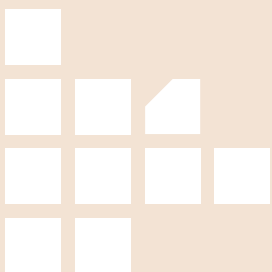


ANNUAL REPORT 2014



CENTRAL DESERT NATIVE TITLE SERVICES

Warning to Aboriginal and Torres Strait Islander readers:

This report may contain culturally sensitive information and images of people who have passed away since publication. We sincerely regret any distress that may be caused.

Glossary

AC	Aboriginal Corporation
ACNC	Australian Charities and Not-for-Profits Commission
ATO	Australian Taxation Office
ATSIC	Aboriginal and Torres Strait Islander Commission
CAT	Cultural Awareness Training
CATSI Act	Corporations (Aboriginal and Torres Strait Islander) Act 2006
Central Desert	Central Desert Native Title Services Limited
CDEP	Community Development Employment Project
CHMP	Cultural Heritage Management Plan
DPaW	WA Department of Parks and Wildlife
DPM+C	Commonwealth Department of Prime Minister and Cabinet
DSS	Desert Support Services
FaHCSIA	(Former) Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs
GDNR	Gibson Desert Nature Reserve
ILUA	Indigenous Land Use Agreement
IPA	Indigenous Protected Area
ITAA97	Income Tax Assessment Act 1997
MNR	Mungarlu Ngurrurangkatja Rirraunkaja (Aboriginal Corporation)
NRM	Natural Resource Management
NTA	Native Title Act 1993
NTRB	Native Title Representative Body
NTSP	Native Title Service Provider
OSH	Occupational Safety and Health
ORIC	Office of the Registrar of Indigenous Corporations
PBC	Prescribed Body Corporate
PBI	Public Benevolent Institution
RFM	Rockhole Funds Management
RNTBC	Registered Native Title Body Corporate
TNTLAC	Tjurabalan Native Title Land (Aboriginal Corporation)
TO	Traditional Owner
WDLAC	Western Desert Lands Aboriginal Corporation
YNPAC	Yarnangu Ngaanyatjaraku Parna Aboriginal Corporation

Cover image: Painting created at the Wiluna determination ceremony. Photo: Cam Campbell
Ngurrurpa native title holders enjoy the new water tank at Yagga Yagga. Photo: Alissa Smart



CENTRAL DESERT NATIVE TITLE SERVICES

4 September 2014

Senator the Hon Nigel Scullion
Minister for Indigenous Affairs
Parliament House
Canberra ACT 2600

Dear Minister

I have great pleasure in presenting the Annual Report of Central Desert Native Title Services Limited for the period 1 July 2013 to 30 June 2014.

This report includes the organisation's report of operations and the audited financial statements for the year ended 30 June 2014.

Mr Terence Grose
Chairperson



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Directors



MR TERENCE (TERRY) GROSE (CHAIRPERSON)

Appointed 14 December 2012

Terry Grose has a strong commercial background gained through his experience as a merchant banker, senior executive and business consultant in Australia and overseas. After a decade spent in various senior roles within the Wesfarmers Group, Terry moved to Hong Kong where he worked as Chief Financial Officer and Executive Director of an innovative start-up company before establishing his own commercial consulting business. Since returning to Australia in 2008 he has undertaken consulting assignments with a range of companies that have benefited from his broad business experience. In 2013 he won the national Woodside Better Business Award, presented by Creative Partnerships Australia, for his contribution as a director of the Yirra Yaakin Theatre Company. He is also a director of Arafura Resources Ltd and Martu People Limited.



THE HONOURABLE FRED CHANEY AO

Appointed 11 September 2007

In recent years Fred Chaney has served as a member and Deputy President of the National Native Title Tribunal, Co-Chair and director on the board of Reconciliation Australia Limited, Chair of Desert Knowledge Australia and Chair of the Consultation Committee on a Human Rights Act for Western Australia. In 2008 he was awarded the Sir Ronald Wilson Leadership Award for "Exceptional leadership in the fields of social justice, human rights, equality and anti racism". Fred continues to serve as a director of Reconciliation Australia Limited and is a co-founder and Deputy Chair of the Graham (Polly) Farmer Foundation. In 2011 he was a member of the Expert Panel on the Constitutional Recognition of Indigenous Australians. Most recently, Fred was the worthy recipient of the Senior Australian of the Year for 2014.



DR FIONA SKYRING

Appointed 7 October 2008

Fiona Skyring is a historian. While employed by the Kimberley Land Council from 1999 to 2005 as an expert witness, Fiona gave evidence on behalf of the native title applicants in five trials in the Federal Court. Since then Fiona has worked for native title service providers on behalf of applicants, for Aboriginal heritage organisations and for government. She has contributed to community history projects and academic publications. Fiona is the author of 'Justice: A History of the Aboriginal Legal Service of Western Australia', which was published by UWA Publishing in 2011. For this book Fiona won the 2012 Margaret Medcalf Award, for excellence in research and referencing using the State Archives Collection, and in the WA Premier's Book Awards she won the State Library of Western Australia WA History Prize and the WA Premier's Prize.



MR ANDREW (ANDY) GILMOUR

Appointed 14 December 2012

Andy is a director of national chartered accounting firm RSM Bird Cameron practising in the Corporate Finance Division. He has over 30 years experience as a chartered accountant and business adviser initially in the area of audit and subsequently in corporate finance and transaction support. He has had a wide breadth of experience with exposure to businesses in diverse industries from financial services to mining and of varying size from small to medium sized family concerns to large multinational corporations. Andy holds a Bachelor of Arts (Honours) from the University College of Wales, Aberystwyth and is the West Australian representative of the Business Valuation Special Interest Group of the Institute of Chartered Accountants. Andy was admitted as a partner of RSM Bird Cameron Partners in 1994.



DR CAROLYN TAN

Appointed 14 December 2012

Carolyn Tan has been an In-house Legal Counsel at Yamatji Marlpa Aboriginal Corporation since 2003 where she has provided native title advice and appeared in the Federal Court, High Court and before the National Native Title Tribunal and the Mining Warden. Prior to that she was a litigation partner at Dwyer Durack for 15 years and headed up their Native Title Department as well as being engaged in a range of commercial, administrative and other civil and industrial litigation. Carolyn has been a Deputy President of the WA Equal Opportunity Tribunal and has served on numerous legal and social justice committees. She holds a PhD for her research on a topic related to Indigenous heritage and religious freedom laws in Australia, New Zealand, USA and Canada.



Women Rangers at Katjarra. Photo: Emma Drake

Company Officers

CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY

MR IAN RAWLINGS

Appointed Company Secretary 26 November 2007

Ian Rawlings has extensive experience working with Indigenous organisations in Western Australia. Since the early 1990s he has held community development and administration roles in remote communities. He was the Administration Manager for the Ngaanyatjarra Council Native Title Unit for five years and Acting Unit Manager for one and a half years prior to taking on the role of Chief Executive Officer at Central Desert. Ian is the Chairman of Carbon Neutral Charitable Fund Ltd.



CHIEF OPERATING OFFICER AND PRINCIPAL LAWYER

MR MALCOLM O'DELL

Malcolm O'Dell has served as the company's Principal Lawyer since its inception. Malcolm is also the company's Chief Operating Officer, managing all its operational activities. He has extensive native title experience having worked for the National Native Title Tribunal from 1996 to 1999 before entering legal practice with Dwyer Durack. Malcom joined Ngaanyatjarra Council in 2004, working in the Native Title Unit, and moved to Central Desert when it was formed in 2007. Malcolm has experience in native title in the areas of mediation, negotiation, agreement making, court representation, arbitral inquiries and hearings. Malcolm is a committee member of Access Housing Association and a Board Member of Access Housing Australia Ltd.



CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

MR RIC WEST JP

Appointed Company Secretary 24 September 2010

Ric West serves as the company's Chief Financial Officer and Company Secretary. Ric has worked with and for Indigenous organisations since 1992 when he joined ATSIC. His experience includes working in government, in a private accounting practice providing offsite accounting solutions for remote Indigenous organisations, serving as CFO for a large city-based CDEP, and running his own firm specialising in audits of Indigenous and other non-profit organisations. Mr West is a Fellow of both CPA Australia and the Institute of Public Accountants, and is a certificated member of the Governance Institute of Australia. He recently completed a Masters of Science (Mineral Economics) at Curtin Graduate School of Business. Ric is a Director and Secretary with Carbon Neutral Charitable Fund Ltd.



Chairperson's Report

I am pleased to present my first report as Chair of Central Desert Native Title Services. It has been another eventful year for the organisation as detailed in the body of this report and I would like to draw your attention to some of the key aspects of the year's activities.

Throughout the year there has been significant progress on native title matters. Four determinations were handed down: three in the Wiluna area and one at Tarlpa. These determinations represented the culmination of many years of hard work by the traditional owners and by Central Desert staff.

A personal highlight for me was attending the determination of the Wiluna native title claim at Puwana before Justice McKerracher in July 2013. This was a very important event for the native title holders and it was a real pleasure to be able to join in the moving celebrations of what was the culmination of some 16 years of negotiation and litigation.

One of Central Desert's key strategic objectives is to facilitate capacity building within Indigenous corporate entities established out of the native title process such that they become functionally empowered and independent. This is a crucial long-term goal to which I am personally very committed. Without substantial progress in capacity building Australia will continue to lag behind other developed countries in the living standards of our Indigenous population.

Capacity building comes in many guises. It can include the provision of training, mentoring Aboriginal people who want to make a difference, and facilitating opportunities for learning through exposure to other organisations facing similar issues. In all of this, it is crucial that community members participate in the decision-making processes so that they can feel ownership of the decisions. So often governments and other well-meaning organisations make decisions for Aboriginal communities and then wonder why the outcomes are not satisfactory. As part of this decision-making process, room must be made for making mistakes and learning from them. This is never easy but we all learn from our mistakes. If local decision-making is not encouraged, then it is difficult to see how the capacity that is so badly needed can develop. Certainly Central Desert has a role to advise and support using its staff expertise, but in the final analysis, after the discussions and debates, Aboriginal organisations need to have ownership of their decisions and succeed or fail as the case may be.

Amongst its other successes, Central Desert has continued to develop its land management and ranger programs. These activities provide training and employment through opportunities to care for ancestral lands. The pride that the rangers feel in looking after their country is very evident and I am always thrilled to see the enthusiasm with which the work is pursued and the very positive impact on the participants' lives. The work of the Land and Community team in continuing to develop the ranger programs is invaluable.

I would like to acknowledge the contributions made by Central Desert's supporters and sponsors. Their ongoing support is hugely important for us and without it we would be unable to complete the work we do. Thank you.

From the time I joined the Central Desert Board in 2012 I have been impressed by the commitment of the Central Desert team, ably led by our Chief Executive Officer, Ian Rawlings. It is a pleasure to work with such a dedicated and principled team.

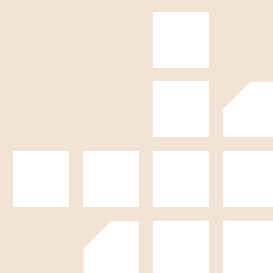
I was honoured to assume the role of Chair after last year's Annual General Meeting. Since taking on the role from Fred Chaney I have benefitted greatly from his thoughtful counsel and from the strong support of my Board colleagues.

Given Fred Chaney's long term commitment to working for Aboriginal causes, both the Board and staff of Central Desert were thrilled to see his lifelong efforts recognised when he was named Senior Australian of the Year for 2014. The award was a well-deserved recognition of his work.

I look forward to working with the team at Central Desert in the coming year for the benefit of traditional owners in the Central Desert region.



Terence Grose
Chairperson





Chief Executive Officer's Report

The 2013-2014 year was another very busy time for Central Desert. The lead up to and outcome from the federal election in November 2013 caused a high degree of policy uncertainty and administrative burden across the sector. Central Desert's processes and systems, although stretched, proved sufficiently robust to see us through this period with minimal disruption.

ACHIEVEMENTS

There were four determinations of exclusive possession native title across the Central Desert region during the reporting period. This marked the breaking of a drought on determinations that lasted from the change of State Government in 2008 and was enabled by the focused approach of the Federal Court of Australia in its management of the claim process. The highlight was the Wiluna determination on country in July where the traditional owners were able to celebrate the end of

a process that began in 1997 and sadly outlasted a great number of the people that had brought the claim in the first place.

Ongoing and steady progress continues with all currently active claims. In addition to the core work of representing traditional owners in their claims for recognition of their native title, Central Desert strives to ensure that native title rights are protected and respected through facilitating valuable and lasting mutually beneficial relationships with other interest holders in the region. I commend the work of our

Future Acts, Major Projects and Agreements Implementation team.

Central Desert's Land and Community team achieved significant growth, development and recognition of their programs though the reporting period.

The activities and achievements of the Ranger groups have gone from strength to strength. The Wiluna Martu Rangers' partnership with Newmont Mining for environmental monitoring was short-listed for the WA Golden Gecko Environmental Excellence Awards and was recognised by the United Nations as



Men dancing at the Wiluna determination ceremony. Photo: Emma Drake

"Central Desert strives to ensure that native title rights are protected and respected through facilitating valuable and lasting mutually beneficial relationships with other interest holders in the region"



the subject of an international case study on Indigenous peoples' rights as they relate to the environment, employment and empowerment. Another highlight was the very successful cultural exchange between the Birriliburu Rangers and a group of high achieving Telstra employees who worked together on-country to build campsite facilities.

Central Desert has continued to develop its capacity to support the PBCs in the region internally and through its subsidiary Desert Support Services. A second subsidiary, Rockhole Funds Management, was formed in July with the purpose of providing tailored trustee arrangements for our constituent bodies.

CHALLENGES

Central Desert is involved in a number of litigated matters that bring significant challenges technically, administratively and financially. The State of Western Australia continues to hold a hard line when setting its criteria for proving connection and is putting previously uncontested questions to the test at law. The combination of the State's litigious appetite, the Federal Court's desire for a quick and efficient prosecution of its case load and the Federal Government's limited capacity to fund litigation is creating an environment within our organisation that is difficult to sustain. There is no room in the case-load for savings, there are demands to meet stringent timelines and there

are no guarantees that funding will be available for Counsel to represent our clients. This creates considerable stress for our staff at all levels.

UPCOMING ISSUES

The Federal Government is yet to articulate its intention in relation to native title and other land related programs beyond its first year of government. Minister Scullion has made some encouraging comments on the streamlining of programs and the empowerment of local groups to set and drive their agendas and he has shown an interest in engaging with native title bodies and others to hear views on the current and potential environment. Central Desert will continue to work with the Minister and his departmental staff



Sandhill country in Cosmo Newberry. Photo: Mladen Mrvelj

in the hope of steering government towards what we believe to be the course that best suits our clients and the broader native title environment.

An Indigenous Protected Area (IPA) in the Kiwirrkurra determination area is scheduled for declaration in September, and the Land and Community team will continue working on the creation of an IPA in the Wiluna area as well as supporting native title claimants and holders across the region to explore, articulate and implement their social, economic and cultural aspirations throughout their lands.

In conclusion, I thank all of the stakeholders that have invested in Central Desert in the 2013-2014 year. The Commonwealth Department of Prime Minister and Cabinet provided core native title funding and also made several additional and targeted allocations. The Commonwealth Department of the Environment made significant contributions to land and community activities and Lotterywest funded the completion of the Land and Community Resource Centre in Wiluna. A range of supporters made welcome contributions to various programs.

The Central Desert Board has a new Chair. I wish to thank outgoing Chairperson, the Hon. Fred Chaney, who took on the role temporarily until a replacement was found. Fred's commitment and wealth of experience was critical during the period and was greatly appreciated. I also welcome incoming Chairperson Mr Terry Grose whose enthusiasm and corporate background is of great benefit to the organisation.

The Central Desert team consists of a phenomenal bunch of individuals all deeply committed to their work and their clients. I thank and congratulate them all on their achievements in a challenging environment.

Sincerely,

A stylized, handwritten signature in black ink, appearing to read 'Ian Rawlings'.

Ian Rawlings

Chief Executive Officer

Chief Operating Officer's Report

INCORPORATING THE PRINCIPAL LAWYER'S REPORT

Operational Summary

During the reporting period Central Desert:

- Maintained and enhanced all existing operational activities.
- Assisted Tjumu Tjumu Aboriginal Corporation in securing an Indigenous Protected Area declaration over the Kiwirrikurra determination area.
- Successfully litigated a question of law relating to the Wiluna # 2 claim.
- Achieved determinations of native title for the Wiluna, Wiluna # 2, Wiluna # 3 and Tarlpa native title claims, culminating in a formal determination ceremony on country on 29 July 2013.
- Successfully litigated an outstanding issue relating to the use of resources for commercial purposes on the four Birriliburu claims and the Pilki claim.
- Completed all evidence and submissions in relation to the litigated Yilka claim.
- Agreed to provide assistance to the Mantjintjarra Ngalia #2 claim.
- Progressed the Gibson Desert Nature Reserve compensation claim.

Native Title Claims

General

The progress of native title claims in the Central Desert region continued during the reporting period although with less momentum than we would like despite direct case management of claims by the Federal Court.

In the Birriliburu¹ and Pilki² claims, a question of law relating to the taking and use of resources for commercial purposes was successfully litigated, which allows for these claims to now be finally determined in late 2014.

The Ngurra Kayanta claim³ and Kulyakartu claim⁴, both filed over land and waters in the northern Great Sandy Desert and consisting largely of unallocated crown land,

are being progressed towards consent determinations in 2015.

The Tjiwarl claim⁵ in the northern Goldfields has been listed for trial in July 2015 pending receipt of a response in October from the State of WA on whether or not it is prepared to agree to some or all of the connection issues in relation to this claim.

Determinations

Determinations of native title were achieved in the three Wiluna claims⁶ and the Tarlpa claim⁷ and significant work progressed towards the establishment of the prescribed body corporate that will hold that native title.

Litigated Matters

The hearing of the Yilka claim⁸ continued during the reporting period with closing submissions and addresses planned for July 2014.

Wiluna # 2 went to a litigated hearing on the question of whether section 47B of the *Native Title Act 1993* (Cth) (NTA) applies to that claim area. The Wiluna # 2 Applicant prevailed at the hearing⁹ allowing the claim group to have exclusive use, occupation and possession native title recognised over that area. The State appealed that decision and the matter was heard by the Full Federal Court in April 2014. The Full Court is yet to hand down its decision.

New Claims

The Applicant in the Mantjintjarra Ngalia #2 claim¹⁰, previously represented by the Goldfields Land and Sea Council, requested assistance from Central Desert in October 2013. In March 2014 Central Desert agreed to provide assistance and the Mantjintjarra Ngalia #2 will be progressed towards a determination of native title.

1 WAD6284/1998 BP (Deceased) & Ors v State of Western Australia (Birriliburu #1), WAD108/2008 Slim Williams & Ors v State of Western Australia (Birriliburu #2), WAD50/2010 Darren Andrew Farmer v State of Western Australia (Birriliburu #3) and WAD299/2011 Ivan Wongawol v State of Western Australia (Birriliburu #4).

2 WAD6002/2002 Victor Willis & Ors v State of Western Australia (Pilki).

3 WAD410/2012 Helicopter Tjungarrayi v State of Western Australia (Ngurra Kayanta).

4 WAD293/2005 Muuki Taylor & Ors v State of Western Australia (Kulyakartu).

5 WAD228/2011 Keith Narrier & Ors v State of Western Australia (Tjiwarl).

6 WAD6164/1998; WAD181/2102; WF (Deceased) on behalf of the Wiluna People v State of Western Australia [2013] FCA 755 (29 July 2013); BP (Deceased) v State of Western Australia [2013] FCA 760 (2 August 2013).

7 WAD 248/2007: LT (Deceased) on behalf of the Tarlpa People v State of Western Australia [2013] FCA 755 (29 July 2013).

8 WAD297/2008 Harvey Murray on behalf of the Yilka NT Claimants v State of Western Australia (Yilka).

9 WF (Deceased) on behalf of the Wiluna People v State of Western Australia [2013] FCA 755.

10 WAD372/2006 PT (Deceased) & Ors on behalf of the Mantjintjarra Ngalia People v State of Western Australia & Ors (Mantjintjarra Ngalia #2).

Research is underway in areas of the northern Goldfields to the south of Wiluna, with the intention of filing new claims in this area in 2015. Research also continues into filing new claims in a large area of unclaimed land in the eastern Goldfields.

Future Acts

In keeping with instructions from our various native title claimant groups and prescribed bodies corporate, Central Desert negotiates Land Access Agreements on behalf of its clients on all future acts. Larger future act matters are dealt with as 'major projects' as mentioned below.

The State of Western Australia still maintains a policy of notifying all exploratory mining tenements under the future act 'expedited procedure' provisions of the NTA. This policy continues notwithstanding that by notifying mining tenements in this way, questions of access to and from those tenements are not resolved, which often leaves mining companies stranded with a granted mining tenement that they cannot access.

In keeping with our standing instructions, where Land Access Agreements cannot be negotiated, objections to the application of the expedited procedure are lodged. A significant number of these objections were successfully prosecuted during the reporting period.

Major Projects

The number and diversity of 'major projects' within the Central Desert region continues to generate activity, although a downturn in the mining industry generally has taken some of the 'heat' out of the urgency of this activity. During the reporting period:

1. Negotiations continued between the Wiluna native title holders and Rosslyn Hill Mining after the reopening of its lead mine at Wiluna.
2. Negotiations continued between the Wiluna native title holders and Toro Energy for its Lakeway uranium deposits.
3. Negotiations continued between the Yilka native title claimants and Gold Road Resources Limited over its Gold Bore gold deposit near the Cosmo Newberry community, east of Laverton.
4. Negotiations commenced between the Spinifex native title holders and Lost Sands Pty Ltd for its 'Cyclone Project' north of the Great Victoria Desert nature reserve.

As with all matters that affect the native title rights of Central Desert's clients, Central Desert spends a considerable amount of time and resources ensuring that the processes involved in all major projects support high quality outcomes for our clients, and ensure that the native title holders are able to give their 'free, prior and informed consent' to any outcomes achieved. Central

Desert considers this not only to be 'best practice', but it is also essential to comply with the statutory regulations that govern the way native title decisions are made.

Monitoring and Implementing Agreements

Central Desert continually monitors the effectiveness of all agreements it assists its clients to reach. During the reporting period Central Desert identified numerous examples of non-compliance or other breaches of agreements by mining companies and others, requiring appropriate remedial actions.

The monitoring of compliance with agreements and ensuring that our clients are able to fully and beneficially implement agreements continues to be an increasing area of activity for Central Desert.

Compensation Claims

Work continues on the compensation claim over the Gibson Desert Nature Reserve.¹¹ An on-country hearing for indigenous witnesses is scheduled in August 2014.

Central Desert will also progressively seek instructions to file compensation claims on behalf of native title holders in our region with a view to seeking compensation for the numerous compensable 'past acts' that have been undertaken on native title land since the advent of the Racial Discrimination Act (Cth) 1975, in circumstances where compensation has not already been paid.

Land and Community

The work of Central Desert's Land and Community team has continued to grow during the reporting period, both in the frequency and type of activity undertaken. The types of activities undertaken by the Land and Community section include land management, oral history recording, return to country trips, research orientated activity, 'fee-for-service' work, tourism related activity and consultations for matters such as Indigenous Protected Areas.

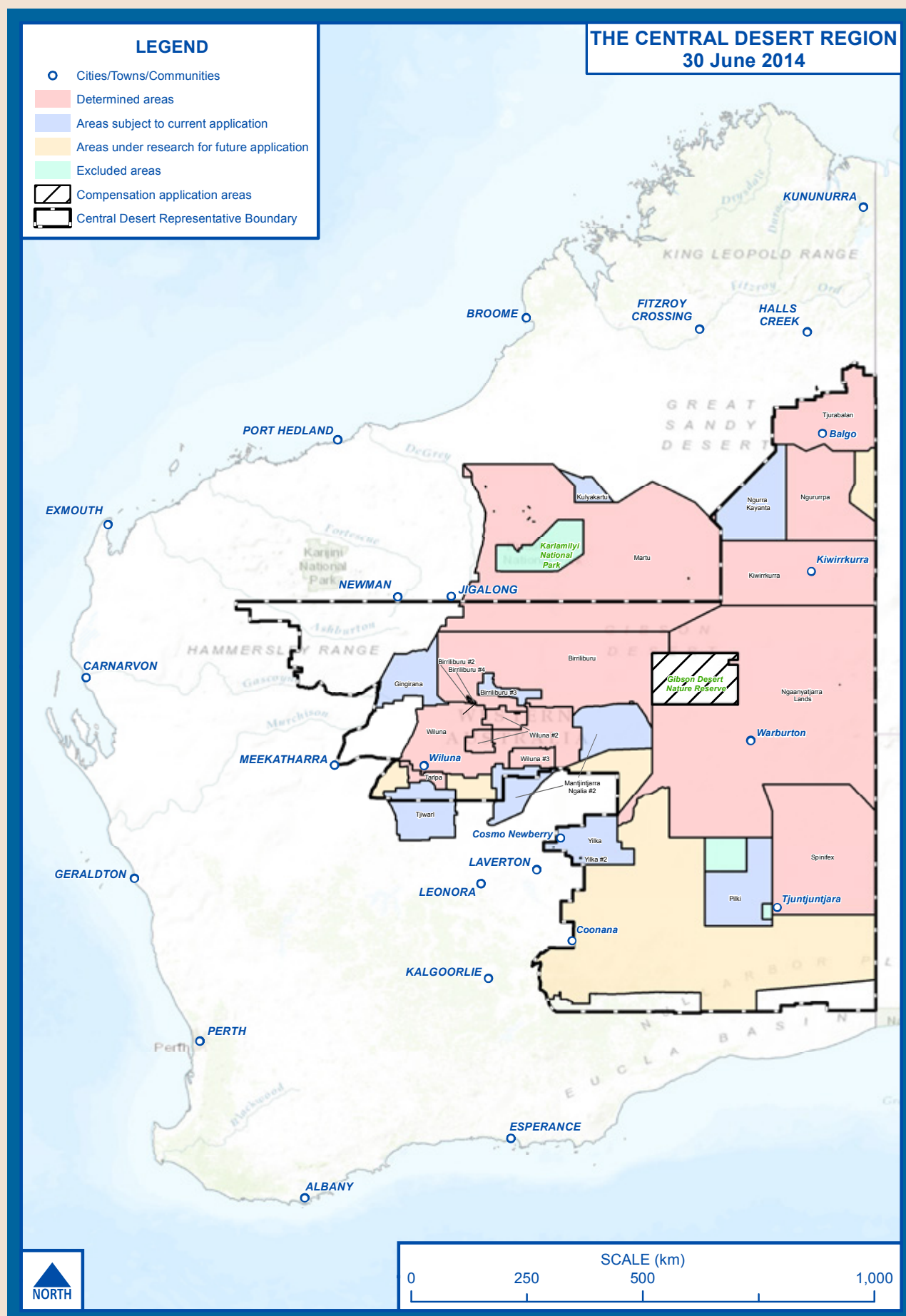
The proposed declaration of an Indigenous Protected Area over the Kiwirrkurra determination area was advanced during the reporting period with the actual declaration ceremony scheduled in September 2014.



Malcolm O'Dell

Chief Operating Officer and Principal Lawyer

¹¹ WAD86/2012 Fred Ward and Others on behalf of the Traditional Owners of the Gibson Desert Nature Reserve v State of Western Australia (GDNr Compensation Claim).



Who We Are

The Central Desert group comprises Central Desert Native Title Services Ltd and two wholly owned subsidiaries. Desert Support Services provides labour hire, accounting and property management services. Rockhole Funds Management holds small trust funds for claimant groups.

OUR CORPORATE STRUCTURE



OUR VISION, MISSION AND VALUES

Our Vision

That the Indigenous peoples of the Central Desert use their traditional lands to achieve their social, cultural and economic aspirations.

Our Mission

To secure for the Indigenous peoples of the Central Desert:

- The highest level of native title rights and interests;
- Alternative forms of title to land in those areas where native title cannot be recognised or where such titles are in their social, cultural and economic interests;

- Protection of cultural heritage; and
- Best practice agreements, which advance their social, cultural and economic interests.

To build for the Indigenous peoples of the Central Desert native title/land title holding entities that are sustainable, effective and culturally appropriate and that empower them to use their traditional lands to achieve their social, cultural and economic aspirations.

What We Do - Central Desert

OUR ROLE AND FUNCTIONS

Central Desert Native Title Services Limited (Central Desert) was registered under the Corporations Act 2001 (Cth) on 16 April 2007 as a public company limited by guarantee. Central Desert is the recognised native title service provider (NTSP) for the native title claimants and holders of the Central Desert region of Western Australia. Our professional team with their wealth of knowledge and experience are committed to advancing and protecting the native title rights and interests of our constituents.

Central Desert operates with core funding provided by the Commonwealth Department for Prime Minister and Cabinet in accordance with s203FE of the *Native Title Act* 1993 (Cth).

As a NTSP Central Desert has specific functions under part 11, Division 3 of the *Native Title Act*. These functions are:

- Facilitation and assistance;
- Agreement-making;
- Certification functions;
- Dispute resolution;

- Notification functions;
- Internal review; and
- Other functions as conferred by the Act.

Central Desert is committed to the promotion of a corporate culture that is ethical and transparent and an organisational culture that is client focused and based on merit, teamwork and results.

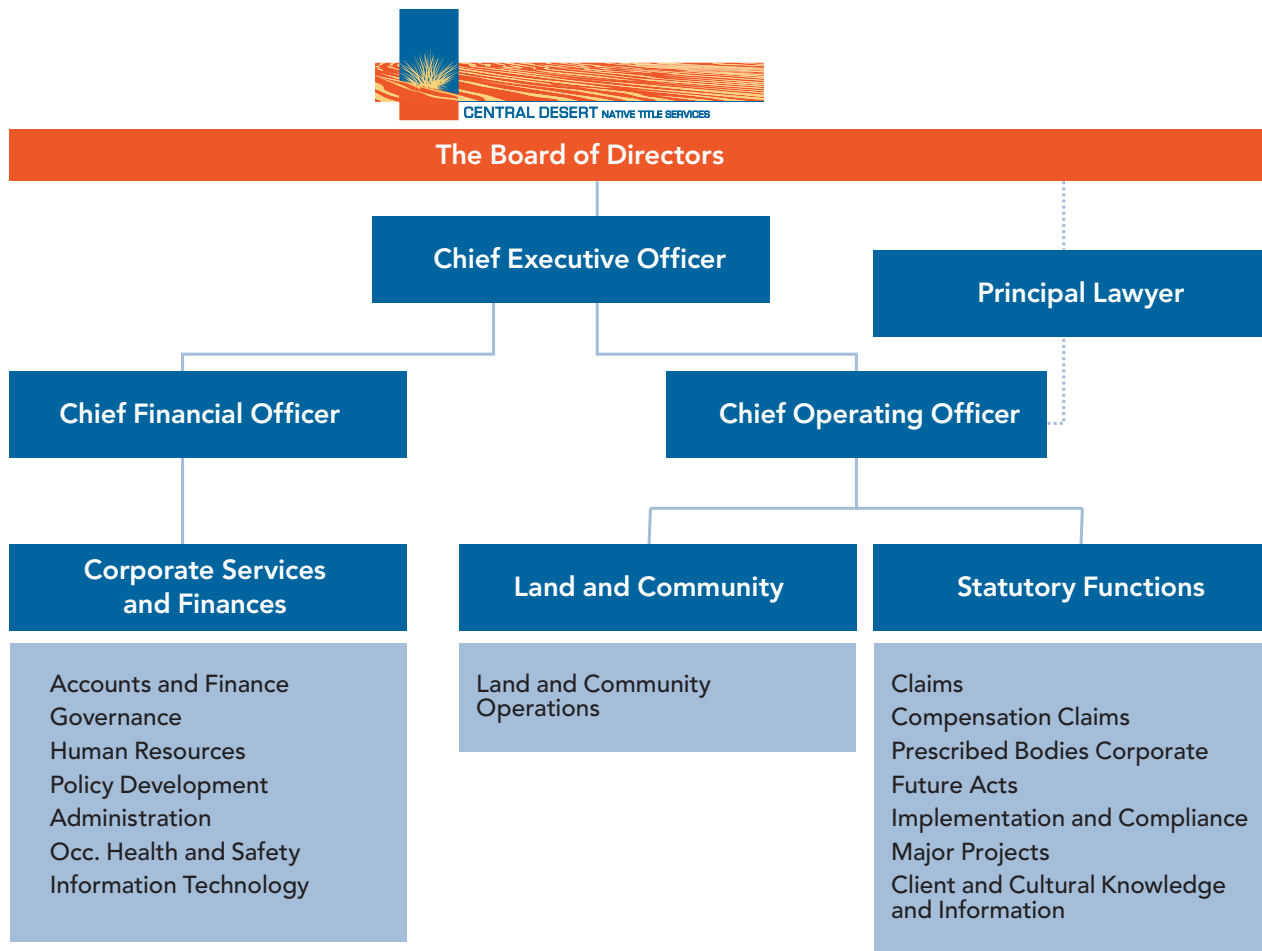
Central Desert places great value on a sound corporate governance platform to underpin high quality service delivery in a complex and evolving environment. The Central Desert Constitution and governance framework documents are regularly reviewed to reflect our commitment to open, transparent and efficient governance. As is required under the Central Desert governance framework, an audit committee ensures proper management of corporate and financial risk.

Central Desert is highly respected by its constituents, by government and by industry.



Traditional owners conducting a heritage survey in the Wiluna area. Photo: Allister Hill

OUR ORGANISATIONAL STRUCTURE



OUR OUTCOME AND OUTPUT STRUCTURE

Central Desert's current Strategic Plan was approved by the Board in 2011. This plan restates the Central Desert focus on achieving highest quality native title outcomes and land access agreements for our clients and to facilitate the use of their native title to articulate and pursue their highest aspirations.

The plan is the basis of Central Desert's outcome and output structure which looks at four strategic focus areas:

1. Empowering PBCs to improve the social, cultural and economic situations of their constituents;
2. Establishing and supporting strong PBCs;
3. Securing and protecting native title; and
4. Building internal capacity.

Central Desert has engaged the services of Dr Lianne Cretney-Barnes to review the strategic plan during the 2014-15 year.

Objectives and Strategies

Our objectives and strategies are:

Social, Cultural and Economic Outcomes

The social, cultural and economic conditions of the peoples of the Central Desert are improved within a culturally respectful framework.

Strategies

1. Facilitate the achievement of identified Traditional Owner aspirations; and
2. Engage all stakeholders in advancing the social and economic futures of the peoples of the Central Desert region through leveraging and exercising the native title rights and interests of our clients.

Traditional Owner Capacity

The Indigenous corporate entities established out of the native title process are functional, empowered and independent.

Strategies

1. Develop and create robust, best practice corporate entities;
2. Assist them to be functional and sustainable;
3. Facilitate the development of plans that articulate their aspirations; and
4. Encourage capacity development of their members.

Determinations and Agreements

Central Desert is maintaining momentum in progressing high value determinations and agreements.

Strategies

1. Identify and achieve best possible determination and agreement outcomes for our clients;
2. Identify and implement most effective (best practice) processes to achieve desired outcomes; and
3. Ensure agreements are fully implemented.

Central Desert Capacity

Central Desert has the capacity to deliver on its mission

Strategies

1. Sound Governance
 - 1.1. Retain suitably skilled, experienced and connected directors.
2. High-quality Staff
 - 2.1. Recruit the right staff and retain them with best practice HR processes.

3. Effective Systems

- 3.1. Build and maintain effective finance, administrative and business systems to enable us to function at our highest level;
- 3.2. Preserve our corporate knowledge and make all collected materials and information accessible where culturally appropriate; and
- 3.3. Keep our Board, staff, clients and stakeholders informed.

4. Adequate Resources

- 4.1. Build a diverse income stream sufficient to meet our strategic goals and reduce the risk of relying on a single dominant funder.

Our Values

- Professionalism and commitment.
- Respect for the peoples and cultures of the Central Desert.
- Respect, honesty, integrity and fairness towards all staff.
- Honesty and integrity towards all stakeholders.
- Innovation and imagination.



Prized bush food. Photo: Emma Drake

How We Perform

OBJECTIVE: SOCIAL, CULTURAL AND ECONOMIC OUTCOMES

The social, cultural and economic conditions of the peoples of the Central Desert region are improved within a culturally respectful framework.

Central Desert is committed to seeing tangible, ongoing benefits flowing to the peoples of the Central Desert as a direct result of the native title process. We have identified streams of activity to help facilitate on the ground outcomes. The first stream is working with claim groups and Prescribed Bodies Corporate (PBCs) to develop their long-term strategic thinking and to facilitate the appropriate planning and implementation processes that may flow from that. The second stream is working with government to ensure that the rights and benefits enabled by a native title determination or alternative outcomes are fully appreciated and honoured, in the spirit of the preamble of the *Native Title Act 1993 (Cth)*, by government and other stakeholders.

Key ways that Central Desert delivers services which support social, cultural and economic outcomes for claim groups and Prescribed Bodies Corporate (PBCs) in the region is by facilitating capacity-building during regular claim meetings and through its Land and Community Program.

Central Desert also provides administrative, accounting and labour hire services as well as income and funds management support through its subsidiary companies.

Land and Community Program

Central Desert's land and community services complement our existing legal, anthropological and community engagement services. The program of activities delivered by the Land and Community team involves working with and empowering native title holders to use and manage their traditional lands to achieve their social, cultural and economic aspirations. Central Desert continues to establish strategic partnerships and alliances between our constituents and other relevant stakeholders in order to support and sustain beneficial outcomes in the longer term.

Central Desert's Land and Community team has developed and implemented a land management program across the Birriliburu, Wiluna and Kiwirrkurra lands. The program uses cultural and natural resource management activities to create regional Indigenous employment and build social and cultural capital in the

process. Land management planning has also taken place with Ngurrurpa, Spinifex, Pilki, Tjiwarl and Yilka groups.

Outcomes from the program continue to be very encouraging as it engages intergenerational participants and a range of committed partners. It also facilitates the transfer of stories and traditional knowledge about country from the old people and elders to younger generations.

Birriliburu Indigenous Protected Area

The Birriliburu IPA is one of the largest conservation reserves in Australia and is managed to International Conservation Union standards by the Birriliburu native title holders and the ranger teams. Key activities undertaken in 2013-14 are outlined below.

Katjarra Burning Program

A large fire event in Katjarra (Carnarvon Ranges area) in 2012 demonstrated the need for more extensive cool season burning. In July 2013 a fire management project was conducted by a team of Birriliburu Rangers, a coordinator, a fire management officer and a helicopter pilot. The objectives of the project were to:

- protect vegetation from large hot fires;
- protect cultural sites from large hot fires;
- diversify the habitat of the area to encourage the bilby population;
- promote fresh growth that provides foraging opportunities for game species, such as bustard, emu and red kangaroo; and
- increase the skills of rangers in controlled burning as well as increase rangers' confidence to make decisions that will produce good outcomes for country.

'Paying It Forward Program' - Partnership with Telstra to Build Facilities at Katjarra

A significant partnership between the Birriliburu Rangers, Telstra and Trackcare WA was forged out of a pilot project proposed by Telstra as part of their 'Pay it Forward Program'. The program is part of Telstra's corporate social responsibility commitment and combines working with community groups on projects that leave a lasting legacy whilst seeking to provide employees with a once in a lifetime, profound community development experience.

The project partners came together on country at Katjarra to erect a water-harvesting 'shed tank', toilet and other campground facilities to provide a valuable remote field base for the Birriliburu Rangers. The camp will also allow traditional owners to travel and camp safely on country to show and teach the younger generation and other people about their country and how to look after it.

Tourism Management

A number of visitor management demonstration activities were undertaken through the year with the view to developing a comprehensive tourism management strategy for Birriliburu. This work will be ongoing in the coming year.

Wiluna

New Land and Community Resource Centre Opens in Wiluna

After commencing initial earthworks in 2011, the Wiluna Land Management Facility was completed in March 2014. The facility includes a large shed to store equipment and vehicles, an office, training venue and meeting space with kitchen/ablution facilities. The centre now provides a vital base for the Wiluna and Birriliburu Ranger program and other land based community projects. The building will have an official opening later in the year.

Wiluna Environmental Compliance Contracting

In September the Wiluna Martu Rangers began a pilot environmental compliance contracting program with Toro Energy to rehabilitate 180 drill holes at an exploration site. Toro are in the planning and development phase to build a uranium mine south of Wiluna. The Wiluna Martu Rangers completed two days of preparatory radiation training before commencing the contracting work. The training provided the ranger team with a basic understanding of radiation and radiation protection and gave the team the skills to undertake independent radiation monitoring. After an induction and tour of Toro's operations, the ranger team then conducted water, flora and dust sampling at a number of sites.

Matuwa

In August the Wiluna Rangers were featured in the *West Australian* newspaper in an article titled, 'Scientists team with bushmen in desert battle'. The article showcased the co-management work that is being undertaken on

Lorna Glen, a former pastoral lease, with the Department of Parks and Wildlife (DPaW). The Minister for the Environment and Heritage WA, Albert Jacob MLA, visited the area to observe the rangelands recovery project and the reintroduction of threatened species.

There are plans to declare the area covered by the Lorna Glen and Earraheedy reserves, known as Matuwa Kurarra Kurarra, an Indigenous Protected Area before the end of the year. The IPA will further strengthen the co-management partnership between DPaW and traditional owners.

Wiluna Rangers and the UN

The Newmont Jundee Land Management Partnership with the Wiluna Martu Rangers has become the subject of an international case study on Indigenous peoples' rights as they relate to the environment, employment and empowerment. The United Nations Global Compact approached Newmont and Central Desert Land and Community to write and publish a case study on the unique collaboration. The case study shows how the project plays an important role in "advancing the human rights and empowerment of the Wiluna Martu people, including rights relating to work, self-determination, development and culture, and the right of Indigenous peoples to maintain and strengthen their distinctive spiritual relationship with, and conserve and protect their traditionally-owned lands". The case study also acknowledges that the project owes its success to being able to connect with and respond to the needs of both the company and the Martu community.



Shirts worn by 'Paying It Forward' participants. Photo: Lindsey Langford

Protecting the Natural and Cultural Values of Windich Springs

In late March a team of Wiluna Rangers teamed up with Trackcare WA and Cunyu Station owner Ken Shaw to manage erosion and feral animal pressure at Well 4B on the Canning Stock Route. The Windich Springs catchment is an important natural wetland and cultural site. This project was another good example of working together for shared value.

Kiwirrkurra

Kiwirrkurra Indigenous Protected Area

Kiwirrkurra native title lands cover an area of approximately 4.3 million hectares at the interzone between the Great Sandy and Gibson Deserts in Western Australia, immediately adjacent to the Northern Territory boundary. The area has significant cultural and natural values, with many important sites and stories, as well as a range of threatened fauna and flora species which are priority listed. Significant resources and energy have been directed towards preparing for the declaration of an Indigenous Protected Area over the Kiwirrkurra lands. The Kiwirrkurra IPA Plan for Country has been developed and outlines the future direction of Kiwirrkurra land management activities. The Kiwirrkurra IPA, once declared, will provide a platform for conserving the important natural and cultural values of the Western Desert, and will also enable much needed economic

participation opportunities in some of Western Australia's most remote communities. A declaration ceremony is planned for September.

Ngururrpa

Building Water Resources for Accessing Country

The Parna Ngururrpa Management Plan for Country and Culture has yielded immediate success with the State NRM Program funding a project to construct a water point on Ngururrpa country. Central Desert Land and Community and the Ngururrpa native title holders worked alongside Northwest Hydro Solutions to construct an appropriate tank system, using a solar powered pump at Yagga Yagga. Once the construction was complete and water flowing, the native title holders named the system "Eli Bore" after young Eli who took a keen interest in the work over the two days. Yagga Yagga is an important place for many Ngururrpa native title holders and having permanent water available there is a valuable first step towards achieving more of the aims native title holders have for strengthening their culture and looking after their country.



Participants in the 'Paying It Forward' partnership project. Photo: Lindsey Langford

OBJECTIVE: TRADITIONAL OWNER CAPACITY

The Indigenous corporate entities established out of the native title process are functional, empowered and independent.

As at 30 June 2014 there were seven (7) registered Prescribed Bodies Corporate (PBC) functioning within the Central Desert region. Since the Wiluna determination in July 2013, Central Desert has been assisting the Wiluna native title holders with the process to nominate a Prescribed Body Corporate.

Mungarlu Ngurrurangkatja Rirraunkaja (Aboriginal Corporation) RNTBC (MNR)

MNR was registered by the Office of the Registrar of Indigenous Corporations (ORIC) in 2010. Central Desert has continued to provide advice throughout the reporting period in relation to MNR's obligations under its Rules, Commonwealth legislation and regulations. Capacity building in the reporting period focused on developing the directors' and members' understanding of good governance. Central Desert also provided assistance dealing with future act matters affecting the Birriliburu determination area. This assistance involved negotiations in relation to Land Access Agreements and Inquiries regarding the protection of native title rights and interests conducted by the National Native Title Tribunal. FaHCSIA (now Department of the Prime Minister and Cabinet (DPM+C)) provided some funding to the PBC in the reporting period to support its day-to-day operations.

Parna Ngururrpa (Aboriginal Corporation) RNTBC

Parna Ngururrpa is the RNTBC for the Ngururrpa determination area and was registered by ORIC in 2009. Central Desert has continued to provide advice throughout the reporting period in relation to Parna Ngururrpa's obligations under its Rules, Commonwealth legislation and regulations. In the

reporting period Central Desert assisted with the administration and running of meetings in Balgo and Wangkatjunga. Central Desert assisted with negotiating future act matters and provided information and capacity building to the Ngururrpa native title holders regarding the roles, functions and running of its PBC. FaHCSIA (now DPM+C) provided some funding to the PBC in the reporting period to support its day-to-day operations.

Pila Nguru (Aboriginal Corporation) RNTBC

The Spinifex native title holders nominated Pila Nguru (Aboriginal Corporation) RNTBC to hold on trust the rights and interests recognised in the Spinifex determination of native title by the Federal Court in November 2000. During the reporting period Central Desert continued to provide advice to the directors and assist Pila Nguru in complying with obligations under its Rules, Commonwealth legislation and regulations. Central Desert also provided legal advice to Pila Nguru to assist negotiating on future acts that affect the Spinifex determination area. FaHCSIA (now DPM+C) provided some funding to the PBC in the reporting period to support its day-to-day operations.

Pila Nguru has engaged a General Manager and now has a full-time Ranger Coordinator for the Spinifex Land Management team. It also employs four part-time rangers and a number of rangers on a casual basis.

Tjamu Tjamu (Aboriginal Corporation) RNTBC

Kiwirrkurra native title holders nominated Tjamu Tjamu (Aboriginal Corporation) as the RNTBC in June 2003. During the reporting period Central Desert continued to provide advice and assistance to Tjamu Tjamu Corporation to maintain compliance with obligations under its Rules, Commonwealth legislation and regulations. Central Desert also provided legal advice to assist negotiations on future acts affecting the Kiwirrkurra determination area. FaHCSIA (now DPM+C) provided some funding to the PBC in the reporting period to support its day-to-day operations.

Tjurabalan Native Title Land (Aboriginal Corporation) RNTBC

The Tjurabalan native title holders nominated the Tjurabalan Native Title Land (Aboriginal Corporation) RNTBC to hold in trust the rights and interests recognised to exist in the determination made in the Federal Court of Australia on 20 August 2001.

TNTLAC did not seek assistance from Central Desert during the reporting period. Central Desert maintains open communications with TNTLAC.

Western Desert Lands Aboriginal Corporation (Jamukurnu-Yapalikunu) RNTBC (WDLAC)

The Martu native title holders nominated WDLAC to hold in trust their native title rights and interests recognised to exist within the Martu lands by the Federal Court of Australia on 27 September 2002. On 16 May 2013 native title rights and interests were further recognised in additional Martu lands and WDLAC was also nominated to hold in trust these native title rights and interests.

WDLAC did not seek assistance from Central Desert during the reporting period. Central Desert maintains open communications with WDLAC.

Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) RNTBC (YNPAC)

The Ngaanyatjarra Lands native title holders nominated YNPAC to hold in trust their rights and interests recognised to exist in the determination made in the Federal Court of Australia on 29 June 2005.

During the reporting period YNPAC sought assistance from Central Desert to apply to the Commonwealth for funding to support its operations.

Wiluna traditional owners surveying an area within Rosslyn Hill operations. Photo: Allister Hill



OBJECTIVE: DETERMINATIONS AND AGREEMENTS

Central Desert is maintaining momentum in progressing high value determinations and agreements.

Native Title Matters

As at 30 June 2014 there had been 15 determinations that native title exists on lands within the Central Desert region.

CLAIM	FCA NO.	AREA	DATE FILED	DATE DETERMINED
Spinifex	WAD6043/98	50,000 km ²	30/09/98	28/11/00
Tjurabalan	WAD160/97	25,917 km ²	18/12/97	20/08/01
Kiwirrkurra	WAD619/98	42,905 km ²	30/09/98	19/10/01
Martu	WAD6110/98	16,764 km ²	30/09/98	27/09/02
Ngaanyatjarra Lands part A	WAD6004/04	187,600 km ²	23/04/04	26/06/05
Ngururpa	WAD357/06	29,600 km ²	08/12/06	18/01/07
Ngaanyatjarra Lands part B	WAD6004/04	1,427 km ²	23/04/04	03/06/08
Birriliburu	WAD6284/98	66,875 km ²	30/09/98	20/06/08
Martu Part B	WAD6110/98	3010.4 km ²	30/09/98	16/05/13
Martu No.2	WAD141/2010	836 km ²	01/06/10	16/05/13
Karnapyrri	WAD77/2006	151 km ²	22/03/06	16/05/13
Wiluna	WAD6164/1998	45,796 km ²	30/09/98	29/07/13
Wiluna No.3	WAD181/2012	3,596 km ²	03/08/12	29/07/13
Tarlpa	WAD248/2007	5,369 km ²	14/12/07	29/07/13
Wiluna No.2	WAD241/2004	5,616 km ²	28/10/04	03/09/13

There were four (4) native title claims determined during the reporting period 1 July 2013 to 30 June 2014.

Central Desert had 16 claims in progress for the reporting period 1 July 2013 to 30 June 2014.

Birriliburu People No 2

Parts A&B

FCA No. WAD108/08

Area 105km²

Date Filed 27/06/08

A single issue that could not be agreed, the extent of the native title right to take and use resources, was referred to the Federal Court for resolution. During the reporting period indigenous evidence was presented on country and expert opinions heard before Justice North. On 4 July, Justice North handed down his decision in favour of the Applicants and the draft determination is now to be settled in accordance with the decision.

Birriliburu People No 3

FCA No. WAD50/10

Area 3319km²

Date Filed 15/03/10

A single issue that could not be agreed, the extent of the native title right to take and use resources, was referred to the Federal Court for resolution. During the reporting period indigenous evidence was presented on country and expert opinions heard before Justice North. On 4 July, Justice North handed down his decision in favour of the Applicants and the draft determination is now to be settled in accordance with the decision.

Birriliburu People No 4

FCA No. WAD299/11

Area 15km²

Date Filed 18/07/11

A single issue that could not be agreed, the extent of the native title right to take and use resources, was referred to the Federal Court for resolution. During the reporting period indigenous evidence was presented on country and expert opinions heard before Justice North. On 4 July, Justice North handed down his decision in favour of the Applicants and the draft determination is now to be settled in accordance with the decision.

Gibson Desert Nature Reserve Compensation Application

FCA No. 86/2012

Area 18,458km²

Date Filed 29/03/12

The parties are in the process of identifying the issues in dispute and sought to narrow the issues through case management and pleadings. The past year has been spent preparing for the on country hearings scheduled over two weeks in August 2014. A draft expert report by Dr Lee Sackett has been prepared and filed along with genealogies of the claim group.

Gingirana

FCA No. WAD6002/06

Area 12,150km²

Date Filed 10/03/06

This matter is in active case management by the Federal Court of Australia. The State and the Applicant are engaging in a process designed to narrow the matters in issue between the parties. As part of this process, consent orders were made for the hearing of preservation evidence in March 2015.

Kulyakartu

FCA No. WAD293/05

Area 3,550km²

Date Filed 11/10/05

The matter remained in case management in the Federal Court. Substantive research towards a research report to the Court was undertaken in the reporting period and will continue in the coming year.

Pilki

FCA No. WAD6002/02

Area 124,399 km²

Date Filed 12/08/02

Connection materials and supplementary connection materials have been submitted to the State. The claim was in mediation before a Member of the National Native Title Tribunal but was referred back to the Federal Court for active case management. The single issue that could not be agreed between the parties was the native title right to use resources for any purpose. Aboriginal evidence was heard on country before Justice North in September 2013. Expert evidence was heard in Perth in early March 2014, with closing submissions two weeks later. Justice North handed down his decision on 4 July 2014 and found in the Applicant's favour. The parties have until 12 September to settle the content of the ceremony orders and an on-country determination will follow.

Tarlpa

FCA No. WAD248/07

Area 5,369km²

Date Filed 14/12/07

This matter was determined on 29 July 2013 along with the Wiluna and Wiluna 3 claims. A PBC must be nominated by 30 January 2015.

Tjiwarl

FCA No. WAD288/11

Area 13,623.41km²

Date Filed 17/06/11

The claim has been placed in case management with the Federal Court with orders to resolve any issues relating to the claim group's connection to the claim area. The court has indicated that it will list the matter for the hearing of evidence on country in 2015 if the matter cannot be progressed by 31 October 2014.

Wiluna

FCA No. WAD6164/98

Area 47,594km²

Date Filed 30/10/98

This matter was determined on 29 July 2013 along with the Wiluna 3 and Tarlpa claims. A PBC must be nominated by 30 January 2015.

Wiluna No 2

FCA No. WAD241/04

Area 5,615km²

Date Filed 26/10/04

The Federal Court of Australia ruled that section 47B of the Native Title Act applied to the claim area to disregard prior extinguishment. The Full Court of the Federal Court of Australia heard an appeal from that decision on 24 February 2014 and has reserved judgement.

Wiluna No 3

FCA No. WAD181/12

Area 3,5965 km²

Date Filed 3/08/12

This matter was determined on 29 July 2013 along with the Wiluna and Tarlpa claims. A PBC must be nominated by 30 January 2015.

Yilka

FCA No. WAD297/08

Area 12,260 km²

Date Filed 15/12/08

The Yilka claim remains in litigation. Further Aboriginal and expert evidence was heard and all relevant documentary evidence was tendered. Aboriginal and expert evidence was also heard in relation to the overlapping claim. Final written submissions were provided in April through to June 2014 and final oral submissions will be heard in late July 2014. The State's interlocutory application to strike out the Yilka native title claim has been adjourned until final submissions have been heard.

Yilka No 2

FCA No. WAD303/2013

Area 3.5 km²

Date Filed 06/08/2013

The Yilka #2 claim is a small claim that overlaps parts of the Yilka claim and was lodged to take advantage of changes in tenure in the area. Orders were made for it to be heard together with the Yilka claim and all evidence and pleadings that have been filed in relation to the Yilka claim have also been used in the Yilka #2 claim.

Ngurra Kayanta

FCA No. WAD410/2012

Area 19,574 km²

Date Filed 21/12/2012

The application is in active case management by the Federal Court. Although many issues may be able to be agreed, some issues may have to be isolated and litigated, in particular the State's assertion that the entire area is partially extinguished due to historical tenure. Also, negotiations concerning the use of resources will be informed by the decision in *Willis on behalf of the Pilki People v State of Western Australia* [2014] FCA 714. There are some future act matters, particularly in the area of petroleum, where Central Desert has been facilitating negotiations with the claim group.

Mantjintjarra Ngalia No 2

FCA No. WAD372/2006

Area 22,929 km²

Date Filed 21/12/2006

Mantjintjarra Ngalia 2 was lodged by the Goldfields Land and Sea Council in 2006. Central Desert went on the record to represent the claim in March 2014 after extensive consultation with the claim group. A written arrangement between Central Desert and the Goldfields is in late stages of negotiation. This written arrangement is required for Central Desert to perform the statutory and assistance functions

under section 203 BB of the Native Title Act. In-house anthropological research is underway which considers the possibility of a new claim to consolidate the two non-contiguous areas of the existing claim. The matter is in case management by the Federal Court.

Progress on Other Native Title Activities

Central Desert is researching and preparing claim applications for a number of groups across the region.

Cosmo Newberry (Appeal)

FCA No: WAD 43/07

Area: 12,260km²

The Cosmo Newberry claim boundary was located wholly within the Wongatha native title claim area. In 2007 the Federal Court of Australia dismissed the Cosmo Newberry claim along with all other overlapping claims in the Wongatha area. Central Desert lodged an appeal against the decision on behalf of the Cosmo Newberry claimants. The Cosmo Newberry appeal is adjourned pending the resolution of the Yilka native title claim.

East Wongatha

Central Desert is researching the eastern part of the area left unclaimed following the dismissal of the Wongatha claim in 2007. During the reporting period Central Desert undertook further desktop research. Central Desert is yet to formalise a claim strategy in relation to this area.

West of Walpiri

This is a low priority area and little more than maintaining ongoing communications with Central Land Council and monitoring any future act notifications is expected in the next reporting period.

Nullarbor

Central Desert intends to brief out further preliminary anthropological

and historical research and make this area more of a priority after the Pilki native title application has been resolved.

Compensation Matters

As at 30 June 2014 there is one compensation application lodged by Central Desert, being the Gibson Desert Nature Reserve compensation application. The prosecution of this matter during the reporting period has been extremely resource intensive in preparation for the on country hearings scheduled for August 2014.

Agreements

Land Access and Agreements

On instructions from its various client groups, Central Desert continues to develop strong Land Access and Heritage Agreements with mining companies wishing to enter onto native title lands. The agreements vary from area to area depending on the nature of the land tenure and whether the area is subject to a determination of native title. On areas where native title is determined, the agreements have been developed to encompass all aspects of land access including heritage issues, rehabilitation of the land, compensation, cultural awareness and employment and training opportunities. Some agreements also include special conditions for mining companies wishing to explore for uranium. A review of these agreements commenced in this reporting period.

Other Agreements

Central Desert on instructions from its various clients continues to develop agreements designed to facilitate access to determined native title land. These agreements may be utilised by interest groups such as tourists, tour operators, as well as government agencies and researchers.

Outcomes from Agreements

Educating mineral explorers on native title rights and interests.

With the establishment of the Agreement Implementation team at Central Desert, greater efforts are being made to increase mineral explorers' understanding of our clients native title rights and interests. Explorers and miners are invited to engage directly with our clients at native title group meetings where they can hear first hand the importance of respecting the traditional owners' cultural heritage and complying with their obligations under the exploration or mining agreements. Central Desert has also increased its dialogue with exploration and mining companies on agreement implementation and compliance issues. A compliance database, which will assist in this process, should go live in the next reporting period.

Developing a Cultural Heritage Management Plan (CHMP)

Three mining agreements involving the Wiluna Martu people provide for the development of Cultural Heritage Management Plans. Central Desert has worked with the Wiluna Martu to develop draft plans informed by cultural mapping (ethnographic studies) and archaeological surveys in and adjacent to the project areas. One CHMP has been agreed and is awaiting execution. Two others are being drafted and it is envisioned that these CHMPs will be finalised and implemented in the next reporting period.

Kiwirrkurra Cultural Awareness Project

Last year Central Desert worked with the Kiwirrkurra people to produce a DVD film called, "This Is Our Country – Stories of the Kiwirrkurra People". This film, showcasing Kiwirrkurra culture and history, has been used successfully as the centrepiece of a Cultural Awareness Training (CAT) program for non-Aboriginal people working or living on Kiwirrkurra land. The first CAT program was delivered on country in August 2013 and more programs will be delivered in the coming period.

Wiluna Cultural Awareness Project

Through funding obtained from exploration and mining agreements within the Wiluna area, the traditional owners in conjunction with Central Desert have developed a cultural awareness program, which will be used to educate non-Aboriginal audiences about Martu culture and history. This program has been delivered to mining companies operating in the Wiluna area during the reporting period.



Burning Kiwirrkurra country. Photo: Emma Drake

OBJECTIVE: CENTRAL DESERT CAPACITY

Central Desert has the capacity to deliver on its mission.

Our strategies involve focusing on four key areas:

- sound governance;
- recruiting and retaining high-quality staff;
- building robust, effective systems; and
- diversifying our resource base.

Sound Governance

Central Desert is a company limited by guarantee, registered as a Charity with the Australian Charities and Not-for-profits Commission (ACNC). We are endorsed by the Australian Taxation Office (ATO) as a Public Benevolent Institution (PBI) and as a Deductible Gift Recipient. Maintaining an effective compliance system is a priority for our directors and senior staff.

Our directors bring a strong blend of skills and experience to the company's corporate governance. Their profiles are available on page 4-5. Being a not-for-profit organisation, our directors do not have a beneficial interest in the company. They volunteer their time, enthusiasm and expertise to this important work. While the Board maintains strict independence from operational matters involving claims and future acts, their influence is felt through the company's strategic and policy frameworks. These flow from their keen interest in setting a clear strategic direction for the company with the cooperation of the CEO, senior management team and staff.

The company has expanded to a 'group' with the formation of two wholly-owned subsidiaries:

- Desert Support Services Pty Ltd (DSS) was formed on 6 Jan 2012 to provide labour hire, accounting and bookkeeping services, and other administration services; and
- Rockhole Funds Management Pty Ltd (RFM) was formed on 26 July 2013 to act as an independent trustee of native title trust funds.

Both companies are not-for-profit entities. DSS has four directors, all of whom are Central Desert directors, while RFM has one director, also a director of Central Desert, and another two independent directors will be appointed shortly.

High-Quality Staff

Central Desert can proudly boast that it is blessed with skilled, experienced and professional staff. We pride ourselves on recruiting well and retaining employees. We provide staff with clear expectations through the ongoing review and development of job descriptions, employment contracts and conditions, and the management of a Performance Evaluation and Learning system. This system provides twice yearly opportunities for performance evaluation as well as encouraging learning and development.

We partner with another not-for-profit organisation, Community Business Bureau, to provide tailor-made salary packaging opportunities to staff. This, and our family friendly workplace, enables us to provide a competitive offer to attract and retain talented people.

At the core of our Human Resource system is a commitment to a shared view of directions and values that contribute to building long-term relationships and tenure for staff within Central Desert and its subsidiaries.

Effective Systems

Central Desert focuses on delivering outcomes related to native title and land. We have been operating since April 2007. To deliver our services to a consistent standard in some of the remotest parts of the country we have to:

- build and maintain effective finance, administrative and business systems to support our operational staff;
- preserve our corporate knowledge; and
- keep our Board, staff, clients and stakeholders informed.

Our Corporate Services, Finance, Logistics and Compliance teams perform this behind-the-scenes work with enthusiasm, skill and dedication.

Key activity indicators and previous year comparison are provided in the table below:

	2014	2013
Turnover	\$9,771,759	\$8,418,678
Number of trips	216	179
Number of return flight bookings	526	384
Number of person days travelling	3,672	3,086
Number of vehicle operating days	1,367	1,094

Particular initiatives this year include:

- launching our new in-house database system to unify information gathering and automate many of the basic functions of our logistics and reporting systems;
- further progress in developing a Cultural Geography database;
- the ongoing development of a comprehensive, project-specific accounting and reporting system using MYOB Enterprise linked to the flexible reporting and budgeting system Calxa;
- the upgrade and ongoing maintenance of our IT systems and network;
- the development of automated electronic filing systems;
- regular meetings of our safety committee;
- the publication of a safety newsletter;
- implementation of a safety check-in system using SPOT GPS devices for remote area drivers; and
- training for key staff in risk management policies and procedures in preparation for an expansion of the risk management system.

This coming year will see Central Desert commencing the development of a formal code of conduct outlining appropriate ethical standards for all staff, senior management and Board of Directors.

Adequate Resources

In order to support and add to its current range of activities, Central Desert is continually investigating ways to diversify and expand its funding and income opportunities.

The Commonwealth Department for the Prime Minister & Cabinet (DPM+C) took over the responsibility for the Native Title Program funding from FaHCSIA upon the change of government. Central Desert received core funding through its two year grant funding agreement (2013-2015) to provide the services described in the operational plan.

Core funding for the reporting year and anticipated core funding in forward years is:

2013-14	\$4,056,000
2014-15	\$4,129,000 committed
2016 and beyond	no indication at present

An agreement with WA Government to provide funding towards Future Act processes expired in 2010. Unfortunately, the WA Government has not provided any funding to deal with native title matters since that time. Some agreements formed on the presumption of ongoing State support in relation to future act matters are still in force. These agreements place considerable pressure on the administration of future acts as they restrict the ability to charge for legitimate services.

Central Desert negotiates with industry to assist with the funding of meetings and to provide training to claimants and native title holders in situations where there are mutual benefits. In the reporting period, mining and exploration companies were encouraged to assist with funding for meetings to ensure fast-tracking of agreement negotiations. They also supported training for claimants and native title holders in relation to monitoring compliance with exploration agreements. We are particularly proud of developments with WA Department of Parks and Wildlife and Newmont Mining Corporation. Our clients have benefitted from their assistance in developing land management projects in the Wiluna and Birriliburu areas. Golden West Resources and Toro Energy are also notable in the assistance they have provided to project development and negotiations in the Wiluna area.

Grant funding received during the year included amounts from:

- Rangelands NRM for several land management projects focussing on protecting biodiversity and threatened species;
- The Commonwealth Government under the Caring for our Country Program, Indigenous Heritage Program and the Indigenous Protected Area Program;
- Mid-West Development Commission to support our land management facility in Wiluna;
- Lotterywest to support our land management facility in Wiluna; and
- The Western Australian Government's State NRM Program to support collaborations in land management.

The ratio of Native Title funding compared to all other sources for 2013-2014 was 52% to 48% compared to 56% and 44% in 2012-13.

Central Desert wishes to thank our funding bodies and corporate partners for their support during the year.

TRENDS INFLUENCING PRINCIPAL FUNCTIONS AND SERVICES

The Federal Court of Australia's directed case management continues to expedite native title matters in the region. The impact on Central Desert has stretched workloads for staff in order to meet the strict timeframes set by the Court.

A combination of the Court's case management strategy and the State of Western Australia taking a hard line on consenting to the rights of our clients has seen an increase in the number of matters being litigated. This trend is putting further pressure on staff workloads and putting extreme pressure on the Commonwealth's Contested Litigation funding capacity.

EXTERNAL SCRUTINY

The Minister has made no directions or determinations during the reporting period in relation to Central Desert. There have been no judicial or Administrative Tribunal decisions in relation to Central Desert during the reporting period, other than legal decisions that affect native title matters generally. There have been no other reports on Central Desert operations by any of the above bodies during the reporting period.

During the reporting period Central Desert received no external review requests under 203FBA of the *Native Title Act 1993* compared to one in the previous year.



Visiting a rockhole in Kiwirrkurra country. Photo: Emma Drake

Management of Human Resources

OUR STAFF

Central Desert Native Title Services owes its continued success to the outstanding efforts of our staff. We value each of them highly and thank them for their dedication to helping achieve successful, sustainable native title outcomes for the people of the Central Desert.

We thank all of the people listed below who were employed by Central Desert during the 2013-2014 year.

2013-2014	
Acacia Sealey	Maia Williams
Alissa Smart	Malcolm O'Dell
Allister Hill	Mark D'Lima
Anita Field	Mathilde Lillethorup
Barry Hooper	Max Harwood
Catherine Higgins	Michael Allbrook
Christina Araujo	Michael Ierace
Claire Greer	Mladen Mrvelj
Darren Farmer	Monique Jekel
Des Godber	Muhammad Pawero
Emlyn Collins	Nicholas Brisbout
Emma Drake	Pandy Lee
Emma Thompson	Phil Ramsay
Felicity Noonan	Rachel Melville
Gavin Dunn	Ric West
Gemma Wheeler-Carver	Rob Thomas
Giacomo Boranga	Robert Wongawol
Grant Sutherland	Robin Smythe
Hamish Morgan	Rose Lukman
Heather Lynes	Sam Hall
Ian Rawlings	Sandra Brown
Irene Akumu	Sarah Hobson
Isobel Milnes	Sasa Oentarijo
Janamat Sharma	Sean Calderwood
Jarrad Goold	Sorcha Stapleton
Jo Lanagan	Stacey Little
Karine Flematti	Stephen Bai
Kate Crossing	Sue Ware
Kate Fuller	Sue Yoong
Katie Curo	Tessa Herrmann
Katrina Shaw	Tristan Adfield
Kayleigh Meumann	Victor Ashwin
Kim Baldwin	Zareth Long
Lindsey Langford	

STAFFING LEVELS AND RETENTION RATES FOR THE YEAR

	2014	2013
Staff as at 30 June	55	57
During Year		
Full time	54	45
Part Time	9	5
Casual	8	6
Maternity Leave/LWOP	-	1
Total	71	57
Staff Turnover	19	9
% Change	35%	16%
Retention rate	65%	84%

At 30 June 2014 Central Desert Native Title Services comprised a core staff of 47 full-time employees, 4 part-time and 4 casual staff members.

A turnover of 19 staff (which includes 6 casual staff on short term projects) during the reporting period represents a retention rate of 65%, compared with 84% in 2013.

Staff remuneration is based on individual common law agreements negotiated with regard to operational requirements, the prevailing recruitment environment, and available resources. All staff are supported and encouraged to participate in regular professional development workshops and courses. These are sourced from a wide range of training providers to consolidate and increase relevant skills and knowledge.

OCCUPATIONAL SAFETY AND HEALTH PERFORMANCE

Central Desert Native Title Services has a comprehensive Occupational Safety and Health (OSH) Policy and is fully compliant with the statutory obligations of the *Occupational Safety and Health Act 1984 (WA)* and the *Occupational Safety and Health Regulations 1996 (WA)*.

Central Desert encourages its staff to report any incidents and/or identified hazards. Since the introduction of a server-based reporting system, the number of incidents reported has increased. Analysis of the data and investigation of the incidents shows that an increase in the number of incidents is due to improved reporting rather than a reflection of poor safety performance. Central Desert's incidents are divided into four categories: Accidents, Injuries, Hazards Identified and Near Misses.

The following incidents were reported this financial year.

INCIDENT REPORTED	NUMBER
Accident	5
Injury	4
Hazard Identified	4
Near Miss	1
Total:	14

Lost time injuries for the 2013-14 year were 0.

A total of six incidents were reported in 2013. No incidents were reported in 2012 and three incidents were reported in 2011. Since 2011 there have been no incidents resulting in lost time injuries.

Injuries and Lost Time

	2014	2013	2012	2011	2010
Incidents reported	14	6	-	2	2
Lost Time (days)	-	-	-	1	-

Consultants and Competitive Tendering and Contracting

Central Desert is committed to achieving value for money in the purchasing of goods and services, including tendering and contracting. Central Desert maintains a register of consultants with skills and experience in relevant areas. In accordance with our grant conditions Central Desert ensures that contract specifications do not bias or predetermine the outcome by placing unreasonable restrictions or qualifications on the prospective tenders.

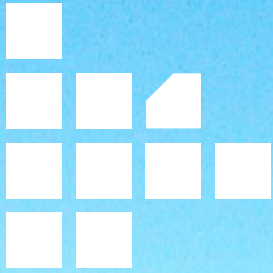
Where services are expected to cost more than \$20,000 but not greater than \$80,000 we obtain three written competitive quotes from suitable suppliers or service providers. Where we expect the cost of an asset or service to exceed \$80,000 we either obtain public tenders or invite three suitable, qualified service providers to tender for the provision of the asset or service.

Exemptions to the above procedures apply to:

- The engagement of an auditor;
- The acquisition of services from water, electrical, telephone, gas or municipal authorities where there is no other competitor in reasonable proximity; or
- In respect of native title related activities for the engagement of anthropological, legal or other professional service providers, or their staff, who are members of, or eligible for membership of the relevant professional association, where the service fee is less than \$80,000.

Native Title Consulting Agreements:

	2014	2013
Number of Consultancies for goods or services	25	29
Value of consultancies for Goods or Services	\$ 1,078, 582	\$ 747,100
Consultancies with Traditional Owners	\$ 10,735	\$ 4,250



Land and Community Resource Centre opens in Wiluna.





The centre now provides a vital base for the Wiluna and Birrilburu Ranger programs and other land-based community projects.

Outputs

NTRBs are required to report on the number of the following they have dealt with throughout the year.

	2014	2013	2012	2011	2010	2009
FACILITATION AND ASSISTANCE						
The Claims Experience						
Number of claims at 1 July	18	13	13	13	10	9
Plus: Filed this year by NTSP	1	2	0	2	3	1
Less: Claims determined	4	3	0	0	0	0
Less: Claims dismissed	0	0	0	0	0	0
Less: Claims withdrawn	0	0	0	0	0	0
Less: Claims amalgamated/altered	2	1	0	2	0	0
Number of current active claims at 30 June	15	18	13	13	13	10
Claims in Development	4	5	6	5	3	3
Non-claimant Applications			0	0	0	0
Compensation claims	1	1	1	0	0	0
The Agreements Experience						
Future Acts						
Notices received	435	439	335	238	321	81
Responses to Future Acts	435	439	335	238	321	81
Agreements						
Agreements concluded	63	69	74	55	56	104
Agreements in development	0	0	0	0	0	0
ILUAs						
ILUAs concluded and registered	0	0	0	0	0	0
ILUAs in development	0	0	0	0	0	0
COMPLAINTS AND DISPUTES						
Complaints						
Received	0	1	0	1	0	0
Resolved	0	1	0	1	0	0
Pending	0	0	0	0	0	0
Disputes relating to native title	1	1	0	0	0	0
Disputes relating to ILUAs, rights of access and other matters	0	0	0	0	0	0
Requests for s203B1 reviews of decisions not to assist						
Completed	1	1	1	0	0	0
Pending	0	0	0	0	0	0

Summary Financial Information

NTRB Functions

	ACTUAL 2012-13	BUDGET 2013-14	ACTUAL 2013-14	VARIANCE 2013-14
Income				
Native Title Funding				
Unexpended grants	448,770	1,010,934	1,010,934	-
Capital	80,000	80,000	80,000	-
Operational	4,953,080	4,526,000	4,526,000	-
Other Income				
Other Income	83,965	42,415	108,662	66,247
Recoveries	179,606	45,000	43,091	(1,909)
Interest	27,572	35,000	28,268	(6,732)
	5,772,993	5,739,349	5,796,955	57,606
Expenditure				
Capital Acquisitions	80,000	80,000	80,000	-
Corporate	2,024,331	2,034,251	2,139,799	105,548
Activities	2,657,728	3,625,098	3,577,156	(47,942)
	4,762,059	5,739,349	5,796,955	57,606
Net Result	1,010,934	-	-	-

All amounts are net of GST

Subsidiaries

Central Desert Native Title Services Ltd has two wholly owned subsidiaries, being Desert Support Services Pty Ltd (DSS) and Rockhole Funds Management Pty Ltd (RFM).

DESERT SUPPORT SERVICES PTY LTD

Formed: 6 January 2012

DSS is a not-for-profit company. It is registered with the ACNC and the ATO as a charity and has applied to ACNC to be endorsed as a Public Benevolent Institution (PBI).

Objectives as stated in the Constitution

1.1 The objects of Desert Support Services Pty Ltd are to:

- (b) deliver services including administrative, financial, labour hire, training, and land management services to support Aboriginal people, Aboriginal Communities and Aboriginal Organisations (including PBCs) and projects on Aboriginal Land; promote and further the economic, social and cultural development of Aboriginal people in Australia;
- (c) establish and maintain Amenities for the benefit of Aboriginal people; and
- (d) relieve poverty, sickness, misfortune, suffering, distress and helplessness of socially and financially disadvantaged Aboriginal people in Australia through the provision of services to people and organisations.

	2014	2013
Financial Results	\$66,062	\$11,906
Casual Employees	242	50

ROCKHOLE FUNDS MANAGEMENT PTY LTD

Formed: 26 July 2013

Objectives as stated in the Constitution

The Company is established as a not-for-profit company for the sole purpose of:

- (a) Acting as trustee for trusts that receive, hold or manage benefits (including cash or non-cash benefits) within the meaning of the ITAA97, that relates to:
 - (i) native title (within the meaning of the *Native Title Act 1993*); or
 - (ii) traditional indigenous rights of ownership, occupation, use of enjoyment of land; and
- (b) Any other function or purpose that is consistent with or furthers the objects of the trusts which the Company acts as trustee.

	2014	2013
Financial Results	\$195	-
Funds Under Management	\$248,483	-
Trust Funds	1	-



THE CENTRAL DESERT GROUP
CENTRAL DESERT NATIVE TITLE SERVICES LTD
AND SUBSIDIARIES

Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

Issued: 1 September 2014

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Corporate Directory

The Group	Central Desert Native Title Services Ltd Desert Support Services Pty Ltd Rockhole Funds Management Pty Ltd
Chairperson	Mr. Terence Grose
Company Secretaries	Mr. Ian Rawlings Mr. Ric West JP
CEO	Mr. Ian Rawlings
Registered Address	76 Wittenoom Street, EAST PERTH WA 6004
Telephone	08 9425 2000
Fax	08 9425 2001
Email address	reception@centraldesert.org.au
Group Auditor	Paul Gilbert CPA Registered Company Auditor No: 165334

Glossary

ABN	Australian Business Number
ACNC	The Australian Charities and Not-for-Profits Commission
ASIC	The Australian Securities and Investments Commission
ATO	The Australian Taxation Office
Central Desert	Central Desert Native Title Services Ltd (ABN 53 124 921 811)
Central Desert Group	Central Desert, DSS and RFM
Company	Central Desert Native Title Services Ltd
DAFF	WA Department of Agriculture, Fisheries and Forestry
DGR	Deductible Gift Recipient
DPM&C	The Commonwealth Department of the Prime Minister and Cabinet
DSS	Desert Support Services Pty Ltd (ABN 41 154 511 494)
FBT	Fringe Benefits Taxation
GST	Goods and Services Tax
IPA	Indigenous Protected Area
NRM	Natural Resource Management
NTA	The <i>Native Title Act</i> 1993
PBC	Prescribed Body Corporate
PFA	Program Funding Agreement
PBI	Public Benevolent Institution
RFM	Rockhole Funds Management Pty Ltd (ABN 65 164 808 333)
SEWPAC	(Former) Commonwealth Department of Sustainability, Environment, Water, Population and Communities
TO	Traditional Owner

Directors' Report

The directors of Central Desert Native Title Services Ltd present this report on the Central Desert Group for the year ended 30 June 2014.

THE CENTRAL DESERT GROUP

The Central Desert Group comprises the following entities:

NAME	PRINCIPAL ACTIVITY	FORMED	% HELD
Central Desert Native Title Services Ltd	Native Title service provider, land and community management services, heritage surveys and future act management.	16 Apr 2007	N/A
Desert Support Services Pty Ltd	Labour hire, accounting, property management.	6 Jan 2012	100%
Rockhole Funds Management Pty Ltd	Management of Native Title Trusts for claimant groups.	26 Jul 2013	100%

DIRECTORS

Directors within the group are as follows:

NAME	CENTRAL DESERT		DSS	RFM
	BOARD	AUDIT COMMITTEE		
Mr. Terence (Terry) Grose	Chair	Member	Chair	-
Hon. Frederick (Fred) Chaney AO	Director	Member	Director	-
Dr. Fiona Skyring	Director	-	Director	-
Dr Carolyn Tan	Director	-	-	-
Mr Andrew (Andy) Gilmour	Director	Chair	Director	Sole Director

The directors have been in office since the beginning of the financial year unless otherwise stated. Their profiles are provided in the annual report.

Directors do not have a beneficial interest in the companies in the group and volunteer their time to their duties.

OFFICERS & COMPANY SECRETARIES

The following people serve as officers and secretaries within the group:

NAME	CENTRAL DESERT	DSS	RFM
Mr. Ian Rawlings	Chief Executive Officer, Company Secretary	CEO	CEO
Mr. Richard (Ric) West JP	Chief Financial Officer, Company Secretary	CFO, Secretary	CFO, Secretary
Mr Malcolm O'Dell	Principal Lawyer, Chief Operations Officer	-	-

The officers and secretaries have been in office since the beginning of the financial year unless otherwise stated. Their profiles are provided in the annual report.

Review Of Operations

OPERATING RESULTS

The group's consolidated comprehensive surplus for the year was \$182,478 (2013: loss of \$8,473).

PRINCIPAL ACTIVITIES

Central Desert

Central Desert provides services equivalent to a Native Title Representative Body, and therefore the company has specific functions under Part 11, Division 3 of the *Native Title Act 1993*. These functions are:

- Facilitation & assistance functions referred to in section 203BB;
- Certification functions referred to in section 203BE;
- Dispute resolution functions referred to in section 203BF;
- Notification functions referred to in section 203BG;
- Agreement-making functions referred to in section 203BH;
- Internal review functions referred to in section 203BI; and,
- Other functions referred to in section 203BJ, and such other functions as are conferred on representative bodies by the Act.

The company also provides the following services:

- Supporting PBCs to manage land under Indigenous Protected Area (IPA) programs.
- Managing ranger programs in a number of determined and claim areas.
- Managing heritage surveys and negotiations for claimant groups and PBCs.
- Holding small trusts on behalf of claim groups until a determination of native title is made and a PBC is formed

The Australian Charities and Not-for Profits Commission (ACNC) and the Australian Taxation Office (ATO) have endorsed Central Desert as a Public Benevolent Institution (PBI). The company is also endorsed as a Deductible Gift Recipient (DGR). Donations of \$2 or more are tax deductible.

Desert Support Services

DSS provides the following services:

- Labour hire of casual employees (mostly regionally-based traditional owners) to Central Desert for future act and land management activities.
- Accounting and bookkeeping services for PBCs and community groups within the Central Desert region.
- Property management of surplus office space at 76 Wittenoom Street East Perth on behalf of Central Desert.

The ACNC and the ATO have endorsed DSS as a Charitable Institution. DSS has subsequently applied to the ACNC for endorsement as a Public Benevolent Institution.

Rockhole Funds Management

RFM was formed during the year to serve as a Native Title Trust fund management service for Central Desert claim groups where Native Title has not been determined. Trusts held will be below the commercial threshold for private trust fund services. The company will deliberately operate on a low cost model and use the Public Trustee as its 'high' benchmark for costs. Over the next 12 months it is envisaged that RFM will takeover responsibility for all the native title trusts funds currently held by Central Desert. The company holds legal advice stating that the company does not need to be the holder of an Australian Financial Services Licence.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On the 26th of July 2013 the company formed the wholly-owned not-for-profit subsidiary, Rockhole Funds Management Pty Ltd.

Other than the matter listed above, no other significant changes in the group's state of affairs occurred during the year.

AFTER BALANCE DATE EVENTS

No matter has arisen since the end of the year that will or may significantly affect:

- The group's operations in future financial years or,
- The results of those operations in future financial years; or,
- The group's state of affairs in future financial years.

LIKELY DEVELOPMENTS

There are no significant changes expected in the nature of the operations of the group.

MEETINGS OF DIRECTORS

During the financial year, a series of meetings of directors, including committees of directors, were held by the parent entity. Attendances by each director during the year were as follows:

	DIRECTOR'S MEETINGS		AUDIT COMMITTEE MEETINGS	
	ELIGIBLE TO ATTEND	NUMBER ATTENDED	ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr. Terence Grose	4	4	2	2
Hon. Fred Chaney AO	4	4	2	1
Dr. Fiona Mary Skyring	4	4	0	0
Dr. Carolyn Tan	4	4	0	0
Mr. Andrew Gilmour	4	3	2	2

ENVIRONMENTAL PERFORMANCE

The group is not subject to any particular and significant environmental regulation under a Commonwealth, State or Territory law.

DISTRIBUTIONS TO MEMBERS DURING THE YEAR

No dividends or distributions were recommended, declared or paid by members of the group during the year. The companies within the group are all non-profit companies and their constitutions do not allow payments including dividends, bonuses or distributions of profit, directly or indirectly, to members, officers, servants, agents or employees other than as reasonable remuneration for services actually rendered.

INDEMNIFYING OFFICERS OR AUDITOR

The group has entered into deeds of access and indemnity with all directors and officers to the extent allowed at law. Other than these, no indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the company. The company holds an Association's Liability insurance policy which includes both directors and officers and professional indemnity cover.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the group or to intervene in any proceedings, to which any company within the group is a party, for the purpose of taking responsibility on behalf of the group for all or any part of those proceedings. The group was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The group's auditor is Mr. Paul Gerrard Gilbert (ASIC Reg. 165334). Mr. Gilbert's independence declarations for the year ended 30 June 2014 have been received and Central Desert's can be found on the following page.

Signed in accordance with a resolution of the board of directors:



Terence Grose
Chairperson
1 September 2014



Andrew Gilmour
Director
1 September 2014



**MACLEOD
CORPORATION PTY LTD.**

A.B.N. 25 082 636 968

186-190 Princess Royal Drive
Albany WA 6330

PO Box 5151 Albany WA 6332

t. 08 9841 2277

f. 08 9841 3260

m. 0412 375667

e. paul@macleodcpa.com.au

www.macleodcpa.com.au

1st August 2014

The Directors
Central Desert Native Title Services Ltd
76 Wittenoom Street
EAST PERTH WA 6004

Dear Directors,

Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the Year Ended 30 June 2014 there have been:

1. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and,
2. No contraventions of the requirements of the Accounting Professional and Ethical Standards Board in relation to the audit.

Yours faithfully,

Paul Gilbert

Macleod Corporation Pty Ltd
Registered Company Auditor

CERTIFIED PRACTISING ACCOUNTANTS



CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

Directors' Declaration

FOR THE YEAR ENDED 30 JUNE 2014

In accordance with a resolution of the directors of Central Desert Native Title Services Ltd, the directors of the company declare that:

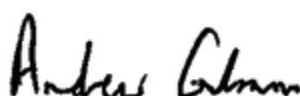
1. The consolidated financial statements and notes, as set out in pages 46 to 63 are in accordance with the *Corporations Act 2001*, the Regulations and the company's constitution and:
 - (a) Comply with Australian Accounting Standards – Reduced Disclosure Requirements; and,
 - (b) Give a true and fair view of the financial position of the consolidated group as at 30 June 2014 and of its performance for its operations as a whole for the year then ended.
2. In the directors' opinion that there are reasonable grounds to believe that the company, and the group, will be able to pay its debts as and when they fall due.



Terence Grose

Chairperson

1 September 2014



Andrew Gilmour

Director

1 September 2014



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www.macleodcpa.com.au

1 September 2014

The Members

Central Desert Native Title Services Ltd

Independent Auditor's Report

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying consolidated general purpose financial statements of Central Desert Native Title Services Ltd (the "company") which comprises the Consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes, and the directors' declaration.

The Responsibility of Directors for the Financial Statements

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Corporations Act 2001* and meets the needs of the members and funding bodies. The directors of the company are responsible for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of

CERTIFIED PRACTISING ACCOUNTANTS



the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001* and the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion the financial statements of the company are in accordance with the *Corporations Act 2001*, including:

1. Giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
2. Complying with Australian Accounting Standards Reduced Disclosure Requirements and complying with the *Corporations Regulations 2001*.

Inherent Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. The financial statements are prepared on the basis of company being a going concern. This is dependent upon continued funding from government agencies.



Paul Gilbert

Macleod Corporation Pty Ltd
Registered Company Auditor

.....

Consolidated Statement Of Profit Or Loss And Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014 \$	2013 \$
Revenue from continuing operations	4	9,766,396	8,417,124
Other gains	4	5,364	1,554
Employee benefits expense		(5,029,371)	(3,993,867)
Services and supplies		(2,266,951)	(2,231,096)
Other expenses	5	(1,888,114)	(1,871,539)
Interest expense		(149)	-
Depreciation / amortisation		(393,332)	(315,749)
Other Losses		(11,365)	(14,900)
Net Income before income tax		182,478	(8,473)
Income tax expense	3 (m)	-	-
Net Income after income tax		182,478	(8,473)
Other comprehensive income		-	-
Total Comprehensive Income		182,478	(8,473)

The accompanying notes form part of these financial statements.

Consolidated Statement Of Financial Position

AS AT 30 JUNE 2014

	NOTE	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	7	1,940,138	1,728,792
Trade and other receivables	9	408,312	748,533
Other current assets	10	26,148	35,269
Total Current Assets		2,374,598	2,512,594
Non-Current Assets			
Property, plant & equipment	11	1,564,534	969,081
Investments in Associates	12	-	-
Other non-current assets	13	-	420,368
Total Non-Current Assets		1,564,534	1,389,449
Total Assets		3,939,132	3,902,043
Current Liabilities			
Trade and other payables	14	311,350	367,636
Current tax liabilities	15	289,839	282,417
Payroll liabilities	16	11,557	27,041
Provisions and accruals	17	476,752	418,628
Deferred income	18	1,035,646	1,218,844
Trust liabilities	19	417,487	355,798
Other current liabilities	20	-	24,455
Total Current Liabilities		2,542,631	2,694,819
Non-Current Liabilities			
Provisions and accruals	17	137,725	130,926
Total Non-Current Liabilities		137,725	130,926
Total Liabilities		2,680,356	2,825,745
Net Assets		1,258,776	1,076,298
Equity			
Member's Funds		1,258,776	1,076,298

The accompanying notes form part of these financial statements.

Consolidated Statement Of Changes In Equity

FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	RETAINED EARNINGS	RESERVES	TOTAL
		\$	\$	\$
Balance at 30 June 2012		979,071	105,700	1,084,771
Total comprehensive income for the period		(8,473)	-	(8,473)
Movement in reserves		-	-	-
Revaluation increment		105,700	(105,700)	-
Balance at 30 June 2013		1,076,298	-	1,076,298
Total comprehensive income for the period		182,478	-	182,478
Movement in reserves		-	-	-
Revaluation increment		-	-	-
Balance at 30 June 2014	6	1,258,776	-	1,258,776

The accompanying notes form part of these financial statements.

Consolidated Statement Of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2014

	NOTE	2014	2013
		\$	\$
Cash Flow from Operating Activities			
Receipts from government and customers		9,859,556	8,502,736
Payments to employees		(4,945,124)	(3,927,135)
Payments to suppliers		(4,177,048)	(3,650,128)
Interest received		38,529	46,079
Finance costs		(149)	-
Net cash from operating activities	8	775,764	971,552
Cash Flow from Investing Activities			
Proceeds from sale of property & equipment		4,000	436
Payment for property & equipment		(568,418)	(638,616)
Payments for investments in associates		-	-
Net cash used in investing activities		(564,418)	(638,180)
Cash Flow from Financing Activities			
Repayment of financing commitments		-	-
Increase in financing commitments		-	-
Net cash from financing activities		-	-
Net (decrease) increase in cash held		211,346	333,372
Cash at the end of the financial year	7	1,940,138	1,728,792
Cash at the beginning of the financial year	7	1,728,792	1,395,192
Net Increase / (Decrease) in cash held		211,346	333,600

The accompanying notes form part of these financial statements.

Notes To The Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2014

1. THE COMPANY

Central Desert Native Title Services Ltd is a public company limited by guarantee. It was incorporated under the *Corporations Act 2001* on 16 April 2007 and domiciled in Australia.

(a) Registered Office

All companies in the group have the following registered and business address:

**76 Wittenoom Street
East Perth, WA, 6004**

(b) Not For Profit

The Company is a not-for-profit organisation. It is registered as a PBI with the ACNC and the ATO.

2. BASIS OF PREPARATION OF THE FINANCIAL REPORT

(a) Date of Issue

These consolidated financial statements of Central Desert Native Title Services Ltd and the Central Desert Group were authorised for issue by the directors on 1 September 2014. The Directors have the authority to amend the financial statements after that date.

(b) Basis of Accounting

The Central Desert Group applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

These consolidated financial statements are General Purpose Financial Statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. All companies in the group are a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and

reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial report covers the company and its subsidiaries as a consolidated group.

The financial statements, except cash flow information, have been prepared on an accruals basis and are based on historic costs. They do not take into account changing money values or, except where specifically stated, the measurement at fair-value of selected non-current assets, financial assets and financial liabilities.

These accounts are presented in Australian dollars (\$AUD) and are rounded to the nearest dollar.

(c) Going Concern

The accounts have been prepared on a going concern basis.

(d) Economic Dependence

The ability of the company to continue as a going concern is dependent upon continued support from various government funding bodies. At the date of this report the directors have no reason to believe that governments will not continue to fund the native title operations of the company.

3. SIGNIFICANT ACCOUNTING POLICIES

The following specific policies, which are consistent with the previous year unless otherwise stated, have been adopted by the company and other companies in the Central Desert Group in the preparation of this financial report:-

(a) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the parent entity (the parent) and all subsidiaries as at 30 June 2014 and the results of the parent and all subsidiaries for the year then ended. Central Desert Native Title Services Ltd and its subsidiaries together are referred to in this financial report as the group or the consolidated entity. Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial

and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

Subsidiaries are fully consolidated from the date on which control is established or transferred to the group. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(c) Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated

with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Classification and subsequent measurement

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Derivative instruments

The company does not deal with or hold derivative instruments.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

(d) Inventories

The company does not hold inventories of goods for sale.

(e) Investments (financial assets)**Available-for-sale financial assets**

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Recognition

Financial assets are initially measured at cost of trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing-value basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are based on their useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(g) Intangible assets**Software**

Software developed specifically for the company is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and two years. It is assessed annually for impairment. All other software is expensed as it is purchased.

(h) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. These cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(i) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Borrowings

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(k) Funds held on trust

From time to time the company holds funds on trust for indigenous organisations. Such funds are held as liabilities and retained in the company's bank accounts pending the establishment of bank accounts for the purpose. The receipt of those funds, and interest pertaining to the bank accounts, are not recognised as revenue to the company.

(l) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Grant revenue

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to the grant revenue relating to the use of those grants for specific purposes it is recognised as a liability until such time as those conditions are met or the services provided.

Sale of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is presently recoverable.

Sale of goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest

Interest revenue derives from interest on funds held on deposit and are recognised when they are received. Other interest received is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Donations and bequests

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose where they are carried as prepaid income.

All revenue is stated net of the amount of goods and services tax (GST).

(m) Taxation**Public Benevolent Institution**

The Australian Charities and Not-for-Profits Commission has registered the company as a Public Benevolent Institution. The Australian Taxation office has endorsed the company as eligible for the following concessions:

- (i) GST concession;
- (ii) Income taxation exemption.
- (iii) FBT exemption;

No change in its tax status as a result of activities undertaken during the year is likely.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a net basis.

(n) Critical accounting estimates and judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

4. REVENUE FROM CONTINUING OPERATIONS

	NOTE	2014	2013
		\$	\$
Revenue from continuing operations			
Net grant revenue	18	7,051,506	6,129,147
Revenue from the sale of services		2,510,715	2,066,300
Sales of goods		1,083	39,424
Reimbursements		96,682	97,064
Rent & Utilities		38,911	32,991
Donations		3,500	2,000
Sundry		25,470	3,892
Interest		38,529	46,307
		9,766,396	8,417,125
Other Gains			
Proceeds on sale of non-current assets		5,364	1,554
		5,364	1,554
Total		9,771,760	8,418,679

5. NET OPERATING RESULT

Net Operating Result before Income Tax is determined after the following significant Other Expenses:

Travel and accommodation expenses	740,615	705,991
Occupancy costs	604,376	643,504
Motor vehicle expenses	352,833	336,507
Program expenses	177,694	166,701
Repairs & maintenance	11,050	15,234
Charitable activities	1,546	3,602
Sundry	-	-
	1,888,114	1,871,539

6. MOVEMENT IN RESERVES

	UNRESTRICTED FUNDS	ASSET REVALUATION	GENERAL	TOTAL
Reserves at beginning of year	1,076,298	-	-	1,076,298
Operating Result for the year	182,478	-	-	-
Items charged directly to equity	-	-	-	-
Movement in Reserves	-	-	-	-
Reserves at end of year	1,258,776	-	-	1,258,776

7. CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Cash at Bank		
Central Desert	1,389,679	1,413,541
DSS	141,037	35,486
RFM	62	-
	1,530,778	1,449,027
Trust Accounts		
Held by Central Desert	160,577	276,773
Held by RFM	248,483	-
	409,060	276,773
Cash on Hand		
Petty cash	300	300
Gift vouchers	-	2,692
	1,940,138	1,728,792

Terms: Cash at bank is held in at-call interest bearing deposits.

Restrictions: Cash at bank for Central Desert includes the following restricted amounts

- \$104,826 representing the balance of unexpended grants – see note 18
- \$930,820 representing grants in advance – see note 18

The restrictions arise as a result of the terms and conditions of various funding agreements which require unspent funds to be returned or used in future years for the purposes specified in the funding agreements.

Further restrictions are in place over funds held in respect of third party agreements

- \$417,487 is held on Trust for 3rd parties – see note 19.
- Term deposit of \$205,615 is held as security for the bank guarantee – see note 25.

8. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities

	2014	2013
	\$	\$
Surplus/(loss) after income tax	182,478	(8,472)
Non cash flows included in surplus/(loss)		
Depreciation and amortisation	393,331	315,749
Sale of assets	(4,000)	(436)
Changes in assets and liabilities		
(Increase)/decrease in receivables	340,223	(379,766)
(Increase)/decrease in other current assets	9,120	30,758
Increase/(decrease) in payables	(56,285)	54,799
Increase/(decrease) in current tax liabilities	7,422	200,139
Increase/(decrease) in provisions and accruals	64,923	47,441
Increase/(decrease) in deferred income	(183,198)	507,365
Increase/(decrease) in other liabilities	21,750	204,204
Cash flows from operating activities	779,764	971,780

9. TRADE AND OTHER RECEIVABLES

Trade receivables	434,676	763,073
Other receivables	-	360
Less: Provision for doubtful debts	(26,364)	(14,900)
	408,312	748,533

Terms. Trade and other debtors are non-interest bearing and are generally settled on terms of 30 days. Trade debtors are reported net of GST.

Aging of amounts receivable, past due (over 30 days) but not impaired

31-60	232,156	28,552
61-90	273	2,885
90+	52,046	5,090
	284,475	36,527

10. OTHER CURRENT ASSETS

Prepayments	9,698	1,294
Bonds	1,900	6,900
Accrued Income	14,550	27,075
	26,148	35,269

11. PROPERTY PLANT & EQUIPMENT

	2014	2013
	\$	\$
Leasehold improvements		
Leasehold improvements at cost	637,262	637,262
Less: accumulated depreciation	(310,562)	(198,653)
	326,700	438,609
Land management facility		
Land management facility at cost	825,718	-
Less: accumulated depreciation	(3,506)	-
	822,212	-
Motor vehicles		
Motor vehicles at cost	1,235,542	1,102,711
Less: accumulated depreciation	(883,693)	(686,222)
	351,849	416,489
Office equipment & furniture		
Office equipment & furniture at cost	288,951	288,952
Less: accumulated depreciation	(234,086)	(191,694)
	54,865	97,258
Plant & equipment		
Plant & equipment at cost	62,967	62,967
Less: accumulated depreciation	(57,134)	(49,319)
	5,833	13,649
Artwork		
Artwork	3,076	3,076
Less: accumulated depreciation	-	-
	3,076	3,076
Carrying Amount	1,564,534	969,081

(a) Movements in carrying amounts

	L/HOLD IMP	LAND MANAGT FACILITY	MOTOR VEHICLES	OE & FURN	PLANT & EQUIPMENT	ARTWORKS	TOTAL
	\$	\$	\$	\$	\$	\$	\$
2013							
Opening Balance	513,126		160,973	107,879	18,706	-	800,684
Additions							
by purchase	35,305		404,122	33,584	8,058	3,076	484,146
Depreciation expense	(109,822)		(148,606)	(44,206)	(13,115)	-	(315,749)
Disposals	-		-	-	-	-	-
	438,609	-	416,489	97,257	13,649	3,076	969,081
2014							
Additions							
by purchase	-	825,718	163,068	-	-	-	988,785
Depreciation expense	(111,909)	(3,506)	(227,708)	(42,392)	(7,816)	-	(393,331)
Disposals	-		-	-	-	-	-
Closing Balance	326,700	822,212	351,849	54,865	5,833	3,076	1,564,534

12. INVESTMENTS IN ASSOCIATES

	2014	2013
	\$	\$
Investments carried at cost		
Desert Support Services Pty Ltd	100	100
Rockhole Funds Management Pty Ltd	100	-
	200	100

Note: Shareholding in subsidiaries is eliminated on consolidation.

Details of the Group's subsidiaries at the end of the reporting period are as follows:

(a) Ownership Interests

NAME	PRINCIPAL ACTIVITY	PLACE OF INCORPORATION	PROPORTION OF OWNERSHIP HELD BY GROUP	
			30/06/13	30/06/12
Desert Support Services P/L	Labour Hire, Accounting, Property Management	Australia	100%	100%
Rockhole Funds Management P/L	Small Native Title Trust Management	Australia	100%	100%

Both companies are formed as not-for-profit private companies and therefore Central Desert is not entitled to dividends or other distributions from either subsidiary. Investments in associates are carried at cost rather than using the equity method as the parent has not right to the equity of the subsidiaries.

(b) Financial Results

NAME	2014		2013	
	SURPLUS/ (LOSS)	NET ASSETS	SURPLUS/ (LOSS)	NET ASSETS
Desert Support Services Pty Ltd	66,062	78,066	11,906	12,004
Rockhole Funds Management Pty Ltd	195	295	-	-

13. OTHER NON-CURRENT ASSETS

	2014	2013
	\$	\$
Work In Progress - Land Management Facility	-	420,368
	-	420,368

Note: The Land Management Facility in Wiluna was completed and the occupancy permit issued on 3 April 2014. Work-in-Progress was transferred to Property, Plant & Equipment at that date.

14. TRADE AND OTHER PAYABLES

Trade payables	217,832	284,681
Other payables	32,117	27,235
Credit card		
Mastercard	36,870	28,599
American express	24,531	27,121
	311,350	367,636

Credit Card Facilities. The company has a \$100,000 credit card facility with Westpac Banking Corporation of which \$63,130 remained unused at balance date. The company has a \$70,000 credit card facility with American Express of which \$45,469 remained unused at balance date. MasterCard and American Express purchasing card balances are cleared on or about the 27th of each month.

15. CURRENT TAX LIABILITIES

GST payable	361,385	400,411
GST receivable	(163,313)	(168,212)
PAYG Withholding payable	91,767	50,218
	289,839	282,417

16. PAYROLL LIABILITIES

	2014	2013
	\$	\$
Superannuation payable	164	27,041
Deductions payable	3,297	-
Long Service Leave payable	8,096	-
	11,557	27,041

17. PROVISIONS AND ACCRUALS**(a) Current**

Provisions		
Audit fees	9,625	8,000
Accrued Employee Entitlements		
Wages	16,016	-
Annual Leave	311,024	259,552
Long Service Leave	134,555	109,110
Program Expenses	5,532	41,966
	476,752	418,628

(b) Non-current

Accrued Employee Entitlements		
Long Service Leave	137,725	130,926
	137,725	130,926

Accrued Entitlements: Some employees continue to have entitlements accrued from their service with a predecessor entity. These entitlements were recognised by the company under "transmission of business" provisions when the personnel transferred to the company.

18. DEFERRED INCOME

Grants-in-advance	930,820	25,000
Unexpended grants	104,826	1,193,844
	1,035,646	1,218,844

(a) Grants in advance

Community heritage grant	-	25,000
Native Title representation and services PFA - 14/15	930,820	-
	930,820	25,000

(b) Unexpended grants

	2014	2013
	\$	\$
Native Title - contested litigation	-	1,010,936
Department of the Environment - SEWPAC	63,289	90,058
Rangelands NRM	29,345	92,850
WA NRM	4,262	-
WA DAFF	7,930	-
	104,826	1,193,844

Net Grant Revenue: Net grant revenue is represented by new grants plus Unexpended Grants b/fwd less unexpended grants c/fwd. 2014 \$7,051,506 (2013: \$6,129,146).

19. TRUST LIABILITIES

Funds held by Central Desert		
Trust funds - claimant groups	160,576	281,773
Mining company contributions for distribution	1,485	62,270
	162,062	344,043
Funds held by DSS	6,942	11,755
Funds held by RFM	248,483	-
	417,487	355,798

20. OTHER CURRENT LIABILITIES

Unearned Income	-	24,455
	-	24,455

Unearned Income: Funds are held under agreements with mining companies to deliver particular services or as deposits for services to be delivered in future accounting periods.

21. KEY MANAGEMENT PERSONNEL

The company's Key Management Personnel comprise the directors identified in the director's report and the following management staff:

POSITION	2014	2013
Chief Executive Officer	Ian Rawlings	Ian Rawlings
Principal Lawyer	Malcolm O'Dell	Malcolm O'Dell
Chief Financial Officer	Ric West	Ric West

(a) Remuneration of Key Management Personnel

	DIRECTORS		MANAGEMENT STAFF	
	2014	2013	2014	2013
	\$	\$	\$	\$
Short Term Benefits				
Salaries & allowances	-	-	521,362	499,185
Directors fees	-	-	-	-
Travel allowances	-	-	-	-
Post Employment Benefits				
Superannuation	-	-	47,538	44,183
	-	-	568,900	543,368

22. RELATED PARTY TRANSACTIONS

The company has paid for services provided by related parties in the Central Desert Group as follows:

	LABOUR HIRE	FINANCE AND ADMIN	PROPERTY MANAGEMENT	TOTAL
Desert Support Services Pty Ltd	665,557	108,811	1,830	776,198
Rockhole Funds Management Pty Ltd	-	-	-	-
	665,557	108,811	1,830	776,198

The company provides services to and has received payments from related parties in the Central Desert Group as follows:

	MANAGEMENT SERVICES	ADMIN & LOGISTICS	TOTAL
Desert Support Services Pty Ltd	271,000	-	271,000
Rockhole Funds Management Pty Ltd	-	-	-
	271,000	-	271,000

23. CAPITAL AND LEASING COMMITMENTS**Capital Expenditure Commitments**

The company has applied to the WA Department of Lands and Regional Development to purchase two blocks of land in Wiluna for a total of \$23,500 (plus GST). The blocks are currently held by the company under Crown Leases and now that improvements have been made to each facility, the blocks can be transferred to the company on a freehold basis. This is expected to occur during the first half of 2014-2015.

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements relate to office properties in Perth, Kalgoorlie and Wiluna Western Australia and leases for office equipment. Rental lease arrangements include market review clauses.

OPERATING LEASE	EXPIRING	PAYMENTS DUE		
		WITHIN 1 YEAR	1-5 YEARS	OVER 5 YEARS
76 Wittenoom Street East Perth ¹	31/03/16	475,932	356,949	-
225 Piccadilly St Kalgoorlie	18/07/15	964	-	-
Wiluna Office - Thompson Street ²	30/09/22	660	-	-
Wiluna LM facility - Wotton Street ²	29/06/22	1,100	-	-
Storage units (2 units)	Monthly	6,273	-	-
Canon photocopiers	13/06/19	7,152	28,608	-
		492,081	385,557	-

1. *Lease Options:* The property at 76 Wittenoom Street has 2 three year options expiring in 31/3/2022.
2. *Wiluna facilities:* The two facilities in Wiluna are to be converted to freehold and transferred to the company during 2014/15 in which case the leases will be cancelled.

24. COMMITMENTS – GRANT FUNDING

Commitments entered into by the company for the supply of goods and services as at 30 June 2014, and which are to be paid from grant funds carried forward are as follows:

	2014	2013
	\$	\$
Commitments relating to capital contracts entered into	-	80,000
Commitments for other goods or services	-	47,500
	-	127,500

Commitments arose from contracts for the delivery of goods or services that were entered into by 30 June 2013 but for which the goods or services had not been delivered or completed at balance date. Other than those items listed above, there are no other grant funding commitments

25. CONTINGENT ASSETS AND LIABILITIES

Contingent Assets

Nil.

Contingent Liabilities:

A bank guarantee in favour of Kella Nominees Pty Ltd in the amount of \$201,614.60 is in place with Westpac Banking Corporation and represents the equivalent of 6 months rental. The guarantee is secured by a term deposit.

26. MEMBERS' GUARANTEE

Central Desert is incorporated as a company limited by guarantee under the *Corporations Act 2001*.

If the company is wound up the company's constitution requires each member to contribute a maximum of \$1 each towards the property of the company for payment of the debts and liabilities of the company. At 30 June 2014 the number of members was five (5).

27. EVENTS AFTER THE BALANCE DATE

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

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Acknowledgements

We gratefully acknowledge the people and communities with whom we work, for their support, encouragement, and patience with what is often a time consuming and difficult process.

We also acknowledge our funding providers:

- The Department of Prime Minister and Cabinet;
- Rangelands NRM;
- The Commonwealth Department of Agriculture, Fisheries and Forestry administering the Caring for our Country Program
- The Commonwealth Department of Environment administering the Indigenous Heritage Program and the Indigenous Protected Area Program;
- Mid-West Development Commission;
- Lotterywest;
- The Western Australian Government's Department of Agriculture and State NRM Program.

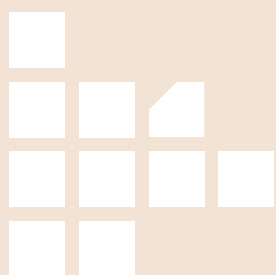
FOR MORE INFORMATION:

Contact officer:

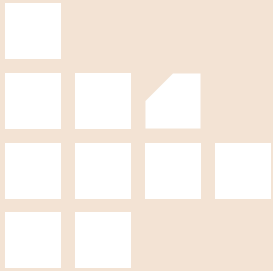
Mr Ric West, Chief Financial Officer
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76 Wittenoom Street, East Perth WA 6004
T: 08 9425 2000
F: 08 9425 2001
E: ricwest@centraldesert.org.au

Web address for annual report:

www.centraldesert.org.au/who-are-we/Annual-Reports



Traditional owners undertaking heritage survey work. Photo: Allister Hill



Central Desert Native Title Services produces high quality outcomes in all facets of native title work including legal and anthropological research, managing future acts, mediation and litigation, cultural translation, governance and capacity building and natural resource management. The organisation facilitates and maintains strong co-operative relationships between Traditional Owners and government agencies, non-government organisations, exploration and mining companies, and other stakeholders.



Cosmo Newberry country. Photo: Mladen Mrvelj



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