	1		2	1	
Kim Puruntatameri	5	12		1		2
Patrick Puruntatameri	4	1			1	
Richard Puruntatameri	5	18		3	2	
Bonaventure Timaepatua	5	5		1		
Dennis Tipakalippa	5	9			1	
Connell Tipiloura	5	8		1	2	
Stanley Tipiloura	5	12				1
Andrew Tipungwuti	5	9				
Baylon Tipungwuti	2	1		1	1	
Brian Tipungwuti	5	15		3	1	1
Charles Tipungwuti	2					
Emmanuel Tipungwuti	5			1		
Leslie Tungatulum	5	16		2	1	2
John Wilson	4	19	2	2	2	1
Trevor Wilson	1					
Adonis Wommatakimmi	4				2	
Kim Wommatakimmi	2				2	
Neville Wommatakimmi	1				1	
Pedro Wonaeamirri	5	1			1	

The Executive 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 21<sup>st</sup> 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 Executive 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 tenth year, is obliged to review its charter each year and has done so during 2016/17. The Committee comprises Mr. Hugh Bradley (Chief Magistrate retired), Mr. Deven Patel (Auditor and Accountant) and Mr. Ross Connolly (Architect and Businessman) 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](http://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 2016-17 period. The Committee is also required to meet with our Auditors during the process of our audit from May through September 2016. 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 Related Committees and Rangers. These committees met twice 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 met twice during this reporting period. The committee was 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 continues and new research areas have been identified, including land use planning, recreational fishing impacts, feral animal management, treatment and storage of research data and intellectual property.

### **3.4 RISK MANAGEMENT REGISTER**

The Land Council worked during the year to further develop our Risk Management protocols, Registers and Manuals. Work was completed in 2014/15 and aligned 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.

Our Code of Conduct policy applies to all representatives and Directors providing the framework of principles for conducting business, dealing with other representatives, members and suppliers. The Code of Conduct does not replace legislation and if any part of it is in conflict, then legislation takes precedence. This policy is based on the following principles:

- Act and maintain a high standard of integrity and professionalism.
- Be culturally aware and sensitive.
- Respect Tiwi Culture at all times.
- Be responsible and scrupulous in the proper use of Company information, funds, equipment and facilities.
- Be considerate and respectful of the environment and others.

- Exercise fairness, equality, courtesy, consideration and sensitivity in dealing with other representatives, directors, members and suppliers.
- Avoid apparent conflict of interests, promptly disclosing to a TLC senior manager any interest which may constitute a conflict of interest.
- Promote the interests of TLC.
- Perform duties with skill, honesty, care and diligence.
- Abide by policies, procedures and lawful directions that relate to your employment with the TLC and/or our members.
- Avoid the perception that any business transaction may be influenced by offering or accepting gifts.
- Under no circumstances may representatives offer or accept money.
- Any representative, who in good faith, raises a complaint or discloses an alleged breach of the Code, whilst following correct reporting procedures, will not be disadvantaged or prejudiced. All reports will be dealt with in a timely and confidential manner.

TLC expects co-operation from all representatives in conducting themselves in a professional, ethical and socially acceptable manner of the highest standards.

### **3.6 OTHER STATUTORY REQUIREMENTS**

#### **3.6.1 Indemnities and insurance premiums for officers**

In 2004 the Land Council was obliged to adopt Comcover as insurer. Policy Terms and Conditions do include Management Committee Members' and Officers' Liability. The limit of liability is \$100m. A premium of \$9,730 was paid for this cover for the 2016-17 year and a certificate of currency has been issued.

#### **3.6.2 Asset Value**

A revaluation of our assets is undertaken three years. This required valuation at 30 June 2016 and was completed by the Herron Todd White, with the next valuation due for the year ending 30 June 2019.

#### **3.6.3 Approved ABA Budget**

Our approved budget at 1<sup>st</sup> July 2016 was increased with approval of a supplementary budget estimate. Our attached financial statements record our performance against this income.

#### **3.6.4 Corporate Governance and Planning**

Basic Corporate Governance training for Tiwi members began in 2013, 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.

The Land Council is committed to ensuring that the Land Council has an effective corporate governance system which adds value and assists the Land Council in achieving its functions. The Land

Council ensures that an effective and efficient approach to corporate governance is developed and implemented and to ensure that the Accountable Authority is comprised of individuals with skill and expertise that are necessary for, and of assistance to, the Land Council.

The Tiwi Land Council has established an independent external Audit Committee of distinguished and reputable members and value their assessment and opinion on the systems, operations and risks of the Tiwi Land Council.

### **3.6.5 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.

Tiwi Land Council received no funds under section 64(3) of the aforementioned act during 2016-2017 financial year.

### **3.6.6 Section 37(4) Payments**

Tiwi Resources was paid \$22,874.88 from fund received from the Department of Mines and Energy under section 16 of the *Aboriginal Land Rights Act*. Funds were evenly distributed to relevant landowning groups.

### **3.6.7 Fraud Control**

The Land Council 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.

### **3.6.8 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 2016-17 year. Of our 128 suppliers, there are twelve in which one or more of our members are directors.

### **3.6.9 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 10 suppliers. During the year the Land Council conducted business of varying amounts with these suppliers. They are:

Related Party Payment	2016-2017	2015-2016
Jilamara Arts & Crafts	31,500	27,500
Munupi Arts & Crafts	26,500	28,830
Nguiu Ullintjinni Assoc.	65,320	37,418
Pirlangimpi Progress Assoc.	6,404	8,016
Tiwi Education Board	36,000	52,974
Tiwi Enterprises Pty Ltd	527,243	1,072,891
Tiwi Islands Adventures Pty Limited	119,352	94,120
Tiwi Islands Regional Council	101,333	93,878
Tiwi Plantations Corporation	105,664	118,869
Tiwi Resources	405,623	604,939

### 3.6.10 Compliance Report - Finance

In addition to Management, Directors and Solicitor representation letters required by the Australian National Audit Office as part of audit procedures, the Finance Minister requires a report of compliance with the provisions and requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). **A summary in the annual report of significant non-compliance notified during the reporting period, and action taken in response, is also required (refer section 17BE(h) of the Public Governance, Performance and Accountability Rule 2014)**, There were no instances of significant non-compliance during the financial year.

### 3.6.11 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.

### 3.6.12 Compliance with Public Governance, Performance and Accountability Rule 2014

A compliance Index is provided at page 56 to 58 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.

### **3.6.13 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 2016/17 financial year.

Compliance with Legal Service Directions 2005 require Legal Service Expenditure Reports to the Office of Legal Services Coordination by 4<sup>th</sup> August 2017. The Tiwi Land Council has completed and forwarded this Report.

### **3.6.14 Legal Service Multi Use List**

The Legal Services Amendment Direction 2012 (No.1) was made 31<sup>st</sup> May 2012 and commenced at 1 June 2012, effectively requiring the Land Council utilize only approved providers of legal services endorsed by the Commonwealth. 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

### **3.6.15 Australian National Archives**

Transition to digital record keeping is well underway with plans to implement and operate our own secure on-site server during the 2017-18 financial year. The server will be installed to our Pickataramoor office space and will meet all the necessary Australian National Archives 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.

### **3.6.16 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.

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 2014/15 audit was carried out in September and October 2015, and led to a successful independent (external) audit for 2015, resulting in the Tiwi Forestry Project maintaining ISO14001 accreditation.

### **3.6.17 ENVIRONMENTAL PERFORMANCE**

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

#### **3.6.17.2 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).

#### **3.6.17.3 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 continue to show that the freshwater resource is being used well within sustainable limits.

### **3.6.18 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.

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 Updated 23<sup>rd</sup> December, 2015
- Intramuscular Injections Updated 23<sup>rd</sup> December, 2015
- First Aid Management of Anaphylaxis Updated 23<sup>rd</sup> December, 2015
- Emergency Medicines Kit Information Seminar, Royal Darwin Hospital Updated on the 7th of March, 2016
- Obtained Authorisation to Possess Poisons in a Medical Kit renewed on the 26<sup>th</sup> May 2016
- Approval to hold an Emergency Medical Kit which contains drugs (such as morphine) to be used in an Emergency 26<sup>th</sup> May 2016
- 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 Replaced with new strips on the 17<sup>th</sup> August 2016
- Reporting procedures in place
- Any WH&S issues are now a permanent agenda item at all meetings.

#### DARWIN TIWI LAND COUNCIL OFFICE

- Emergency evacuation diagram displayed clearly for all staff and visitors to see.
- Muster point sign in fixed position on the TLC Darwin property.
- Fire/Emergency drills carried out every six months and a full report, including recommendations reported to CEO and filed.
- Fire extinguishers in place.
- Emergency procedure directions displayed for staff/visitors to view.
- Fully stocked St Johns first aid kit on site and checked annually by St Johns.
- Rachel Burke attended a St Johns first aid re-fresher course on the 28/02/17.
- Josephine Martens attended and obtained her St Johns first aid certificate on the 15/03/17.
- St John Vehicle first aid bags were provided to all Tiwi Land Council staff who drive a TLC vehicle on the 14/02/17

- 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*

### 3.6.19 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 2016-2017 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 2016-2017.



The Audit Committee has noted requirements for Audit Charter changes in the 2016-2017 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.

### 3.6.20 Advertising and Market Research section 311 *Commonwealth Electoral Act 1918*

During 2016-17, the Tiwi Land Council did not conduct any advertising or market research within the meaning of section 311 of the *Commonwealth Electoral Act 1918*.

### 3.6.21 Entity Resource Statement

Source	Grant Identity	Funds Carried forward from prior Years	Carried forward Reserves	Actual Income for 2016-2017	Expense for 2016-2017	Capital Acquisitions for 2016-2017	Balance of funds for 2016-2017
ABA beneficial payments under section 64(1)	ABA s64(1)	\$232,262.46	\$174,114.62	\$3,214,715.00	\$3,329,579.12	\$124,838.48	\$166,674.48
Other income	Combined with s 64(1) grant	\$0.00	\$0.00	\$34,055.67	\$34,055.67	\$0.00	\$0.00
ABA	ABA - Cultural Mentoring	\$0.00	\$0.00	\$117,000.00	\$117,000.00	\$0.00	\$0.00
ABA	ABA Tiwi Funeral Fund	-\$97,926.84	\$0.00	\$309,999.91	\$207,210.53	\$0.00	\$4,862.54
NT Fisheries	Blue Mud Bay Settlement	\$0.00	\$0.00	\$135,249.77	\$135,249.77	\$0.00	\$0.00
Commonwealth Government Working on Country	Marine Ranger wages support	\$0.00	\$0.00	\$263,330.00	\$263,330.00	\$0.00	\$0.00
Department of the Chief Minister	Community Champions	\$0.00	\$0.00	\$68,460.00	\$0.00	\$0.00	\$68,460.00
Commonwealth Indigenous Carbon Farming Fund	Fire Management for GHG abatement on the Tiwi Islands	\$2.49	\$0.00	\$0.00	\$0.00	\$0.00	\$2.49
Self-Generated	Griffith University	\$0.00	\$0.00	\$10,000.00	\$3,504.85	\$0.00	\$6,495.15
Self-Generated	Department of Environment	\$0.00	\$0.00	\$18,149.00	\$10,486.30	\$0.00	\$7,662.70

	and Energy						
Self-Generated	Department of Agriculture & Water Resources (Northern Australia Quarantine Strategy)	\$0.00	\$0.00	\$30,258.00	\$30,258.00	\$0.00	\$0.00
Self-Generated	Department of Primary Industry and Resources	\$0.00	\$0.00	\$1,040.00	\$1,040.00	\$0.00	\$0.00
Gift	Chief Minister Awards	\$11,363.64	\$0.00	\$0.00	\$11,363.64	\$0.00	\$0.00
OTL ABA beneficial payments under section 64(4)	Insurance	\$122,551.00	\$0.00	\$0.00	\$0.00	\$0.00	\$122,551.00
	Funds release - Office	\$0.00	\$0.00	\$1,800,244.08	\$0.00	\$0.00	\$1,800,244.08
		<b>\$268,252.75</b>	<b>\$174,114.62</b>	<b>\$6,002,501.43</b>	<b>\$4,143,077.88</b>	<b>\$124,838.48</b>	<b>\$2,176,952.44</b>

### 3.7 MANAGEMENT OF HUMAN RESOURCES

#### 3.7.1 Developing Human Resources

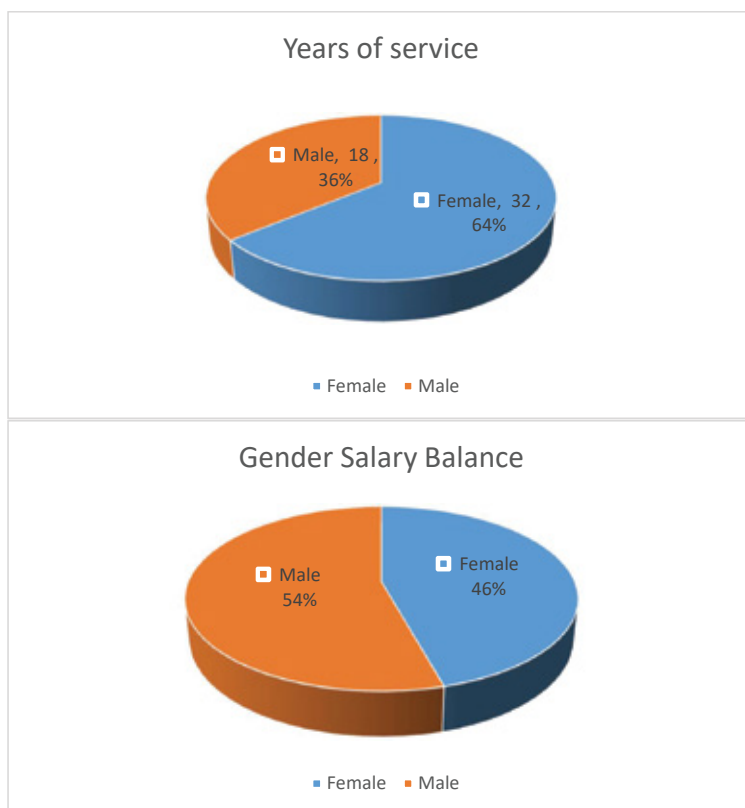
Human Resource Management is defined as the integrated use of procedures, policies, and practices to recruit, maintain, and develop employees in order for the organization to meet its desired goals. We have identified six broad areas: human resources capacity, human resources planning, personnel policy and practice, human resources data, performance management, and training.

Throughout the year we have seen the development personal policies and procedures, incorporating a focus on the digital technologies storage and retention of human resource details. Planning has been undertaken in developing framework a staff skills matrix, scheduled to be populated with pertinent data in 2016-2017. Performance management is assessed on both specific skills basis and the workflows within our integrated team. Continuing professional development has been undertaken in 2016-2017, and further training is scheduled for 2016-2017.

Executive management committee have been exposed to on the job training with regards to policies and procedures, applicability of the *Public Governance, Performance and Accountability Act 2013* and the *Aboriginal Land Rights (Northern Territory) Act 1976*, understanding is assessed on the basis of peer review.

#### 3.7.2 Statistics on Staffing

Staff	Gender	Years on Service at 30 June 2017	Expiry date of contract	Employment status	Location
1	Female	17	30/06/2018	Full time	Darwin
2	Female	10	30/06/2017	Full time	Tiwi Islands
3	Female	4	30/06/2018	Full time	Tiwi Islands
4	Male	10	31/12/2019	Full time	Tiwi Islands
5	Male	4	30/06/2018	Full time	Tiwi Islands
6	Male	3	30/06/2017	Full time	Darwin
7	Female	1	17/01/2020	Full time	Darwin
8	Male	1	1/10/2020	Full time	Darwin



### 3.7.3 Statistics on Employees who identify as Indigenous

	Number	Indigenous Participation	% of Staff
Female	4	1	25%
Male	4	1	25%
Total	8	2	25%

### 3.7.4 Employment Benefits and Categorisation

Tiwi Land Council has engaged their staff under common law contracts. Contracts for are for a stated salary, with an expectation that staff apply themselves diligently, properly and with skill care and attention in the best interest of the Tiwi Land Council. The Land Council does not make performance payments or post-employment payments.

When employment contracts expire, employee agreements must be based on the Australian Government Public Sector Workplace Bargaining Policy (Bargaining Policy), consistent with the Bargaining Policy, that all proposed remuneration increases are submitted to the Australian Public Service Commission (APSC) for assessment as affordable and offset by productivity gains.

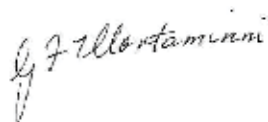
## 4.0 ANNUAL PERFORMANCE STATEMENT

### 4.1.0 Introductory Statement

The annual performance statement is for section 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* for the 2016-17 financial year and accurately presents the Land Council's performance in accordance with section 39(2) of the *Public Governance, Performance and Accountability Act 2013*.

In our opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the *Public Governance, Performance and Accountability Act 2013*.

The Accountable Authority meet at the Full Land Council Meeting Number 299 on the 27th September 2017, held at Yapilika.



Gibson Farmer Illortaminni  
Chair  
Tiwi Land Council



Brian Clancy  
Chief Executive Officer  
Tiwi Land Council

27<sup>th</sup> September 2017

### 4.1.1 Tiwi Land Council 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 recognised and respected authority for the management, protection and development of our interests.

Functions of the Tiwi Land Council are set out under enabling legislation, *Aboriginal Land Rights (Northern Territory) Act 1976*, being consultative, assistive, determinative and informative in nature.

Summary of functions of the Tiwi Land Council under the enabling legislation;

- ascertain and express the wishes and interest of Aboriginals as to the management of Aboriginal land and the appropriate legislation concerning that land;
- protect the interests of traditional Aboriginal owners of and other Aborigines interested in Aboriginal land;
- assist Aboriginals in the protection of sacred sites on land and sea;
- consult Aboriginal traditional owners and others interested Aboriginal on any proposal relating to the use of Aboriginal land;
- negotiate with persons wanting to obtain an estate or interest in land where the land is held by a Land Trust;
- assist Aboriginals to carry out commercial activities in a manner that will not cause the Land Council to incur financial liability or receive financial benefit;
- where the land is a community living area assist the owner of that land in relation to any dealings on that land;
- arrange and pay for legal assistance to help Aboriginals pursue a land claim;
- compile and keep a register of names of the members of the Land Council; and the members of the Land Trust;
- supervise and provide administrative support or other assistance to the Tiwi Aboriginal Land Trust;
- perform any function that are conferred by a law of the Northern Territory in respect to the protection of sacred sites, access to Aboriginal land and the management of wildlife on Aboriginal land;
- the Land Council shall not take any action, including the giving or withholding of consent, in any matter concerning land managed by the Land trust, unless the land Council is satisfied that:
  - the traditional Aboriginal owners of that land understand the purpose of the proposed action and have consented to it as a group; and
  - any Aboriginal community or group that may be affected by the proposed action has been consulted;

- the Land Council has function pertaining to the method of endorsing or rejecting exploration and petroleum applications;
- the granting of section 19 leases; and
- determination of the distribution of mining royalties' equivalents.

#### 4.1.2 Analysis of performance against purpose

The consistent decision making approach, pertaining to decisions on matters of land, articulated on 1<sup>st</sup> June 1977 by Matthew Wonaeamirri, Eric Brooks, Hyacinth Tungatulum, Raphael Apuatimi, Cyril Rioli, a Special Meeting of Clan Leaders at Pularumpi, continues to led to considerable practical discomfort in approval of the method of choice. We see this as an opportunity to display the uniqueness and intricacies of Tiwi culture, and will continue to forward this position.

#### 4.2.0 Results

##### 4.2.1 Performance criterion communication

Tiwi communication focuses upon the spoken language allowing comprehensive communicative acts to be undertaken during meetings. Publication of written material, of matters of interest to the Tiwi is produced, with distribution in excess of 1,000 copies on a bi-monthly cycle.

##### 4.2.1 Criterion Source

Communication is referred to at page 8 of the Tiwi Land Council Corporate Plan 2016-2020 located at [http://www.tiwilandcouncil.com/publications/documents/Corporate\\_Plan\\_2016-20.pdf](http://www.tiwilandcouncil.com/publications/documents/Corporate_Plan_2016-20.pdf).

##### 4.2.1 Result against performance criterion

Criterion	Budget Performance Measure	Actual Performance Measure	Comment
Land Council Meeting	6	5	
Executive Management Committee	26	19	
Consultative Committee	Attendance at consultative committee meetings at least half yearly	6	Consultative committees are established in the 3 areas of township leasing, (Wurrumiyanga, Milikapiti and Ranku), with Land Development Corporation and Department of Fisheries and Primary Industries.

Criterion	Budget Performance Measure	Actual Performance Measure	Comment
<b>Exploration Consultation Meeting</b>	Consult with traditional owners on the following exploration and petroleum application; EP(A)216 EL30924 EL29243 EL29222 EL28617 EL29244 EL29035 EL29036 EL27664	Limited	Significant and substantial decrease commodity prices have seen a general reduction in exploration within the mining and petroleum sector. Applicants have expressed an interest in ongoing negotiations.
<b>Family Trust Meeting</b>	Attend family trust meetings twice yearly	16	
<b>Publications</b>	Production of: Bi-monthly newsletter The Tiwi Annual Report Audit Financial Report	6 1 1	
<b>Community Corporation</b>	Attend as ex officio officer	3	Accountably Authority of the Tiwi Land Council met once with Tiwi Islands Adventures Pty atf Tiwi Islands Adventures Charitable Trust.

#### 4.2.2 Performance criterion education

Familiarisation by the governing body of the scope and power afforded to the Tiwi Land Council under its enabling legislation is aimed at aiding the decision-making process. Responsibilities of members and office holders imposed upon Government entities under the *Public Governance, Performance and Accountability Act 2013* and associated Rules, have provide a stable foundation on dealing with accountability and transparency.

#### 4.2.2 Criterion Source

Education is referred to at pages 8 and 9 of the Tiwi Land Council Corporate Plan 2016-2020 located at [http://www.tiwilandcouncil.com/publications/documents/Corporate\\_Plan\\_2016-20.pdf](http://www.tiwilandcouncil.com/publications/documents/Corporate_Plan_2016-20.pdf).

#### 4.2.2 Result against performance criterion

Criterion	Budget Performance Measure	Actual Performance Measure	Comment
<b>Familiarisation with legislation</b>	<p>Training of Executive Management</p> <ul style="list-style-type: none"> <li>• General Corporate governance</li> <li>• General financial interpretation</li> <li>• PGPA Act and Rules</li> <li>• ALRA Act</li> </ul>	<p>In house general accounting concepts and distinguishing income, expense, asset, liabilities and equity.</p>	<p>Executive Management Committee have been exposed to principles of trust structures including belonging to a class of beneficiaries and legal responsibilities of trustee as legal owner of trust property.</p> <p>Financial concepts included the treatment of assets and depreciation over the assets life.</p>
<b>Method of choice</b>	Trustee and delegates to review every six months	Revisit the method of choice, approach in determination remains consistent since commencement of the land council in 1978.	Tiwi continue to maintain their decision-making process pertaining to land, and will pursue consistency of their approach with incorporation within the method of choice.
<b>Meetings of Land Council</b>	<p>Review every six months:</p> <ul style="list-style-type: none"> <li>• Process on convening meetings, defining what is a quorum of a meeting</li> <li>• Confirm that a question is to be settled by a majority of votes of members present</li> </ul>	<p>Outline of sections 31(1) to (4) of the ALRA, determines who may call meetings and the necessary numbers that met the quorum requirements.</p> <p>Questions arising at meetings shall be decided by majority</p>	<p>Meeting protocols and framework development of agenda, has increased meeting efficiency, aiding in focusing on agenda items and developing respectful forums and sound debating of issues.</p> <p>Meeting rules including inclusion of proxies, is in a</p>



Criterion	Budget Performance Measure	Actual Performance Measure	Comment
	and voting <ul style="list-style-type: none"> <li>• Circumstances when the presiding member has a casting vote</li> <li>• Review the written rules of convening and conduct of meetings that have been approved by the Minister</li> </ul>	section 31(5) of the ALRA.  Under section 31(6) the presiding member of a land council meeting has a casting vote in the case of an even vote count.  Draft document draw, further matters dealing with co-opted and proxy participation.	development and applicability phase.
<b>Minutes of meeting</b>	Production of a decision register	Decisions register kept current within an electronic spreadsheet based on all resolutions passed at TLC Executive meetings and meeting of the full TLC delegates and Trustees	Action tracking of decisions continues to improve with the enhanced spreadsheet. Will continue to make improvements in the coming year.
<b>Community Corporation</b>	<ul style="list-style-type: none"> <li>• Training of Executive Management Committee</li> <li>• General corporate governance</li> <li>• General financial interpretation,</li> <li>• Director's roles and responsibilities</li> </ul>	Development of draft document, Protocols: dealing with Tiwi and Associated Entities.  KPMG (pro-bono) 10 months of assessment of corporate governance focused on Tiwi entities that seek assistance from Land Council  Operational overview financial reports have been presented by business entities.  In house general assessment of corporate governance focused on Tiwi entities that seek	Draft protocols have been developed by external party, highlighting the separation of duties of associated entities.  Increased related party disclosures in financial accounts in 2016-17, as required by accounting standards, will required continued work in the coming year on the foundations created.

Criterion	Budget Performance Measure	Actual Performance Measure	Comment
		assistance from Land Council	

### Compliance Index

Compliance Index of mandatory annual report requirements rules under the <i>Public Governance, Performance and Accountability Rule 2014</i> .		
Reference <i>Public Governance, Performance and Accountability Rule 2014:</i>	Rule(s)	Page(s)
Rule 17BB Approval by accountable authority	(a)	2
	(b)	2
	(c)	2
	(d)	1
Rule 17BE Contents of annual report	(a)	1
	(b)(i)	55
	(b)(i)	54
	(c)	1
	(d)	N/A
	(e)	N/A
	(f)	N/A
	(g)	54
	(h)	N/A
	(i)	N/A
	(j)(i)	33
	(j)(ii)	33-34
	(j)(iii)	33-34
	(j)(iv)	34-35
	(j)(v)	33
	(k)	10
	(l)	11
	(m)	33, 40 and 41
	(n)(i)	46
	(n)(ii)	46

Compliance Index of mandatory annual report requirements rules under the <i>Public Governance, Performance and Accountability Rule 2014</i> .		
Reference <i>Public Governance, Performance and Accountability Rule 2014:</i>	Rule(s)	Page(s)
Rule 17BE Contents of annual report	(n)(iii)	46
	(o)(i)	46
	(o)(ii)	46
	(p)	N/A
	(q)	32
	(r)(i)	N/A
	(r)(ii)	N/A
	(r)(iii)	N/A
	(r)(iv)	N/A
	(s)	N/A
	(t)	45
	(u)	N/A

Compliance Index	Page(s)
<b>Compliance Index Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA)</b>	
<p><b>Fees</b> Specify the total fees received for services provided by the land council: 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. Specify total fees received under s33B (other fees charged to the Commonwealth).</p>	Provided specifically at page 21
<p><b>Section 35 Determinations</b> 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. 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>	None determined or made and are so certified at page 39 and 40
<p><b>Details of amounts held in trust</b> 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>	funds referred to in the attached financial reports and Notes
<p><b>Delegations</b> If there is a delegation under s28, particulars of activities during the year related to any delegated functions or activities must be provided</p>	No delegations provided during the year
<p><b>Committees</b> 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>	The Tiwi Land Council has one Committee so appointed in 1995. This Executive Management Committee is referred at pages 14,35,36,41,61 and 65
<p><b>Consultants</b> 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>	Consultants retained for each output activity are noted for that activity in the text from Pages 20, 29, 32 and 33 - Principal Outputs.

## **GLOSSARY**

ABA – Aboriginal Benefits Account

AHC – Actual Hours Contact

ANA – Australian National Archives

AQIS - Australian Quarantine and Inspection Service

CDEP – Community Development Employment Programme

CDF – Community Development Fund

CFI - Carbon Farming Initiative

CSIRO - Commonwealth Scientific and Industrial Research Organisation

EMC - Executive Management Committee

EOLHT – Ezion Offshore Logistics Hub (Tiwi) Pty Ltd

GHG – Green House Gas

GTO – Group Training Organisation

HQ – Headquarters

IAC – Independent Audit Committee

IEP – Indigenous Employment Programme

ILC – Indigenous Land Corporation

JSA – Job Services Australia

LLNP – Language, Literacy and Numeracy Programme

NLC – Northern Land Council

NT – Northern Territory

NTG – Northern Territory Government

OTL – Office of township Leasing

PPA – Pirlangimpi Progress Association

RJCP - Remote Jobs and Communities Program

RTO – Registered Training Organisation

TEB – Tiwi Education Board

TITEB – Tiwi Islands Training and Employment Board

TLC – Tiwi Land Council

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**TIWI LAND COUNCIL  
GENERAL PURPOSE  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2017**

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## INDEPENDENT AUDITOR'S REPORT

To the Minister for Indigenous Affairs

### Opinion

In my opinion, the financial statements of the Tiwi Land Council for the year ended 30 June 2017:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Tiwi Land Council as at 30 June 2017 and its financial performance and cash flows for the year then ended.

The financial statements of the Tiwi Land Council, which I have audited, comprise the following statements as at 30 June 2017 and for the year then ended:

- Statement by the Accountable Authority, Chief Executive Officer and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising an Overview, Summary of Significant Accounting Policies and other explanatory information.

### Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Tiwi Land Council in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* to the extent that they are not in conflict with the *Auditor-General Act 1997* (the Code). I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Accountable Authority's Responsibility for the Financial Statements

As the Accountable Authority of the Tiwi Land Council the Chair and Chief Executive Officer are responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under that Act. The Chair and Chief Executive Officer are also responsible for such internal control as the Chair and Chief Executive Officer determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chair and Chief Executive Officer are responsible for assessing the Tiwi Land Council's ability to continue as a going concern, taking into account whether the entity's operations will cease as a result of an administrative restructure or for any other reason. The Chair and Chief Executive Officer are also responsible for disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

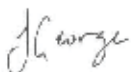
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jodi George

Acting Executive Director

Delegate of the Auditor-General

Canberra

6 September 2017

**TIWI LAND COUNCIL**

**FINANCIAL STATEMENTS**

*for the year ended 30 June 2017*

**STATEMENT BY THE ACCOUNTABLE AUTHORITY, CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2017 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*, and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

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

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



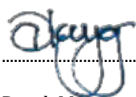
Gibson Farmer Illortaminni  
Chair  
Accountable Authority

6th September 2017



Brian Clancy  
Chief Executive Officer  
Accountable Authority

6th September 2017



Derek Mayger  
Chief Financial Officer

6th September 2017

**Statement of Comprehensive Income***for the period ended 30 June 2017*

	Notes	2017 \$	2016 \$
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee Benefits	1.1A	1,472,069	1,143,722
Suppliers	1.1B	2,675,273	2,816,996
Losses from Asset Sales	1.1C	-	58,077
Depreciation and amortisation	2.2A	128,528	157,365
<b>Total expenses</b>		<b>4,275,870</b>	<b>4,176,160</b>
<b>Own-Source Income</b>			
Rendering of Services	1.2A	65,584	-
Fees and Fines	1.2B	8,106	5,786
Interest	1.2C	10,674	14,314
Other Revenue	1.2D	-	50,000
<b>Total own-source revenue</b>		<b>84,364</b>	<b>70,100</b>
<b>Net (cost of)/contribution by services</b>		<b>(4,191,506)</b>	<b>(4,106,060)</b>
Revenue from Government	1.2E	4,124,034	4,115,669
<b>(Deficit)/Surplus on continuing operations</b>		<b>(67,472)</b>	<b>9,609</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation surplus		-	(271,890)
<b>Total other comprehensive income</b>		<b>-</b>	<b>(271,890)</b>

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

## Statement of Financial Position

as at 30 June 2017

		2017	2016
	Notes	\$	\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and Cash Equivalents	2.1A	2,466,433	608,927
Trade and Other Receivables	2.1B	6,683	65,515
<b>Total financial assets</b>		<b>2,473,116</b>	<b>674,442</b>
<b>Non-financial assets</b>			
Marine ranger boats	2.2A	185,206	203,365
Buildings	2.2A	797,577	849,000
Motor vehicles	2.2A	165,857	90,266
Infrastructure, plant and equipment	2.2A	22,348	32,047
Other Non-Financial Assets	2.2B	1,764	3,902
<b>Total non-financial assets</b>		<b>1,172,752</b>	<b>1,178,580</b>
<b>Total assets</b>		<b>3,645,868</b>	<b>1,853,023</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	2.3A	48,586	203,660
Other Payables	2.3B	2,080,922	122,551
<b>Total payables</b>		<b>2,129,508</b>	<b>326,211</b>
<b>Provisions</b>			
Employee Provisions	3.1A	233,293	176,272
<b>Total provisions</b>		<b>233,293</b>	<b>176,272</b>
<b>Total liabilities</b>		<b>2,362,801</b>	<b>502,483</b>
<b>Net assets</b>		<b>1,283,067</b>	<b>1,350,539</b>
<b>EQUITY</b>			
Asset Revaluation Reserve		150,320	150,320
Retained surplus		1,132,747	1,200,219
<b>Total equity</b>		<b>1,283,067</b>	<b>1,350,539</b>

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

# Statement of Changes in Equity

for the period ended 30 June 2017

	Notes	2017 \$	2016 \$
<b>RETAINED EARNINGS</b>			
<b>Opening balance</b>			
Balance carried forward from previous period		1,200,219	1,106,881
<b>Comprehensive income</b>			
(Deficit)/Surplus for the period		(67,472)	9,609
Transfers between equity components		-	83,729
<b>Closing balance as at 30 June</b>		<b>1,132,747</b>	<b>1,200,219</b>
<b>ASSET REVALUATION RESERVE</b>			
<b>Opening balance</b>			
Balance carried forward from previous period		150,320	505,939
<b>Comprehensive income</b>			
Other comprehensive income		-	(271,890)
Transfers between equity components		-	(83,729)
<b>Closing balance as at 30 June</b>		<b>150,320</b>	<b>150,320</b>
<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period		1,350,539	1,612,820
<b>Comprehensive income</b>			
(Deficit)/Surplus for the period		(67,472)	9,609
Other comprehensive income		-	(271,890)
<b>Total comprehensive income</b>		<b>(67,472)</b>	<b>(262,281)</b>
<b>Closing balance as at 30 June</b>		<b>1,283,067</b>	<b>1,350,539</b>

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

## Cash Flow Statement

for the period ended 30 June 2017

		2017	2016
	Notes	\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from Government		6,925,656	4,243,525
Sale of goods and rendering of services		34,930	55,640
Interest		10,674	14,314
Net GST received		194,895	127,657
Other		165,647	81,485
<b>Total cash received</b>		<b>7,331,802</b>	<b>4,522,621</b>
<b>Cash used</b>			
Employees		1,336,471	1,066,669
Suppliers		2,516,168	1,885,324
Fringe Benefit Tax paid		8,315	-
Section 19A Township lease		678,436	-
Grants		810,068	1,197,135
<b>Total cash used</b>		<b>5,349,458</b>	<b>4,149,128</b>
<b>Net cash from operating activities</b>		<b>1,982,344</b>	<b>373,493</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Purchase of property, plant and equipment		124,838	292,800
<b>Total cash used</b>		<b>124,838</b>	<b>292,800</b>
<b>Net cash used by investing activities</b>		<b>(124,838)</b>	<b>(292,800)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Net increase in cash held</b>		<b>1,857,506</b>	<b>80,693</b>
Cash and cash equivalents at the beginning of the reporting period		608,927	528,234
<b>Cash and cash equivalents at the end of the reporting period</b>	2.1A	<b>2,466,433</b>	<b>608,927</b>

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

# Overview

## 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) 1976 Act* and a 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 Land Council is structured to meet the following outcomes:

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 committees 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 entity in its present form and with its present programmes is dependent on Government policy and on continuing funding by Parliament for the entity's administration and programmes.

The funding conditions of the Land Council are laid down by the *Aboriginal Land Rights (NT) 1976 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.

## The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and

The financial statements have been prepared on an accrual basis and in accordance with the 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.

## New Accounting Standards

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

## Taxation

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

## Events After the Reporting Period

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



# Financial Performance

This section analyses the financial performance of the Tiwi Land Council for the year ended 2017.

## 1.1 Expenses

	2017	2016
	\$	\$
<b>1.1A: Employee Benefits</b>		
Wages and salaries	1,310,577	1,010,267
Superannuation		
Defined benefit plans	104,471	87,642
Leave and other entitlements	57,021	45,813
<b>Total employee benefits</b>	<b>1,472,069</b>	<b>1,143,722</b>

### Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

## 1.1B: Suppliers

### Goods and services supplied or rendered

Airfares and charters	236,038	73,488
Business Development	20,492	48,265
Compliance	136,295	171,166
Culture, ceremony and land use distributions	324,211	304,927
Information Communications Technology	88,903	99,660
Land Group Township Leasing	43,309	46,252
Land and resource management	-	77,555
Legal and risk management	64,514	60,020
Roads and Survey	183,702	105,533
Special projects	459,496	932,186
Vehicle operations	366,414	259,725
Other	677,373	564,489

### Total goods and services supplied or rendered

**2,600,747**      **2,743,266**

### Other suppliers

Operating lease rentals in connection with		
Minimum lease payments	69,550	69,550
Workers compensation expenses	4,976	4,180

### Total other suppliers

**74,526**      **73,730**

### Total suppliers

**2,675,273**      **2,816,996**

## Leasing commitments

### Commitments for minimum lease payments in relation to operating leases are payable as follows:

Within 1 year	67,600	67,600
<b>Total operating lease commitments</b>	<b>67,600</b>	<b>67,600</b>

### Accounting Policy

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

	2017	2016
	\$	\$
<b><u>1.1C: Losses from Asset Sales</u></b>		
<b>Marine Ranger Boats:</b>		
Proceeds from sale	-	-
Carrying value of assets sold	-	33,252
<b>Motor Vehicles:</b>		
Proceeds from sale	-	-
Carrying value of assets sold	-	4,261
<b>Property, plant and equipment:</b>		
Proceeds from sale	-	-
Carrying value of assets sold	-	20,564
<b>Total losses from asset sales</b>	<b>-</b>	<b>58,077</b>

## 1.2 Own-Source Revenue and gains

	2017	2016
	\$	\$

### Own-Source Revenue

#### 1.2A: Rendering of Services

Rendering of services	65,584	-
<b>Total Rendering of Services</b>	<b>65,584</b>	<b>-</b>

##### **Accounting Policy**

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

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

#### 1.2B: Fees and Fines

Fees	8,106	5,786
<b>Total fees and fines</b>	<b>8,106</b>	<b>5,786</b>

#### 1.2C: Interest

Deposits	10,674	14,314
<b>Total interest</b>	<b>10,674</b>	<b>14,314</b>

##### **Accounting Policy**

Interest revenue is recognised using the effective interest method.

#### 1.2D: Other Revenue

Resources received free of charge - Tiwi Training	-	50,000
<b>Total other revenue</b>	<b>-</b>	<b>50,000</b>

##### **Accounting Policy**

##### 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.

### Gains

#### 1.2E: Revenue from Government

Receipts from ABA: S64(1)	3,214,715	2,874,976
ABA - Ceremony/Kelama Funeral Fund	427,000	207,000
ABA - Marine Ranger Vessel	-	164,342
Department of the Prime Minister and Cabinet TLC Sustainable Rangers Wages and	-	411,600
WOC- Tiwi Islands Land and Sea Management - Marine Ranger	263,330	258,670
Department of Primary Industry & Fisheries - Marine Ranger	135,250	137,515
Department of Local Government and Community Service	68,460	-
Australian Taxation Office - Fuel Tax Credit	15,279	36,566
Department of the Chief Minister Regional Economic Development	-	25,000
<b>Total revenue from Government</b>	<b>4,124,034</b>	<b>4,115,669</b>

##### **Accounting Policy**

##### Revenue from Government

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.

## Financial Position

This section analyses the Tiwi Land Council's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships

### 2.1 Financial Assets

	2017	2016
	\$	\$

#### **2.1A: Cash and Cash Equivalents**

Cash on hand or on deposit	<b>2,466,433</b>	608,927
<b>Total cash and cash equivalents</b>	<b>2,466,433</b>	608,927

#### **Accounting Policy**

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

- a) cash on hand;
- 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; and
- c) cash in special accounts.

#### **2.1B: Trade and Other Receivables**

##### **Goods and services receivables**

Goods and services	<b>6,683</b>	-
<b>Total goods and services receivables</b>	<b>6,683</b>	-

##### **Other receivables**

Statutory receivables	-	65,515
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<b>Total other receivables</b>	-	65,515
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<b>Total trade and other receivables (gross)</b>	<b>6,683</b>	65,515
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<b>Total trade and other receivables (net)</b>	<b>6,683</b>	65,515
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Credit terms for goods and services were within 30 days (2016: 30 days).

#### **Accounting Policy**

##### **Loans and Receivables**

Trade receivables, loans and other receivables that have fixed or determinable payments and 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.

## 2.2 Non-Financial Assets

### 2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles

	Marine Ranger Boats \$	Buildings \$	Motor Vehicles \$	Infrastructure, plant & equipment \$	Total \$
<b>As at 1 July 2016</b>					
Gross book value	236,298	1,054,109	169,119	46,100	1,505,626
Accumulated depreciation and impairment	(32,933)	(205,109)	(78,853)	(14,053)	(330,948)
<b>Total as at 1 July 2016</b>	<b>203,365</b>	<b>849,000</b>	<b>90,266</b>	<b>32,047</b>	<b>1,174,678</b>
Additions					
Purchase	-	-	124,155	683	124,838
Depreciation	(18,159)	(51,423)	(48,564)	(10,382)	(128,528)
<b>Total as at 30 June 2017</b>	<b>185,206</b>	<b>797,577</b>	<b>165,857</b>	<b>22,348</b>	<b>1,170,988</b>
<b>Total as at 30 June 2017 represented by</b>					
Gross book value	236,298	1,054,109	293,274	46,783	1,630,464
Accumulated depreciation and impairment	(51,092)	(256,532)	(127,417)	(24,435)	(459,476)
<b>Total as at 30 June 2017</b>	<b>185,206</b>	<b>797,577</b>	<b>165,857</b>	<b>22,348</b>	<b>1,170,988</b>

All revaluations were conducted in accordance with the revaluation policy stated in the accounting policy. On 30 June 2016, an independent valuer, Herron Todd White, conducted the revaluations

## Accounting Policy

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.

### Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases below the capitalisation threshold, 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). Capitalisation thresholds: Buildings \$20,000; Plant and Equipment \$5,000; Motor Vehicles \$10,000 and Marine Ranger Boats \$15,000.

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. These costs are included in the value of the Land Council's leasehold improvements with a corresponding provision for the 'make good' recognised.

### Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets 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 are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it 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 are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

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

### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line 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:

	2017	2016
Building	20 years	20 to 25 years
Plant and equipment	3 to 20 years	2 to 20 years
Marine vessel	15 years	15 years
Motor vehicle	5 years	5 to 8 years

The entity has items of property, plant and equipment that are heritage and cultural assets that have limited useful lives and are depreciated.

### Impairment

All assets were assessed for impairment at 30 June 2017. 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 of disposal 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 entity 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.

	2017	2016
	\$	\$
<b><u>2.2B: Other Non-Financial Assets</u></b>		
Salary and wages paid in advance	-	3,902
Executive member expense recovery	<b>1,764</b>	-
<b>Total other non-financial assets</b>	<b>1,764</b>	<b>3,902</b>

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

## 2.3 Payables

	2017	2016
	\$	\$

### **2.3A: Suppliers**

Trade creditors and accruals	<b>48,586</b>	203,660
<b>Total suppliers</b>	<b>48,586</b>	203,660

### **2.3B: Other Payables**

Prepayments received/unearned income	<b>1,800,244</b>	-
Statutory payable	<b>158,128</b>	-
Other	<b>122,550</b>	122,551
<b>Total other payables</b>	<b>2,080,922</b>	122,551

During the year, Tiwi Land Council received \$1.8m from the Department of Prime Minister and Cabinet. These funds are for the purchase of 5 Benson Court, Knuckey Lagoon, Darwin, Northern Territory. The terms of the funding have not yet been negotiated or executed, and as such the Tiwi Land Council has accounted for this funding as unearned grant income until the funding agreement has been executed.



## People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

### 3.1 Employee Provisions

	2017	2016
	\$	\$
<b>3.1A: Employee Provisions</b>		
Leave	233,293	176,272
<b>Total employee provisions</b>	<b>233,293</b>	<b>176,272</b>

#### Accounting policy

Liabilities for short-term employee benefits and termination benefits expected 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.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

##### Leave

The liability for employee benefits includes provision for annual leave and long service 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 entity'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

The Tiwi Land Council's staff are members of the AMP TailoredSuper, Australian Super, Catholic Superannuation Fund, HostPlus Superannuation Fund, OnePath Integra Super, Rest Industry Super, Sunsuper Pty Ltd, and The Trustee for Synergy Superannuation.

The Land Council makes employer contributions at the rate of 9.5% and 10%, in accordance with the employment contract.

### 3.2 Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Tiwi Land Council, directly or indirectly, including any director (whether executive or otherwise) of the Tiwi Land Council. The Tiwi Land Council has determined the key management personnel to be the Chair and Chief Executive, referred to as the accountable authority under the PGPA Act. Key management personnel remuneration is reported in the table below:

	2017 \$
Short-term employee benefits	260,007
Post-employment benefits	22,798
Other long-term employee benefits	24,343
<b>Total key management personnel remuneration expenses</b>	<b>307,148</b>

Two senior management personnel are included in the above table.

### 3.3 Related Party Disclosures

#### Related party relationships:

The Tiwi Land Council is an Australian Government controlled entity. Related parties to this entity are Key Management Personnel, Directors, Executive, and other Australian Government entities.

#### Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes. These transactions have not been separately disclosed in this note.

The following transactions with related parties occurred during the financial year:

- The entity received accounting services from DJMI Accounting & Consulting for an amount of \$75,084 at which time Derek Mayger was both an employee, Principal Legal Officer of the Tiwi Land Council and principal in the firm. There is no balance outstanding at year end.

Significant transactions with related parties can include:

- the payments of grants;
- purchases of goods and services; and
- asset purchases.

Below is a list of the entity names and total amount of expenditure Tiwi Land Council had with related parties. The main expenditure was in relation to the payment of grants for Cultural Mentoring, Funerals and the Ranger Programme. Other significant expenditure were the travel costs for community elders to make meetings scheduled. These costs included fuel, car high and accommodation.

	2017	2016
	\$	\$
Jilamara Arts & Crafts	31,500	27,500
Munupi Arts & Crafts	26,500	28,830
Nguuu Ullintjinni Assoc.	65,320	37,418
Pirlangimpi Progress Assoc.	6,404	8,016
Tiwi Education Board	36,000	52,974
Tiwi Enterprises Pty Ltd	527,243	1,072,891
Tiwi Islands Adventures Pty Limite	119,352	94,120
Tiwi Islands Regional Council	101,333	93,878
Tiwi Plantations Corporation	105,664	118,869
Tiwi Resources	405,623	604,939
<b>TOTAL</b>	<b>1,424,939</b>	<b>2,139,435</b>

## Managing uncertainties

This section analyses how the Tiwi Land Council manages financial risks within its operating environment.

### 4.1 Contingent Assets and Liabilities

#### **Quantifiable Contingencies**

There were nil quantifiable and unquantifiable contingencies (2016: \$nil).

## 4.2 Financial Instruments

	2017	2016
	\$	\$
<b>4.2A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
<b>Loans and receivables</b>		
Cash at Bank	2,466,433	608,927
Receivables	6,683	-
<b>Total loans and receivables</b>	<b>2,473,116</b>	<b>608,927</b>
<b>Total financial assets</b>	<b>2,473,116</b>	<b>608,927</b>
<b>Financial Liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Suppliers	48,586	203,660
Other payables	122,550	122,551
<b>Total financial liabilities</b>	<b>171,136</b>	<b>326,211</b>

### Accounting Policy

#### Financial assets

The entity classifies its financial assets in the following category:

- loans and receivables.

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

#### Effective Interest Method

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

#### Impairment of Financial Assets

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

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

#### 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'.

#### 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 interest basis.

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).

### 4.3 Fair Value Measurement

#### Accounting Policy

The Council determines fair value for its non-financial assets using depreciated replacement cost and market based valuation on direct comparison basis in the fair value hierarchy. The following table discloses the fair value at 30 June 2016 and 30 June 2017.

#### 4.3A: Fair Value Measurement

	Fair value measurements at the end of the reporting period	
	2017	2016
	\$	\$
<b>Non-financial assets</b>		
Buildings	797,577	849,000
Infrastructure, plant & equipment	22,348	32,047
Marine Ranger Boats	185,206	203,365
Motor Vehicles	165,857	90,266
	<b>1,170,988</b>	1,174,678

The fair value of the Council's buildings as at 30 June 2017 have been determined and approved by the Council using the valuation carried out by Herron Todd White as at 30 June 2016, who is a certified practising valuer and with relevant experience in the valuation of property. The fair value measurement has been categorised on a depreciated replacement cost.

The fair value of Marine Ranger Boats, Motor Vehicles and Infrastructure, plant & equipment as at 30 June 2017 has been determined and approved by the Council using the basis of valuation carried out by Herron Todd White as at the 30 June 2016. The fair value for these assets has been categorised on the market based valuation techniques.

For those Infrastructure, plant and 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.

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

## Other information

### 5.1 Assets Held in Trust

#### 5.1A: 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:

	2017	2016
	\$	\$
<b>Land Use Funds</b>		
<b>As at 1 July</b>	<b>58</b>	<b>60</b>
Receipts	742,118	279,208
Payments	(742,092)	(279,209)
<b>Total as at 30 June</b>	<b>84</b>	<b>59</b>
<b>Total monetary assets held in trust</b>	<b>84</b>	<b>59</b>

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. A liability is recorded in the statement of financial position for this amount.

	\$	\$
<b>Land Use Funds</b>		
<b>As at 1 July</b>	<b>122,551</b>	<b>122,551</b>
Receipts	-	-
Payments	-	-
<b>Total as at 30 June</b>	<b>122,551</b>	<b>122,551</b>
<b>Total monetary assets held in trust</b>	<b>122,551</b>	<b>122,551</b>

The Tiwi Land Council holds on trust for the Aboriginal Benefits Account. Grant contract negotiations to commence in the 2018 financial year, with the Prime Minister and Cabinet. These funds will be used towards the acquisition of 5 Benson Court Knuckeyes Lagoon, subject to any regulatory restriction. A liability is recorded in the statement of financial position for this amount.

	\$	\$
<b>Section 64(4) funds received in advance of grant</b>		
<b>As at 1 July</b>	<b>-</b>	<b>-</b>
Receipts	1,980,246	-
Payments	(2)	-
<b>Total as at 30 June</b>	<b>1,980,244</b>	<b>-</b>
<b>Total monetary assets held in trust</b>	<b>1,980,244</b>	<b>-</b>

## 5.2 Income & Expenditure Against Budget S64(1)

### 5.2A: Income & Expenditure Against Budget S64(1)

Aboriginal Benefits Account Appropriations

	ABA Approved Estimates 2016/17 \$	ABA Actuals 2016/17 \$	Difference \$
<b>Expenditure</b>			
Administration and Support	962,847	1,124,484	(161,637)
Advocacy	605,080	582,182	22,898
Economic Development	668,523	796,105	(127,582)
Land & Resource Management	843,381	860,864	(17,483)
Capital Expenditure	145,084	-	145,084
S64(1) 2015/16 unexpended Capital carried forward to future year	165,466	124,838	40,628
Economic Development			
S64(1) 2015/16 unexpended TSL carried forward to future year	66,895	43,309	23,586
<b>Total expenditure</b>	<b>3,457,276</b>	<b>3,531,782</b>	<b>(74,506)</b>
<b>Income</b>			
ABA			
S64(1) 2016/17	3,214,715	3,214,715	-
S64(1) 2015/16 unexpended Capital carried forward to future year		165,466	165,466
S64(1) 2015/16 unexpended TSL carried forward to future year		66,895	66,895
<b>Total ABA</b>	<b>3,214,715</b>	<b>3,447,076</b>	<b>232,361</b>
Other			
Other			
Interest	5,000	10,674	5,674
Fuel Tax Credit	-	15,279	15,279
Recoveries	5,200	8,103	2,903
Total Other	10,200	34,056	23,856
<b>Total Income</b>	<b>3,224,915</b>	<b>3,481,132</b>	<b>256,217</b>
<b>S64(1) 2016/17 Carried forward funds</b>			
Income & funds			
S64(1) Grant 2016/17 including other income		3,248,771	
S64(1) 2015/16 unexpended Administrative brought forward		232,361	
Carried forward leave liability provision cash in term deposit		174,115	
<b>Total income and funds</b>		<b>3,655,247</b>	
Expenditure			
S64(1) Grant 2016/17 expenditure		3,531,782	
S64(1) 2016/17 unexpended Administrative carried forward to future year		123,465	
<b>Total outgoings and commitments</b>		<b>3,655,247</b>	
<b>Total surplus funds</b>			<b>-</b>





