



South Australian Native Title Services Ltd
Annual Report 2016/2017





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Native Title Representative Bodies and Service Providers

SANTS receives funding from the
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For more information contact:

South Australian Native Title Services (SANTS)

P (08) 8110 2800

F (08) 8110 2811

E info@nativetitlesa.org

W www.nativetitlesa.org

SANTS is located at Level 4, 345 King William Street, Adelaide SA 5000

*South Australian Native Title Services is a deductible Gift Recipient
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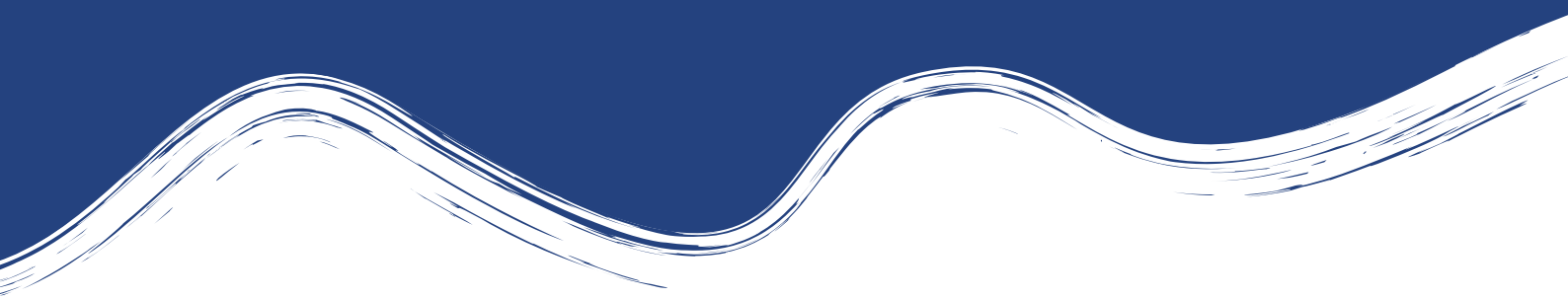
*Front cover, from left: Flowering gum; Families Matter in Rundle Mall;
SANTS staff at Gawler Ranges.*

*Back cover, from left: Aboriginal flag is raised at Parliament House for NAIDOC 2016
March; SANTS staff left to right Jodie Miller, Marilyn Wilson and Adrian Stanley.*

Banner image: Renmark, SA.

Annual Report 2016/2017





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Banner image: Walatina Station, APY Lands.

Above top, from left: Alan Hunter, April Lawrie (Chairperson), Craig Allen, Lavene Ngatkorua, Paul Case and Damien Coulthard.

Above left below: John Briggs.

Above right below: Troy McNamara.

Opposite page: April Lawrie, Chairperson.

Chairperson's Report



I am pleased to present the 2016/2017 Annual Report. It has been a year of consolidation for SA Native Title Services (SANTS) as we continue to support Aboriginal Nations in South Australia with their native title aspirations.

The SANTS Board of Directors has built on a solid base during this time, with an Annual General Meeting in November 2016 reappointing me as Chair of the Board and appointing existing Director Damien Coulthard as Deputy Chair. Paul Case, John Briggs, Lavene Ngatokorua and Allan Hunter all remain to guide SANTS in their roles as Directors.

At that time, two additional Board Members were appointed, taking the number of people on the Board from seven to nine. This means that the majority of Board positions are now designated for Aboriginal people.

The new Board members are Troy McNamara and Craig Allen, who bring a wealth of experience to their roles.

To maximise our effectiveness, the Board has undertaken a program of development, particularly focussing on Corporate Governance principles of good management, transparency and accountability.

Similarly, after a period of change in 2015/2016, SANTS operations have built on existing strengths this year. A new streamlined staffing structure has readjusted to effectively deliver the services required by SA Aboriginal Nations.

I commend CEO Keith Thomas and his leadership team of Nicole Galliford (previously Clark), Tom Jenkin and Andrew Beckworth for a year effectively leading teams focussed on assisting Aboriginal people in South Australia to achieve their economic, social and cultural aspirations.

In this 25th year since the recognition of native title rights, South Australia is in a strong position, with over 53% of the state subject to native title determinations and more claims well progressed.

There are currently twenty-three native title applications being dealt with in South Australia and SANTS has worked to progress these over the year. While there were no determinations during the 2016/2017 year, three claims appear to be headed for determinations late in 2017. The Ngarrindjeri and Others Native Title Claim, the Dieri No.3 Claim and the overlapping claims by the Adnyamathanha Peoples, Wilyakali No.2 and Ngaduri Nation have all progressed to near resolution over this financial year.

I congratulate all involved in these outcomes and look forward to seeing the work done by community members and SANTS come to fruition in the coming year.

April Lawrie
Chairperson



Chief Executive Officer's Report



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Well, what a year it has been for South Australian Native Title Services (SANTS). We have had to endure various challenges during this period including; the bedding down of the new structure following the redundancy process the previous year, the lack of growth in our funding base reducing our service delivery capability, the impact of the Timber Creek compensation appeal, and the impact of the Federal Court following the retirement of Justice Mansfield.

Given some of the uncertainty these issues create, it gives one a greater appreciation of what SANTS has achieved this year. These achievements were only possible because of the total team effort at SANTS.

This starts with the SANTS Board with their direction, advice and encouragement in fulfilling SANTS governance and strategic direction. The SANTS Board welcomed two new Board members: Mr Troy McNamara and Mr Craig Allen. Both come with extensive experience working with Aboriginal communities.

I would like to thank April Lawrie for her fine work as Chair of the SANTS Board, and the support given to her by the Deputy Chairs, Lavene Ngatokorua and Damien Coulthard. Her knowledge of native title issues and her dedication to the advancement of native title makes her an invaluable Chair. I am pleased and privileged to have the opportunity to work with her.

SANTS staff continue to provide professional, high-quality and timely services to achieve the best possible outcomes for Aboriginal people in South Australia. At times, our work can be quite stressful with the pressures of deadlines, unexpected issues arising and lengthy periods of time away from family and friends which, at times, tests each and every one of us.





I was pleased that I was able to meet with many of the Prescribed Body Corporates (PCBs) and native title groups this year which has provided me with the opportunity to discuss SANTS' Strategy, sustainability, and concerns around body corporate membership. Importantly, I really appreciated being able to speak with the Directors and claimants face to face to discuss with them ways in which SANTS might assist them to realise their aspirations.

The policy approach by Department of Prime Minister and Cabinet to provide funding assistance for PBCs has changed with PBCs now expected to become self-sufficient in four years. For some this will be an enormous task while others are already self-sufficient. SANTS will work closely with PBCs to assess their capacity, and to assist PBCs to produce development plans.

The State Government announced in December 2016 a commitment to commence treaty discussions with the South Australian Aboriginal community. I am hopeful that the Treaty process will be meaningful for Aboriginal Nations in South Australia and will add value to their native title rights and interests.

Opposite page left: Keith Thomas, CEO.

Opposite page right: Keith Thomas presents to SANTS Annual Staff Workshop.

Banner image: Aboriginal flag flies over Adelaide Town Hall.

Above: SANTS Leadership Team, from left, Tom Jenkin, Nicole Galliford, Keith Thomas and Andrew Beckworth.



The National Native Title Conference 2017 in Townsville, Queensland, also incorporated a celebration of 25 years since the Mabo decision was made. The conference was a great opportunity to gain a national perspective on native title and post native title work. A highlight was the keynote address by June Oscar, and learning of recent achievements and the issues and challenges faced by Aboriginal people in managing their native title rights and interests to build a better future.

I also take this opportunity to acknowledge and respect the many Aboriginal people who give up their time to participate in the many native title meetings and to be Directors on PBCs and other Aboriginal corporations.



Overview of performance and financial results

I am very pleased with the performance of SANTS this financial year. In some respect, the issues we faced this year have assisted other groups to progress their claims while other priority matters are in abeyance. For example, we could support the making of two new claims in the south-east of the State which would not have happened if priority claims had progressed as planned.

We have also laid the ground work for a number of consent determinations early in the next period with hopefully more to follow.

Wherever possible SANTS continues to provide services to progress native title claims and to assist PBCs to manage and protect their native title rights and interests and to provide advice and support to groups striving to achieve their economic, social and cultural aspirations.

The service delivery teams have worked very hard throughout the year to support Aboriginal groups in South Australia, to meet Federal Court orders, and as necessary attend to the various matters with the State Government.

Above: Tony Mola, Tayiesha Tapim-Savage and Vicky Tapim celebrate 25 Years since Mabo decision in Townsville

Opposite page: NAIDOC Week marchers at Parliament House.



The performance of the Business Services team has been outstanding and provide that vital support that ensures SANTS keeps operating and remains compliant. Business Services includes: human resource management, information technology, records management, communications, financial management, asset management, reception, and administrative and legal support services.

SANTS financial performance is a credit to the staff in the finance team. SANTS has an unqualified audit and strong financial management practices in place. The change to a new finance system this year has worked well with little or no disruption to financial processes.

The SANTS Board continues to perform at a high level with a strong focus on best governance practices. Directors keenly participate in Board and Committee meetings.





Outlook for the following year

Next year promises to be busy considering three consent determination hearing dates have been set for the following claims; Dieri 3, Ngarrindjeri, and the overlap area for Adnyamathanha, Ngadjuri, and Wilyakali. We are hopeful of other claims also progressing to consent determinations. Priority claims will continue to be supported to the extent that our resources enable us to.

SANTS will be busy working with PBCs to assist in producing their development plans with the aim of being self-sufficient within four years. Regardless of the time frame I think it has been a useful exercise to work through the capability of PBCs which assists all of us in setting priorities for development.

SANTS looks forward to another successful year ensuring the recognition and protection of native title rights and interests in South Australia.

Keith Thomas
Chief Executive Officer



SANTS Overview



Our Vision Statement

Sustainable Aboriginal Nations.

Our Mission Statement

To work with Aboriginal Nations to deliver services to realise their aspirations.

Our Values

Across all our work, we uphold the following values:

- Respect – for people, culture, country, difference and ideas
- Professionalism – being ethical, accountable and transparent and working with integrity and competence
- Inclusiveness – encouraging collaboration and participation and listening to and considering the views of others.



Our Goals



Native Title Services

To deliver native title services that provide for the recognition and protection of native title rights and interests.



Influence Change

To provide leadership in native title and the development of Aboriginal Nations.



Community and Corporate Development

To provide services to Aboriginal Nations to enhance their capacity to achieve their aspirations.



Organisational Capability

To improve SANTS capability through processes, systems and culture that deliver effective business outcomes.

Opposite page top: CEO Keith Thomas and Legal Officer Olivia Brownsey at Reconciliation Week Breakfast.

Opposite page below: Keith Thomas presents to SANTS Annual Staff Workshop.

Banner: Sand dunes at Peake, SA.

Above: Reconciliation Week Breakfast in Adelaide.



Overview Description of SANTS

South Australian Native Title Services Ltd (SANTS) is registered as a public company limited by guarantee pursuant to the *Corporations Act 2001*. SANTS is the Native Title Service Provider (NTSP) for South Australia area and receives funding from the Commonwealth Department of Prime Minister and Cabinet pursuant to section 203FE of the *Native Title Act 1993* (Cth) (NTA) for the purpose of performing all the functions of a representative body.

SANTS also receives funding support from the South Australian Government's Attorney-General's Department. Primarily, this funding is directed to priority activities within SANTS operational plan assisting groups to negotiate Indigenous Land Use Agreements (ILUAs) which contribute toward resolution of their native title claim.



SANTS actively seeks funding from other sources to assist traditional owners in managing and protecting their native title rights and interests.

SANTS is governed by a Board of Directors consisting of nine member positions. As at June 2017, SANTS consisted of 30 full and part time employees to manage its operations and to deliver services to traditional owners whose native title rights and interests related to land in South Australia.

Legislative Roles and Functions

As a Native Title Service Provider performing all the functions of a representative body, SANTS has specific functions under Part 11, Division 3 of the *Native Title Act 1993*.

These functions are set out in section 203B of the Act:

- a. Facilitation and assistance functions referred to in s.203BB;
- b. Certification functions referred to in s.203BE;
- c. Dispute Resolution functions referred to in s.203BF;
- d. Notification functions referred to in s.203BG;
- e. Agreement-making functions referred to in s.203BH;
- f. Internal Review functions referred to in s.203BI; and
- g. The functions referred to in s.203BJ, and such other functions as are conferred on representative bodies by the Act.

Banner image: Sturt Desert Peas.

Above: Kangaroo on Gawler Ranges.

Opposite page: Students and Teacher at Tauondi Open Day 2017.

Report on Performance



Review of Performance against Strategic Plan

SANTS Strategic Plan 2015–2020 establishes four goals: native title services; influence change; community and corporate development; and organisational capability. Performance against each of these strategic goals is discussed below.

1. Native Title Services: To deliver native title services that provide for the recognition and protection of native title rights and interests.

SANTS has had a strong year delivering a range of native title services to our clients and constituents.

While we did not achieve any determinations of native title in this period we have made excellent progress on a range of matters which will set these claims up for determination in the following period.

At the end of this reporting period we have five matters with dates for consent determinations in 2017 and 2018 including the Adnyamathanha Peoples, Wilyakali No.2 and Ngadjuri Nation overlap area, the Ngarrindjeri and Dieri No.3 claims.

In our only compensation application, the Tjajiwara Unmurru matter, it is likely that this will be settled in the following financial year by consent.

As at June 2017, there were twenty (20) active claimant applications and two non-claimant applications (see Figure 1).

SANTS also provided assistance to registered native title bodies corporates (RNTBCs) or Prescribed Body Corporates (PBCs), which are corporations formed under the Native Title Act to 'hold' the native title rights and interests on behalf of the native title holders.

This year, with no further positive determinations of native title the number of PBCs in South Australia remains as it was last financial year. That is, fifteen (15) PBCs registered with respect to twenty-five (25) determinations of native title, with twenty-four (24) of these achieved through consent (see Figure 2 Map). As shown, over 50% of South Australia is covered by native title determinations, the highest proportion of any State or Territory.

This financial year, SANTS received funding under the Commonwealth Government's PBC support program to assist six (6) of these PBCs to manage their native title rights and interests and comply with corporate governance requirements. SANTS also continued to provide legal and administrative services to two other PBCs.

This year there has also been some native title litigation activity.

Judgment was also given in the Lake Torrens Overlap Proceeding (involving the Kokatha (Part B), Adnyamathanha No.5 and Barngarla (Lake Torrens) claims) as a result of which each of the claims was dismissed on 9 August 2016. Appeals were heard in February 2017 by the Full Court.

The Kurna claim has also been listed for trial with a hearing scheduled to commence in April 2018 and run for six weeks.

Figure 1: Native title applications (registered and unregistered) as at 30 June 2017

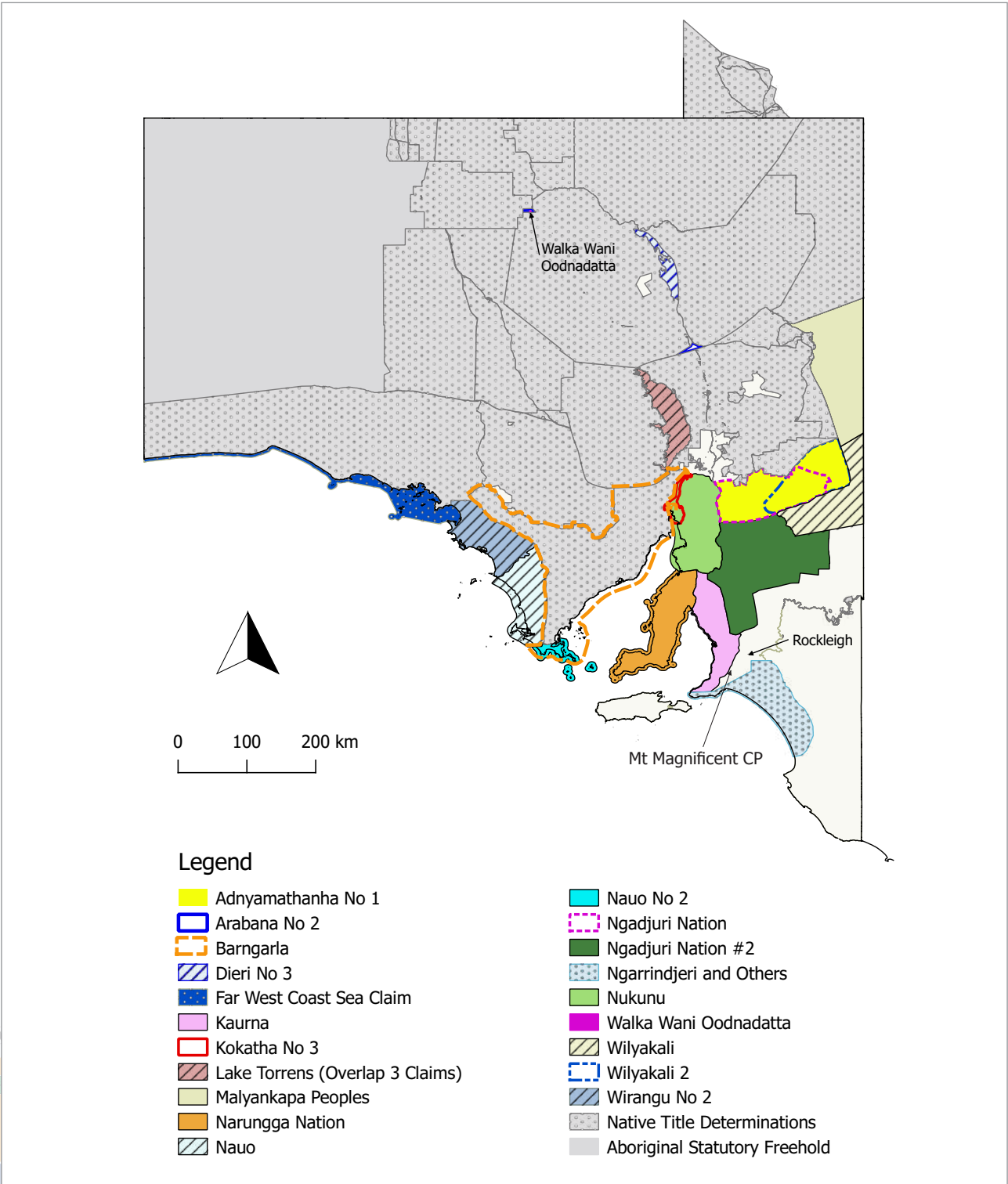
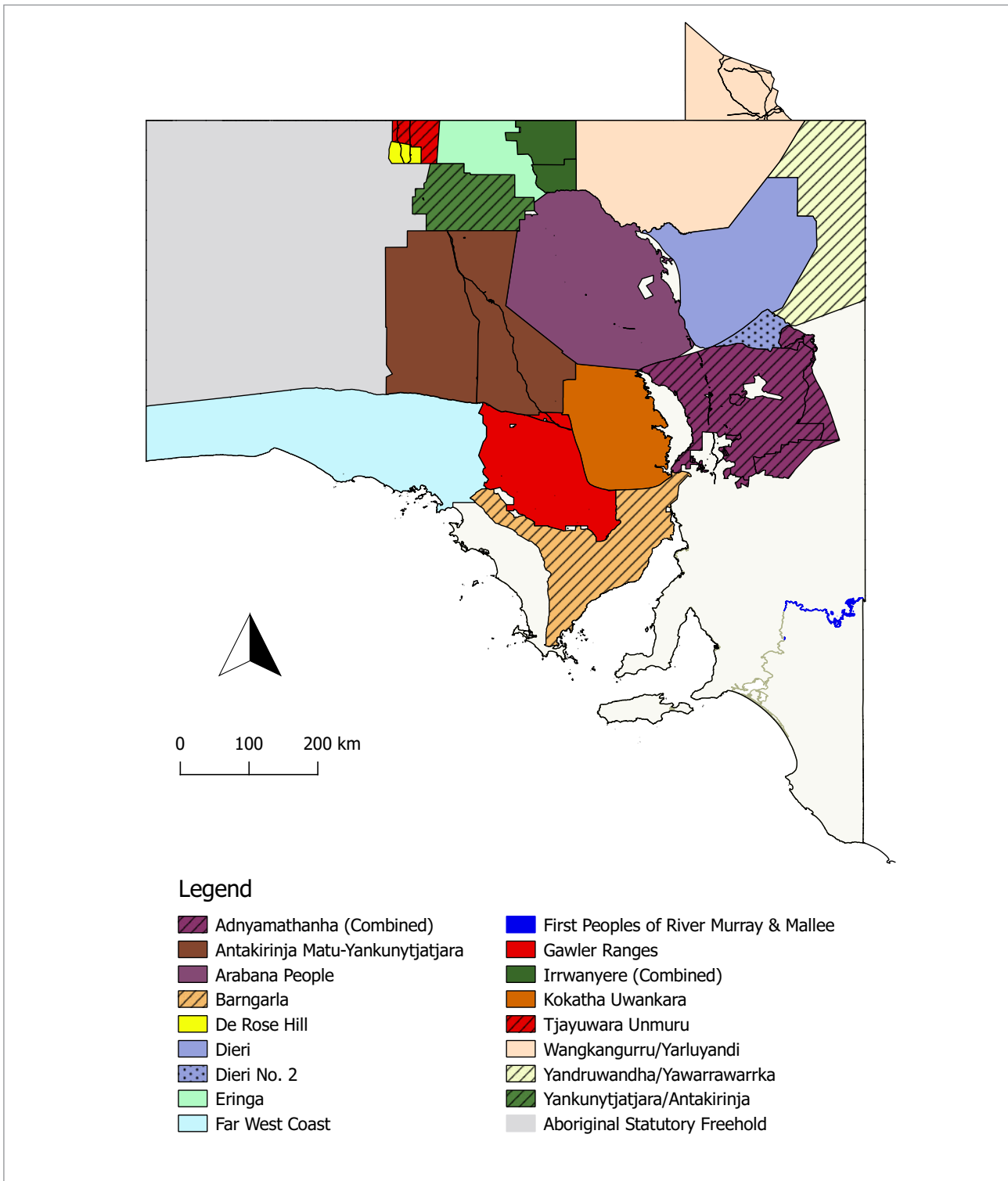




Figure 2: Native title determinations as at 30 June 2017





2. Influence Change: To provide leadership in native title and the development of Aboriginal Nations

SANTS continued to engage in key policy and legislative developments both at State and National levels.

At a State level, the Board and Senior Management have maintained positive relationships with key Ministers, in particular the Minister for Aboriginal Affairs and Reconciliation. SANTS has also worked closely with a number of State Government agencies including the Attorney-General's Department, Department of Environment, Water and Natural Resources (DEWNR) and Department of State Development (DSD). This has been in relation to delivery of native title services, but also policy and legislative initiatives outlined below.

SANTS has also supported Aboriginal Nations to engage directly with government on key policy and legislative developments.



This is a key part of our work, enabling promotion, discussion, representation and submissions on pertinent issues. As the native title service provider, SANTS has also engaged directly in policy and legislative change to advocate on behalf of Aboriginal Nations and for the recognition and protection of native title rights and interests.

Some of the key legislative and policy matters SANTS and Aboriginal Nations have been involved in during the 2016/17 financial year included:

- the Aboriginal Regional Authorities policy
- Amendments to the Aboriginal Heritage Act
- implementation of the reformed Aboriginal Lands Trust Act
- the Nuclear Fuel Cycle Royal Commission
- Treaty initiative
- Review of Mining Act.

At the national level, SANTS remained an active member of the National Native Title Council (NNTC), which represents native title representative bodies and service providers across the country.

Through the NNTC and independently, SANTS has participated in and made submissions to key legislative and policy proposals including proposed amendments to the Native Title Act and the native title system more broadly (including administration of the native title program), native title compensation, PBC funding and capacity building, and the Indigenous Advancement Strategy.

SANTS has also continued to publish the quarterly Aboriginal Way newspaper and aired the weekly Aboriginal Message radio program, bringing issues of relevance to the South Australian Aboriginal community and other stakeholders.

Previous spread banner image: Yvonne Agius and Ivan Tiwu-Copley at Tauondi Open Day 2017.

Banner image: Family at NAIDOC Week march.

Above: SA Treaty Commissioner Roger Thomas addresses Statewide body of Native Title holders.

Opposite page: Statewide representatives of Native Title holders at meeting in Port Augusta.



3. Community and Corporate Development: To provide services to Aboriginal Nations to enhance their capacity to achieve their aspirations

With fifteen (15) PBCs established to manage the native title rights and interests across more than half of the state, there are significant demands for SANTS to provide post-native title determination services. Our focus has remained on working with native title groups to enhance their position to manage their native title outcomes, comply with legislative responsibilities and develop and grow to achieve their aspirations.

This work is primarily delivered through the Community and Corporate Development team in collaboration with other business units. This year, we have worked closely with eight PBCs which includes both new and well-established corporations.

Our work has included:

- developing and strengthening governance practices including through provision of legal advice, development of corporate policies and delivery of education and training initiatives;
- assisting with corporate compliance including future act requirements;
- reviewing and strengthening financial management;
- facilitating community-based planning to develop strategic and operational plans;
- developing and enhancing stakeholder relationships;
- implementing agreements and identifying, managing and enjoying native title benefits;
- accessing business development services and advice;
- identifying and delivering community development projects including to protect cultural heritage and country;
- engaging in policy and legislative reform and implementation.

This work is important in supporting PBCs to be robust and sound organisations which fulfil their various obligations and deliver positive outcomes for their members whether they be social, cultural, economic or environmental.



4. Organisational Capability: To improve SANTS' capability through processes, systems and culture that deliver effective business outcomes.

Over the last 12 months, SANTS has been bedding down the new structure announced in March 2016. This has involved a significant review of internal processes and procedures. With the commencement of the new Business Services Team, Community and Corporate Development Team, and Legal Services Teams, SANTS is seeing a closer integration of services more widely across the business.



This has resulted in more streamlined services to our native title holders. During the year key activities were; a review of a number of policies including; a new Bullying Policy, a new Delegation of Authority Policy, a new Information Management policy, a new Housekeeping procedure, and finalisation of all WH&S procedures that were outstanding from legislative changes in early 2016.

To ensure that risk is mitigated and managed appropriately, a review was undertaken of the SANTS risk management policy and procedure to ensure it was up-to-date with current practices and management in this area.

All reports were provided to the Board for approval and new KPIs set for next financial year. Next financial year, the Board and Management team at SANTS will be involved in Risk Management Training with the Australian Institute of Company Directors to ensure SANTS is managing risk is the most appropriate way for our business.

It was also pleasing to see a new communications strategy approved to run on a calendar year basis as per the SANTS business plan. A key aim of this strategy was to capture all of the communications points and mediums that SANTS is involved in to assist in resourcing this area sufficiently and efficiently. An Administrative Services Workshop was also held to ensure streamlined and efficient administrative support processes continue at SANTS and that priority matters are dealt with in a timely manner.



Two significant projects that were commenced in early 2016 were finalised this financial year. They were; the information management project which involved a full transition and refresh of information management at SANTS (and a move to a new system "Records Manager"), and the IT outsourcing project and health check.

Both projects are now embedded in SANTS processes and work will continue in ensuring these processes provide the ongoing benefits planned as part of the change strategy. The biggest activities undertaken for these projects involved training in the new Records Manager system and the rollout of Office 365 to all SANTS employees.

SANTS undertook another successful interim audit and was compliant with reporting processes and funding agreements. The new finance system introduced in the previous financial year is proving beneficial to SANTS financial processes.

In relation to Work, Health and Safety, the main activities that were undertaken involved updating WH&S required training and progression of the audit actions from the previous Business SA audit. The most significant amount of work undertaken involved the consultation of and implementation of the updated and new WH&S Procedures.

The high priority actions in the Work, Health and Safety Action Plan were progressed. Next financial year, high-medium priority actions will be reviewed and implemented.

A key capability activity this financial year was the Staff Workshop held in Renmark in March 2017. A significant agenda was delivered to all staff members and the workshop was well attended. More information on this aspect can be found in the Management of Human Resources part of the report.

The SANTS Annual Report and Business Plan were also developed, approved and delivered on time.

Operational Plan

SANTS has also continued to provide support services to PBCs including logistical and legal support for Directors meetings; strategic planning, economic development advice, governance training, and support for project activity.

The table overleaf highlights the major outcomes in the operational plan this year.

Opposite page: Family at Survival Day 2017 event.

Banner image: Greg Hughes, Quentin Agius, Fred Agius and Raymond Agius at Survival Day 2017.

Above: SANTS Staff Marilyn Wilson and Shanisse Edson at National Sorry Day event.

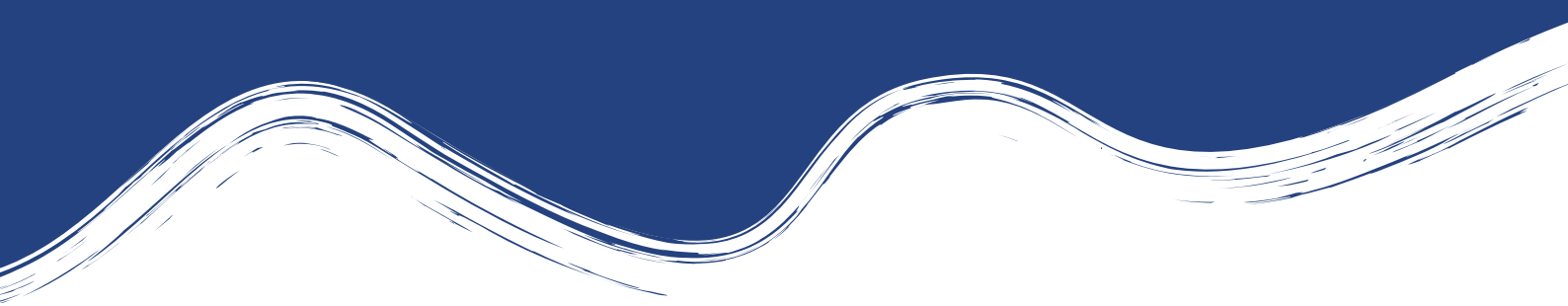


Table 1: Operational Plan as at 30 June 2017

Activity Name	Objective
Adnyamathanha No.1 (Area C and F)	Matter has progressed significantly in this reporting period. Consent Determination now scheduled for March 2018. ILUA Negotiations have been delayed whilst parties waited for judgment in Timber Creek compensation litigation.
Ngadjuri	Matter has progressed significantly in this reporting period. Consent Determination now scheduled for March 2018. ILUA Negotiations have been delayed whilst parties waited for judgment in Timber Creek compensation litigation.
Wilyakali No.2	Matter has progressed significantly in this reporting period. Consent Determination now scheduled for March 2018. ILUA Negotiations have been delayed whilst parties waited for judgment in Timber Creek compensation litigation.
Ngarrindjeri	Matter has progressed significantly in this reporting period. Consent Determination now scheduled for December 2017. ILUA Negotiations have been delayed whilst parties waited for judgment in Timber Creek compensation litigation.
Barngarla	Settlement negotiations and tenure analysis continues. Negotiations have been delayed whilst parties waited for judgment in Timber Creek compensation litigation.
Wirangu No.2	Native Title Report finalised and has been provided to the State for assessment.
Dieri No.3	Consent Determination planned for September 2017.
Nukunu	Native Title Report provided to State and awaiting assessment. Tenure on hold until consent determination completed.
Nauo	Work has commenced on report. Nauo No.2 claim passed registration test.
Narungga Nation	Native Title Report finalised and has been provided to the State for assessment.
Kaurna	Now subject to programming orders. Trial due to commence in April 2018.
Tjajiwara Unmurru Compensation	Claim now progressing by way of a Settlement Deed and consent determination.
Walka Wani Oodnadatta	No progress made on this matter.
Arabana No.2	No progress made on this matter.
Malyankapa	Completed.
Port Augusta overlaps	No progress made on this matter.
Ngadjuri Nation No.2	Future Act Notices processed.
Wilyakali	Future Act Notices processed.
Far West Coast Sea Claim	Research work continues on this matter. Strike out application also currently being dealt with.
South East claim	Claim filed and undergoing registration test. Mediation to be scheduled for overlap with Ngarrindjeri.
River Murray claim No.2	No progress made on this matter.



Activity Name	Objective
Irrwanyere Aboriginal Corporation	AGM held in November and all ORIC requirements met. ORIC training completed. Corporation planning commenced.
Walka Wani Aboriginal Corporation	AGM held in November and all ORIC requirements met. Corporation planning commenced. Budget agreed.
River Murray and Mallee Aboriginal Corporation	AGM held and all ORIC requirements met.
Tjayiwara Uumuru Aboriginal Corporation	AGM held in November and all ORIC requirements met. Training undertaken.
De Rose Hill Aboriginal Corporation	AGM held in November and all ORIC requirements met. Business training undertaken.
Yankunytjatjara Aboriginal Corporation	AGM held in November and all ORIC requirements met. Corporation strategy completed.
Antakarinja Matu Yankunytjatjara Aboriginal Corporation	Settlement ILUA negotiations delayed whilst parties waited for judgement in Timber Creek compensation litigation.
Far West Coast Aboriginal Corporation	Advice continues to be provided to the Corporation on a needs basis, as is attendance of SANTS lawyers at Directors meetings as required.
Lake Torrens Judgement	Waiting for Full Court decision on appeal.
Kokatha Aboriginal Corporation	Advice continues to be provided to the Corporation on a needs basis, as is attendance of SANTS lawyers at Directors meetings as required.
Yandruwandha Yawarrawarrka TLOAC	Advice continues to be provided to the Corporation on a needs basis, as is attendance of SANTS lawyers at Directors meetings as required.
Dudley v PIRSA Litigation	Waiting for outcome of an appeal.



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Opposite page left top: Gail Mabo at Mabo Day Celebrations, Townsville, 3 June 2017.

Opposite page right top: Mabo Day Celebrations, Jezzine Barracks, Townsville.

Opposite page below: SANTS Staff at National Native Title Conference, left to right Marilyn Wilson, Jodie Miller, Maria Almeida, Nicole Galliford, Belinda Liebelt and Olivia Brownsey.

Banner image: Townsville locals at Mabo Day 2017.

Above left top: Volunteers at Mabo Day 2017 in Townsville.

Above right top: SANTS Principal Legal Officer Andrew Beckworth.

Above left below: SANTS Legal Officer Michelle Cioffi presents at National Native Title Conference.

Above right below: Families celebrate at Mabo Day 2017 in Townsville.



Banner image: Community in Unity event on June 3 in Townsville.

Above left and right top: Families celebrate 25 Years since Mabo decision in Townsville.

Above left below: Uncle Gabez Tapan and Aicey Day at Community in Unity on 3 June in Townsville.

Above right below: SANTS staff and Board member, Michelle Cioffi, Paul Case and Nicole Galliford at National Native Title Conference 2017.

Opposite page left top: MP Linda Burney addresses Mabo Day dinner in Townsville.

Opposite page right top: Bonita Mabo speaks to NITV's Karla Grant at Mabo Day celebrations.

Opposite page left below: Traditional Islander dancers at Mabo Day celebrations.

Opposite page right below: Emily Day and Lahana Zaro at Unity in Community event on 3 June.



Legal Performance

SANTS has had a strong year delivering a range of native title services to our clients and constituents. Our office provided legal, anthropological, financial, capacity development, logistical and administrative assistance to an ever growing number of clients.

As at June 2017, there were twenty (20) active claimant applications and two non-claimant applications (see Figure 1).

Whilst we did not achieve any determinations of native title in this period we have made excellent progress on a range of matters which will set these claims up for determination in the following period.

At the end of this reporting period we have five matters with dates for consent determinations in 2017 and 2018 including the Adnyamathanha Peoples, Wilyakali No.2 and Ngadjuri Nation overlap area, the Ngarrindjeri and Dieri No.3 claims.

In our only compensation application the Tjajiwara Unmuru matter it is likely that this will be settled in the following financial year by consent.

Native Title Reports have also been provided in a further two matters for consideration by the State.



Two new claims were registered by the NNTT this period – the Far West Coast Sea Claim and the Nauo No.2 claim. Preparation for the claims on behalf of the First Peoples of the South East was also completed during this period.

Judgment was given in the Lake Torrens Overlap Proceeding (involving the Kokatha (Part B), Adnyamathanha No.5 and Barngarla (Lake Torrens) claims) as a result of which each of the claims was dismissed on 9 August 2016. Appeals were heard in the February 2017 by the Full Court.

The Kurna claim has also been listed for trial with a hearing scheduled to commence in April 2018 and run for six weeks.

SANTS also provided assistance to registered native title bodies corporate and other Aboriginal Corporations throughout the year. There are currently 15 PBCs registered with respect to 27 determinations of native title. As shown on the map over 50% of South Australia is covered by native title determinations, the highest proportion of any State or Territory.

Two important legislative matters were also scrutinised by SANTS during this period – they were the introduction of Regulations and guidelines for the Aboriginal Heritage Amendment Act 2016 (AHA) and the review into part 9B of the Mining Act 1971 (MA).

Four ILUAs were registered during this reporting period, bringing the total of registered ILUAs in South Australia to 106. These ILUAs deal with a range of matters including Compensation, Pastoral, Co-Management of Parks, Mining and specific projects.

SANTS has also continued to focus its attention on post native title assistance. With 15 Prescribed Body Corporates (PBCs) in South Australia, this represents an important and growing aspect of our work. SANTS has supported many of these Corporations through the provision of assistance in relation to corporate governance and compliance, administration, community development, strategic management and legal advice.



Projects

Looking after Country: Land, Culture and Aboriginal Heritage

SANTS continues to assist native title groups to look after country and heritage. These projects are important in bringing additional resources to support the exercise and protection of native title rights and interests.

All Aboriginal Nations aspire to look after their important places and their country, and maintain and strengthen their culture. These projects are linked to these aspirations and support native title claimants and holders to get back on country, to restore their custodianship of places and landscapes, to exercise their native title rights and interests, to develop sustainable partnerships with key stakeholders, and to secure meaningful employment to care for environmental and cultural heritage.

Unfortunately, securing funding for caring for country type projects has proven difficult over the last couple of years with changes in Commonwealth programs, including the Indigenous Advancement Strategy and National Landcare Program. Nevertheless, SANTS continues to work with Aboriginal Nations to try and secure funding and partnerships to realise their aspirations to look after country.





The project activities that were undertaken during this financial year are outlined below.

Employing Aboriginal Rangers in SA National Parks in the Gawler Ranges

This year SANTS entered its eighth year in delivering the Aboriginal Ranger employment project in the Gawler Ranges. The project is funded under the Commonwealth Government's Indigenous Advancement Strategy Working on Country (WoC) initiative. The Commonwealth has provided a funding commitment through to June 2020.



The project funds the employment of three Aboriginal Rangers and a Project Coordinator to work on the parks (public lands) within the Gawler Ranges native title determination area. The project continues to be delivered through an innovative partnership with the State Government (DEWNR), Gawler Ranges Aboriginal Corporation (GRAC), the Commonwealth Government and SANTS.

This year, the project employed three Rangers to contribute to the management of the environmental and cultural values of the region. Work has included typical park ranger duties such as managing visitors, weeds, feral animals, fire and native plants and animals. The Rangers also manage and protect the Aboriginal heritage and cultural values of the park and region, including rock-holes.

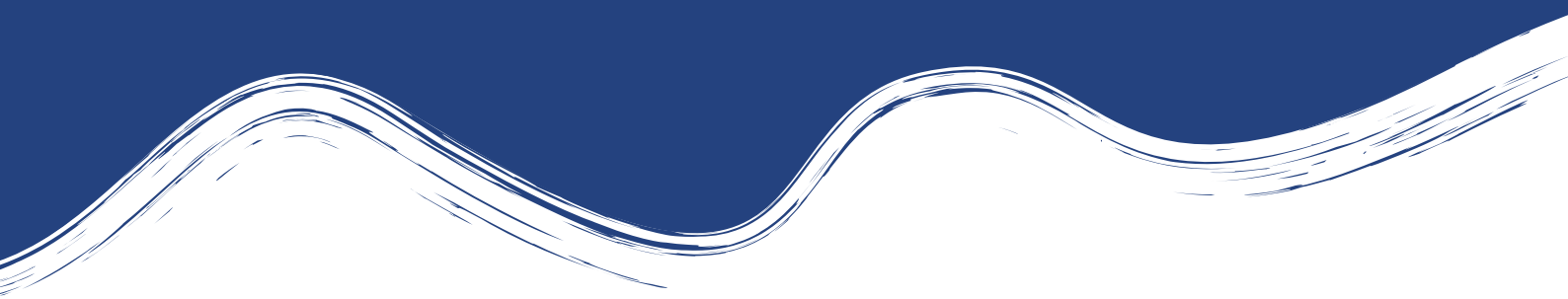
A new DEWNR Senior Ranger (Ranger-in-charge) was appointed and are working well together and achieving numerous outcomes.

Some of the more specific outcomes include:

- the finalisation of the nursery which is now has its own water supply and is a functioning productive nursery;
- campground upgrades including installation of fire-pits, toilets, fencing, and designated camping bays;
- continued training and professional development including further database training and TAFE SA courses leading toward qualifications in Natural Resource Management.

All Rangers are active in the local community and all have given presentations at various forums promoting their work and culture.





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Opposite page left top: Joyleen Thomas at 2016 NAIDOC Awards.

Opposite page right top: NAIDOC Week march.

Opposite page left below: Shirley Peasley and family at 2016 NAIDOC Awards. Photo: Adelaide City Council (ACC).

Opposite page right below: Uncle Lewis O'Brien at 2016 NAIDOC Awards.

Banner image: Adrian Stanley, SANTS WOC Project Officer.

Above left top: 2016 NAIDOC March at Parliament House.

Above right top: 2016 SA NAIDOC Awards.

Above left below: Yvonne Koolmatrerie and Eddie Betts at 2016 NAIDOC Awards. Photo: ACC.

Above right below: Jack Buckskin at 2016 NAIDOC Awards. Photo: ACC.



Financial Performance

A summary of the financial performance of the NTRB functions has been provided in the table opposite.

The activities expenditure of \$3,068,031 can be broken down as follows:

- Contested litigation Kokatha – \$72,061
- Employment costs – \$1,709,201
- Recoverable expenses – \$455,803
- Claimant Meeting expenses – \$515,480

The corporate expenditure of \$2,181,989 largely comprised of employment costs \$902,056, occupancy costs \$290,326, and consulting fees \$431,805 and training and development \$130,085. The employment costs of \$902,056 are well down on the 2015/2016 costs of \$1,327,689 as a direct result of the restructure conducted in 2015/2016.

Overall expenditure levels were low for the year when compared to previous years. This was a result of the reduced level of activity on state programs driven by the uncertainty around the Timber Creek decision.

As a result there is a significant carry forward of \$1,479,623 into the 2017/2018 financial year. The breakdown of this carry forward is:

- Receipt of Kaurana contested litigation monies late in the financial year – \$836,952
- Additional PBC transitional funding provided late in the financial year – \$150,000
- Reduced levels of activity on state programs – \$330,000
- Other program funding – \$131,000

Banner image: 2016 NAIDOC March.

Above top, from left: Glennis Warrior, Annette Buckskin, Jack Buckskin, Pat Buckskin and Winnie Warrior.

Above below: Families Matter launch in Rundle Mall.

Base Commonwealth funding for 2017/2018 is \$3,962,900 which is in line with 2016/2017 base funding.

As in 2016/17 PM&C will oversee a mid-year variation process. The quantum of funds made available to SANTS through the mid-year variation will be a function of our performance against program milestones. In 2016/2017 SANTS received \$191k from the mid-year variation.

The state government funding amount for 2017/2018 was not confirmed at the time of writing. State funding for 2016/2017 was and we are hopeful that 2017/2018 will be retained at this level. It is much appreciated and is specifically used to support priority activities agreed with the Federal Court.

The extent of this funding is a year to year proposition and any reduction would impact SANTS service delivery.

The auditors have provided SANTS an unqualified audit report with no changes made to the numbers provided to them and no major control matters identified. SANTS would like to acknowledge the efforts of the finance team in achieving this for another year.

Table 2: Summary Financial Performance

NTRB Functions (Funds utilised under Native Title Program Funding Agreement)	(1) Actual 2015/2016 \$	(2) Budget 2016/2017 \$	(3) Actual 2016/2017 \$	(4) Variation Actual (3) v Budget (2) \$
Expenditure				
Capital	-	-	-	-
Activities	4,993,256	3,852,547	3,068,031	(784,516)
PBC Activities	366,801	450,000	282,098	(167,902)
Corporate	2,288,812	2,060,777	2,181,989	121,212
Total	7,648,869	6,363,324	5,532,118	(831,206)
Income				
Activity Generated Income	767,550	150,000	745,677	595,677
Activity Generated Interest	24,687	15,000	8,577	(6,423)
State Government	550,000	550,000	550,000	-
Other Funds	315,454	-	59,163	59,163
PM&C Funding				
Capital	-	-	-	-
Operational	4,056,000	4,153,900	4,153,900	-
PBC Support	300,000	450,000	450,000	-
Contested Litigation	322,733	836,952	836,952	-
Funds Brought Forward	1,519,917	207,472	207,472	-
Total	7,856,342	6,363,324	7,011,741	648,417
Surplus/Deficit	207,473	-	1,479,623	1,479,623



Competitive Tendering and Contracting

Competitive Tendering and Contract Practices

SANTS implements its program funding agreement procurement conditions to ensure the provision of quality services and value for money.

Consultancy Services

Consultants and external lawyers are engaged to provide specialised services and advice. In 2016/2017 there were 13 such contracts incurring total expenditure of \$240,546.00 (ex. GST).



Corporate Governance



Statement of Main Corporate Governance Practices in Place

The SANTS governance framework comprises the following elements:

- Legislative framework (*NTA 1993, Corporations Act 2001*);
- SANTS Constitution;
- SANTS Board Charter;
- Board of Directors; and
- CEO and Management Team.

SANTS Directors and their Responsibilities

The SANTS Directors as at 30 June 2017 are:

April Lawrie Chairperson/Director
Damien Coulthard Deputy Chair/Director
Paul Case Treasurer/Director
John Briggs Director
Allan Hunter Director
Lavene Ngatokorua Director
Troy McNamara Director
Craig Allen Director

Resignation:
Libby Bishop Director

Appointments:
Troy McNamara Director
appointed November 2016
Craig Allen Director
appointed November 2016

Meetings of Directors

SANTS Board meetings (2016/2017)

	Eligible to Attend	Number Attended
Troy McNamara	2	3
Allan Hunter	5	5
Paul Case	5	5
Libby Bishop	3	0
John Briggs	5	4
Craig Allen	2	3
April Lawrie	5	4
Lavene Ngatokorua	5	5
Damien Coulthard	3	5

SANTS Audit Finance, Governance and HR Committee meetings (2016/2017)

	Eligible to Attend	Number Attended
April Lawrie	4	3
Lavene Ngatokorua	4	4
Paul Case	4	4
Libby Bishop	2	0
Allan Hunter	2	2
Damien Coulthard	2	2

Training Attended

Six Board members attended Work Health & Safety training and three Directors participated in the National Native title conference which was held in Townsville in June 2017.

Opposite page top: Tauto Sansbury speaks at NAIDOC March.

Opposite page below, from left: Lavene Ngatokorua, Osker Linde and Troy McNamara at SANTS.

Banner image: Traditional Islander dancing at 2017 National Native Title Conference.

Above: June Oscar delivers key note address at National Native Title Conference.



Senior Management Committees and Their Roles – Separation of Powers

Senior Management Team

The SANTS Management Team comprises four members who meet regularly to discuss organisational and native title program strategy and other matters relevant to the operations of the company.

Board Subcommittee

The Committee meets regularly to review all financial aspects of the company, including approving finance policies, identifying financial risks and providing advice on the actions to be taken to best manage those risks. Income and expenditure reports are provided to the committee for analysis and discussion. The committee discusses governance issues and makes recommendations to the Board with regard to new policy initiatives, providing advice to management in relation to progressing governance matters.

The Committee discusses audit reports received by SANTS. The Committee is also responsible for reviewing HR Policies and practices, endorsing the HR Plan, and making recommendations to the Board concerning HR matters at a governance level.

The Committee is responsible for overseeing management roles and remuneration at SANTS. The Committee's main role is to endorse relevant information and material prior to Board approval, including providing direction to the CEO for the day to day operations of SANTS as needed.

Policy and Practices on the Establishment and Maintenance of Appropriate Ethical Standards

The SANTS Board Charter and corporate policies and procedures ensure SANTS operates to the highest ethical standards.

Significant Developments in External Scrutiny

Judicial Decisions and decisions of administrative tribunals

There have not been any judicial decisions or decisions of administrative tribunals affecting SANTS.

Banner image: Walatina Station, APY Lands.

Above: NAIDOC Marchers.

Opposite page: Stolen Generations survivors at Apology Breakfast.

Management of Human Resources



Human Resources

In 2016/2017, a strong focus for the SANTS management and SANTS Board was to embed the new organisational structure put in place in March 2016. This included reviewing processes and procedures at SANTS to ensure consistency and efficiency for managing human resources. There were two Business Services workshops run and an Administrative Services workshop to review key priorities for the current financial year. These workshops were reflected in the HR Plan and Business Services Plans for SANTS. The human resources strategy was focussed on creating more seamless strategies and bringing employees together to improve overall performance for the SANTS organisation. Key initiatives to support this were: managing grievances proactively, efficient recruitment processes, a strong Board Development Plan in place and implementation of an improved cultural awareness strategy.

An HR Plan was put in place to support the business plan and SANTS Strategic Plan. This is formally reported to the SANTS Board via the Board Sub Committee. Specific HR and WH&S policies that were reviewed and approved are; Bullying Policy and all WH&S Policies and Procedures.

Workforce Planning, Employee Turnover and Retention

SANTS continues to be proactive in workforce planning, staff turnover and retention as indicated by the March 2016 organisational re-alignment project which was responsive to reductions in funding. Current HR metrics show positive outcomes in relation to staff:

- 100% of SANTS Employees have performance and development plans in place
- 100% of the Performance Evaluation and Learning Review discussions were completed last financial year
- 12% voluntary turnover in FY2012/2013 (which includes contract expiry departures) is lower than previous years.

The current average length of service for SANTS employees is approximately 6.1 years. This has contributed to positive business outcomes for SANTS clients and satisfaction at work for our employees.

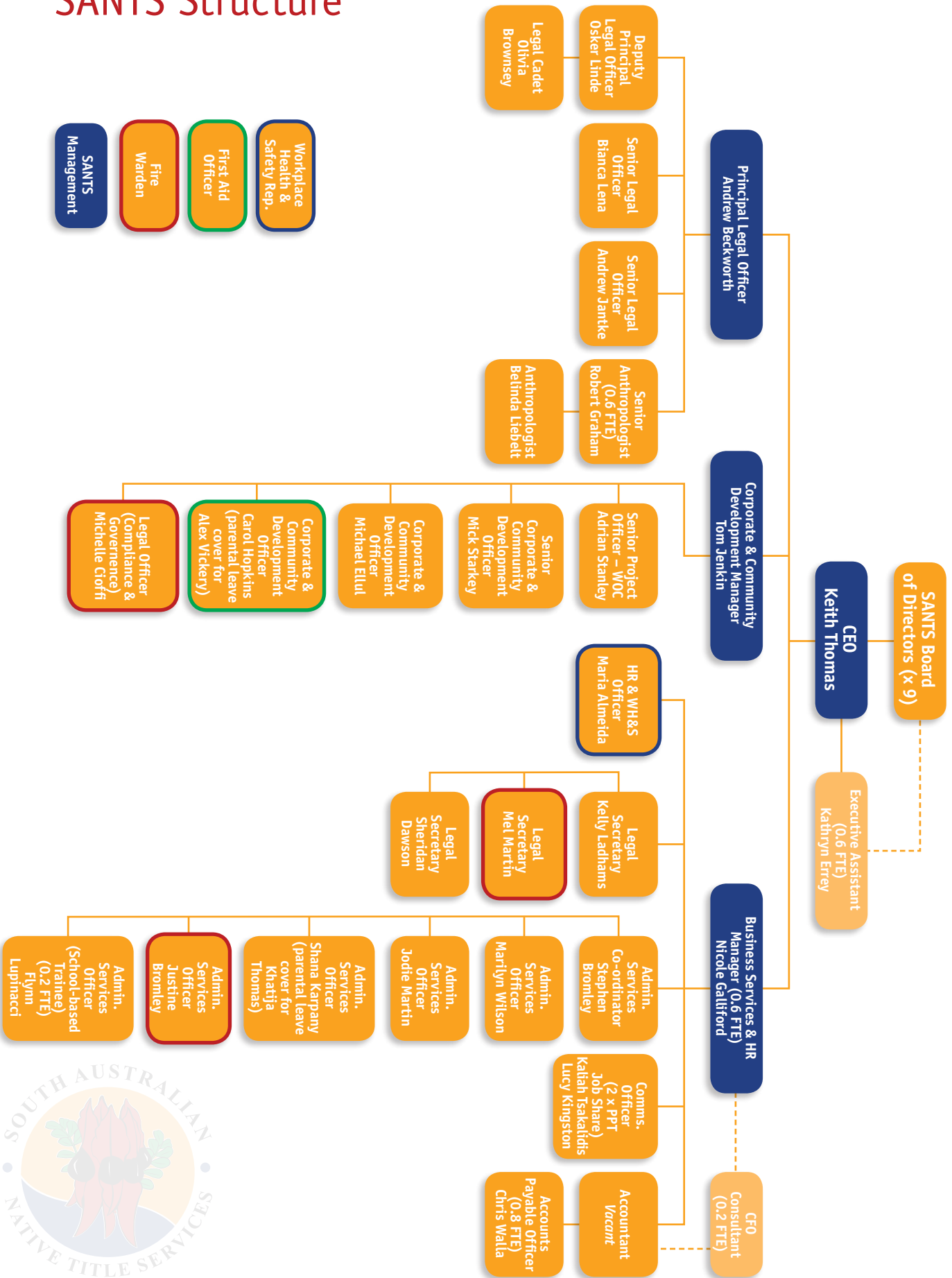
Training and Development undertaken and its impact

SANTS provides many training and development opportunities for all employees to ensure a continued professional service to our clients. Training and Development continued to be a key HR priority for FY2016/2017 with performance management and improved performance discussions a key priority in this financial year. Employee and Managers sessions were run for all employees to assist in understanding and application of improved performance management processes at SANTS. Another key activity was cultural awareness at SANTS.

Cultural Awareness

SANTS continues to focus on cultural awareness for all employees. The online cultural awareness training with the Centre for Cultural Competence Australia continues to be rolled out to all current and new employees. An on country trip was offered and held for all SANTS employees with a further trip scheduled in late 2017. During the SANTS Staff Workshop in Renmark in March 2017, two of the Aboriginal SANTS employees ran a very well received cultural awareness session for all employees.

SANTS Structure





SANTS Enterprise Agreement

The SANTS Enterprise Agreement was re-negotiated and approval received in 2017. The SANTS Agreement came into effect on 19th July 2017 and has a nominal expiry date of 30 June 2019.

SANTS Staff Workshop

The SANTS Staff Workshop was held in Renmark from Wednesday, 8 March to Friday, 10 March 2017. This was attended by every member of SANTS Staff and attendance throughout this three days was excellent. Topics covered were:

- SANTS Strategic Plan
- SANTS Code of Conduct (including reviewing possible scenarios)
- Bullying (including the tabling of a new draft Policy)
- A presentation on Compensation
- Cultural Awareness
- Simultaneous workshops (with senior Managers and key Business Services staff to assist in sharing and learning across SANTS)
- CEO – Q&A Session on any general matters.

Business Services Team

As part of the March 2016 re-alignment, the SANTS Business Services Team was formed. This team comprises finance, human resources, information technology, WH&S, legal secretariat, information management, administration and communication. This team works together to support the SANTS Business and has been in place for over 12 months. Continued improvements to processes and functions were being made as part of the SANTS Business Services Plan FY2016/2017.

Statistics for Employees

As at 30 June 2017, SANTS had 30 staff members.

Gender	Indigenous	Non	Total
Female	7	12	19
Male	6	5	11
Total	13	17	30

Total employees for SANTS by section

Section	No. of Staff
Business Services, HR, Finance and Admin. Services	16
PLO, Lawyers and Research	7
Community and Corporate Development	7
Total	30



Banner image: Jack Bucksin performs at NAIDOC 2016 Awards.

Above left top: Survival Day 2017, Semaphore.

Above right top: Eddie Peters performs at National Sorry Day.

Above left below: Lynette Croker speaks at National Sorry Day.

Above right below: Zebra Finch Men's Group at Survival Day 2017.

Opposite page left: Nicole Galliford at SANTS Staff workshop.

Opposite page right: SANTS staff Marilyn Wilson and Jodie Miller.

Training and Development



SANTS Training Plan for 2016/2017

For the year 2016/2017 a total of 47 programs were in employees' plans. This included SANTS Instigated programs (Mandatory Professional Development), WH&S training, initiated by employees from tertiary to other accredited educational course of study and on-job-training. A total of 40 were carried out for this financial year. Most of the trainings were undertaken as per plan and some were carried over to the current financial year (2016-17)

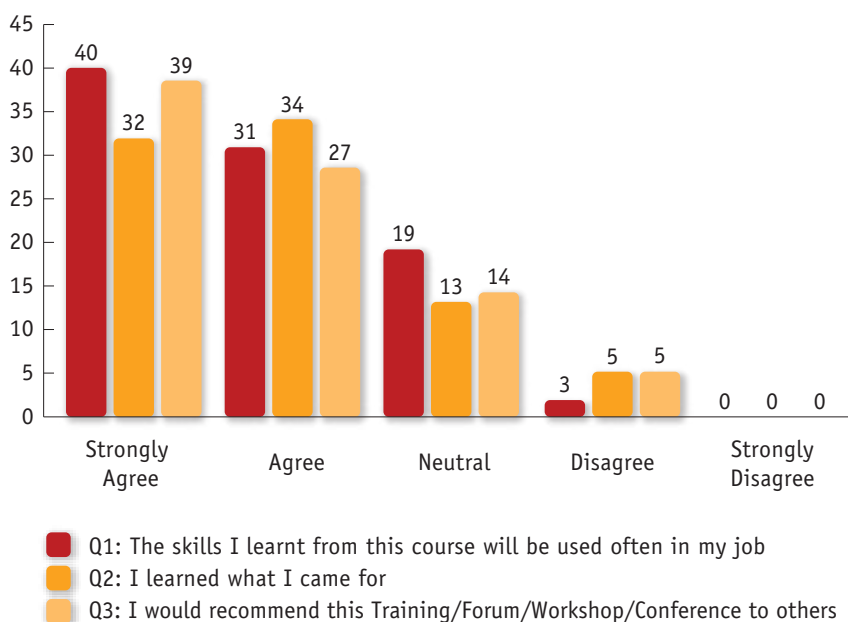
Some of the employee initiated programs are on-going at this stage. The list of training undertaken for 2016/2017 is in the table overleaf, this list does not include on-job training.

Evaluation

Post training evaluation is part of SANTS Training & Development Policy. SANTS Evaluation & Attendance Form is to be completed by all after any training. For the reporting year 91 evaluations were received from staff out of a total 201 recorded attendance.

The following graph reflects the overall evaluation by staff for all programs attended:

Evaluation of Programs Attended for July 2016–June 2017



Rating	Q1	Q2	Q3
Strongly Agree	40	32	39
Agree	31	34	27
Neutral	19	13	14
Disagree	3	5	5
Stringly Disagree	0	0	0
Total Evaluation Received	91		

Total evaluations received for 2016/2017 was 91, which was almost 50% more than the last financial year (2015/2016).



Table 3: Training Programs

Program/Course Title:	Business Services			
	HR & Comms.	Finance	Admin. Support	Legal Secretaries
PELs Workshop for Supervisors and Managers	1	1	1	1
Unfair Contract Terms				
Cultural Competence Course – online			2	
HR Seminar		1		1
TRIMS Training	2	2	3	2
Access Training				1
Records Manager Training	4	1	2	2
Time Management			3	2
Provide First Aid		1	3	1
4WD Training			3	
Chief Warden Training			2	1
ABCD Masterclass				
WH&S Training for Officers	1			
WH&S for Managers & Supervisors		1	1	1
a sUNsMART BLANCE FOR Vitamin D & Skin Cancer Prevention for indoor workers	2		2	2
Social Media Workshop with Nicole Jensen	1			
PELs – Mid Term Review – All staff	1	2	1	1
Financial Literacy – Cutting Through The Numbers	2	1		3
Health & Safety Rep Training	1			1
NTRB Legal Workshop				
Legal forum 2017				
Right Way, Wrong Way, Which Way				
Staff Workshop	4	2	5	3
Into Investing				
Meditation	2	1	1	1
WHS for Board				
AHRI State Conference	2			
Drafting Affidavits				
Drafting Effective Pleadings				
Cultural Awareness Training (away trip)			1	2
Native Title Conference 2017	3		4	2
The Margaret Nyland AM Long Lunch				
Records Manager – Power User Training			1	3
Records manager – End User Training	1		3	1
CPR	1			
Total Attendance	28	13	38	31

Overall Total Attendance: 197* Total attendance for 2016/2017 was 201, an increase by 37.6% compared to 2015/2016 which recorded an attendance of 146. Over the last two years, participation numbers reflect an increasing trend.



Corporate		Lawyers		Corporate & Community Dev.	Board	Total
CEO	Executive Assistant	Lawyers	Research (Anthros.)			
		1		1		6
		1				1
		1		1		4
						2
	1		1	3		14
		1				2
	1	4		5		19
						5
						5
		1		2		6
				1		4
1						1
				1		2
						3
		1				7
						1
		1	2			8
		1	1	4		12
						2
		2		1		3
		1				1
				3		3
1	1	5	2	5		28
1				1		2
	1	1	1			8
					6	6
						2
		1				1
		1				1
1			1	1		6
1	1	3	1	2	3	20
		1				1
						4
		1	1			7
		1		2		4
5	5	29	10	33	9	201





South Australian Native Title Services Ltd
Financial Statements 2016/2017





Previous spread, from left: Stephen Harrison with Tree of Life sculpture replica; Milliana Davey and Rebecca Kaddy in Townsville for Mabo 25th Anniversary; Jack Buckskin at NAIDOC 2016 Awards; DCSI staff at National Sorry Day; Yellow flowering gum.

Banner image: Frank Lampard addresses NAIDOC March.

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Independent Audit Report

To the members of South Australian Native Title Services Ltd

GPR:JS
SAN5100

1 November 2017

The Directors
South Australian Native Title Services Ltd
Level 4
345 King William Street
ADELAIDE SA 5000

MOORE STEPHENS

Moore Stephens Audit (SA & NT) Pty Ltd

269 Pulteney Street
Adelaide SA 5000

GPO Box 1171
Adelaide SA 5001

T +61 (0)8 8224 3300

F +61 (0)8 8224 3311

www.moorestephens.com.au

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Dear Directors

SOUTH AUSTRALIAN NATIVE TITLE SERVICES LTD AUDIT COMPLETION REPORT FOR THE YEAR ENDED 30 JUNE 2017

Following the completion of our audit of the financial report of South Australian Native Title Services Ltd for the year ended 30 June 2017, we provide you with the following information in relation to the audit.

We have prepared this report solely for the use of South Australian Native Title Services Ltd. As you know, this report forms part of a continuing dialogue between us and, therefore it is not intended to include every matter, whether large or small, that has come to our attention. For this reason we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy without our prior written consent, we would not accept any responsibility for any reliance that they might place on it.

You will appreciate that the information below came to our attention during the course of our normal audit examination and as a result does not necessarily include all those matters which a more extensive or special examination might identify. Accordingly the following information is limited to that which came to light from our normal audit procedures.

1. Auditor's responsibilities in relation to the audit

As stated in our engagement letter dated 19 May 2017, our responsibility is to form an opinion about whether the financial report is in accordance with accounting standards, *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012*, including the financial report of South Australian Native Title Services Ltd giving a true and fair view of the financial position and performance for the year ended 30 June 2017.

Our audit does not relieve management or the directors from their responsibilities.

Our responsibility is to plan and perform procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments we considered internal control relevant to the company's preparation and fair presentation of the financial report. Such considerations were solely for the purpose of designing audit procedures and not for the purpose of expressing an opinion on the effectiveness of the company's internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgement, relevant to the directors' responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

We confirm that Moore Stephens has complied with all professional regulations relating to auditor independence in relation to this engagement. Moore Stephens has stringent policies and procedures in place to ensure independence requirements are addressed and monitored on a timely basis.

2. Results of the audit

Audit opinion

We have issued an unqualified opinion as we do not believe that the financial report is materially misstated.

Difficulties encountered in performing the audit

We did not encounter any difficulties in dealing with management in performing and completing our audit.

Knowledge of suspected or known fraud

Our audit procedures include discussion with management as to the existence of any known, suspected or alleged fraudulent activities. We also review the company's records to assess the risks of fraud and design additional procedures where deemed necessary based on our professional judgement. No instances of known, suspected or alleged fraud were discovered during the audit. Please contact me immediately if any are discovered by management or the directors.

Compliance with laws & regulations

We are not aware of any known or suspected non-compliance with any laws or regulations applicable to the company that may be material to the financial report.

Accounting estimates

Accounting estimates prepared by management are based on its knowledge and experience about past and current events and assumptions about future events. They are an integral part of the financial report as they can be particularly sensitive and be a cause of material misstatement if not calculated appropriately. Due to the sensitivity of these balances, we focus extra attention on these areas.

The most sensitive estimates which affect the financial statements are:

- Revenue recognition – grants in advance
- Leave provisions

Our procedures included evaluating the key factors and assumptions used to develop these estimates whilst reviewing any applicable source documentation.

In our opinion, the accounting estimates in the financial statements are not materially misstated.

3. Risks and internal control

Internal controls are reviewed as part of our audit procedures. However, no reliance is placed on them in performing our year end procedures. As such, a primarily substantive based approach was used for our audit. We are required to report to you any material weaknesses in the accounting and internal control systems that we identify during the audit. We have no weaknesses to report to you at this time.

We are required to communicate significant risks and how they are addressed. A significant risk is any assessed risk of material misstatement (RMM) that, in our professional judgement, requires special audit consideration. This includes any risk of material misstatement due to fraud. A table of the risks identified throughout the audit that were considered significant risks and of our responses to them can be found at Appendix 1.

4. Misstatements identified

Corrected misstatements

We are required to inform the directors of material misstatements that have been brought to the attention of, and corrected by management. We are glad to inform the directors that no material adjustments were required to the accounting records initially provided to us at the commencement of the audit.

Uncorrected misstatements

We are also required to accumulate and inform the directors of all known and likely misstatements identified during the audit, other than those that are clearly trivial.

We did not identify any further adjustments throughout our audit.

We appreciate the opportunity to be of service to you and take this opportunity to thank your staff for their assistance and cooperation during the course of our audit. We would be glad to further discuss the matters raised with you and provide any assistance you may wish in putting them into effect. These matters will be considered again during future audits.

If you have any queries in respect of the report, please contact me or Jason Siebert.

Yours faithfully
MOORE STEPHENS



GRAEME RODDA
DIRECTOR

E-mail: grodda@moorestephens.com.au

Appendix 1 – Analysis of significant risks

<i>Risk (Description of what can go wrong)</i>	<i>Likelihood to occur</i>	<i>Monetary impact</i>	<i>Potential RMM</i>	<i>Auditor conclusion on how risk has been mitigated</i>
<i>Going Concern – the organisation is reliant on continuing government funding to continue to operate in its existing form</i>	<i>Low</i>	<i>High</i>	<i>Medium</i>	<i>The organisation has guaranteed funding for the subsequent period. Also, the organisation has sufficient assets to appropriately wind-down if required.</i>
<i>Revenue Recognition – grants income could be misstated if not accounted for in accordance with AASB 1004 Contributions</i>	<i>Medium</i>	<i>Medium</i>	<i>Medium</i>	<i>We have thoroughly reviewed the revenue allocation calculations and procedures performed (with reference to the funding agreements and expense allocations for each program) as at 30 June 2017 and are of the opinion that the grants in advance and grant revenue balances are not materially misstated</i>

Directors' Report

For the Year Ended 30 June 2017

The directors present their report, together with the financial statements of the Company for the financial year ended 30 June 2017.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

April Lawrie-Smith

Experience

Director of Aboriginal Health Branch
Director of Aboriginal Justice
Director of AFSA
Member of FWC Traditional Lands Association

Special responsibilities

Chair

Damien Coultard

Qualifications

Certificate IV Training and Assessment (Vocational Education)
Certificate IV Sport and Recreation
B. Education (Physical Education and Society and Cultures)

Experience

Sports Coordinator - Le Fevre High School
Geophysical Terrain Surveyor - Beverly Uranium Mine
Aboriginal student mentor and teacher

Special responsibilities

Deputy Chair

Paul Case

Qualifications

B. Economics (Accounting)
Chartered Accountant
Registered Company Auditor

Experience

Business Consultant

Special responsibilities

Treasurer

Allan Hunter

Qualifications

LLB (Adelaide)
Solicitor of the Supreme Court of SA

Experience

Solicitor and Senior Manager

John Briggs

Qualifications

Workplace Trainer

Experience

General Manager of Intract

Lavene Ngatokura

Experience

Community Police Constable
Youth Program Coordinator
Activist

1. General information

Information on directors

Craig Allen

Qualifications	Masters of Aboriginal Health B. Psychology B. Social Science (Psychology & Criminology)
Experience	Deputy Director (Poche), Faculty of Medicine, Nursing and Health Sciences Assistant Professor, Centre for Aboriginal Medical and Dental Health UWA 2008-2016
Appointed	28 November 2016

Troy McNamara

Experience	Ranger, Department of Defence, Cultuna Army Barracks Manager, Whallina Heritage Management Corporation Aboriginal Liaison Officer, SA Department of Correctional Services Worked with two Aboriginal owned mining companies in WA & NT
Appointed	28 November 2016

Libby Bishop

Qualifications	B. Arts LLB (Adelaide)
Experience	Director of Law Claims, Law Society of SA Deputy President, Guardianship Board
Resigned	28 October 2016

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activities of the Company during the financial year were to act as Native Title Provider (NTSP) for the State of South Australia.

No significant change in the nature of these activities occurred during the year.

Short term objectives

The Company's short term objectives are to provide expert native title services in a range of areas to assist South Australian Native Title Services Ltd's (SANTS) clients to achieve their aspirations.

1. General information

Long term objectives

The Company's long term objectives are to:

1. relieve poverty, sickness, suffering, distress, misfortune, destitution and helplessness amongst the Aboriginal people of South Australia;
2. recognise that such poverty, sickness, suffering, distress, misfortune, destitution and helplessness resulting from such Aboriginal people having been progressively dispossessed of their lands and/or waters, without compensation, as a consequence of which they have been socially, spiritually and economically disempowered and are now the most disadvantaged section of South Australian society, to assist such Aboriginal people to:
 - (a) improve self-reliance and their economic, social and cultural circumstances;
 - (b) regain recognition of their rights and interests in lands and/or waters arising from their traditional laws and customs;
 - (c) access and enjoy their traditional lands and/or waters;
 - (d) have a voice in relation to the future use and exploitation of their traditional lands and/or waters;
 - (e) obtain compensation in relation to their dispossession from their traditional lands and/or waters, and in relation to the future use and exploitation of such traditional lands and/or waters, by providing legal, research and other services.

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- To deliver a full range of statutory services to our clients in order that they are able to achieve the formal recognition and exercise of native title rights;
- To provide leadership in native title;
- To enhance our clients' capacity to achieve their desired objectives;
- To enable SANTS to achieve excellence through all operations and working relationships;

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by:

- The provision of legal services for providing timely advice in attaining and maintaining native title rights and interests;
- Facilitating community meetings to enable the progression of native title and compensation claims;
- Addressing future acts as they arise to inform about and protect native title rights and interests;
- Assisting native title groups to achieve their broader aspirations in terms of social, economic and cultural opportunities;
- Successful Consent Determinations.

1. General information

Performance measures

The following measures are used within the Company to monitor performance:

- Key performance indicators are approved each year by the Board for the company in terms of the achievements of SANTS in native title.

Members' guarantee

South Australian Native Title Services Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$5 for members that are corporations and \$5 for all other members, subject to the provisions of the company's constitution.

At 30 June 2017 the collective liability of members was \$ 40 (2016: \$ 35).

Meetings of directors

During the financial year, 9 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit, Finance, Governance & HR Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Paul Cate	5	5	4	4
Allan Hunter	5	5	2	2
Libby Bishop	3	3	2	-
John Briggs	5	4	-	-
April Lawrie-Smith	5	4	4	3
Laverne Ngatokura	5	5	4	4
Darren Coullard	5	3	2	2
Craig Allen	2	2	-	-
Troy McNamara	2	2	-	-

Signed in accordance with a resolution of the Board of Directors:

Director



Director



Dated this 30 day of October 2017

Auditors Independence Declaration under Section 60-40 Australian Charities and Not-for-profits Commission Act 2012

To the Directors of South Australian Native Title Services Ltd

MOORE STEPHENS

Moore Stephens Audit (SA & NT) Pty Ltd

269 Pulteney Street
Adelaide SA 5000

GPO Box 1171
Adelaide SA 5001

T +61 (0)8 8224 3300

F +61 (0)8 8224 3311

www.moorestephens.com.au

South Australian Native Title Services Ltd

ABN: 66 131 591 841

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Auditors Independence Declaration under Section 60-40 Australian Charities and Not-for-profits Commission Act 2012 to the Directors of South Australian Native Title Services Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MOORE STEPHENS



Graeme Rodda
Director

30 October 2017

Adelaide

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2017

		2017	2016
	Note	\$	\$
Revenue	4	6,026,394	7,900,276
Other income	4	126,370	364,168
Employee benefits expense		(2,836,815)	(3,283,422)
Depreciation and amortisation expense		(60,367)	(37,744)
Travel costs		(270,274)	(632,524)
Occupancy costs		(307,790)	(284,509)
Consulting and professional fees		(918,410)	(2,241,998)
Other expenses		(1,795,236)	(1,803,483)
Deficit for the year		(36,128)	(19,236)
Other comprehensive income		-	-
Total comprehensive loss for the year		(36,128)	(19,236)

Statement of Financial Position

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	4,422,360	1,254,002
Trade and other receivables	7	239,911	24,433
Current tax receivable	11	-	57,453
Other assets	8	48,258	142,950
TOTAL CURRENT ASSETS		4,710,529	1,478,838
NON-CURRENT ASSETS			
Property, plant and equipment	9	97,383	118,082
TOTAL NON-CURRENT ASSETS		97,383	118,082
TOTAL ASSETS		4,807,912	1,596,920
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	2,488,234	575,743
Current tax liabilities	11	68,137	-
Employee benefits	12	487,069	490,442
Other financial liabilities	13	1,624,709	360,297
TOTAL CURRENT LIABILITIES		4,668,149	1,426,482
NON-CURRENT LIABILITIES			
Employee benefits	12	20,644	15,191
TOTAL NON-CURRENT LIABILITIES		20,644	15,191
TOTAL LIABILITIES		4,688,793	1,441,673
NET ASSETS		119,119	155,247
EQUITY			
Accumulated surplus		119,119	155,247
TOTAL EQUITY		119,119	155,247

Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Accumulated Surplus
	\$
Balance at 1 July 2016	155,247
Deficit attributable to members of the entity	<u>(36,128)</u>
Balance at 30 June 2017	<u>119,119</u>

2016

	Accumulated Surplus
	\$
Balance at 1 July 2015	174,483
Deficit attributable to members of the entity	<u>(19,236)</u>
Balance at 30 June 2016	<u>155,247</u>

Statement of Cash Flows

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		661,809	1,054,273
Payments to suppliers and employees		(5,921,710)	(8,397,670)
Interest received		81,038	48,714
Receipt from grants		6,458,851	5,895,199
Net cash provided/(used) by operating activities		<u>1,279,988</u>	<u>(1,399,484)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		<u>(39,668)</u>	<u>(19,906)</u>
Net cash used by investing activities		<u>(39,668)</u>	<u>(19,906)</u>
Proceeds from funds held in trust		<u>1,928,038</u>	-
Net cash provided by financing activities		<u>1,928,038</u>	-
Net increase/(decrease) in cash and cash equivalents held		3,168,358	(1,419,390)
Cash and cash equivalents at beginning of year		<u>1,254,002</u>	<u>2,673,392</u>
Cash and cash equivalents at end of financial year	6	<u><u>4,422,360</u></u>	<u><u>1,254,002</u></u>

Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers South Australian Native Title Services Ltd ('the Company'). South Australian Native Title Services Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The financial statements are presented in Australian dollars which is the entity's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

South Australian Native Title Services Ltd 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.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Interest revenue

Interest is recognised using the effective interest method.

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

(b) Property, plant and equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and buildings

Land and buildings are measured using the revaluation model.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

2 Summary of Significant Accounting Policies

(b) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	2.5 - 16.67%
Furniture, Fixtures and Fittings	10%
Motor Vehicles	20%
Computer Equipment	20 - 33.33%
Computer Software	20%
Improvements	33.33%
Other Property, Plant and Equipment	10%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

2 Summary of Significant Accounting Policies

(d) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

2 Summary of Significant Accounting Policies

(d) Financial instruments

(ii) 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 subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

2 Summary of Significant Accounting Policies

(d) Financial instruments

Impairment

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual right 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 when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount 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.

(e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

2 Summary of Significant Accounting Policies

(f) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Termination benefits

Termination benefits are those benefits paid to an employee as a result of either the entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Termination benefits are recorded as a provision at the earlier of the following dates:

- When the entity can no longer withdraw the offer of those benefits; and
- When the entity recognises costs for a restructuring that is within the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and involves the payment of termination benefits.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(i) Income tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

2 Summary of Significant Accounting Policies

(j) 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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Economic dependence

South Australian Native Title Services Ltd is dependent on the Commonwealth and State Governments for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Commonwealth and State Governments will not continue to support South Australian Native Title Services Ltd.

(m) Fair value of assets and liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

	2017	2016
	\$	\$
Sales revenue		
- Operating grants	5,295,272	7,145,183
- Provision of services	731,122	755,093
	<u>6,026,394</u>	<u>7,900,276</u>
Other revenue		
- interest received	45,332	48,714
- recoveries	81,038	315,454
	<u>126,370</u>	<u>364,168</u>
Total Revenue	<u>6,152,764</u>	<u>8,264,444</u>

		2017 \$	2016 \$
5 Result for the Year			
Expenses			
	Note		
Superannuation contributions		311,218	274,954
Rental expense on operating leases:			
- minimum lease payments		307,347	283,101
Audit fees			
- audit services		15,310	20,450
6 Cash and Cash Equivalents			
Cash at bank and in hand		1,611,888	392,113
Short-term bank deposits		2,810,472	861,889
	19	<u>4,422,360</u>	<u>1,254,002</u>
7 Trade and Other Receivables			
Trade receivables		228,239	27,144
Other receivables		11,672	(2,711)
Total current trade and other receivables		<u>239,911</u>	<u>24,433</u>
Financial assets classified as loans and receivables			
Trade and other receivables			
- total current		239,911	24,433
Financial assets	19	<u>239,911</u>	<u>24,433</u>
8 Other Non-financial Assets			
Prepayments		48,258	142,950

9 Property, Plant and Equipment

	2017 \$	2016 \$
Plant and equipment		
At cost	114,186	114,186
Accumulated depreciation	(75,578)	(57,669)
Total plant and equipment	38,608	56,517
Furniture, fixtures and fittings		
At cost	39,291	39,291
Accumulated depreciation	(32,888)	(26,981)
Total furniture, fixtures and fittings	6,403	12,310
Motor vehicles		
At cost	74,780	74,780
Accumulated depreciation	(58,501)	(50,690)
Total motor vehicles	16,279	24,090
Computer equipment		
At cost	136,028	96,361
Accumulated depreciation	(104,277)	(78,364)
Total computer equipment	31,751	17,997
Computer software		
At cost		
At cost	11,937	11,937
Accumulated depreciation	(11,937)	(9,594)
Total computer software	-	2,343
Leasehold Improvements		
At cost	18,690	18,690
Accumulated depreciation	(18,690)	(18,690)
Total leasehold improvements	-	-
Artwork		
At cost	7,800	7,800
Accumulated depreciation	(3,458)	(2,975)
Total artwork	4,342	4,825
Total property, plant and equipment	97,383	118,082

2017 2016
\$ \$

9 Property, Plant and Equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Equipment	Computer Software	Improvements	Artwork	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Year ended 30 June 2017								
Balance at the beginning of year	56,517	12,310	24,090	17,997	2,343	-	4,825	118,082
Additions	-	-	-	42,142	-	-	-	42,142
Depreciation expense	(17,909)	(5,907)	(7,811)	(28,388)	(2,343)	-	(483)	(62,841)
Balance at the end of the year	38,608	6,403	16,279	31,751	-	-	4,342	97,383

10 Trade and Other Payables

Note

Trade payables	273,268	416,049
Sundry payables and accrued expenses	270,928	143,694
Funds held in trust	1,944,038	16,000
	2,488,234	575,743

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables:

- total current	2,488,234	575,743
Financial liabilities as trade and other payables	19 2,488,234	575,743

11 Tax

(a) Current Tax Asset

GST receivable	-	57,453
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(b) Current Tax Liability

GST payable	68,137	-
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12 Employee Benefits

	2017 \$	2016 \$
Current liabilities		
Long service leave	218,824	224,307
Annual leave	231,327	233,767
Other employee benefits	36,918	32,368
	<u>487,069</u>	<u>490,442</u>
Non-current liabilities		
Long service leave	20,644	15,191

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 2(f).

13 Other Financial Liabilities

Government grants	1,624,709	360,297
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14 Leasing Commitments

Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	368,982	370,622
- between one year and five years	196,693	470,817
	<u>565,675</u>	<u>841,439</u>

Operating leases have been taken out for office equipment, rental of the premises at King William Street and motor vehicles. Lease payments are increased on an annual basis to reflect market rentals.

	2017	2016
	\$	\$

15 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2017 (30 June 2016: \$157,677).

16 Related Parties

(a) The Company's main related parties are as follows:

(i) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 18: Interests of Key Management Personnel (KMP).

Other transactions with KMP and their related entities are shown below.

(ii) Other related parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

A company directed by Paul Case, a director, provided consulting services	14,500	8,184
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17 Events Occurring After the Reporting Date

No 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.

18 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$673,768 (2016: \$826,363).

2017 2016
\$ \$

19 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets

Cash and cash equivalents	6	4,422,360	1,254,002
Loans and receivables	7	239,911	24,433

Total financial assets		4,662,271	1,278,435
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Financial Liabilities

Financial liabilities at amortised cost			
- Trade and other payables	10	2,488,234	575,743

Total financial liabilities		2,488,234	575,743
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20 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 5 each towards meeting any outstandings and obligations of the Company. At 30 June 2017 the number of members was 8 (2016: 7).

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Director



Dated this 30 day of October 2017





South Australian Native Title Services (SANTS)
Level 4, 345 King William Street, Adelaide SA 5000
P (08) 8110 2800 | Freecall 1800 010 370 | F (08) 8110 2811
E info@nativetitlesa.org | W www.nativetitlesa.org