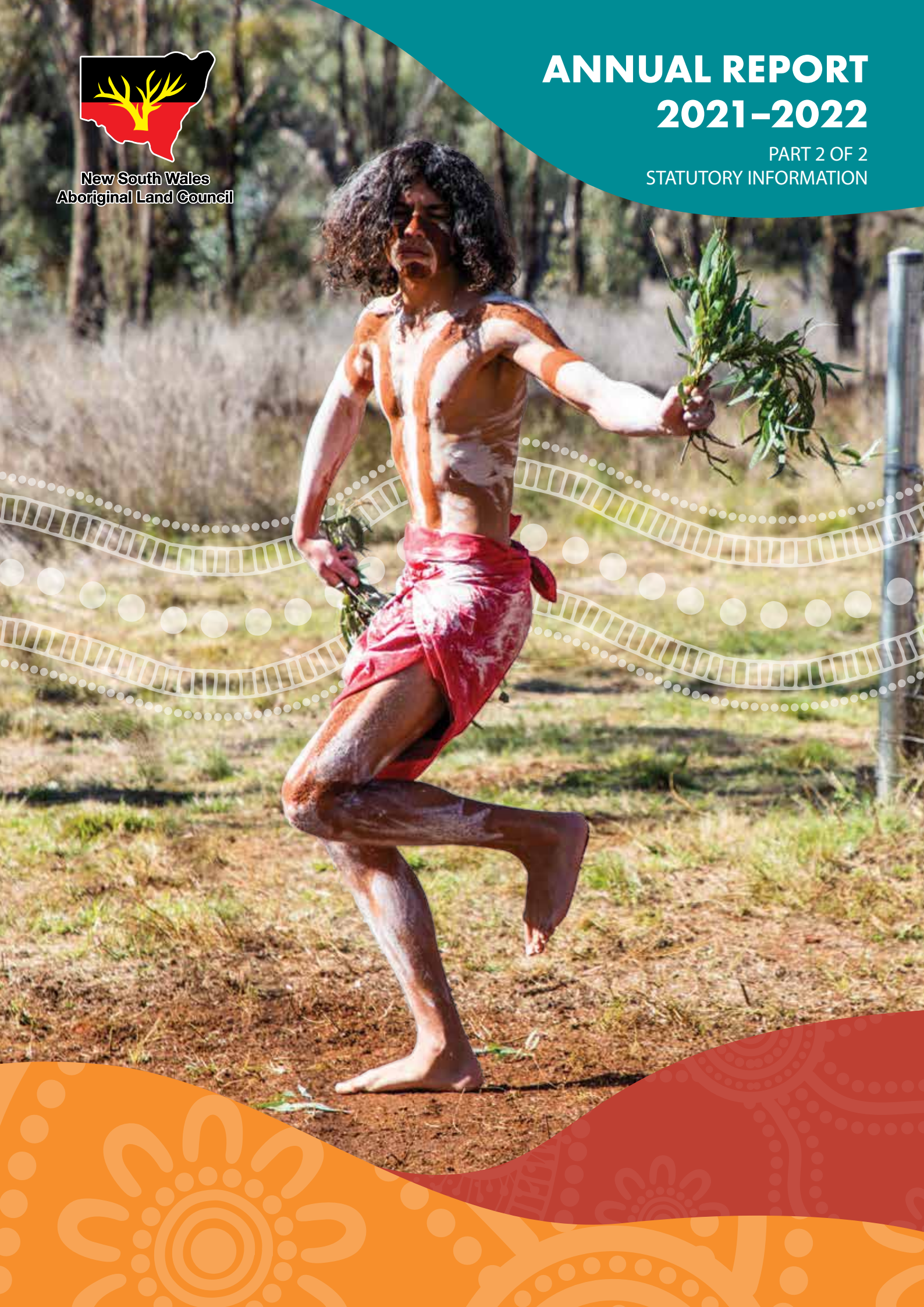




New South Wales
Aboriginal Land Council

ANNUAL REPORT 2021–2022

PART 2 OF 2
STATUTORY INFORMATION



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Parts 1 and 2 together constitute the full annual reporting requirements of the NSW Aboriginal Land Council.

Governance data

Council meetings in 2021–22

Table 12: Number and type of Council meetings held during 2021–22.

TYPE OF MEETING	NUMBER
Council meetings	21
Council workshops	12
Audit and Risk Committee	4
Finance Committee	6
Governance Committee	4
Investment Committee	3
Insurance Committee	2

Table 13: Summary of Councillors' attendance at Council meetings in 2021–22.

COUNCILLOR	MEETINGS ATTENDED
Cr Chapman	21
Cr R Hampton	21
Cr Dennis	20
Cr Lynch	20
Cr Smith	21
Cr L Hampton	20
Cr Toomey	18
Cr Wright	19
Cr Donnelly	21

Workshops/training in 2021–22

Table 14: Summary of Councillors' attendance at workshops/training in 2021–22.

COUNCILLOR	MEETINGS ATTENDED
Cr Chapman	12
Cr R Hampton	12
Cr Dennis	12
Cr Lynch	12
Cr Smith	12
Cr L Hampton	12
Cr Toomey	12
Cr Wright	12
Cr Donnelly	12

Legislative obligations

Obligations under the Government Information (Public Access) Act 2009

During the reporting period, NSWALC did not receive any applications under the *Government Information (Public Access) Act 2009*.

Obligations under the Public Interest Disclosure Act 1994

During the reporting period, NSWALC received one complaint under the *Public Interest Disclosure Act 1994*.

Risk management

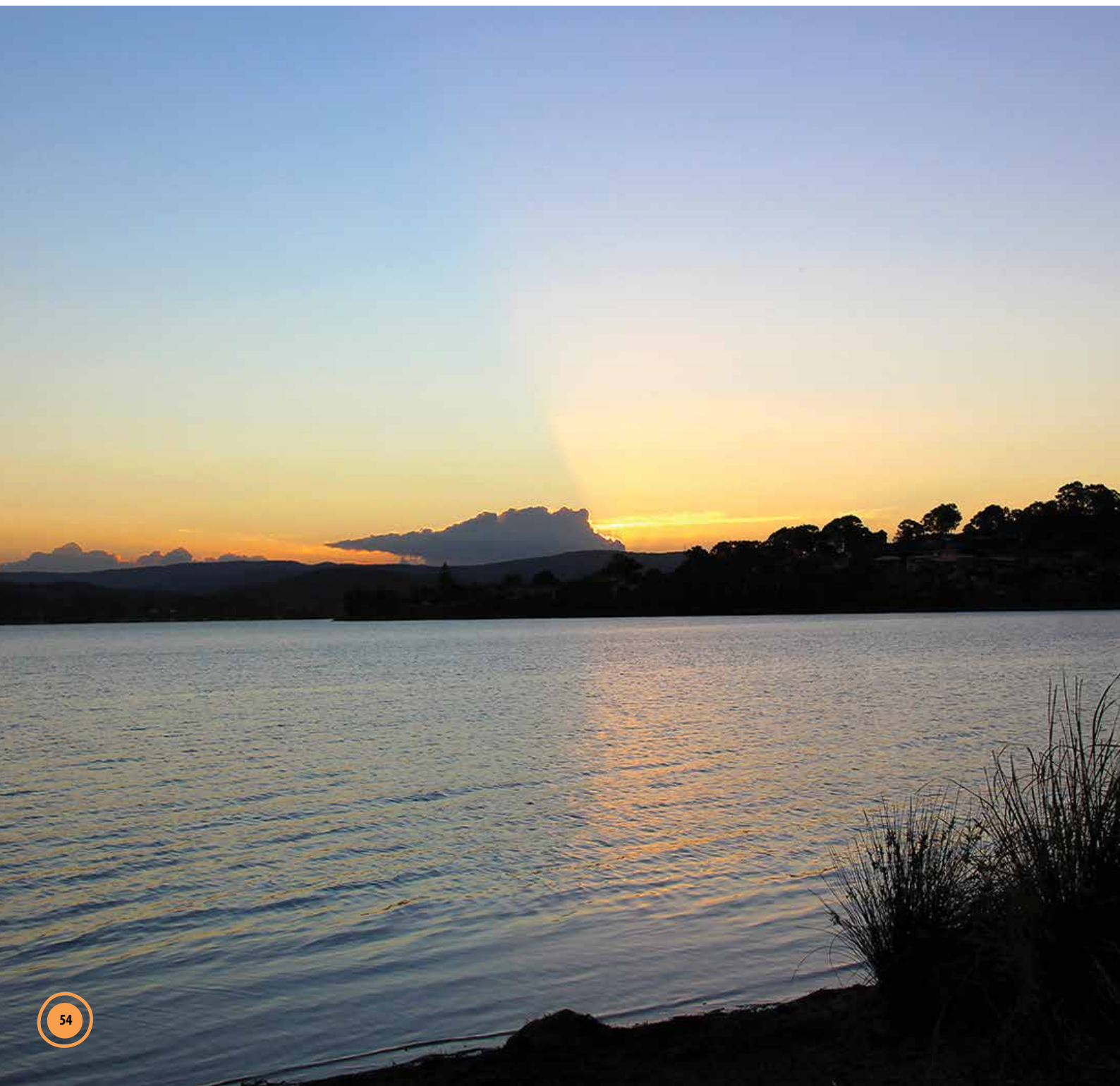
In 2021–22 NSWALC has focused on improving governance. Part of this process involved engaging Risk Frontiers to redesign the risk culture at NSWALC and implement an enterprise-wide risk management framework.

A new risk management policy and procedure consistent with ISO 31000 Risk Management – Principles and Guidelines has been developed. With these and the divisional risk registers as a basis, an enterprise-wide risk register has been developed and will be reviewed by Council in new financial year.

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 that is only accessible to staff members from the 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, and payroll information is kept securely and regularly audited. Any information requested by a third party is only disclosed with the consent of the person to which the information relates.

NSWALC has completed a draft Privacy Management Plan, as required by Section 33 of the PPIPA. The draft plan sets out NSWALC's practices to comply with the Information Protection Principles in the PPIPA and Health Privacy Principles in the *Health Records and Information Privacy Act 2002*.



Internal Audit and Risk Management Attestation Statement for the 2021–22 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, excluding the exemptions or transitional arrangements described below, compliant with the seven (7) Core Requirements set out in the Internal Audit and Risk Management Policy for the General Government Sector, specifically:

CORE REQUIREMENTS	COMPLIANT, NON-COMPLIANT, OR IN TRANSITION
Risk Management Framework	
1.1 The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant
1.2 The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant
Internal Audit Function	
2.1 The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit for purpose.	Compliant
2.2 The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for Professional Practice for Internal Auditing.	Compliant
2.3 The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant
Audit and Risk Committee	
3.1 The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant
3.2 The Accountable Authority shall ensure 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:	
<ul style="list-style-type: none"> ➤ Independent Chair, Ms Marcia Doheny, appointed 1 April 2019 until 31 March 2021, re-appointed 1 April 2021 to 31 March 2023 ➤ Independent Member, Mr Michael Silk, appointed 1 April 2022 until 31 March 2024 ➤ Independent Member, Mr Malcolm Clinch, appointed 29 April 2022 until 28 April 2025 ➤ Non-independent Member, Councillor Charles Lynch, appointed 18 November 2015 until October 2019, re-appointed on 5 February 2020 until October 2023. ➤ Non-independent Member (Alternate), Councillor Peter Smith, appointed 5 February 2020 until October 2023. 	

Yuseph Deen
Chief Executive Officer



30 August 2022

Workforce data

Workers compensation and rehabilitation 2021–22

Work-related injury and illness

Table 15: Number and type of accidents reported in 2021–22.

NATURE OF ACCIDENT	NUMBER
Slips, trips and falls	0
Head knock	0
Mental health (anxiety, stress)	1
Cuts/scratches	0
Motor vehicle accident	0
Ergonomics/overuse	0
Sprain/strain	0
Manual handling	0
Bites	0
Sickness	0
Total	1

Table 16: Where reported work-related injuries/illnesses occurred in 2021–22.

LOCATION	NUMBER
Workplace	0
On the journey to/from work	0
At work away from the normal workplace	1
Total	1

Workers compensation claims

Table 17: Type, status and number of workers compensation claims in 2021–22.

CLAIM TYPE/STATUS	NUMBER
Claim type	
Claims brought forward from 2020–21	2
New claims for this period	1
Total	3
Claim status at 30 June 2022	
Claims finalised	1
Claims declined/under investigation	0
Liability accepted and claim continuing	2
Provisional liability	0
Total	3
Open claims carried forward to 2021–22	2

Rehabilitation

Table 18: Type, status and number of rehabilitation cases in 2021–22.

CLAIM TYPE/STATUS	NUMBER
Case type	
Cases brought forward from 2020–21	0
New cases for this period	0
Total	0
Case status at 30 June 2022	
Cases completed	0
Cases continuing/carried forward to 2021–22	0
Total	0

Our workforce

Staff categories and representation

Table 19: Five-year trend in category of staff as a percentage of total staff, 2018–22.

CATEGORY	% TOTAL STAFF				
	2017–18	2018–19	2019–20	2020–21	2021–22
Senior Managers Framework	22.0	23.0	23.4	25.0	20.1
Salary Group 8 Year 1 to Group 13 Year 3	57.0	61.0	62.4	61.0	56.1
Salary Group 1 Year 1 to Group 7 Year 3	13.0	10.0	7.8	8.3	17.3
Councillors	8.0	6.0	6.4	6.2	6.5

Table 20: Five-year trend in representation of Equal Employment Opportunity (EEO) target groups as a percentage of total staff, 2018–22.

EEO GROUP	BENCHMARK OR TARGET	% TOTAL STAFF ¹				
		2017–18	2018–19	2019–20	2020–21	2021–22
Women	50.0	48.0	53.0	53.9	55	59.2
Aboriginal people and Torres Strait Islanders	26.0	48.0	46.7	50.4	52.08	44.6
People whose first language was not English	19.0	20.0	16.8	12.8	13	9.2
People with a disability	N/A	12.0	11.0	9.9	9.03	8.5
People with a disability requiring work-related adjustment	1.5	2.6	5.8	5.0	4.50	3.9

Table 21: Five-year trend in distribution of EEO target groups as a percentage of total staff, 2018–22.

EEO GROUP	BENCHMARK OR TARGET	DISTRIBUTION INDEX ²				
		2017–18	2018–19	2019–20	2020–21	2021–22
Women	100	80	85	88	88	77
Aboriginal people and Torres Strait Islanders	100	82	82	87	89	77
People whose first language was not English	100	74	85	94	94	92
People with a disability	100	86	72	71	77	82
People with a disability requiring work-related adjustment	100	100	33	71	83	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 per cent may not be completely accurate.

Table 22: NSWALC workforce profile as at 30 June 2022, by employment status, cultural background, age and gender.

	ALL	ABORIGINAL	FEMALE	MALE
Full time	114	52	64	50
Part time	16	6	13	3
<30 years	10	6	8	2
30–50 years	79	37	48	31
50+ years	41	15	21	20

Executive officers and senior staff

Table 23: Position, number and gender of senior staff and executive officers.

EXECUTIVE POSITION	CURRENT YEAR			PRIOR YEAR		
	NUMBER	MALE	FEMALE	NUMBER	MALE	FEMALE
SES 5 equivalent				1	1	
SES 3 equivalent	2	2		1	1	
SES 1 equivalent	3	3		3	3	

Table 24: Senior staff and executive remuneration (\$) and percentage of total team-related expenditure.

EXECUTIVE POSITION	2017–18	2018–19	2019–20	2020–21	2021–22
SES 5 or equivalent	328,077	340,647	355,000	355,000	
SES 3 or equivalent	248,637	257,691	260,262	262,275	269,906
SES 1 or equivalent	191,509	196,314	210,965	216,645	212,568
Percentage of expenditure	7.2%	6.7%	7.2%	8.7%	3.2%

Remuneration of Councillors

Under Section 161 of the ALRA, NSWALC is obliged to publish the total remuneration (including travel expenses) paid to each Councillor during the year. Councillor salaries are determined by the Statutory and Other Offices Remuneration Tribunal as part of its Public Office Holders Group. Travel allowances are determined by the Minister for Aboriginal Affairs.

Under Section 13 of the *Statutory and Other Offices Remuneration Act 1975* the Tribunal must make a determination on remuneration of office holders on 1 July each year. In 2020–21 the annual base salary of a NSWALC Councillor was \$164,285, with loadings of 10 per cent for the Chairperson and 5 per cent for the Deputy Chairperson as a result of the additional responsibilities inherent in both positions. The Tribunal determination on 1 July 2022 increased the base salary to \$166,800 with loadings remaining unchanged.

Salary packaging benefits

NSWALC continues to engage Maxxia as the outsource salary packaging provider, with 86.1 per cent of staff members participating in some form of salary packaging.

Of NSWALC staff taking-up the benefit, approximately 36.1 per cent are Aboriginal (47), with a total of 112 staff using Maxxia.

Major policy and program outcomes in 2021–22 against planned outcomes

Although this reporting year continued to be a challenge with COVID-19 active in the community, the Enterprise Agreement was voted on and approved in December 2021. To enable this achievement all team members covered by the enterprise agreement had their role descriptions reviewed and rewritten to ensure consistency and alignment with the revised remuneration structure. In addition, the performance and development process for all enterprise agreement team members was implemented and supported by a comprehensive training program for both managers and team members.

In line with our commitment to team member development and in conjunction with the implementation of the revised performance and development process, the People and Workplace team was able to identify and make available to all team members learning and development opportunities to strengthen the skills base and the succession pipeline.

Two NSWALC wide initiatives were conducted, the first by our wellbeing provider AccessEAP designed to assist team members in working away from the office as a result of COVID. Two programs 'Mood & Food' along with 'Constructive conversations for team members' were run and well subscribed.

The second organisation-wide initiative was Microsoft Office product training. Forty-one team members enrolled in Microsoft Word, Excel and PowerPoint programs, with many team members enrolling in more than one product training. The program was delivered through Sydney University's continuing professional education unit. Team members were offered a choice of level of in accord with their self-identified proficiency and desired proficiency.

In addition to the organisation-wide initiatives, 25 team members attended training programs relevant to their roles and career development aspirations. Five Aboriginal staff members enrolled in the Emerging Indigenous Executive Leadership Program run through the University of New South Wales. This is the second cohort to undertake the program.

Workforce diversity strategies

NSWALC continues to ensure equitable employment practices including merit-based decisions in recruitment and team member promotional opportunities. The following can be reported:

Twenty-four new team members were recruited into the organisation during this reporting period:

- 16 were female
- 10 identified as Aboriginal
- eight were over the age of 50.

Aboriginal Employment Strategy

To progress the Aboriginal Employment Strategy the People and Workplace team sought exemption under the provisions of Section 126 of the *Anti-Discrimination Act 1977* (NSW) to advertise, designate and recruit roles for Aboriginal and Torres Strait Islander people. This exemption supports the goal of 75 per cent Aboriginal and Torres Strait Islander workforce participation.

In April 2022 the exemption was granted under Sections 8 and 51 of the Act. The exemption is for a five-year period.

In addition, we continue to grow relationships with Aboriginal-run recruitment agencies to compliment traditional sourcing methods.

FINANCIAL STATEMENTS

Statement by Councillors

Pursuant to Section 7.6(4) of the *Government Sector Finance Act 2018* (the Act), we state that these financial statements:

1. have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions; and
2. present fairly the Council's financial position, financial performance and cash flows.



Danny Chapman
Chairperson

18th November 2022



Ross Hampton
Deputy Chairperson

Independent Auditor's Report



To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of New South Wales Aboriginal Land Council (the Council), which comprise the Statement by the Councillors, the Consolidated Statements of Comprehensive Income for the year ended 30 June 2022, the Consolidated Statements of Financial Position as at 30 June 2022, the Consolidated Statements of Changes in Equity and the Consolidated Statements of Cash Flows for the year then ended, notes to the consolidated financial statements and other explanatory information of the Council and the consolidated entity. The consolidated entity comprises the Council 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:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation) and the Treasurer's Directions
- present fairly the financial position, financial performance and cash flows of the Council and the consolidated entity.

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 Council 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 (including Independence Standards)' (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.

Other Information

The Council's annual report for the year ended 30 June 2022 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by the Councillors.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

Councillors' Responsibilities 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 GSF Act, GSF Regulation and Treasurer's Directions. The Councillors' responsibility also includes such internal control as the Councillors 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 Councillors are responsible for assessing the ability of the Council and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities 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/ar3.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council 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.



Cathy Wu
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

21 November 2022
SYDNEY

Consolidated statements of comprehensive income for the year ended 30 June 2022

	NOTE	CONSOLIDATED		PARENT	
		2022 \$000	2021 \$000	2022 \$000	2021 \$000
Revenue					
Investment revenue	7	26,763	42,817	26,319	42,812
Grants and contributions	8	54,033	8,393	50,578	8,009
Other revenue	9	4,655	1,870	1,673	1,710
Total revenue		85,451	53,080	78,570	52,531
Expenses					
Employee-related expenses	12	(24,378)	(21,647)	(21,218)	(20,154)
Depreciation	22,23	(2,085)	(2,000)	(1,499)	(1,147)
Amortisation	25	(80)	(59)	(80)	(59)
Doubtful debts and debt write-off		(355)	(987)	(355)	(987)
Funding to LALCs	13	(17,756)	(17,625)	(17,756)	(17,625)
Grants	14	(12,193)	(2,537)	(14,017)	(5,912)
Legal expenses		(1,580)	(877)	(1,532)	(877)
Interest expense on lease assets		(333)	(572)	(262)	(176)
Other expenses	15	(11,757)	(7,925)	(8,227)	(6,935)
Program expenses	16	(1,050)	(885)	(1,050)	(885)
Total expenses		(71,567)	(55,114)	(65,996)	(54,757)
Operating surplus/(deficit)		13,884	(2,034)	12,574	(2,226)
Other gains/(losses)	11	(49,444)	55,908	(49,438)	55,908
Gain/(loss) on disposal	10	693	(414)	(71)	(414)
Surplus/(deficit) before income tax expense		(34,867)	53,460	(36,935)	53,268
Income tax expense		–	–	–	–
Surplus/(deficit) after income tax expense for the year		(34,867)	53,460	(36,935)	53,268
Other comprehensive income					
Items that will not be reclassified subsequently to surplus or deficit					
Actuarial gain/(loss) on defined benefit plans, net of tax		228	221	228	221
Net increment/(decrement) on revaluation		(14)	2,878	(14)	2,878
Other comprehensive income for the year, net of tax		214	3,099	214	3,099
Total comprehensive income for the year		(34,653)	56,559	(36,721)	56,367
Surplus/(deficit) for the year is attributable to:					
Non-controlling interest		58	–	–	–
Members of NSWALC		(34,925)	53,460	(36,935)	53,268
		(34,867)	53,460	(36,935)	53,268
Total comprehensive income for the year is attributable to:					
Non-controlling interest		58	–	–	–
Members of NSWALC		(34,711)	56,559	(36,721)	56,367
		(34,653)	56,559	(36,721)	56,367

The above Consolidated statements of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statements of financial position as at 30 June 2022

		CONSOLIDATED		PARENT	
	NOTE	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Assets					
Current assets					
Cash and cash equivalents	17	32,215	38,072	21,537	35,300
Trade and other receivables	18	5,550	1,606	3,234	2,121
Investments	19	599,659	668,419	599,659	668,418
Other	21	751	897	537	897
Total current assets		638,175	708,994	624,967	706,736
Non-current assets					
Trade and other receivables	18	9,880	128	29	128
Other	21	548	121	548	121
Property, plant and equipment	22	46,168	13,263	45,928	13,222
Right-of-use assets	23	8,641	9,640	8,130	2,787
Intangibles	25	182	210	138	210
Investment in subsidiary	24	–	–	5,055	–
Total non-current assets		65,419	23,362	59,828	16,468
Total assets		703,594	732,356	684,795	723,204
Liabilities					
Current liabilities					
Trade and other payables	28	5,393	4,891	4,205	4,460
Unspent grant/donation	30	12,468	17,779	9,708	17,246
Borrowings	29	2,350	–	–	–
Lease liabilities	31	1,544	1,172	1,295	550
Derivatives	20	2,693	2,037	2,693	2,037
Provisions	32	3,889	3,885	3,716	3,846
Total current liabilities		28,337	29,764	21,617	28,139
Non-current liabilities					
Borrowings	29	5,260	–	–	–
Lease liabilities	31	7,625	9,462	7,359	2,559
Provisions	32	666	593	627	593
Total non-current liabilities		13,551	10,055	7,986	3,152
Total liabilities		41,888	39,819	29,603	31,291
Net assets		661,706	692,537	655,192	691,913
Equity					
Revaluation reserve		16,842	16,856	16,842	16,856
Accumulated funds		640,984	675,681	638,350	675,057
Equity attributable to the members of NSWALC		657,826	692,537	655,192	691,913
Non-controlling interest		3,880	–	–	–
Total equity		661,706	692,537	655,192	691,913

The above Consolidated statements of financial position should be read in conjunction with the accompanying notes.

Consolidated statements of changes in equity for the year ended 30 June 2022

	REVALUATION RESERVE \$000	ACCUMULATED FUNDS \$000	NON- CONTROLLING INTEREST \$000	TOTAL EQUITY \$000
Consolidated				
Balance at 1 July 2020	14,507	621,471	–	635,978
Surplus after income tax expense for the year	–	53,460	–	53,460
Other comprehensive income for the year, net of tax	2,878	221	–	3,099
Total comprehensive income for the year	2,878	53,681	–	56,559
Reserve Transfers – Artefacts	(213)	213	–	–
Reserve Transfers – Properties	(316)	316	–	–
Balance at 30 June 2021	16,856	675,681	–	692,537
Balance at 1 July 2021	16,856	675,681	–	692,537
Surplus/(deficit) after income tax expense for the year	–	(34,925)	58	(34,867)
Other comprehensive income for the year, net of tax	(14)	228	–	214
Total comprehensive income for the year	(14)	(34,697)	58	(34,653)
Business combination	–	–	3,822	3,822
Balance at 30 June 2022	16,842	640,984	3,880	661,706

Consolidated statements of changes in equity for the year ended 30 June 2022 (continued)

	REVALUATION RESERVE \$000	ACCUMULATED FUNDS \$000	TOTAL EQUITY \$000
Parent			
Balance at 1 July 2020	14,507	621,039	635,546
Surplus after income tax expense for the year	–	53,268	53,268
Other comprehensive income for the year, net of tax	2,878	221	3,099
Total comprehensive income for the year	2,878	53,489	56,367
Reserve Transfers – Artefacts	(213)	213	–
Reserve Transfers – Properties	(316)	316	–
Balance at 30 June 2021	16,856	675,057	691,913
Balance at 1 July 2021	16,856	675,057	691,913
Deficit after income tax expense for the year	–	(36,935)	(36,935)
Other comprehensive income for the year, net of tax	(14)	228	214
Total comprehensive income for the year	(14)	(36,707)	(36,721)
Balance at 30 June 2022	16,842	638,350	655,192

The above Consolidated statements of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statements of cash flows for the year ended 30 June 2022

	NOTE	CONSOLIDATED		PARENT	
		2022 \$000	2021 \$000	2022 \$000	2021 \$000
Cash flows from operating activities					
Sales and rental income		1,697	14	–	–
Interest and investment income		572	30	19	24
Community Development Levy received		–	311	–	311
Grants and contributions		14,580	5,769	10,756	5,191
GST received from ATO		2,239	2,801	2,155	2,731
Other receipts		1,270	132	–	–
Employee-related expenses		(24,130)	(21,564)	(21,113)	(20,109)
Net debts movement (including GST)		3,848	(1,376)	3,848	(1,376)
Community Development Levy grants paid		(1,084)	(684)	(1,084)	(684)
Grant payments		(9,721)	(2,207)	(12,518)	(5,228)
Funding to LALCs		(17,756)	(17,625)	(17,756)	(17,625)
Expenses paid on behalf of LALCs		(262)	(1,006)	(262)	(1,006)
Payments for goods and services		(21,905)	(2,629)	(17,253)	(2,090)
Payment of interest portion of lease liability		(439)	(634)	(365)	(238)
Net cash used in operating activities	33	(51,091)	(38,668)	(53,573)	(40,099)
Cash flows from investing activities					
Payments for property, plant and equipment and intangibles	22,25	(707)	(493)	(473)	(450)
Loans advanced to customers		(718)	–	–	–
Net proceeds from/(payments for) business combination		4,843	–	(324)	–
Proceeds from disposal of investments		42,803	41,853	41,539	41,853
Proceeds from disposal of property, plant and equipment		–	194	–	194
Net cash from investing activities		46,221	41,554	40,742	41,597
Cash flows from financing activities					
Proceeds from borrowings		390	–	–	–
Payment of lease liabilities		(1,377)	(1,136)	(932)	(626)
Net cash used in financing activities		(987)	(1,136)	(932)	(626)
Net increase/(decrease) in cash and cash equivalents		(5,857)	1,750	(13,763)	872
Cash and cash equivalents at the beginning of the financial year		38,072	36,322	35,300	34,428
Cash and cash equivalents at the end of the financial year	17	32,215	38,072	21,537	35,300

The above Consolidated statements of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements 30 June 2022

1. Reporting entity

New South Wales Aboriginal Land Council (NSWALC or the Council) is a statutory body constituted by the NSW *Aboriginal Land Rights Act 1983* (the ALRA). The Council is a not-for-profit entity (as profit is not its principal objective).

The Council, as a reporting entity, comprises the following subsidiaries.

SUBSIDIARY NAME	ACN	INCORPORATION/ ACQUISITION DATE	OWNERSHIP PERCENTAGE
NSWALC Resources Pty Ltd	602 043 274	26 September 2014	100.00
NSWALC Properties Pty Ltd	629 594 985	24 October 2018	100.00
NSWALC Housing Ltd	631 178 848	23 January 2019	100.00
NSWALC Employment and Training Ltd	634 467 244	28 June 2019	100.00
Social Enterprise Finance Australia Limited	150 673 715	26 November 2021	56.69

NSWALC Resources Pty Ltd (NSWALC 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.

NSWALC Properties Pty Ltd (NSWALC Properties P/L) was established to facilitate the sale and lease back of 33 Argyle Street, Parramatta. As part of the sale of 33 Argyle St, the Council agreed with the purchaser to leaseback our office premises within the building. Accordingly, NSWALC Properties P/L was established to be the tenant in the required leaseback.

The Council has decided to wind up and deregister NSWALC Resources Pty Ltd, Paradigm and NSWALC Properties Pty Ltd in 2023. The activities of these entities have been classified as discontinued operations. The Council has not separately presented information about discontinued operations in the consolidated statements of comprehensive income because that information is immaterial.

In accordance with NSWALC Strategic Plan 2018–2022, the Council is committed to pursuing economic independence and prosperity for our people. To achieve this the Council is working to create opportunities for Aboriginal people and Local Aboriginal Land Councils (LALCs) to undertake business ventures, and is also diversifying the Council's own business activities in order to provide greater prosperity to future generations. Establishment of NSWALC Housing Ltd (NHL) and NSWALC Employment and Training Ltd (NET) are two of the Council's economic development initiatives. The purpose of NHL is to increase the housing options including the supply of social and affordable housing for Aboriginal people, while NET is designed to mobilise the Aboriginal workforce and support them to obtain the necessary training to obtain employment in the infrastructure, construction, aged care and disability services sectors.

In 2012, the Council purchased one million fully-paid ordinary shares in Social Enterprise Finance Australia Limited (SEFA), representing a 44.64 per cent equity ownership in SEFA. On 26 November 2021, the Council purchased an additional 270,000 fully-paid ordinary shares. This purchase, when combined with the one million shares the Council already owned, meant the Council increased its equity ownership in SEFA from 44.64 per cent to 56.69 per cent. Therefore, from 26 November 2021, the Council controls SEFA. Refer to Note 2(h) for further details.

The consolidated financial statements for the year ended 30 June 2022 have been authorised for issue by the Council on 18 November 2022.

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 (AAS) (which include Australian Accounting Interpretations)
- the requirements of the *Government Sector Finance Act 2018* (GSF Act) and Treasurer's Directions issued under the GSF Act
- the ALRA and its Regulation.

The consolidated financial statements incorporate the financial information of the Council and its subsidiaries.

(b) Statement of compliance

The Council complied with the legislative requirements and other authoritative pronouncements stated under the 'Basis of preparation' (Note 2) throughout the year.

In accordance with the interpretation of the Crown Solicitor regarding Section 150 of the ALRA, 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 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:

- investments that are classified as 'at fair value through profit and loss'
- property, plant and equipment are measured at fair value
- the defined benefit asset is measured at the lower of:
 - (a) the surplus in the defined benefit plan; and
 - (b) the asset ceiling, determined and discounted by using market yields on government bonds
- forward foreign currency contracts that are accounted for as derivatives.

(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) Critical accounting 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, key assumptions and estimations that the Council has made are disclosed in the relevant notes to the financial statements.

(g) Principles of consolidation

(i) Controlled entities

The Council controls five subsidiaries as listed in Note 1. Controlled entities are consolidated from the date on which control is transferred to the Council. They are derecognised from the date that control ceases. Intercompany transactions and balances between group entities are eliminated. Accounting policies of the subsidiaries are consistent with the policies adopted by the Council.

(ii) Joint Venture

NSWALC Resources P/L has a joint venture in Paradigm with Indigenous Energy Resources Pty Ltd each having equal shareholding. The investment in Paradigm is accounted for in NSWALC Resources P/L using the equity method of accounting, which is then consolidated with the financial statements of the Council.

(h) Business combination

On 26th November 2021, the Council acquired an additional 12 per cent of the ordinary shares of SEFA for the total consideration transferred of \$324,000. Prior to this step-up acquisition, the Council held 44.64 per cent of the ordinary shares and obtained control of SEFA in acquiring the additional shares.

SEFA is a loan provisions business who provide support to Australian purpose-driven organisations. The company is a for-profit company limited by shares and incorporated in Australia. The acquisition of SEFA is consistent with the NSWALC Strategic Plan 2018–2022.

2. Basis of preparation (continued)

(h) Business combination (continued)

The Council accounted for the SEFA business acquisition as a 'step acquisition' whereby its previously held equity holding in SEFA was remeasured to fair value on the acquisition date with an adjustment to profit or loss. This amount, together with the fair value of the additional equity acquired, constitute the total investment in subsidiary in the Council's parent financial statements at acquisition.

The values of the identifiable assets and liabilities in relation to the acquisition of SEFA are final and are as follows.

ASSETS/(LIABILITIES)	\$
Cash and cash equivalents	5,167,474
Loans and advances	12,259,509
Trade and other receivables	118,739
Property, plant and equipment	7,804
Intangible assets – SEFA trade name	43,975
Borrowings	(7,217,600)
Other current liabilities and employee entitlements	(1,554,324)
Less: Non-controlling interest	(3,821,790)
	<hr/> 5,003,787
Represented by: Investment in subsidiary	<hr/> 5,003,787

The acquired business contributed revenues of \$1,599,909 and profit after tax of \$134,587 to the consolidated entity for the period from 26 November 2021 to 30 June 2022. If the acquisition occurred on 1 July 2021, the full year contributions would have been revenues of \$2,244,065 and profit after tax of \$137,152.

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 unless there has been changes in the accounting standards.

(a) Revenue recognition

(i) Grants and other contributions

For grants that are funding arrangements, the Council will recognise a financial asset at the earlier of receipt of the funds or when the Council's entitlement to invoice the grantor is established, unless the entitlement to funding is conditional on the Council's ability to meet the conditions each year to become entitled to the funding. For grants and contributions of property, the Council recognises the asset when title transfers or vests.

In all circumstances, the Council initially recognises the asset granted or contributed at fair value and recognises any related amount in the financial statements in accordance with the rights and obligations arising from the contractual terms of the arrangement as follows:

- a contractual obligation to repay any of the unspent grant or donation that the Council cannot avoid, including where a termination for convenience clause exists, is recognised as a financial liability in current liabilities as 'unspent grant/donation'
- a transfer of funds to enable the Council to procure or construct immovable property is recognised as a liability and subsequently recognised in revenue when the property is acquired or constructed, and
- any residual is recognised immediately in revenue.

(ii) Investment revenue

Investment revenue comprises of:

- interest income on funds invested
- dividend income, and
- changes in the fair value of investments.

Interest income is recognised using the effective interest method as set out in Australian Accounting Standards Board (AASB) 9 Financial Instruments.

Dividend revenue is recognised 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 are disclosed in Note 3(c)(iii).

(iii) 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 comprehensive income. Foreign currency gains and losses are reported on a net basis.

(iv) Land claims

The Council claims land under the ALRA. Land claimed from state or Commonwealth government is valued at fair value, recognised as income and capitalised as land assets.

(v) Other revenue

Other revenue is recognised in the Consolidated statement of comprehensive income when the right to receive the revenue has been established. Rental income is recognised over the rental period on a straight-line basis.

(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, 10 per cent (2021: 9.5 per cent) 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) 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.

(iii) Funding for LALCs

Funding for LALCs is charged to the Consolidated statement of comprehensive income as per the agreed amount of allocation for the year in accordance with the funding agreement. If a LALC is in breach of the statutory requirements, only essential payments are made under an assistance agreement. Essential payments are also paid to protect LALC assets or to avoid increasing higher liabilities.

(iv) Expenditure for community benefits

Pursuant to Section 108 of the ALRA, the Council incurs expenses for the benefits of the Aboriginal community. These expenses may be incurred in the form of assets such as shares or loans. In 2012, the Council purchased one million shares in SEFA.

(v) Lease expenses

The Council recognises the lease payments associated with the following types leases as an expense on a straight-line basis:

- leases that meet the definition of short-term. i.e., where the lease term at commencement of the lease is 12 months or less (this excludes leases with a purchase option)
- leases of assets that are valued at \$1,000 or under when new.

3. Significant accounting policies (continued)

(c) Assets

(i) 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 17).

(ii) Receivables

Receivables include trade and other receivables, loans and advances, and statutory debts.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price, being the original invoice amount, as the effect of discounting is immaterial. Loans and advances are subsequently recognised and measured at amortised cost using the effective interest method, less any impairment. Changes are recognised in the statement of comprehensive income for the year when impaired, derecognised or through the amortisation process.

The Council recognises an allowance for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows and the cash flows that the Council expects to receive, discounted at the original effective interest rate.

(iii) Investments

Classification and measurement

The Council holds all its investments in units in pooled investment funds, which are in substance equity instruments. As these are held for trading, they are mandatorily required to be measured at fair value through profit or loss.

A gain or loss on an investment is recognised in net results and presented net within other gains/(losses), except for gains and losses on the investments in the managed funds, that are presented in 'investment revenue' in the period in which they arise.

Derivatives

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 profit or loss.

The financial assets and liabilities resulting from derivative arrangements 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 20 for values).

(iv) Trust funds

The Council received money in a trustee capacity for the Gumbaynggir Tribal Aboriginal Elders Corporation and Capacity Building Funds as set out in Note 34. 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 statement of comprehensive income.

(v) 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 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.

(vi) Property, plant and equipment

Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Council. 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 2020–21) 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 subsequently measured at fair value.

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) 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 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 2021 by independent registered valuers who are experienced in the respective regions of properties located. The majority of properties are rural land holdings that are zoned as Environmental Conservation or Environmental Management and these properties have low financial value.

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 recognised on other comprehensive income 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 a loss on the Statement of Comprehensive Income, in which case the increment is credited to the Statement of 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 a loss 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 a not-for-profit entity with no cash generating units, impairment under AASB 136 Impairment of Assets is unlikely to arise. Since property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in rare circumstances such as where the costs of disposal are material.

The Council assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Council estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3. Significant accounting policies (continued)

(c) Assets (continued)

(vi) Property, plant and equipment (continued)

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:

CLASS OF FIXED ASSETS	DEPRECIATION RATE (%)	USEFUL LIFE
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

* Fittings classified as buildings may have varying depreciation rates and useful lives (i.e., 20 per cent depreciation rate and five years useful life).

Useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(vii) 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.

(viii) Leases

The Council leases various properties, equipment and motor vehicles. Lease contracts are typically made for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. The Council does not provide residual value guarantees in relation to leases.

Extension and termination options are included in a number of property and equipment leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Council and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of lease payments have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

(a) Right-of-use assets

The Council recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- land and buildings 2–10 years
- motor vehicles 2–4 years.

If ownership of the leased asset transfers to the Council at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The Council assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required the entity estimates the asset's recoverable amount. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Refer to Note 23 for more details.

(b) Lease liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Council's leases, the lessee's incremental borrowing rate is used, being the rate that the Council would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Refer to Note 31 for more details.

The Council has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less. Low value assets are assets with a fair value of \$10,000 or less when new and comprise mainly printers.

(ix) 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.

Intangible assets are subsequently measured at fair value only if there is an active market. If there is no active market for the Council's intangible assets, the assets are carried at cost less any accumulated amortisation and impairment losses.

Trade name intangible assets are not amortised. The useful life of the other intangible assets of the Council are amortised using the straight-line method over a period of three and 20 years.

3. Significant accounting policies (continued)

(d) Liabilities

(i) Payables

Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. These are subsequently measured at amortised cost using the effective interest method.

(ii) Salaries and wages, annual leave and on-costs

Liabilities for salaries and wages (including non-monetary benefits) and annual leave that are expected to be due wholly within 12 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 12 months and is measured at present value in accordance with NSWTC 21-03 Accounting for Long Service Leave and 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.

(iii) 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 18-10 Accounting for Superannuation and NSWTC 21-03 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.

(iv) 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 2.73 per cent, 3.16 per cent and 3.36 per cent (two, three and five-year Government Bond Rates), which reflects the current market assessment of the time value of money and the risk specific to the liability.

(v) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

(e) Incorporation of LALCs

There were no new LALCs incorporated during the financial year (none in 2020–21).

(f) Transfer of property to LALCs

During the year ended 30 June 2022, no properties were transferred by the Council to LALCs (nil in 2020–21).

Expected sale and transfer of properties within the next 12 months are classified as assets held for sale 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 (ATO) 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.

The net amount of GST recoverable from, or payable to, the ATO 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 ATO are classified as operating cash flows.

(h) Taxation

The Council is a Public Benevolent Institution 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*.

For any entities controlled by the parent and consolidated subject to the *Income Tax Assessment Act 1997*, income tax on the profit or loss for the period comprises of current and deferred tax.

(i) Comparative information

Except when an AAS permits or requires otherwise, comparative balances were restated to improve clarity and effective presentation of financial statements.

(j) New or revised AAS effective for the first time in the current financial year

The Council has adopted all of the new or amended AAS and Interpretations issued by the AASB that are mandatory for the current financial year.

(k) New AAS issued but not yet effective

At the date of authorisation of the consolidated financial statements, the AAS and Interpretations listed in Note 44 were issued but not yet effective. NSW Treasury has mandated not to early adopt any of the new Standards/Interpretations through NSW Treasury Circulars.

(l) Impact of COVID-19 on financial reporting for 2021–22

Due to the continuing reduced operational activity and new more efficient methods of working, the expenditure for the period is significantly less than that budgeted for.

The reduced activity is primarily the result of reduced travel and meeting costs such as airfares, car hire, travel allowances and venue hire. The efficient method of working encompasses such activities as the extensive use of video conferencing and the introduction of an almost paperless office and the resulting promptness of communication. Additionally, these reduced activities have resulted in a number of vacant positions not being filled and a reduced use of consultants further adding to the reduced expenditure.

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).

Refer Note 27 for financial assets and non-financial assets at fair value.

(i) Other receivables

All other receivables are expected to be received within a short period of time and are considered to reflect fair value.

(ii) Trade and other payables

Trade and other payables are expected to be paid within a short period of time and are considered to reflect fair value.

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. Further quantitative disclosures are included in Note 35.

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 provided a Bank Guarantee for the Southern Zone-leased office since May 2015.

(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. SEFA has originated loans and advances.

Statutory debts

The Council incurred significant expenses as a result of the application of legislation, which are recoverable from LALCs. The Council assess the collectability of such debts on a case-by-case basis in accordance with the Debtor Management Policy.

Other debts

The Council is exposed to various concentrations of credit risk through other debts receivable from LALCs. 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 Finance Manager, in conjunction with Zone Directors, is responsible for the collection of debts due from LALCs. The counterparty risk that arises from mortgage loans is considered to be not significant.

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.

SEFA debts

There are no significant concentrations of credit risk in the SEFA loans and advances portfolio.

(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 19, 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 lines of credit the Council has are as follows:

- National Australia Bank – \$4,000,000 (via SEFA)
- Lord Mayor's Charitable Foundation – \$3,000,000 (via SEFA)
- National Australia Bank corporate cards – \$500,000.

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.

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 (NSWTC 11-12 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 is received. NSWTC 11-12 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 a risk framework that quantifies the risks in the portfolio and the probable outcomes from the portfolio given different events.

5. Financial risk management (continued)

(c) Market risk (continued)

(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 tracks 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 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.

(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 implement control procedures so as 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:

1. Strategic Asset Allocation (SAA) – to generate revenue and mitigate risks relating to investments
2. 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 drawdown is equal to 70 per cent drawdown in previous year and 30 per cent of the average asset value in previous year, times the long-term spending rate. Therefore, the projected drawdown for expenditure is 10.56 per cent of the investment balance in 2022–23 (8.94 per cent in 2021–22). The annual spending rate per the draw down rule is 4 per cent.

7. Investment revenue

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Interest	452	15	8	10
Dividends	25,477	20,948	25,477	20,948
Realised gains	834	21,854	834	21,854
	26,763	42,817	26,319	42,812

8. Grants and contributions

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Grants from government and non-government agencies	54,023	7,973	50,578	7,589
Donations	10	420	–	420
	54,033	8,393	50,578	8,009

In accordance with the Council's accounting policy on grants and contributions in Note 3(a)(i), the Council has accounted for a non-cash contribution of land and buildings at Redfern, Sydney as income in the current year. The fair value of the property – land of \$17.47 million and buildings of \$15.53 million – is capitalised as property, plant and equipment in Note 22, and is included in grants above. The fair value is determined on the basis of the property's current use using a market capitalisation approach.

9. Other revenue

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Investment manager's fee rebates	856	661	856	661
Movement in impairment	–	108	–	108
Levy received from government	264	311	264	311
Other	1,983	790	553	630
Rental income	1,552	–	–	–
	4,655	1,870	1,673	1,710

10. Gain/(loss) on disposal

	LAND AND BUILDING \$000	TOTAL \$000
Consolidated		
2022		
Gain/(loss) on right-of-use assets transfer	693	693
2021		
Proceeds from disposal	193	193
Written-down value of assets disposed	(607)	(607)
	(414)	(414)
Parent		
2022		
Gain/(loss) on right-of-use assets transfer	(71)	(71)
2021		
Proceeds from disposal	193	193
Written-down value of assets disposed	(607)	(607)
	(414)	(414)

11. Other gains/(losses)

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Net change in fair value hedge instruments	(2,693)	(2,037)	(2,693)	(2,037)
Net change in fair value of investments through profit or loss	(46,818)	57,945	(46,766)	57,945
Net change in expected credit loss provision of receivables	67	–	21	–
	(49,444)	55,908	(49,438)	55,908

12. Employee-related expenses

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Salaries and wages (including recreation leave)	20,144	18,292	17,366	16,925
Superannuation expenses	2,410	1,738	2,122	1,645
Leave expenses	1,524	1,402	1,439	1,375
Workers' compensation insurance	300	215	291	209
	24,378	21,647	21,218	20,154

13. Funding to LALCs

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Fully funded	15,590	15,744	15,590	15,744
Partly funded	1,240	758	1,240	758
Essential expenses paid for LALCs	780	917	780	917
LALC's advisor expenses	146	206	146	206
	17,756	17,625	17,756	17,625

14. Grants

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Funeral assistance	683	628	683	628
Community Development Levy	1,349	683	1,349	683
Grants to Properties P/L for head office lease	–	–	710	905
Sold property proceeds distributed to LALCs	–	313	–	313
Grants to NET	–	–	1,330	1,010
Fishing Fund grants	621	145	621	145
Grants to NHL	–	–	573	1,459
Other	340	768	502	769
ACHIF Program	9,200	–	8,249	–
	12,193	2,537	14,017	5,912

15. Other expenses

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Audit fee – The Audit Office of NSW	321	277	194	209
Internal audit and investigation	112	32	112	32
Consultants fee	2,546	1,156	2,064	951
Staff training, development and recruitment	274	224	205	175
Telephone and communications	379	622	352	600
Insurance	602	384	400	380
Maintenance expenses	773	7	23	3
Rent and outgoings	674	61	244	73
Public relations	105	76	105	76
Travel expenses and meal allowances	396	424	346	407
Postage, printing and stationary	60	22	29	20
Meeting costs	86	78	78	78
Motor vehicle expenses	401	392	258	282
Electricity and power	40	70	33	61
IT related costs	638	540	330	263
Miscellaneous expenses	1,324	1,129	829	961
Cleaning, gardening and waste removal	67	57	48	54
Committee member fees	70	86	70	86
Contractor fees	430	183	188	183
Office supplies	25	29	14	28
Other program expenses	550	627	421	564
Community consultations	46	72	46	72
Yarpa expenses	588	726	588	726
Coalition of Peak Aboriginal Organisations	1,250	651	1,250	651
	11,757	7,925	8,227	6,935

16. Program expenses

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Share of contribution to water and sewerage infrastructure program*	1,050	885	1,050	885
	1,050	885	1,050	885

* The Council paid its contribution (50 per cent of the program) in relation to operation, maintenance and monitoring of water and sewerage services for Aboriginal Communities. The payment was made to the Department of Primary Industry and Environment (Water Group), which manages the project as per the agreement between NSW Government and the Council.

17. Cash and cash equivalents

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current assets				
Unrestricted assets				
Cash at bank	23,207	25,999	12,529	23,227
Restricted assets				
Indigenous Business and Employment Hub – cash at bank*	4,598	7,054	4,598	7,054
NSW Aboriginal Controlled Fishing Fund – cash at bank**	4,055	4,665	4,055	4,665
Funeral Fund – cash at bank	355	354	355	354
Total restricted assets	9,008	12,073	9,008	12,073
Total cash and cash equivalents	32,215	38,072	21,537	35,300

* The Council is partnering with the Australian Government, under the Indigenous Business Sector Strategy (IBSS), to design and deliver the Western Sydney Indigenous Business and Employment Hub (Yarpa). As part of this partnership, in 2017–18 financial year, the Australian Government provided \$12.5 million (excluding GST) in funding to support the establishment and ongoing operation of Yarpa.

** In 2017–18 financial year, the Australian Government provided \$5.0 million (excluding GST) fishing fund to support NSW Aboriginal people to enter the commercial fishing sector and to achieve long term economic outcomes for coastal and riverine communities, through employment and business development opportunities until 30 November 2022. The potential functions of the fund could include:

- purchase of shares in the NSW fishing industry, to be held by the Council
- business grants and loans to support Aboriginal fishing businesses
- support for the mentoring and training of young Aboriginal fishers
- development of a seafood brand to market and promote Aboriginal caught and processed fish.

There is a difference between the restricted cash balance for the 'Indigenous Business and Employment Hub' and 'NSW Aboriginal Controlled Fishing Fund' with the unexpected grant amount in Note 30, because funds expended have not been transferred to/from the trust account and the operational bank account or because of the timing of revenue recognition.

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.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows. Details regarding credit risk, liquidity risk and market risk arising from financial instruments are disclosed in Note 35.

18. Trade and other receivables

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current assets				
Trade receivables	894	634	356	1,173
Loans and advances to customers	2,025	–	–	–
Less: allowance for ECLs	(263)	–	–	–
	1,762	–	–	–
Franking credit rebates	1,749	898	1,749	898
Statutory debts from LALCs	77	50	77	50
GST receivable from the ATO	1,068	24	1,052	–
	5,550	1,606	3,234	2,121
Non-current assets				
Statutory debts from LALCs	3,714	3,480	3,714	3,480
Less: allowance for ECLs	(3,685)	(3,352)	(3,685)	(3,352)
	29	128	29	128
Loans and advances to customers	9,851	–	–	–
	9,880	128	29	128
	15,430	1,734	3,263	2,249
Allowance for ECLs				
Movements in the allowance for ECLs are as follows:				
Opening balance	3,352	2,481	3,352	2,481
Additional provisions recognised	354	979	354	979
Additions through business combinations	309	–	–	–
Decrease in allowance due to repayment of debt	(67)	(108)	(21)	(108)
Closing balance	3,948	3,352	3,685	3,352

Details regarding credit risk of trade receivables that are neither past due nor impaired are disclosed in Note 35.

19. Investments

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current assets				
Australian Fixed Income	20,028	19,303	20,028	19,302
Australian Equities	96,163	107,780	96,163	107,780
International Equities	168,976	209,376	168,976	209,376
Emerging Markets	33,583	43,144	33,583	43,144
Hedge Fund	58,657	61,637	58,657	61,637
Absolute Return Fixed Interest	24,477	35,381	24,477	35,381
Unlisted Infrastructure	51,421	44,064	51,421	44,064
Inflation-Linked Bond Fund	31,818	31,831	31,818	31,831
Unlisted Property	71,810	64,930	71,810	64,930
Cash Fund	5,189	6,686	5,189	6,686
Emerging Market Debt	21,587	25,236	21,587	25,236
Global Credit	15,950	19,051	15,950	19,051
	599,659	668,419	599,659	668,418

Refer to Note 27 for further information on fair value measurement.

20. Derivatives

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Forward foreign currency contracts – financial asset	(76,364)	(87,850)	(76,364)	(87,850)
Forward foreign currency contracts – financial liability	79,057	89,887	79,057	89,887
	2,693	2,037	2,693	2,037

Refer to Note 35 for further information on financial instruments.

Refer to Note 27 and Note 3(c)(iii) for further information on fair value measurement.

21. Other

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current assets				
Accrued revenue	5	–	–	–
Prepayments	690	869	509	869
Security deposits	28	–	–	–
Superannuation assets	28	28	28	28
	751	897	537	897
Non-current assets				
Security deposits	518	92	518	92
Loans to LALCs	30	29	30	29
	548	121	548	121
	1,299	1,018	1,085	1,018

22. Property, plant and equipment

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Non-current assets				
Land and buildings – at independent valuation	44,561	11,570	44,561	11,570
Less: accumulated depreciation	(31)	–	(31)	–
	44,530	11,570	44,530	11,570
Leasehold improvements – at cost	41	–	–	–
Plant and equipment – at independent valuation	2,324	2,025	2,220	1,975
Plant and equipment – at cost	156	–	–	–
Less: accumulated depreciation	(1,020)	(640)	(959)	(631)
	1,460	1,385	1,261	1,344
Work in progress – at cost	137	308	137	308
	46,168	13,263	45,928	13,222

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

	LAND AND BUILDINGS \$000	PLANT AND EQUIPMENT \$000	WORK IN PROGRESS \$000	TOTAL \$000
Consolidated				
Balance at 1 July 2020	8,278	1,240	439	9,957
Additions	–	545	–	545
Disposals	–	(1,487)	–	(1,487)
Revaluation increments	2,878	–	–	2,878
Write-back depreciation on disposal	8	1,487	–	1,495
Transfers in/(out)	423	–	(131)	292
Depreciation expense	(17)	(400)	–	(417)
Balance at 30 June 2021	11,570	1,385	308	13,263
Additions	33,046	598	234	33,878
Additions through business combinations	–	8	–	8
Disposals	(14)	–	–	(14)
Transfers in/(out)	–	–	(405)	(405)
Depreciation expense	(31)	(531)	–	(562)
Balance at 30 June 2022	44,571	1,460	137	46,168
Parent				
Balance at 1 July 2020	8,278	1,240	439	9,957
Additions	–	495	–	495
Disposals	–	(1,487)	–	(1,487)
Revaluation increments	2,878	–	–	2,878
Write-back depreciation on disposal	8	1,487	–	1,495
Transfers in/(out)	423	–	(131)	292
Depreciation expense	(17)	(391)	–	(408)
Balance at 30 June 2021	11,570	1,344	308	13,222
Additions	33,005	404	234	33,643
Disposals	(14)	–	–	(14)
Transfers in/(out)	–	–	(405)	(405)
Depreciation expense	(31)	(487)	–	(518)
Balance at 30 June 2022	44,530	1,261	137	45,928

Contribution of land and buildings

In accordance with the Council's accounting policy on grants and contributions in Note 3(a)(i) and as reflected in Note 8, the Council has accounted for a non-cash contribution of land and building at Redfern, Sydney as income in the current year. The fair value of the property – land of \$17.47m and buildings of \$15.53m – is capitalised as Additions above. The fair value is determined by an external valuation on 21 June 2022 on the basis of the property's current use using a market capitalisation approach. The buildings will be subject to depreciation in accordance with the Council's depreciation policy as outlined in Note 3(c)(vi).

Refer to Note 27 for further information on fair value measurement.

23. Right-of-use assets

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Non-current assets				
Land and buildings – right-of-use	9,914	11,849	9,589	3,339
Less: accumulated depreciation	(1,948)	(2,620)	(1,887)	(963)
	7,966	9,229	7,702	2,376
Plant and equipment – right-of-use	145	–	–	–
Less: accumulated depreciation	(11)	–	–	–
	134	–	–	–
Motor vehicles – right-of-use	891	937	752	937
Less: accumulated depreciation	(350)	(526)	(324)	(526)
	541	411	428	411
	8,641	9,640	8,130	2,787

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

	LAND AND BUILDINGS \$000	PLANT AND EQUIPMENT \$000	MOTOR VEHICLES \$000	TOTAL \$000
Consolidated				
Balance at 1 July 2020	10,694	–	264	10,958
Additions	105	–	382	487
Disposals	(239)	–	–	(239)
Write-off of assets	17	–	–	17
Depreciation expense	(1,348)	–	(235)	(1,583)
Balance at 30 June 2021	9,229	–	411	9,640
Additions	3,067	145	406	3,618
Disposals	(213)	–	(452)	(665)
Lease modification	(3,047)	–	–	(3,047)
Write back depreciation on disposal	586	–	452	1,038
Transfers in/(out)	(420)	–	–	(420)
Depreciation expense	(1,236)	(11)	(276)	(1,523)
Balance at 30 June 2022	7,966	134	541	8,641

	LAND AND BUILDINGS \$000	PLANT AND EQUIPMENT \$000	MOTOR VEHICLES \$000	TOTAL \$000
Parent				
Balance at 1 July 2020	3,102	–	264	3,366
Additions	–	–	382	382
Disposals	(239)	–	–	(239)
Write-off of assets	17	–	–	17
Depreciation expense	(504)	–	(235)	(739)
Balance at 30 June 2021	2,376	–	411	2,787
Additions	2,800	–	267	3,067
Disposals	(213)	–	(452)	(665)
Write-off of assets	213	–	452	665
Transfers in/(out)	3,257	–	–	3,257
Depreciation expense	(731)	–	(250)	(981)
Balance at 30 June 2022	7,702	–	428	8,130

24. Investment in subsidiary

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Non-current assets				
Investment in SEFA	–	–	5,055	–

25. Intangibles

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Non-current assets				
Intangible assets – at cost	403	362	359	362
Less: accumulated amortisation	(221)	(152)	(221)	(152)
	182	210	138	210

25. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below.

	INTANGIBLES \$000	TOTAL \$000
Consolidated		
Balance at 1 July 2020	184	184
Additions	85	85
Disposals	(1,508)	(1,508)
Write-off of assets	1,508	1,508
Amortisation expense	(59)	(59)
Balance at 30 June 2021	210	210
Additions	8	8
Additions – SEFA trade name	44	44
Disposals	(10)	(10)
Write-off of assets	10	10
Amortisation expense	(80)	(80)
Balance at 30 June 2022	182	182
Parent		
Balance at 1 July 2020	184	184
Additions	85	85
Write-back of amortisation	1,508	1,508
Write-off of assets	(1,508)	(1,508)
Amortisation expense	(59)	(59)
Balance at 30 June 2021	210	210
Additions – SEFA trade name	8	8
Disposals	(10)	(10)
Write-off of assets	10	10
Amortisation expense	(80)	(80)
Balance at 30 June 2022	138	138

26. Artefacts

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Carrying value at 1 July	–	445	–	445
Disposal	–	(445)	–	(445)
Carrying value at 30 June	–	–	–	–

The Council purchased the artefacts in 2005 in order to preserve them for the Aboriginal community. In previous reporting periods, the artefacts have had a carrying value of \$445,000 attributed on a revaluation market-based approach to the fair value in the 2015–16 financial year. In October 2020 the Council resolved, as a component of the Repatriation Strategy, to repatriate the artefacts to LALCs whose boundaries cover the areas relevant to the origin of the artefacts over the coming years.

Based on this decision of the Council, the artefacts are being written down to a carrying value of nil by way of disposal to reflect that the assets will not be sold but instead will be repatriated conditional on them being preserved for future generations. The Council believes that this disposal does not have a material impact on the financial statements.

27. Fair value measurement

Fair value hierarchy

The following tables detail the Council's tangible assets, measured or disclosed at fair value.

	LEVEL 1 \$000	LEVEL 2 \$000	LEVEL 3 \$000	TOTAL \$000
Consolidated – 2022				
Property, plant and equipment				
Land and buildings	–	44,571	–	44,571
Total assets	–	44,571	–	44,571
Consolidated – 2021				
Property, plant and equipment				
Land and buildings	–	11,570	–	11,570
Total assets	–	11,570	–	11,570
Parent – 2022				
Property, plant and equipment				
Land and buildings	–	44,530	–	44,530
Total assets	–	44,530	–	44,530
Parent – 2021				
Property, plant and equipment				
Land and buildings	–	11,570	–	11,570
Total assets	–	11,570	–	11,570

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Market Approach – this approach uses prices generated by market transactions involving identical or similar assets.

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.

28. Trade and other payables

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Trade payables	4,231	3,887	3,213	3,457
Funeral Fund – refundable contributions	354	355	354	354
Accrued salaries, wages and other on-costs	638	633	638	633
GST payable to the ATO	170	16	–	16
	5,393	4,891	4,205	4,460

Refer to Note 35 for further information on financial instruments.

29. Borrowings

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Other loans	450	–	–	–
Lord Mayor's Charitable Foundation	1,900	–	–	–
	2,350	–	–	–
Non-current liabilities				
National Australia Bank (NAB) facility	3,385	–	–	–
Other loans	1,875	–	–	–
	5,260	–	–	–
	7,610	–	–	–

The non-current external borrowings are for fixed terms of more than 12 months and are subject to roll over with agreement of the lenders. The average fixed term is five years with an average interest rate of the RBA cash rate plus 1.79 per cent.

Refer to Note 35 for further information on financial instruments.

Assets pledged as security

The NAB facility is secured by a floating charge over the assets of SEFA, which primarily comprise loans and advances.

Financing arrangements

SEFA had unrestricted access at the reporting date to the following lines of credit.

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Total facilities				
NAB facility	4,000	–	–	–
Lord Mayor's Charitable Foundation	3,000	–	–	–
NAB corporate card facility	500	–	500	–
	7,500	–	500	–
Used at the reporting date				
NAB facility	3,385	–	–	–
Lord Mayor's Charitable Foundation	1,900	–	–	–
NAB corporate card facility	–	–	–	–
	5,285	–	–	–
Unused at the reporting date				
NAB facility	615	–	–	–
Lord Mayor's Charitable Foundation	1,100	–	–	–
NAB corporate card facility	500	–	500	–
	2,215	–	500	–

30. Unspent grant/donation

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Unexpended grants				
Yarpa*	4,506	6,464	4,506	6,464
Fishing Fund**	–	4,636	–	4,636
AHO ACHIF Program***	1,508	2,776	1,508	2,776
Cumberland Plain Conservation****	1,041	1,130	1,041	1,130
Asbestos Remediation	354	353	354	353
Trauma Counselling and Food Security	39	257	39	257
Koori Knockout	367	165	367	165
Others	4,653	1,998	1,893	1,465
	12,468	17,779	9,708	17,246

* The Council is partnering with the Australian Government, under the Indigenous Business Sector Strategy (IBSS), to design and deliver the Western Sydney Indigenous Business and Employment Hub (Yarpa). As part of this partnership, in 2017–18 financial year, the Australian Government provided \$12.5 million (excluding GST) in funding to support the establishment and ongoing operation of Yarpa.

** In 2017–18 financial year, the Australian Government provided \$5 million (excluding GST) fishing fund to support NSW Aboriginal people to enter the commercial fishing sector and to achieve long-term economic outcomes for coastal and riverine communities, through employment and business development opportunities until 30 November 2022. The potential functions of the fund could include:

- purchase of shares in the NSW fishing industry, to be held by the Council
- business grants and loans to support Aboriginal fishing businesses
- support for the mentoring and training of young Aboriginal fishers
- development of a seafood brand to market and promote Aboriginal caught and processed fish.

*** In December 2020 the NSW Government called for funding bids from the Aboriginal Community Housing Sector for access to \$50 million in grant funds – provided under Aboriginal Community Housing Investment Fund (ACHIF).

The Council partnered up with LALCs and were successful in securing close to \$10 million in ACHIF funding for 17 LALCs. The aim of the ACHIF funding is to:

- grow new housing supply and carry out repairs and maintenance to community owned housing
- deliver improved living conditions, help reduce homelessness and overcrowding
- support and stimulate the construction industry and associated trades with a focus on Aboriginal employment opportunities.

**** In 2020–21, funding was secured from NSW Government to support the Cumberland Plain Conservation Plan, which will be delivered from 1 July 2021 to 30 June 2023, and will be a non-competitive process for Deerubbin, Tharawal and Gandangara LALCs with one third of grant funding available to each LALC to deliver cultural and conservation outcomes on their land or other areas important to them to assist with ongoing land management or future management for conservation.

31. Lease liabilities

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Lease liability	1,544	1,172	1,295	550
Non-current liabilities				
Lease liability	7,625	9,462	7,359	2,559
	9,169	10,634	8,654	3,109

Refer to Note 35 for further information on financial instruments.

Reconciliations of lease liabilities at the beginning and end of the current and previous financial year are set out below.

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Balance at 1 July	10,634	11,524	3,109	3,565
Additions	7,034	249	6,483	173
Interest expenses	504	634	329	238
Payments	(2,095)	(1,773)	(1,267)	(867)
Disposals	(6,872)	–	–	–
Other	(36)	–	–	–
Balance at 30 June	9,169	10,634	8,654	3,109
Represented by:				
Current	1,544	1,172	1,295	550
Non-current	7,625	9,462	7,359	2,559
	9,169	10,634	8,654	3,109

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. They represent the present value of the remaining lease payments for the leased offices and leased motor vehicles, discounted by using the appropriate incremental borrowing rate.

As at 30 June 2022, there were 11 offices and 20 motor vehicles under lease held by the Council (as Parent).

32. Provisions

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Current liabilities				
Employee benefits				
Annual leave	1,972	1,810	1,799	1,771
Long service leave	1,395	1,297	1,395	1,297
Unfunded superannuation	352	572	352	572
Other provisions				
Lease make good	–	36	–	36
Legal claims	170	170	170	170
	3,889	3,885	3,716	3,846
Non-current liabilities				
Employee benefits				
Long service leave	397	377	358	377
Other provisions				
Lease make good	269	216	269	216
	666	593	627	593
	4,555	4,478	4,343	4,439

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below.

	MAKE GOOD \$000	LEGAL CLAIMS \$000
Consolidated –2022		
Carrying amount at the start of the year	252	170
Additional provisions recognised	17	–
Carrying amount at the end of the year	269	170
Parent –2022		
Carrying amount at the start of the year	252	170
Additional provisions recognised	17	–
Carrying amount at the end of the year	269	170

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Council does not have an unconditional right to defer settlement. However, based on past experience, the Council does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect current leave obligations not expected to be taken within the next 12 months.

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Annual leave	623	631	623	631
Long service leave	1,268	1,166	1,268	1,166
Unfunded superannuation (refer Note 32(a))	351	572	351	572
Total obligations expected to be settled after 12 months	2,242	2,369	2,242	2,369

(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.

All Pooled Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers, assets are not separately invested for each entity and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities. As such, the disclosures below relate to total assets of the Pooled Fund.

As at 30 June 2022:

ASSET CATEGORY	TOTAL \$000	QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS	SIGNIFICANT OBSERVABLE INPUTS	UNOBSERVABLE INPUTS
		LEVEL 1 \$000	LEVEL 2 \$000	LEVEL 3 \$000
Short Term Securities	5,041,193	1,854,969	3,186,223	–
Australian Fixed Interest	244,972	–	244,972	–
International Fixed Interest	1,439,642	4,287	1,415,027	20,329
Australian Equities	6,518,777	5,893,947	622,584	2,246
International Equities	12,174,407	12,002,063	169,289	3,055
Property	2,362,344	–	–	2,362,344
Alternatives	9,095,720	(637)	2,160,192	6,936,165
Total	36,877,055	19,754,629	7,798,287	9,324,139

32. Provisions (continued)

(a) Defined benefit superannuation (continued)

The percentage invested in each asset class at the reporting date is:

30 JUNE 2022	(%)
Short Term Securities	13.7
Australian Fixed Interest	0.7
International Fixed Interest	3.9
Australian Equities	17.7
International Equities	33.0
Property	6.4
Alternatives	24.7
Total	100.0

Derivatives, including futures and options, can be used by investment managers. However, each manager's investment mandate clearly states that derivatives may only be used to facilitate efficient cashflow management or to hedge the portfolio against market movements and cannot be used for speculative purposes or gearing of the investment portfolio. As such, managers make limited use of derivatives.

The fair value of the Pooled Fund assets as at 30 June 2022 includes \$nil (30 June 2021: \$41.4 million) in NSW Government bonds.

Of the direct properties owned by the Pooled Fund:

- SAS Trustee Corporation occupies part of a property 100 per cent owned by the Pooled Fund with a fair value of \$362 million (30 June 2021: \$328 million).
- Health Administration Corporation occupies part of a property 50 per cent owned by the Pooled Fund with a fair value (100 per cent interest) of \$540 million (30 June 2021: \$443 million).

Significant actuarial assumptions at the reporting date

30 JUNE 2022	(%)
Discount rate	3.69 per annum
Salary increase rate (excluding promotional increases)	3.15 for 22–23; 3.62 for 23–24; 2.87 for 24–25; 2.74 for 25–26; 3.20 p.a. thereafter
Rate of CPI increase	4.00 for 21–22; 5.50 for 22–23; 3.00 for 23–24 and 24–25; 2.75 for 25–26 and 26–27; 2.50 p.a. thereafter
Pensioner mortality	The pensioner mortality assumptions are those to be used for the 2021 Actuarial Investigation of the Pooled Fund. These assumptions will be disclosed in the actuarial investigation report when available from the trustee's website. The report will show the pension mortality rates for each age.

Reconciliation of the present value of the defined benefit obligation – 2022

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Present value of defined benefit obligation at beginning of the year	(4)	1,513	1,509
Interest cost	–	22	22
Benefits paid	–	(61)	(61)
Taxes, premiums and expenses paid	–	8	8
Actuarial (gains)/losses	–	(251)	(251)
Present value of partly funded defined benefit obligation at end of the year	(4)	1,231	1,227

Reconciliation of the fair value of Fund assets – 2022

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Fair value of Fund assets at beginning of the year	26	941	967
Interest income	–	14	14
Actual return on Fund assets less interest income	–	(22)	(22)
Benefits paid	–	(61)	(61)
Taxes, premiums and expenses paid	–	8	8
Fair value of Fund assets at end of the year	26	880	906

Reconciliation of the assets and liabilities recognised in Statement of financial position – 2022

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Present value of defined benefit obligation at end of year	(4)	1,231	1,227
Fair value of Fund assets at end of year	(26)	(880)	(906)
Subtotal	(30)	351	321
Net liability/(asset) recognised in Statement of financial position at end of year	(31)	351	320

Expense recognised in Statement of comprehensive income – 2022

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Components recognised in income statement			
Net interest expense	–	9	9
Defined benefit cost	–	9	9

Amounts recognised in other comprehensive income – 2022

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Actuarial (gains)/losses on liabilities	–	(251)	(251)
Actual return on Fund assets less interest income	1	22	23
	1	(229)	(228)

32. Provisions (continued)

(a) Defined benefit superannuation (continued)

Reconciliation of the present value of the defined benefit obligation – 2021

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Present value of defined benefit obligation at beginning of year	(4)	1,660	1,656
Interest cost	–	14	14
Actuarial (gains)/losses	–	(113)	(113)
Benefits paid	–	(59)	(59)
Taxes, premiums and expenses paid	–	11	11
Present value of partly funded defined benefit obligation at end of the year	(4)	1,513	1,509

Reconciliation of the fair value of Fund assets – 2021

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Fair value of Fund assets at beginning of the year	23	878	901
Interest income	–	7	7
Actual return on Fund assets less interest income	3	104	107
Benefits paid	–	(59)	(59)
Taxes, premiums and expenses paid	–	11	11
Fair value of Fund assets at end of the year	26	941	967

Reconciliation of the assets and liabilities recognised in Statement of financial position – 2021

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Present value of defined benefit obligation at end of year	(4)	1,513	1,509
Fair value of Fund assets at end of year	(26)	(941)	(967)
Subtotal	(30)	572	542
Net liability/(asset) recognised in Statement of financial position at end of year	(30)	572	542

Expense recognised in Statement of comprehensive income – 2021

	30 JUNE 2022		
	SANCS \$000	SSS \$000	TOTAL \$000
Components recognised in income statement			
Actuarial (gains)/losses on liabilities	(1)	(113)	(114)
Actual return on Fund assets less Interest income	(3)	(104)	(107)
	(4)	(217)	(221)

33. Reconciliation of surplus/(deficit) after income tax to net cash used in operating activities

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Surplus/(deficit) after income tax expense for the year	(34,867)	53,460	(36,935)	53,268
Adjustments for:				
Investment earnings	(27,167)	(43,462)	(27,167)	(43,462)
Unrealised loss/(gain)	49,461	(55,908)	49,461	(55,908)
Depreciation and amortisation	2,149	2,059	1,579	1,206
Allowance for impairment	1	9	1	9
Superannuation actuarial (gain)/loss directly charged to accumulated funds	8	7	8	7
Net movement in Community Development Levy account	(1,084)	(373)	(1,084)	(373)
Non-cash items	(1,538)	(36)	(558)	(23)
Reversal of prior year impairment	(66)	(164)	(66)	(164)
Inter-company transfer	–	905	–	768
(Gain)/loss on sale of non-current assets	71	414	71	414
Properties transferred at fair value	(33,000)	–	(33,000)	–
Change in operating assets and liabilities:				
Increase/(decrease) in leave and other provisions	(402)	67	106	46
Increase/(decrease) in ECLs	354	979	354	979
Decrease/(increase) in trade and other receivables	874	(3,615)	1,072	(3,365)
Decrease/(increase) in prepayments	362	(499)	362	(499)
Increase/(decrease) in trade and other payables	(6,247)	7,489	(7,777)	6,998
Net cash used in operating activities	(51,091)	(38,668)	(53,573)	(40,099)

34. Trust transactions and balances

The Council acts as trustee for the Gumbaynggir Tribal Aboriginal Elders Corporation and holds funds in trust from Department of Planning, Industry and Environment (DPIE) for Capacity Building.

The movement in the Trust bank account is:

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Trust receipts and payments				
Opening balance at 1 July	261	246	261	246
Add: receipts	16	15	16	15
Add: new trusts*	2,500	–	2,500	–
Closing balance at 30 June	2,777	261	2,777	261

* NSW DPIE provided \$2.5 million as a Trust Fund to NSWALC for the project of Capacity Building Funding for LALCs. Based on the DPIE Funding Deed, NSWALC must not expend any part of the fund until DPIE has notified NSWALC that the specified amount of the funding for the project may be released.

35. 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 derivatives, 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

As at 30 June 2022

ASSETS/LIABILITIES	NOTE	CATEGORY	CONSOLIDATED CARRYING AMOUNT \$000	PARENT CARRYING AMOUNT \$000
Financial assets				
Class				
Cash and cash equivalents	17	Amortised cost	23,207	12,529
Restricted cash and cash equivalents	17	Amortised cost	9,008	9,008
Receivables ¹	18	Amortised cost	12,507	356
Investments	19	Fair value through profit or loss	599,659	599,659
Foreign currency forward contracts – financial assets	20	Fair value through profit or loss	76,364	76,364
Financial liabilities				
Class				
Payables ²	28	Financial liabilities measured at amortised	5,223	4,205
Borrowings	29	Financial liabilities measured at amortised	7,610	–
Foreign currency forward contracts – financial liability	20	Fair value through profit and loss	79,057	79,057
Lease liabilities	31	Financial liabilities measured at amortised	9,169	8,654

As at 30 June 2021

ASSETS/LIABILITIES	NOTE	CATEGORY	CONSOLIDATED CARRYING AMOUNT \$000	PARENT CARRYING AMOUNT \$000
Financial assets				
Class				
Cash and cash equivalents	17	Amortised cost	25,999	23,227
Restricted cash and cash equivalents	17	Amortised cost	12,073	12,073
Receivables ¹	18	Amortised cost	634	1,173
Investments	19	Fair value through profit or loss	668,419	668,419
Foreign currency forward contracts – financial assets	20	Fair value through profit or loss	87,850	87,850
Financial liabilities				
Class				
Payables ²	28	Financial liabilities measured at amortised	4,875	4,444
Foreign currency forward contracts – financial liability	20	Fair value through profit and loss	89,886	89,886
Lease liabilities	31	Financial liabilities measured at amortised	10,634	3,109

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).

Fair value measurement

(a) Fair value recognised in the Statement of Financial Position

	LEVEL 1 \$000	LEVEL 2 \$000	LEVEL 3 \$000	TOTAL \$000
30 June 2022				
Financial assets at fair value				
Managed funds	372,595	227,064	–	599,659
Derivatives – assets	–	76,364	–	76,364
	372,595	303,428	–	676,023
Financial liabilities at fair value				
Derivatives – liabilities	–	79,057	–	79,057
30 June 2021				
Financial assets at fair value				
Managed funds	449,391	219,027	–	668,418
Derivatives – assets	–	87,850	–	87,850
	449,391	306,877	–	756,268
Financial liabilities at fair value				
Derivatives	–	89,886	–	89,886

The financial instruments carrying amount in the Statement of financial position approximates fair value.

35. Financial instruments (continued)

(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 0.02 per cent (-0.18 per cent in 2020–21), while over the year the weighted average interest rate was 0.12 per cent (0.10 per cent in 2020–21) on a weighted average balance during the year of \$5.69 million (\$13.85 million in 2020–21). None of these assets are past due or impaired.

(ii) Receivables – Trade and other receivables

Collectability of trade debtors is reviewed on an ongoing basis. Procedures were established to recover outstanding amounts, including letters of demand.

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.

The Council applies the simplified approach to calculating ECLs which uses a lifetime expected loss allowance for all trade debtors.

To measure the ECLs, trade receivables (excluding statutory receivables and prepayments) have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the debtors to settle the receivables.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

The Council is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors as at 30 June 2022.

(iii) Receivables – Loans and advances

Individual impairment is identified at a counterparty specific level following objective evidence that a financial asset is impaired. This may be after an interest or principal payment is missed or when a banking covenant is breached. The present value of estimated cash flows recoverable is determined after taking into account any security held. The amount of any impairment is calculated by comparing the present value of the cash flows discounted at the loan's original effective interest rate with the statement of financial position carrying value. If impaired, the carrying value is adjusted and the difference charged to the statement of comprehensive income.

A write-off is made when all or part of a claim is deemed uncollectable or forgiven. Write-offs are charged against previously established allowance for impairment or directly to profit or loss. In circumstances where an asset has been individually assessed for impairment and no objective evidence of impairment exists, then it will be subject to a collective assessment. Collective impairment is identified for classes of assets that share similar risk characteristics.

The loss allowance against loans and advances is currently based on a general provision and is assessed as Stage 1 (Performing). The 12 month ECLs are then calculated based on following parameters: actual interest rate of each individual loan, 2.6 per cent probability of default and 90 per cent expected loss given default.

(c) Liquidity risk

The table below summarises the maturity profile of the Council's financial liabilities, together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities – Consolidated

	NOMINAL AMOUNT \$000	FIXED INTEREST RATE \$000	NON- INTEREST BEARING \$000	<1 YEAR \$000	1–5 YEARS \$000	>5 YEARS \$000
2022						
Payables	4,860	–	4,860	4,860	–	–
Funeral fund						
– contributions refundable	354	–	354	–	–	354
Foreign currency forward contracts						
– financial liability	79,057	–	79,057	79,057	–	–
Lease liabilities	9,633	9,633	–	1,295	5,974	2,364
Borrowings	7,610	4,225	3,385	2,350	5,260	–
	101,514	13,858	87,656	87,562	11,234	2,718
2021						
Payables	4,520	–	4,520	4,520	–	–
Funeral fund						
– contributions refundable	355	–	355	–	–	355
Foreign currency forward contracts						
– financial liability	89,886	–	89,886	89,886	–	–
Lease liabilities	12,815	12,815	–	1,127	6,704	4,984
	107,576	12,815	94,761	95,533	6,704	5,339

Maturity analysis and interest rate exposure of financial liabilities – Parent

	NOMINAL AMOUNT \$000	FIXED INTEREST RATE \$000	NON- INTEREST BEARING \$000	<1 YEAR \$000	1–5 YEARS \$000	>5 YEARS \$000
2022						
Payables	3,850	–	3,850	3,850	–	–
Funeral fund						
– contributions refundable	354	–	354	–	–	354
Foreign currency forward contracts						
– financial liability	79,057	–	79,057	79,057	–	–
Lease liabilities	9,633	9,633	–	1,295	5,974	2,364
	92,894	9,633	83,261	84,202	5,974	2,718
2021						
Payables	4,089	–	4,089	4,089	–	–
Funeral fund						
– contributions refundable	355	–	355	–	–	355
Foreign currency forward contracts						
– financial liability	89,886	–	89,886	89,886	–	–
Lease liabilities	3,692	3,692	–	550	2,326	816
	98,022	3,692	94,330	94,525	2,326	1,171

35. Financial instruments (continued)

(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 \$114.41 million as at 30 June 2022. (\$128.22 million as at 30 June 2021).

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Exposure to interest rate risk arises primarily through the Council's interest-bearing borrowings and investments. This risk is minimised by executing fixed-rate instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates.

	CARRYING AMOUNT \$000	-1% PROFIT \$000	-1% EQUITY \$000	+1% PROFIT \$000	+1% EQUITY \$000
Consolidated					
2022					
<i>Financial assets</i>					
Cash and cash equivalents	23,207	(232)	22,975	232	23,439
Restricted cash and cash equivalents	9,008	(90)	8,918	90	9,098
Investments	599,659	(5,997)	593,662	5,997	605,656
2021					
<i>Financial assets</i>					
Cash and cash equivalents	25,999	(260)	25,739	260	26,259
Restricted cash and cash equivalents	12,073	(121)	11,952	121	12,194
Investments	668,419	(6,684)	661,735	6,684	675,103
Parent					
2022					
<i>Financial assets</i>					
Cash and cash equivalents	12,529	(125)	12,404	125	12,654
Restricted cash and cash equivalents	9,008	(90)	8,918	90	9,098
Investments	599,659	(5,997)	593,662	5,997	605,656
2021					
<i>Financial assets</i>					
Cash and cash equivalents	23,227	(232)	22,995	232	23,459
Restricted cash and cash equivalents	12,073	(121)	11,952	121	12,194
Investments	668,419	(6,684)	661,735	6,684	675,103

(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 HORIZON	2022 \$000	2021 \$000
Consolidated			
Investment sectors			
<i>Short-term facility</i>			
Cash, money market instruments	Up to 1.5 years	99,571	96,006
<i>Strategic cash facility</i>			
Cash, money market and other interest rate instruments	Up to 3 years	599,659	668,419
Parent			
Investment sectors			
<i>Short-term facility</i>			
Cash, money market instruments	Up to 1.5 years	88,893	93,234
<i>Strategic cash facility</i>			
Cash, money market and other interest rate instruments	Up to 3 years	599,659	668,419

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.

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	30 JUNE 2022			30 JUNE 2021		
	CARRYING VALUE \$000	PERCENTAGE SPREAD (%)	ACTUAL RATE RETURN (%)	CARRYING VALUE \$000	PERCENTAGE SPREAD (%)	ACTUAL RATE RETURN (%)
Australian Equities	97,912	16.35	(3.71)	108,678	15.30	26.46
International Equities	166,283	27.77	(10.00)	207,339	28.13	28.10
Australian Fixed Income	20,028	3.35	3.76	19,302	6.74	1.29
Absolute Return Fixed Income	24,479	4.09	(3.19)	35,381	12.99	2.03
Inflation-linked Bond Fund	31,818	5.31	(0.04)	31,831	4.44	3.05
Hedge Fund	58,657	9.80	(3.29)	61,637	11.92	15.31
Emerging Markets	33,583	5.61	(22.15)	43,144	6.66	29.42
Unlisted Property	71,810	11.99	11.64	64,930	9.90	7.99
Unlisted Infrastructure	51,421	8.59	10.19	44,064	0.29	2.30
Emerging Market Debt	21,587	3.61	(14.46)	25,236	–	(0.60)
Global Credit	15,950	2.66	(14.56)	19,051	–	1.05
Cash Fund	5,189	0.87	0.02	6,686	3.62	(0.18)
	598,717			667,279		

35. Financial instruments (continued)

(d) Market risk (continued)

(iii) Other price risk (continued)

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 \$000	ESTIMATED RISK (%)	PROFIT IMPACT \$000	EQUITY IMPACT \$000	PROFIT IMPACT \$000	EQUITY IMPACT \$000
Total portfolio of investments as 30 June 2022	598,716	(7.99)	33,906	632,622	(33,906)	564,810
Total portfolio of investments as 30 June 2021	667,279	(9.70)	42,251	709,530	(42,251)	625,029

(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 2021 and 30 June 2022.

36. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2(g)(i).

NAME	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2022 (%)	2021 (%)
NSWALC Resources P/L	Australia	100.00	100.00
NSWALC Properties P/L	Australia	100.00	100.00
NET	Australia	100.00	100.00
NHL	Australia	100.00	100.00
SEFA	Australia	56.70	44.64

SUBSIDIARY	2022 \$000	2021 \$000
NSWALC Resources P/L		
Total assets	–	–
Total liabilities	–	–
Net assets	–	–
Total revenue	8	150
Total expenses	(8)	(132)
Total comprehensive gain/(loss)	–	18
NSWALC Properties P/L		
Total assets	17	7,507
Total liabilities	(59)	(8,158)
Net assets	(42)	(651)
Total revenue	1,473	926
Total expenses	(864)	(1,215)
Total comprehensive gain/(loss)	609	(289)
NET		
Total assets	4,324	1,183
Total liabilities	(3,220)	(537)
Net assets	1,104	646
Total revenue	2,988	1,449
Total expenses	(2,512)	(1,168)
Total comprehensive gain/(loss)	476	281
NHL		
Total assets	1,978	1,335
Total liabilities	(798)	(923)
Net assets	1,180	412
Total revenue	4,086	1,181
Total expenses	(3,473)	(1,186)
Total comprehensive gain/(loss)	613	(5)
SEFA		
Total assets	17,565	–
Total liabilities	(8,649)	–
Net assets	8,916	–
Total revenue	2,290	–
Total expenses	(2,153)	–
Total comprehensive gain/(loss)	137	–

37. Interests in joint ventures

Information relating to joint ventures that are material to the Council are set out below.

NAME	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2022 (%)	2021 (%)
Paradigm Resources Pty Ltd	Australia	50.00	50.00

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). There is no other business partner in Paradigm. The Council granted \$900,000 in the last six financial years to invest in NSWALC Resources P/L so as to acquire 50 per cent of share capital of Paradigm, being 900,000 fully-paid ordinary shares at \$1.00 each. There being 1,800,000 ordinary shares issued by Paradigm as at 30 June 2022 at \$1 each.

Due to the uncertainty of the revenue stream from NSWALC Resources P/L investments in Paradigm and lack of marketability, the carrying value of the investment was impaired to \$1.00, which represents the fair value as at 30 June 2022 in both NSWALC Resources P/L and the consolidated financial statements of the Council.

38. Commitments

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Lease commitments – operating				
Committed at the reporting date but not recognised as liabilities, payable:				
Within one year	6	22	6	22
One to five years	–	6	–	6
	6	28	6	28

Operating lease commitments relate to printers, which are low-value leases as expenses on a straight-line basis. GST of \$500 (\$3,000 in 2020–21) has been included in the total above.

39. Related party transactions

Parent entity

New South Wales Aboriginal Land Council is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 36.

Joint ventures

Interests in joint ventures are set out in Note 37.

Key management personnel

Disclosures relating to key management personnel are set out in Note 40.

Transactions with related parties

The following transactions occurred with related parties.

	CONSOLIDATED		PARENT	
	2022 \$	2021 \$	2022 \$	2021 \$
Other transactions				
Payment of expenses on behalf of NSWALC Resources P/L	–	–	8,087	132,152
Payment of expenses on behalf of NSWALC Properties P/L	–	–	330,976	4,700
Grants made to NET	–	–	1,330,000	1,010,000
Grants made to NHL	–	–	573,000	1,460,000
Grants made to NSWALC Properties P/L	–	–	704,375	905,307

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties.

	CONSOLIDATED		PARENT	
	2022 \$	2021 \$	2022 \$	2021 \$
Current receivables				
Receivables from subsidiaries	–	–	59,000	709,000

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

40. Key management personnel disclosures

The Council's key management personnel (KMP) compensation is as follows.

	CONSOLIDATED		PARENT	
	2022 \$000	2021 \$000	2022 \$000	2021 \$000
Short-term employee benefits				
Salaries and superannuation	3,463	3,179	2,716	2,798
Non-monetary benefits*	257	345	220	272
	3,720	3,524	2,936	3,070

* In 2021–22, the Council provided motor vehicles to KMPs and \$220,000 is the total reportable car fringe benefits provided to KMPs (\$345,000 in 2020–21).

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.

During the year, NET entered into transactions on arm's length terms and conditions with KMP, their close family members and controlled or jointly-controlled entities thereof. Cooper Consulting, owned by the NET board director, Karen Cooper, was engaged to deliver consulting services to the value of up to \$64,600 excluding GST (2021: \$52,400). The services provided were delivered on commercial terms with full knowledge of the NET board.

41. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Council's operations, the results of those operations, or the Council's state of affairs in future financial years.

42. Contingent assets and liabilities

The Council does not have any contingent assets or contingent liabilities at 30 June 2022 (2021: \$nil).

43. Changes in liabilities arising from financing activities

	OTHER LOANS \$000	LEASES \$000	TOTAL \$000
Consolidated			
Balance at 1 July 2020	–	11,524	11,524
Acquisition of leases	–	249	249
Other changes	–	(1,139)	(1,139)
Balance at 30 June 2021	–	10,634	10,634
Acquisition of leases	–	7,277	7,277
Changes through business combinations	7,218	–	7,218
Changes through discontinued operations	–	(6,872)	(6,872)
Other changes	392	(1,870)	(1,478)
Balance at 30 June 2022	7,610	9,169	16,779
Parent			
Balance at 1 July 2020		3,565	3,565
Acquisition of leases		173	173
Other changes		(629)	(629)
Balance at 30 June 2021		3,109	3,109
Acquisition of leases		6,483	6,483
Other changes		(938)	(938)
Balance at 30 June 2022		8,654	8,654

44. Changes to accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting period. The Council did not early adopt these Accounting Standards and Interpretations that are not yet effective. It is not expected that these changes will have a material impact on comparative and future years results.

STANDARDS/INTERPRETATIONS	ISSUE DATE	EFFECTIVE DATE
AASB 17 Insurance Contracts – March 2022 (Compilation)	March 2022	1 January 2023
AASB 2021-5 Amendments to AASs – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	June 2021	1 January 2023
AASB 2020-1 Amendments to AASs – Classification of Liabilities as Current or Non-current	March 2020	1 January 2023
AASB 2021-2 Amendments to AASB 7, AASB 101, AASB 134 Interim Financial Reporting and AASB Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies	February 2021	1 January 2023
AASB 2021-2 Amendments to AASs – Disclosure of Accounting Policies and Definition of Accounting Estimates	March 2021	1 January 2023
AASB 2014-10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	December 2014	1 January 2022
AASB 2020-3 Amendments to AASs – Annual improvements – Amendment to AASB 9 – Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities (Part of Annual Improvements 2018–20 Cycles)	June 2020	1 January 2022
Amendments to AASB – Reference to the Conceptual Framework		
– Amendments to AASB 116 – Property, Plant and Equipment: Proceeds before Intended		
– Use Amendment to AASB 141 – Taxation in Fair Value Measurements (Part of Annual Improvements 2018–20 Cycle)		
– Amendment to AASB 1 – Subsidiary as a First-time Adopter (Part of Annual Improvements 2018–20 Cycle)		
– Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract		
AASB 2020-6 Amendments to AAS – Classification of Liabilities as Current or Non-current – Deferral of effective date	August 2020	1 January 2022

APPENDIX

Other expenditure

Councillors' travel expenses

Table 25: Councillors' domestic travel expenses in 2021–22.

COUNCILLOR	DIRECT TRAVEL EXPENSES			ACCOMMODATION AND MEALS ALLOWANCE			TOTAL TRAVEL EXPENSES
	REGIONAL	FOR NSWALC	TOTAL	REGIONAL	FOR NSWALC	TOTAL	
G Toomey	88	1,313	1,401	5,280	8,210	13,490	14,891
P Smith	246	667	913	5,131	8,023	13,154	14,067
A Dennis	85	2,438	2,523	1,369	10,470	11,839	14,362
C Lynch	55	3,319	3,374	273	9,426	9,699	13,073
D Chapman	43	5,846	5,889	800	18,506	19,306	25,195
A Wright	1,036	61	1,097	1,394	7,343	8,737	9,834
R Hampton	126	7,266	7,393	2,346	12,243	14,590	21,982
L Hampton	643	2,403	3,046	1,967	10,193	12,160	15,206
D Donnelly	234	108	342	177	6,713	6,889	7,231
Total	2,555	23,422	25,976	18,738	91,127	109,865	135,841

Table 26: Councillors' overseas travel expenses in 2021–22.

DATE	COUNCILLORS	MEETING	LOCATION	COSTS
28 June 2022 to 8 July 2022	Charles Lynch Anne Dennis Leeanne Hampton	15th session of the Expert Mechanism on the Rights of Indigenous Peoples (EMRIP)	Geneva, Switzerland	\$19,530

Consultants' fees

Table 27: Consultants' fees for projects valued at \$50,000 and above in 2021–22.

CONSULTANT	PROJECT DESCRIPTION	AMOUNT (\$)
APP Corporation	ACHIF Program consultant fees	449,143
Mercer Investments (Aust) Limited	Investment consulting services	351,080
Grant Thornton Australia Limited	Due diligence services on National Centre of Indigenous Excellence (NCIE)	283,150
PricewaterhouseCoopers, LAM Consulting, Peckvonhartel Pty Ltd	Office fit-out project for 33 Argyle street	229,267
Urbis Pty Ltd	Town planning and urban design for 160–202 George St Redfern	121,477
Rochelle Waterhouse	Advise on internal improvements and develop NSWALC systems	81,965
Fisher Leadership	Chief Executive Officer position search services	53,000
BDO Services Pty Ltd	Professional services for financial statement preparation and IFRS advisory service for accounting position papers	74,000
Ernst & Young	Project delivery advisory services for 160–202 George St Redfern	63,110
Mercer Consulting	Staff role evaluations	51,690
Total projects ≥\$50,000		1,757,882

Table 28: Consultants' fees for projects valued at less than \$50,000, including type of service, number of projects, and total amount for 2021–22.

TYPE OF SERVICE	NUMBER OF PROJECTS	TOTAL AMOUNT (\$)
Management services	9	82,531
Land and properties	8	56,546
Recruitment services	6	61,644
Resource development	3	49,638
Investment	1	22,447
Network delivery – LALC assistance	1	13,636
Strategy and policy – CAPO	1	13,346
Yarpa	1	6,025
Total projects <\$50,000		305,813

The total expenditure for all consultants' fees in 2021–22 was \$2,063,695.

Grant expenditure

Table 29: Major grants (>\$5,000 each) paid in 2021–22.

RECIPIENT	DESCRIPTION	AMOUNT (\$)
ACHIF Program Various Suppliers	ACHIF project for 17 LALCs	8,249,181
NCF Account	NSWALC share to ComFund account for levies received from Revenue NSW	1,348,641
NET	Supporting NET	1,330,000
NSWALC Properties	Grant for Head Office lease	709,848
NHL	Supporting NHL	572,565
R & H D Dobson	Supporting the growth and development of the NSW Aboriginal fishing industry	250,000
M & A Discretionary Trust T/A I'm Hooked Fishing Charters Pty Ltd	Supporting the growth and development of the NSW Aboriginal fishing industry	160,000
South Coast Black Cockatoos	NSW Aboriginal Rugby League Knockout 2022	80,000
Eurobodella Toyota	Supporting the growth and development of the NSW Aboriginal fishing industry	79,477
Hunts Marine Centre	Supporting the growth and development of the NSW Aboriginal fishing industry	48,155
B & S Motors	Supporting the growth and development of the NSW Aboriginal fishing industry	33,627
Gandangara LALC	NSWALC Cumberland Plain Project – 10% Project Development	33,333
MobReady Pty Ltd	Supporting the 2022 Elders Olympics	30,000
South East Arts (NSW) Inc.	Supporting the 2021 Djaadjwaan Dancers Women's Healing Camp	27,500
James Coolrooms	Supporting the growth and development of the NSW Aboriginal Fishing industry	26,650
NSW Aboriginal Culture, Heritage and Arts Association Inc. (ACHAA)	Supporting the 2021 ACHAA Conference – Eden	22,600
Mudyala Aboriginal Corporation	Supporting the 2022 Northern NSW Women's Rugby League Knock Out	20,000
Charless Seafood & Eat It	Supporting the growth and development of the NSW Aboriginal fishing industry	16,345
Link-Up (NSW) Aboriginal Corporation	Supporting the 2021 Cooee Festival	10,000
University of Technology Sydney	Supporting NAIDOC in the City	10,000
Lloyd McDermott Rugby Development Team Inc	Supporting the 2022 Ella 7s Tournament	10,000
Koori Kids Pty Limited	Supporting the 2022 NAIDOC School Initiatives	5,500
Others		148,963
Total major grants		13,222,384

Table 30: Minor grants (≤\$5,000 each) paid in 2021–22.

CATEGORY	DESCRIPTION	AMOUNT (\$)
Funeral Grants	Funeral payments for Members and non-members	682,761
Discretionary (Councillors)	Various – 120 grants	83,600
Discretionary (Scholarship)	NSWALC Education Scholarship Grant	10,000
Naru Indigenous Corporation	Supporting the 2021 Naru Surf Gathering	5,000
Bermagui Fishermen's Co-operative	Supporting the growth and development of the NSW Aboriginal Fishing industry	4,774
AbSec – NSW Child, Family and Community Peak Aboriginal Corporation	Supporting the AbSec NAIDOC 2021 Family Fun Day	2,500
Koori Kids Pty Limited	Supporting the 2021 NAIDOC Week schools initiative	2,500
Christopher Brierley	Supporting the growth and development of the NSW Aboriginal Fishing industry	2,113
Total minor grants		793,248

Table 31: Summary of total grants paid in 2021–22.

CATEGORY	NUMBER PAID	AMOUNT (\$)
Funeral Grants	471	682,761
Discretionary grants	122	93,600
NCF Account	21	1,348,641
ACHIF Program	17	8,249,181
Statewide Grants	12	225,600
NFF account	9	621,141
NET grant	1	1,330,000
NSWALC Properties	1	709,848
NHL grant	1	572,565
NSWALC Cumberland Plain Project	1	33,333
Others	1	148,963
Total all grants paid	657	14,015,633

Insurance cover

Table 32: Summary of NSWALC's insurers and level of cover in 2021–22.

INSURANCE COMPANY	POLICY	SUM INSURED (\$'000)
Allianz	Industrial special risks	7,500
Allianz	Motor vehicle	Market value
Allianz	Public/Products liability	50,000
QBE	Umbrella liability	50,000
AIG & LAUW	Directors and officers	15,000
Accident and Health	Personal accident	1,000
AFA	Journey accident	1,000
Accident and Health	Corporate travel	2,000
AFA	Voluntary workers	1,000
Vero	Marine Cargo	50,000

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