

2016-2017

NEW SOUTH WALES
ABORIGINAL LAND COUNCIL
ANNUAL REPORT



CONTENTS

Chairperson's Welcome	5	Trial Period	22	Dareton LALC	33
From the Chief Executive Officer	6	Capacity Development	22	Mutawintji LALC	33
About Us	7	Economic Development Policy Review	22	Balranald LALC	33
Our Clients	7	NSWALC Strategic Plan 2013-2017	23	Tibooburra LALC	34
Council Structure	7	Office of the Deputy CEO	23	Eastern Zone	35
2016-2017 Councillors	8-9	Resources Development Project	23	Organisational Structure	35
Organisation Structure	10	The Policy Landscape	24	Support to LALCs	35
Senior Management	11	Minerals Exploration	24	Community Benefit Schemes	35
Policy and Programs	13	Involvement of Aboriginal Businesses	24	Risk Assessment System (RAS)	35
Land & Property	13	Network Strategic and Operational Support	24	LALC Training	35
Land Claims	13	Review of LALC Funding Procedures	26	Social Housing	35
Overview of Land Claims	13	Zone Director Forums	26	Land Dealings	35
Claims lodged with the Registrar	13	Advice to Zone Offices	26	Regional Forums	35
Outstanding Aboriginal Land Claims as at 30 June 2016	13	Strategic Advice and Network Relations	26	Community Land and Business Plans (CLBP)	36
Land Claims granted	13	Business Development	26	NAIDOC	36
Land Claims refused	13	Office Zones	28	Economic / Community Development	36
Land Claims withdrawn	13	Northern Zone	28	Native Title	36
Contamination Issues And Risk Mitigation	14	Staffing	28	LALC Funding	36
2016-2017 Property Register	14	General Zone Support to LALCs	28	Payments to LALCs	37
Proposed Dealings With Claimed Land (Including Compulsory Acquisitions)	14	Specialised Support to LALCs	28	LALC Debt	37
Land Dealings	14	Review of Operations	28	Southern Zone	38
Scope And Approval Of Land Dealings	14	LALC Regional Forums	28	Staffing	38
Certificates Of Title	16	Compliance Monitoring and Assistance	28	Support to LALCs	38
Property Holdings And Management	16	LALC Audit Results	29	Regional Forums	38
Property Portfolio	16	Risk Assessment System and Performance Improvement Planning	29	LALC Board Elections	38
The Policy & Programs Unit	16	LALC Board Elections and Support	30	LALC Training	38
Culture and Heritage Reform	17	Training and Workshops	30	Risk Assessment System (RAS)	39
Aboriginal Fishing Reforms	17	LALC Employee Recruitment and Workplace Relations Assistance	30	LALC Social Housing Activity	42
Review of the Aboriginal Land Rights Act 1983	17	LALC Land and Mapping	30	Community Land and Business Plans (CLBP)	42
Crown Lands Review	17	Aboriginal Land Agreements and Community Development Planning	31	Economic Development Program	42
Aboriginal Land Agreements	17	Far Western Zone	31	LALC Funding	42
Economic Development	17	Human Resources	31	Western Zone	44
International Advocacy	18	Support to LALCs	31	Staffing	44
MOU between NSWALC and NTSCORP	18	Monitoring and Compliance	31	Compliance and Funding	44
NSWALC Community Fund	18	Payments to LALCs	31	Central Region Allocation and Expenses	44
Freddy Fricke Scholarship	19	Community Land and Business Plans	31	North West Region Allocation and Expenses	45
Funeral Fund	19	LALC Debt	31	Risk Assessment System (RAS)	46
The Aboriginal Communities Waste Management Program	19	Land Claims, Dealings and Management	33	LALC Support and Capacity Development	47
Aboriginal Communities Water and Sewerage Program	19	Dareton LALC	33	LALC Board Governance Training and Elections	47
Subdivisions	20	Balranald LALC	33	LALC CEO Training	47
Discretionary Grants	20	Social Housing	33	Regional Forums	47
Local Government - LGNSW	20	Water and Sewerage Program	34	Water and Sewerage	47
Submissions and Publications	21	Regional Forums and CEO Meetings	34	Community Land and Business Plans (CLBP)	47
Workshops, Events and Meetings	21	Local Aboriginal Land Council Activities	33	Finance, Investments and Governance	48
Additional policy advice and assistance	21	Broken Hill LALC	33	Governance Unit	48
Economic Development	23	Wilcannia LALC	33	Board Governance	48
		Menindee LALC	33		

Internal Audit	48	Barkandji	72	Percentage of Total Employee-Related Expenditure on Senior Staff and Executive	92
Procurement	48	Western Bundjalung	72	Budgets	93
Resource Development	48	Gumbaynggirr People (Boney-Whitt)	72	Insurance	95
Audit and Risk Committee	49	New claims	72	Financial Statements	97-162
Planning and Risk Management	49	General Native Title work	72	Acronyms	163
Complaints	49	Media and Communications	72	Contact Details	164
Attestation Statement	50	Online and Social Media	73		
Compliance and Evaluation Section	51	Media Releases and Network Messages	73		
Compliance and Funding Database	51	Events	73		
Risk Assessment System	51	40th Anniversary Gala Dinner	73		
Statewide LALC Funding Category	52	Information and Communications Technology Unit	74		
Statewide Grant Allocations Report	55	Operations Support	74		
Payments against Approved Grant	55-60	ICT Steering Committee	74		
Total Outgoings for LALCs	61	ICT Strategy	74		
Investigation and Administration of Aboriginal Land Councils	61	ICT Project Deliverables	74		
Brewarrina LALC Administrator	62	People and Workplace Unit (P&W)	75		
Balranald LALC Administrator	62	Recruitment	75		
Ivanhoe LALC Administrator	62	Organisation and Establishment Structure	75		
Mungindi LALC Administrator	62	Employment Conditions	76		
Awabakal LALC Administrator	62	Payroll and Salaries	76		
Albury and District LALC Investigator	62	Workplace Health and Safety (WH&S)	76		
Narromine LALC Investigator	62	Policy Review	76		
Finance Unit	63	Traineeships/ Internships/ Work Experience	76		
Year End Accounts	63	Training	76		
Annual Budget	63	Capacity Development Plan	76		
Monthly Management / Investment Reports	63	NSWALC Staff Training	76		
Cash Flow Management	63	Training for Local Aboriginal Land Councils	78		
Expenditure Control	63	Records and Fleet Management	78		
Customer Services	63	Changes to the Structure of the Unit	78		
Investment	63	Fleet Management	79		
Statutory Investment Fund	63	Mail	79		
Current Management and Value	64	Appendices	80		
Where Our Money Goes	64	Obligations under the Government Information (Public Access) Act 2009	80		
Investment and Growth of the Fund	64	Councillor Meeting Attendance	84		
Investment Committee	65	Councillor Travel Expenses	86		
Investment Decisions	66	Overseas Visits	86		
Modelling Outcomes	66	Privacy and Personal Information Protection	86		
Investment Performance	67	Consultants	87		
Performance against Peers	68	Grants	88		
Corporate Services	70	Human Resources	89		
Legal Services Unit (LSU)	70	Equal Employment Opportunity	89		
Legal Matters	70	Workers Compensation and Rehabilitation	90		
External Legal Costs	70	Remuneration of Councillors	90		
Inspections, Appeals and Settlements	71	Performance and Number of Executive Officers	91		
Land Claim File Inspections	71	Workforce Diversity Strategies	91		
Land Claims Litigation – Appeals and Settlements	71	Aboriginal Employment Plan	91		
Key Land Claims – Settlements	71	Senior Staff and Executive Remuneration	92		
Native Title	71				

31 October 2017

The Hon. Sarah Mitchell, MLC
52 Martin Place
SYDNEY NSW 2000



Dear Minister

In accordance with the provisions of the *NSW Aboriginal Land Rights Act 1983*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Audit Act 1983*, we are pleased to submit the 2016-2107 New South Wales Aboriginal Land Council Annual Report.

We commend this report to you.

Yours sincerely

Roy Ah-See
Chairperson
NSW Aboriginal Land Council

Anne Dennis
Deputy Chairperson
NSW Aboriginal Land Council

OUR LAND COUNCIL OUR MOB OUR FUTURE

www.ourmob.org.au

Head Office
Level 5, 35 Argyle Street
Parramatta NSW 2150
PO Box 1125
Parramatta NSW 2124
Tel: 02 9689 4444
Fax: 02 9687 1234

Western Zone
2/56 Darling Street
Riversview Business Park
Dubbo NSW 2830
PO Box 1195
Dubbo NSW 2830
Tel: 02 6885 7000
Fax: 02 6881 6268

Northern Zone
Suite 2-26, Park Avenue
Coffs Harbour NSW 2450
PO Box 1912
Coffs Harbour NSW 2450
Tel: 02 6659 1200
Fax: 02 6650 0420

Eastern Zone
50/24-26 Watt Street
Gosford NSW 2250
PO Box 670
Gosford NSW 2250
Tel: 02 4337 4700
Fax: 02 4337 4710

Southern Zone
Unit 22, 2 Yalourn Street
Fyshwick ACT 2609
PO Box 619
Queanbeyan NSW 2620
Tel: 02 6124 3555
Fax: 02 6280 5650

Far West Zone
Level 3, NSW State
Government Building,
32 Sulphide Street
Broken Hill NSW 2880
Tel: 08 6087 9587
Fax: 08 6087 3801

CHAIRPERSON'S WELCOME



Just three months after the conclusion of this reporting period, NSWALC will celebrate its 40th Anniversary.

When more than 200 people resolved to form the New South Wales Aboriginal Land Council at Redfern's Black Theatre in October 1977, they had high hopes for the future.

They were the ones who formed the first wave of the modern Land Rights movement. They established the Land Council, built our membership and campaigned for Parliament to introduce the Aboriginal Land Rights Act – which ultimately became law in 1983.

In the past year we continued their work by almost doubling the amount of land claims lodged over the previous year. In addition, the number of land claims granted continued to be well above the average for the past five years.

We also continued to push forward in using the land that has been returned to create economic opportunities for Aboriginal people. Recently, Council approved the development of two new companies to help do this - NSWALC Enterprises and the NSWALC Aboriginal Community Housing Company.

Our positive relationships with the NSW Government have continued to strengthen and we have also appreciated the strong support we have received from the Federal Minister, Senator Nigel Scullion.

On a personal note, I was honoured to be appointed to the Prime Minister's Indigenous Advisory Council in February. This participation is important because it gives Land Rights a seat at the table where decisions are made about the future of our people.

Also on the national stage, NSWALC was very involved in the consultations of the Referendum Council and our Councillors attended the Uluru Summit in June. We strongly support the Statement from the Heart finalised at the Summit and are currently considering how we can further its aims for a national voice and Makarrata Commission here in New South Wales.

The coming year promises to be just as busy and productive as the past one. We will be finalising our new Strategic Plan, continue building a national forum for Land

Council leaders, as well as introducing new ways to ensure benefits are delivered and maintained for members in a more consistent and coordinated way.

None of what we achieved this year would have been possible without the pioneering work of the Land Rights legends we plan to honour at our 40th Anniversary celebrations. But neither would it be possible without our current Land Rights network and our 23,000 members who are the lifeblood of our movement. On behalf of Council, thank you to all LALC members as well as Board members and staff for all of your efforts.

Thank you also to my fellow Councillors, particularly our Deputy Chairperson, Anne Dennis, our CEO, James Christian and our NSWALC staff for all of your work.

As Chairperson, and on behalf of my fellow Councillors, I commend this report to you.

Roy Ah-See

A handwritten signature in dark ink, appearing to read 'Roy Ah-See'.

Chairperson, NSWALC



As a proud Wiradjuri man from the Riverina area it was a great honour to be appointed CEO of NSWALC in May 2017.

I began this job during what has been a time of reflection as we prepare for NSWALC's 40th Anniversary in late September 2017.

Although, much has changed since 1977 when the founders of NSWALC met at the Black Theatre in Redfern and resolved to establish a state Land Council, our core values and priorities remain the same.

For all of us at NSWALC, the return of Aboriginal land and enabling this land to be used for the cultural, economic and social benefit of our people is core business.

However, the way we do this is changing as we enter the third wave of the Land Rights movement in this state.

The first wave was about fighting for and establishing Land Rights and our Land Councils, building our membership and campaigning for Parliament to introduce the Land Rights Act.

The second wave was about consolidating the rights that we had won through the claiming and return of land and embedding the good governance of our network.

We are now on the cusp of a third wave of our movement. This wave presents an exciting opportunity to realise the outcomes of all the hard work that has gone before us. It's about realising the outcomes from our land and our efforts.

The third wave of our movement is continuing to be assertive in having land returned to Aboriginal Land Councils, continuing to grow our membership, and importantly, leveraging returned land into greater political, economic and cultural power for our people.

In 2016-17 the Network saw significant steps undertaken in realising the new Aboriginal Land Agreement provisions in the ALRA. Aboriginal Land Agreements allow for the strategic settlement of land claims and the return of land to Aboriginal Land Councils with flexibility to provide the social, cultural and economic outcomes intended by the

ALRA. Over this reporting period NSWALC has worked hard in supporting Local Aboriginal Land Councils in these negotiations. We are committed to continuing this important work.

In line with our culture and heritage functions under the ALRA, NSWALC continues to strongly advocate for culture and heritage laws to finally deliver decision making to Aboriginal peoples and proper protections for Aboriginal culture and heritage. It is imperative that Aboriginal peoples in NSW have control over our land, language and culture. Culture and heritage is a priority area for NSWALC and we will continue to strongly advocate in this area.

Near the end of this year's reporting period, NSWALC took a significant step in leveraging returned land into greater political, economic and cultural power for our people through the establishment of two new businesses, NSWALC Enterprises and the NSWALC Aboriginal Community Housing Company. The aim of NSWALC Enterprises is to maximise the use and application of Aboriginal lands as a platform for economic, social and cultural development. The Community Housing Company will provide more social and affordable housing with pathways to home ownership. It will also leverage the construction activity of new housing development to drive enterprise, training and employment outcomes.

However, land is just one of our movement's great assets. The others are our people and the investment fund.

In the next year we will focus not just on growing the numbers of people who make up our movement but also improving their engagement. Increasing the involvement of our 23,000 members will lead to more informed decision making as well as greater transparency and accountability. It will also enable our movement to harness the largest possible pool of talent in support of our aims.

Our Investment Fund continues to perform well with a strong return over the last financial year of more than 10 percent. Its continued health is vital to ensuring Land Rights for future generations.

Over the three waves of Land Rights, NSWALC has affirmed our place as the peak Aboriginal rights organisation, advocating for the rights and interests of Aboriginal peoples in NSW. I look forward to working with the Council to continue to lead the way for better outcomes for Aboriginal peoples in NSW.

I would like to thank the NSWALC Chair and Councillors, the Local Aboriginal Land Council Network, the staff of NSWALC, our Corporate Committee members and my predecessor as NSWALC CEO, Lesley Turner.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

James Christian, PSM

Chief Executive Officer

The organisation was formally constituted as a statutory corporation with the passage of the Aboriginal Land Rights Act (ALRA) in 1983. This Act was passed following a Parliamentary Inquiry into Land Rights in NSW by the Legislative Assembly Select Committee on Aborigines and the release of a Government Green paper proposing a scheme for land claims.

The ALRA provided a mechanism to make claims to limited classes of Crown land, and by providing a fund to support economic development, the purchase of land on the open market and self-determination through a network of representative land councils. The Statutory Investment Fund was established and resourced with an amount equal to 7.5 percent of land tax on non-residential land for a period of 15 years. All government contributions to the Fund ceased at the end of this period.

The NSW Aboriginal Land Council (NSWALC) has managed the Fund on behalf of the Aboriginal people of New South Wales. Over the past 30 years, NSWALC has grown the capital while funding its own operations and a network of 120 local Aboriginal Land Councils from a proportion of the earnings.

The specific functions of NSWALC as set out in Section 106 of the *Aboriginal Land Rights Act 1983* are:

- Land Acquisition
- Oversight of Local Aboriginal Land Councils
- Policy and Advice
- Administration of Statutory Accounts
- Aboriginal Culture and Heritage
- Financial Stewardship

OUR CLIENTS

NSWALC's principal clients are the network of 120 Local Aboriginal Land Councils (LALCs) and the 23,000 Aboriginal people who are their individual members. LALCs manage a range of support services delivered at a local level to their communities including housing, legal affairs, employment, training, culture and heritage, property acquisition and management.

The Land Councils have been structured with the aim of achieving a high degree of participation and involvement by every Aboriginal person in the affairs of their local community. Each LALC elects its own Board and appoints staff with members able to access advice, information and support from NSWALC in relation to all aspects of Land Rights. LALCs are supported financially and through relevant training and development to build capacity to strategically plan and manage affairs at a local level.

COUNCIL STRUCTURE

NSWALC's Councillors are elected by registered voting members of LALCs to serve a four year term. One Councillor is elected to represent each of the nine NSW regions. The elected nine person Council itself votes for a Chairperson and Deputy Chairperson to hold office for a term of two years who are then eligible for re-election.

The statutory positions of Councillor are established under the NSW ALRA (1983) with salaries determined by the Statutory and other Offices Remuneration Tribunal for Public Office Holders. The role of each Councillor is to:

- direct and control the affairs of the Council in accordance with the Act;
- participate in the allocation of the Council's resources for the benefit of Aboriginal people;
- participate in the creation and review of the Council's policies and objectives;
- review the performance of the Council in the exercise of its functions and the achievement of its objectives;
- represent the interests of LALC members and respond to concerns;
- facilitate communication between LALC members and NSWALC.

An election for the current nine Councillors was conducted by the NSW Electoral Commission on 31 October 2015. It was contested by all but one of the Councillors elected in 2011.

The statewide poll resulted in the re-election of six Councillors, together with one first term Councillor and two who had previously served terms on Council.

At its first meeting on 18 November, the Council elected Sydney/Newcastle Councillor, Roy Ah-See as Chairperson and North West Councillor, Anne Dennis as Deputy Chairperson.

2016-2017 COUNCILLORS



Chairperson Roy Ah-See
(Chairperson)

Sydney/Newcastle Region

Roy Ah-See is a Wiradjuri man born and raised on Nanima Reserve near Wellington. He is a voting member of the Gandangara LALC. He has previously worked at the NSW Aboriginal Housing Office and as a Policy Officer in various government departments and at NSWALC. He has also had extensive experience working in the non-Government sector. Cr Ah-See has been a NSWALC Councillor since 2007, was elected Deputy Chairperson in November 2013 and Chairperson in October 2015. He is a member of the Prime Minister's Indigenous Advisory Council and a board member of Indigenous Business Australia. Cr Ah-See has a Bachelor of Arts in Social Welfare.



Councillor Anne Dennis
(Deputy Chairperson)

North West Region

Anne Dennis is a Gamilaraay woman from Walgett. Cr Dennis was a Board Member of Walgett LALC for more than 10 years and was appointed CEO of Walgett LALC in 2009. Cr Dennis is passionate about progressing LALCs towards independence and self-sufficiency through employment, better educational outcomes and social justice for Aboriginal people. Cr Dennis is one of two NSWALC Board Members of Paradigm Resources.



Councillor Craig Cromelin

Wiradjuri Region

Craig Cromelin is a descendant of Ngiyampaa and Wiradjuri people. Cr Cromelin is a long-standing member and former Chair of the Murrin Bridge LALC. He also chaired the former Wiradjuri Regional Aboriginal Land Council. Cr Cromelin has been a NSWALC Councillor since 2007 and was Chairperson from October 2013 to October 2015. He is one of two NSWALC Board Members of Paradigm Resources. Cr Cromelin has spent most of his life in Murrin Bridge and has settled there with his family.



Councillor Peter Smith

Mid North Coast Region

Dunghutti man Peter Smith has been based in the Taree area for nearly 30 years. He was Chairperson of the Purfleet-Taree LALC for 10 years and chair of the Biripi Aboriginal Medical Service for 15 years. Cr Smith also worked for the NSW police service for 10 years, and the Hunter New England Area Health Service for 11 years. He currently sits on the NSWALC Audit and Risk, Investment and Governance Committees, is the NSWALC representative on the Police Aboriginal Strategic Advisory Council, the Aboriginal Fishing Advisory Committee and the Office of Environment and Heritage Aboriginal Cultural Heritage Advisory Committee as well as being a board member of Dunghutti Elders.



Councillor Tina Williams

North Coast Region

Tina Williams is a Bundjalung woman from Lismore. She is a member of Ngulingah LALC, where she was Executive Secretary and then Coordinator for a number of years. Cr Williams also worked at various levels of NSWALC for more than six years. She has an Advanced Diploma in Community Management and a Certificate IV in Frontline Management.

2016-2017 COUNCILLORS



Councillor Charles Lynch

Northern Region

A Gomeroi man born in Tamworth who has lived between Tamworth, Barraba and Quirindi all his life, Cr Lynch has been involved in the Land Rights network for more than 25 years in various capacities. He was elected to the NSWALC Council in 2015. Cr Lynch is a member of Tamworth Local Aboriginal Land Council, is a board member of the Tamworth Aboriginal Medical Service and Treasurer of Walhallow Murri Aboriginal Enterprise Corporation. Cr Lynch has a Diploma of Business, an Associate Diploma in Business (Accounting), a Graduate Certificate in Professional Accounting, is a Fellow of the Institute of Public Accountants and also has qualifications in Community Management and Property (Real Estate). He is a member of NSWALC's Audit and Risk, and Finance Committees.



Councillor Stephen Ryan

Central Region

Wiradjuri man Stephen Ryan is based in Dubbo. He has worked in a range of areas dealing with issues such as family violence and land management, including five years with NSW Native Title Services. Cr Ryan is a member of the Dubbo LALC and former Chairperson of both NSWALC and Dubbo LALC and Aboriginal and Torres Strait Islander Commission (ATSIC) Commissioner for Murdi Paaki Region.



Councillor Danny Chapman

South Coast Region

Elected in 2015, Cr Chapman is a Walbunga man from the Yuin nation with experience and knowledge of Native Title and Aboriginal Fishing Rights. A major part of Cr Chapman's education was learning how to fish and gather food from the sea and estuaries and he has advised government as Chair of the NSW Aboriginal Fishing Advisory Council. Cr Chapman has also served as Manager of NSW Native Title Services and has been involved in Aboriginal Affairs at State Government level for the past five years. Cr Chapman previously served on the NSWALC Council from 1992 to 1994 as the Treasurer and Councillor for the then Far South Coast region.



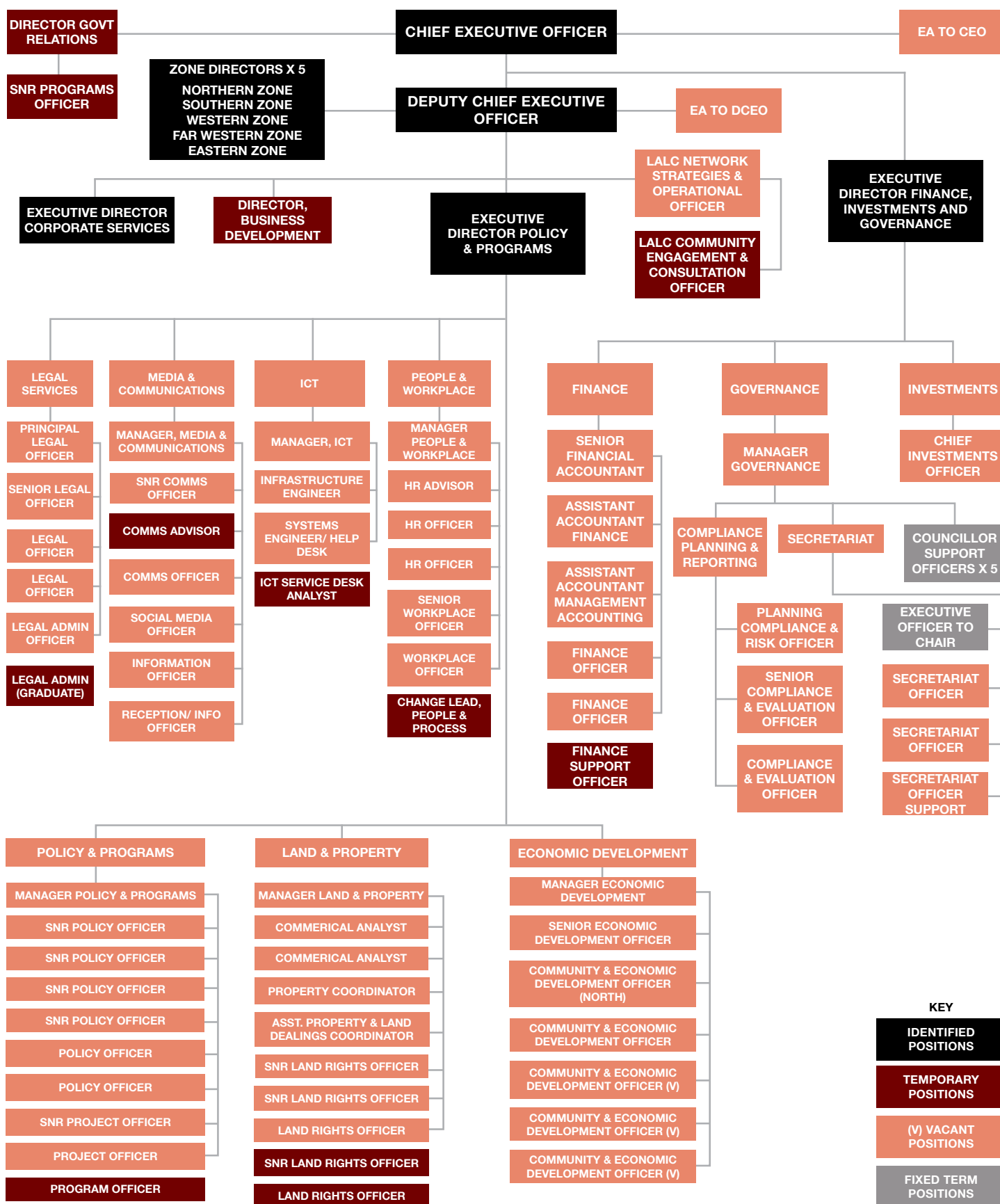
Councillor William Murray

Western Region

Cr Murray is a Nari Nari man with a long connection with the Land Rights movement. Originally from Balranald, Cr Murray lives in Wilcannia. He was elected in 2015 after serving previous terms on the Council. Cr Murray has also served as an Aboriginal and Torres Strait Islander Commission (ATSIC) Commissioner for Murdi Paaki Region.

ORGANISATION STRUCTURE

NSW Aboriginal Land Council Organisation Structure As approved by Council on 8 February 2017



The Chief Executive Officer of NSWALC has delegated authority from the Council for all aspects of the day-to-day operation of the Council's affairs. The Council's Head Office is located in Parramatta with Zone Offices established in Dubbo, Canberra, Coffs Harbour, Broken Hill and Gosford.

SENIOR MANAGEMENT

Chief Executive Officer

Mr James Christian, PSM

James Christian is a Wiradjuri man from the Riverina area who was appointed Chief Executive Officer of the NSW Aboriginal Land Council in May 2017.

Mr Christian has extensive experience in the public sector at Commonwealth and State level.

Before joining NSWALC, Mr Christian served as National Group Manager, Disability, Employment and Carers at the Commonwealth Department of Social Services.

In New South Wales, Mr Christian led Aboriginal Affairs NSW, was Deputy Director-General of the Department of Ageing, Disability and Home Care and Chief Executive Officer of the Aboriginal Housing Office.

In 2011, Mr Christian received a Public Service Medal for outstanding service in improving opportunities for economic participation and employment of Aboriginal peoples.

Deputy Chief Executive Officer

Mr Malcolm 'Cal' Davis

Cal Davis is a Dungutti man and has lived in Worimi Country (The Great Lakes) since his early childhood.

As Deputy CEO, Cal headed up the operational division of NSWALC and oversaw the policy program area, commercial and land rights area along with the NSWALC's five Zone Offices and the corporate services area of the organisation.

Prior to joining NSWALC, Cal spent 10 years as manager of the Forster Local Aboriginal Land Council. During the period he had an extensive focus on community and enterprise development. Cal has also owned and managed two successful businesses and has an Advanced Certificate in Community Management.

REVIEW OF OPERATIONS

LAND & PROPERTY

The Land and Property Unit (LPU) assists the NSW Aboriginal Land Council (NSWALC) in carrying out its core business and statutory functions of making land claims and determining land dealing applications by Local Aboriginal Land Councils (LALCs). The LPU also assists NSWALC in land management and commercial matters.

The LPU's core functions and responsibilities include:

- Making land claims on behalf of NSWALC and LALCs;
- Assisting LALCs to lodge land claims;
- Responding to acquisition and other land claim enquiries;
- Assisting LALCs to deal with enquiries relating to land and property matters;
- Assessing land dealing applications and preparing submissions to the Council of NSWALC;
- Financial and operational management of NSWALC's property portfolio;
- Operational management of NSWALC's land portfolio including vacant land and rural holdings;
- Providing commercial advice and assistance to NSWALC; and
- Establishment and management of leasing arrangements for multiple Councillor and Zone offices.

LAND CLAIMS

LPU's Land Rights Officers research, lodge, monitor and manage land claims on behalf of NSWALC and LALCs. This work is 'core business' for NSWALC and implements the objects of the ALRA – that land is of spiritual, social, cultural and economic importance to Aboriginal people. The land claim work of the LPU also recognises that a viable land base is integral to Aboriginal self-determination and autonomy.

Section 36 of the ALRA sets out the process for claiming land, and provides that LALCs and NSWALC can claim 'claimable Crown lands'.

The LPU provides support and assistance to LALCs in the land claims process, as many LALCs do not have the resources to make claims on their own behalf.

The Minister administering the Crown Lands Act is responsible for determining whether to grant or refuse a land claim. The Minister must grant the claim if the land is claimable Crown land. That determination involves the Minister looking at the status of the land at the time the claim was made and making a decision about whether the land fits the definition of claimable Crown land.

LALCs and NSWALC are notified when the Minister makes a determination either to grant or refuse to grant the claimed land. All refusals and part-refusals are referred to NSWALC's Legal Services Unit for review and consideration as to whether an appeal should be lodged.

Overview of land claims

Over the past 34 years since the ALRA has been in effect, 44,300 Aboriginal Land claims have been lodged. At the close of the 2016-17 financial year there are 32,261 outstanding land claims yet to be determined. At present the NSW Crown Estate consists of 580,000 individual Crown land parcels covering 33 million hectares with an overall value of \$11 billion.

The statistical information below is based on the official figures provided by the Aboriginal Land Claim Investigations Unit of the Department of Primary Industries, from the commencement of the ALRA in 1983 until 30 June 2017.

Claims lodged with the Registrar

In this reporting period a total of 3,386 land claims were lodged by Aboriginal Land Councils. This is a significant increase in land claim from the 2015-16 reporting period where 1,766 land claims were lodged.

Outstanding Aboriginal land claims as at 30 June 2016

At the end of this reporting period 32,361 land claims are awaiting a determination from the Minister administering the Crown Lands Act. Of this number:

- 187 are land claims lodged between 10 June 1983 and 30 June 2000 with the oldest outstanding land claim being lodged on 20 September 1984.
- 487 are land claims lodged between 01 July 2000 and 30 June 2005.
- 15,168 are land claims lodged between 01 July 2005 and 30 June 2010.
- 16,519 are land claims lodged between 01 July 2010 and 30 June 2017.

Land claims granted

The Crown Lands Minister granted (in part or in full) 97 land claims during the reporting period. This is a significant increase in comparison to the number of claims determined as grants in recent years. For example, the average number of claims determined as grants or part-grants over the previous five years was 52 per year. The area of land granted during this financial year was approximately 980 hectares.

Land claims refused

160 land claims were refused or part refused by the Crown Lands Minister during the reporting period.

Land claims withdrawn

130 land claims were withdrawn, either in full or in part, within the reporting period, due to NSWALC taking action to withdraw claims over land with potential contamination issues to mitigate the risk of remediation costs or liability.

CONTAMINATION ISSUES AND RISK MITIGATION

NSWALC recognises the potential liability of being granted contaminated land and, in particular, the potential financial burden to the Network of having to monitor, manage and remediate contaminated land.

To mitigate the risk of NSWALC and LALCs claiming and/or being granted contaminated land the LPU has:

- Obtained details of land under claim with potential contamination risk from NSW Crown Lands;
- Identified that 466 properties listed as being potentially contaminated are subject to an Aboriginal land claim, spread across 99 LALCs with the claims having been lodged by NSWALC, by NSWALC on behalf of the LALC or by the LALC in its own right;
- Taken action to withdraw claims NSWALC has lodged over potentially contaminated land;
- Identified land where further information is considered necessary to make a decision (requests will continue to be made pursuant to section 36(14) of the ALRA and the Crown's files inspected to obtain this additional information); and
- Established a Contaminated Lands Register so that land known to be potentially contaminated is not claimed in the future.
- Engaged an independent third party to provide legal advice with respect to the risks and obligations placed on contaminated land owners.

The LPU has prepared schedules and spatial images for all 99 LALCs which have potentially contaminated land under claim within their boundary. LPU has distributed these schedules to LALCs for their consideration and will continue to liaise with LALCs to assist them to mitigate this risk and take withdrawal action where appropriate.

2016-2017 PROPERTY REGISTER

The LPU maintains a Register of all land held by NSWALC and LALCs, pursuant to NSWALC's obligations under section 106(2)(g) of the ALRA. This register includes identifying details of all land parcels within NSW, that have NSWALC or a LALC currently recorded as the registered owner. Properties appear on the Register regardless of how the land was acquired (by way of Aboriginal land claim, purchase, or other means).

Currently, there are approximately 5316 properties listed on the Register. NSWALC receives data directly from the NSW Government's Land and Property Information Division (LPI) and entries on the Register are updated accordingly.

Under section 106(2)(g) of the ALRA, LALC members can be provided with a listing of properties owned by the LALC of which they are a member, on request to NSWALC.

PROPOSED DEALINGS WITH CLAIMED LAND (INCLUDING COMPULSORY ACQUISITIONS)

Land Councils are often approached by public authorities, companies and private individuals who wish to acquire or otherwise deal with Crown land that is the subject of an undetermined Aboriginal land claim. An acquiring authority can be a local government, a utility provider or a government agency.

NSWALC has observed a significant improvement in the way Government and Local Councils factor in land claims early in the process to allow the land claim to be determined within the timeframe of the proposed acquisition, or negotiations to occur for the land claim to be withdrawn prior to taking action in relation to acquisition.

During the reporting period, NSWALC received approximately 162 enquiries from acquiring authorities and other third parties in relation to compulsory acquisition or proposed dealings over land under claim.

NSWALC holds the view that where an Aboriginal claim already exists in respect of the land, the claim should be determined before any proposed compulsory acquisition proceeds. Nevertheless, the LALCs generally seek to engage positively with the acquiring authorities, particularly where the proposed acquisition is for a purpose that has some broader public benefit, such as better power supply or upgraded community facilities. The LPU supports LALCs throughout this process and provides advice in relation to the options available to LALCs.

LAND DEALINGS

SCOPE AND APPROVAL OF LAND DEALINGS

LALCs across the State continue to develop strategic plans for the utilisation of their lands with a focus on delivering commercial, social and cultural benefits to their communities.

LALCs sought and were granted approval during the reporting period for a variety of activities, including:

- Lodging development applications;
- Disposal of land;
- Granting easements;
- Commercial leasing activities;
- Transfer of land and land swaps with local government and other parties;
- Head leasing of residential housing stock and entering into of funding agreements for upgrading existing facilities; and
- Acquisition of land / mortgage.

**LAND AND PROPERTY UNIT - NUMBER OF LAND DEALINGS APPROVED BY THE NSWALC COUNCIL
DURING THE CURRENT AND PREVIOUS 5 FINANCIAL YEARS**

	1 Jul 2012 – 30 June 2013	1 Jul 2013 – 30 Jun 2014	1 Jul 2014 – 30 Jun 2015	1 Jul 2015 – 30 Jun 2016	1 Jul 2016 – 30 Jun 2017
LALC land dealing with AHO	26	18	7	3	0
LALC other land dealings	23	2	25	22	40
Total	49	20	32	25	40

**LAND AND PROPERTY UNIT - NUMBER OF LAND DEALINGS APPROVED BY THE NSWALC COUNCIL
DURING THE CURRENT AND PREVIOUS 5 FINANCIAL YEARS**

	1 Jul 2012 – 30 June 2013	1 Jul 2013 – 30 Jun 2014	1 Jul 2014 – 30 Jun 2015	1 Jul 2015 – 30 Jun 2016	1 Jul 2016 – 30 Jun 2017
LALC land dealing with AHO	26	18	7	3	0
LALC other land dealings	23	22	25	22	40
NSWALC land dealings and other approvals	18	11	13	6	8
LALC land dealings non approvals	1	1	0	0	0
Total	68	52	45	31	48

**LAND AND PROPERTY UNIT - NUMBER OF DEALING APPROVAL CERTIFICATES (DACs) AND
REGISTRATION APPROVAL CERTIFICATES (RACs) ISSUED BY NSWALC DURING THE CURRENT AND
PREVIOUS 4 FINANCIAL YEARS**

	1 Jul 2012 – 30 June 2013	1 Jul 2013 – 30 Jun 2014	1 Jul 2014 – 30 Jun 2015	1 Jul 2015 – 30 Jun 2016	1 Jul 2016 – 30 Jun 2017
DACs issued	47	56	49	31	54
RACs issued	30	76	105	66	51
Statement of non-requirement	1	5	4	2	2
Total	78	137	158	99	107

CERTIFICATES OF TITLE

In NSW ownership of land is usually evidenced by a Certificate of Title. Without a Certificate of Title, owners cannot do many things with their property, such as sell it. Some LALCs have not been able to finalise the sale of their land because they have not been able to locate and hand over the Certificates of Title to the purchaser. It is therefore very important that LALCs and NSWALC keep their Certificates of Title in a safe, fireproof place, document where each certificate is kept and if it has been removed, by whom and for what purpose. NSWALC is able to assist by keeping LALC Certificates of Title in NSWALC's safe, free of charge.

During the reporting year NSWALC assisted four LALCs with Certificates of Title, name changes and titling issues.

PROPERTY HOLDINGS AND MANAGEMENT

33 Argyle Street, Parramatta - NSWALC Head Office

33 Argyle Street is a NSWALC owned 10 storey commercial building in the Parramatta Central Business District in Western Sydney and is the organisation's chief operational base. Office space in the building not required by NSWALC is leased.

In August 2016 NSWALC undertook a tender process for a new Property Manager as the then Property Management Agreement for 33 Argyle Street was due to expire at the end of that month. The LPU ran a select Expression of Interest for six companies to tender for the provision of property management services for 33 Argyle Street. Subsequently Knight Frank Pty Ltd was engaged as the property manager as of 1 September 2016.

The gross rental income for 33 Argyle Street Parramatta was \$2.1 million for the 2016 – 2017 financial year, including rent for the portion of the building which NSWALC itself occupies. This is an increase of \$267,109 from the previous reporting period gross rental income of \$1.9 million.

For the first time in a number of years 33 Argyle Street reached 100 per cent capacity when a new tenant commenced a lease from 20 February 2017.

Late in the reporting period, NSWALC undertook a National Australian Built Environment Rating System (NABERS) assessment of 33 Argyle Street, which resulted in the new NABERS Rating being 3.5 stars for energy and 2.5 stars for water, an increase of 0.5 star for energy and 1.5 stars for water. Furthermore, capital works undertaken during this reporting period resulted in a total expenditure of \$36,114.

The LPU engaged a new Property Valuer service provider. As at 30 June 2017, the value of 33 Argyle Street is now \$24 million exclusive of GST which is a \$3.7 million increase from the previous valuation (\$20.3 million as at 30 June 2016).

Total repairs and maintenance expenditure during the reporting period was \$89,709 which is a decrease from the previous reporting period of \$113,782. Total expenditure for

the building was \$646,465, a decrease from the previous reporting period of \$716,439.

This represents approximately a 21 percent decrease in repairs and maintenance expenditure from the previous reporting period.

PROPERTY PORTFOLIO

Currently NSWALC has a property portfolio which consists of 199 properties. As at 30 June 2017 the total value of NSWALC owned properties was \$39.8 million. The properties range from NSWALC's Head Office in Parramatta to multiple vacant land holdings as well as a number of residential houses. The NSWALC portfolio is spread across NSW with properties being located in Armidale, Evans Head, Gosford, Kempsey, Ivanhoe, Nymagee, Parramatta, Quambone, Yamba and the Lake Macquarie region. The majority of these properties are vacant land holdings concentrated in the Lake Macquarie area and zoned Environmental Conservation.

During this reporting period the NSWALC approved the sale of the following properties:

- 39 Heath St Evans Head which sold 20 March 2017, and
- 54 Belgrave St Kempsey which sold on 30 July 2016.

THE POLICY AND PROGRAMS UNIT

The Policy and Programs Unit (PPU) is responsible for the advocacy work of the NSW Aboriginal Land Council (NSWALC) as well as managing key programs for the benefit of the Local Aboriginal Land Council (LALC) Network and Aboriginal peoples in NSW.

The PPU provides advice in pursuit of social justice for Aboriginal people by promoting the principles, objectives and functions of the *Aboriginal Land Rights Act 1983* (ALRA). This includes monitoring government policies which may impact on Aboriginal people in NSW and the consequent provision of high-level strategic advice to the nine-member Council, the Chief Executive Officer and the LALC network.

Additionally, the PPU is responsible for administering NSWALC's programs including:

- Community Fund Grants;
- The Freddy Fricke Scholarship Scheme;
- The Funeral Assistance Grants Scheme;
- The Aboriginal Communities Water and Sewerage Program;
- The Subdivision Program; as well as
- Statewide and small regional grants.

In this reporting period the work of the PPU continued to focus on a range of significant policy and legislative reform areas including:

- The NSW Government's Crown lands review;
- Aboriginal culture and heritage law reform;
- Aboriginal Land Agreements;
- Aboriginal fishing reforms;
- The NSW Legislative Council Inquiry into Economic development in Aboriginal Communities;
- NSW planning system reforms; and
- The NSW Government's land management and biodiversity reforms.

The PPU also focused on a range of other issues, including human rights, international engagement, local government engagement, marine parks, regional development, natural resource management and the environment.

The PPU was assisted by a number of university student interns from the Aurora Project and the University of Technology Sydney.

Culture and Heritage Reform in NSW

Successive NSW Ministers for the Environment and Heritage, Ministers for Aboriginal Affairs and the NSW Office of Environment and Heritage (OEH) have been pursuing a process to reform Aboriginal culture and heritage laws for more than six years.

NSWALC has strongly advocated for the Government to significantly amend its 2013 proposals for reform as well as for genuine consultation with Aboriginal communities to occur prior to the release of any draft legislation.

By the end of the reporting period the OEH and Minister for the Environment and Heritage had announced that a draft Bill would be released for consultation in 2017.

Aboriginal Fishing Reforms

NSWALC has continued to work jointly with NTSCORP Limited regarding proposals to reform laws related to Aboriginal fishing matters including cultural fishing and economic development opportunities.

NSWALC and NTSCORP have raised concerns regarding the ongoing prosecution of Aboriginal cultural fishers.

During the reporting period the NSW Government advised that it would not proceed with a Draft Regulation previously proposed, but instead pilot Local Management Plans in consultation with NSWALC, NTSCORP, the Aboriginal Fishing Advisory Committee and Aboriginal communities.

The NSW Government also advised that an Aboriginal Fishing Trust Fund, established under the *Fisheries Management Act 1994* (NSW) to support Aboriginal peoples' cultural and economic interests in fishing, would become operational in the 2017-18 financial year. The NSW Government has allocated \$1.5 million to the Aboriginal Fishing Trust Fund over three years.

Aboriginal Land Rights Act 1983

During the reporting period NSWALC continued to work with the LALC Network and the NSW Government to implement amendments to the ALRA passed in late 2014 and February 2017. In this context the PPU provided policy advice to the NSWALC Council and Executive, played a central role in liaising and negotiating with the NSW Government and stakeholders as well as engaging with the LALC Network at regional forums.

Crown lands review

In June 2012 the NSW Government began a review into the management of Crown land. The aim of the review was to address the overall management of Crown land including legislation, financial management, governance and business structure.

Throughout the review process NSWALC has sought to engage with the NSW Government to ensure that Aboriginal interests and LALCs are incorporated into the reforms.

The PPU has provided policy advice to the NSWALC Council and Executive, played a central role in liaising and negotiating with the NSW Government and stakeholders as well as engaging with the LALC Network at regional forums.

Aboriginal Land Agreements

In October 2016 the NSW Government released the Aboriginal Land Agreement (ALA) Negotiation Framework, developed jointly with NSWALC.

The Negotiation Framework will guide voluntary ALA negotiations over land and land claims between the NSW Government, Local Government and LALCs as part of the Government's Crown Land Review Crown Land Divestment Program.

NSWALC has long advocated for the inclusion of Aboriginal interests and LALCs in the Crown Land Review.

The Negotiation Framework is a result of that advocacy and will guide the inclusion of LALCs in the Government's Crown Land reform processes.

NSWALC undertook a series of consultations with the Land Rights network to discuss the development of the Framework and key issues for the network.

NSWALC has been working to ensure that the Negotiation Framework includes best-practice standards and addresses the concerns of the network to provide the best chance for any negotiations to be fair and successful.

Economic Development

NSWALC has long advocated for any government strategies and initiatives to support and promote Aboriginal peoples' economic development to be designed and implemented in partnership with Aboriginal people and Aboriginal organisations.

NSWALC has also advocated that:

- Specific strategies should be developed to support the

Aboriginal Land Rights network as a key vehicle for economic development, and build on the positive work and outcomes the Aboriginal Land Council system has achieved.

- Rigorous accountability mechanisms for services funded by government and transparent evaluation of initiatives should be established in consultation with Aboriginal peoples and peak Aboriginal organisations.
- In 2016-17 NSWALC engaged in the Legislative Council Inquiry into Economic Development in Aboriginal communities. In particular, NSWALC:
 - Participated in a roundtable held by the Standing Committee on State Development;
 - Provided submissions in response to the Discussion Paper on Economic Development in Aboriginal Communities; and
 - Gave evidence at hearings of the Inquiry into Economic Development in Aboriginal communities.

International Advocacy

NSWALC has engaged with a number of international bodies and forums over the past 10 years, including participation and attendance at the United Nations Permanent Forum on Indigenous Issues (UNPFII), attending the Expert Mechanisms on the Rights of Indigenous peoples (EMRIP), and engaging with the Special Rapporteur on the Rights of Indigenous Peoples.

NSWALC holds special consultative status with the United Nations Economic and Social Council.

This status allows NSWALC to advocate on behalf of Aboriginal peoples in NSW and in a collective capacity at the international level when participating at the United Nations through its various bodies and activities.

In recent years the Council has sent delegations to the UNPFII and EMRIP to represent and to advocate on behalf of Aboriginal people in Australia, with particular emphasis on New South Wales. During this reporting period NSWALC sent a delegation to the UNPFII. NSWALC delegates delivered interventions on:

- Agenda item 4 – Economic Development, and
- Agenda item 8 - Human Rights: Implementation of the United Nations Declaration on the Rights of Indigenous People.

NSWALC also submitted a written intervention on agenda item 3 - Empowerment of Indigenous Women and supported a number of statements made by the Indigenous Peoples Organisation of Australia and the Kimberley Land Council.

NSWALC met with the Special Rapporteur on the rights of Indigenous Peoples during her visit to Australia in March 2017.

MOU between NSWALC and NTSCORP

In August 2015 the NSWALC and NTSCORP Boards

met and agreed to renew an MOU between the two organisations. On the 30 September 2015 a signing ceremony was held at NTSCORP's office.

The MOU identifies priority issues for both organisations to work together to achieve, including environmental protection, culture and heritage reform, promoting awareness and exploring ways to maximise land justice for Aboriginal people.

NSWALC continues to work with NTSCORP under the terms of the MoU (available on the NSWALC website).

NSWALC Community Fund (NCF)

The 2009 amendment to the ALRA established the NSWALC Community Fund (NCF) and the Community Development Levy that funds it. The levy was devised as a mechanism to redistribute wealth from LALCs with more valuable land holdings to those with less valuable land and development opportunities. Upwards of \$3 million dollars has been generated in the Fund to date.

Following a consultation process with the Land Rights Network in 2014-15, the Council adopted the NSWALC Community Fund Policy, which was gazetted by the Minister for Aboriginal Affairs in March 2015. The Policy outlines: a) What grants from the fund can be used for; b) Which LALCs are eligible for funds; c) Criteria for assessing proposals; and d) What types of activities can and cannot be funded.

Following the adoption of the NCF policy, the internal document entitled the NSWALC Community Fund Procedures was developed by program staff and subsequently approved by the CEO of NSWALC in November 2016. The Procedures outline how applications for funding from the NCF will be sought, received, assessed and determined by NSWALC.

The PPU administers all elements of the NSWALC Community Fund.

In 2016, \$884,000 was made available to disburse. Seven of the 21 projects approved for funding have been completed.

In 2017, \$746,000 was made available to disburse in the third round of Community Fund grants. 31 applications were received from eligible LALCs, with over \$1.3 million in funds applied for.

In May 2017, the Assessment Panel (comprised of two senior Aboriginal staff at NSWALC and one independent Aboriginal person from the University of Technology Sydney) met to deliberate on the applications and draft their recommendations to the Council of NSWALC.

In June 2017, Council approved the following 18 LALC projects for funding. Seven projects were placed on the reserve list:

LALC	PROJECT
Weilmoringle	Renovations to Weilmoringle LALC Office
Murrawarri	Native Bushfood Production Project
West Wyalong	Bunbinya Balugirbang (Rest Ancestors)
Mutawintji	Place basic infrastructure on land in preparation for future development plans
Brewarrina	Old Brewarrina Mission Restoration Project
Cummeragunja	Cummeragunja Community Hall: Stage 2
Young	Male & Female Toilets and Office Facelift
Moombahlene	Gunimaa Bush Tucker Nursery
Nungaroo	New Office Works and Meeting Place for Elders
Anaiwan	Tingha Town Hall Refurbishment
Balranald	Extension and restoration of the historic Balranald Aboriginal Cemetery
Broken Hill	Broken Hill LALC Office Infrastructure Upgrade
Goodooga	Erect Safety Fencing and demolish three LALC-owned buildings under Brewarrina Shire Council orders
Ashford	The Ashford Global Cottage
Birpai	Christmas Bells Plains: Clean-up and Weed Eradication
Bunyah	Bunyah LALC Camden Haven Land Management Hub Development
Narrandera	Children's Access Centre
Glen Innes	Repair Entry Road, Install Electricity and Purchase All-Terrain Vehicle

Freddy Fricke Scholarship

The PPU supports the Freddy Fricke Scholarship Program which is conducted with the assistance of the Good2Give Foundation.

The Freddy Fricke Scholarship Program offers financial assistance to Aboriginal students to undertake university study. The program provides a one-off payment for scholarship holders to purchase text books, pay enrolment fees and/or HECS fees and other approved course related expenses.

This year two Aboriginal students were granted scholarships. Scholarships were awarded to:

- Yuin woman and University of Newcastle Law student, Sapphire Dawson; and
- Kamilaroi man and University of NSW Medicine student, Russell Thompson.

Since 2002, 49 Aboriginal students have been awarded Freddy Fricke Scholarships.

NSWALC Funeral Fund

NSWALC has been providing funeral assistance grants to support bereaved Aboriginal families for over a decade. The scheme is uncapped, with NSWALC responding to the demand for funeral assistance from year to year.

In the 2016-17 financial year a total of 432 grants were made at a total cost of \$710,360.29

These included 71 grants to members of a Funeral Insurance Fund that NSWALC operated from 1991 to 1994 and 361 grants to Aboriginal people who were not members of the Fund. Thirteen former members of the Fund also elected to transfer their membership entitlements to a deceased Aboriginal person.

The Aboriginal Communities Waste Management Program

NSWALC is working on a new program - the Aboriginal Communities Waste Management Program (ACWMP) which is being led by the NSW Environment Protection Authority (EPA). The EPA is responsible for working with stakeholders including NSW Government agencies to deliver waste and resource recovery programs.

The aims of the ACWMP are to:

- Reduce bulky waste, litter and illegally dumped waste;
- Develop effective waste management systems through service delivery agreements and improved infrastructure;
- Reduce safety and health risks by establishing a clean physical environment; and
- Build and maintain effective partnerships between communities, Local Aboriginal Land Councils (LALCs), local government and waste service providers to improve waste management practices into the future.

Aboriginal Communities Water and Sewerage Program

In 2008 the NSW Government and NSWALC entered into a 25 year agreement for the operation, maintenance and monitoring of water supply and sewerage services in approximately 60 discrete Aboriginal communities. The Program is managed by a Steering Committee drawing together a range of stakeholders and is delivered by the Department of Primary Industries – Water (DPI Water) with the support of NSWALC. The 2016-17 reporting period is the ninth year of the program's operation.

The aims of the program are to:

- Improve the wellbeing of residents in Aboriginal communities;
- Provide safe and effective drinking water and sewerage services in Aboriginal communities; and
- Ensure that water and sewerage service standards in eligible Aboriginal communities are equivalent to the standards in existing equivalent Australian non-Aboriginal communities.

The program achieves its aims through brokering and funding. Agreements are negotiated between the LALCs and the Local Council or other service providers to deliver services for the operation, maintenance and monitoring of water supply and sewerage services.

Since its launch in June 2008, the program has assessed water and sewerage services at 62 eligible communities. These communities are managed by 51 LALCs.

Of the 62 eligible Aboriginal communities:

- 21 communities are being provided full service by a local water utility or local government.
- 31 communities have five year long term service agreements in place for local water utilities to provide full water and sewerage services equivalent to that in similarly located communities.
- Five communities have services improved through interim service arrangements, backlog works, emergency works and new infrastructure.
- One community was added in late 2016. Negotiations for providing services are in initial stages.

As a result of this program, 62 Aboriginal communities with a population in excess of 6,000 people are now receiving water and sewerage services at a higher level than prior to the program. In addition to this, since the commencement of the program, capital works, backlog maintenance, emergency repairs and special purpose works have been approved at 42 Aboriginal communities.

Following the assessment of some assets, it was determined that a capital fund was needed to upgrade and provide new infrastructure. This fund has been developed over the life of the program through unspent funds contributed by the State Government. NSWALC does not contribute to the infrastructure fund. As of 30 June 2017, 19 infrastructure (capital) projects have been completed.

Since July 2008 total program expenditure including the operation and maintenance program and the capital infrastructure program is \$52.73 million as at 30 June 2017. The 2016-17 expenditure for the program was \$5.08 million and NSWALC's contribution was \$1.98 million excluding GST.

Subdivision

In June 2008, NSWALC entered into a partnership with the Australian Government for the surveying and subdivision of former Aboriginal reserves and missions in NSW that are now discrete Aboriginal communities. A total of \$6 million was allocated to the project with both NSWALC and the Government contributing 50 percent each.

Subdivision enables Local Government to take responsibility for street lighting, guttering, drainage and the road surface. It also facilitates postal services to the door and legal street addresses for each house. To assist in achieving the aims of the subdivision project, NSWALC engaged Arup Pty Ltd, a planning, engineering and technical specialist company.

As part of this work, 27 surveys of former reserves were completed.

To date, six LALCs have made progress toward subdivision. Four LALCs have lodged Development Applications with their local councils. These Development Applications have now been approved with conditions of consent mainly relating to infrastructure upgrades. Two other LALCs are awaiting successful land dealing meetings to progress their Development Applications.

The project has reached stage two, which aims to offer ten LALCs the opportunity to subdivide former reserves on their land. However, there are currently a number of barriers to achieving subdivision, such as the planning process and the need for infrastructure funding to meet any conditions of development consent.

The NSW Government has been working on a related project - the Aboriginal Communities Land and Infrastructure Project (ACLIP) since the later part of 2015. One objective of ACLIP is to gain development consents for the subdivision of approximately 60 discrete Aboriginal communities across the State and to enable the physical infrastructure upgrade and provision of services to these communities, including the transfer of municipal services to local authorities.

NSWALC understands that as part of progressing this ACLIP work, NSW Government funding will be sought by the NSW Department of Planning and Environment for infrastructure upgrades in a number of discrete Aboriginal communities.

Discretionary grants

In 2016-17 Council approved a community benefit scheme to provide support for state wide events (\$250,000) and small regional grants (\$45,000). These amounts were later revised to state wide events (\$210,000) and small regional grants (\$84,996).

Grants for state wide events in 2016-17 were approved for the NSW Aboriginal Rugby League Knockout, National Indigenous Football Championships, Aboriginal Cultural Showcase, Saltwater Freshwater Festival, Elders Olympics, Combined Countries Survival 9's, NAISDA's 40th Anniversary and Yabun Festival.

Regional discretionary grants are recommended by Councillors and approved by the CEO or Deputy CEO. The approved grants in 2016-17 helped to sponsor the participation of young people in major sporting events including overseas competitions, assisted Aboriginal students to take part overseas exchange programs, and supported a number of NAIDOC and other Aboriginal community activities.

Local government – LGNSW

Local Government NSW held its annual conference from 16-18 October 2016. As an ordinary member of the association, NSWALC is entitled to nine votes. NSWALC Councillors attended the conference. NSWALC submitted

a number of motions to the conference, two of which were carried – Encouraging Local Governments to work in partnership with Aboriginal Land Councils and Promoting the protection of Aboriginal culture and heritage. The PPU provided support to the Councillors attending the conference with briefing notes and logistical arrangements.

Submissions and Publications

Formal submissions represent an important part of the work of the PPU. Submissions produced in reporting period included:

- NSW Parliament Upper House Inquiry into Reparations for the Stolen Generations;
- NSW Parliament Upper House Inquiry into Regional planning processes in NSW;
- NSW Parliament Inquiry into Crown Lands;
- Review of the Australian & New Zealand Guidelines for Fresh and Marine Water Quality – Cultural and Spiritual Values chapter;
- NSW Invasive Species Plan 2015-22;
- The Draft Guidelines for the Economic Assessment of Mining and Coal Seam Gas Projects;
- NSW Biodiversity and Land Management Reforms;
- Travelling Stock Reserves State Planning Framework 2016-19;
- Expanding exempt and complying development in NSW;
- NSW Coastal Management reforms;
- NSW Biosecurity Framework;
- Draft Exploration Code of Practice: Community Consultation;
- LGNSW Policy Review;
- Department of Prime Minister and Cabinet consultation on the Community Development Programme;
- Senate Inquiry into the Social Security Legislation Amendment (Community Development Program) Bill 2015;
- NSW Upper House Inquiry into Economic Development in Aboriginal Communities;
- Commonwealth Marine Reserves Review;
- NSW Marine Estate management proposals including the Threat and Risk Assessment framework;
- Productivity Commission Draft Report into Marine Fisheries and Aquaculture;
- NSW Parliament Inquiry into Commercial Fishing;
- Development of Aboriginal Cultural Fishing reforms;
- Constitutional reform;
- Inquiry into Freedom of Speech;

- UNPFII;
- National Landcare Programme;
- Planning Legislation Updates, specifically the draft Environmental Planning and Assessment Amendment Bill 2017;
- Complying Development;
- Post-approvals processes for State Significant Development
- Greater Sydney Commission Draft District Plans;
- Environmental Impact Assessment reforms;
- NSW Parliamentary Inquiry into Regional Development and a Global Sydney;
- Far West Initiative;
- IPART Review of Local Government rates;
- Competition and Consumer Amendment (Exploitation of Indigenous Culture) Bill 2017 (Cth)

The PPU also updated a number of existing fact sheets.

Workshops, events and meetings

PPU staff presented on issues related to Aboriginal culture and heritage, the ALRA Review and the Crown lands review at a number of Councillors' Regional Forums. The PPU also facilitated a number of meetings with Parliamentarians and attended the NSW Budget Lockup on 20 June 2017.

Additional policy advice and assistance

The PPU continued to respond to a large number of requests for policy advice and assistance via phone, email and mail from the LALC network and community members.

Issues covered included:

- Options for protecting Aboriginal culture and heritage sites and assistance in responding to site protection issues including the Butterfly Cave Aboriginal Place;
- Assistance in developing responses in relation to Aboriginal culture and heritage issues;
- Assistance regarding access, use and management of lands including national parks and Crown lands;
- Assistance in navigating Aboriginal fishing issues;
- Consultation policies and procedures;
- Advice to LALCs on planning, zoning and local council issues;
- Regular notices to LALCs on opportunities to respond to key policy and legislative review and proposals;
- Advice regarding the NSWALC Community Fund; and
- Advice regarding grant and funding opportunities.

ECONOMIC DEVELOPMENT

Launched in October 2014, the NSWALC Economic Development Policy, outlines the broad strategies and initiatives that NSWALC will pursue over a five year period to drive economic development towards wealth creation and wellbeing for Aboriginal people in NSW.

NSWALC has committed \$16 million over this timeframe to support these initiatives, with three strategic priorities identified:

1. **Facilitation of Local Aboriginal Land Council (LALC) business enterprise:** including the provision of support, skills and resources necessary to drive local and regional knowledge and initiatives into successful and sustainable businesses. This includes access to Business Development Grants, Early Stage Investment Loans and Equity Investment funding;
2. **Facilitation of Aboriginal employment in NSW:** focused on coordinating and facilitating existing programs and service providers, to link members to services and employment opportunities; and
3. **NSW Aboriginal Land Council business enterprise:** continue to prudently manage and grow the statutory NSWALC Account including opportunities in the minerals and energy sector.

To drive the implementation of the Policy, an Economic Development Unit (EDU) was established in September 2014. The EDU helps LALCs develop their economic development initiatives and acts as an advisor.

Trial period

A trial period (ongoing from January 2015) was implemented to test EDU processes and procedures. Council agreed that the trial period would focus on shortlisted proposals representing two LALC opportunities per region. 19 LALC ideas (two LALCs providing a joint submission) were shortlisted representing a variety of industry sectors including property, agriculture, tourism, land management, quarries and a potential cemetery.

In late 2015, Deloitte was engaged to conduct a performance review of the trial implementation period with outcomes to influence the wider policy rollout to the network in the near future. Key findings and recommendations were provided in February 2016.

Stakeholder feedback was then sought involving NSWALC's Economic Development Advisory Committee, Independent Assessment Panel, Zone Directors and Council. Formal approval for procedural design element changes to the implementation of the policy were approved by Council in August 2016.

As at 30 June 2017, \$374,750 in economic development program funding was disbursed with an additional \$205,250 in funding approved.

Capacity development

Capacity building and development is a core component of the policy. The policy notes:

- NSWALC recognises that our people are our most important asset. With economic and business development requiring new skills for many, NSWALC will invest in the capacity of our people to succeed in business.
- NSWALC will invest in building the capacity of those LALC Board-members, members and staff who are or are to be, involved in the establishment and operation of LALC and LALC related business enterprises. The aim is to equip these Board members, members and staff with the necessary knowledge and skills to develop and operate sustainable and successful businesses.

In August 2016, the NSWALC Capacity Development Plan was approved by Council to complement the policy, and includes the following elements:

1. **Skills development:** Face to face training is a priority including training modules of Introduction to Economic Development, start up business training and industry specific profiles initially across property development, agribusiness and cultural tourism.
2. **Connecting and sharing:** Online multimedia case studies will be developed which will facilitate the sharing of knowledge of those involved in enterprise development from initial idea generation and planning through to the establishment of the business. These case studies will examine the success and learnings in start-up and/or in sustaining the business.
3. **Advice and mentoring:** Mentoring is a key component of the capacity development plan. This will include LALC Network mentors, a discussion forum, pre start up mentoring and post start up mentoring.

The EDU has commenced implementation with the collation and drafting of shortlisted LALC case studies, filming and production of LALC videos, preparation of the skills development training modules and building of an online LALC-only access web portal which is anticipated to be available for LALCs to access later in 2017.

NSWALC Economic Development Policy Review

At the 345th Council Meeting in May 2017, Council requested that a review of NSWALC's economic development initiatives involving the work of the three strategic priorities of the policy be undertaken in light of recent sector changes. This comprehensive review will inform Council on the economy, efficiency and the effectiveness of the policy.

NSWALC is exploring a range of options to ensure the economic development policy meets the diverse needs of the Land Rights network and remains strongly committed to supporting economic development in our communities.

NSWALC will continue to work with LALCs that have been engaged in the economic development program. LALCs will be able to provide feedback and inform the review, and NSWALC will keep the Network up to date regarding the review process.

NSWALC Strategic Plan 2013-2017

The policy developed is consistent with NSWALC's Strategic Plan 2013-2017. Strategic Priority 3, is "to drive economic development across the Land Rights Network to support the Aboriginal people of NSW to achieve greater economic independence". The progress of specific goals is outlined below:

- Goal 3.1: Activate our Economic Development Advisory Committee and develop an Economic Development Strategy
 - The Economic Development Advisory Committee was created in September 2013, with meetings held on a quarterly basis. As at 30 June 2017, 13 meetings had been convened.
 - The Policy was approved by the Minister for Aboriginal Affairs in August 2014. Regular monitoring of and reporting to Council on the performance of this Policy occurs. More recently, Council requested that a comprehensive Policy review be undertaken.
- Goal 3.2: Develop regional industry strategies for the Land Rights Network
 - Discussions on progressing regional industry strategies have taken place with both Council and the Economic Development Advisory Committee.
 - Partnerships have also been formed with a range of industry experts, private sector, government and non-government agencies and individuals to ensure the Network has access to the best partners available to help advise, connect and facilitate strategic initiatives.
- Goal 3.3: Develop the economic development and business management capabilities of LALCs
 - The NSWALC Capacity Development Plan incorporates skills development, connecting and sharing, and advice and mentoring.
 - These elements will be brought together by an online LALC-only access web portal.

OFFICE OF THE DEPUTY CEO

RESOURCES DEVELOPMENT PROJECT

NSWALC's Resources Development Project is a key component of the organisation's Economic Development Policy.

The key priorities for NSWALC in this project are to:

- Create employment and economic opportunities for Aboriginal people;
- Ensure that Aboriginal peoples' responsibilities to protect and manage their cultural heritage can be fulfilled; and
- Minimise the financial and political risks to the network through agreements with key industry partners.

In this reporting period, NSWALC approved the establishment of the Resource Development Advisory Committee, pursuant to section 118 of the *Aboriginal Land Rights Act 1983*, to advise NSWALC in respect of current and future business enterprises and economic development opportunities in the resource sector.

The primary vehicles for achieving the priorities for the project are:

- NSWALC Resources Pty Ltd (NSWALC Resources), a holding company wholly owned by NSWALC which holds NSWALC's interest in Paradigm Resources; and
- Paradigm Resources Pty Ltd (Paradigm Resources), a joint venture between NSWALC Resources and the Indigenous Energy Group (IEG).

The Directors of NSWALC Resources are:

- Craig Cromelin (Wiradjuri Region Councillor)
- Anne Dennis (North West Councillor); and
- Danny Chapman (South Coast Councillor)

The Directors of Paradigm Resources are:

- Aden Ridgeway (Independent Chair)
- Craig Cromelin (NSWALC Councillor and director of NSWALC Resources)
- Anne Dennis (NSWALC Councillor and director of NSWALC Resources)
- Andrew Mayo (nominee director of IEG)
- Jason Needham (nominee director of IEG)

Paradigm Resources has adopted the following Governance Principles to guide its operations:

- a) In assessing the economic benefits of potential resource development projects, Paradigm Resources will weigh up the social and environmental benefits and risks of each project and make an informed decision.
- b) Paradigm Resources aims, among other objectives, to create economic benefits for local communities through the resource development projects.
- c) Paradigm Resources will consult with Local Aboriginal Land Councils, traditional owner groups and wider stakeholders before any material project developments and respond to any concerns as and when they arise.
- d) Paradigm Resources will use current best practices

to ensure that its operations protect the health and safety of its staff, contractors, communities and local environment.

- e) Paradigm Resources will minimise, wherever possible, the impact of resource development on the natural environment and Aboriginal culture and heritage.
- f) Paradigm Resources will be a good neighbour, operating transparently and responsibly.

NSWALC retains significant oversight of and involvement in the operations of Paradigm through a shareholders' agreement. Significant decisions including, for example, the adoption of an annual plan and budget, acceptance of tenements, bringing in new investors, changing the constitution and the appointment of additional directors all require shareholder approval. Paradigm reports regularly on significant financial and operational matters to NSWALC.

The Policy Landscape

In the last reporting period the Government made public a Strategic Release Framework for Coal and Petroleum Exploration. Before the Minister can grant a petroleum title to another party under this Framework in respect to areas covered by NSWALC's prior tenements expunged in 2014, the Minister must invite NSWALC to make an application (albeit a competitive selection application) and that application must be refused.

While no areas have been assessed as suitable to be released for petroleum exploration to date, at the end of this reporting period, the Government has recently confirmed progress of its 2014 Gas Plan, with geologists identifying two areas in Far West NSW which show good potential for conventional gas resources. The Government's Advisory Body for Strategic Release will undertake assessment of the areas to consider the social, environmental and economic impacts of exploration and will undertake consultation with local communities to determine suitability for exploration.

Should these areas be deemed suitable for gas exploration, NSWALC would have first rights to apply for a licence.

Minerals Exploration

The delay in implementing the NSW Government's Gas Plan and Strategic Release Framework led Paradigm Resources to pursue other resource development opportunities. In the last reporting period Paradigm held three exploration licenses under the Minerals Act 1992:

- EL8380 for graphite near Nyngan;
- EL8381 for diamonds near Wilcannia;
- EL8436 for rare metals near Temora

To date Paradigm has completed significant literature reviews and data compilation across each licence area in addition to:

- A two hole core drilling program and metallurgical study for the graphite;

- A large ground magnetic study targeting diamond and reconnaissance field work for the diamond project; and
- An auger hole program for the rare earth project.

Involvement of Aboriginal Businesses

A key objective of NSWALC's Resources Development Project is to create employment and economic opportunities for Aboriginal people. Opportunities that the exploration process is likely to provide for Local Aboriginal Land Councils and local Aboriginal businesses include:

- Facilitation of community consultations;
- Cultural heritage surveys and related reports and recommendations for protection and management measures;
- Cultural heritage management and protection activities;
- Land holder access agreements - liaison, administration support, facilitation;
- Professional services (accounting and bookkeeping, company secretarial services);
- Material supply;
- Labour hire – machinery operators and drivers;
- Equipment and heavy machinery hire;
- Accommodation, cleaning and catering;
- Mechanical and maintenance services;
- IT and communications; and
- Security.

During the financial year, Paradigm Resources engaged a number of local Aboriginal businesses in relation to its exploration projects. At Nyngan, the Bogan Aboriginal Corporation was engaged for cultural clearance work and storage space is leased from the Nyngan Local Aboriginal Land Council on an ongoing basis. Colling Exploration, a small Aboriginal drilling company based in Cobar, was contracted for sample preparation of graphite drill core and an auger drilling program near Temora.

NETWORK STRATEGIC AND OPERATIONAL SUPPORT

The Network Strategic and Operational Support Officer (NSOS) works to fulfil the objectives of NSWALC's Strategic Plan 2013-2017 and to develop a range of strategic and operational support services to the LALC Network with particular emphasis on the following areas:

- Develop a range of tools for Zone Offices and LALCs for identifying and addressing governance and operational issues in order to minimise the need to appoint a LALC Administrator;
- Develop LALC Capacity Building initiatives that utilise and build relationships with external subject

matter experts;

- Participate and support the Zone Directors' Forum, including providing policy and procedures development, support and secretariat;
- Participate and support the Zone Directors Forum in the development of a range of strategic initiatives to support the LALC network. These included:
 - The Annual Review of NSWALC LALC Funding Procedures and Agreements;
 - Working with Zone Directors to develop a draft LALC Community Benefits Scheme Policy;
 - Working with Zone Directors and the NSWALC Executive to develop a decentralised model for LALCs training by Zone Office staff;
 - Upgrade the NSWALC Compliance and Funding Database to better manage the LALC Board member completion of Mandatory Governance Training.
- Undertake relieving and mentoring/support activities across the organisation as required by the Deputy CEO and CEO.

The activities undertaken by the NSOS Officer were directed towards the following Strategic Priorities and associated Goals:

- Strategic Priority 2: Improving our Governance and Sustainability
 - Goal 2.2: Maintain and enhance the financial and political sustainability of NSWALC and the land rights network.
- Strategic Priority 4: Supporting our People
 - Goal 4.1: Support the development and maintenance of sustainable Community Benefit Schemes (CBSs)

REVIEW OF OPERATIONS

During the reporting period, the following activities were undertaken:

Toomelah/Boggabilla Steering Committee (TBSC):

Over the past 12 months the NSOS Officer represented NSWALC on the TBSC. This Committee is chaired by the Executive Principal of the Toomelah Public School and involves a range of government and non-government organisations that deliver services to the Toomelah and Boggabilla communities.

The NSOS Officer also participated in the Toomelah Army Aboriginal Community Assistance Program (AACAP) Coordinating Group. The AACAP program is an Australian Government program providing Army personnel to undertake major infrastructure upgrade programs at targeted remote Aboriginal communities. Toomelah has been selected as the AACAP 2017 site and the local community supports the operation of the AACAP program.

Over the course of the reporting period the NCOS Officer worked with the NSWALC Western Zone office, Department of Prime Minister and Cabinet, Aboriginal Affairs NSW and other government and non-government agencies to liaise with the Toomelah community and to discuss a range of operational and logistical matters related to the roll out of the program. NSWALC provided direct assistance to the TLALC in relation to a range of related matters including holding members' meetings for the purpose of approving AACAP related land dealings.

Nulla Nulla LALC and Alice Edwards Village issues:

The NSOS Officer provided support to the Deputy CEO and Western Zone Director in relation to concerns raised by Nulla Nulla Local Aboriginal Land Council (NNLALC) about the management of housing at Alice Edwards Village in Bourke. NSWALC staff assisted NNLALC to convene meetings with Aboriginal Affairs NSW, the Aboriginal Housing Office and the Bourke Community Working Party to consider the issues confronting the LALC in relation to the occupation of poor quality housing at the village. As a result of these meetings, Aboriginal Affairs NSW is considering whether to declare a Solution Brokerage issue to develop a coordinated government response to the matter. This work is ongoing.

Housing matters: Over the course of the reporting period, the NSOS officer undertook a range of housing related matters. These included:

- Assisting Zone Offices in monitoring compliance with conditions of approval for LALC benefit schemes for the provision of residential accommodation;
- Participation in the NSWALC/Aboriginal Housing Office (AHO) Officers Group Forum that meets regularly to discuss a range of housing matters. This inter agency group has been working to identify and address issues of concern raised by LALCs regarding the operation of the AHO Build and Grow head-lease/sub-lease arrangements.
- Participation in the NSWALC Internal Housing Working Group: This group has been established by the CEO to consider a range of issues, including how NSWALC meets the challenges of a changing regulatory environment and possible changes to the quantum and delivery of funding for Aboriginal housing, at the same time as providing a level of stability and sustainability for the network and the members who live in LALC owned housing. The Internal Housing Working Group was led by the Deputy CEO and includes among its membership all Zone Directors. The group meets at least quarterly. During the reporting period the group has been focused primarily on the approval and monitoring of LALC Community Benefits Schemes (Residential Accommodation). A range of procedures have been adjusted to give LALCs additional time to comply with conditions of approval in relation to their housing schemes;
- Participation in the Social and Affordable Housing Fund

(SAHF)/Home Ownership project being developed and implemented by NSWALC that seeks to develop and offer appropriate home ownership products for LALCs and their members. This work has included coordination of the LALC Working Party that was established to position NSWALC to access the SAHF strategy being operated by the NSW Government.

Review of the NSWALC LALC Funding Procedures and Associated Agreements: In the second half of the reporting period the NSOS Officer led a small internal working group to undertake a review of the NSWALC LALC Funding Procedures and Associated Agreements. This work was undertaken to ensure that procedures reflected the current ALRA and related NSWALC policies and to simplify these procedures where possible. Recommendations to the procedures and agreements were approved by the NSWALC Council and will be in force for the 2017-2018 period.

Attendance at Zone Director Forums: The NSOS Officer also attended and participated in the regular Zone Director Forums. The purpose of the Zone Director Forum is to ensure that Zone Directors have the opportunity to meet on a regular basis to discuss a range of strategic and operational issues that impact on Zone Office operations directly and NSWALC more broadly.

Provision of ad hoc advice to Zone Offices: During the period the NSOS Officer provided an extensive range of policy and process advice to all Zone Offices of NSWALC.

STRATEGIC ADVICE AND NETWORK RELATIONS

The Director of Strategic Advice and Network Relations position (SANR) was established in January 2015 to provide high level advice to Council and improve engagement with the LALC network and external stakeholders. The Director SANR advises Councillors and senior management on governance, strategic planning as well as stakeholder and political engagement. It also assists NSWALC business units with community facilitation and advice.

Functions of the SANR include:

- Representing NSWALC at meetings with LALCs as well as other Aboriginal and non-Aboriginal organisations; and
- Coordinating NSWALC's participation in cultural and sporting events including the NSW Aboriginal Rugby League Knockout and National Indigenous Football Championships.

In 2016-17, the SANR continued working with NSWALC's Legal Services Unit to strengthen the relationships between NSWALC, NTSCORP (the NSW Native Title service provider), Native Title claimants and traditional owners.

Work also continued on establishing a national peak Land Rights organisation to coordinate advocacy on national issues including culture and heritage, economic

development, education, health and justice. Follow up meetings were held with representatives from interstate Land Councils and the organisation is expected to be formally established in the next reporting period.

The SANR was a member of the committee organising NSWALC's 40th Anniversary celebrations and provided advice on the history of the Land Council and the involvement of key stakeholders. The SANR is also the NSWALC representative on the campaign to recognise Aboriginal leader, William Ferguson.

The SANR also attended the Uluru Summit hosted by the Referendum Council as well as the NSW regional dialogues leading up to it, coordinating NSWALC's participation in the Summit and advising Councillors who attended.

BUSINESS DEVELOPMENT

Over the past year the NSWALC Council considered strategies to maximise the social, economic and cultural outcomes of Aboriginal people and the LALC network.

These strategies extend the early work contemplated by the Economic Development Policy and underpin NSWALC's core objects under the ALRA - to improve, protect and foster the best interests of Aboriginal people and to relieve poverty and improve the wellbeing of Aboriginal people.

Through this process the Council has agreed to continue to explore, develop and implement NSWALC Enterprises Ltd.

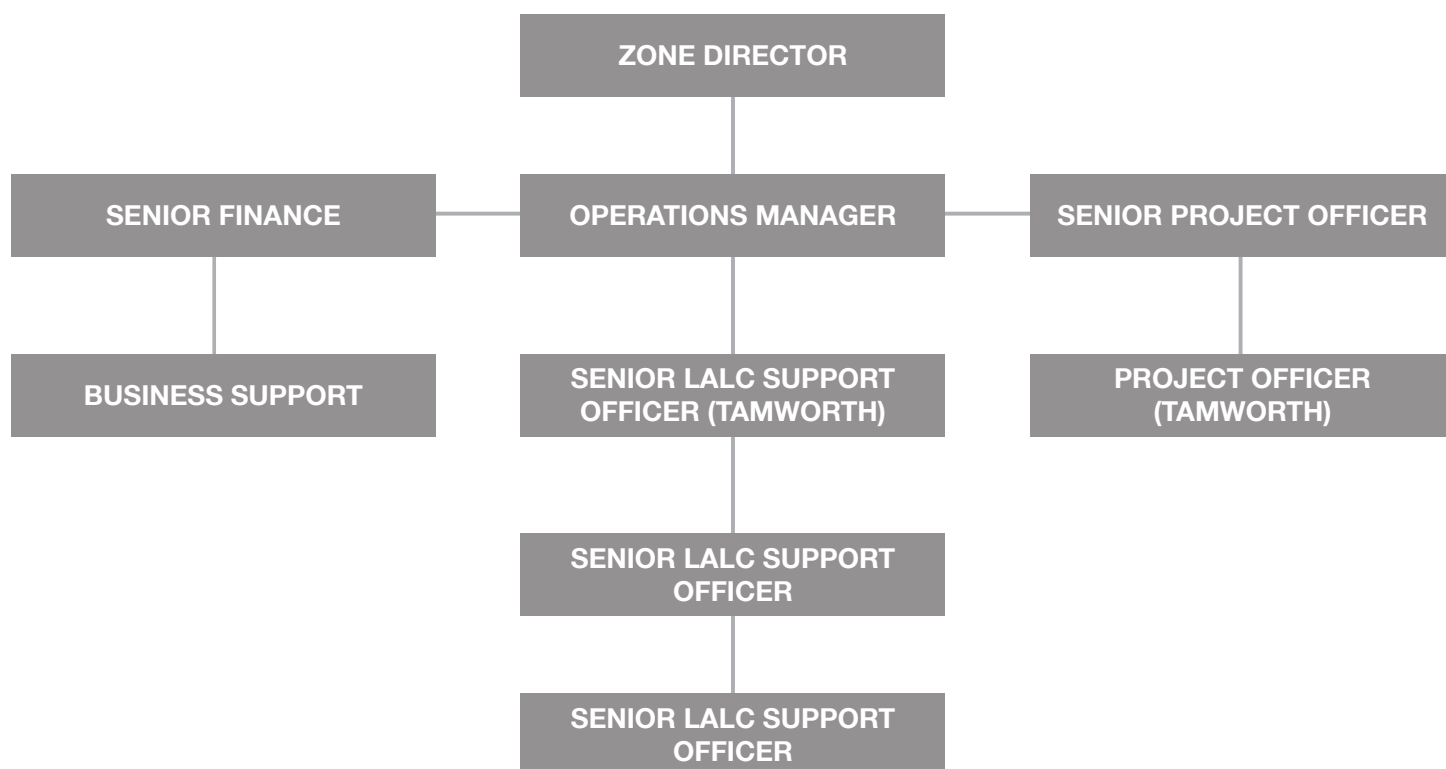
NSWALC Enterprises is a business model that partners with industry and community sector leaders, Governments and the LALC network to maximise the comparative advantage of all stakeholders. It seeks to deliver sustainable business enterprise and employment outcomes and maximise the use and application of Aboriginal lands as a platform for economic, social and cultural development. As a result, NSWALC Enterprises seeks to deliver a real pathway to employment and business enterprise development, by working collaboratively to enhance the capacity and capability of Aboriginal enterprises through partnerships.

NSWALC Enterprises, while focussed on the core objects of the ALRA, would represent a holding company with a variety of Social Enterprise, and Not for Profit partnerships under development.

To this end NSWALC Enterprises will develop a Tier 1 Aboriginal Community Housing company. This company, with the support of a number of existing Tier 1 Community Housing Providers, would seek to partner with Governments and the LALC network to leverage land and provide more social and affordable housing and pathways to home ownership. It will also leverage the construction activity of new housing development to drive enterprise, training and employment outcomes.

The Council has supported the development and incorporation of these companies. It is however recognised that the business models requires further exploration and the next stage of the development will seek to bring forward the Partnerships to develop the business models.

Northern Zone Staffing Structure 2016-17



Northern Zone Staffing Structure 2016-17

Network Delivery	
Compliance and Regulation	Capacity and Community Development
<ul style="list-style-type: none"> Mediation and Conflict Resolution Risk Assessments Policy Development and Implementation Board Member Governance Training Election of Board Members Complaints Handling Community Land and Business Plan (CLBP) Assessments Community Benefit Scheme (CBS) Assessments including Residential Accommodation Native Title Matters LALC Membership Matters Pecuniary Interest and Misconduct Matters 	<ul style="list-style-type: none"> Land Mapping Community Development Planning Aboriginal Land Agreements Asset management plans Grant Applications and Acquittals CLBP Development Training Need Analysis Capacity Development Plans CBS Development Land acquisition and development Employee Recruitment and Performance Management Culture and Heritage Protection and Promotion
Finance and Administration	
Compliance and Regulation	Compliance and Regulation
<ul style="list-style-type: none"> Monitoring LALC Compliance Budget Assessments Financial Report Assessments Audit Assessments Grant Releases Funding and Assistance Agreements 	<ul style="list-style-type: none"> Risk management plans Debt management plans Financial management training Financial planning and reporting Accounts processing Internal controls and procedures

ZONE OFFICES

NORTHERN ZONE

The Northern Zone comprises 38 Local Aboriginal Land Councils (LALCs) within the following regions:

- North Coast Region (comprising 13 LALCs) represented by Councillor Tina Williams;
- Mid North Coast Region (comprising 11 LALCs) represented by Councillor Peter Smith;
- Northern Region (comprising 14 LALCs) represented by Councillor Charles Lynch.

Staffing

The Northern Zone of the NSW Aboriginal Land Council (NSWALC) operated from offices in Coffs Harbour and Tamworth during the 2016-17 financial year. The Northern Zone Director is supported by a staff of eight. Throughout the financial year the Northern Zone office implemented its newly approved structure which aimed to separate compliance and regulation responsibilities from capacity and community development responsibilities.

The current Northern Zone structure is identified in the diagram on page 27. All vacant and temporary positions were filled during the financial year including the newly created project officer positions.

The structure has been in full implementation since 1 January 2017 and the Northern Zone is still working internally to develop clear lines of separation between compliance and support functions. The table on page 27 outlines the main core responsibilities of each separate functional area including internal compliance requirements and external services that are available to LALCs.

General Zone Support to LALCs

The Network Delivery team has primary responsibility for day to day dealings with LALCs on a broad range of issues including assisting LALCs to fulfill their responsibilities under the *Aboriginal Land Rights Act 1983* (ALRA). Network Delivery staff provided significant amounts of advice and support to LALCs in relation to the requirements of the ALRA and Regulations, operational matters, planning, preservation and protection of Aboriginal culture and heritage, land dealing matters, human resource functions and assistance with negotiations with government and other stakeholders. Northern Zone staff attended many LALC Board and Members' meetings throughout 2016-17. They also provided significant ongoing advice and assistance to LALCs in relation to social housing management and other community benefit schemes.

The Finance and Administration team provides support to LALCs on budgeting, financial management systems and controls, release of NSWALC grant funds, processing of essential payments along with LALC financial performance monitoring and assistance. Finance Unit staff also make frequent visits to LALCs to assist them in their financial management functions. The Finance Unit provided internal

services to ensure the efficient and effective operations of the Northern Zone office and participated in LALC risk assessment assessments, along with Network Delivery staff. Finance staff also liaised directly with LALC bookkeepers, accountants and assurance practitioners.

Specialised Support to LALCs

Zone staff work closely with many other units within NSWALC to provide a variety of specialist assistance to LALCs including NSWALC's land and property, legal, economic development and policy units. During the reporting period a number of matters arose requiring significant zone resources including:

- Aboriginality and Membership Issues;
- Legal and Pecuniary Interest Matters;
- Native Title Matters;
- Complaints Handling and Referrals;
- Dispute Resolution and Mediation;
- Several Land Dealings including Land Claim Withdrawals;
- Employment Matters.

The new NSWALC funded part-time legal position at Justice Connect has been a great asset to LALCs who are now able to obtain free general legal advice.

REVIEW OF OPERATIONS

LALC REGIONAL FORUMS

Regional forums provide opportunities for LALCs to come together to discuss issues of common concern, develop regional strategies and approaches and receive information in relation to NSWALC initiatives. Forums also provide a good opportunity to engage with external stakeholders and service providers.

Zone staff worked with Councillors Smith, Williams and Lynch to stage a joint regional forum in Coffs Harbour during December 2016 as well as regional forums in each of their regions during 2016-17.

COMPLIANCE MONITORING AND ASSISTANCE

LALCs have many and varied responsibilities under the ALRA. A major focus for the Northern Zone Office since its establishment has been to assist LALCs with their compliance reporting as required by the ALRA. It is pleasing to report there have been no Administrators appointed to LALCs within the zone for the seventh consecutive year. This is a significant achievement which can be attributed to the hard work of LALC Boards, CEOs and Northern Zone staff.

During the period five LALCs were required to be on an assistance agreement including one LALC that has been unfunded for several years. The Northern Zone developed and implemented a new intensive assistance service plan combining risk assessment, audit, financial and

governance issues into one easy to follow action plan with assigned LALC and NSWALC tasks. This new process resulted in three of the five LALCs returning to a funded position, including one LALC that had not been on a funding agreement for the past six years.

LALC Audit Results

This financial year was the first year of implementation of the new NSWALC Financial Reporting Policy. The policy outlines different reporting tiers based on average annual income over a rolling three year period. The policy has resulted in an overall reduction in audit costs. However, there were still some issues identified during 2016-17 including missing supporting appendices and late lodgement of financial statements. Given that this financial year was the first year of implementation of the new policy it is hoped that next year's financial reporting lodgement will improve as LALCs and NSWALC become familiar with the new policy.

The financial and audited statements relate to LALC operations in the 2015-16 financial year and resulted in 35 of 38 LALCs in the zone gaining unqualified audits. By the end of the 2016-17 financial year two of the audit qualifications had been removed with one audit qualification remaining. Once again a pleasing trend is the reduction in

LALC debts and improvement of LALC financial positions across the Northern Zone.

Risk Assessment System and Performance Improvement Planning

Zone staff undertook 62 comprehensive risk assessments involving all LALCs in the Zone during the reporting period using the NSWALC Risk Assessment System (RAS). The RAS is a tool that evaluates LALC performance across five key areas of operation and this performance assessment then informs the LALC's deemed risk rating. NSWALC staff work closely with LALCs to address areas where the system has identified that the LALC was not able to satisfy the requirements of the various questions posed using the RAS.

NSWALC utilises the Risk Assessment System to categorise LALCs into risk categories to determine whether NSWALC will offer a funding agreement and provide operational funding and also to define the terms and conditions of such funding agreements.

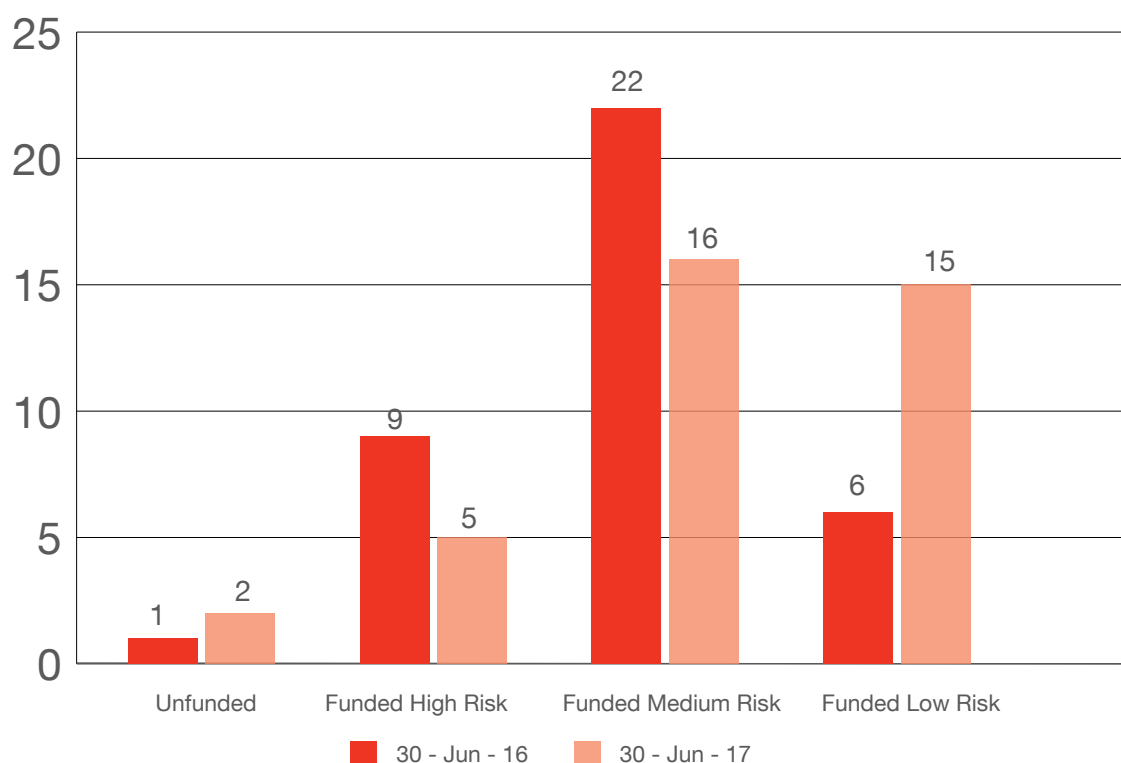
The graph indicates that as at 30 June 2017:

- 94.7 percent of LALCs in the Zone were in a funded category.

RISK ASSESSMENT SCORE	FUNDING CATEGORY	RISK CATEGORY	REPORTING REQUIREMENTS/ FUNDS RELEASE	ASSESSMENT FREQUENCY
Below 50%	Unfunded	None applied	NA	NA
50% - 69%	Funded	High Risk	Bi Monthly financial reporting and Bi Monthly funding releases	Quarterly
70% - 89%	Funded	Medium Risk	Quarterly financial reporting and quarterly funds releases	Half Yearly
90% and above	Funded	Low Risk	Six monthly financial reporting and quarterly funds releases	Annually

NSWALC Northern Zone Funding & Risk Categories

No. of Local Aboriginal Land Councils



- There were 13.16 percent of LALCs in the High Risk Category (23.68 in 2016), 42.11 percent in Medium Risk Category (57.89 in 2016) and 39.47 percent in the Low Risk Category (15.79 in 2016).

The most notable achievements were the reduction in high risk LALCs and the increase in low risk LALCs from six in 2015-16 to 15 in 2016-17 with several LALCs obtaining a perfect 100 percent score.

LALC Board Elections and Support

During the financial year, the Northern Zone acted as returning officer at a number of Board vacancy elections, filling 31 vacancies in total. The biggest issue for LALCs was that many Board vacancies resulted in LALC Board numbers dropping below the minimum requirement. This resulted in a number of urgent Board elections having to be called to enable the LALC Boards to continue operating.

Training and Workshops

The Northern Zone conducted mandatory governance training for 50 newly elected Board members. The Northern Zone also facilitated several CLBP workshops with only two LALCs remaining without approved CLBPs. The Northern Zone also developed a Chairperson Training package which was piloted in the Northern Region. The package is being refined and will be rolled out across the Zone.

Northern Zone staff members attended a number

of training sessions including Workplace Health and Safety, senior management, resilience and community development planning. Some staff members are also undertaking their own accredited training during and after work hours including Certificate IV in Bookkeeping, Certificate IV in Project Management and Masters in Business Administration.

LALC Employee Recruitment and Workplace Relations Assistance

One of the emerging issues for LALCs and NSWALC during 2016-17 was the changeover in Chief Executive Officers (CEOs). The Northern Zone was directly involved in the recruitment of eight CEOs during the reporting period.

In addition to recruitment assistance the Northern Zone also assisted a number of LALC Boards with workplace relations advice.

LALC Land Mapping

Since the recruitment of the Northern Zone project officers 18 LALCs have had their land mapped. Once this project has been completed the Zone intends on running individual workshops with LALCs to go through their land assets and assist in developing asset (land) management plans. The Northern Zone has also developed a draft land mapping manual for LALCs. The aim of this project is to provide LALCs with a thorough understanding of their land assets including potential uses and development opportunities

as well as the potential land management and culture and heritage protection requirements.

Aboriginal Land Agreements and Community Development Planning

The Northern Zone project management team have been playing a supporting role in the pilot Aboriginal Land Agreement (ALA) involving two LALCs within the Tamworth Local Government Area. The ALA program involves the LALCs, NSWALC, as well as the State and Local Governments negotiating over available Crown assets including land under claim and other public state owned assets. The ALA has been coupled with a new trial Strength Based Community Development Planning (CDP) Process. The Northern Zone has been directly involved in trialing the CDP process at the two LALCs who are currently participating in the ALA pilot program.

Strength based Community Development Planning takes a community-centred approach on issues, needs and strengths and how to address them. The community plan is developed with input from the whole community rather than just the LALC membership group that attends member meetings. The CDP can then inform the LALC in terms of the ALA negotiation process by putting forward community needs and potentially utilising the ALA program as a mechanism to address some of those needs identified by the broader Aboriginal community.

FAR WESTERN ZONE

The Far Western Zone represents the NSWALC Western Region which consists of 11 Local Aboriginal Land Councils (LALCs). The Far Western Zone Office operates from Broken Hill, to provide services to eight LALCs that are currently operating within the Western Region boundary.

William Murray is the elected NSWALC Councillor for the Western Region. Zone staff meet at regular intervals with Councillor Murray to provide briefings on operational and strategic issues from a NSWALC, LALC and community perspective.

HUMAN RESOURCES

The staffing establishment for the Zone Office was two positions for this reporting period. The current structure supports the NSWALC and the LALCs with social enterprise and business development in line with the NSWALC Strategic Plan.

SUPPORT TO LALCS

The Zone office has a primary responsibility for the provision of support and advice to the LALCs within the Far Western Zone.

The provision of support and advice in the past year included LALC roles and responsibilities as a requirement under the ALRA and Regulations, operational matters, planning, land dealing matters, residential accommodation management, human resource functions and assistance

with other relevant non-government and government stakeholder meetings.

A major focus for the Far Western Zone has been to continue to build upon the working relationship with the LALCs, with a strong emphasis towards assistance and support on those compliance issues regularly identified as concerns through the NSWALC Risk Assessment System (RAS) and the development of social enterprise and business ideas that the LALCs have identified through their Community Land and Business Plans.

MONITORING AND COMPLIANCE

NSWALC RISK ASSESSMENT SYSTEM

The Risk Assessment System is a risk management tool utilised by NSWALC to assess LALC operations across a number of areas. The RAS is the primary risk assessment tool used by NSWALC to determine a risk category that a LALC will fall into, and also provides guidance as to the terms and conditions under which annual NSWALC funding will be offered.

The graph to the right provides a comparison between the overall LALCs' risk ratings and funding categories for 2015-2016 and 2016-2017.

During this reporting period a total of eight Funding Agreements were offered to LALCs.

PAYMENTS TO LOCAL ABORIGINAL LAND COUNCILS

The NSWALC Council approved a total grant of \$1.26 million for eight LALCs in the Far Western Zone. Ivanhoe LALC received funding while under Administration for a period of six months. No payment for essential expenses was recorded while a LALC was in an unfunded category. The graph on page 33 represents the type of allocations and administrators' expenses paid to or on behalf of LALCs in the Far Western Zone. Balranald LALC and Ivanhoe LALC had an administrator appointed during this financial year and administration costs of Balranald LALC (\$247,773.89) and Ivanhoe LALC (\$9,747.93) have been recorded.

The Administrators' costs becomes a LALC debt to NSWALC with payments being recovered under Debt Repayment Agreements with the relevant LALCs.

COMMUNITY LAND AND BUSINESS PLANS

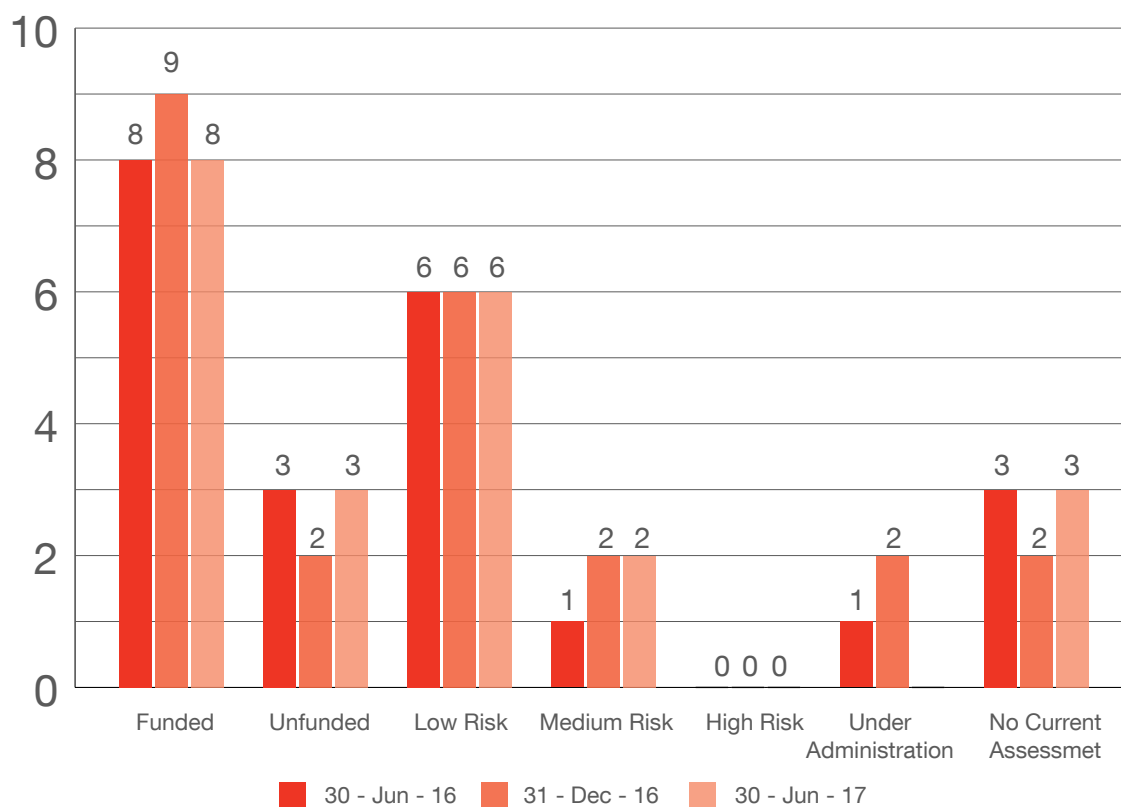
During the reporting period all LALC Community Land and Business Plans were reviewed. The majority of LALCs are currently in the process of updating and realignment to be consistent with the requirements of impending amendments to the *Aboriginal Land Rights Act 1983* (ALRA).

LALC DEBT

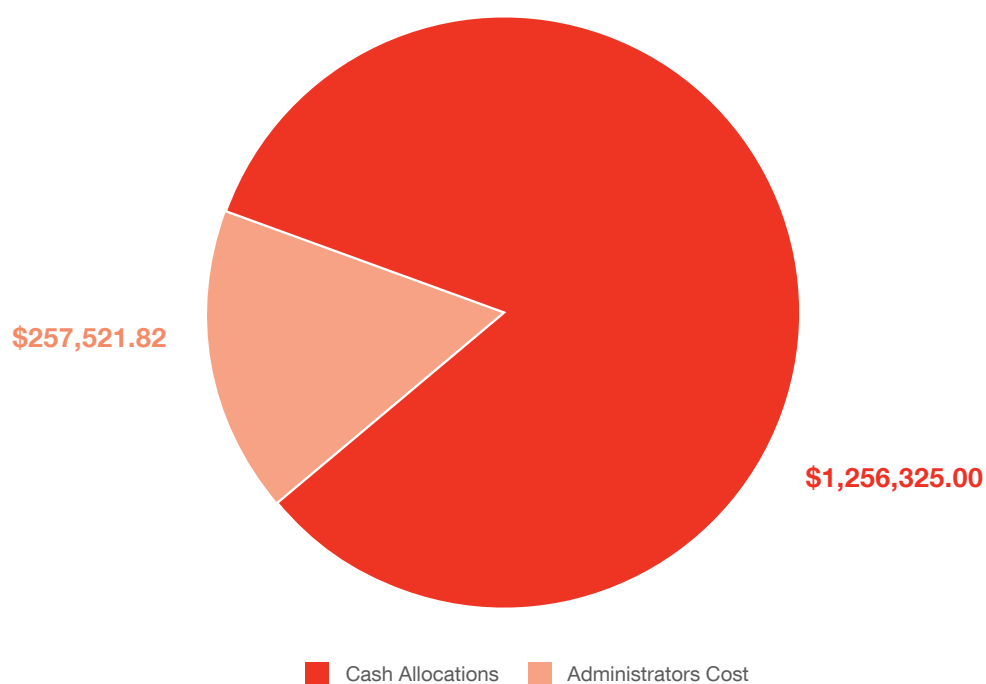
At the end of this reporting period, the level of LALC debt to NSWALC within the Zone was \$518,475.69. The affected LALCs have entered into Repayment Agreements and have made repayments in line with these agreements as at 30 June 2017.

LAND CLAIMS, DEALINGS AND MANAGEMENT

Western Region Funding Category Comparison 11 LALCs



Western Region Allocations and Administrator Costs



During the reporting period no successful land claims were determined for LALCs across the Zone. Advice and support has been provided to LALCs on a range of land related matters.

DARETON LALC

In June 2015, a review of properties was undertaken with NSWALC re-approving a land dealing application for the sale of four vacant blocks of land. The four properties were sold near the end of the reporting period.

BALRANALD LALC

Balranald LALC has submitted a land dealing application for the sale and subdivision of four blocks of land. The land dealing application is currently awaiting approval.

SOCIAL HOUSING

During this reporting period, Dareton Local Aboriginal Land Council engaged in a Plumbing Health Check Program. NSW Fair Trading continued to conduct health checks for Aboriginal housing providers and their tenants and the Master Plumbers Association NSW conducted minor repairs. The program is designed for remote Aboriginal communities with limited access to tradespeople and

delivers benefits including better health conditions for people living in rural or remote communities.

The NSW Health Habitat program, Housing for Health, has improved a number of plumbing and safety issues in the LALC's 47 social housing properties. This program was due to conclude in June 2017.

All LALCs are either under head lease to the Aboriginal Housing Office or operating an approved social housing community benefit scheme through their NSWALC approved process under SHAPE.

The below table summarises status of each LALC's housing situation:

LALC	HEAD LEASE TO AHO	NSWALC CBS APPROVED	NSWALC CBS UNAPPROVED
Balranald	Under HL		
Broken Hill		Approved through SHAPE	
Cobar		Approved through CBS	
Dareton	Under HL		
Ivanhoe	No Housing		
Menindee	Under HL		
Mutawintji	No Housing		
Tibooburra		Approved through SHAPE	
Wanaaring			To be assessed
Wilcannia	Under HL		
Winbar	No Housing		

WATER AND SEWERAGE PROGRAM

NSWALC and the NSW Government have combined to fund the Aboriginal Communities Water and Sewerage Program to ensure water and sewerage services in Aboriginal communities are operated and maintained to the standard normally provided in the wider community. This program has a direct impact for the Wilcannia, Dareton and Balranald Local Aboriginal Land Councils in the Western Region. All three works projects have now been contracted for an additional two years. The NSWALC/NSW Government program has directly benefited the LALCs through new infrastructure on Reserve areas.

REGIONAL FORUMS AND CEO MEETINGS

Regional forums and CEO meetings continue to be essential for both the NSWALC and LALCs to come together and share information on important issues from a State, Regional and Local perspective.

During the reporting period three Regional forums were held.

Zone staff have assisted Councillor Murray to organise and host these forums.

DATES	VENUE	FOCUS
31st August 2016	Cobar	Asbestos Program, Updates Native Title, Mining.
5th April 2017	Broken Hill	Culture & Heritage Law Reform, Recognise, LLS
27th & 28th June 2017	Broken Hill	ALRA Review

LOCAL ABORIGINAL LAND COUNCIL ACTIVITIES

Community activities supported and delivered by Western Region LALCs during this reporting period have included:

BROKEN HILL LALC

Broken Hill LALC in partnership with Orange and Deniliquin LALCs have continued to successfully roll out the NSW Government provision of the Ability Links and Early Links Program. The program has seen the employment of five Ability Links staff members in the LALC office who service the Far West area, including Broken Hill, Menindee, Tibooburra, Wilcannia and Cobar.

With support from the 2015 NSWALC Community Development Scheme the LALC converted an old garage into a meeting room. This project now provides meeting room facilities for stakeholders within the community for a small hire fee. The success of this project has now enabled the LALC to move into stage two: installing kitchen facilities and upgrading the toilet facilities.

WILCANNIA LALC

The Wilcannia LALC and NSWALC have an informal partnership with Sydney University and its RARE program to assess options for food security in Wilcannia. The initial

pilot will be based around a bush order arrangement through Broken Hill Woolworths. This will hopefully expand into another competitive store for the Wilcannia community.

Wilcannia LALC has engaged with NSWALC's Economic Development trial. Under the trial Wilcannia LALC has expanded its goat harvesting enterprise on Weinteriga Station.

MENINDEE LALC

The Menindee LALC has been successful with an Indigenous Advancement Strategy (IAS) grant of approximately \$460,000 for the 2015-2016 year. This funding has assisted the LALC to improve the infrastructure on Appin Station and to also develop small business enterprise models around tourism and catering, with work continuing into late 2016.

Menindee LALC has undertaken a project called Old Menindee Mission Conservation and Interpretation. Menindee LALC were successful in gaining funding of \$58,000 under the Office of Environment and Heritage, Aboriginal Heritage Places Program stream. The project aims to maintain the values of the Old Mission and preserve them for the future. This included fencing, oral history and signage to display the history of the Old Menindee Mission.

DARETON LALC

The Dareton LALC is currently engaged in a land management project for Namatjira Reserve in partnership with Max Employment, Mid Lachlan Aboriginal Housing Management Co-operative, NSW Health, NSWALC and Local Land Services - Western Region.

The aim of the project is to improve the condition of the Reserve through a land management project using Max Employment "work for the dole" registered participants as the workforce. It is hoped that this project will ultimately lead to an employment outcome for a land maintenance team and housing maintenance team.

MUTAWINTJI LALC

Mutawintji LALC has received assistance under NSWALC's Economic Development trial to restart its tourism enterprise.

BALRANALD LALC

The Balranald LALC has undertaken a full restoration of the current cemetery precinct. The project encompasses an extension and upgrade to the historic Balranald Aboriginal Cemetery. The cemetery has grown exponentially with little planning and spasmodic record keeping. The only formal record of burials is detailed in a piecemeal "mudmap". The only published account of the cemetery's history that we are aware of is recorded by local Muthi Muthi elders Alice and Alf Kelly.

The project has been divided into two stages:

Stage 1 - preliminary historical work; and

Stage 2 - infrastructure, landscaping and land acquisition.

TIBOOBURRA LALC

Tibooburra LALC was successful in gaining \$10,000 from Ausgold and \$62,000 from the Indigenous Advancement Strategy for a project to refurbish and expand its Museum and Keeping Place. The LALC Museum and Keeping Place will directly address the community identified need to preserve 'local heritage and, in a contemporary context, knowledge of Aboriginal custom, belief, practices and language', as well as enhance the business opportunities of the LALC and economic development of the wider community.

EASTERN ZONE

The Eastern Zone, represented by Councillor Roy Ah-See, is geographically the smallest of the five Zones and comprises 11 Local Aboriginal Land Councils (LALCs). In many respects, however, it deals with a range of more complex issues given the size and strength of LALCs in the region.

ORGANISATIONAL STRUCTURE

The Zone is staffed by a Zone Director, a Senior Support Officer, a Support Officer and a Finance Officer.

Eastern Zone Staff have participated in a number of internal and external learning and development opportunities during the reporting period, such as Work Health and Safety (WHS), Resilience Training, Development Training, Governance Training, Certificate 4 in Training and Assessment and commencement of the Bachelor of Business (Management) at University.

Over the last year the Eastern Zone Staff had the opportunity to work with staff from other Zones at the NSWALC Zone Conference, held in December 2016 and March 2017. The newly appointed LALC Support Officer had the opportunity to visit Western Zone for some mentoring and training opportunities which will enhance her skills for her current position.

SUPPORT TO LALCS

The Eastern Zone is responsible for the monitoring of LALC compliance with their statutory responsibilities under the ALRA whilst providing support and advice. The staff provide ongoing support to LALCs in relation to the requirements under the ALRA, operational matters, planning, land dealing matters, human resource functions and assistance with negotiations with government and other stakeholders.

Zone staff make frequent visits to LALCs to provide support on budgeting, releasing of grant funds and any financial performance monitoring and assistance required.

Zone staff also continued to work closely with the Governance Unit to deal with complaints made by LALC members in the Sydney/Newcastle region.

COMMUNITY BENEFIT SCHEMES (CBS)

The Zone has been providing assistance to a number of

LALCs in the region regarding identified Community Benefit Schemes other than social housing. Two LALCs within the region have had CBS approved by NSWALC.

NSWALC RISK ASSESSMENT SYSTEM (RAS)

The Zone has conducted all risk assessments within the necessary time frame. The Zone office maintains the Risk Assessment System for the 11 LALCs in the Sydney/Newcastle region. There were a number of LALCs that changed funding categories during the reporting period with support of the Zone Office.

BOARD ELECTIONS

The Zone staff officiated as Returning Officers at numerous Casual Vacancy elections held across the region in the reporting period.

The Zone staff have conducted Governance Training with most Board Members in the Zone.

LALC TRAINING

Zone staff continued to attend a range of workshops throughout the year designed to build the capacity of the LALCs. As well as Governance training, these included Community Land and Business Plan workshop and Grants Writing workshops.

SOCIAL HOUSING

All LALCs within the Zone are either Social Housing Approval and Provider Evaluation approved, CBS (RA) approved, Provider Assessment and Registration System (Pars) approved or head leased with the Aboriginal Housing Office.

The Eastern Zone was the first to have all its LALCs approved for social housing.

LAND DEALINGS

Eastern Zone staff, in conjunction with NSWALC's Commercial and Legal Units, continued to inform LALCs of the land dealings regime within the ALRA, with particular emphasis on LALC land dealing applications.

REGIONAL FORUMS

Councillor Ah-See conducted a number of Regional Forums during the reporting period attended by LALC Chairpersons and Chief Executive Officers or their delegates.

The Forums have become important for NSWALC Councillors to report on their activities and provide LALCs with an opportunity to voice concerns and issues across the region.

This past reporting period saw important information conveyed to the LALCs regarding the culture and heritage law reform, ALRA Review and amendments, Crown Lands Review / Aboriginal Land Agreement Update, Constitutional Recognition and Treaty as well as Sydney/Newcastle Alliance for Culture Rights and Economic Development (SACRED)

COMMUNITY LAND AND BUSINESS PLANS (CLBPS)

Due to the new amendments all LALCs must have their CLBP amended and approved within nine months of their Board election. 10 of the 11 LALCs have updated their CLBP and have had them approved. One LALC is under administration and is currently working on their CLBP which will be submitted shortly.

NAIDOC

The Zone received invitations from many LALCs in the region to celebrate NAIDOC week with them. Zone staff celebrated NAIDOC at West Lakes (Lake Macquarie), Wyong, Maitland, Nelsons Bay and Gosford.

ECONOMIC /COMMUNITY DEVELOPMENT

There is a diverse range of LALC economic developments in the Sydney / Newcastle Region including sand extraction, residential estate developments, friable sand stone extraction, and sand dune adventure tours. The Economic Development Unit is working closely with a number of LALCs to assist with development opportunities.

NATIVE TITLE

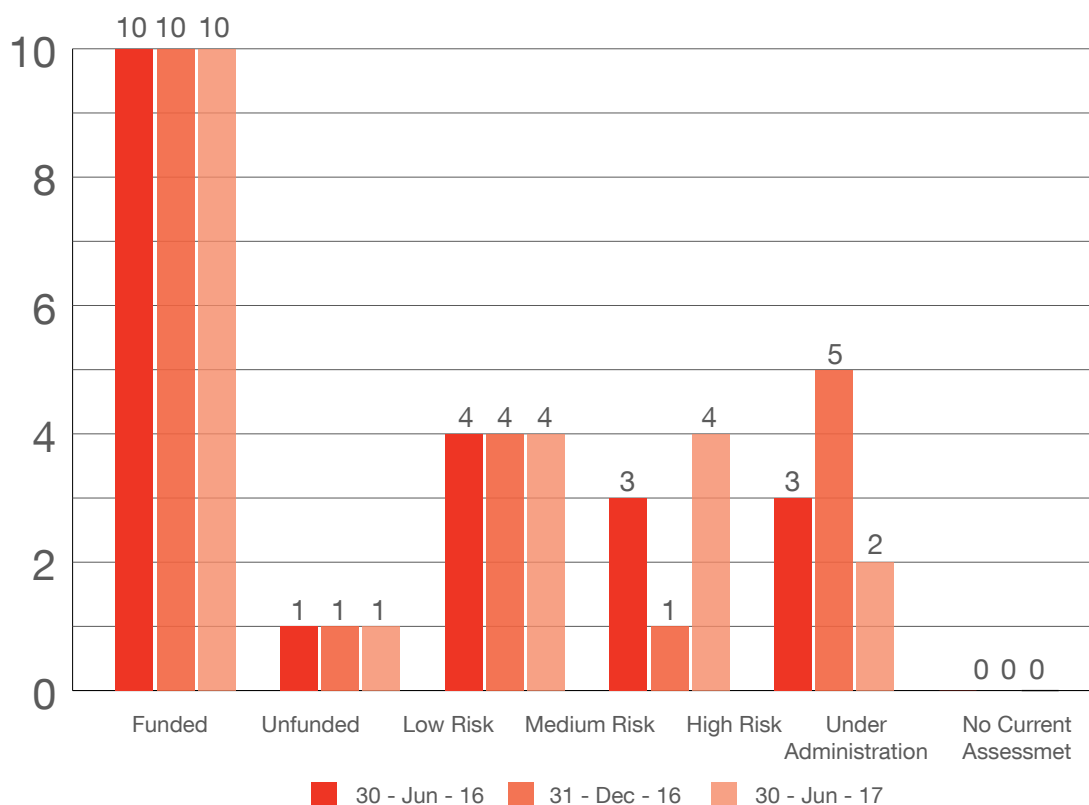
The Eastern Zone still has a number of Native Title claims and information is being provided to LALCs about the implications of these.

LALC FUNDING

LALCs in the zone progressed through a range of funding categories during the reporting period. The graph below shows the number of LALCs in each funding category at the end of this reporting period, compared with the end of last financial year, and at the end of December 2016.

During the last reporting year some LALCs within the Zone became unfunded for short periods due to failure to report and one LALC remains under Administration. The Zone assisted LALCs to build capacity in all aspects of their operations including financial reporting, asset management, business planning and compliance with the provisions of the ALRA.

Eastern Zone Funding Category Comparison - 11 LALC's

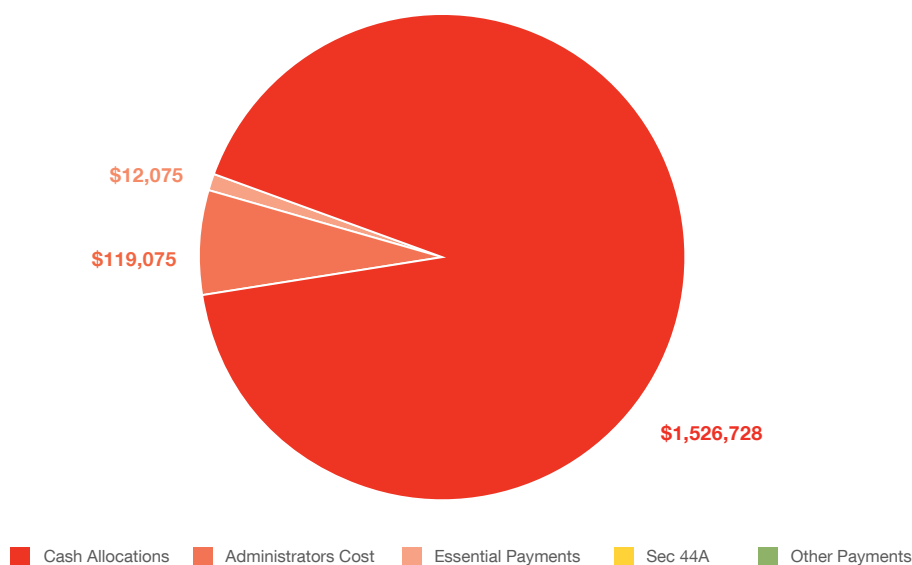


PAYMENTS TO LALCS

The graph below represents the type of allocations and expenses paid to or on behalf of LALCs in the Eastern Zone.

The total approved grant for the zone was \$1.5 million. This amount was based on 10 LALCs receiving full year allocation, and one LALC Funded under administration from October 2016. The total cash outgoings for the financial year was \$1.7 million.

Eastern Zone Allocations and Expenses



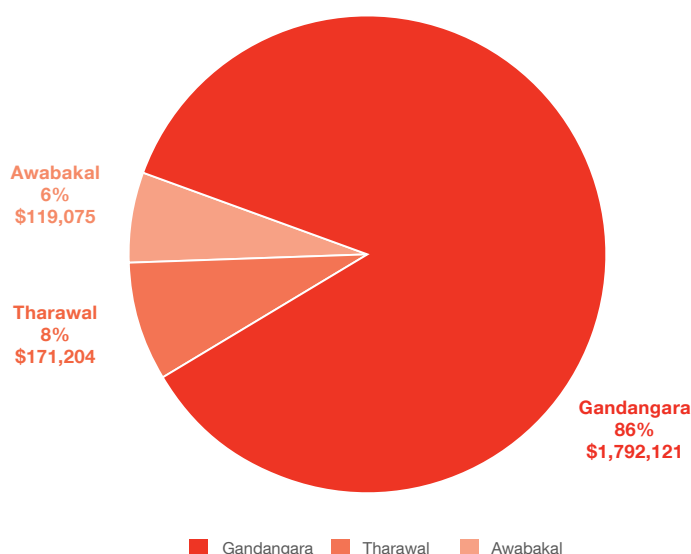
The graph above shows the dollar amount of each type of cash outgoings, and the percentage of each type of the total cash outgoings for the Zone to 30 June 2017.

The total cash outgoings for the financial year is based on 11 LALC Allocations of \$1,526,728 one LALC's Essential Payments of \$12,075, and administrator costs of \$119,075.

LALC DEBT

The total LALC debt to NSWALC at the end of the reporting period stood at \$2.08 million. The total amount of debt has increased since the prior reporting period due to accumulation of administrator debt within one of the LALCs.

Eastern Zone LALC Debt



SOUTHERN ZONE

The Zone Office operates from the Canberra suburb of Fyshwick and continues to service 34 Local Aboriginal Land Councils (LALCs) within the boundaries of the South Coast and Wiradjuri Region:

South Coast Region – comprising 13 LALCs

Wiradjuri Region – comprising 21 LALCs

Its purpose, aims and objectives are consistent with that of all Zone offices and are delivered in accordance with the key objectives of NSWALC’s Business and Corporate Plans.

Councillor Danny Chapman and Councillor Craig Cromelin are the elected NSWALC Councillors for the South Coast and Wiradjuri Regions.

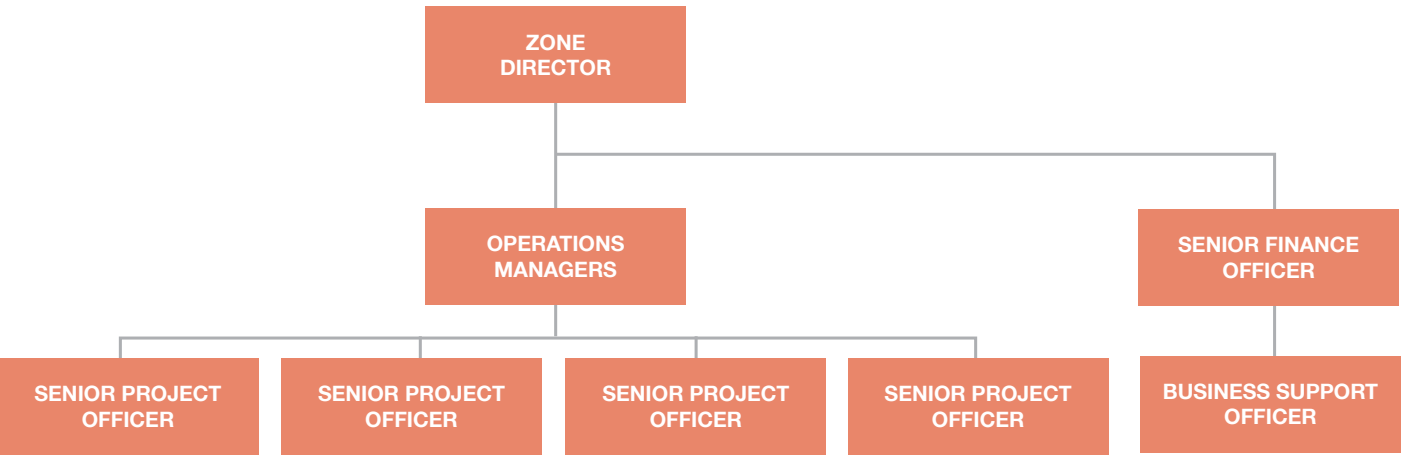
The Southern Zone meets each Councillor regularly to provide briefings on operational aspects of the Zone office and LALCs and any issue which may require the Councillor’s attention.

ZONE STAFFING

As a result of a Zone Office restructure, the number of staff positions was reduced from nine to eight by the end of the reporting period. As well, two positions were renamed from Senior LALC Support to Senior Project Officer. Three LALC Support positions were abolished and replaced with two additional Senior Project Officer positions. The Zone Finance Officer position was also replaced with a Business Support Officer position.

The Zone office has adopted a more integrated approach with its structure in order to work collaboratively to service and support the 34 LALCs within the Zone.

The staffing structure for the reporting period was as follows:-



SUPPORT TO LALCS

The Zone Office delivers a range of support functions to the Southern Zone LALCs. Primarily they include:

- Administering NSWALC's LALC Annual Operational Grants Program;
- Guidance around the operations of the ALRA and the related responsibilities of LALCs;
- LALC Governance advice and support including the conduct of Board elections and Board casual vacancies;
- Delivery of NSWALC initiated training to LALCs including Mandatory Board Training;
- Guidance in the preparation and implementation of LALC community land and business plans (CLBPs); and
- Assistance with LALC related Land and Natural Resource Management and Planning initiatives.

The Zone office also provides assistance to LALCs in meeting or working towards meeting operational performance standards as set out in the LALC Funding Agreement.

The Southern Zone Office also continues support LALCs that are participating in the NSW Government's Solution Brokerage program as well as those LALCs currently involved in the NSW Government's Crown Lands Divestment project, both of which may result in negotiated Aboriginal Land Agreements.

REGIONAL FORUMS

Three Regional Forums were convened in the Southern Zone area during 2016-17, including a Joint Regional Forum. A training workshop was also conducted for South Coast LALCs in November 2016:

- Joint South Coast and Wiradjuri Regional Forum, 30 - 31 August 2016, Wollongong
- Wiradjuri Regional Forum, 7-9 March 2017, Queanbeyan
- South Coast Regional Forum, 26-28 April 2017, Batemans Bay

- The South Coast Training Workshop, 29-30 November 2016.

Common items presented at both the South Coast and Wiradjuri Regional Forums included information relating to Culture and Heritage Reforms, Crowns Lands Review/ALRA Amendments updates, the Social and Affordable Housing Fund and the Economic Development Program.

Additional speakers and topics at the South Coast Regional Forum included Environment Protection Authority (Aboriginal Waste Management Program), Office of State Revenue (Fine Management Program) and the Great Southern Forest Steering Committee (protection of South Coast forests).

Additional speakers and topics at the Wiradjuri Regional Forum included the Department of Prime Minister and Cabinet (Indigenous Entrepreneur Fund) and LALC discussions on better engagement with young people through the development of a Youth Strategy.

The Regional Forums were also used as a vehicle to deliver training to LALCs during the period including Grant Writing and Governance workshops, both delivered by Our Community Pty Ltd.

LALC BOARD ELECTIONS

The Southern Zone office officiated as returning officer for two full LALC Board elections and 13 casual vacancy elections under delegation from the Office of the Registrar of the ALRA.

A total of 40 LALC members were elected as Board members of which 15 were male and 25 were female.

LALC TRAINING

Southern Zone delivered Mandatory Governance Training for the full Board of Jerrinja LALC in the South Coast Region and Condobolin LALC in the Wiradjuri Region.

A total of seven Board members from the Wiradjuri region and 16 from the South Coast region completed the training.

The following table represents the breakdown of governance training completed in each region:

WIRADJURI	NO OF BOARD MEMBERS COMPLETED	COMPLETION DATE
Condobolin	5	14 July 2016
Cowra	2	20 July 2016
SOUTH COST	NO OF BOARD MEMBERS COMPLETED	COMPLETION DATE
Batemans Bay	3	16 September 2016
Bodalla	3	27 September 2016
Jerrinja	7	16 February 2017
Ngambri	2	7 June 2017
Wagonga	1	9 February 2017

RISK ASSESSMENT SYSTEM

The Risk Assessment System (RAS) is used as a tool to inform funding categories of LALCs. The RAS focuses on high and critical risk from a NSWALC perspective that relate to a LALC's compliance with the ALRA, NSWALC's funding policy and the individual funding agreement as well as a LALC's financial statutory obligations to third parties. The RAS acknowledges that different LALCs pose different levels of risks to the network.

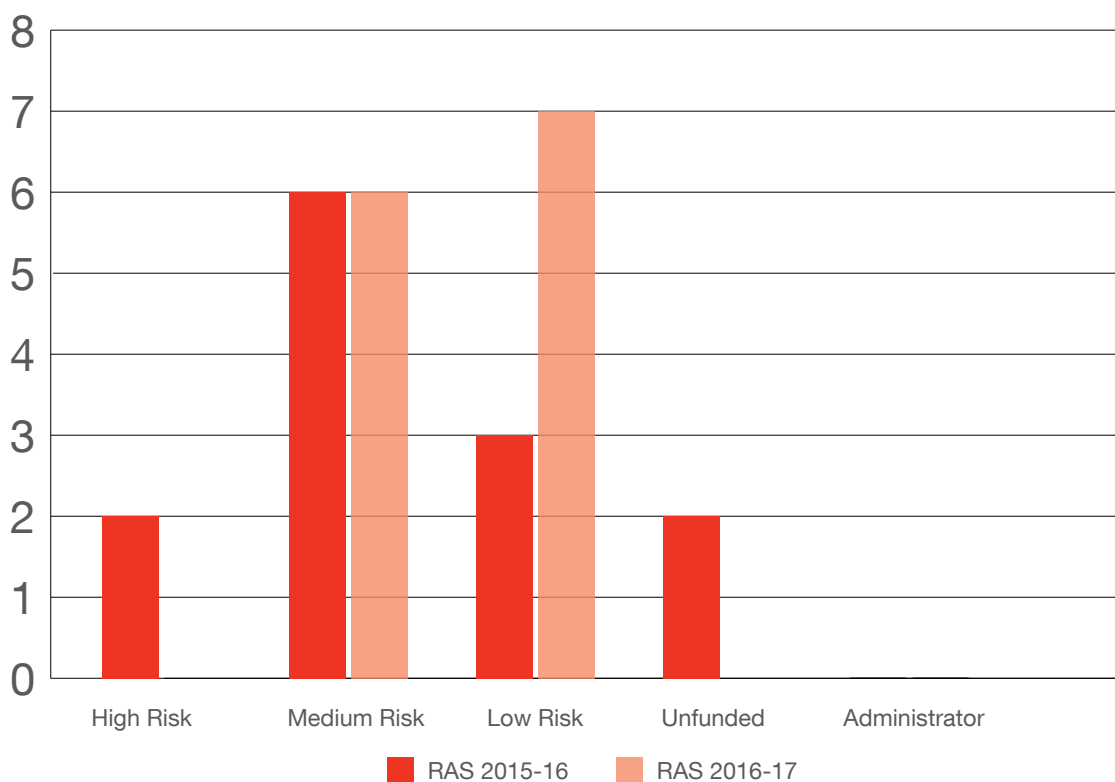
A combined total of 54 RAS assessments were conducted across the South Coast and Wiradjuri Region during the 2016-17 periods.

The following graphs outlines LALC risk ratings achieved at the end of the period compared to the ratings achieved in the 2015-16 financial year within the Wiradjuri and South Coast regions.

As demonstrated by the comparative data, there was a reduction in the number of LALCs located within both the high risk category and in the unfunded risk category from 2015-16 to 2016-17. The number of LALCs situated as medium risk level remained the same, whilst the number of LALCs situated in the low risk level increased.

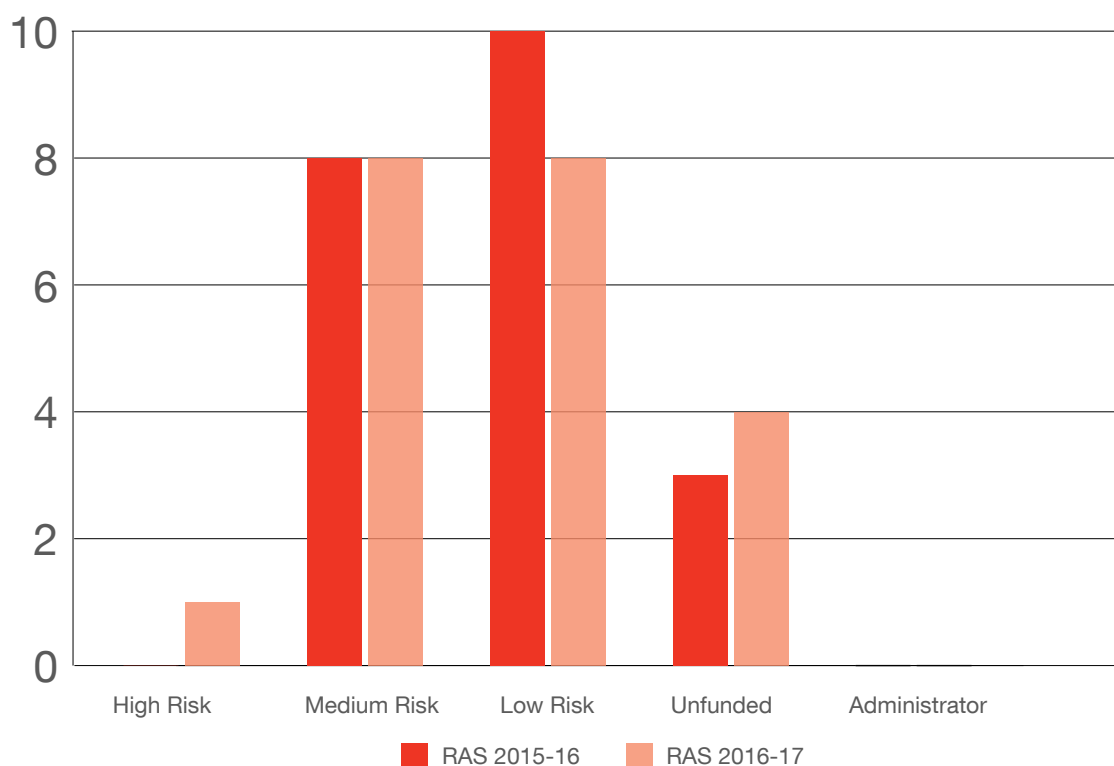
The below graphs provide a comparison of LALC risk ratings between the 2015-16 and 2016-17 financial years for both the South Coast and Wiradjuri Regions.

South Coast Comparative Data



END OF FINANCIAL YEAR RISK RATING - SOUTH COAST LALCS	2015-16	2016-17
High Risk: 50-69%	2	0
Medium Risk: 70-89%	6	6
Low Risk: 90-100%	3	7
Unfunded	2	0
Administrator	0	0

Wiradjuri Comparative Data



END OF FINANCIAL YEAR RISK RATING- WIRADJURI LALCS	2015-16	2016-17
High Risk: 50-69%	0	1
Medium Risk: 70-89%	8	8
Low Risk: 90-100%	10	8
Unfunded	3	4
Administrator	0	0

LALC SOCIAL HOUSING ACTIVITY

Under the ALRA the provision of residential accommodation (including rental accommodation) is referred to as a Community Benefits Scheme (CBS). The ALRA states that a LALC may, in accordance with the approval of NSWALC, directly or indirectly, provide community benefits and provide, acquire, construct, upgrade or extend residential accommodation for Aboriginal people in its area. These schemes are referred to as a CBS (RA).

Within Southern Zone three LALCs were given conditional approval by NSWALC as CBS (RA). Of the remaining 31 LALCs with CBS (RA), three gained approval under Social Housing and Provider Evaluation (SHAPE), 18 gained CBS (RA) to manage their own housing and the remaining LALCs entered into Head Lease arrangements with the New South Wales Aboriginal Housing Office (AHO).

COMMUNITY LAND & BUSINESS PLANS (CLBPS)

NSWALC Southern Zone LALCs have made progress on achieving their goals by strengthening action plans. Under current legislation out of the 34 LALCS in the Southern Zone area, four were yet to provide a member approved revised CLBP within the prescribed nine months after the election of a new Board and two unfunded LALCs did not have a CLBP at the conclusion of the reporting period. NSWALC Southern Zone staff continue to work closely with these LALCs to provide member approved CLBPs in the next financial year.

NSWALC'S ECONOMIC DEVELOPMENT PROGRAM

The Southern Zone office continued to facilitate the dissemination of information and policy advocacy in relation to NSWALC's Economic Development Program during 2016-17, which saw the trial period for the successful LALCs extended. Successful LALCs were:

Wiradjuri Region

- **Cummeragunja LALC** – Farming Property
- **Orange LALC** – Mine Rehabilitation Enterprise

South Coast Region

- **Wagonga LALC** – Residential Property
- **Eden LALC** – Tourism Enterprise.

It should be noted that a maximum quota of two LALCs per region was set for the trial period phase. A number of other LALCs in the Wiradjuri and South Coast regions also received economic development assistance.

LAND CLAIMS, DEALINGS AND MANAGEMENT

During the reporting period the Southern Zone office provided advice and support to the following LALCs who successfully held land dealing decisions in relation to leasing DA and transfer proposals:

Bega - consent to lodge a Development Application on behalf of NBN Co and grant four consecutive leases to NBN Co Ltd in respect of property (Lot 288 DP 1216718,

Thompsons Dr, Tathra).

Bega - consent to lodge a Development Application on behalf of Optus Mobile and grant four consecutive leases to Optus Mobile Pty Ltd in respect of property (Lot 288 DP 1216718, Thompsons Dr, Tathra).

Ngambri - Transfer of 64 Old Gold Mines Road Sutton (Lot 143 DP 754882).

Nowra - Lodgment of a Development Application with the Shoalhaven City Council to subdivide Lot 458 DP 1063107 and sell part of the subdivided lot (Lot 458 DP 1063107).

Wagga Wagga Subdivision and Transfer of Best Street Uranquinty Lot 1, cnr Best & Yarragundry Streets, Uranquinty (Lot 1 Sec 7 DP 759024).

Wagga Wagga - Transfer of several lots: 31 Gresham St, Tarcutta and vacant lots in Brookdale, Burra Creek, Marrar, North Coolamon and Tarcutta:

1. 31 Gresham St, Tarcutta (Lot 62 DP 757255) known as the "Old Tarcutta School House";
2. 10 Camerons Rd, Brookdale (Lot 132 DP 754542);
3. 302 Nangus St, Gundagai (AKA Yammattree Rd, Burra Creek) (Lot 302 DP 751420);
4. Don St, Marrar (Lots 5, 6 & 7 Sec 4 DP 758650);
5. Lot 189 Lewis St, North Coolamon, (Lot 189 DP 750846); and
6. Spring St, Tarcutta (Lots 244 & 245 DP 46630).

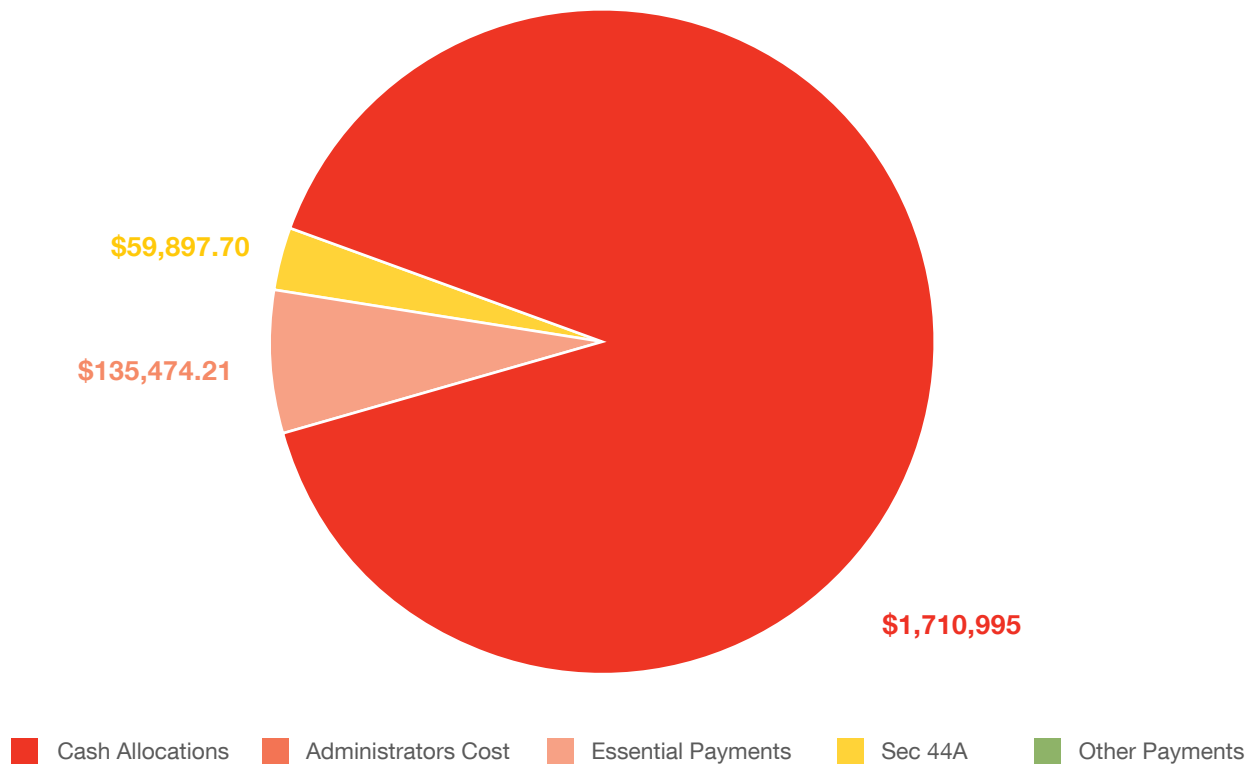
Wagonga - Development Application to install structures, facilities and signage and conduct cultural activities on "Paradise Point", Riverview Rd, Narooma (Lots 228 & 229 in DP 729250).

LALC FUNDING

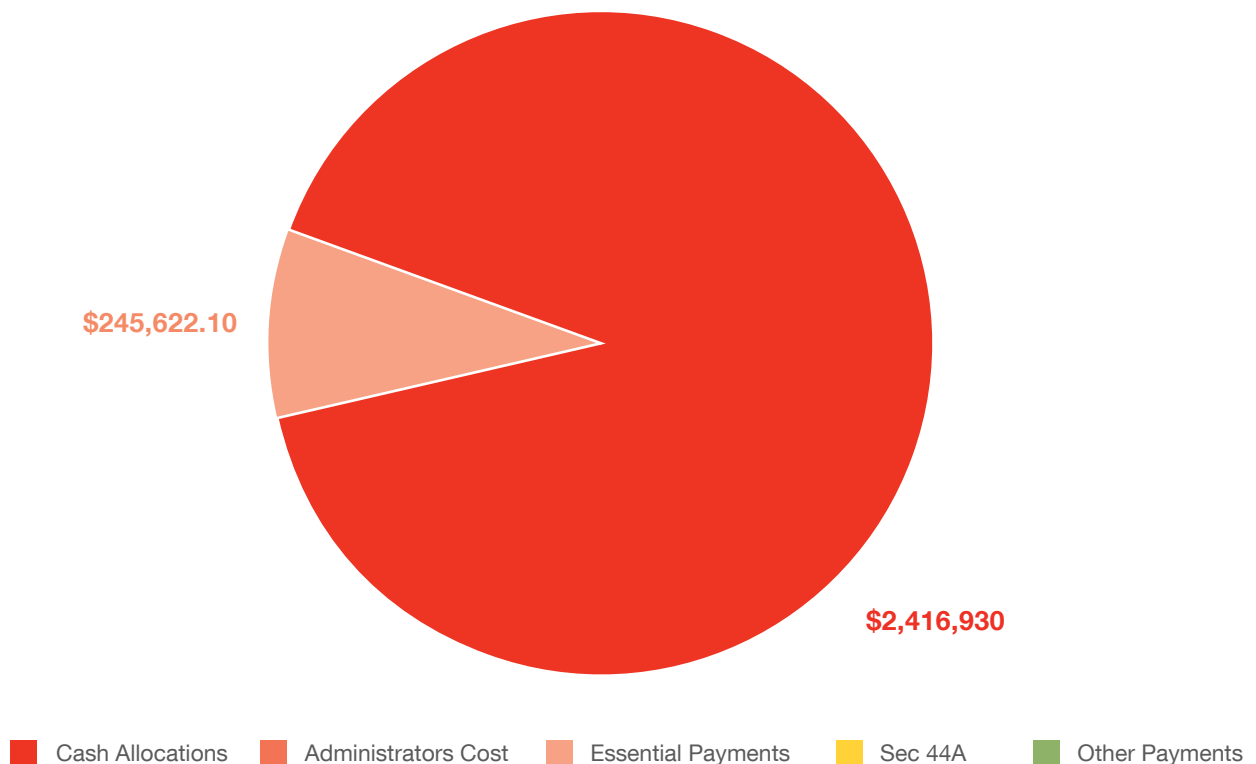
The graphs on the following page indicate the sum of funds by region released under the terms and conditions of the 32 Funding Agreements offered and executed in 2016-17 and two Assistance Agreements, both of which were executed.

The graphs also outline essential payment assistance provided by the Southern Zone to five LALCs, with two of those LALCs offered and executed Assistance Agreements. Section 44A of the ALRA holds NSWALC responsible for outstanding rates and charges payments of LALCs if those charges are greater than 12 months old. During the 2016-17 year \$59,897.70 in rates were required to be paid under Section 44A. The Southern Zone continues to devise and implement intensive support strategies for those longer-term unfunded LALCs that have struggled to engage and/or retain the services of a CEO or have experienced governance issues.

South Coast Allocations and Expenses



Wiradjuri Allocations and Expenses



WESTERN ZONE

The Western Zone office covers a large area of New South Wales - from Toomelah and Boggabilla in the north, Bourke in the west and to Mudgee in the east.

There are 25 Local Aboriginal Land Councils within two regions: nine in the Central Region represented by Councillor Stephen Ryan and 16 in the North Western Region represented by Councillor Anne Dennis. Zone Office staff work closely with both Councillors in the Western Zone, providing regular and extended outreach services to LALCs.

Staffing

The Zone Director is supported by six staff: a Senior Finance Officer, a Finance Officer, three Senior Support Officers and a Support Officer. Western Zone Staff participated in a number of internal and external learning and development opportunities during the reporting period, such as Work Health and Safety (WHS), Resilience Training, Governance Training, and a number of modules towards achieving a Diploma of Management.

Western Zone Staff also worked with staff from other Zones at Conferences in December 2016 and March 2017 to review organisational plans and develop strategies to increase consistency across a number of service delivery areas.

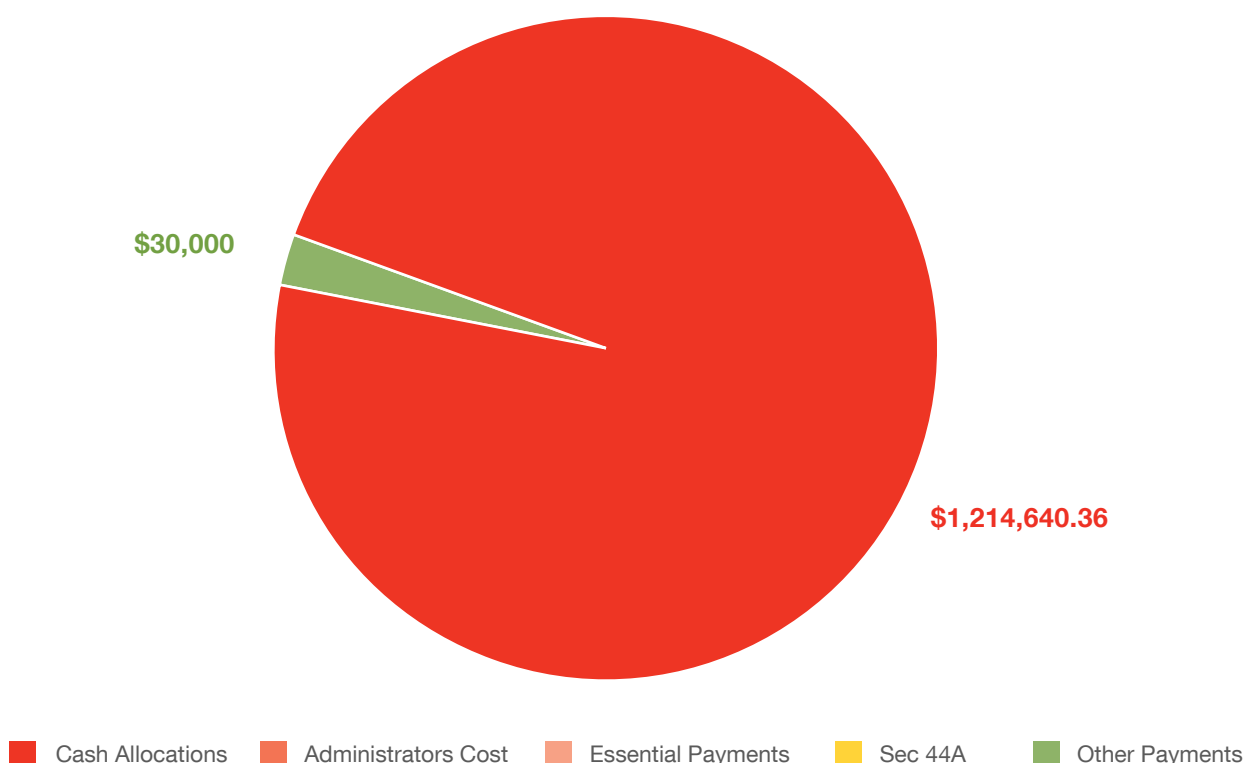
Compliance and Funding

The NSWALC Compliance database enables NSWALC to determine whether a LALC has met its ALRA compliance responsibilities. Compliance with the ALRA is a critical consideration in providing funding to LALCs.

Central Region Allocation and Expenses

The LALC compliance database revealed that all LALCs in the Central Region met all ALRA compliance requirements and received their total cash allocations through a Funding Agreement.

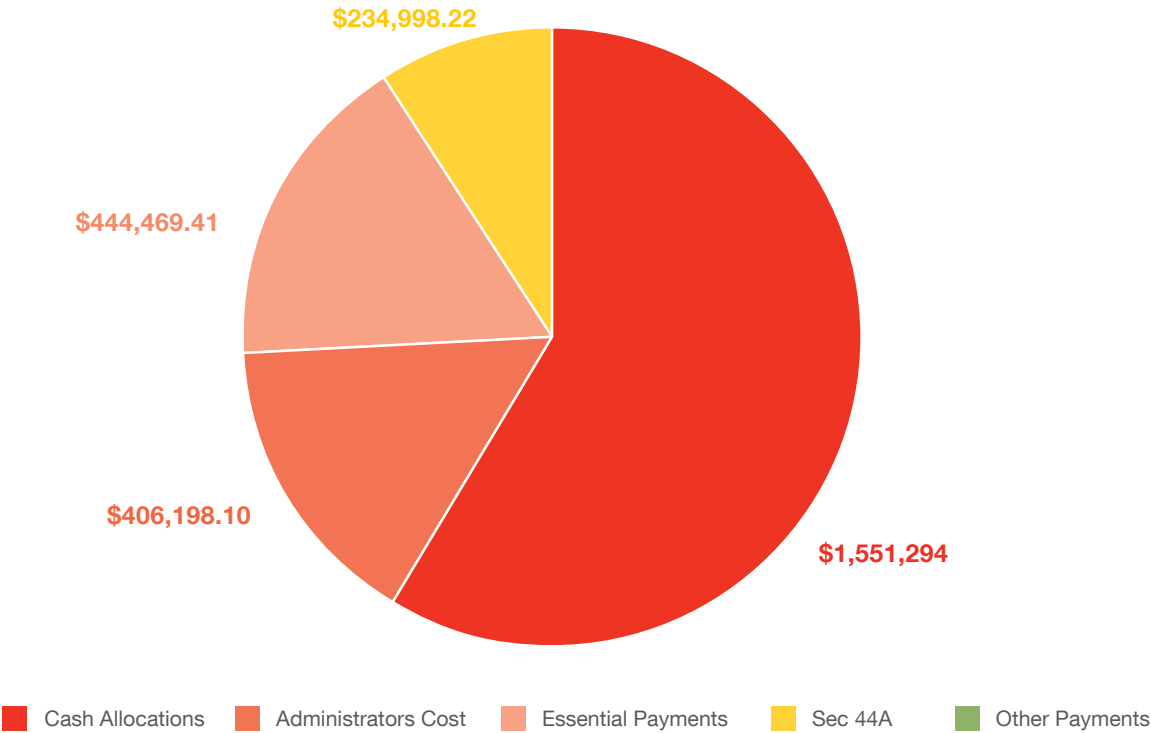
Payments of Grants and Expenses



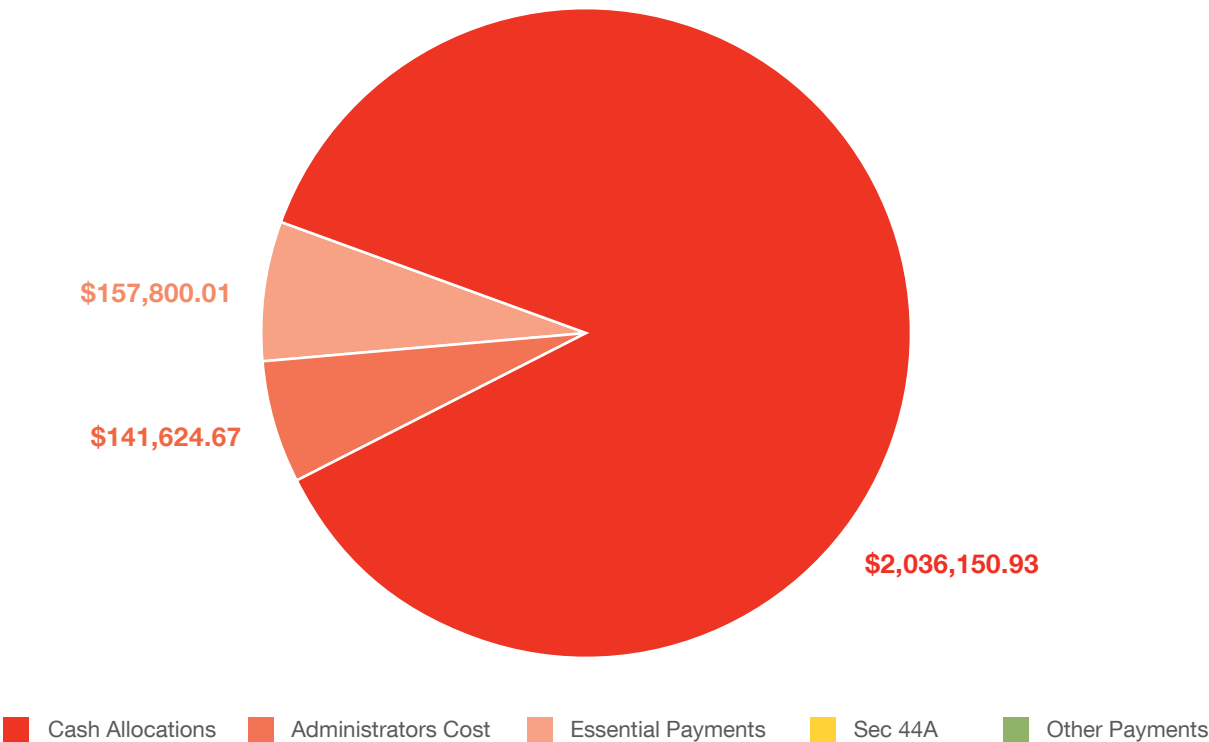
North West Region Allocation and Expenses

In the North West Region, the LALC compliance database revealed that: approximately 87 percent of LALCs met all ALRA compliance requirements and received their cash allocations directly through a Funding Agreement; approximately seven percent of LALCs received the cash allocation through an Assistance Agreement; and, approximately six percent of the LALCs' cash allocation was contributed to administrators' costs. The comparative graphs below highlight a significant increase in LALC operational performance in the past 12 months.

North West Region Allocations and Expenses



Payments of Grants and Expenses



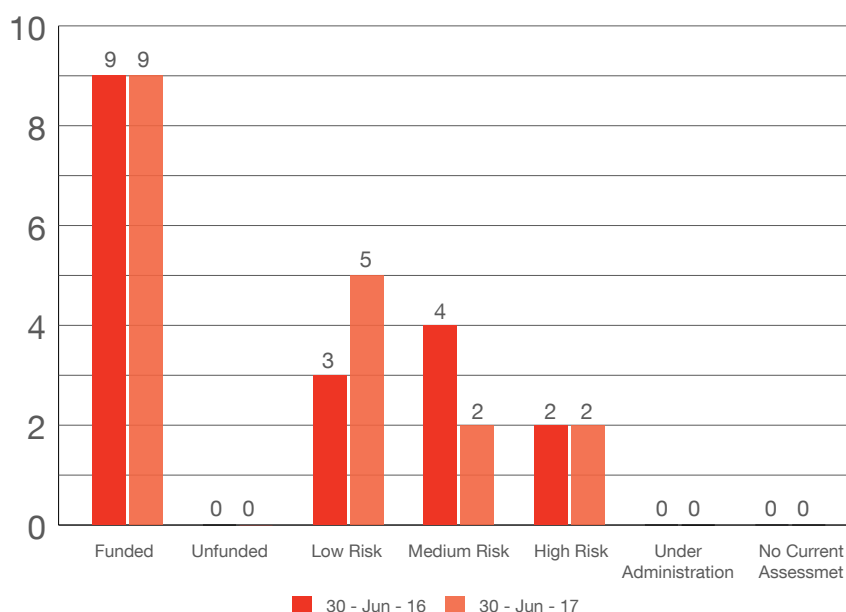
Risk Assessment System (RAS)

The Risk Assessment System is a risk management tool utilised by NSWALC to assess LALC operations across a number of critical areas. The RAS has been adopted as the primary risk assessment tool used by NSWALC to determine what risk category a LALC will fall into. This determination provides guidance as to the terms and conditions under which annual NSWALC funding will be offered.

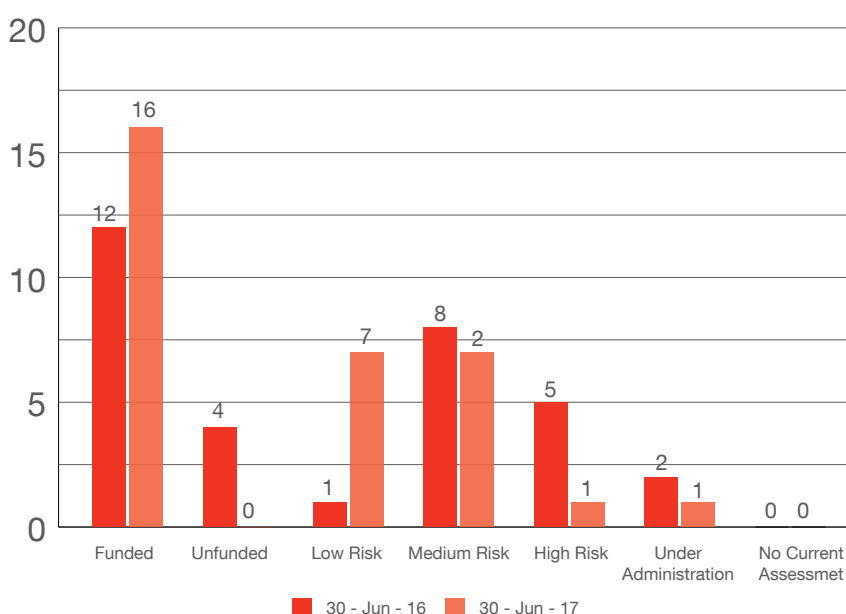
The RAS assessments also highlight specific areas of operational weaknesses at an early stage, allowing for necessary and immediate action to be taken to address any deficiencies. Early detection and early intervention assists LALC capacity building, mitigates poor operational performance and enhances positive audit outcomes. Overall, the improvement in performance and the mitigation of risk areas has been considerable.

While all LALCs in the Central Region have maintained a funded status over the past two financial years, there has been a noticeable increase in the number of low risk LALCs in the 2016-17 financial year.

Central Region RAS Assessment



North West Region RAS Assessment



The graph above clearly demonstrates a significant improvement in LALC operational performance in the past 12 months.

LALC Support and Capacity Development

Zone staff have responsibility for delivering two primary services to LALCs and NSWALC: monitoring LALC compliance with their ALRA responsibilities and providing support and capacity development for LALCs.

A number of capacity development initiatives were provided to LALCs during the reporting period. These included mandatory governance training to Boards and operational training to LALC CEOs.

LALC Board Governance Training and Elections

Zone staff provide group or individual governance training to LALC Boards to give the elected representatives a better understanding of the role of the Board and meet compliance in this important function.

To ensure Board Members have undertaken mandatory governance training, the Western Zone and the NSWALC Training and Development Unit have conducted a number of workshops to provide training to new Board Members.

In addition, the Zone staff officiated as Returning Officers at all LALC elections and casual vacancy elections held across the regions in the reporting period.

LALC CEO Training

During the year, Zone staff provided significant training to LALC CEOs in many operational areas. This training has been provided in conjunction with RAS assessments, or if necessary, in between assessments for LALCs that need more intensive assistance.

Training has been provided to LALCs in office administration, financial management, effective meetings, corporate governance, human resource management and mandatory governance.

The capacity development strategies implemented by Zone staff have assisted LALCs to significantly improve their operations to unprecedented higher levels of operations.

Regional Forums

A number of Regional Forums were conducted during the reporting period. The forums are attended by representatives from LALCs in each Region.

Some of the topics covered in the Regional Forums were:

- ALRA amendments;
- Crown Lands Review;
- Aboriginal Land Agreements;
- Culture and Heritage Reform; and
- Constitutional Recognition

The forums also provided LALCs with an opportunity to voice concerns on issues of particular interest to them and they are also a valuable opportunity to share information.

Water and Sewerage

NSWALC and the NSW Government have combined to fund the Aboriginal Communities Water and Sewerage Program to ensure water and sewerage services in Aboriginal communities are operated and maintained to the standard normally provided in the wider community. Zone staff continue to monitor the roll out of the Water and Sewerage Program and actively engage with LALCs and NSW Office of Water to resolve a variety of issues as required.

Community Land and Business Plans (CLBP)

During the reporting period, Zone staff facilitated a number of LALC CLBP reviews to assist LALCs with updating their CLBPs. All LALCs continue to report to NSWALC on progress with implementing the strategies outlined in their CLBP.

GOVERNANCE UNIT

The Governance Unit (GU) provides corporate and administrative support to the NSWALC Council and the Chief Executive Officer.

BOARD GOVERNANCE

The NSWALC Council is required by legislation to meet at least four times a year.

The Unit planned, prepared and facilitated a total of 12 meetings of the NSWALC Council during the reporting period. This comprised of six scheduled ordinary meetings and six extraordinary meetings.

Each of the meetings requires the preparation, compilation, and circulation, in consultation with the Chairperson, Deputy Chairperson and Chief Executive Officer, of meeting agendas, Board papers, and consequential minutes, resolutions and actions arising to Board members and senior staff.

The Unit also provided support to 13 Council Workshops during the year. The workshops considered and discussed a range of major issues including corporate governance, strategic planning, Aboriginal culture and heritage, constitutional recognition, economic development, budget planning and NSWALC corporatisation.

A workshop on corporate governance was held on 11 July 2016 and facilitated by Terri Janke and Company. The Office of Environment and Heritage (OEH) facilitated six half-day workshops on Aboriginal culture and heritage which were held from November 2016 to June 2017.

In addition to Council meetings and workshops, the Governance Unit also provided support to a number of Council Committee meetings during the reporting period. The total number of meetings is outlined below:

TYPE OF MEETING	NUMBER OF MEETINGS HELD
Council Meetings	12
Council Workshops	13
Audit & Risk Committee	7
Finance Committee	5
Governance Committee	3
Investment Committee	4
Economic Development Advisory Committee	4

INTERNAL AUDIT

All internal audits are focused on identifying areas for improvement and the means by which NSWALC can achieve and maintain best practices. During the reporting period internal audit reviews were completed in the areas of procurement and resource development.

PROCUREMENT

There were three findings with a range of recommendations.

Each finding was categorised by the Internal Auditor as a "People Issue" and/or a "Process Issue" and/or a "Technology Issue":

PRIMARY CAUSE	CRITERIA
People	Persons performing the control activities do not have appropriate training and knowledge to perform the control activities effectively, or defined policies and procedures are not being followed.
Process	Policies and procedures are out dated and do not reflect existing practice, or have not been defined in sufficient detail to address the risks to the business.
Technology	Technology is not appropriately implemented or configured to mitigate the risks identified.

The internal audit reviews identified one People Issue, two Process Issues and no Technology Issues.

RESOURCE DEVELOPMENT

Five categories were assessed.

PRIMARY CAUSE	CRITERIA
People	Capabilities and experience in individuals
Financial	Return on Investment and Capital Investments
Community/ Political	LALC and Network Support
Environment/ Safety	Environmental and Safety Legislation
Regulations/ Legal	Corporations and Mining Legislation

Each finding/issue was also given a Risk Ranking by the Internal Auditor to indicate to NSWALC management the significance of the finding and the attention required to reduce its probability and/or impact.

The following table explains the risk categories:

RESIDUAL RISK RATING	DEFINITION
Significant	Level of residual risk is significant in that it threatens the objectives of the process/area
High	Level of residual risk is important to the organisation and may threaten the objectives of the process/area
Medium	Level of residual risk is of concern to the organisation
Low	<p>No issues or only minor opportunities for improvement to processes identified.</p> <p>Business improvement opportunities</p> <p>Business improvement opportunities arise where the internal audit considers that a recommendation, if implemented, would result in a benefit to NSWALC (for example, through more efficient and/or cost effective processes). These observations do not represent weaknesses in internal controls and are therefore allocated a low risk rating.</p>

Procurement - of the three findings, two ranked high risk and one low risk.

Resource Development – of the five categories assessed, all were ranked medium.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee met on seven occasions during the reporting period.

The Committee comprised Mr Garry Dinnie, the independent Chair, independent member, Ms Carolyn Walsh and Council representative, Councillor Charles Lynch.

Councillor Peter Smith is an alternate Councillor.

The meetings of the Audit and Risk Committee were regularly attended by the NSWALC CEO, the Manager Governance (Chief Audit Executive) and representatives of the NSW Audit Office and Internal Auditors (Deloitte).

NSWALC is obliged to publish an Internal Audit and Risk Management Statement for the 2016-17 Financial Year. This can be found at the end of this report.

PLANNING AND RISK MANAGEMENT

The Governance Unit monitors compliance and outstanding Audit recommendations through the year. The process to automate the Performance, Risk and Compliance

system across NSWALC is still underway. This will involve assessing each business unit and its activities, risks and compliance obligations to ascertain the significant areas of focus for NSWALC.

COMPLAINTS

NSWALC'S COMPLAINTS POLICY

The complaints handled in this reporting period were undertaken in line with the published NSWALC complaints policy and procedure which aligns complaints handling procedures with NSWALC's resources and responsibilities. NSWALC has no formal powers under the *Aboriginal Land Rights Act 1983* (ALRA) to investigate the conduct of a Local Aboriginal Land Council (LALC), its Board members, staff or members. NSWALC is, however, committed to providing support and assistance to LALCs and LALC members to resolve their local issues. The LALC Boards are responsible for directing and controlling the affairs of a LALC.

In the first instance, any person with a grievance about a LALC should approach the relevant LALC Chairperson to seek to resolve the issue(s). The NSWALC Complaints Policy and Procedures has been under review by the Governance Unit and a revised policy is expected to be released later in 2017.

COMPLAINTS RECEIVED

The NSWALC recorded 135 complaints during the reporting period. The majority of complaints related to the conduct or operation of LALCs. One complaint is currently in progress. The remainder of complaints were resolved to the NSWALC's satisfaction. The table below indicates the number of complaints handled by the central office and Zone offices:

RECEIVED BY	NUMBER
NSWALC Head Office	83
Eastern Zone Office	15
Far West Zone Office	0
Northern Zone Office	29
Southern Zone Office	8
Western Zone Office	0
TOTAL	135

Independent Commission Against Corruption (ICAC) -

One formal referral was made by the NSWALC to ICAC (pursuant to section 11 of the ICAC Act).

Internal Audit and Risk Management Attestation Statement for the 2016-2017 Financial Year for the New South Wales Aboriginal Land Council

I, am of the opinion that the New South Wales Aboriginal Land Council has internal audit and risk management processes in operation that are compliant with the eight (8) core requirements set out in the *Internal Audit and Risk Management Policy for the NSW Public Sector*, specifically:

Core Requirements

For each requirement, please specify whether compliant, non-compliant, or in transition

Risk Management Framework		
1.1	The agency head is ultimately responsible and accountable for risk management in the agency	Compliant
1.2	A risk management framework that is appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009	Compliant
Internal Audit Function		
2.1	An internal audit function has been established and maintained	Compliant
2.2	The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing	Compliant
2.3	The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'	Compliant
Audit and Risk Committee		
3.1	An independent Audit and Risk Committee with appropriate expertise has been established	Compliant
3.2	The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations	Compliant
3.3	The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'	Compliant

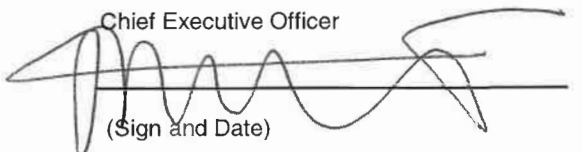
Membership

The chair and members of the Audit and Risk Committee are:

- Independent Chair, Mr Garry Dinnie, appointed 1 April 2015 until 31 March 2018
- Independent Member, Ms Carolyn Walsh, reappointed 1 April 2017 until 31 March 2018
- Non-independent Member, Councillor Charles Lynch, appointed 18 November 2015 until October 2019
- Non-independent Member (Alternate), Councillor Peter Smith, appointed 18 November 2015 until October 2019

James Christian PSM

Chief Executive Officer


(Sign and Date)
25 AUGUST, 2017

Annual Report

The Governance Unit is responsible for the management, production and publication of the NSWALC Annual Report, with assistance from staff of the Media and Communications Unit.

The 2015-16 Annual Report was provided to the Minister for Aboriginal Affairs within the statutory timeframe.

COMPLIANCE AND EVALUATION SECTION

The Compliance and Evaluation section is a part of the Governance Unit and its central function is to maintain and analyse comprehensive data on LALC compliance with the regulations and funding policies of the New South Wales Aboriginal Land Council. Two major databases, the Compliance and Funding Database and the Risk Assessment System (RAS) Database, are maintained by the section.

The information maintained by the databases supports:

- The preparation of comprehensive section 159 reports to the Minister for Aboriginal Affairs as required by the ALRA.
- Council's approval of the amount of grant funds to LALCs and the conditions under which they are released.
- The preparation of breach and allocations reports to the NSWALC Council and control of the payment of grant allocations to individual LALCs.
- Appropriate control of compliance data to be maintained by the Zone Offices.
- The appointment of investigators and administrators.
- In addition, the section administers two further databases:
 - To monitor the operations of LALC Community Benefit Scheme (Residential Accommodation) either as operated by the LALCs independently themselves or assisted by an external real estate management. This database has ability to monitor the conditions that may have been attached to a LALCs conditional approval for an independent operation of CBS (RA).
 - To monitor the current list of NSWALC Accepted Auditors for the LALC's in accordance with relevant regulations. The ALRA requires each LALC to appoint its auditor from the list of auditors maintained by NSWALC.

The section actively supports Councillors, management and Zone Offices in their delivery of services to LALCs to ensure compliance with Part 8 of the ALRA, relevant Regulations, and NSWALC's Policy on LALC Funding and Financial Obligations.

COMPLIANCE AND FUNDING DATABASE

This is the central database on LALC compliance with

legislative requirements and NSWALC funding policies. It:

- Automatically creates the compliance requirements of each LALC.
- Permits and controls extended compliance requirements, if requested by a LALC and approved by NSWALC delegate.
- Automatically breaches the LALC for non-compliance.
- Automatically changes the Funding Category of a LALC.
- Automatically creates Funding or Assistance Agreement for offer and execution by Zone Offices.
- Automatically communicates with the RAS database every night to activate funding category changes in accordance with new risk assessment that may have been synchronised in RAS.
- Generates timely automated e-mails, a LALC Contact and Database User authorisation details.
- Has a built in Global Help function to assist users in updating information and creating a range of reports.

The database contains the compliance and breach records of all LALCs and this information is used to generate timely and accurate Breach and Allocation Reports for the Minister for Aboriginal Affairs as required under section 159 of the Aboriginal Land Rights Act as well as LALC Status/Profile Reports for meetings of NSWALC's Governing Council.

The users have flexibility to create Compliance, Breach and Funding Reports tailored to their needs and in their choice of Online, Adobe Acrobat, Microsoft Excel or Microsoft Word. The database has been designed to be flexible enough to accommodate any change in policy, legislation or regulation.

RISK ASSESSMENT SYSTEM (RAS)

The NSWALC Risk Assessment System (RAS) has been developed to assess the risk level of LALCs in the network and to implement risk management plans that would eliminate or minimise the identified risks.

By using a series of standard, objective questions for all LALCs, the RAS ensures a fair and consistent result across the nine regions of the NSWALC.

In addition to this, the assessment score achieved by a LALC is used to categorise the funding and risk level of the LALC.

The risk score is calculated on a multiplicative calculation as illustrated in the table below:

NEGATIVE RESPONSES TO A SET OF QUESTIONS AS FOLLOWING	MULTIPLICATIVE WEIGHTINGS	CALCULATED SCORE IN PERCENTAGE	DETERMINED RISK LEVEL
1 moderate & 1 high risk	0.985 x 0.94	92.59%	Low Risk Level
1 extreme risk	0.89	89.00%	Medium Risk Level
2 extreme & 1 high risk	0.89 x 0.89 x 0.94	74.45%	Medium Risk Level
2 extreme, 1 high & 1 moderate	0.89 x 0.89 x 0.94 x 0.985	73.34%	Medium Risk Level
2 extreme & 2 high risk	0.89 x 0.89 x 0.94 x 0.94	69.99%	High Risk Level

At the start of each risk assessment, the RAS assumes that a LALC is 100 percent risk free. As soon as a question receives a negative response, the LALC's assessment score drops to weighting assigned to that question (98.5 percent if the question is a moderate risk, 94 percent if the question is high risk or 89 percent if the question is an extreme risk).

The final score of a risk assessment determines the risk level of the LALC within one of the three risk levels in accordance with the LALC Funding Procedures:

Low Risk >= 90% Medium Risk >= 70% and < 90% High Risk < 70%

This system is used by the Zone Offices to assess the operational risk areas and identify any weakness that needs to be improved and eliminated by the LALC.

Community Benefit Scheme (Residential Accommodation)

The ALRA requires NSWALC to provide approval to LALCs for the operation of their housing schemes under the Community Benefit Scheme (Residential Accommodation).

The Compliance and Evaluation section has been involved in the development of the evaluation processes of LALC applications to operate housing schemes in accordance with the ALRA and NSWALC Policy and Procedures. In particular, the section has:

- Developed comprehensive electronic and printed application forms for LALCs;
- Developed an all-inclusive Community Benefit Scheme (Residential Accommodation) Budget Template that could electronically collect/populate responses from the information provided in the data input sheet;
- Developed a broad evaluation file to analyse the information provided in the LALCs' application form and the Budget package; and
- Provided quality assurance on the evaluation of the applications as conducted by the Zone Offices.

STATE-WIDE LALC FUNDING CATEGORY REPORT

The funding category of LALCs is based on their compliance with the ALRA, Regulations and the NSWALC policy on LALC Funding and Financial Obligations.

In response to the removal of section 163 from the ALRA, a new funding policy was developed by NSWALC and approved by the Minister for Aboriginal Affairs. The existing risk analysis system was also simplified and deployed as a new RAS. The RAS concentrates on risk factors which are currently being used to determine the frequency of cash allocations to LALCs and their financial reporting obligations.

A LALC in absolute compliance with all regulatory requirements and a RAS assessment score equal to and above 50 percent is fully funded. Those found to be in breach of a compliance requirement or that have a RAS assessment score below 50 percent are placed in the unfunded category.

The risk levels of the LALCs are determined by measurement under the RAS; this also determines the frequency of cash allocations to the LALCs and their financial reporting obligations.

The table presented above illustrates the entitlements and responsibilities attached to each funding category:

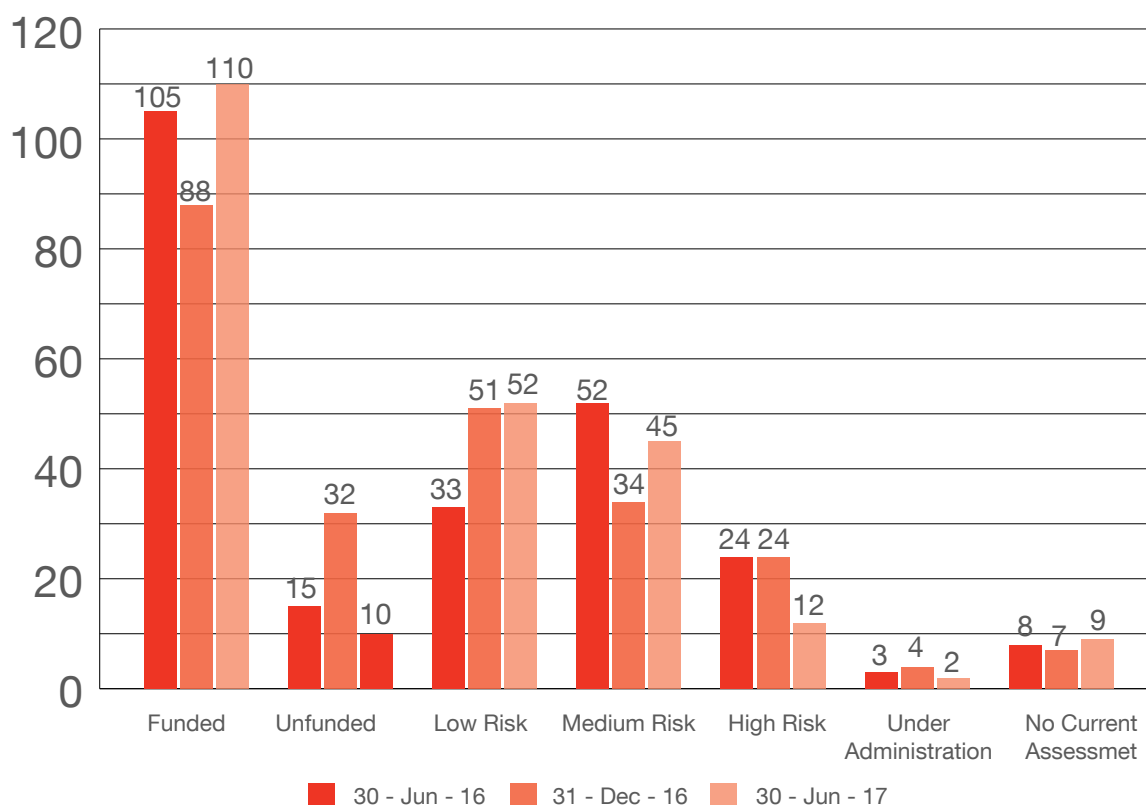
RISK LEVEL	RAS RATING	RAS ASSESSMENT FREQUENCY	BASIS OF GRANT REMITTANCE	FINANCIAL REPORT FREQUENCY
Funded Low Risk	Equal to and above 90 percent	Annual	Cash on quarterly basis	Half Yearly
Funded Medium Risk	Equal to 70 percent to below 90 percent	Half yearly	Cash on quarterly basis	Quarterly
Funded High Risk	Equal to 50 percent to below 70 percent	Quarterly	Cash on bi monthly basis	Bi Monthly
Unfunded High Risk	Below 50 percent	Quarterly	Essential payments under assistance agreement, at discretion of NSWALC	

The LALCs, irrespective of their RAS ratings, must be in compliance with relevant regulatory requirements and the funding policy in order to receive their grants in cash allocations. If a LALC is experiencing difficulties to clear the regulatory breach or achieve required RAS score then it is offered an Assistance Agreement under which it can have expenses for the operation of its essential functions paid by NSWALC. However, if the payments are required to protect or preserve LALC assets or to avoid significant liabilities, then payments are made at the sole discretion of NSWALC without any assistance agreement.

The LALCs that have an Administrator appointed by the Minister are automatically treated as if they are in a funded category with the grant releases made quarterly and the administrator reports in accordance with the terms of appointment issued by the Minister.

The following column graph compares the number of LALCs in each funding category at the end of this financial year in comparison with numbers at the same point last financial year and at the end of December 2016.

State-Wide LALC Risk Level



GRAPH 1 - FUNDING CATEGORY SECTION - AT EACH REPORT POINT, FUNDED +UNFUNDED =120 LALCS.

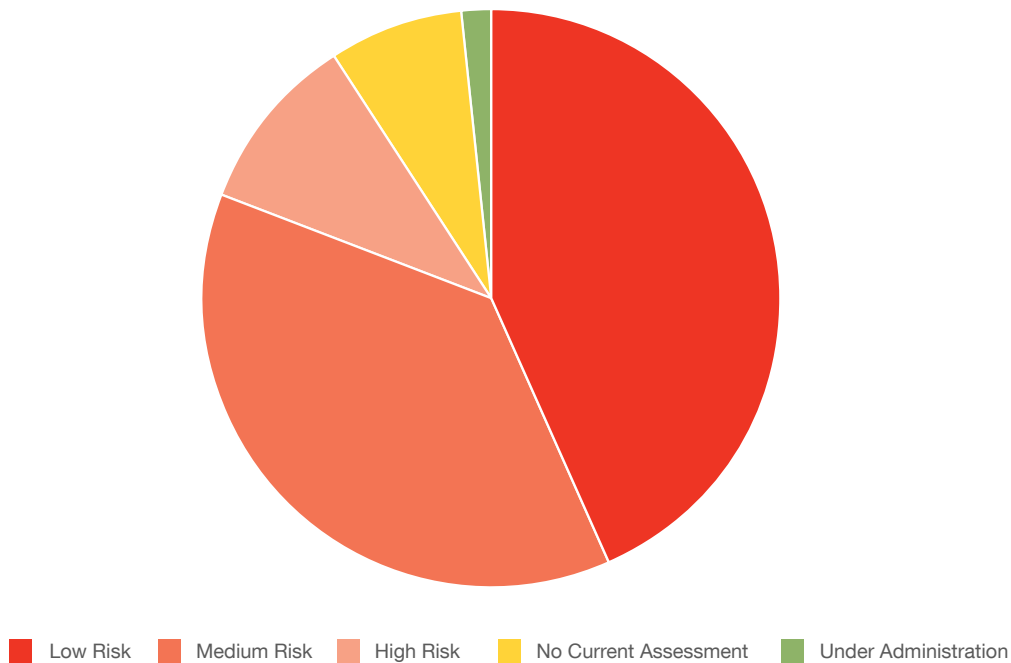
RAS Risk Level Section – shows the risk level at each report point, risk category + under administration + no current assessment = 120 LALCs

The number of LALCs in the funded category at the end of the financial year 30 June 2017 has increased by five from the end of the previous financial year (110 LALCs compared to 105 LALCs).

Three LALCs were under administration at the end of the last financial year and this has decreased to two at the end of this financial year.

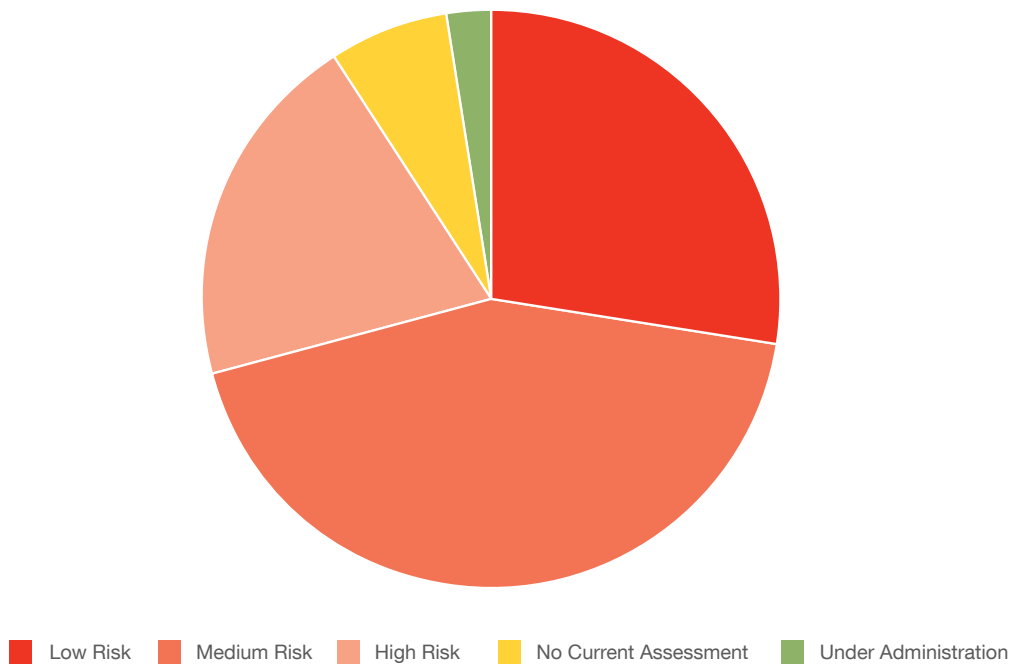
The following graphs compare the number of LALCs in RAS Risk Level at the end of this financial year 2017 (Graph 2) and at the end of last financial year 2016 (Graph 3).

State-Wide LALC Risk Level 30 June 2017



Graph 2 - State-wide RAS Risk Level at the end of this Financial Year – 30 June 2017

State-Wide LALC Risk Level 30 June 2016



Graph 3 - State-wide RAS Risk Level at the end of Last Financial Year – 30 June 2016

The table below shows the movements in RAS risk level of the LALCs between financial year 30 June 2016 and financial year 30 June 2017.

CATEGORY	30 JUNE 2017	30 JUNE 2016	MOVEMENT
Low Risk Level	52	33	Increased by 19
Medium Risk Level	45	52	Decreased by 7
High Risk Level	12	24	Decreased by 12
Under Administration	2	3	Decreased by 1
No Current Assessment	9	8	Increased by 1
Total LALC	120	120	

STATEWIDE GRANT ALLOCATIONS REPORT

Section 106(8) (e) of the ALRA requires NSWALC to grant funds for the payment of the costs and expenses of LALCs, whether under funding agreements or otherwise. The ALRA prescribes this function to NSWALC's Governing Council.

Council approved a grant of \$143,580 to each of the 117 operational LALCs for the financial year 30 June 2017, amounting to a total grant of \$16,798,860.

PAYMENTS AGAINST APPROVED GRANT OF \$16,798,860

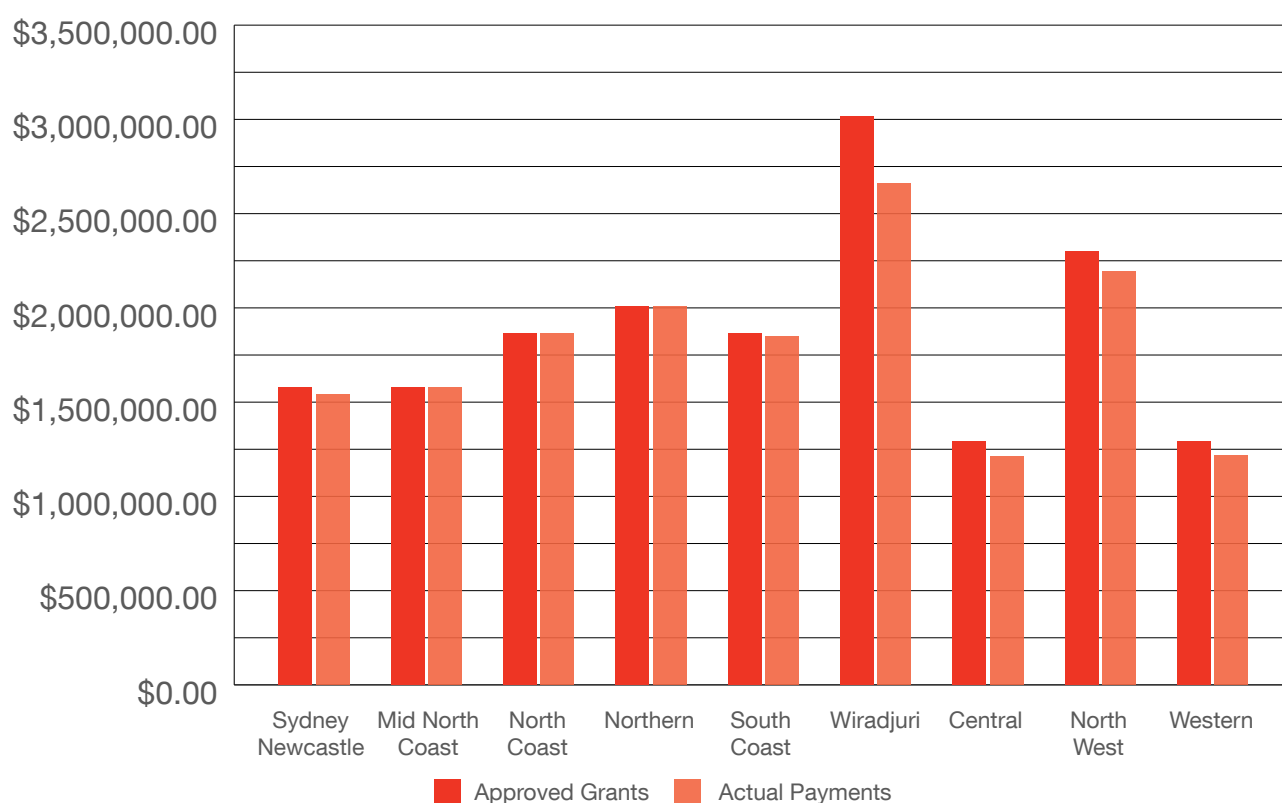
The column graph above measures the actual outgoings, comprising of cash allocations and the essential payments, against the approved grant for the LALCs in each region. Any other payments, such as administrators' fees and rates, are not included.

The payments under section 106(8) (e) of ALRA are made against the grants approved by the NSWALC Council for each functional LALC.

The approved grants are remitted to the LALCs in cash allocations to compliant LALCs in accordance with their funding categories. The NSWALC in its sole discretion may make essential payments for non-compliant LALCs under assistance agreement for the operation of their essential functions. However, expenses may also be granted to unfunded LALCs without assistance agreement if the payment is for protection or preservation of LALC assets or to avoid incurrence of significant liabilities.

The annual grant for each LALC that remains unpaid at the end of a financial year is forfeited, as a new annual grant is approved by the NSWALC Council each year for each LALC.

Actual Cash Allocations and Essential Expenses Against Approved Grant by Region



DETAILS OF FUNDS GRANTED AND PAYMENTS TO EACH LALC

Financial Year Ending 30 June 2017

No.	Region	LALC	Approved Grant	Cash Payment	Essential Payments	Forfeited Grant
1	Sydney Newcastle	Awabakal	\$143,580.00	\$103,003.00		\$40,577.00
2	Sydney Newcastle	Bahtabah	\$143,580.00	\$143,580.00		\$0.00
3	Sydney Newcastle	Biraban	\$143,580.00	\$131,504.36	\$12,075.64	\$0.00
4	Sydney Newcastle	Darkinjung	\$143,580.00	\$143,580.00		\$0.00
5	Sydney Newcastle	Deerubbin	\$143,580.00	\$143,580.00		\$0.00
6	Sydney Newcastle	Gandangara	\$143,580.00	\$143,580.00		\$0.00
7	Sydney Newcastle	La Perouse	\$143,580.00	\$143,580.00		\$0.00
8	Sydney Newcastle	Metropolitan	\$143,580.00	\$143,580.00		\$0.00
9	Sydney Newcastle	Mindaribba	\$143,580.00	\$143,580.00		\$0.00
10	Sydney Newcastle	Tharawal	\$143,580.00	\$143,580.00		\$0.00
11	Sydney Newcastle	Worimi	\$143,580.00	\$143,580.00		\$0.00
12	Mid North Coast	Birpai	\$143,580.00	\$143,580.00		\$0.00
13	Mid North Coast	Bowraville	\$143,580.00	\$143,580.00		\$0.00
14	Mid North Coast	Bunyah	\$143,580.00	\$143,580.00		\$0.00
15	Mid North Coast	Coffs Harbour & District	\$143,580.00	\$107,546.64	\$36,033.36	\$0.00
16	Mid North Coast	Forster	\$143,580.00	\$143,580.00		\$0.00
17	Mid North Coast	Karuah	\$143,580.00	\$66,189.00	\$77,390.68	\$0.32
18	Mid North Coast	Kempsey	\$143,580.00	\$143,580.00		\$0.00
19	Mid North Coast	Nambucca Heads	\$143,580.00	\$143,580.00		\$0.00
20	Mid North Coast	Purfleet/Taree	\$143,580.00	\$143,580.00		\$0.00
21	Mid North Coast	Stuart Island	\$0.00			\$0.00
22	Mid North Coast	Thungutti	\$143,580.00	\$15,898.96	\$127,681.03	\$0.01
23	Mid North Coast	Unkya	\$143,580.00	\$143,580.00		\$0.00
24	North Coast	Baryulgil Square	\$143,580.00	\$143,580.00		\$0.00

DETAILS OF FUNDS GRANTED AND PAYMENTS TO EACH LALC

Financial Year Ending 30 June 2016

No.	Region	LALC	Approved Grant	Cash Payment	Essential Payments	Forfeited Grant
25	North Coast	Birrigan Gargle	\$143,580.00	\$143,580.00		\$0.00
26	North Coast	Bogal	\$143,580.00	\$143,580.00		\$0.00
27	North Coast	Casino Boolangle	\$143,580.00	\$71,790.00	\$71,759.54	\$30.46
28	North Coast	Grafton Ngerrie	\$143,580.00	\$143,580.00		\$0.00
29	North Coast	Gugin Gudduba	\$143,580.00	\$47,860.00	\$95,720.00	\$0.00
30	North Coast	Jali	\$143,580.00	\$143,580.00		\$0.00
31	North Coast	Jana Ngalee	\$143,580.00	\$143,580.00		\$0.00
32	North Coast	Jubullum	\$143,580.00	\$143,580.00		\$0.00
33	North Coast	Muli Muli	\$143,580.00		\$143,580.00	\$0.00
34	North Coast	Ngulingah	\$143,580.00	\$143,580.00		\$0.00
35	North Coast	Tweed Byron	\$143,580.00	\$143,580.00		\$0.00
36	North Coast	Yaegl	\$143,580.00	\$143,580.00		\$0.00
37	Northern	Amaroo	\$143,580.00	\$143,580.00		\$0.00
38	Northern	Anaiwan	\$143,580.00	\$143,580.00		\$0.00
39	Northern	Armidale	\$143,580.00	\$143,580.00		\$0.00
40	Northern	Ashford	\$143,580.00	\$143,580.00		\$0.00
41	Northern	Coonabarabran	\$143,580.00	\$143,580.00		\$0.00
42	Northern	Dorrigo Plateau	\$143,580.00	\$143,580.00		\$0.00
43	Northern	Glen Innes	\$143,580.00	\$143,580.00		\$0.00
44	Northern	Guyra	\$143,580.00	\$143,580.00		\$0.00
45	Northern	Moombahlene	\$143,580.00	\$143,580.00		\$0.00
46	Northern	Nungaroo	\$143,580.00	\$143,580.00		\$0.00
47	Northern	Red Chief	\$143,580.00		\$139,568.73	\$4,011.27
48	Northern	Tamworth	\$143,580.00	\$143,580.00		\$0.00

DETAILS OF FUNDS GRANTED AND PAYMENTS TO EACH LALC

Financial Year Ending 30 June 2016

No.	Region	LALC	Approved Grant	Cash Payment	Essential Payments	Forfeited Grant
49	Northern	Walhallow	\$143,580.00	\$143,580.00		\$0.00
50	Northern	Wanaruah	\$143,580.00	\$143,580.00		\$0.00
51	South Coast	Bateman's Bay	\$143,580.00	\$143,580.00		\$0.00
52	South Coast	Bega	\$143,580.00	\$143,580.00		\$0.00
53	South Coast	Bodalla	\$143,580.00	\$143,580.00		\$0.00
54	South Coast	Cobowra	\$143,580.00	\$143,580.00		\$0.00
55	South Coast	Eden	\$143,580.00	\$143,580.00		\$0.00
56	South Coast	Illawarra	\$143,580.00	\$131,615.00		\$11,965.00
57	South Coast	Jerringa	\$143,580.00		\$135,474.21	\$8,105.79
58	South Coast	Merrimans	\$143,580.00	\$143,580.00		\$0.00
59	South Coast	Mogo	\$143,580.00	\$143,580.00		\$0.00
60	South Coast	Ngambri	\$143,580.00	\$143,580.00		\$0.00
61	South Coast	Nowra	\$143,580.00	\$143,580.00		\$0.00
62	South Coast	Ulladulla	\$143,580.00	\$143,580.00		\$0.00
63	South Coast	Wagonga	\$143,580.00	\$143,580.00		\$0.00
64	Wiradjuri	Albury & District	\$143,580.00		\$38,768.82	\$104,811.18
65	Wiradjuri	Bathurst	\$143,580.00	\$143,580.00		\$0.00
66	Wiradjuri	Condobolin	\$143,580.00		\$53,641.06	\$89,938.94
67	Wiradjuri	Cowra	\$143,580.00		\$76,512.13	\$67,067.87
68	Wiradjuri	Cummeragunja	\$143,580.00	\$143,580.00		\$0.00
69	Wiradjuri	Deniliquin	\$143,580.00	\$131,615.00		\$11,965.00
70	Wiradjuri	Griffith	\$143,580.00	\$143,580.00		\$0.00
71	Wiradjuri	Hay	\$143,580.00	\$143,580.00		\$0.00
72	Wiradjuri	Leeton & District	\$143,580.00	\$143,580.00		\$0.00

DETAILS OF FUNDS GRANTED AND PAYMENTS TO EACH LALC

Financial Year Ending 30 June 2016

No.	Region	LALC	Approved Grant	Cash Payment	Essential Payments	Forfeited Grant
73	Wiradjuri	Moama	\$143,580.00	\$143,580.00		\$0.00
74	Wiradjuri	Murrin Bridge	\$143,580.00	\$143,580.00		\$0.00
75	Wiradjuri	Narrandera	\$143,580.00	\$143,580.00		\$0.00
76	Wiradjuri	Onerwal	\$143,580.00	\$143,580.00		\$0.00
77	Wiradjuri	Orange	\$143,580.00	\$143,580.00		\$0.00
78	Wiradjuri	Peak Hill	\$143,580.00	\$131,615.00		\$11,965.00
79	Wiradjuri	Pejar	\$143,580.00	\$143,580.00		\$0.00
80	Wiradjuri	Tumut Brungle	\$143,580.00	\$143,580.00		\$0.00
81	Wiradjuri	Wagga Wagga	\$143,580.00	\$143,580.00		\$0.00
82	Wiradjuri	Wamba Wamba	\$143,580.00		\$76,700.09	\$66,879.91
83	Wiradjuri	West Wyalong	\$143,580.00	\$143,580.00		\$0.00
84	Wiradjuri	Young	\$143,580.00	\$143,580.00		\$0.00
85	Central	Dubbo	\$143,580.00	\$143,580.00		\$0.00
86	Central	Gilgandra	\$143,580.00	\$143,580.00		\$0.00
87	Central	Mudgee	\$143,580.00	\$143,580.00		\$0.00
88	Central	Narromine	\$143,580.00	\$66,000.36		\$77,579.64
89	Central	Nyngan	\$143,580.00	\$143,580.00		\$0.00
90	Central	Trangie	\$143,580.00	\$143,580.00		\$0.00
91	Central	Warren Macquarie	\$143,580.00	\$143,580.00		\$0.00
92	Central	Weilwan	\$143,580.00	\$143,580.00		\$0.00
93	Central	Wellington	\$143,580.00	\$143,580.00		\$0.00
94	North West	Baradine	\$143,580.00	\$143,580.00		\$0.00
95	North West	Brewarrina	\$143,580.00	\$143,580.00		\$0.00
96	North West	Collarenebri	\$143,580.00	\$11,965.00	\$99,445.95	\$32,169.05

DETAILS OF FUNDS GRANTED AND PAYMENTS TO EACH LALC

Financial Year Ending 30 June 2016

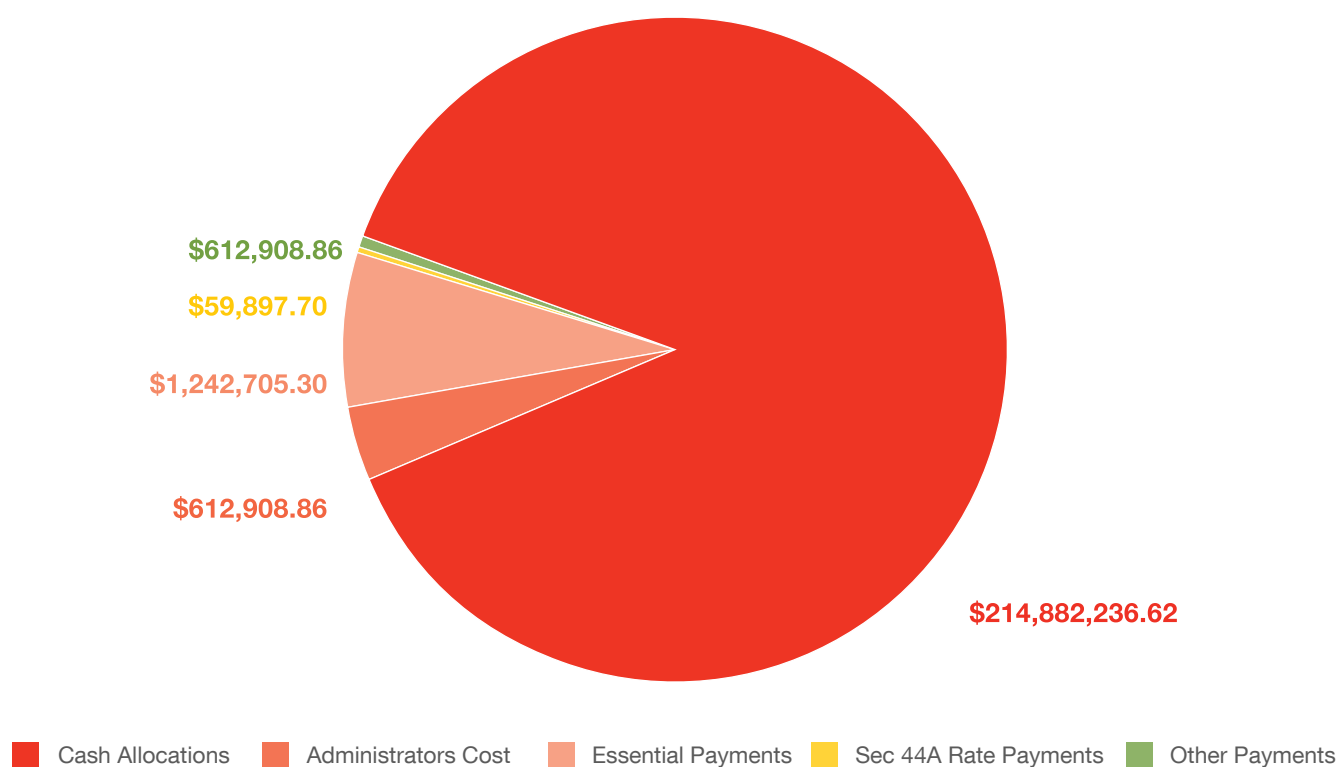
No.	Region	LALC	Approved Grant	Cash Payment	Essential Payments	Forfeited Grant
97	North West	Coonamble	\$143,580.00	\$143,580.00		\$0.00
98	North West	Goodooga	\$143,580.00	\$69,396.92	\$3,023.07	\$71,160.01
99	North West	Lightning Ridge	\$143,580.00	\$143,580.00		\$0.00
100	North West	Moree	\$143,580.00	\$143,580.00		\$0.00
101	North West	Mungindi	\$143,580.00	\$143,580.00		\$0.00
102	North West	Murrawari	\$143,580.00	\$143,580.00		\$0.00
103	North West	Narrabri	\$143,580.00	\$143,580.00		\$0.00
104	North West	Nulla Nulla	\$143,580.00	\$130,049.75	\$13,530.25	\$0.00
105	North West	Pilliga	\$143,580.00	\$143,580.00		\$0.00
106	North West	Toomelah	\$143,580.00	\$101,779.26	\$41,800.74	\$0.00
107	North West	Walgett	\$143,580.00	\$143,580.00		\$0.00
108	North West	Wee Waa	\$143,580.00	\$143,580.00		\$0.00
109	North West	Weilmoringle	\$143,580.00	\$143,580.00		\$0.00
110	Western	Balranald	\$143,580.00	\$143,580.00		\$0.00
111	Western	Broken Hill	\$143,580.00	\$143,580.00		\$0.00
112	Western	Cobar	\$143,580.00	\$143,580.00		\$0.00
113	Western	Dareton	\$143,580.00	\$143,580.00		\$0.00
114	Western	Ivanhoe	\$143,580.00	\$67,888.37		\$75,691.63
115	Western	Menindee	\$143,580.00	\$143,580.00		\$0.00
116	Western	Mutawintji	\$143,580.00	\$143,580.00		\$0.00
117	Western	Tibooburra	\$143,580.00	\$143,580.00		\$0.00
118	Western	Wanaaring	\$0.00			\$0.00
119	Western	Wilcannia	\$143,580.00	\$143,580.00		\$0.00
120	Western	Winbar	\$0.00			\$0.00
			\$16,798,860.00	\$14,882,236.62	\$1,242,705.30	\$673,918.08

This table below shows the summary of the payments against approved grant.

PAYMENT CATEGORY	AMOUNT	PERCENTAGE
Cash Allocations	\$14,672,413.09	89.32%
Essential Payments	\$1,126,383.49	6.86%
Forfeited Grants	\$628,003.42	3.82%
Approved Grants	\$16,426,800.00	100.00%

A total of \$1.2 million has been paid as expenses for the operation of essential functions of 17 LALCs state-wide, while these LALCs were unfunded for being not in compliance with regulations.

State-Wide Payments of Grants and Expenses



TOTAL OUTGOINGS FOR LALCS

This graph shows the total outgoings of \$16.9 million to LALCs for the financial year ending 30 June 2017.

In addition to cash allocations and essential payments against the approved grant, the total payments include administration costs, payments of rates and other relevant payments.

It should be noted that NSWALC is entitled to recover administrators' costs, rates and other payments from the relevant LALCs under debt recovery agreements.

INVESTIGATION AND ADMINISTRATION OF LOCAL ABORIGINAL LAND COUNCILS

The State Government and NSWALC are intermittently required to intervene into the affairs of a LALC which has demonstrated a failure to comply with the provisions of the ALRA. This is seen by NSWALC as a measure of last resort.

The roles and responsibilities of NSWALC, the Minister, Aboriginal Affairs NSW, and the Registrar on interventions are set out in Part 11 of the *Aboriginal Land Rights Act 1983*. In cases where a LALC is not compliant the Minister may appoint an investigator pursuant to s 216(1) of the ALRA or an administrator pursuant to s 222(1) of the ALRA.

NSWALC's primary concern is to ensure such interventions are not used when other more cost effective and efficient mechanisms are available. NSWALC is keen to utilise the new provisions in the ALRA for the appointment of advisors and the use of Performance Improvement Orders for LALCs.

Of the 120 LALCs in NSW, three were under administration at the beginning of the financial year. Two LALCs completed their administration period during the year and one additional LALC had an administrator appointed, thus leaving two LALCs under administration at the end of the year. Another LALC was subjected to an administration period of six months within the financial year.

Brewarrina LALC Administrator

In accordance with Section 222(1) of the ALRA, the Minister appointed Mr Andrew Bowcher from RSM Bird Cameron Partners as administrator of Brewarrina LALC in May 2014.

Due to the complexity of issues at the LALC, the administration was extended on a number of occasions up to August 2016.

The administration concluded on 12 August 2016. The LALC is currently operating well and has achieved low risk level assessments since coming out of administration.

A total of \$21,624.67 has been recorded for Brewarrina LALC administration costs for the financial year ending 30 June 2017.

Balranald LALC Administrator

In accordance with Section 222(1) of the ALRA, the Minister appointed Mr Andrew Bowcher from RSM Bird Cameron Partners as administrator of Balranald LALC in November 2014.

The administration was extended on a number of occasions to May 2017.

The administration concluded on 23 May 2017. A representative LALC Board and a new Chief Executive Officer have taken over the operations of the LALC and the LALC is performing well.

A total of \$227,766.64 has been recorded for Balranald LALC administration costs for the financial year ending 30 June 2017.

Ivanhoe LALC Administrator

In accordance with Section 222(1) of the ALRA, the Minister appointed Mr Andrew Bowcher from RSM Bird Cameron Partners as administrator of Ivanhoe LALC on 11 October 2016.

The purpose of the administration was to assess the possibility of re-establishing the operations of the LALC. The administrator's appointment was extended by three months to consider the option of merger with any neighbouring LALC, particularly Wilcannia LALC.

The administration concluded on 10 April 2017. Whilst the administrator proposed dissolution of the LALC, Council is

concerned to ensure that Ivanhoe LALC members and the Aboriginal community of Ivanhoe are consulted in relation to the future of the LALC.

A total of \$124,442.30 has been recorded for Ivanhoe LALC administration costs for the financial year ending 30 June 2017.

Mungindi LALC Administrator

In accordance with Section 222(1) of the ALRA the Minister appointed Mr Andrew Hoholt from Hoholt Consulting as administrator of Mungindi LALC in April 2015

The administration has been extended on a number of occasions until October 2017.

As at the date of this report, the administrator is in the process of executing a lease for the "Glanville" farm and in negotiation with the Aboriginal Housing Office on the management and repair of the LALC's housing stock.

A total of \$120,000.00 has been recorded for Mungindi LALC administration costs for the financial year ending 30 June 2017.

Awabakal LALC Administrator

In accordance with Section 222 (1) of the ALRA, the Minister appointed Mr Terry Lawler as administrator of Awabakal LALC in October 2016 This followed an investigation into the affairs of the LALC.

The administration has been extended to October 2017. The administrator is currently dealing with a number of legal challenges and management issues.

A total of \$119,075.25 has been recorded for Awabakal LALC administration costs for the financial year ending 30 June 2017.

Albury and District LALC Investigator

In accordance with Section 216(1) of the ALRA the Minister appointed Mr Andrew Bowcher from RSM Bird Cameron Partners as investigator of Albury and District LALC in December 2016 for a period of three months.

The appointment was made following a recommendation of the Registrar who had inquired into certain financial transactions at the LALC.

The investigation was completed in three months at a cost of \$30,557.67.

Narromine LALC Investigator

In accordance with Section 216(1) of the ALRA, the Minister appointed Mr William Murphy from Steel Walsh and Murphy as investigator of Narromine LALC in December 2016 for a period of three months.

The investigation followed a Registrar's inquiry into certain financial expenditures at the LALC.

The investigation was completed within the appointed period at a cost of \$30,000.00.

FINANCE UNIT

The Finance Unit works with NSWALC's Management Team on strategic financial management and resource allocation. It ensures the available financial resources are used in an effective, efficient, economical and ethical manner to achieve NSWALC's strategic objectives. In order to ensure NSWALC continues to adopt best practice and meets its legislative and business requirements, the Finance Unit has been undertaking an ongoing review of Treasury Circulars and Guidelines, Australian Accounting Standards and Interpretations as well as NSWALC financial management policies and procedures.

The key functions of the Finance Unit are:

- Ensuring appropriate governance and financial stewardship. This is achieved by developing or updating financial policies and procedures to improve internal controls and to ensure the controls are implemented and adhered to.
- Ensuring that financial resources are allocated effectively and efficiently to maximise NSWALC's benefits and minimise operating costs.
- Monitoring financial resources through a Monthly Management Reporting process by including non-financial information as far as possible to explain the financial outcome or resources deployed.
- Facilitating the availability of necessary cash funds for the operational needs through cash flow forecasting and providing accurate forecasted information to the Chief Investment Officer to redeem these funds from investments.
- Preparation of Statutory Reports in accordance with legislative requirements.
- Facilitating Internal and External Audit to ensure that the internal controls established are effective and adhered to.
- Providing financial services and information to the Council, Executive and Business Units in a professional and efficient manner.

Finance Unit Achievements

1. Year End Accounts

The Finance Unit continued to improve the quality of NSWALC's Financial Statements. The Financial Statements were prepared within a tight time frame, with a reduction in mis-statements from 11 in 2011-2012 to zero in 2014-15 and 2015-16. NSWALC received unqualified audit opinions from the NSW Auditor General in the past years.

2. Annual Budget

The Finance Unit prepared NSWALC's Annual Budget after performing an in-depth analysis of the organisation's operating activities. The Minister for Aboriginal Affairs approved the budget without amendments.

3. Monthly Management Reports

Analytical management reports were prepared to monitor, control and assess the performance of NSWALC and facilitate Council decision making.

4. Cash Flow Management

The Finance Unit has successfully managed the cash flow throughout the year within the planned withdrawal of investments to reduce excess cash balances in a low interest rate operating bank account and without facing any cash shortages.

5. Expenditure Control

The Finance Unit effectively managed NSWALC's expenditure by identifying cost drivers and closely monitoring them on a monthly basis to ensure expenditure was controlled within the approved budget.

6. Customer Service

The Finance Unit promptly responded to enquiries from internal and external customers in a timely basis without any complaints.

INVESTMENT

New South Wales Aboriginal Land Council (NSWALC) investments are managed by the Chief Investment Officer. This position has the overall responsibility for the establishment and oversight of risk management and reviews of NSWALC's investments. The position reports directly to Council through the Executive Director Finance, Investments and Governance.

Risk management policies are established to identify and analyse the risks faced by the Council, to set risk limits and controls, and to monitor risks. Compliance with policies is also reviewed by the Internal Auditor on a continuous basis.

Statutory Investment Fund

The NSWALC Statutory Investment Fund was established under the *NSW Aboriginal Land Rights Act 1983* (ALRA). For 15 years (1984-1998) the ALRA provided for guaranteed funding through the payment of an amount equivalent to 7.5 percent of NSW Land Tax (on non-residential land) to NSWALC as compensation for land lost by the Aboriginal people of NSW.

During this period, half of the funds were available for land acquisition and administration. The remainder was deposited into a statutory account to build a capital fund to provide ongoing funding in the future.

The total funds allocated were \$537 million. Of this amount \$268.5 million was deposited in the Statutory Account. The capital accumulated over the first 15 years of the Council's existence and stood at \$281 million at December 1998 when the land tax payments stopped.

Since then, NSWALC and the Local Aboriginal Land Council (LALC) network have been self-sufficient. The network is no longer funded by the taxpayers of NSW.

Current Management and Value

The Statutory Investment Fund was valued at \$653 million as at 30 June 2017, compared with a value of \$629 million at the end of the previous year. This represents an increase of \$24 million in the value of the Fund over the reporting period.

Where Our Money Goes

A major component of NSWALC's annual budget is the direct funding to LALCs. This funding is delivered in a grant allocation of \$143,580 to each funded LALC to assist with its administrative costs.

Indirect funding to the Land Rights network accounts for a considerable amount of the balance. A drawdown of \$38.32 million was made during the year to fund the operational expenditure of the Land Rights network, including the administrative costs of both NSWALC and LALCs.

The required draw down for the new financial year is expected to be \$41.59 million. A number of LALCs face difficulty meeting their financial and reporting obligations. NSWALC supports those LALCs.

Investment and Growth of the Fund

The fund is to provide compensation for future generations. Prudent financial management is essential to maintain growth. While NSWALC has substantial sums invested, it is not able to spend more than the realised income and interest from investment - less the allowance for inflation. To do so would be a breach of the current provisions of the ALRA.

The Investment Mission for the Fund is to:

- at least maintain the purchasing power of the Fund over the long term, having regard to the specific nature of the underlying funding responsibilities of NSWALC;
- provide a stable and growing level of distributions for funding NSWALC's ongoing activities; and
- at least preserve the indexed book value of the assets.
- The Council has defined this Investment Mission into a set of measurable Real Return and Downside Risk Objectives:

REAL RETURN OBJECTIVE	DOWNSIDE RISK OBJECTIVE
Invest so as to have a greater than 66 percent probability of achieving a return objective of the Consumer Price Index plus 4 percent over five year rolling periods.	Limit the probability of a negative return in any given year to less than 20 percent.

These objectives sit alongside the investment beliefs of the Council as set out below:

NSWALC INVESTMENT BELIEFS	
MISSION AND GOVERNANCE	IMPLICATION
1. Investing	The Fund's assets should be invested according to the Fund's Statement of Investment Objectives Policy (SIOP).
2. The Fund is a perpetual means of providing for future Aboriginal generations	The Fund's investment strategy should seek to maximise returns over the long term subject to risk objectives outlined in the SIOP. Expenditure should be set to a sustainable level (formalised in expenditure policy).
3. The principal time horizon of the Fund is relatively long term	The Fund is willing to accept short term losses for longer term gains. The primary performance assessment criteria should be long-term focused (five plus years).
4. Investing in a mixture of things will minimise the risk impact if one of them goes wrong	The Fund should be well diversified in a variety of different asset classes (i.e. not have all its eggs in one basket).
5. The Council is supported by the Investment Committee and Executive team in its decision making process	The Executive should drive the investment agenda in conjunction with the Investment Committee.

NSWALC INVESTMENT BELIEFS

MISSION AND GOVERNANCE	IMPLICATION
6. Beta is the principal driver of risk and return (rather than alpha)	More time should be spent on strategies (including fund structure and strategic asset allocation) than manager selecting and monitoring.
7. Diversification into different risk premiums can increase the investment efficiency of the portfolio	Consideration will be given to introducing appropriate diversity to the Fund, including liquidity and insurance premia.
8. Alpha exists, but the challenge is to find and successfully employ it	The Fund should only utilise alpha in markets where it has great confidence in both the alpha opportunity and its skill to successfully hire and fire managers.
9. Environmental, social and governance (ESG) factors can impact investment risk and return, as well as the long-term sustainability of Aboriginal land, culture and communities.	We require investment managers to identify and manage ESG risks and opportunities and will incorporate this into manager selections and monitoring.
10. Active ownership is important to creating sustainable investment returns and providing for current and future generations of Aboriginal people.	The Council is the ultimate owner of its invested assets. We require investment managers to exercise good stewardship, voting our shares and engaging with investee companies to drive sustainable value creation.
11. The impact of the Council's investments on Aboriginal people is important, and the Council will balance expected risk adjusted return against the positive or negative impacts on Aboriginal people.	The Council's investment strategy is primarily focused on maximising risk adjusted investment returns over the long term. It may, on occasion, allocate capital to investments with a lesser expected financial return, where there is strong evidence of substantial benefits for Aboriginal people. It may also exclude investments where there is strong evidence of substantial negative impacts on Aboriginal people, provided the overall investment objective is not compromised.
12. Transparency is important to sustainable investing and is a pillar of good governance.	The Council is committed to acting transparently ourselves and expects transparency on ESG issues from the managers we invest with and the companies we invest in. We will request regular ESG reporting from our investment managers, and encourage them to request such reporting from underlying companies.

It is against these beliefs that all investment decisions are evaluated. As a result of this process NSWALC has continued to divest itself of all holdings in alcohol and tobacco.

The technical aspects of the investment decisions are provided through the combined advice of the external asset consultant, NSWALC's Executive, and the Investment Committee. Additionally, the Drawdown Rule adopted by Council provides a formal process for managing NSWALC's liabilities.

The Drawdown Rule factors in the previous drawdown, average asset value and long term spending rate in calculating the projected drawdown. The annual future draw down is equal to 70 percent of the draw down in the previous year and 30 percent of the average asset value in the previous year times the long term spending rate. Therefore, the projected maximum drawdown for expenditure in 2017-2018 is 6.69 percent of the investment balance. This constraint on the draw down from NSWALC's

investments will help to ensure that NSWALC is able to fund its activities in perpetuity.

Investment Committee

The Investment Committee remains the primary source of all investment recommendations to the Council. Mr John Wilson continued as the Independent Chairperson of the Investment Committee, in a pro bono capacity, as did Mr Joshua Bloom, the other independent member of the Committee.

NSWALC Councillors William Murray and Peter Smith represented the Council during the period.

The Investment Committee held four meetings during the reporting period.

Investment Decisions

Significant investment decisions during the year included the appointment of Fund Managers Aviva and Somerset, the removal of Vontobel and K2 and the adoption of a new Strategic Asset Allocation.

The new Strategic Asset Allocation (SAA) is below. Dynamic positions remained unchanged over the period:

ASSET CLASS	OLD SAA (%)	CHANGE (%)	NEW SAA (%)	NEW SAA AFTER DAA POSITIONING (%)
Australian Shares	12.0	-1.0	11.0	11.0
Overseas Shares (Large Cap)	25.2	-1.0	24.2	28.2
Overseas Shares (Small Cap)	2.8	-	2.8	2.8
Emerging Markets	5.0	-	5.0	6.0
Global Listed Property	5.0	-5.0	0.0	0.0
Unlisted Property	0.0	+10.0	10.0	10.0
Unlisted Infrastructure	0.0	+10.0	10.0	10.0
Australian Inflation Linked Bonds	7.5	-2.5	5.0	3.0
Diversified Fund of Hedge Funds/Multi Asset Fund	17.0	-9.5	7.5	7.5
Absolute Return (Multi Strat)	6.0	-1.0	5.0	5.0
International Fixed Interest	7.5	-	7.5	6.5
Australian Fixed Interest	10.0	-	10.0	8.0
Cash	2.0	-	2.0	2.0
Total	100		100	100

Modelling Outcomes

NSWALC commissioned testing of the current Strategic Asset Allocation against the return and risk tolerance statements using our asset consultants' capital market assumptions as at June 2016.

STRATEGIC OBJECTIVE	CURRENT STRATEGY
Invest so as to have a greater than 66 percent probability of achieving a return of the Consumer Price Index plus 4 percent, over rolling 5 year periods	66.5%
Limit the probability of a negative return in any year to less than 20 percent	16.4%

PORTFOLIO EXPECTED OUTCOMES	20 YRS. (%PA)
Return	7.5
Risk	8.6

Investment Performance

The investment portfolio provided a return of 10.1 percent against a benchmark of 8.1 percent for the 12 months to June 30 2017. The table below details the investment in each asset class of the portfolio and its performance against the appropriate benchmark.

LONG TERM PERFORMANCE					
Returns to 30 June 2017					
NSW ALC Fund	2.7	10.1	7.1	10.2	6.6
NSW ALC Fund Benchmark	1.5	8.1	6.6	9.1	5.9
Consumer Price Index + 4% pa	1.2	6.0	5.5	6.1	6.4
Australian Equities	2.3	13.0	7.8	13.1	4.2
S&P/ASX 300 (All Ords before 1/4/2000)	-1.6	13.8	6.6	11.6	3.4
Excess Return Over Benchmark	3.9	-0.8	1.2	1.5	0.8
International Developed Equities (unhedged)	4.0	13.7	11.7	17.2	4.6
MSCI World ex Aust (unhedged)	3.6	14.7	13.0	18.2	5.1
Excess Return Over Benchmark	0.4	-1.0	-1.3	-1.0	-0.5
Emerging Markets	8.6	18.7	10.0	9.5	-
MSCI EM (Free) NET WHT	5.7	20.1	8.3	10.2	-
Excess Return Over Benchmark	2.9	-1.4	1.7	-0.7	-
Global Listed Property	3.2	3.4	8.3	12.4	-
FTSE EPRA/NAREIT Dev (HDG)	2.4	3.2	8.7	12.3	-
Excess Return Over Benchmark	0.8	0.2	-0.4	0.1	-
Australian Fixed Interest	0.9	3.6	4.1	4.1	5.5
International Fixed Interest	0.4	3.9	3.7	4.4	6.5
Aggregate Fixed Interest	0.6	3.8	3.8	4.2	-
50% UBS Composite Bond All Mats, 50% Citigroup WGBI HDG AUD	1.1	0.4	4.8	5.0	-
Excess Return Over Benchmark	-0.5	3.4	-1.0	-0.8	-
Australian Inflation Linked Bonds	0.6	2.9	1.4	2.4	-
UBS Inflation Linked Bond Index	0.7	0.3	3.8	3.9	-
Excess Return Over Benchmark	-0.1	2.6	-2.4	-1.5	-
Absolute Return	0.8	5.9	2.8	5.1	5.3
UBS Bank Bill	0.4	1.8	2.2	2.5	3.9
Excess Return Over Benchmark	0.4	4.1	0.6	2.6	1.4
Diversified Fund of Hedge Funds	1.4	5.0	3.2	5.8	-

LONG TERM PERFORMANCE

Returns to 30 June 2017

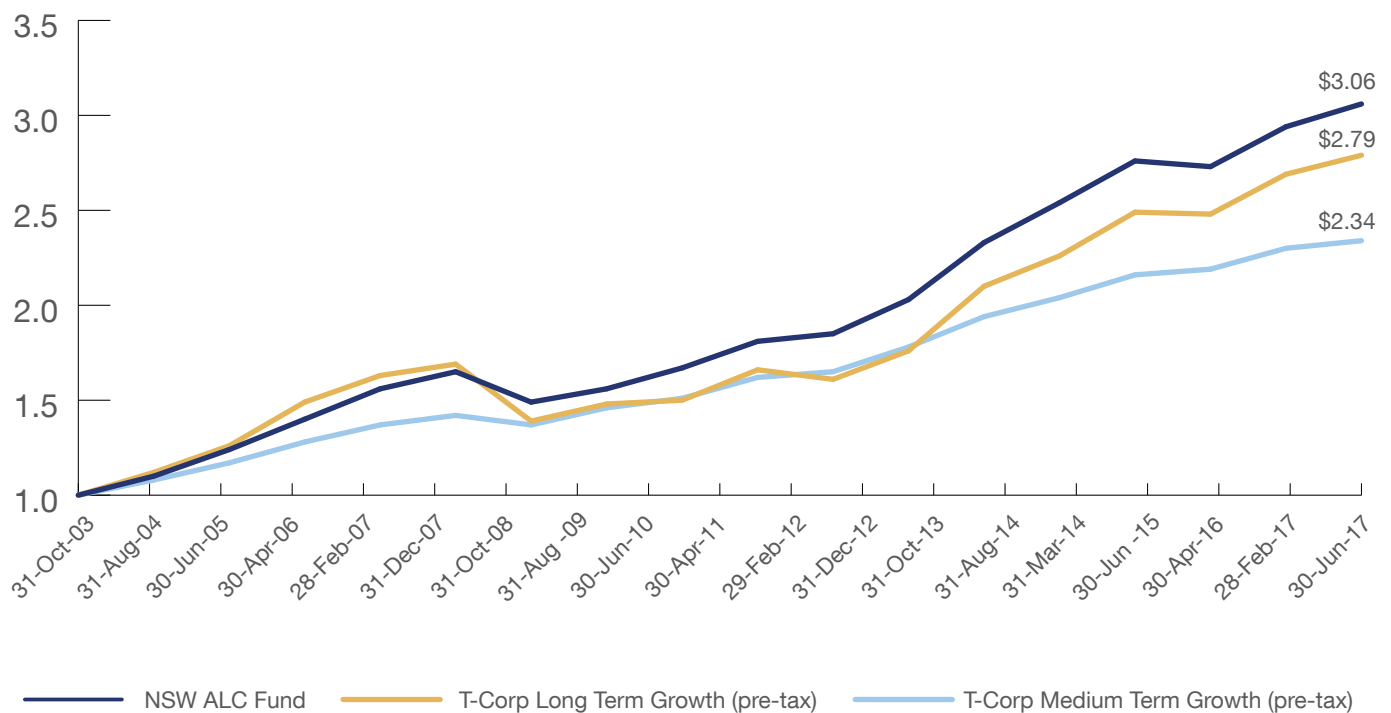
UBS Bank Bill	0.4	1.8	2.2	2.5	-
Excess Return Over Benchmark	1.0	3.2	1.0	3.3	-

Performance against Peers

The following table compares the performance of the NSWALC portfolio against two TCorp Investment portfolios with somewhat comparable investment objectives. These are run by the New South Wales Treasury Corporation.

NSWALC's investment rationale is to promote diversity across asset class and across fund managers. This conflicts with the belief that the funds should be invested solely with the NSW Treasury Corporation. NSWALC's investment position is validated by this performance which clearly shows NSWALC's performance to be less volatile as well as better performing over the different market cycles than either of the comparable TCorp investments.

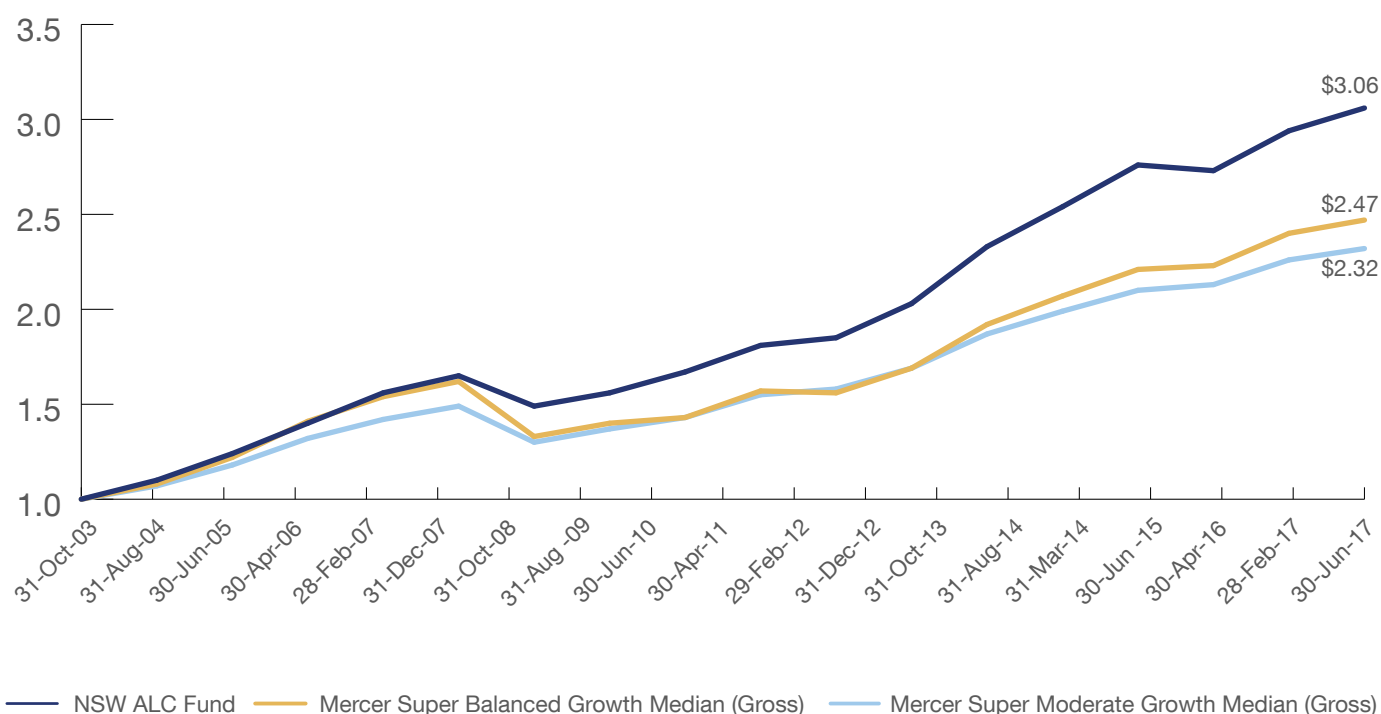
Growth of a Dollar 13 Years 7 Months Ending 30 June 2017



LONG TERM PERFORMANCE Returns to 30 June 2017	QTR (%)	1 YR (%)	3 YRS (% pa)	5 YRS (% pa)	10 YRS (% pa)
Total Fund	2.7	10.1	7.1	10.2	6.6
Fund Benchmark	1.5	8.1	6.6	9.1	5.9
T Corp Medium Term Growth (pre-tax)	1.1	5.9	5.2	6.8	5.4
T Corp Long Term Growth (pre-tax)	2.0	11.6	8.2	11.7	5.2

The table below compares the performance of the NSWALC portfolio against two Mercer median portfolios. This provides a comparison of the performance of NSWALC's portfolio against somewhat similar portfolios held by other institutions. NSWALC's portfolio has performed extremely well relative to its peers.

Growth of a Dollar 13 Years 7 Months Ending 30 June 2017



LONG TERM PERFORMANCE Returns to 30 June 2017	QTR (%)	1 YR (%)	3 YRS (% pa)	5 YRS (% pa)	10 YRS (% pa)
Total Fund	2.7	10.1	7.1	10.2	6.6
Fund Benchmark	1.5	8.1	6.6	9.1	5.9
Mercer Moderate Growth Median (pre-tax)	1.4	7.5	5.8	7.8	4.7
Mercer Moderate Growth Upper Quartile (pre-tax)	1.9	9.6	8.4	10.3	8.2
Mercer Balanced Growth Median (pre-tax)	1.5	9.5	6.9	9.6	4.4
Mercer Balanced Growth Upper Quartile (pre-tax)	2.4	13.3	10.8	13.3	8.8

NSWALC’s Corporate Services Division is responsible for providing a wide range of services including legal, records management and administration, human resources and training, information and communications. These services are provided through four functional business units detailed as follows:

LEGAL SERVICES UNIT (LSU)

The work of the Legal Services Unit (LSU) goes to the core purpose of NSWALC, the return of land to the Aboriginal people of NSW. The LSU provides legal advice to NSWALC and assistance to the LALC network to further the development of Land Rights in NSW. The LSU also provides advice to the executive and staff on a wide range of statutory, administrative and commercial issues to enable the organisation to operate effectively and consistently, within its obligations under the *Aboriginal Land Rights Act 1983* (ALRA).

The LSU’s work during the reporting period included:

- Reviewing all land claim refusals to assess whether they were correctly assessed by the Crown Lands Ministers.
- Supervision of land claim appeals, Native Title proceedings and other matters briefed out to external lawyers to ensure a co-ordinated and strategic approach, and to obtain instructions from the relevant LALC where appropriate.
- Legal advice on the drafting of amendments to the ALRA by the *Statute Law (Miscellaneous Provisions) Act 2016* and the *Aboriginal Land Rights Amendment (Local Aboriginal Land Councils) Act 2017*.
- Legal advice to the Council and NSWALC staff about the operation of the ALRA including the negotiation of Aboriginal Land Agreements, employment legislation (including negotiation of a new Enterprise Agreement for the staff of NSWALC and workplace health and safety matters.
- Preparation and distribution of Fact Sheets concerning ALRA interpretation and procedures.
- Legal advice to NSWALC on a wide range of commercial, contractual and property matters, and policies and guidelines.
- Providing assistance and advice to LALCs on matters of importance to the operation and effectiveness of the Land Rights network as a whole, including the coordination of referrals of legal matters to external law firms on a pro bono basis through Justice Connect.
- Establishing a legal advice and services program for LALCs through Justice Connect.
- Overseeing all of the NSWALC’s legal risk management issues.

During this reporting period, the LSU comprised a Principal Legal Officer, one Senior Legal Officer, three Legal Officers and one Administrative Assistant. The LSU also hosted

one volunteer legal intern during the reporting period from the Aurora Project at the University of New South Wales.

LEGAL MATTERS

The LSU continues to provide strategic legal advice to the Council and executive on a wide range of issues relating to the ALRA and on other commercial and policy matters.

As discussed further below, the LSU continues to review all land claim refusals and manage land claim appeals in the Land and Environment Court (LEC) and the Court of Appeal.

The LSU has also carried out a significant amount of work to support LALCs involved in ongoing Native Title proceedings, as well as providing training to NSWALC staff and LALCs about Native Title generally.

The LSU has provided legal advice to the various NSWALC operational units on a wide range of matters, including proposed legislative amendments, land dealings, statutory interpretation, compliance and assists in reviewing and drafting Council submissions and legal instruments such as contracts, leases, licences and deeds.

Legal assistance and support was also provided to LALCs through the Zone Offices where specific advice had been requested on matters which NSWALC considered to be of particular importance to the LALC Network as a whole.

EXTERNAL LEGAL COSTS

Where necessary, the LSU briefs external lawyers. Generally this is because the LSU cannot provide legal advice to LALCs and therefore it engages external lawyers on the LALCs behalf (primarily in relation to land claims and Native Title) or because it does not have sufficient capacity or expertise to provide advice in-house. NSWALC has a panel of legal service providers to obtain legal advice. The panel was constituted following an Expression of Interest process in 2015.

In addition, during the reporting period the NSWALC negotiated a LALC Legal Services program with Justice Connect, an organisation that specialises in facilitating access to justice through a panel of pro bono lawyers and firms. Under this program the NSWALC has agreed to fund an independent solicitor to be engaged by Justice Connect for a period of two years that will be dedicated to assisting the LALC network with legal advice and representation, including telephone advice to all LALCs where possible, referral of legal matters for pro bono advice and development of legal resources tailored to LALCs. This program became operational in early 2017 and the feedback from the LALC network has been encouraging.

Expenditure on external legal service providers can be broken down into the following categories showing LSU budget expenditure as a percentage of its budget (excluding salaries and administrative expenses):

• NSWALC General Advice	5.2 percent
• General Litigation	5.8 percent
• Land Claims Litigation (appeals where land claims have been refused)	43.1 percent

- Legal Advice relating to Native Title (including network Native Title) 30.6 percent
- Justice Connect Funding 15.3 percent

INSPECTIONS, APPEALS AND SETTLEMENTS

The LSU continued to fulfill its core function of managing the legal process for land claims, particularly appeals to both the LEC, the Court of Appeal and in this reporting period the High Court. NSWALC's success over a sustained period in respect of land claim appeals has resulted in improved and consistent application of the law by the Minister when making land claim determinations, resulting in more land being granted to Aboriginal people in NSW.

LAND CLAIM FILE INSPECTIONS

The LSU reviews the Government's files relating to land claims that were refused by the Crown Lands Minister (whether the claims were lodged by NSWALC or by LALCs). The purpose of these reviews is to ascertain whether the refusals were lawful and whether there are merits to appeal to the LEC. When the LSU determines a refusal has not been made lawfully, LSU commences and manages an appeal to the LEC.

In the reporting year, the LSU received notice of 141 refusals or part refusals of land claims. This number is slightly down from the last reporting period where there were 181 claims refused or part refused by the Minister.

LAND CLAIMS LITIGATION – APPEALS AND SETTLEMENTS

NSWALC provides support to the network by managing and funding appeals against the Minister's refusals of land claims.

There were 204 land claims determined by the Minister during this reporting period (down from 298 last reporting period). There were 63 granted land claims and 24 part granted and part refused. The ratio of grants to refusals is slightly down from the previous reporting period, (42.7 percent of land claim determinations were a grant or a part grant part refusal compared to 47.3 percent last reporting period). However, it should be noted that some of the refused land claims are refused by the Minister after the claimed land has been granted under a previously lodged land claim.

Generally, the LSU is finding fewer instances where the Minister is incorrectly applying the law. As such, the number of appeals commenced during the period is down from previous years.

There were two land claim appeals commenced in the LEC during the reporting period, and these appeals are ongoing.

During the reporting period the NSWALC lost one appeal (Berrima Gaol) in the High Court of Australia. The High Court confirmed the lower Court's decision that the relevant land was lawfully used and occupied.

The network's success rate in litigation continues to be high – over 80 percent of the appeals have been won in Court or settled in favour of the relevant Land Council. The practice of reviewing the Government's files continues to enable NSWALC to make more strategic and informed decisions about appeals.

KEY LAND CLAIMS - SETTLEMENTS

Claimed lands sold or transferred

The LSU has, during the reporting period, successfully settled one land claim appeal where land that was subject to an Aboriginal land claim had been sold by the Minister to a third party. The manner in which the land was sold meant that it was claimable at the time the claim was lodged. In this instance, although the relevant LALC is unable to have the land transferred to it (because it is already vested in a third party), it was able to be compensated for the fair market value of the claimed land.

NATIVE TITLE

Native Title is an area of increasing significance for the land council network as the number and size of Native Title claims in NSW has increased, and the Federal Court of Australia continues to place pressure to settle Native Title claims quickly. Many Land Councils now have Native Title claims in their areas.

Land Rights under the ALRA and Native Title are two very different systems, each with their own aims and benefits. Native Title recognises customary rights and interests held under traditional laws and customs. In most cases a Native Title determination in NSW is likely to recognise non-exclusive rights, such as the right to hunt and gather. In contrast, the grant of land under the ALRA is a form of compensation for dispossession, and does not require any traditional connection to land. A land claim, if granted, will generally result in the LALC having a freehold interest in the land. The following Guiding Principles on Native Title have been endorsed by the Council:

1. NSWALC recognises that Native Title and Land Rights are both important systems that provide positive rights for, and advance the interests of, Aboriginal peoples.
2. NSWALC seeks to demonstrate leadership by being proactive in its approach to dealing with the interaction of Land Rights and Native Title in NSW.
3. NSWALC seeks to work respectfully, constructively and collaboratively with all Native Title claimants, Native Title holders and NTSCORP and others to deliver the best of both systems to Aboriginal peoples, and to negotiate agreed positions wherever possible.
4. NSWALC recognises that Local Aboriginal Land Councils (LALCs) are autonomous bodies corporate that exist for the benefit of all Aboriginal people in their area and their members, and that LALCs must make decisions about their land and resources in accordance with the interests of their members.

5. NSWALC seeks to promote community cohesion, equitable outcomes, and to minimise conflict wherever possible.

6. Recognising and respecting that Local Aboriginal Land Councils are land owners with property interests, NSWALC seeks to provide information and assistance to LALCs about Native Title claims in their boundary area in order to ensure that each LALC can make informed decisions about how the LALC engages with Native Title.

Council has resolved to provide support and assistance to LALCs that are affected by Native Title claims to allow them to make informed decisions about how they want to be involved in Native Title matters.

For those LALCs that decide to be joined as a respondent party to a Native Title claim, NSWALC will provide assistance with understanding what lands under claim or land already owned by the LALC will be affected by a Native Title determination and how those lands may be affected including support and financial assistance in the form of funding external legal advice for the LALC throughout the Native Title determination process and general training on Native Title issues.

In line with the above Council resolution, the LSU has and continues to provide assistance to LALCs involved in the following Native Title matters:

Barkandji

The Barkandji Native Title determination (Barkandji Traditional Owners #8 v Attorney-General of New South Wales [2015] FCA 604) was made by the Federal Court on 16 June 2015.

When that determination was made there were a number of parcels of land that were excluded because agreement could not be reached. This included some parcels of land owned by Wilcannia LALC and Menindee LALC. During the reporting period, LSU worked with the LALCs and their external lawyer to negotiate with the Barkandji Native Title holders about the excluded lands.

The parties were able to reach agreement, which included an Indigenous Land Use Agreement that will allow the LALCs to convert their interest in the relevant land from Western Lands Lease to freehold in the future. The second part of the Barkandji Native Title determination was made by the Federal Court on 22 August 2017.

Western Bundjalung

NSWALC provided a significant amount of support and assistance to Jana Ngalee, Baryulgil Square, Jubullum, Moombahlene, Grafton Ngerrie and Casino Boolangle LALCs, who were respondent parties to this Native Title claim. Following extensive discussions between some of

the LALCs and the Native Title claimants, the parties were able to reach agreement about the terms of the Native Title determination. This included some innovative approaches where the Native Title claimants and the LALCs worked together and use their rights in a manner that will provide the best outcome for the whole community.

A consent determination was made by the Federal Court on 29 August 2017 (after the reporting period).

Gumbaynggirr People (Boney-Whitt)

NSWALC has also provided a significant amount of support and assistance to Coffs Harbour and District Local Aboriginal Land Council. Both NSWALC and VLALC are respondent parties to this Native Title claim, which is over a small area of land at Wenonah Head.

The Aboriginal Land Councils have been in negotiations with the State and the Native Title claimants throughout the reporting period. It is expected that a consent determination will be made in the next reporting period.

New claims

There were four new Native Title claimant applications registered during the reporting period; only one of which significantly affect LALC interests. In line with Council's resolution that NSWALC provide advice to LALCs whose boundaries overlap with new Native Title claims, the LSU held information sessions for the affected LALCs to provide them with information about how Native Title can affect LALCs so as to assist them to make a decision about whether to become a respondent party.

General Native Title work

NSWALC has continued to provide Native Title training to LALCs and NSWALC staff in the past year. LSU staff ran a Native Title training day for the Federal Attorney General's Department (AGD) to assist them to understand how NSWALC assists LALCs in Native Title matters with the aim of improving and streamlining the process for NSWALC to access grant funding from the AGD in accordance with the Federal Respondent Funding Scheme.

NSWALC continued to play an active role in building relationships with stakeholders working in Native Title in NSW, including NTSCORP, the State, National Native Title Tribunal, the AGD and the Federal Court.

MEDIA AND COMMUNICATIONS

The Media and Communications Unit was formed in August 2014 and replaced the former Media and Marketing Unit.

The Unit is responsible for protecting and enhancing NSWALC's reputation and promoting the objectives of the Land Council and the broader Land Rights network.

It aims to raise the profile of the NSWALC and to facilitate improved communication within the Land Council network and the broader community about matters of significance to Aboriginal peoples in NSW.

It seeks to do so by increasing awareness of the importance of Land Rights, culture and heritage matters, social and economic objectives. This underpins the advocacy work of NSWALC, its staff, and Local Aboriginal Land Councils.

The Unit is staffed by a Manager, Senior Communications Officer, Communications Officer, Social Media Officer, Information Officer, Receptionist and part time Communications Adviser.

The Unit's formal functions and responsibilities include:

- Providing strategic advice and briefings on media and communications issues to Councillors, Local Aboriginal Land Councils and senior staff;
- The development and implementation of communications strategies in support of major NSWALC initiatives;
- Providing communications support to regional forums hosted by NSWALC Councillors;
- Media management and monitoring;
- Media and communications skills training for Councillors and senior staff;
- Producing the monthly OurMob newsletter, video stories about land rights, media releases, network messages, social media posts and speeches;
- Organising public and internal events and promotional activities;
- Producing NSWALC publications, posters, flyers and online services; and
- Providing receptionist services for NSWALC's head office.

Activities performed by the Media and Communications Unit during the reporting period included:

ONLINE AND SOCIAL MEDIA

The ourmob.org.au website and monthly online newsletter, OurMob, remain core components of NSWALC's communications strategy. In the last reporting period 523 new subscribers were added to the newsletter, bringing the total to 1,978.

Over the same period, NSWALC's social media presence also continued to increase. Likes to NSWALC's Facebook page increased by 1,888, to a total of 12,735.

The most popular Facebook post from 2016-17, on sculptures erected at Gundagai to honour Wiradjuri men, Yarri and Jacky Jacky, reached 147,356 readers, with 5,175 reactions, comments and shares.

A key component of the OurMob online newsletter was the inclusion of regular, professional quality video news stories. Video stories produced during 2016-17 included:

- NAIDOC – Hyde Park
- Redfern Aboriginal Medical Service 45 Year Anniversary panel

- Worimi Family Fun Day
- Forster Water Deal
- Girrawaa Art
- Profile – Elaine Syron
- LALC Profile – Brungle Tumut
- Koori Rugby League Knockout 2016
- Inaugural National Indigenous Football Championships
- NSWALC Logo story – Diyan Coe
- What makes an Elder?
- Saltwater Freshwater Festival 2017
- Orange LALC – Economic Development
- Going Home, Staying Home – Bathurst
- LALC Profile – Worimi
- Sol's Second Chance
- Elders Olympics 2017 – Lake Macquarie
- Chido Govera presentation at NSWALC HQ
- Aboriginal Reference Advisory Group Armidale Award
- Yarri + Jacky Jacky Statue

MEDIA RELEASES AND NETWORK MESSAGES

A total of 42 media releases and 30 network messages were drafted and distributed during the reporting period.

EVENTS

The Media and Communications Unit supported NSWALC's sponsorship of the 2015 NSW Aboriginal Rugby League Knockout, held at Leichhardt Oval, Sydney from 30 September to 3 October and the inaugural National Indigenous Football Championships, held in Nowra from 3 to 5 November.

The Knockout is the largest annual gathering of Aboriginal people in NSW and is broadcast nationally on NITV. NSWALC had an information stand at the Knockout and Councillors were interviewed throughout the television coverage.

The National Indigenous Football Championships were organised by the Wreck Bay Sharks Football Club and featured open age men's and women's teams from around Australia. The men's and women's finals as well as a Johnny Warren Celebrity match were broadcast by NITV.

The Unit also produced materials about Land Rights and hosted stalls at the Yabun Festival held in Sydney and the Saltwater Freshwater Festival held in Coffs Harbour, both on 26 January as well as the Aboriginal Cultural Showcase at Tamworth during the Country Music Festival from 20 to 29 January.

40TH ANNIVERSARY GALA DINNER

By the end of the reporting period the Unit had commenced planning for the NSWALC 40th Anniversary Gala Dinner, to be held in October 2017.

INFORMATION AND COMMUNICATIONS TECHNOLOGY UNIT

The Information and Communications Technology Unit (ICT) provides the technology governance, advice and assistance to ensure the New South Wales Aboriginal Land Council's (NSWALC's) efficient and effective operations. The ICT Unit is supported by three staff.

The Unit is responsible for:

- Systems and analysis to enable improvements to business systems, processes and workflows aligned with the needs of operations and the Strategic Plan;
- Development, implementation and regular reviews of the ICT Disaster Recovery and Business Continuity Plan to support core business processes and manage related risks;
- Development and delivery of the ICT Strategy consistent with the Strategic Plan and interrelated activities;
- Management and maintenance of infrastructure (data centre, power, cooling, servers, and storage network) and telecommunications (data and voice) to ensure infrastructure is optimised to support geographically dispersed services and resources;
- Management and maintenance of bespoke applications, software and associated data for continuity of underpinning business processes;
- Providing technical support to Councillors, executives and staff via a centralised Service Desk which receives diverse ICT requests and incidents including but not limited to desktop/laptop computers, mobile devices, printers, network access, telephony and IT procurement;
- Monitoring and maintenance of Network and Information Security, safe guarding NSWALC systems and information assets from potential threats and data loss; and
- Contributing to and/or management of projects for cost effective application of technology that delivers benefits for efficient and effective operations.

OPERATIONS SUPPORT:

The Unit continues to support NSWALC operations, maintaining high availability to systems and applications. A key function of ICT is the provision of technical support.

During the year, the unit completed 2,325 requests and incidents from Councillors, executives and staff.

Performance reports are delivered to provide executives with information on key support activities using these performance metrics:

- Number and type of requests compared to previous month;
- Preventative maintenance compared to previous month;
- Completed requests by location;

- Number of requests resolved per capita;
- Number of requests received versus resolved;
- Average resolution time per request type;
- Number and type of outages compared to previous month; and
- Security metrics compared to previous month.

ICT STEERING COMMITTEE:

The ICT Steering Committee has a key technology governance role ensuring effective application and management of ICT systems and resources is consistent with operational and strategic priorities.

The Committee structure consists of a Chairperson, three advisory members and an external member. Meetings are held bimonthly where progress of approved projects is reported by respective project managers and members consider proposals and business cases for emerging needs and priorities.

Another role of the Committee is to act as a Change Advisory Board where changes to systems and processes are reviewed and considered for approval. Typically, changes are brought about by projects or remedial action that may be necessary as a result of an incident.

ICT STRATEGY:

The Council approved an ICT Strategy 2015 - 2017 in April 2016, following endorsement by the NSWALC Audit and Risk Committee and the ICT Steering Committee.

The Strategy assists NSWALC ICT to better deliver services to the Land Council network and to support the capacity and capability of staff to carry out their duties and business operations efficiently and more effectively. The Strategy provides a basis and context for more detailed planning of specific investments by NSWALC in ICT which help the organisation achieve its overall goals.

In accordance with the Strategy program of works, ICT carried out asset stabilisation to ensure all existing ICT assets and services are up to an acceptable service level, and has moved into delivering a number of infrastructure improvement projects which aim to enhance efficiencies and effectiveness of ICT services and processes.

ICT PROJECT DELIVERABLES:

The following projects were completed during the reporting period. The ICT Unit:

- Re-negotiated a new consolidated Telstra contract for fixed lines, data, mobile and managed Wide Area Network (WAN) under a two year agreed contract; implemented separate contracts for NSWALC and LALCs in the form of a mini panel arrangement to provide the same carriage pricing; and set up a Mobile Only Technology Incentive Fund (MOTIF) which is a pool of funding supplied by Telstra and used towards the purchase of new mobile handsets;

- Reviewed the current Multi-Function Printer (MFP) Contract for hardware rental and consumable services and sourced new quotations from the NSW Government's ProcurePoint website for Imaging Devices; and finalised new contract arrangements with hardware to be rolled out in the new financial year;
- Set up a new office for Cr Ah-See including the installation of structured cabling and telecommunication services and re-established Cr Williams' office after flood damage;
- Conducted Disaster Recovery Plan (DRP) testing of ICT Recovery Systems to ensure NSWALC is able to respond and recover key business applications in accordance with the DRP;
- Upgraded records management software for all staff;
- Implemented a new accounting software package to automate the manual processing of remittance advices;
- Finalised an Application Inventory which is being used to discover and clarify business applications / software used by NSWALC. This is designed to assist ICT manage the lifecycle of business applications;
- Donated 45 laptop computers to assist the LALC network;
- Commenced development of a Cloud Computing and Bring Your Own Device (BYOD) Policy to add to the existing suite of ICT Policies;
- Migrated the Funeral Fund Database to a new platform to improve auditing standards and assist with the management of fund members;
- Continued to migrate mobile devices to a new Microsoft centralised Mobile Device Management (MDM) solution; and
- Commenced sourcing quotations for several large scale identified infrastructure upgrade projects which are targeted for rollout in the 2017 – 2018 financial year.
- Continue corporate governance / professional development training for NSWALC staff, including strategic decision-making;
- Review the Organisational Establishment structure to ensure staffing resources are aligned to deliver the strategic priorities;
- Identify strategies to improve service delivery of P & W functions;
- Review employee benefits, remuneration levels, conditions of employment and implement approved employment actions;

Recruitment

During the reporting period 35 recruiting assignments were filled, with five coming from internal expressions of interest. Of these 35 recruits five were for temporary positions, two were for fixed term positions, one was for an acting position and the other 27 were for permanent positions.

Organisation and Establishment Structure

The NSWALC Council approved the most recent organisation chart on 8 February 2017. The organisational structure will be reviewed in the next reporting year to realign with the new Strategic Plan.

NSWALC STRUCTURE

The NSWALC structure at the end of the last reporting period had four business service groups:

- Zones;
- Policy and Programs;
- Corporate Services; and
- Finance, Investments and Governance.

Zones, Policy and Programs and Corporate Services reported to the Deputy CEO (DCEO).

Finance, Investments and Governance and the DCEO reported to CEO.

Policy and Programs comprised three Units:

- Policy and Programs;
- Land and Property; and
- Economic Development.

Corporate Services comprised four Units:

- Legal Services;
- Media and Communications;
- Information Communications Technology; and
- People and Workplace;

Finance, Investments and Governance comprised:

- Finance;
- Investment; and

PEOPLE AND WORKPLACE UNIT (P & W)

The People and Workplace (P & W) Unit provides generalist human resources, payroll, work health and safety and learning and development expertise for NSWALC. The Manager People and Workplace is supported by five staff members with the following functions and responsibilities:

- Payroll
- Generalist Human Resources
- Learning and Development
- Records and Fleet

The Operational Business Plan of the P & W Unit is linked to the Strategic goals of NSWALC. Objectives relevant to the work of the P & W Unit in the last reporting period are

- Governance

By the end of 2016-17 all zones had completed their recruitment for the new zone structures which commenced at the end of last reporting year.

The members of the Executive comprised:-

- CEO;
- DCEO;
- Executive Director of Policy and Programs;
- Executive Director of Finance, Investments and Governance; and
- Executive Director of Corporate Services.

Employment Conditions

NSWALC has in place an Enterprise Agreement (EA) for 67 percent of the workforce. Negotiations for the next EA commenced in March 2016. The NSWALC Enterprise Agreement (EA) 2016 – 2020 was voted in by employees and endorsed by The Fair Work Commission on 1 June 2017.

All managers, the executive and other senior staff are employed under common law contracts.

Payroll and Salaries

Throughout 2016-17, NSWALC continued with a phased roll out of the PayGlobal payroll and employee self service functionality.

Staff continue to be trained in Electronic Self Service Kiosk as new employees commence or as enhancements are added to the kiosk.

The new application also enables managers and employees to electronically submit and approve leave applications, track enquiries, leave balances and salary changes and view employee attendance.

During 2016-17, NSWALC passed on salary entitlement increases determined under the NSWALC Enterprise Agreement, Senior Manager Salary Framework (SMSF) and the Statutory and Other Officers Remuneration Tribunal (SOORT). Comparative forecast and actual staff salary projection schedules were also prepared during the year for inclusion into the Budget process for the current financial year and forward years.

Workplace Health and Safety (WH&S)

The main focus of NSWALC's WH&S activities in 2016-17 involved:

- Completing and updating hazard reporting and inspections for all Zone and Head offices;
- First aid training offered to all staff; and
- A revision of WH&S policies and procedures.

As required by Workplace Health and Safety legislation nominations were called for a new WH&S Committee in June 2016. The new committee meets quarterly and other

regular committee meetings take place as required along with inspections and repairs.

The new committee went through the relevant Workplace Health and Safety committee training in this reporting period.

Policy Review

Following the appointment of a new P&W Unit Manager, a number of P&W policies are being reviewed with priority given to policies concerning governance and risk. These policies include Travel, Motor Vehicle and Performance Planning Framework.

Traineeships/Internships/Work Experience

NSWALC continues to engage Interns in the Policy and Programs and Legal Services Units. A number of work experience opportunities were also offered during the year at both the Head Office and Zone offices.

Training

NSWALC Training provides learning and development opportunities relevant to the NSWALC's corporate priorities identified in the NSWALC Strategic Plan 2013-17.

The focus of learning and development activities is based on the following:

- Aligning learning and development outcomes with NSWALC's strategic objectives;
- Adopting the right blend of training delivery options;
- Increasing capacity to adopt new technology;
- Increasing efficiencies in processes, resulting in higher productivity; and
- Providing essential training to all staff (e.g. Workplace Health and Safety Training, First Aid/CPR, Cultural Awareness).

NSWALC CAPACITY DEVELOPMENT PLAN

The NSWALC Strategic Plan 2013 – 2017 identified five key priority areas, including Driving Our Economic Development. A particular focus in achieving the organisation's strategic planning initiatives was training to LALCs.

As required under section 107 of the *Aboriginal Land Rights Act 1983* (ALRA), NSWALC Training prepared a Capacity Development Plan encompassing training for NSWALC Councillors, NSWALC Staff and Local Aboriginal Land Councils. This was approved by the Council in September 2013.

A number of Learning and Development initiatives were implemented successfully during 2016-17.

NSWALC STAFF TRAINING

In the reporting period, NSWALC staff members were provided with training in the following areas:

Short Courses

DATE	TRAINING
August 2016	<ul style="list-style-type: none"> Microsoft Outlook
September 2016	<ul style="list-style-type: none"> Microsoft Project
October 2016	<ul style="list-style-type: none"> Resilience Workshop for Aboriginal staff
November 2016	<ul style="list-style-type: none"> Project Management Fundamentals Cultural Awareness
December 2016	<ul style="list-style-type: none"> Staff Development Program for Councillor Support Officers
February 2017	<ul style="list-style-type: none"> Cultural Awareness
April 2017	<ul style="list-style-type: none"> Communication/Negotiation Workplace Health and Safety Training for WHS Committee Members
May 2017	<ul style="list-style-type: none"> First Aid/CPR Refresher Strategic Leadership for Senior Managers Speaking and Presenting
May/June 2017	<ul style="list-style-type: none"> Workplace Health and Safety Training
June 2017	<ul style="list-style-type: none"> Mediation/Workplace Misconduct Written Communication

Attendance

TRAINING	TOTAL	ABORIGINAL	PERCENT	NON ABORIGINAL	PERCENT
Microsoft Outlook	6	2	33%	4	67%
Microsoft Project	6	3	50%	3	50%
Resilience Workshop	20	20	100%	0	0%
Project Management Fundamentals	6	4	67%	2	33%
Cultural Awareness	29	2	7%	26	90%
Staff Development for Councillor Support Officers	6	6	100%	0	0%
Communication/Negotiation	10	3	30%	7	70%
WHS Training for Committee Members	9	5	56%	4	44%
First Aid/CPR Refresher	18	5	28%	13	72%
Strategic Leadership	9	5	56%	4	44%
Speaking and Presenting	11	3	27%	8	73%
WHS Information session	68	29	43%	39	57%
Mediation/Workplace Misconduct	10	7	70%	3	30%
Written Communication	12	5	42%	7	58%

Accredited Training

- Staff members have been enrolled to pursue the following Certificate and Diploma courses:
 - Diploma in Human Resource Management
 - Diploma Leadership and Management
 - Diploma in Business
 - Cert IV in Human Resources

Western and Northern Zone staff have also undertaken an accredited training program in management skills

Public Courses

Staff have also attended public courses and conferences as identified in their Performance Planning.

TRAINING FOR LALCS

Mandatory Governance Training for Local Aboriginal Land Council (LALC) Board Members

As required by section 65 of the ALRA NSWALC has been providing governance training to all the elected Board Members of LALCs. Following a review of the previous governance training package, a new training package was implemented in the previous financial year. This training is being facilitated by NSWALC Zone staff across all nine regions of New South Wales.

In the reporting period, Zones have provided training to 1,000 participants, including 916 LALC Board Members with the rest comprising of LALC CEOs and staff.

LALC Board Members trained in 2016-17

REGION	NUMBER OF BOARD MEMBERS TRAINED
Sydney/Newcastle	98
Western	55
Central	68
North West	119
South Coast	95
Wiradjuri	139
Mid North Coast	83
North Coast	102
Northern	119

Other LALC Training

The increased number of governance training sessions following the LALC Board elections delayed the commencement of other LALC training. However, during the reporting period, a grant writing training program was rolled out for LALC personnel, with over 50 participants attending.

Enhanced Governance Training For LALC Board Members

NSWALC has engaged Tranby Aboriginal College to provide a five day in-house governance training program for selected LALC Board Members. The aim is to provide training to 110 Board members over five years. The third session was held in February 2017, with 15 participants attending.

RECORDS AND FLEET MANAGEMENT

The Records Fleet arm of People and Workplace provides records management and fleet services to the New South Wales Aboriginal Land Council (NSWALC). The primary clients are the business units located at NSWALC's head office. It also regularly assists Zone Offices, Councillors and their support staff. These services include:

1. Best practice acquisition of goods and services for all business units of NSWALC.
2. Compliance with all relevant legislation in respect of the following organisational functions:
 - a) Financial reporting (tendering and contracting);
 - b) Procurement and distribution of material and services;
 - c) Records-keeping and reporting requirements; and
 - d) Responses to requests for the disclosure of information.
3. Compliance with the relevant organisational policies and procedures in respect of the following activities:
 - a) Provision and maintenance of the NSWALC Fleet; and
 - b) Records keeping.

Record and Fleet Management ensures that NSWALC remains compliant with the following primary legislation:

- *Aboriginal Land Rights Act 1983* (ALRA)
- *NSW State Records Act 1998*
- *Privacy and Personal Information Protection Act 1988*
- *Government Information (Public Access) Act 2009* (GIPA)

CHANGES TO THE STRUCTURE OF THE UNIT

During the 2016-17 reporting period, staff worked to merge the Records and Administration Unit (RAU) with P&W.

During the reporting period, the information pertaining to record management activities are as follows:

Individual Documents registered in the TRIM system	24,905
Files Created to hold specific records	2 707
Boxes archived	184

Fleet Management

Fleet management maintains fleet vehicles provided to Councillors, executive staff and Zone Offices. This includes monitoring the usage of the vehicle and associated costs, and ensuring that vehicles are replaced in a timely and cost effective manner.

Mail

The Records Management team supports the previous RAU functions by collection and processing of incoming mail to NSWALC. All items, are processed on the same day as their lodgement within the Unit.

Significant outgoing mail costs such as bulk mailouts of material to the Local Aboriginal Land Council network are managed by regular consultation with the responsible business units.

By engaging in regular consultation the records management staff are able to tailor the mailouts with use of specific mail products such as registered post and express post wherever possible.

Further information relating to requirements under the Annual Reports (Statutory Bodies) Act 1984 and Annual Reports (Statutory Bodies) Regulation 2010 is contained in this section.

Obligations under the Government Information (Public Access) Act 2009

1. Review of Proactive Release Program - Clause 7(a)

NSWALC has undertaken an assessment of current policies and procedures which can be made publicly available. The NSWALC Right to Information Policy and the Agency Information Guide have also been reviewed.

2. Number of Access Applications Received – Clause 7(b)

NSWALC did not receive a formal request during the reporting period.

One application received during the previous reporting period was finalised in this reporting period.

An informal request was also received for the information contained in the above application and that information was released.

3. Number of Refused Applications for Schedule 1 Information – Clause 7(c)

NSWALC did not receive a formal request during the reporting period.

4. Statistical Information about Access Applications – Clause 7(d) and Schedule 2

TABLE A: NUMBER OF APPLICATIONS BY TYPE OF APPLICANT AND OUTCOME*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	1	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table

TABLE B: NUMBER OF APPLICATIONS BY TYPE OF APPLICATION AND OUTCOME

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

The total number of decisions in Table B should be the same as Table A.

TABLE C: INVALID APPLICATIONS

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

TABLE D: CONCLUSIVE PRESUMPTION OF OVERRIDING PUBLIC INTEREST AGAINST DISCLOSURE: MATTERS LISTED IN SCHEDULE 1 OF THE ACT

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

TABLE E: OTHER PUBLIC INTEREST CONSIDERATIONS AGAINST DISCLOSURE: MATTERS LISTED IN TABLE TO SECTION 14 OF THE ACT

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

TABLE F: TIMELINESS

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	0

**TABLE G: NUMBER OF APPLICATIONS REVIEWED UNDER PART 5 OF THE ACT
(BY TYPE OF REVIEW AND OUTCOME)**

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made.

TABLE H: APPLICATIONS FOR REVIEW UNDER PART 5 OF THE ACT (BY TYPE OF APPLICANT)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Obligations under the *Public Interest Disclosures Act 1994* (the PID Act)

The PID Act sets out the system under which people working within the NSW public sector (including individuals who are engaged as contractors), can make complaints about the functioning of the public sector in a way that minimises the risk of reprisal.

The NSWALC received no PID complaints during the current reporting period.

During the year there were continuing discussions with the Ombudsman's Office on methods of improving and enhancing reporting by LALCs on PID complaints. The rate of reporting by LALCs has improved considerably.

COUNCILLOR MEETING ATTENDANCE

SUMMARY OF COUNCILLOR ATTENDANCE AT BOARD METINGS, WORKSHOPS AND TRAINING AS REQUIRED BY LEGISLATION FROM 1 JULY 2016 TO 30 JUNE 2017

Key:	LOA Medical	LOA Sorry Business	LOA Regional Business	LOA Representing NSWALC / Absent W/out Leave/Teleconference Unable to connect									
2016/2017 FINANCIAL YEAR ATTENDANCES AT COUNCIL MEETINGS													
Meeting	No Meeting Days	Start Date	Cr Ah-See	Cr Lynch	Cr Cromelin	Cr Dennis	Cr Chapman	Cr Murray	Cr Ryan	Cr, Smith	Cr, Williams	Total	Comments
336th Council Meeting	3	12-Jul-16	1	0	0	1	1	1	1	1	1	7	Cr Cromelin and Cr Lynch-LOA Overseas
337th Council Meeting	2	9-Aug-16	1	1	1	1	1	1	1	1	1	9	
338th Council Meeting	1	20-Sep-16	1	1	1	0	1	0	1	1	1	7	Cnr's Dennis and Murray -Teleconference unable to connect
339th Council Meeting	2	11-Oct-16	1	1	1	1	1	1	1	1	1	9	
340th Council Meeting	1	3-Nov-16	1	1	1	1	0	1	1	1	1	8	Cr Chapman-LOA Regional Business
341st Council Meeting	2	13-Dec-16	1	1	1	1	1	1	1	1	1	9	
342nd Council Meeting	2	7-Feb-17	1	1	1	1	1	1	1	1	1	9	
343rd Council Meeting	2	21-Mar-17	1	1	1	1	1	1	1	1	1	9	
344th Council Meeting	1	20-Apr-17	1	1	1	1	1	1	1	1	1	9	
345th Council Meeting	2	10-May-17	1	1	1	1	1	1	1	1	1	9	
346th Council Meeting	1	29-May-17	1	1	1	1	0	1	1	1	1	8	Cr Chapman-LOA Medical
347th Council Meeting	1	15-Jun-17	1	1	1	1	1	1	1	1	1	9	
Total attendances for Council Meetings			12	11	11	11	10	11	12	12	12		

SUMMARY OF COUNCILLOR ATTENDANCE AT BOARD METINGS, WORKSHOPS AND TRAINING AS REQUIRED BY LEGISLATION FROM 1 JULY 2016 TO 30 JUNE 2017

Key:	LOA Medical	LOA Sorry Business	LOA Regional Business	LOA Representing NSWALC / Absent W'out Leave/Teleconference Unable to connect									
Meeting	No Meeting Days	Start Date	Cr Ah-See	Cr Lynch	Cr Cromelin	Cr Dennis	Cr Chapman	Cr Murray	Cr Ryan	Cr, Smith	Cr, Williams	Total	Comments
2016/2017 FINANCIAL YEAR ATTENDANCES AT COUNCIL WORKSHOPS/TRAINING													
Workshop (Training)	1	11-Jul-16	1	0	0	1	1	1	1	1	1	7	Cr Cromelin and Cr Lynch-LOA Overseas
Workshop	2	19-Jul-16	1	1	1	1	1	1	1	1	1	9	
Workshop	2	23-Aug-16	1	1	1	0	0	0	0	1	1	5	Cr Dennis-LOA Overseas, Cr Chapman-LOA Sorry Business, Cr Murray-LOA Medical, Cr Ryan-LOA
Workshop	2	13-Sep-16	1	1	1	1	1	1	1	1	1	9	
Workshop	3	15-Nov-16	1	1	1	1	1	1	0	1	1	8	"Cr Lynch-LOA
Workshop	1	12-Dec-16	1	1	1	1	1	1	1	1	1	9	
Workshop	1	25-Jan-17	1	1	1	1	0	1	0	1	0	6	Cr Chapman and Ryan-LOA Medical, Cr Williams-LOA
Workshop	1	6-Feb-17	1	1	1	1	1	1	1	1	1	9	
Workshop	3	4-Apr-17	0	1	1	1	1	0	1	1	1	7	Cr Ah-See-LOA, Cr Murray-LOA Regional Business
Workshop	1	19-Apr-17	1	1	1	1	1	1	1	1	1	9	
Workshop	2	9-May-17	1	1	0	1	1	1	1	1	0	7	Cr Cromelin-LOA, Cr Williams-LOA Medical
Workshop (Training)	1	30-May-17	1	1	1	0	0	1	1	1	1	7	Cr Chapman-LOA Medical, Cr Dennis-LOA
Workshop	3	13-Jun-17	1	1	1	1	1	1	1	1	1	9	
Total attendances for Workshops			12	12	11	11	10	11	10	13	11		

COUNCILLOR TRAVEL EXPENSES

COUNCILLOR TRAVEL EXPENSES FY 2016-17							
Councillor Name	Direct Travel Expenses			Accommodation and Meals Allowance			Total
	Regional	For NSWALC	Total	Regional	For NSWALC	Total	
S Ryan	281.25	186.52	467.77	1,503.00	19,542.25	21,045.25	21,513.02
P Smith (Audit and Risk Ctee) (Governance Ctee) (Investment Ctee)	497.48	2,065.01	2,562.49	14,613.11	37,415.65	52,028.76	54,591.25
A Dennis (Deputy Chairperson)	451.27	2,165.96	2,617.23	4,975.21	32,081.65	37,056.86	39,674.09
C Lynch (Audit and Risk Ctee) (Finance Ctee)	393.31	4,332.33	4,725.64	3,964.45	21,580.11	25,544.56	30,270.20
D Chapman (Economic Development Advisory Ctee)	2,395.05	5,601.58	7,996.63	13,637.15	33,015.64	46,652.79	54,649.42
R Ah-See (Chairperson)	1,518.23	7,164.71	8,682.94	413.80	43,655.03	44,068.83	52,751.77
W Murray (Investment Ctee) (Finance Ctee)	228.93	4,488.59	4,717.52	20,911.57	33,816.48	54,728.05	59,445.57
C Cromelin	2,766.48	3,149.89	5,916.37	17,230.76	30,159.80	47,390.56	53,306.93
T Williams (Governance Ctee) (Economic Development Advisory Ctee)	2,010.11	3,308.60	5,318.71	2,533.00	25,901.35	28,434.35	33,753.06
Total	10,542.11	32,463.19	43,005.30	79,782.05	277,167.96	356,950.01	399,955.31

DIRECT TRAVEL INCLUDES FLIGHTS, CAR PARKING FEES AND TAXIS

NSWALC travel is undertaken by a Councillor in relation to his or her role as a member of the governing body of NSWALC - for Council meetings, Advisory Committee meetings and other meetings to represent the organisation.

Regional travel is undertaken by a Councillor in relation to his or her Zone representation.

OVERSEAS VISITS

The following overseas visits were undertaken by Councillors and staff in the financial year 2016-2017:

11-15 July 2016 - Cr Charles Lynch, Cr Craig Cromelin, Clare McHugh (Executive Director, Corporate Services) and Haylee Davis (Manager, Policy and Programs) attended the Ninth session of the Expert Mechanism on the Rights of Indigenous Peoples in Geneva, Switzerland.

23-25 August 2016 - The Deputy Chairperson, Cr Anne Dennis attended the World Indigenous Business Forum in Saskatoon, Canada.

24 April - 5 May 2017 - The Chairperson, Cr Roy Ah-See, the Deputy Chairperson, Cr Anne Dennis, Haylee Davis (Manager, Policy and Programs) and Lisa Cavin (Executive Officer to the Chairperson) attended the United Nations Permanent Forum on Indigenous Issues in New York, the United States of America.

PRIVACY AND PERSONAL INFORMATION PROTECTION

NSWALC has a number of practices in place to comply with the Privacy and Personal Information Protection Act 1998 (PPIPA). The People and Workplace Unit keeps all confidential personal information on a separate drive only accessible to staff members from that Unit. Similarly, personal information with a heightened level of confidentiality is kept on a drive only accessible by the Manager. Physical files are kept in a locked cupboard. Payroll information is kept securely and is regularly audited. Any information requested by a third party is only disclosed with the consent of the person to which the information relates.

CONSULTANTS

CONSULTANTS FEES 2016-17

Name of Consultants	Projects (\$50,000 & Above)	\$
Mercer Investment (Aust) Limited	Consulting for NSWALC Investments	337,580
Watermark Search International Pty Ltd	Consulting for CEO Recruitment	57,267
Total Amounts Paid > & = \$50,000		394,847

NO. OF PROJECTS (BELOW \$50,000)

Recruitment services	5	
Information Technology	4	
Business Development	4	
Government Relations	2	
Investment services	1	
Total Number Of Projects (Below \$50,000)	16	216,601
Total All Consultant Fees		611,449

GRANTS

GRANTS PAID - 2016-2017

MAJOR GRANTS (> \$5,000 / EACH)

Payee	Description	Amount
Discretionary (Thungutti, Nambucca Head, Unkya, Kempsey, Forster, Karuah, Bowraville, Purfleet/Taree LALCs)	Distribution of net proceeds of Sale - 54 Belgrave Street, Kempsey (\$40,786.94 Each LALC & Total 8 payments)	326,296
NSWALC Community Fund Account	NSWALC share to ComFund account for levies received from OSR	121,675
Redfern All Blacks Rugby League Football Club Incorporated	RAB Aboriginal Rugby League Knockout 2016	75,000
Discretionary (Metropolitan, Nungaroo, Tamworth, Cummeragunja LALCs)	Land Negotiation Program Fund	74,545
Bahtabah LALC	Elders Olympics 2017	35,000
NAISDA Limited	Grant for the 2016 NAISDA 40th Anniversary	25,000
Saltwater Freshwater Arts Alliance	Saltwater Freshwater Festival 2017	25,000
Wreck Bay Sharks Football Club Incorporated	Grant for the 2016 National Indigenous Football Championships	17,000
Tamworth LALC	Grant for the 2017 Aboriginal Cultural Showcase	15,000
Gadigal Information Service Aboriginal Corporation	Grant for Yabun Festival 2017	10,000
Total Major Grants	25	724,516

MINOR GRANTS (<= \$5,000 / EACH)

Payee	Description	Amount
Funeral Grants	Funeral Payment for Members & Non-members	646,995
Discretionary (91 LALCs)	Culture and heritage grants (\$2500 each LALC & Total 91 Payments)	227,500
Discretionary (Councillors)	Various - 126 Grants	73,015
Discretionary (Saltwater Freshwater Arts Alliance)	Saltwater Freshwater Festival 2015	5,000
Discretionary (Combined Countries)	Survival 9's Event	5,000
Total Minor Grants	622	957,510
Total Minor Grants	632	835,026

SUMMARY TOTAL OF GRANTS

Category	Number of Individual Paid Unit	Amount
Funeral Grants	403	646,995
Culture and heritage grants (91 LALCs)	91	227,500
NSWALC Community Fund Account	6	121,675
Discretionary Grants	140	483,856
Redfern All Blacks Rugby League Football Club Incorporated	1	75,000
Community Sponsorships	6	127,000
Total All Grants Paid	647	1,682,026

HUMAN RESOURCES

CATEGORY	% OF TOTAL STAFF				
	2012/13	2013/14	2014/15	2015/16	2016/17
Senior Managers Framework	22	20.5%	24%	22.5%	25.2 %
Salary Group 8 Year 1 to Group 13 Year 3	51.5%	53 %	51.5%	54.0 %	53%
Salary Group 1 Year 1 to Group 7 Year 3	19.5%	19%	16.5%	15.5%	14.3%
Councillors	7%	7.5 %	8%	8.0%	7.5%

There were no exceptional movements in wages, salaries or allowances as the movements within NSWALC were in accordance with the Enterprise Agreement, Senior Manager Salary Framework and yearly review of Allowances as determined by the Taxation Office.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

Statistical Information on EEO Target Groups

Table 1. Trends in the Representation of EEO Target Groups in %

EEO GROUP	% OF TOTAL STAFF ¹					
	Benchmark or Target	2012/13	2013/14	2014/15	2015/16	2016/17
Women	50%	49.0%	51.5%	52.0%	52.0%	50.0%
Aboriginal people and Torres Strait Islanders	26%	52.0%	46.5%	48.0%	45.0%	48.0%
People whose first language was not English	19%	16.0%	27.0%	28.5%	24.0%	23.5%
People with a disability	N/A%	14.0%	14.0%	14.0%	13.5%	12.0%
People with a disability requiring work-related adjustment	1.1% (2011) 1.3% (2012) 1.5% (2013)+	3.0%	2.5%	3.0%	3.0%	2.5%

Table 2. Trends in the Distribution of EEO Target Groups

EEO TARGET GROUP			DISTRIBUTION INDEX ²			
	Benchmark or Target	2011/12	2012/13	2013/14	2014/15	2015/ 16
Women	100	73	73	74	78	78
Aboriginal people and Torres Strait Islanders	100	81	77	79	80	78.9
People whose first language was not English	100	62	79	84	85	78.5
People with a disability	100	83	88	87	87	86
People with a disability requiring work-related adjustment	100	100	100	100	100	100

¹ Excludes casual staff

² A Distribution Index of 100 indicates that the centre of the distribution of the EEO groups across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. A distribution index based on an EEO based survey response rate of less than 80% may not be completely accurate.

WORKERS COMPENSATION AND REHABILITATION 2016-2017

WORK RELATED INJURY & ILLNESS	
Number reported	4
Nature of Accidents	
Slips, Trips & Falls	2
Mental Health (anxiety, stress)	0
Cuts/Scratches	1
Motor Vehicle Accident	0
Ergonomics/Overuse	0
Sprain/Strain	0
Manual Handling	1
Bites	0
Sickness	0
Total	4

WHERE INJURIES OCCURRED	
At the Workplace	2
On the journey to/from work	2
At work away from the normal workplace	0
Total	4

WORKERS COMPENSATION CLAIMS	
Claims brought forward from 2014-15	0
New claims this period	0
Total	0
Claims status at 30.6.17	
Claims finalised	0
Claims declined/under investigation	0
Liability accepted & claim continuing	0
Provisional Liability	0
Total	0
Open claims carried forward to 2015-16	0

REHABILITATION	
Cases brought forward from 2015-16	0
New claims this period	0
Total	0
Cases completed	0
Cases continuing & carrying forward to 2017-18	0
Total	0

REMUNERATION OF COUNCILLORS

Under Section 161 of the ALRA, NSWALC is obliged to publish the total remuneration (including travelling expenses) paid to each Councillor by the organisation during the reporting period. Councillor salaries are determined by the Statutory and Other Offices Remuneration Tribunal as part of its Public Office Holders Group. The rate of travelling allowances is determined by the Minister for Aboriginal Affairs.

The Tribunal first determined base salaries of Councillors in 2007 with an additional loading of ten per cent to be paid to the Chairperson and a loading of five per cent to be paid to the Deputy Chairperson. This was in recognition of the additional responsibilities they would carry following amendments to the ALRA abolishing the previous positions of Chairperson, Secretary and Treasurer.

Section 13 of the Statutory and Other Offices Remuneration Act 1975 requires the Tribunal to make a determination of the remuneration paid to office holders on and from 1 July each year. The base annual salary of a member of NSWALC prior to this increase was \$135,910. This new Determination set the base annual salary of a member of NSWALC at \$139,310 with consequential increases for the Chairperson (10%) and Deputy Chairperson (5%).

PERFORMANCE AND NUMBER OF EXECUTIVE OFFICERS

Executive Positions	CURRENT YEAR			PRIOR YEAR		
	No	Male	Female	No	Male	Female
SES 5	1	1		1	1	
SES 5 equivalent						
SES 4						
SES 4 equivalent						
SES 3	1	1		1	1	
SES 3 equivalent	1	1				
SES 2				1	1	
SES 2 equivalent	2	1	1	1	1	
SES 1						
SES 1 equivalent				2		2

Major policies/programs and their outcomes during the reporting period accounting for planned outcomes set in the previous year

NSWALC adheres to Anti-discrimination and Equal Employment Opportunity and Diversity legislation that requires employers to provide a discrimination free workplace for their employees, and is central to the development of equitable employment practices.

NSWALC has developed a recruitment policy that incorporates Equal Employment Opportunity, in that staff are employed, trained, promoted and paid according to their merit rather than on the basis of their gender, race, ethnicity, disability, marital status, age or sexual preference; demonstrating NSWALC's commitment to EEO principles.

Training and Development initiatives by NSWALC and external organisations are widely advertised both within Head Office and Zones, where appropriate, to ensure that all target groups are given equal opportunity to attend. This is to ensure that information is distributed to all possible participants and to actively encourage diversity target group members to attend.

There are a number of activities conducted by diversity target group networks and units, both within and outside NSWALC, for example, Spokeswomen's Network, Aboriginal Employees Network, Women's Action Groups. These are communicated to all the target groups within NSWALC.

The organisation provides its services throughout NSW through its regional Zone Offices and resources from its Parramatta Head Office. Our clients and stakeholders have fair and equitable opportunity to access our services, and our offices are designed to enhance this. We also provide access to our publications online.

WORKFORCE DIVERSITY STRATEGIES

NSWALC has continued to update its Human Resources Information System (HRIS) to better capture information to assist them with developing policy and programs such as an EEO and diversity policy, a transition to retirement program, more flexible work practices and management training on motivating the different generations working at NSWALC.

ABORIGINAL EMPLOYMENT PLAN (AEP)

In the 2013-14 reporting period, NSWALC began implementing its Aboriginal Employment Plan (AEP). An Aboriginal Employment Committee was established and the senior roles of three Executive Directors and five Zone Directors were made Aboriginal identified positions from the time that new vacancies occur in these positions.

The NSWALC Aboriginal Employment Plan (AEP) 2014-2017 is due to be reviewed in the next reporting year (August 2017). In April 2017 NSWALC successfully applied to the Anti-Discrimination Board to seek an exemption from the Anti-Discrimination Act 1977 (NSW) for five years to assist NSWALC to increase the proportion of identified Aboriginal manager positions to 65 percent.

During this reporting year Aboriginal employment has increased by three percent.

SENIOR STAFF AND EXECUTIVE REMUNERATION

EXECUTIVE POSITIONS	2013-14	2014-15	2015-16	2016-17
SES 5 or equivalent			\$312,268	\$320,075
SES 4 or equivalent	\$258,000.00	\$286,100.00		
SES 3 or equivalent	\$208,500.00	\$241,372.00	\$248,256	\$248,749
SES 2 or equivalent	\$194,467.00	\$210,527.00	\$224,892	\$213,377
SES 1 or equivalent		\$180,486.00	\$174,299	

PERCENTAGE OF TOTAL EMPLOYEE-RELATED EXPENDITURE ON SENIOR STAFF AND EXECUTIVE

2013-14	2014-15	2015-16	2016-2017
5.89 percent	9.9 percent	9.5 percent	7.1 percent

BUDGETS

The NSWALC Budget for 2017-2018, as initially prepared together with the outcomes as at year end 2016-2017 is set out below:

BUDGET FY 2016-17	
	Main Budget FY 2015-16 \$'000
INTEREST INCOME	85
INVESTMENT INCOME	47,383
RENTAL INCOME	1,425
SUNDRY INCOME	100
TOTAL INCOME	48,993
PAYMENT AS PER THE REQUIREMENT OF ALRA	(700)
CONTRACTUAL COMMITMENT BY NSWALC FOR COMMUNITY DEVELOPMENT	(2,000)
ALLOCATED TO NETWORK AND COMMUNITY	(19,156)
FIXED & VARIABLE EXPENSES FOR COUNCILLORS	(2,925)
ADMINISTRATIVE EXPENSES	(18,287)
LAND CLAIM EXPENSES FOR NETWORK	(1,050)
NSWALC COMMERCIAL PROPERTIES	(760)
NON CASH EXPENSES	(2,548)
TOTAL OPERATING COSTS	(47,426)
OPERATING SURPLUS	1,567

An outline of the budget for 2018-19 as endorsed by the NSWALC Council and the Minister for Aboriginal Affairs is as follows:

BUDGET FY 2016-17	
	Budget FY 2016-17 \$'000
INTEREST INCOME	132
INVESTMENT INCOME	48,688
RENTAL INCOME	2,379
SUNDRY INCOME	100
REVENUE FROM CDL	5,200
REVERSAL OF PRIOR YEARS CDL LIABILITIES	3,500
TOTAL INCOME	59,999
NETWORK & COMMUNITY	(25,196)
STAKEHOLDER RELATIONSHIP & COMMUNICATION EXPENSES	(816)
COUNCILLORS EXPENSES	(3,099)
ADMINISTRATION EXPENSES	(19,856)
NSWALC INVESTMENTS & BUSINESS ACTIVITIES	(2,122)
NON CASH EXPENSES	(3,735)
TOTAL OPERATING COSTS	(54,823)
OPERATING SURPLUS	5,176

INSURANCE

A summary of NSWALC's insurance cover is set out below:

INSURANCE COMPANY	POLICY	SUM INSURED \$'000
Allianz	Industrial Special Risks	40,000
Allianz	Special Risks	35,000
Allianz	Motor Vehicle	Market Value
Allianz	Public/Products Liability	50,000
QBE	Umbrella Liability	50,000
Lloyds	Directors & Officers	20,000
AIG	Personal Accident	1,000
AIG	Journey Accident	500
AIG	Corporate Travel	4,000
AIG	Voluntary Workers	500
AIG	Media Liability	5,000

FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

New South Wales Aboriginal Land Council

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of New South Wales Aboriginal Land Council (NSWALC), which comprise the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the NSWALC and the consolidated entity. The consolidated entity comprises NSWALC and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- give a true and fair view of the financial position of NSWALC and the consolidated entity as at 30 June 2017, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of NSWALC and the consolidated entity in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have also fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament further promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

The Councillors' Responsibility for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the Councillors 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 Councillors must assess the ability of NSWALC and the consolidated entity to continue as a going concern except where operations will be dissolved by an Act of Parliament or otherwise cease. The assessment must, disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that NSWALC or the consolidated entity carried out their activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Karen Taylor
Director, Financial Audit Services

20 October 2017
SYDNEY

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

YEAR ENDED 30 JUNE 2017

STATEMENT BY THE COUNCILLORS

Pursuant to Section 41C of the Public Finance and Audit Act 1983, we state that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the New South Wales Aboriginal Land Council as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards and interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions.
2. At the date of this statement, there are reasonable grounds to believe that the New South Wales Aboriginal Land Council will be able to pay its debts as and when they fall due.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Roy Ah-See
Chairperson



Charles Lynch
Councillor

Date: 19 / 10 / 2017

NEW SOUTH WALES ABORIGINAL LAND COUNCIL CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
	Notes	<u>\$'000</u>	<u>\$'000</u>
REVENUE			
Investment Revenue	7	41,541	29,482
Grants and Contributions	8	746	1,991
Rental Income		1,669	1,355
Other Revenue	9	957	973
Total Revenue		44,913	33,801
EXPENSES EXCLUDING LOSSES			
Employee Related Expenses	12	15,116	14,297
Depreciation	24	670	641
Amortisation	25	109	106
Doubtful Debts and Debt Write Off	19(c)	536	2,431
Funding to LALCs	13	16,186	15,799
Grants	14	1,749	4,314
Impairment for Incidental Assets	23(b) & 36(a)	-	266
Share of Net (Profit)/Loss of Associates and Joint Ventures Accounted for Using the Equity Method	36	158	189
Legal Expenses		815	812
Election Costs		-	772
Other Operating Expenses	15	6,112	6,225
Program Expenses	16	2,096	2,291
Total Expenses Excluding Losses		43,547	48,143
Gain / (Loss) on Disposal of Property, Plant and Equipment	10	57	274
Other Gains / (Losses)	11	17,144	(27,961)
NET RESULT		18,567	(42,029)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Net Result			
Actuarial Gain/(Loss) on Defined Benefit Superannuation		237	(292)
Net Increment on Revaluation	24 & 26	4,180	3,771
Total Other Comprehensive Income		4,417	3,479
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE YEAR		22,984	(38,550)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

		2017	2016
ASSETS	Notes	<u>\$'000</u>	<u>\$'000</u>
Current Assets			
Cash and Cash Equivalents	17	8,650	9,159
Restricted Assets	18	2,815	3,748
Receivables	19	2,105	2,044
Financial Assets at Fair Value	20	621,788	604,227
Derivatives	21	2,529	-
Other Assets	22	20	18
Other Financial Assets	23(c)	71	70
Assets Held for Sale/Transfer to LALCs		342	342
Total Current Assets		638,320	619,608
Non-Current Assets			
Receivables	19	408	389
Other Financial Assets	23(a)	466	450
Property, Plant and Equipment	24	35,912	32,716
Intangible Assets	25	131	224
Artefacts	26	445	445
Total Non-Current Assets		37,362	34,224
TOTAL ASSETS		675,682	653,832
LIABILITIES			
Current Liabilities			
Payables	28	4,640	5,043
Derivatives	21	-	797
Provisions	29	3,100	2,838
Total Current Liabilities		7,740	8,678
Non-Current Liabilities			
Provisions	29	507	703
Total Non-Current Liabilities		507	703
TOTAL LIABILITIES		8,247	9,381
NET ASSETS		667,435	644,451
EQUITY			
Reserves		30,393	27,018
Accumulated Funds		637,042	617,433
TOTAL EQUITY		667,435	644,451

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

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Accumulated Funds \$'000	Revaluation Reserve \$'000	Total \$'000
Balance at 1 July 2016	617,433	27,018	644,451
Net Result for the year	18,567	-	18,567
Other Comprehensive Income:			
Actuarial Gain/(Loss) on Defined Benefit Superannuation	237	-	237
Net Increment on Revaluation of Properties (Note 24)	-	4,180	4,180
Net Increment on Revaluation of Artefacts (Note 26)	-	-	-
Assets Disposed	805	(805)	-
Total Comprehensive Income for the year	19,609	3,375	22,984
Balance at 30 June 2017	637,042	30,393	667,435
Balance at 1 July 2015	657,586	25,415	683,001
Net Result for the year	(42,029)	-	(42,029)
Other Comprehensive Income:			
Actuarial Gain/(Loss) on Defined Benefit Superannuation	(292)	-	(292)
Net Increment on Revaluation of Properties (Note 24)	-	3,960	3,960
Net Increment on Revaluation of Artefacts (Note 26)	-	(189)	(189)
Assets Disposed	2,168	(2,168)	-
Total Comprehensive Income for the year	(40,153)	1,603	(38,550)
Balance at 30 June 2016	617,433	27,018	644,451

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

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

CASH FLOWS FROM OPERATING ACTIVITIES		2017	2016
	Notes	<u>\$'000</u>	<u>\$'000</u>
Receipts			
Sales and Rental Income		1,670	1,358
Interest and Investment Income		122	88
Community Development Levy Received		306	341
Grants and Contributions		747	1,995
Recovery of Rates and Administrators Cost Paid on behalf of LALCs		316	453
GST Received from ATO		2,364	2,357
Other		262	747
Total Receipts		<u>5,787</u>	<u>7,339</u>
Payments			
Employee Related Expenses		(14,888)	(14,031)
Community Development Levy Grants Paid		(760)	(356)
Grants and Subsidies		(1,749)	(1,383)
Funding to LALCs		(16,192)	(15,802)
Rates and Administrators Cost Paid on behalf of LALCs		(673)	(851)
Payment for Goods and Services		(11,648)	(13,661)
Total Payments		<u>(45,910)</u>	<u>(46,084)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	32	<u>(40,123)</u>	<u>(38,745)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Land and Buildings, Plant and Equipment	10	678	501
Proceeds from Sale of Financial Assets		38,324	43,185
Purchases of Property, Plant and Equipment		(62)	(389)
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>38,940</u>	<u>43,297</u>
NET INCREASE/(DECREASE) IN CASH		(1,183)	4,552
Opening Cash and Cash Equivalents		12,648	8,096
CLOSING CASH AND CASH EQUIVALENTS	17 & 18(a)	<u>11,465</u>	<u>12,648</u>

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

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

1. REPORTING ENTITY

New South Wales Aboriginal Land Council (the Council) is a Statutory Body constituted by the *Aboriginal Land Rights Act 1983*. The Council is a not-for-profit entity (as profit is not its principal objective).

The Council, as a reporting entity, comprises the entity under its control that is NSWALC Resources Pty Ltd (Resources P/L). Resources P/L was incorporated on 26 September 2014 and is a wholly-owned subsidiary of the Council (Refer to Note 36 for more information).

The consolidated financial statements for the year ended 30 June 2017 have been authorised for issue by the Council on 19th October 2017.

2. BASIS OF PREPARATION

(a) *Basis of preparation of accounts*

The consolidated financial statements of the Council are general purpose financial statements which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and Treasurer's Directions; and
- the *New South Wales Aboriginal Land Rights Act 1983* and its Regulation.

The consolidated financial statements incorporate the financial information of the Council and Resources P/L. The financial information of the Council as a parent entity has been stated in Note 35.

(b) *Statement of compliance*

The Council complied with the legislative requirements and other authoritative pronouncements stated under the 'Basis of preparation of accounts' throughout the year in the preparation and the final presentation of the Consolidated Financial Statements.

In accordance with the interpretation of the Crown Solicitor regarding S150 of the *Aboriginal Land Rights Act 1983* which was tabled to the Parliament in Volume One of the Auditor-General's Report 19 March 2003, the Council has maintained the minimum required capital value of \$485,340,000 throughout the year.

(c) *Profit status of the Council*

The Council has assessed and formally noted its profit status for the financial year ended 30 June 2017 and determined its status as not-for-profit for financial reporting purposes, which is consistent with the prior year.

(d) *Basis of measurement*

The consolidated financial statements have been prepared on the historical cost basis except for the following material items:

- Financial instruments that are classified as 'at fair value through profit and loss' and 'available for sale investment' are measured at fair value
- Property, plant and equipment are measured at fair value
- The defined benefit asset is measured as the net total of the defined benefit plan assets, plus unrecognised past service cost and unrecognised actuarial losses, less unrecognised actuarial gains and the present value of the defined benefit obligation

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(e) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Council's functional currency.

All amounts are rounded to the nearest one thousand dollars unless otherwise stated.

(f) Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that effect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are included in the following notes:

- Note 3(a)(iii), 3(c)(iii), 3(c)(iv) & 3(c)(vii)
- Note 7 – Investment Revenue
- Note 19 – Receivables
- Note 24 – Property, Plant and Equipment
- Note 25 – Intangible Assets

Information about assumptions and estimations that may result in adjustments in the future financial year is included in the following notes:

- Note 2(b), 3(c)(iv), 3(c)(vii) & 3(d)(ii)
- Note 20 – Financial Assets at Fair Value
- Note 21 – Derivatives
- Note 23 – Other Financial Assets
- Note 29 – Provisions
- Note 34 – Financial Instruments

(g) Changes in accounting policy

In the current year, the Council has reviewed all of the new and revised Accounting Standards and Interpretations that are relevant to its operations and effective for the annual reporting period beginning on 1 July 2016. As a result, the Council has determined that its accounting policies and disclosures in relation to the presentation of these consolidated financial statements are appropriate.

(h) Principles of consolidation

(i) Controlled entities

NSWALC Resources Pty Ltd is a wholly owned subsidiary of the Council and was incorporated on 26 September 2014. NSWALC Resources Pty Ltd was fully consolidated from the date of incorporation. Accounting policies of the company are consistent with that of the Council. Consolidated financial statements were prepared after eliminating all inter entity transactions. The financial year of Resources P/L is the same as the Council's.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(ii) *Joint Venture*

NSWALC Resources Pty Ltd has a joint venture in Paradigm Resources Pty Ltd with Indigenous Energy Resources Pty Ltd each having equal shareholding. The investment in Paradigm Resources Pty Ltd is accounted for in the NSWALC Resources Pty Ltd using the equity method of accounting which is then consolidated with the financial statements of the Council.

(iii) *Equity Method*

Equity method of accounting is one where the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. After application of equity method accounting, the Council determines the fair value of the investment by applying the principles stated in the AASB 139 Financial Instruments: Recognition and Measurement. Any reduction in values is recognised as impairment loss in the consolidated financial statements of the Council.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Council to all periods presented in these consolidated financial statements.

(a) *Revenue recognition*

The Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council, and specific criteria have been met for each of the Council's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction, and the specifics of each arrangement. Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

(i) Contributions

Contributions received (including grants and donations) are recognised as revenue when the Council obtains control over the assets comprising the contributions unless proved otherwise as per the agreement. Control over contributions is normally obtained upon the receipt of cash.

(ii) Sale of goods and services

Revenue from the sale of goods and services is recognised as revenue when the Council transfers the significant risks and rewards of ownership of the assets. It is measured at the fair value of consideration received or receivable, net of returns, trade discounts and volume rebates.

(iii) Investment revenue

Investment revenue comprises of:

- interest income on funds invested;
- dividend income; and
- changes in the fair value of financial assets at fair value through the profit and loss account.

Interest income is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Dividend revenue is recognised in accordance with AASB 118 *Revenue* when the Council's right to receive payment is established. Changes in the fair value of financial assets at fair value through the profit and loss account refer to Note 3 (c) (iv) for details.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(iv) Foreign currency gain and losses

During the year the Council held investments denominated in foreign currencies and transitional funds held in foreign currency as a result of moving funds between fund managers. Transactions in foreign currencies are translated to Australian dollar at exchange rates at the dates of the transactions. Monetary assets denominated in foreign currencies at the reporting date are converted to the functional currency at the exchange rate at balance date. Foreign currency differences arising on conversion are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Foreign currency gains and losses are reported on a net basis.

(v) Rental income

Rental income is included in other income in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Rental income is recognised with AASB 117 *Leases* on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

(vi) Land claims

The Council claims land under the *Aboriginal Land Rights Act 1983*. Land claimed from State or Commonwealth government is valued at fair value, recognised as income and capitalised as land asset.

(vii) Other revenue

Other revenue is recognised in profit and loss when the right to receive the revenue has been established.

(b) Expenses

All expenses incurred on an accrual basis are recognised as expenditure for the year to the extent that the Council has benefited by receiving goods or services and the expenditure can be reliably measured.

(i) Employee expenses

Employee expenses include salaries and wages for the year, workers compensation insurance premium for the year, 9.50% defined contribution incurred for employees under defined contribution scheme and amounts nominated by the fund managers in respect of defined benefit schemes. Annual leave and long service leave expenses are charged as stated in Note 3 (d) (ii).

(ii) Depreciation expenses

Depreciation expenses are charged as stated in Note 3 (c) (vii)

(iii) Maintenance expenses

Maintenance expenses are charged as stated in Note 3 (c) (vii)

(iv) Insurance expenses

The Council holds insurance policies covering property, public liability, workers compensation, Councillors' liability and other contingencies. After analysing the insurable risks, the Council has taken necessary insurance cover against these risks. The premium is determined by the Insurer.

(v) Funding expenses for Local Aboriginal Land Councils

Funding for Local Aboriginal Land Councils (LALCs) is charged to the profit and loss as per the agreed amount of allocation for the year in accordance with the funding agreement. If a LALC is in breach of the

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

statutory requirements, only essential payments are made under assistance agreement. Essential payments are also paid to protect LALC assets or to avoid increasing higher liabilities.

(vi) Expenditure for community benefits

Pursuant to Section 108 of the *Aboriginal Land Rights Act 1983*, the Council incurs expenses for the benefits of aboriginal community. These expenses may be incurred in the form of assets such as shares or loans. In 2012, NSWALC purchased one million shares in Social Enterprise Finance Australia Ltd (SEFA). NSWALC does not have significant influence on SEFA. Hence, the Equity Accounting was not adopted and shares are impaired as at 30 June 2017.

(c) *Assets*

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Council has no bank overdrafts.

(ii) Restricted assets

Restricted assets include cash and cash equivalents and property held by the Council for special projects or as a trustee. These assets cannot be used for operating purposes (Refer to Note 18).

(iii) Receivables

Receivables include other receivables and statutory debts (Refer to Note 5 (a) (ii)).

Other receivables (including loans) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the surplus/ (deficit) for the year when impaired, derecognised or through the amortisation process. An allowance for impairment of receivables is established when there is objective evidence that the Council will not be able to collect all amounts due. Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off.

The Council has a debtor management policy and guidelines to manage and recover statutory debts incurred by the Council on behalf of LALCs. The policy and guidelines established how to assess the recoverability of debts and the amounts to be written-off or waived. The policy has been implemented since the financial year 2010-11 and the movement in the allowance for impairment with the outstanding debt is disclosed in Note 19.

Short-term receivables with no stated interest rate are measured at the original invoice amount as the effect of discounting is immaterial.

(iv) Investments

Investments are initially recognised at fair value plus transaction costs for those investments that are not at fair value through profit or loss. The Council determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

- *Fair value through profit or loss* - The Council subsequently measures investments classified as "held for trading" or designated upon initial recognition at fair value through profit or loss. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

the near term. Gains or losses on these assets are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

- *Held to maturity investments* – Non-derivative financial assets with fixed or determinable payments and fixed maturity that the Council has the positive intention and ability to hold to maturity are classified as “held to maturity”. These investments are measured at amortised cost using the effective interest method. Changes are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income when impaired, derecognised or through the amortisation process.
- *Available for sale investments* - Any residual investments that do not fall into any other category are accounted for as available for sale investments and measured at fair value directly in equity until disposed of or impaired, at which time the cumulative gain or loss previously recognised in equity is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. However, interest calculated using the effective interest method and dividends are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the entity commits itself to purchase or sell the asset. The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the Consolidated Statement of Financial Position date.

- *Fair value hedges*

The Council faces foreign currency exposure from investing in international equities. The Council enters into derivatives to mitigate this exposure. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Any changes in the fair value are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The financial assets and liabilities resulting from the hedging arrangement of the Council are offset with the net amount being reported in the Consolidated Statement of Financial Position. The Council has a current enforceable legal obligation to offset the recognised amounts with the counterparty and settle on a net basis realising the assets and the liabilities simultaneously (Refer to Note 21 for values).

- *Impairment of financial assets*

All financial assets, except those measured at fair value through the profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

- *De-recognition of financial assets and financial liabilities*

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Council transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the Council has not transferred substantially all the risks and rewards, if the entity has not retained control.

Where the Council has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Council’s continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(v) Trust funds

The Council received money in a trustee capacity for the Gumbaynggir Tribal Aboriginal Elders Corporation as set out in Note 33. The Council has no control of the funds and the funds cannot be used for the achievement of the Council's own objectives. The Council performs a custodial role in respect of these funds. Therefore, these funds are not recognised in the consolidated financial statements.

(vi) Other assets

Other assets include superannuation assets and prepayments. Other assets are recognised on a cost basis.

If a surplus exists in the employer's interest in the defined benefit fund, the Council recognises this amount as a superannuation asset and takes advantage of it in the form of a reduction in the required contribution rate on the advice of the Fund's actuary. Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation. The Council recognises this amount as a liability.

(vii) Property, Plant & Equipment

• Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Council. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. deferred payment amount is effectively discounted at an asset-specific rate.

• Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$1,000 (\$1,000 in 2015-2016) and above individually (or forming part of a network costing more than \$1,000) are capitalised.

• Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any social-political restrictions imposed by government. In most cases after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer Note 27 for further information regarding fair value.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for the fair value. The Council reviews the estimated useful lives for major plant and equipment at the end of each annual reporting period. Property is revalued at least every five years or with sufficient regularity to

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

ensure that the carrying amount does not differ materially from its fair value at reporting date. The full revaluation of properties was completed on 30 June 2014 by independent registered valuers who are experienced in the respective regions of properties located. All significant properties are valued on the annual basis by the independent valuer.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued, adjusted to reflect the present condition of the assets, the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except to the extent that it reverses a revaluation decrement for the same asset class previously recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income, in which case the increment is credited to the Statement of Profit or Loss and Other Comprehensive Income to the extent of the decrement previously charged. A decrement in carrying amount arising on the revaluation of property, plant and equipment is charged as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

As a not-for-profit entity, the Council's revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

- **Impairment of Property, Plant and Equipment**

As property, plant and equipment is carried at fair value, impairment can only arise in the rare circumstances where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

- **Depreciation of Property, Plant and Equipment**

Depreciation is provided on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Council.

All material separately identifiable components of assets are depreciated over their respective useful lives.

Land is not a depreciable asset. Certain original artwork and collections have a long useful life. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

The depreciation rates used for each class of depreciable assets for the estimated useful lives are:

<i>Class of Fixed Assets</i>	<i>Depreciation Rate</i>	<i>Useful Life</i>
Land is not depreciated		
Buildings*	3.33% – 5.00%	20 – 30 years
Motor Vehicles	20.00%	5 years
Computer equipment	33.33%	3 years
Other Equipment, Furniture and Fittings	20.00%	5 years

Useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

* Fittings classified as buildings may have varying depreciation rates and useful lives (i.e. 20% Depreciation Rate and 5 years Useful Life).

- Maintenance

Day-to-day servicing costs or maintenance are charged as expenses incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(viii) Artefacts

Artefacts include aboriginal artwork, sculptures carvings and painted rocks. These assets are not depreciated, but are revalued on a regular basis by an independent expert valuer. The valuation of these assets was completed on 30 June 2016. Any change in value is accounted for as explained in Note 26.

(ix) Leased assets

A distinction is made between finance leases which substantially transfer from the lessor to the lessee all the risks and rewards incidental to ownership of the leased assets and operating leases under which the lessor effectively retains all such risks and rewards.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Profit and Loss on a straight-line basis over the lease term.

(x) Intangible assets

The Council recognises intangible assets only if it is probable that future economic benefits will flow to the Council and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the fair value as at the date of acquisition is capitalised in the fixed asset register.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Council's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Council's intangible assets are amortised using the straight line method over a period of three years.

In general, intangible assets are tested for impairment where an indicator of impairment exists.

(d) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Council. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Employee Benefits and Other Provisions

- Salaries and Wages, Annual Leave and On-Costs

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

Liabilities for salaries and wages (including non-monetary benefits) and annual leave that are expected to be due wholly within twelve months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at nominal amount based on the amounts expected to be paid when the liabilities are settled.

Annual leave is not wholly expected to be settled within twelve months and is measured at present value in accordance with AASB 119 *Employee Benefits*. A market yield on 10 year government bonds of 2.51% (1.98% in 2015-2016) was applied to discount long-term annual leave.

The outstanding amounts of workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

- Long Service Leave and Superannuation

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 17-07 *Accounting for Superannuation* and NSWTC 15-09 *Accounting for Long Service Leave and Annual Leave*) to all employees using current rates of pay. These factors were determined based on approximate present value.

In respect of defined contribution schemes (i.e. Basic Benefit and First State Super), expense is calculated as percentage of the employees' salary. For the defined benefit schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

- Other Provisions

Other provisions exist when the Council has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A make good provision for the lease of the Zone and Councillor Offices is discounted at 1.73%, 1.88% and 2.10% (2, 3 and 5 years Government Bond Rates), which reflects the current market assessment of the time value of money and the risk specific to the liability.

(e) *Incorporation of Local Aboriginal Land Council*

There were no new Local Aboriginal Land Councils incorporated during the financial year (none in 2015 - 2016).

(f) *Transfer of property to Local Aboriginal Land Councils*

During the year ended 30 June 2017, there was no property transferred by NSWALC to Local Aboriginal Land Councils.

Expected sale and transfer of properties within the next twelve months are classified as Properties Held for Sale and Transfer to LALCs under current assets.

(g) *Accounting for the Goods and Services Tax (GST)*

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

- The amount of GST incurred by the Council as a purchaser which is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- Receivables and payables are stated with the amount of GST included.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office are classified as operating cash flows.

(h) *Tax exemptions*

The Council is a Public Benevolent Institution (PBI) under the *Income Tax Assessment Act 1997*. Therefore the Council is exempt from income tax from 1 July 2000. The Council is also exempt from the Payroll Tax under *Payroll Tax Act 2007*.

(i) *Comparative information*

Except when an Australian Accounting Standard permits or requires otherwise, comparative balances were restated to improve clarity and effective presentation of financial statements.

(j) *New Australian Accounting Standards effective for the first time in the current financial year*

- AASB 124 – Related Party Disclosures

(k) *New Australian Accounting Standards issued but not yet effective*

At the date of authorisation of the consolidated financial statements, the Standards and Interpretations listed in Note 38 were issued but not yet effective. NSW Treasury has mandated not to early adopt any of the new Standards / Interpretations through Treasury Circular NSWTC17-04 *Mandates of Options and Major Policy Decisions under Australian Accounting Standards*.

4. DETERMINATION OF FAIR VALUES

A number of accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. The Council categorises, for disclosure purposes, the valuation techniques based on the inputs grouped into three levels of fair value hierarchy as follows:

- Level 1 – quoted prices in active markets for identical assets/liabilities that the Council can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Council recognises transfers between levels of the fair value hierarchy at the end the reporting period during which the change has occurred.

Refer Note 20 and Note 27 for financial assets and non-financial assets at fair value.

(i) *Property, plant and equipment*

The fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(ii) Other receivables

The fair value of other receivables is based on the net realisable value after considering any possible risks of impairment. All other receivables, after impairment, are expected to be received within a short period of time and considered as fair values.

(iii) Trade and other payables

Trade and other payables are expected to be paid within a short period of time and considered as fair values.

When applicable, further information about the assumptions made in determining fair values are disclosed in the notes specific to the asset or liability.

5. FINANCIAL RISK MANAGEMENT

The Council has exposure to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Council's exposure to each of the above risks, their objectives, policies, and processes for measuring and managing risk and their management of capital. Further quantitative disclosures are included through these financial statements.

Risk Management Framework

The Council's principal financial instruments comprise cash, short term deposits and portfolio of investments. The main purpose of these financial instruments is to fund the Council's operations and its future sustainability. The Council has various other financial instruments such as debtors and trade creditors, which arise directly from its operations. The main risks arising from the Council's financial instruments are credit risk, liquidity risk and interest rate risk. The Council reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Credit Risk

Credit risk is the risk of financial loss to the Council if a Council's debtor or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from the financial assets of the Council, including cash, receivables, term deposits and investment in unit trust deposits. In regards to investments in unit trusts, this credit risk is reflected in the unit prices when the underlying securities are marked to market. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment). The Council has not granted any financial guarantees.

(i) Cash

Cash comprises cash on hand and bank balances. Interest is earned on daily bank balances at the monthly average cash rate. It is the Council's practice to deal with banks with the highest ratings. The Council monitors the financial stability of the banks that hold its funds, by reviewing the credit rating of the banks and compliance with the Council's policies.

(ii) Receivables

The Council's exposure to credit risks is influenced mainly by the individual characteristics of each debtor. The Council has statutory debts and other debts.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

- *Statutory debts*

The Council incurred significant expenses as a result of the application of legislation, which are recoverable from Local Aboriginal Land Councils. These debts are grouped as statutory debts and not categorised as financial instruments as per the NSW Treasury Policy and Guideline TPP08-1 *Accounting Policy: Accounting for financial instruments*. The Council assess the collectability of such debts on a case by case basis in accordance with Debtor Management Policy.

- *Other debts*

The Council is exposed to various concentrations of credit risk through other debts receivable from Local Aboriginal Land Councils. These debts were incurred as a result of the payment of minor loans and advances repayable within in a short period of time. Credit risk exposure is reported in the monthly aged analysis report. The Senior Financial Accountant, in conjunction with Zone Directors, is responsible for the collection of debts due from Local Aboriginal Land Councils. The counter party risk that arises from mortgage loans is considered to be not significant. The amounts due were reviewed on an individual basis and provision made for any impairment.

(iii) Investments

The Council limits its exposure to credit risks by investing in banks by direct deposits, equities and in unit trusts with fund managers whose portfolio of investments are within the risk limits disclosed by the fund managers in the offer documents of their trusts. This risk is monitored by the Council's investment consultant. The selection of asset classes into which the Council invests is researched and recommended by the investment consultant. The investment consultant provides a periodic review of all credit risks relating to different asset classes of investment and monitors the value of investments held as per the benchmark stated in the Investment Policy. This research takes into account such matters as counterparty and credit risk. The Council's investments, as disclosed in Note 20, are managed by the Council in conjunction with the investment consultant and are not guaranteed from credit risk.

The Council has placed funds on deposit with a commercial bank with the highest rate for a fixed term. It monitors the financial stability of the bank to determine any credit risk that might affect the Council by reviewing its Annual Reports and other financial publications. For fixed term deposits, the interest rate payable by the bank is negotiated initially and is fixed for the term of the deposit.

(b) *Liquidity Risk*

Liquidity risk is the risk that the Council will be unable to meet its payment obligations when they fall due. The Council continuously manages the risk through monitoring and planning future cash flows and (maturities planning) to ensure adequate holding of liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of appropriate investment strategies.

The liquidity risk that might arise from various classes of financial assets held by the Council and its management is explained under the credit risk of each class of financial asset.

The only line of credit the Council has is a corporate card facility of \$500,000 with the National Australia Bank.

During current and prior years, there were no defaults or breaches on any amounts payable to creditors. No assets have been pledged as collateral. The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and a current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular (NSWTC11-12 *Payment of Accounts*). If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

is received. NSWTC11-12 allows the Minister to award interest for late payment. No interest was paid during the year.

(c) *Market Risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the income or value of the holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Council's exposures to market risk are as follows:

- Growth: the depth and length of the global economic status, and its impact on the investments held by the Council
- Systematic risk: liquidity and counterparty risks in financial markets
- Lack of Corporate Governance: Universal lack of corporate governance leads to fraud and bankruptcies.

The Council manages its market risk exposure by construction of risk framework that quantifies the risks in the portfolio and the probable outcomes from the portfolio given different events.

(i) *Currency risk*

The Council has direct exposure to foreign currency risk by investing into funds denominated in foreign currencies. In addition, the Council is also exposed to indirect foreign currency risk by the depositing of its funds in international investments by its fund managers. It also has some foreign currency exposure when foreign currency funds are held by the transitional custodian. Investment in foreign currency and foreign currency funds held by the transitional custodian are comprehensively monitored.

The Council has adopted a policy to hedge the risk on currency exposures for its international equity investments by entering into foreign exchange contracts. The Council's Banker, the National Australia Bank, reviews the funds where the Council has international equity investments. They are then benchmarked against the MSCI World ex Australia weightings to determine the currency composition. A decision was endorsed by the Council's Investment Consultant along with the Chief Investment Officer. The Council track its exposure on a daily basis, making the hedge results more transparent.

(ii) *Interest rate risk*

Exposure to interest rate risk arises primarily through the Council's term deposits and fixed income unit trust investment that have marked to market exposure. The Council accounts for any fixed rate financial instruments at fair value through profit or loss. Therefore, for these financial instruments, a change in interest rates would affect the profit and loss and equity. A reasonable possible change of rate provided by investment advisors is used, consistent with current trends in interest rates. This is reviewed quarterly and amended where there is a structural change in the level of interest rate volatility.

The interest rate risk in respect of corporate card facility is considered to be negligible.

(iii) *Other price risk*

Exposure to 'other price risk' primarily arises through investments with fund managers that are held for strategic rather than trading purposes. Investments within the portfolio are managed on an individual basis and all buy and sell decisions are recommended by the Investment Committee for the approval of the Council. The primary goal of the Council's investment strategy is to maximise investment returns within the investment framework approved by the Council in order to meet Council's operating expenses and preserve the funds. Management is assisted by external advisors in this regard. In accordance with this strategy, investments are designated at fair value through the profit and loss because their performance is actively monitored and they are managed on a fair value basis.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(d) Operational Risk

The Council manages its operational risk which mainly affects the Aboriginal community as part of the risk management strategy which includes political, culture and heritage, social, environmental and economic risks. Operational risk is the direct and indirect losses arising from a wide variety of causes associated with the Council's processes, personnel, technology, legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risk arises from all of the Council's operations.

The Council's objective is to manage operational risk so as to balance the avoidance of financial losses and damages to the Council's reputation with overall cost effectiveness and to avoid control procedures to comply with legislative requirements.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management and managers within each business unit. The responsibility is supported by the development of standards, policies and procedures in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and legal requirements
- Documentation of controls and procedures
- Requirements for the periodic reporting to senior management, relevant committees and the Council
- Training and professional development
- Risk mitigation, including insurance where this is effective.

Compliance with established standards, policies and procedures is supported by a program of periodic review undertaken by Internal Audit. The results of the internal audit reviews are discussed with management of the business unit to which they relate, with reports submitted to Senior Management, the Audit and Risk Committee and the Council.

6. CAPITAL MANAGEMENT

As per the legislative requirement, the Council has to maintain its capital value to a minimum of \$485,340,000. The Council monitors its return on investments and operating expenditure to maintain its capital value.

It has developed two key strategies for its capital management:

- a) Strategic Asset Allocation (SAA) - to generate revenue and mitigate risks relate to investments.
- b) Drawdown Rule – as a guide to control operating expenditure.

SAA has been implemented and is closely monitored by the Investment Committee and the Council.

The Drawdown Rule is based on the following key elements:

- Previous drawdown
- Average asset value
- Long term spending rate

This rule was adopted on advice from the Council's former investment advisor, Towers Watson Australia Pty Ltd. The annual expected future draw down is equal to 70% draw down in previous year and 30% of the average asset value in previous year times the long-term spending rate. Therefore, drawdown for expenditure was 6.69% of the investment balance in 2016-17 (7.2% of the investment balance in 2015-16). The annual spending rate per the draw down rule is 4%.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
7. INVESTMENT REVENUE		
Interest	140	107
Dividends	33,896	31,645
Realised Gains/(Losses)	7,505	(2,270)
	<u>41,541</u>	<u>29,482</u>
8. GRANTS AND CONTRIBUTIONS		
Grants from Government and Non-Government Agencies	746	1,991
	<u>746</u>	<u>1,991</u>
9. OTHER REVENUE		
Rural Properties Other Income	-	5
Investment Managers Fees Rebates	668	615
Movement in Impairment (Note 19 (c) and 23 (b))	74	24
Legal Expenses Recovered	19	8
Other	196	321
	<u>957</u>	<u>973</u>

10. GAIN/(LOSS) ON DISPOSAL/WRITE OFF OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Intangible Assets	Plant and Equipment	Land and Building	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
2017				
Proceeds from Disposal	-	1	677	678
Written Down Value of Assets Disposed	-	(1)	(620)	(621)
Net Gain/(Loss) on Disposal and Write Off	-	-	57	57
2016				
Proceeds from Disposal	-	1	500	501
Written Down Value of Assets Disposed	-	(2)	(225)	(227)
Net Gain/(Loss) on Disposal and Write Off	-	(1)	275	274

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
11. OTHER GAINS/(LOSSES)		
CHANGES IN FAIR VALUE OF INVESTMENTS		
Net change in fair value of Hedge Instrument	2,529	(798)
Net change in fair value of Financial Assets classified as held for trading	14,615	(27,163)
	<u>17,144</u>	<u>(27,961)</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
12. EMPLOYEE RELATED EXPENSES		
Salaries and Wages (Including Recreation Leave)	12,706	11,743
Superannuation Expenses	1,193	1,131
Leave Expenses	1,036	1,150
Workers' Compensation Insurance	181	273
	<u>15,116</u>	<u>14,297</u>
13. FUNDING TO LOCAL ABORIGINAL LAND COUNCILS		
Fully Funded	13,497	13,869
Partly Funded	1,386	804
Essential Expenses Paid for LALCs	1,303	1,126
	<u>16,186</u>	<u>15,799</u>
14. GRANTS		
Funeral Assistance	647	618
Community Development Levy	122	143
Properties Transferred to LALCs	-	2,932
Culture and Heritage Grants	228	-
Community Activity Grants	212	85
Sold Property Proceeds Distributed to LALCs	326	500
Others	214	36
	<u>1,749</u>	<u>4,314</u>
15. OTHER OPERATING EXPENSES		
Audit Fees - The Audit Office of NSW	175	185
Internal Audit and Investigation	57	91
Consultants Fees	611	611
Enterprise and Farm Expenses	-	45
Motor Vehicle Expenses	549	576
Maintenance Expenses*	186	172
Travel Expenses and Meal Allowances	1,126	850
Insurance	289	286
Rent and Outgoings	701	709
Postage, Printing and Stationery	30	55
Contractor Fees	32	93
Electricity, Gas & Power	197	187
Telephone & Communications	297	281
Statewide Conference Expenses	1	381
Leased Property Other Expenses	139	144
IT Related Expenses	179	176
Photocopying Expenses	223	207
Staff Training, Development and Recruitment	233	264
Miscellaneous Expenses	1,087	912
	<u>6,112</u>	<u>6,225</u>

* All maintenance work carried out by the external contractors and there are no employee related expenses included.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
16. PROGRAM EXPENSES		
Share of Contribution to Water and Sewerage Infrastructure Program*	1,985	2,077
Subdivision Project**	111	214
	<u>2,096</u>	<u>2,291</u>

Note:

*The Council paid its contribution (50% of the program) in relation to operation, maintenance and monitoring of water and sewerage services for Aboriginal Communities. The payment was made to the New South Wales Office of Water, which manages the project as per the agreement between New South Wales State Government and the Council.

**In 2008, NSWALC and the Commonwealth entered into a partnership agreement to facilitate subdivision of former Aboriginal reserves in NSW. The pilot and research phase was completed in 2010. After obtaining agreement with LALCs in the area, Stage 2 of the project, which includes 13 ex-reserve sites, will be subdivided using a standard Development Application (DA) process.

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
17. CASH AND CASH EQUIVALENTS		
Cash at Bank and in Hand	8,309	8,823
Funeral Fund - Cash at Bank	341	336
	<u>8,650</u>	<u>9,159</u>

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand and short-term deposits. Also, include cash and cash equivalents under Restricted Assets (Refer to Note 18(a)).

Cash and cash equivalent assets recognised in the statement of financial position is reconciled at the end of the financial year to the statement of cash flows.

Details regarding Credit Risk, Liquidity Risk and Market Risk including financial assets that are either past due or impaired are disclosed in Note 34.

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
18. RESTRICTED ASSETS		
a. Restricted Assets - Cash		
Subdivision Project - Cash at Bank	-	154
Community Development Levy - Cash at Bank	2,815	3,269
Wallung Trust - Cash at Bank	-	65
	<u>2,815</u>	<u>3,488</u>
b. Restricted Assets - Property		
Wallung Trust - Property*	-	260
	<u>-</u>	<u>260</u>

Note *: In April 2016, The Council entered into a contract to sell the "Wallung Trust" property at Kempsey. The net proceeds of sale has been divided equally between the LALCs in the "Wallung Trust". The depreciation expenses of the property have been adjusted in the Council's accounts.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
19. RECEIVABLES		
a) Current		
Debtors	574	264
Statutory Debts from LALCs	117	259
Prepayments	313	421
Franking Credit Rebates	1,101	1,100
	2,105	2,044
b) Non-Current		
Statutory Debts from LALCs	5,075	4,861
Less: Allowance for Impairment	(4,667)	(4,472)
	408	389
c) Movement in the allowance for impairment		
Balance at 1 July	4,472	2,049
Amounts written off during the year	(285)	-
Increase/(Decrease) of provision during the year	536	2,431
Decrease in allowance due to repayment of debt	(56)	(8)
Balance at 30 June	4,667	4,472
Represented by:		
Non-Current	4,667	4,472
	4,667	4,472
	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
20. FINANCIAL ASSETS AT FAIR VALUE		
Australian Fixed Income	33,418	36,892
Australian Equities	74,578	76,686
International Equities	207,255	193,492
Emerging Markets	44,620	40,422
Global Listed Property Trusts	31,816	36,782
Hedge Fund	96,696	103,314
International Fixed Income	41,941	40,376
Absolute Return Funds	38,877	36,713
Inflation - Linked Bond	33,142	32,205
Unlisted Property*	11,967	-
Cash Fund	7,478	7,345
	621,788	604,227

Refer to Note 34 for further information regarding fair value measurements, credit risk, liquidity risk and market risk arising from financial instruments.

* Note: Unlisted Property is a new investment , the primary purpose of which is , through further diversification, to remove some of the share market related volatility in the investment portfolio.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
21. DERIVATIVES		
Foreign Currency Forward Contracts - Financial Asset	94,918	83,430
Foreign Currency Forward Contracts - Financial Liability	(92,389)	(84,227)
	<u>2,529</u>	<u>(797)</u>

Refer to Note 3 (c)(iv) Investments and Note 34 Financial Instrument for further information regarding financial assets and liabilities offsetting, fair value measurements, credit risk, liquidity risk and market risk arising from financial instruments.

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
22. OTHER ASSETS		
Superannuation Assets	20	18
	<u>20</u>	<u>18</u>

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
23. OTHER FINANCIAL ASSETS		
(a) Mortgages	466	450
(b) Other Incidental Asset		
Shares in Paradigm	700	560
- Increase/(Decrease) in Value using Equity Accounting	(401)	(243)
- Provision for Impairment of Shares	(299)	(317)
	<u>-</u>	<u>-</u>
Movement of Other Incidental Asset		
Balance at 1 July	-	-
Additional Investments	140	455
Increase/(Decrease) in Value using Equity Accounting	(158)	(189)
Movement in Provision for Impairment of Shares (Note 36 (a))	18	(266)
Balance at 30 June	<u>-</u>	<u>-</u>
(c) Investment Term Deposits	71	70
Total Other Financial Assets	<u>537</u>	<u>520</u>

Refer to Note 34 for further information regarding fair value measurements, credit risk, liquidity risk and market risk arising from financial instruments.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

24. PROPERTY, PLANT AND EQUIPMENT

	Land & Building	Plant and Equipment	Motor Vehicle	Work in Progress	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
At 30 June 2016 - fair value					
Gross carrying amount	32,469	1,922	6	20	34,417
Accumulated depreciation and impairment	(36)	(1,659)	(6)	-	(1,701)
Net Carrying Amount	32,433	263	-	20	32,716
At 30 June 2017 - fair value					
Gross carrying amount	35,810	1,844	6	2	37,662
Accumulated depreciation and impairment	(75)	(1,669)	(6)	-	(1,750)
Net Carrying Amount	35,735	175	-	2	35,912

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land & Building	Plant and Equipment	Motor Vehicle	Work in Progress	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Year ended 30 June 2017					
Net carrying amount at 1 July 2016	32,433	263	-	20	32,716
Additions	36	28	-	2	66
Capitalised/Reclassified	-	-	-	(20)	(20)
Disposal	(360)	-	-	-	(360)
Transfer to LALCs	-	-	-	-	-
Properties Held for Sale and Transfer to LALCs	-	-	-	-	-
Revaluation Movement	4,180	-	-	-	4,180
Depreciation expense	(554)	(116)	-	-	(670)
Net Carrying Amount at 30 June 2017	35,735	175	-	2	35,912

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

24. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Land & Building	Plant and Equipment	Motor Vehicle	Work in Progress	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
At 30 June 2015 - fair value					
Gross carrying amount	28,728	1,912	12	342	30,994
Accumulated depreciation and impairment	-	(1,774)	(12)	-	(1,786)
Net Carrying Amount	28,728	138	-	342	29,208
At 30 June 2016 - fair value					
Gross carrying amount	32,469	1,922	6	20	34,417
Accumulated depreciation and impairment	(36)	(1,659)	(6)	-	(1,701)
Net Carrying Amount	32,433	263	-	20	32,716

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land & Building	Plant and Equipment	Motor Vehicle	Work in Progress	Total
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Year ended 30 June 2016					
Net carrying amount at 1 July 2015	28,728	138	-	342	29,208
Additions	54	117	-	20	191
Capitalised/Reclassified	231	111	-	(342)	-
Disposal	-	(2)	-	-	(2)
Transfer to LALCs	(2,932)	-	-	-	(2,932)
Properties Held for Sale and Transfer to LALCs	2,932	-	-	-	2,932
Revaluation Movement	3,960	-	-	-	3,960
Depreciation expense	(540)	(101)	-	-	(641)
Net Carrying Amount at 30 June 2016	32,433	263	-	20	32,716

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017 \$'000	2016 \$'000
25. INTANGIBLE ASSETS		
Gross carrying amount	1,710	1,804
Accumulated amortisation and impairment	(1,579)	(1,580)
Carrying amount	131	224
Reconciliation		
Net carrying amount at 1 July	224	130
Additions	16	200
Amortisation	(109)	(106)
Carrying amount at 30 June	131	224

26. ARTEFACTS

Carrying value at 1 July	445	634
Revaluation Increment/(Decrement)	-	(189)
Carrying value at 30 June	445	445

Artefacts were revalued in June 2016 by an independent specialised valuer. There are no additions and write off during the year.

27. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

(a) Fair value hierarchy

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
2017				
Property, plant and equipment				
Land and buildings (Note 18(b), 24)	-	35,735	-	35,735
Artefacts (Note 26)	-	445	-	445
	-	36,180	-	36,180
2016				
Property, plant and equipment				
Land and buildings (Note 18(b), 24)	-	32,693	-	32,693
Artefacts (Note 26)	-	445	-	445
	-	33,138	-	33,138

There were no transfers between the three levels during the periods.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(b) Valuation techniques, inputs and processes

Land and buildings

The valuation techniques used to value land and buildings are:

1. Market Approach – this approach uses prices generated by market transactions involving identical or similar assets; and
2. Income Approach – this approach converts future amounts (eg cash flows or income and expenses) to a single current (ie discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

The majority of land and building assets are valued using market evidence with adjustment for condition, location, comparability, etc and therefore are categorised as Level 2.

The property at 33 Argyle Street Parramatta is valued using income approach (capitalising rental income) and therefore is categorised as Level 2 as well.

Artefacts

The valuation technique used to value art and artefacts is the market approach, this approach uses prices generated by market transactions involving identical or similar assets.

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
28. PAYABLES		
Accrued Salaries, Wages and On-Costs	405	188
Creditors	1,079	1,251
Community Development Levy	2,815	3,268
Funeral Fund - Refundable Contributions	341	336
	<u>4,640</u>	<u>5,043</u>

Details regarding credit risk, liquidity risk and market risk including maturity analysis of the above payables are disclosed in Note 34.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

	2017 <u>\$'000</u>	2016 <u>\$'000</u>
29. PROVISIONS		
Current Employee benefits and related on-costs		
Provision for Annual Leave-Long Term	1,315	1,216
Provision for Long Service Leave - Long Term	908	710
Provision for Unfunded Superannuation (refer to Note 29(a))	596	816
	<u>2,819</u>	<u>2,742</u>
Other Current Provisions		
Provision for Make-Good	36	21
Provision for Legal Costs	245	75
	<u>281</u>	<u>96</u>
	<u>3,100</u>	<u>2,838</u>
Non-Current Employee Benefits		
Provision for Long Service Leave	435	615
	<u>435</u>	<u>615</u>
Other Non-Current Provisions		
Provision for Make-Good	72	88
	<u>72</u>	<u>88</u>
	<u>507</u>	<u>703</u>
Aggregate Employee Benefits and Related On-Costs		
Provisions - Current	2,819	2,742
Provisions - Non Current	435	615
Accrued Salaries and Wages (refer to Note 28)	405	188
	<u>3,659</u>	<u>3,545</u>

Movements in provisions (other than employee benefits)

Movements in each class of provision during the financial year, other than employee benefits are set out below:

Provision for Make-Good

Carrying amount at 1 July	109	118
Additional/(Reduced) Provisions	<u>(1)</u>	<u>(9)</u>
Carrying amount at 30 June	<u>108</u>	<u>109</u>

Make-good has been provided for the offices leased by the Council at the end of the lease terms.

Provision for Legal Appeal

Carrying amount at 1 July	75	75
Additional/(Reduced) Provisions	<u>170</u>	<u>-</u>
Carrying amount at 30 June	<u>245</u>	<u>75</u>

NSWALC has cost orders against it in the Limbri Court of Appeal proceedings (\$75K) and the Berrima High Court of Appeal proceedings and the High Court costs (The estimated amount would be in the range of \$140k to \$170k).

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(a) Defined Benefit Superannuation

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

State Authorities Superannuation Scheme (SASS)
 State Superannuation Scheme (SSS)
 State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members. The disclosure on Defined Benefit Superannuation is minimised as the number of employees is not significant.

Significant Actuarial Assumptions at the Reporting Date

As at 30/06/2017

Discount rate	2.62% pa
Contribution tax rate	15%
Salary increase rate (excluding promotional increases)	2.50% 2017/2018 and 2018/2019 ; 3.50% 2019/2020 and 2020/2021; 3.00% pa 2021/2022 to 2025/2026; 3.50% pa thereafter.
Rate of CPI increase	2.00% 2017/2018; 2.25% 2018/2019; 2.50% pa thereafter.
Pensioner mortality	The pensioner mortality assumptions are as per the 2015 Actuarial Investigation of the Pooled Fund. These assumptions are disclosed in the actuarial investigation report available from the trustee's website. The report shows the pension mortality rates for each age.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

Reconciliation of the present value of the defined benefit obligation - 2017

	SANCS 30-Jun-17 \$'000	SSS 30-Jun-17 \$'000	Total 30-Jun-17 \$'000
Present value of partly funded defined benefit obligation at beginning of the year	(3)	1,653	1,650
Interest cost	-	32	32
Actuarial (gains)/losses	-	(175)	(175)
Benefits paid	-	(56)	(56)
Taxes, premiums & expenses paid	-	10	10
Present value of partly funded defined benefit obligation at end of the year	(3)	1,464	1,461

Reconciliation of the fair value of Fund assets - 2017

	SANCS 30-Jun-17 \$'000	SSS 30-Jun-17 \$'000	Total 30-Jun-17 \$'000
Fair value of Fund assets at beginning of the year	18	837	855
Interest income	-	16	16
Actual return on Fund assets less interest income	1	60	61
Benefits paid	-	(56)	(56)
Taxes, premiums & expenses paid	-	10	10
Fair value of Fund assets at end of the year	19	867	886

Reconciliation of the assets and liabilities recognised in Statement of Financial Position - 2017

	SANCS 30-Jun-17 \$'000	SSS 30-Jun-17 \$'000	Total 30-Jun-17 \$'000
Present value of partly funded defined benefit obligation at end of year	(3)	1,464	1,461
Fair value of Fund assets at end of year	(19)	(867)	(886)
Subtotal	(22)	597	575
Net liability/(Asset) recognised in balance sheet at end of year	(22)	597	575

Expense recognised in Statement of Comprehensive Income - 2017

	SANCS 30-Jun-17 \$'000	SSS 30-Jun-17 \$'000	Total 30-Jun-17 \$'000
Components Recognised in Income Statement			
Net Interest	-	16	16
Defined benefit cost	-	16	16

Amounts recognised in other comprehensive income - 2017

	SANCS 30-Jun-17 \$'000	SSS 30-Jun-17 \$'000	Total 30-Jun-17 \$'000
Actuarial (gains)/losses on liabilities	-	(176)	(176)
Actual return on Fund assets less Interest income	(1)	(60)	(61)
	(1)	(236)	(237)

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

Reconciliation of the present value of the defined benefit obligation - 2016

	SANCS 30-Jun-16 \$'000	SSS 30-Jun-16 \$'000	Total 30-Jun-16 \$'000
Present value of partly funded defined benefit obligation at beginning of the year	(3)	1,369	1,366
Interest cost	-	41	41
Actuarial (gains)/losses	-	296	296
Benefits paid	-	(57)	(57)
Taxes, premiums & expenses paid	-	4	4
Present value of partly funded defined benefit obligation at end of the year	(3)	1,653	1,650

Reconciliation of the fair value of Fund assets - 2016

	SANCS 30-Jun-16 \$'000	SSS 30-Jun-16 \$'000	Total 30-Jun-16 \$'000
Fair value of Fund assets at beginning of the year	17	864	881
Interest income	1	25	26
Actual return on Fund assets less interest income	-	1	1
Benefits paid	-	(57)	(57)
Taxes, premiums & expenses paid	-	4	4
Fair value of Fund assets at end of the year	18	837	855

Reconciliation of the assets and liabilities recognised in Statement of Financial Position - 2016

	SANCS 30-Jun-16 \$'000	SSS 30-Jun-16 \$'000	Total 30-Jun-16 \$'000
Present value of partly funded defined benefit obligation at end of year	(3)	1,653	1,650
Fair value of Fund assets at end of year	(18)	(837)	(855)
Subtotal	(21)	816	795
Net liability/(Asset) recognised in balance sheet at end of year	(21)	816	795

Expense recognised in Statement of Comprehensive Income - 2016

	SANCS 30-Jun-16 \$'000	SSS 30-Jun-16 \$'000	Total 30-Jun-16 \$'000
Components Recognised in Income Statement			
Net Interest	(1)	15	14
Defined benefit cost	(1)	15	14

Amounts recognised in other comprehensive income - 2016

	SANCS 30-Jun-16 \$'000	SSS 30-Jun-16 \$'000	Total 30-Jun-16 \$'000
Actuarial (gains)/losses on liabilities	-	296	296
Actual return on Fund assets less Interest income	-	(1)	(1)
	-	295	295

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

30. COMMITMENTS

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Operating Leases Payable		
Future Non-Cancellable Operating Lease Rentals not Provided for and Payable:		
Not later than one year	820	751
Later than one year and not later than five years	1,137	467
Total (Including GST)	<u>1,957</u>	<u>1,218</u>

Operating leases payable relate to properties, printers and motor vehicles. These leases are not recognised in the financial statements as liabilities. GST of \$178K (\$111K in 2015-2016) has been included in the total above.

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Operating Leases		
Future Non-Cancellable Operating Lease Payments not Received and Receivable:		
Not later than one year	1,279	860
Later than one year and not later than five years	1,916	1,037
Total (Including GST)	<u>3,195</u>	<u>1,897</u>

Operating leases receivable relate to rental properties. These are entered into at market rates and on commercial terms. Regular market valuations and tendering processes are carried out to ensure commercial arrangements are maintained. GST of \$290K (\$172K in 2015-2016) has been included in the total above.

31. CONTINGENT ASSET/LIABILITY

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
(a) Contingent Assets		
Legal Claims	16	-
	<u>16</u>	<u>-</u>
(b) Contingent Liabilities		
Legal Claims	236	-
	<u>236</u>	<u>-</u>

Note:

Contingent Assets :

Bankruptcy Proceedings: A creditor's petition will be filed for judgement debt in favour of NSWALC in the amount of \$16k.

Contingent Liability :

NSWALC has a contractual dispute with its printer supplier SE Rentals. A negotiated settlement of the matter is being pursued. It is expected that NSWALC and SE Rentals will negotiate a settlement of the contract for an amount between \$0 and \$236k.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

32. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET SURPLUS

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Operating Surplus/(Deficit) from Ordinary Activities	18,567	(42,029)
Investment earnings	(42,068)	(29,990)
Unrealised (gains)/losses	(17,144)	27,961
Depreciation & amortisation	780	747
Allowance for impairment	(105)	266
Superannuation actuarial (gain)/loss directly charged to accumulated funds	16	15
Unrecognised revenue/(expenses) - Community Development Levy	(454)	(15)
Non cash items adjustment	(6)	29
Reversal of prior years impairment	(56)	(24)
(Gain)/ loss on sale of non-current assets	(57)	(274)
Properties transferred at fair value	-	2,932
Other Changes in Assets and Liabilities in respect of Ordinary Activities		
Increase/ (decrease) in leave and other provisions	286	258
Increase/ (decrease) in provisions for doubtful debts	641	2,431
Decrease/ (increase) in receivables	(535)	(1,020)
Decrease/ (increase) in other financial assets	(16)	(17)
Decrease/ (increase) in prepayment	(21)	404
Increase/ (decrease) in creditors	49	(419)
Net Cash Inflows/(Outflows) from Ordinary Activities	<u>(40,123)</u>	<u>(38,745)</u>

33. LIABILITY AS TRUSTEE

The Council acts as trustee for the Gumbaynggir Tribal Aboriginal Elders Corporation.

The movement in the Trust bank account is:

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Opening balance at 1 July	177	160
Add: Receipts	15	17
Closing balance at 30 June	<u>192</u>	<u>177</u>

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

34. FINANCIAL INSTRUMENTS

The carrying amounts of the Council's principal financial instruments are outlined below. The Council does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. During the year the Council invested through a number of fund managers as recommended by the Investment Consultant.

(a) Financial instrument categories

Financial Assets	Note	Category	Carrying Amount	Carrying Amount
			2017	2016
Class:			\$'000	\$'000
Cash and cash equivalents	17,23 (c)	N/A	8,721	9,229
Restricted cash and cash equivalents	18 (a)	N/A	2,815	3,488
Receivables ¹	19	Loans and receivables	390	104
Financial assets at fair value	20,21	Investment at fair value through profit or loss – classified at held for trading	716,706	687,657
Other financial assets	23 (a)	Loans and investments not for trading	466	450

Financial Liabilities	Note	Category	Carrying Amount	Carrying Amount
			2017	2016
Class:			\$'000	\$'000
Payables ²	28	Financial liabilities measured at amortised cost	4,640	5,043
Financial liabilities at fair value	21	Hedged instruments at fair value through profit or loss – classified at held for trading	92,389	84,227

Notes

1. Excludes statutory receivables and prepayments (i.e. not within the scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within the scope of AASB 7).

NEW SOUTH WALES ABORIGINAL LAND COUNCIL
Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

Fair Value Recognised in the Statement of Financial Position

The Council uses the following hierarchy for disclosing the fair value of financial instruments.

Level 1 - Derived from quoted prices in active markets for identical assets

Level 2 - Derived from inputs other than quoted prices that are observable directly or indirectly

Level 3 - Derived from valuation techniques that include inputs for the asset not based on observable market data (unobservable inputs)

	Level 1	Level 2	Level 3	2017 Total
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value				
Managed funds	504,862	116,926	-	621,788
Derivatives - Assets	-	94,918	-	94,918
	504,862	211,844	-	716,706
Financial liabilities at fair value				
Derivatives - Liabilities	-	92,389	-	92,389
	-	92,389	-	92,389
	Level 1	Level 2	Level 3	2016 Total
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value				
Managed funds	390,979	213,247	-	604,226
Derivatives - Assets	-	83,430	-	83,430
	390,979	296,677	-	687,656
Financial liabilities at fair value				
Derivatives - Liabilities	-	84,227	-	84,227
	-	84,227	-	84,227

(b) Credit Risk

The Council's maximum exposure to credit risk at the reporting date was:

(i) Cash

The Council has placed funds on deposit with commercial bank with the highest rating for a fixed term. For fixed term deposits, the interest rate payable by the bank is negotiated initially and is fixed for the term of the deposit. The deposits at balance date were earning an average interest rate of 1.74% (2.17% in 2015-2016), while over the year the weighted average interest rate was 1.86% (2.32% in 2015-16) on a weighted average balance during the year of \$7.49M (\$7.34M in 2015-16). None of these assets are past due or impaired.

(ii) Receivables – Debtors

The Council does not have significant receivable balances from debtors. All debtors are recognised as amounts receivable at balance date. Collectability of debtors is reviewed on an ongoing basis. Procedures were established to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Council will not be able to collect all amounts due. The evidence includes past experience, and current and expected changes in economic conditions. No interest is earned on debtors.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

The only financial assets that are past due or impaired are listed below:

	Total ^{1,2} \$'000	Past due but not impaired ^{1,2} \$'000	Considered impaired ^{1,2} \$'000
2017			
< 3 months overdue	102	102	-
> 3 months overdue	160	160	-
2016			
< 3 months overdue	2	2	-
> 3 months overdue	102	102	-

Notes

1. Each column in the table reports 'gross receivables'.

2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the statement of financial position.

(iii) Other Financial Assets

The only financial assets that are past due or impaired are listed below:

	Total ^{1,2} \$'000	Past due but not impaired ^{1,2} \$'000	Considered impaired ^{1,2} \$'000
2017			
< 3 months overdue	-	-	-
> 3 months overdue	466	466	-
2016			
< 3 months overdue	-	-	-
> 3 months overdue	450	450	-

Notes

1. Each column in the table reports 'gross receivables'.

2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not impaired. Therefore, the 'total' will not reconcile to the receivables total recognised in the statement of financial position.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(c) Liquidity risk

The table below summarises the maturity profile of the Council's financial liabilities, together with the interest rate exposure.

<i>Maturity analysis and interest rate exposure of financial liabilities</i>					
	Interest Rate Exposure		Maturity Dates		
	Nominal	Non-interest	< 1 yr	1-5 yrs	> 5 yrs
	Amount	Bearing			
	\$'000	\$'000	\$'000	\$'000	\$'000
2017					
Payables	4,299	4,299	4,299	-	-
Funeral Fund-Contributions Refundable	341	341	-	-	341
Financial Liabilities at fair value	92,389	92,389	92,389	-	-
	97,029	97,029	96,688	-	341
2016					
Payables	4,707	4,707	4,707	-	-
Funeral Fund-Contributions Refundable	336	336	-	-	336
Financial Liabilities at fair value	84,227	84,227	84,227	-	-
	89,270	89,270	88,934	-	336

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

(d) **Market risk**

(i) **Currency risk**

The Council has direct exposure to foreign currency by investing in International Equities. To mitigate this risk, the Council has entered into forward foreign exchange contracts with National Australia Bank. The carrying value of foreign currency exposure is AU\$141.83M as at 30 June 2017. (\$127.76M as at 30 June 2016).

(ii) **Interest rate risk**

	Carrying Amount \$'000	-1% Profit \$'000	Equity \$'000	+1% Profit \$'000	Equity \$'000
2017					
Financial assets					
Cash and cash equivalents	8,721	(87)	8,634	87	8,808
Restricted cash and cash equivalents	2,815	(28)	2,787	28	2,843
Financial assets at fair value	716,706	(7,167)	709,539	7,167	723,873
Other financial assets	466	(5)	461	5	471
Financial liabilities					
Financial liabilities at fair value	92,389	(924)	91,465	924	93,313
2016					
Financial assets					
Cash and cash equivalents	9,229	(92)	9,137	92	9,321
Restricted cash and cash equivalents	3,488	(35)	3,453	35	3,523
Financial assets at fair value	687,657	(6,877)	680,780	6,877	694,534
Other financial assets	450	(4)	446	4	454
Financial liabilities					
Financial liabilities at fair value	84,227	(842)	83,385	842	85,069

(iii) **Other price risk**

Exposure to 'other price risk' primarily arises through the investment with fund managers which are held for strategic rather than trading purposes. The Council has the following investments:

Facility	Investment Sectors	Investment Horizon	2017 \$'000	2016 \$'000
Short-term facility	Cash, money market instruments	Up to 1.5 years	103,639	92,659
Strategic cash facility	Cash, money market and other interest rate instruments	Up to 3 years	621,788	604,227

The selection of funds for investment is based on the research carried out on various critical success factors of each fund manager by the Council's investment consultant. The performance of investment fund managers is continually monitored by investment consultant who reports on a regular and exceptional basis to Chief Investment Officer, the Investment Committee and the Council.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

The various types of investments held by the Council with the actual rate of return are provided in the following table:

Analysis of Price Risks	Carrying value as at 30 June 2017 \$'000	Percentage Spread %	Actual rate return 30 June 2017 %	Carrying value as at 30 June 2016 \$'000	Percentage Spread %	Actual rate return 30 June 2016 %
Australian Equities	75,679	12.10	12.97	77,785	12.87	5.30
International Equities	209,784	33.54	16.19	192,694	31.87	(2.95)
Global Listed Property	31,816	5.09	3.36	36,782	6.08	9.73
Australian Fixed Income	33,418	5.34	3.64	36,892	6.10	3.17
International Fixed Income	41,941	6.71	3.88	40,376	6.68	2.02
Inflation-linked Bond Fund	33,142	5.30	2.91	32,205	5.33	0.10
Absolute Returns	38,877	6.22	5.89	36,713	6.07	1.78
Hedge Fund	96,696	15.46	4.97	103,314	17.09	0.27
Emerging Markets	44,620	7.13	18.69	40,422	6.69	(4.33)
Unlisted Property	11,967	1.91	0.49	-	-	-
Cash Fund	7,478	1.20	1.82	7,345	1.21	2.23
Term Deposit	71	0.01	1.66	70	0.01	2.11
	625,489	100.00	10.07	604,598	100.00	0.43

Funds other than direct deposits in banks do not have direct holdings in underlying assets. Hence, 'interest rate risk' or 'currency risk' are not applicable and are therefore not individually analysed other than 'other price risk'. The sensitivity analysis in relation to 'other price risk' is determined using standard deviation based on stochastic Global Asset Model provided by the investment consultants, and the percentage allocation of funds of the portfolio of investments held by the Council as at the year end. The following table provides the overall other price risk of the Council with sensitivity analysis.

Analysis of Price Risks	Carrying value	Estimated Risk	Profit Impact	Equity Impact	Profit Impact	Equity Impact
Total Portfolio of Investments as at 30 June 2017	625,489	0.00%	40,547	666,036	(40,547)	584,942
Total Portfolio of Investments as at 30 June 2016	604,598	2.10%	38,659	643,259	(38,659)	565,939

(a) Interest rate risk will only affect the short term deposits.

(b) Estimated risk is based on Mercer's Capital Market Assumptions as at 30 June 2017.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

35. PARENT ENTITY FINANCIAL INFORMATION

	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Current Assets	638,320	703,038
Non-Current Assets	37,362	34,224
Total Assets	675,682	737,262
Current Liabilities	7,740	92,108
Non-Current Liabilities	507	703
Total Liabilities	8,247	92,811
Reserves	30,393	27,018
Retained Earnings	637,047	617,433
Profit/(Loss) for The Period	18,572	(42,029)
Other Comprehensive Income	4,417	3,479

36. SUBSIDIARIES AND JOINT VENTURES

	Percentage of interest 2017	Percentage of interest 2016	Principal Place of Business	Relationship	Balance Date
NSWALC Resources Pty Ltd	100.00%	100.00%	Australia	Subsidiary	30-Jun
Paradigm Resources Pty Ltd	50.00%	50.00%	Australia	Joint Venture	30-Jun

(a) Investments in Subsidiary

NSWALC Resources Pty Ltd	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Total Assets	700	565
Share Losses due to equity Accounting	(401)	(243)
Impairment for value of shares	(299)	(317)
Total Liabilities	(5)	(5)
Net Assets	(5)	-
 Total Revenue	 140	 460
Total Expense	(5)	-
Movement in Impairment	18	(266)
Share of Loss due to Equity Accounting	(158)	(189)
Total Comprehensive gain/(Loss)	(5)	5

NSWALC Resources Pty Ltd (Resources P/L) started to invest in the joint venture company Paradigm Resources Pty Ltd (Paradigm) for mining exploration in 2014-15 financial year. The exploration and development of resources such as natural gas is a speculative activity that involves a degree of financial risk.

The inter entity transactions between the Council and Resources P/L were eliminated during consolidation which resulted in creation of incidental assets in the consolidated financial statements of the Council as at 30 June 2017.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

In 2016-17, NSWALC paid Audit, Bank and ASIC fees of \$4,879 (Excl GST) on behalf of Resources P/L (\$5,000 in 2015-16).

The carrying value of shares in the accounts of Resources P/L and the consolidated financial statements of the Council were reduced to \$299,000 by applying the equity accounting as per the accounting standards. Due to the uncertainty of the revenue stream from this investment and lack of marketability, the carrying value of the investment was impaired to one dollar which represents the fair value as at 30 June 2017 in both Resources P/L and the consolidated financial statements of the Council.

(b) Investments in Joint Ventures

Paradigm Resources Pty Ltd	2017	2016
	<u>\$'000</u>	<u>\$'000</u>
Total Assets	642	657
Total Liabilities	44	23
Net Assets	<u>598</u>	<u>634</u>
Investments accounted for using equity method	<u>299</u>	<u>317</u>
 Total Revenue	 4	 4
Total Expense	320	382
Total Comprehensive gain/(Loss)	<u>(316)</u>	<u>(378)</u>
Share of Joint Ventures' net profit/(loss) recognised	<u>(158)</u>	<u>(189)</u>

Paradigm was established in November 2014 as a joint venture company between Resources P/L and Indigenous Energy Group Pty Ltd (ACN 167 002 404). There is no other business partner in Paradigm. The Council granted \$560,000 in the last two financial years to invest in Resources P/L so as to acquire 50% of share capital of Paradigm being 560,000 fully paid ordinary shares at \$1.00 each. The Council has also granted \$140,000 in the 2016-17 financial year to Resources P/L to invest in Paradigm as 50% of equity holding. There being 1,400,000 ordinary shares issued by Paradigm as at 30 June 2017 at \$1 each.

37. RELATED PARTY DISCLOSURES

The Council's key management personnel (KMP) compensation are as follows:

	2017
	<u>\$'000</u>
Short-term employee benefits:	
Salaries & Superannuation	2,787
Non-monetary benefits*	217
Termination benefits	495
Total remuneration	<u>3,499</u>

* NSWALC provided Motor Vehicles to KMPs and \$217k is the total Reportable Car Fringe Benefits provided to KMPs in 2016-17 FBT year.

During the year, the Council did not enter into transactions on arm's length terms and conditions with KMP, their close family members and controlled or jointly controlled entities thereof.

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Notes to and forming part of the Consolidated Financial Statements for the year ended 30 June 2017

38. CHANGES TO ACCOUNTING STANDARDS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting period. The Council did not early adopt these Accounting Standards and Interpretations that are not yet effective.

Standard/Interpretation /Interpretation	Date of issue	Financial Reporting Periods (beginning on or after)
AASB 9 <i>Financial Instruments</i> (2014)	17 December 2014	1 January 2018
AASB 15 <i>Revenue from Contracts with Customers</i>	12 December 2014	1 January 2018
AASB 16 <i>Leases</i>	23 February 2017	1 January 2019
AASB 1058 <i>Income of Not-for-profit Entities</i>	December 2016	1 January 2019
AASB 2016-1 <i>Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses</i>	February 2016	1 January 2017
AASB 2016-2 <i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</i>	March 2016	1 January 2017
AASB 2016-4 <i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i>	June 2016	1 January 2017
AASB 2016-5 <i>Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions</i>	July 2016	1 January 2018
AASB 2016-6 <i>Amendments to Australian Accounting Standards – Applying AASB 9 with AASB 4 Insurance Contracts</i>	October 2016	1 January 2018
AASB 2016-7 <i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</i>	December 2016	1 January 2017
AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i>	December 2016	1 January 2019
AASB 2017-1 <i>Amendments to Australian Accounting Standards – Transfer of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments</i>	February 2017	NFP: 1 January 2019
AASB 2017-2 <i>Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle</i>	February 2017	1 January 2017
Interpretation 22 <i>Foreign Currency Transactions and Advance Consideration</i>	February 2017	1 January 2018

The possible impact of these Standards in the period of initial application is still being assessed, and not known at the date of the financial statements.

39. EVENT AFTER THE BALANCE DATE

There is no known event after the balance date.

End of Audited Financial Statement

NEW SOUTH WALES ABORIGINAL LAND COUNCIL

YEAR ENDED 30 JUNE 2017

STATEMENT BY THE COUNCILLORS

Pursuant to Section 41C of the Public Finance and Audit Act 1983, we state that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the New South Wales Aboriginal Land Council as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards and interpretations and the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions.
2. At the date of this statement, there are reasonable grounds to believe that the New South Wales Aboriginal Land Council will be able to pay its debts as and when they fall due.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Roy Ah-See
Chairperson



Charles Lynch
Councillor

Date: 19 / 10 / 2017



INDEPENDENT AUDITOR'S REPORT

NSWALC Resources Pty Ltd

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of NSWALC Resources Pty Ltd (the Company), which comprise the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Company as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Company in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

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

The Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors must assess the Company's ability to continue as a going concern except where the Company will be dissolved by an Act of Parliament or otherwise cease operations. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Karen Taylor
Director, Financial Audit Services

20 October 2017
SYDNEY



NSWALC RESOURCES PTY. LTD.

A.C.N. 602 043 274

Financial Report for the Year Ended 30 June 2017

NSWALC RESOURCES PTY. LTD.

FINANCIAL REPORT

For the Year Ended 30 June 2017

Contents

DIRECTOR'S REPORT	3
STATEMENT BY MEMBERS OF BOARD	5
DIRECTORS' DECLARATION.....	6
INDEPENDENT AUDITOR'S REPORT	7
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	8
STATEMENT OF FINANCIAL POSITION.....	9
STATEMENT OF CHANGES IN EQUITY	10
STATEMENT OF CASH FLOWS.....	10
NOTES TO THE FINANCIAL STATEMENTS.....	11

NSWALC RESOURCES PTY. LTD.

DIRECTOR'S REPORT

The Directors of NSWALC Resources Proprietary Limited (the Company) submit herewith the Financial Statements of the Company for the year ended 30 June 2017. In order to comply with the provisions of the *Corporations Act 2001*, the director's report is as follows:

Directors

The names of the directors of the Company at the date of the report are:

Mr Craig Ernest Cromelin (Appointed on 26th September 2014)
Ms Anne Marie Dennis (Appointed on 26th September 2014)
Mr Danial Joseph Chapman (Appointed on 21st July 2016)

The directors are Councillors of New South Wales Aboriginal Land Council (NSWALC). The directors do not hold any shares or options in the Company or any other related companies. No remuneration was paid by the Company to the directors.

Principal Activities

The Company's principal activities are to hold shares in Paradigm Resources Pty Ltd (Paradigm).

Review of Operations

During the year, the Company purchased additional 140,000 shares at \$1.00 each and continues to hold 50% of the ordinary share capital in Paradigm.

Changes in State of Affairs

The Company impaired the fair value of the shares it holds in Paradigm as at 30 June 2017 to one dollar. There were no other significant changes in the Company's state of affairs.

Subsequent Events

There is no known event after the balance date.

Future Developments

The Company may hold shares in other resources development companies in the future.

Dividends

No dividend has been paid or declared since incorporation and the directors did not recommend the payment of a dividend in respect of the reporting year.

Indemnification of officers

During or since the end of the year the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred by such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

NSWALC RESOURCES PTY. LTD.

DIRECTOR'S REPORT

The Directors of NSWALC Resources Proprietary Limited (the Company) submit herewith the Financial Statements of the Company for the year ended 30 June 2017. In order to comply with the provisions of the *Corporations Act 2001*, the director's report is as follows:

Directors

The names of the directors of the Company at the date of the report are:

Mr Craig Ernest Cromelin (Appointed on 26th September 2014)
Ms Anne Marie Dennis (Appointed on 26th September 2014)
Mr Danial Joseph Chapman (Appointed on 21st July 2016)

The directors are Councillors of New South Wales Aboriginal Land Council (NSWALC). The directors do not hold any shares or options in the Company or any other related companies. No remuneration was paid by the Company to the directors.

Principal Activities

The Company's principal activities are to hold shares in Paradigm Resources Pty Ltd (Paradigm).

Review of Operations

During the year, the Company purchased additional 140,000 shares at \$1.00 each and continues to hold 50% of the ordinary share capital in Paradigm.

Changes in State of Affairs

The Company impaired the fair value of the shares it holds in Paradigm as at 30 June 2017 to one dollar. There were no other significant changes in the Company's state of affairs.

Subsequent Events

There is no known event after the balance date.

Future Developments

The Company may hold shares in other resources development companies in the future.

Dividends

No dividend has been paid or declared since incorporation and the directors did not recommend the payment of a dividend in respect of the reporting year.

Indemnification of officers

During or since the end of the year the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred by such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

NSWALC RESOURCES PTY. LTD.

Service Agreement

The directors of the Company continue as directors, as long as they are Councillors of NSWALC or until the directors are removed in the Annual General Meeting or in Extra Ordinary Shareholders' meeting by NSWALC as the shareholder of the Company.

Environmental Regulations

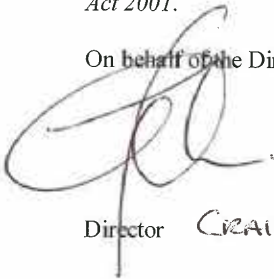
The Company is not subject to any particular or significant environmental regulations under a law of the Commonwealth or of a State or Territory.

Non-Audit Services

During the year the Auditor-General of New South Wales, as the Company's auditor, did not perform any other non- audit service to the Company.

Signed in accordance with a resolution of the directors made pursuant to s.298 (2) of the *Corporations Act 2001*.

On behalf of the Directors



Director

CRAIG CROMELIN

SYDNEY,

19 October 2017

NSWALC RESOURCES PTY. LTD.

STATEMENT BY MEMBERS OF BOARD

Pursuant to Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983* and in accordance with a resolution of the members of the Board of Directors of NSWALC Resources Pty Ltd, we declare on behalf of the Board of Directors that in our opinion:

1. The accompanying financial statements and notes exhibit a true and fair view of the financial position of NSWALC Resources Pty Ltd as at 30 June 2017 and the transactions for the year then ended.

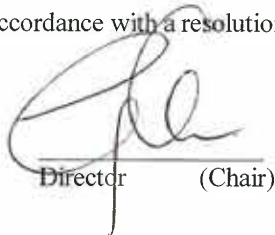
2. The financial statements and notes have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983* and its accompanying regulations.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or materially inaccurate.

Dated at Parramatta this 19 October 2017

Signed in accordance with a resolution of the Board of Directors.

Name:


Director (Chair)

Name:

Anne Dennis
Director

Signed

Craig Cronin

Signed



NSWALC RESOURCES PTY. LTD.

DIRECTORS' DECLARATION


In accordance with a resolution of the Directors of NSWALC Resources Pty Ltd we state that:

1. the attached general purpose financial statements and notes present a true and fair view of the financial position and performance of the Company at 30 June 2017 and the results of its operations and transactions of the Company for the year then ended;
2. the financial statements and notes have been prepared in accordance with the provisions of the *Corporations Act 2001*;
3. the financial statements and notes have been prepared in accordance with Australian Accounting Standards and Interpretations;
4. we are not aware of any circumstances which would render any particulars included in the financial reports to be misleading or inaccurate; and
5. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Dated at Parramatta this 19 October 2017

Signed in accordance with a resolution of the Board of Directors.

Name: Craig Crampton
Director (Chair)

Signed 

Name: Anne Dennis
Director

Signed 

NSWALC RESOURCES PTY. LTD.

INDEPENDENT AUDITOR'S REPORT

NSWALC RESOURCES PTY LTD

(Signature)
Karen Taylor
Director, Financial Audit Services

October 2017
SYDNEY

NSWALC RESOURCES PTY. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue			
Grant from NSWALC	9	140,000	455,000
Reverse prior year accrual		-	5,000
Reverse Impairment of Investment		17,768	-
Total Revenue		157,768	460,000
Expenses			
Audit expenses	6 (a)	4,500	-
ASIC annual review fees	6 (b)	249	-
Bank fees	6 (b)	130	-
Share losses due to equity accounting	13 & 14	157,768	189,270
Impairment of investment	13 & 14	-	265,730
Total Expenses		162,647	455,000
Profit/(Loss) From Ordinary Activities Before Income Tax Expense		(4,879)	5,000
Total Comprehensive income/(losses) for the period		(4,879)	5,000

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

NSWALC RESOURCES PTY. LTD.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash and cash equivalent	5	2	5,002
Total Current Assets		2	5,002
Non-Current Assets			
Investment in Joint Venture	14	700,000	560,000
Share losses due to equity accounting	13 & 14	(400,954)	(243,187)
Provision for impairment of investment	13 & 14	(299,046)	(316,813)
Total Non-Current Assets		-	-
Total Assets		2	5,002
Current Liabilities			
Payable to NSWALC	6	4,879	5,000
Total Current Liabilities		4,879	5,000
Total Liabilities		4,879	5,000
Net Assets		(4,877)	2
Equity			
Contributed equity	4	2	2
Retained earnings		(4,879)	-
Total Equity		(4,877)	2

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

NSWALC RESOURCES PTY. LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Contributed Equity	Retained Earnings	Total Equity
	\$	\$	\$
Balance at 1 July 2016	2	-	2
Issued capital	-	-	-
Comprehensive income/(loss)	-	(4,879)	(4,879)
Balance at 30 June 2017	2	(4,879)	(4,877)
Balance at 1 July 2015	2	(5,000)	(4,998)
Issued capital	-	-	-
Comprehensive income/(loss)	-	5,000	5,000
Balance at 30 June 2016	2	-	2

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash Flows From Operating Activities			
Grant from New South Wales Aboriginal Land Council	9	140,000	455,000
NSWALC funding for bank account		-	5,000
Returned NSWALC funding for bank account		(5,000)	-
Net cash flows provided by operating activities		135,000	460,000
Cash Flows From Investing Activities			
Payment for investment in Paradigm	9	(140,000)	(455,000)
Net cash flows used in investing activities		(140,000)	(455,000)
Net Increase/(Decrease) in Cash Held		(5,000)	5,000
Opening Cash and Cash Equivalents		5,002	2
Closing Cash and Cash Equivalents		2	5,002

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NSWALC RESOURCES PTY. LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. GENERAL INFORMATION

NSWALC Resources Pty Ltd (the Company) is a proprietary company incorporated on 26 September 2014 in Australia. The Company owns 50% of shares in Paradigm Resources Pty Ltd (Paradigm P/L). The Company's parent entity is the New South Wales Aboriginal Land Council (NSWALC). The address of its registered office and principal place of business are as follows:

33 Argyle Street
Parramatta, NSW, 2150

The Company is a non-operating holding company.

2. BASIS OF PREPARATION

(a) Basis of preparation

The 'general purpose financial report' has been prepared in accordance with the recognition and measurement requirements specified by all Accounting Standards and Interpretations and the provisions of the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulation 2015 and the Treasurer's Direction.

(b) Basis of measurement

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

(c) Going Concern

Despite the negative ratio in the reporting period, NSWALC has formally undertaken to financially support the entity to ensure it can operate as a "going concern". Therefore, the directors have a reasonable expectation that the Company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial report.

(d) Accrual Basis

The Company prepared its statement of profit and loss and other comprehensive income and its statement of financial position on an accrual basis.

3. SIGNIFICANT ACCOUNTING POLICIES

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) *Revenue Recognition*

Revenue is measured at the fair value of consideration contribution received or receivable. The Company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity.

All grants received are recognised as income.

(b) *Expense Recognition*

All expenses incurred on an accrual basis are recognised as expenditure for the year to the extent that the Company has benefited by receiving goods or services and the expenditure can be reliably measured.

(c) *Assets*

(i) *Cash and Cash Equivalents*

Cash on hand and in banks are stated at their principal amounts.

(ii) *Receivables*

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

(iii) *Other Financial Assets*

Other financial assets in the joint venture entity are measured at fair value.

- *Joint Venture* NSWALC Resources Pty Ltd has a joint venture in Paradigm Resources Pty Ltd with Indigenous Energy Group Pty Ltd each having equal shareholding. The investment in Paradigm Resources Pty Ltd is accounted for in NSWALC Resources Pty Ltd using the equity method of accounting.
- *Equity Accounting* The equity method of accounting is one where the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other

NSWALC RESOURCES PTY. LTD.

comprehensive income includes its share of the investee's other comprehensive income.

(iv) *Impairment of financial assets*

All financial assets, except those measured at fair value through the profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the entity will not be able to collect all amounts due.

(d) *Liabilities*

(i) *Accounts Payable*

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

(e) *Income Tax*

The Company is in the process of applying for tax-free status as it is fully owned by NSWALC, which is a public benevolent institution (PBI) under the *Income Tax Assessment Act 1997*. Consequently, the directors consider that no income tax is payable.

(f) *Goods and Services Tax*

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

NSWALC RESOURCES PTY. LTD.

4. CONTRIBUTED EQUITY

	2017	2017
	Shares	\$
NSWALC	2	2
	2016	2016
	Shares	\$
NSWALC	2	2

5. CASH AND CASH EQUIVALENT

	2017
	\$
Cash and cash equivalent	2
	2016
	\$
Cash and cash equivalent	5002

6. PAYABLE TO NSWALC

(a) Remuneration of Auditors

The audit fee for the Company for the year ended 30 June 2017 is \$4,500 (\$5,000 in 2015-16) excluding GST. The audit fee has been paid by NSWALC.

(b) Other Fees Paid by NSWALC

During the year, NSWALC has also paid \$249 ASIC annual review fees and \$130 bank fees. Both fees are not subject to GST.

7. DIRECTORS' REMUNERATION

The names of the directors of the Company since incorporation until the end of the year are:

Craig Ernest Cromelin
Anne Marie Dennis
Danial Joseph Chapman

Aggregate income paid or payable to directors of NSWALC Resources Pty Ltd from the Company was \$Nil. The Directors of the Company are Councillors of NSWALC and as such they are remunerated by NSWALC. They perform their duties as Directors of NSWALC Resources as part of their duties as Councillors of NSWALC.

8. RETAINED EARNINGS

	2017	2016
	\$	\$
Retained Earnings balance at end of period	(4,879)	-

9. RELATED PARTY DISCLOSURES

(a) *Directors' Remuneration and Retirement Benefits*

Details of directors' remuneration are disclosed in Note 7 to the financial Statements.

(b) *Transactions With Other Related Parties*

Other related parties include:

- Parent entity – New South Wales Aboriginal Land Council
- Joint Venture entity - Paradigm Resources Pty Ltd

The Company received a grant of \$140,000 from NSWALC to purchase shares in the joint venture company Paradigm Resources Pty Ltd. This grant received was disclosed in the Statement of Profit or Loss and Other Comprehensive Income. The Company received secretarial and accounting services free of charge from NSWALC.

10. SEGMENT INFORMATION

The Company operates in one geographic segment being Australia.

11. EMPLOYEE INFORMATION

The number of employees as at the end of the year was Nil.

12. NOTES TO THE STATEMENT OF CASH FLOWS

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and Cash Equivalent Balance : \$2.00

NSWALC RESOURCES PTY. LTD.

13. SHARES IN JOINT VENTURE

Paradigm Resources Pty Ltd	2017 \$	2016 \$
Total Assets	642,194	656,487
Total Liabilities	44,102	22,860
Net Assets	598,092	633,627
Investments accounted for using equity method	299,046	316,814
 Total Revenue	 4,534	 3,991
Total Expense	320,069	382,531
Total Comprehensive gain/(Loss)	(315,535)	(378,540)
Share of Joint Ventures' net profit/(loss) recognised	(157,768)	(189,270)

Paradigm was established in November 2014 as a joint venture company between NSWALC Resources P/L and Indigenous Energy Group Pty Ltd (ACN 167 002 404).

In the financial year 2016-17, Resources P/L invested \$140,000 (\$455,000 in 2015-16) as 50% of equity holding in Paradigm Resources Pty Ltd. There are 1,400,000 ordinary shares issued by Paradigm at \$1.00 each.

14. IMPAIRMENT OF INVESTMENT

	2017 \$	2016 \$
Shares in Paradigm	700,000	560,000
- Increase/(Decrease) in value using equity accounting	(400,954)	(243,186)
- Provision for impairment of shares	(299,046)	(316,814)
Carrying amount of shares in Paradigm	-	-

15. EVENT AFTER THE BALANCE DATE

There is no known event after the balance date.

End of Audited financial statements

ACRONYMS

AANSW	Aboriginal Affairs New South Wales	NRCAPO	Northern Region Coalition of Aboriginal Peak Organisations
AEP	Aboriginal Employment Plan	NSWALC	New South Wales Aboriginal Land Council
AEU	Aboriginal Employment Unit	NSWLEC	NSW Land and Environment Court
AHO	Aboriginal Housing Office	NTSCORP	Native Title Service Provider
ALRA	Aboriginal Land Rights Act	NWLC	North West Land Corporation
CAF	Charities Aid Foundation	OCHRE Plan	Opportunity Choice Healing Responsibility Empowerment Aboriginal Affairs Plan
CFI	Carbon Farming Initiative	OCSG	Office of Coal Seam Gas
CLBP	Community Land and Business Plan	OEH	Office of Environment & Heritage
DoLG	Department of Local Government	PAN	Proposed Acquisition Notice
DPI	Department of Primary Industries	PELA	Petroleum Exploration Licence Application
ECOSOC	United Nations Economic and Social Council	PID	Public Interest Disclosures
EMRIP	Expert Mechanism on the Rights of Indigenous Peoples	PMU	Program Management Unit
FaHCSIA	Department of Families & Housing, Community Services and Indigenous Affairs	PPIPA	Privacy and Personal Information Protection Act
GIPA	Government Information Public Access	PRU	Policy & Research Unit
IBA	Indigenous Business Australia	PSPA	Petroleum Special Prospecting Authority
ICT	Information & Communications Technology	RALC	Regional Aboriginal Land Council
IEG	Indigenous Energy Group	RAS	Risk Assessment System
LALC	Local Aboriginal Land Council	RDP	Resource Development Project
LCSU	LALC Support Unit	RJCP	Remote Jobs Community Program
LDM	Local Decision Making	RPA	Regional Partnership Agreement
LEC	Land and Environment Court	SHAPE	Social Housing and Provider Evaluation
LGNSW	Local Government New South Wales	SIOP	Statement of Investment Objectives Policy
LMSS	LALC Management Support System	SRLUP	Strategic Regional Land Use Policies
LPI	Land and Property Information	UNPFII	United Nations Permanent Forum on Indigenous Issues
LRU	Land Rights Unit	VG	Valuer General
LSU	Legal Services Unit		
MRCAPO	Many Rivers Coalition of Aboriginal Peak Organisations		
NAHS	National Aboriginal Health Strategy		
NGO	Non-government Organisation		

*Total external costs incurred in production of this report: \$4,356.00

CONTACT DETAILS

NSW ABORIGINAL LAND COUNCIL

33 Argyle Street
Parramatta NSW 2150
PO Box 1125 Parramatta 2124
Ph: 02 9689 4444
Fax: 02 9687 1234
Email: penwurru@alc.org.au
Website: www.alc.org.au

NORTHERN ZONE

Ph: 02 6659 1200
2/26 Park Ave
Coffs Harbour NSW 2450
PO Box 1912
Coffs Harbour NSW 2450

WESTERN ZONE

Ph: 02 6885 7000
2/36 Darling St
Dubbo NSW 2830
PO Box 1196
Dubbo NSW 2830

SOUTHERN ZONE

Ph: 02 6124 3555
Unit 24, 2 Yallourn St
Fyshwick ACT 2609
PO Box 619
Queanbeyan NSW 2620

FAR WESTERN ZONE

Ph: 08 8087 3851
Level 3
NSW State Government Building
32 Sulphide St
Broken Hill, NSW 2880

EASTERN ZONE

Ph: 02 4337 4700
50/24-26, Watt Street
Gosford NSW 2250
PO Box 670
Gosford NSW 2250