



LOCAL ABORIGINAL LAND COUNCIL BUDGETS POLICY

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Responsible Manager:		Cal Davis (Deputy Chief Executive Officer)	



NEW SOUTH WALES ABORIGINAL LAND COUNCIL

Local Aboriginal Land Council Budgets Policy

Introduction

1. Local Aboriginal Land Council (**LALC**) budgets are critical planning instruments for ensuring that LALC resources are efficiently utilised to meet all statutory and operational financial obligations.

Purpose

2. This policy identifies the statutory obligations of LALCs in relation to the preparation of budgets and stipulates the criteria by which the NSW Aboriginal Land Council (**NSWALC**) will assess them pursuant to section 158 of the *Aboriginal Land Rights Act 1983* (**ALRA**).

Obligations

3. Section 158 of the ALRA requires each LALC to prepare and adopt before each financial year, a detailed budget relating to the LALC's proposed operations for that coming financial year.
4. Section 158 also requires LALCs to prepare these budgets in accordance with any applicable NSWALC policy.
5. Section 160 of the ALRA authorises NSWALC to give directions to LALCs relating to the form, contents and method of preparation of budgets, and to the keeping of accounts and records and the making of reports. LALCs are required to comply with such directions.
6. This policy requires LALC budgets to be prepared so that:
 - a. The budget includes all details of the LALC's proposed operations, including operations to be funded by persons or bodies other than NSWALC.
 - b. Income & expenditure related to any NSWALC Grant is separately identified.
 - c. Income & expenditure for all subsidiary and controlled entities is separately identified.
 - d. Income & expenditure for all Community Benefit Schemes, including those schemes providing residential accommodation is separately identified
 - e. All other income & expenditure for the LALC (i.e. activities) is separately identified.
 - f. Provision has been made for all statutory obligations, including rates.
 - g. Provision has been made for staff wages, entitlements and on costs.
 - h. Provision has been made for the management of any existing debts, including any debts subject to a debt repayment agreement that the LALC has with NSWALC.
 - i. The budget does not contain expenditure for activities beyond the authority conferred on the LALC by its Community Land and Business Plan and the ALRA.
 - j. The budget is realistic (eg. the income and expenditure assumptions have a sound basis), responsible (eg the budget will enable the LALC to pay its

operating costs for the year and enable a reduction of any debt) and achievable (eg rental income projections are in line with those achieved in the recent past).

- k. The budget meets the requirements of any further written direction of NSWALC made pursuant to section 160 of the ALRA.

Provision of LALC budgets to LALC Members

7. Section 52G(1)(f) of the ALRA requires LALCs to have adopted budgets received by a resolution of the voting members of the LALC.
8. LALCs are directed to present the adopted budget for receipt by the members at the next meeting of the LALC after it has been adopted.

Provision of LALC budgets to NSWALC

9. Section 158 of the ALRA requires each LALC to provide NSWALC with the budget it has adopted not less than 10 weeks before the commencement of the financial year to which the budget relates.
10. LALCs are directed to provide NSWALC with the LALC budget, adopted by the LALC Board, with the LALC Common Seal affixed, and the minutes of the Board meeting at which the budget was adopted no later than 21 April each year.
11. Section 158 authorises NSWALC to require a LALC to resubmit a budget under section 158, if NSWALC is satisfied that the budget does not meet the requirements of section 158, including the obligations of this policy in relation to the preparation of LALC budgets.

Compliance

12. It is the responsibility of the LALC to ensure it complies with the ALRA and this policy.
13. Failure to comply with this policy may be grounds for the cessation of funding, or ineligibility for future funding agreements, under the NSWALC Funding Policy and agreement.
14. Failure to comply with the obligations of section 158 of the ALRA, including the obligations of this policy in relation to the preparation of LALC budgets, may result in a LALC being required to resubmit a budget to NSWALC.
15. Failure to comply with the obligations identified in this policy, including the obligations in relation to the preparation of budgets stipulated in this policy, may provide grounds for the issuance of a section 160 direction from NSWALC, or a compliance direction by the Registrar of the ALRA.
16. Failure to comply with the statutory obligations identified in this policy, including the obligations in relation to the preparation of budgets stipulated in this policy, may provide grounds for the appointment of an advisor, an investigator, or an administrator to a LALC by the Registrar of the ALRA.