



ANNUAL REPORT

2016-17

Letter of Transmittal

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

24 October 2017

Dear Minister

On behalf of the board of Native Title Services Victoria (NTSV), I am pleased to present our annual report for the year 2016-2017 including our financial reports which were rigorously audited by Price Waterhouse Coopers.

This report marks the end of our reporting against our 2014-2017 Strategic Plan, in which we set a bold target to resolve native title across the State. The momentum created by this ambitious goal enabled us to achieve significant progress across all our claims and we are now working with the remaining few Traditional Owner groups in Victoria that can help us make this goal a reality.

Over the past five years, under the direction of the Board, NTSV has provided secretariat support to the Federation of Victorian Traditional Owner Corporations (Federation) – an alliance of Traditional Owner corporations from across the State who came together at their own instigation to further their shared interests. It is a tremendous tribute to the growth and success of the Federation that this year they were able to take on ownership of NTSV, their service provider. As a result our next strategic plan puts NTSV in the position of working towards the goals of a broader base of Victorian Traditional Owners.

I'd like to take this opportunity to thank you and your department for your support in our resulting change of governance structure and with our work over the past year.

Yours sincerely,



Aunty Di Kerr
Chairperson

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Cover image: Gariwerd

Native Title Services Victoria acknowledges the Traditional Owners of the land we work on as the First People of this country.

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INTRODUCTION: OUR VISION, PURPOSE AND VALUES

Overview

Native Title Services Victoria Limited (NTSV) provides professional services to Traditional Owners in Victoria and works to ensure that native title rights and interests are recognised and protected.

NTSV performs the functions of a Native Title Service Provider as set out in the *Native Title Act* and was registered as a public company limited by guarantee under the *Corporations Act (Cth)* on 12 August 2003.

As the recognised native title service provider for Victoria, NTSV received funding from the Commonwealth Department of Prime Minister and Cabinet to perform its statutory functions. Funding support has also been received from the Victorian State Government for specific purposes.

NTSV is governed by a Board of Directors made up of Victorian Traditional Owners appointed for their knowledge of country, culture, community, their professional skills and governance experience.



REPORT FROM OUR CHAIRPERSON

I want to express my thanks to all the deadly staff at NTSV who worked tirelessly to assist Victoria's Traditional Owners to finally achieve land justice in this state.

I want to acknowledge how proud I am to work with my wonderful colleagues on the NTSV Board and also all those other Traditional Owner leaders who serve on the Board of the Federation of Victorian Traditional Owner Corporations with whom we work so closely. Having said this I must confess that I write my contribution to this year's Annual Report with a sense of great sadness. Over the course of the last year we have lost many of our Elders, many of my friends and family, many people I loved. To lose friends and family is sad for anyone. For our community, losing our Elders can often be tinged with a particular bitterness.

Many of our Elders have been warriors, champions of their people in the struggle for recognition of the fact that we are the first peoples of this land. That our land was unjustly taken by the State and that there has not been reparation, there has not been justice. To see these Elders pass on before they could see justice, before they can know that they and their children are truly recognised as the Traditional Owners of our own country is heart-breaking to me.

In 2006 Victoria's Traditional Owners went to the State saying there must be a better way to achieve land justice than the *Native Title Act*. The State listened. In 2008 a Steering Committee was established which produced a report following which the State gave effect to with the passing of the *Traditional Owner Settlement Act*.

The Gunaikurnai people achieved recognition of their land rights that year with a determination under the *Native Title Act*. Part of the Gunaikurnai settlement used the framework set up under the *Traditional Owner Settlement Act* and it worked. In 2013 the Dja Dja Wurrung achieved their historic settlement entirely under this framework. We all gained hope from this and celebrated with the Jaara people.

Then, also in 2013, the State Government bureaucracy introduced the Threshold Guidelines. These are not part of the Act but rules imposed by the Government that must be complied with before the State will start to negotiate. Since these Threshold Guidelines were imposed there have been no more settlements in Victoria. The Taungurung lodged their Threshold Statement in 2013. It took two years to even start the negotiations. Today there is still no outcome, no justice for the Taungurung. The Eastern Maar, who already had native title status from the Federal Court for part of their country, also lodged their Threshold Statement in 2013. It still hasn't been accepted by the bureaucracy and therefore negotiations haven't even started. The Wurundjeri and First Peoples of the Millewa Mallee lodged Threshold Statements in 2015. As we head towards 2018 these are still being 'considered' by the State.

In last year's Annual Report, the NTSV CEO, Matthew Storey, criticised the bureaucracy for being dilatory in dealing with Threshold Statements. A year later there has still been no more settlements, no Threshold Statements accepted by the State, no land justice.

The Government now says they are reviewing the threshold process. That's good, but it means nothing if there are no outcomes. The *Traditional Owner Settlement Act* comes from the genius of Victoria's Traditional Owners. It is a good law. It has been undermined by the bureaucracy. The Government needs to rethink its approach to the Act. There needs to be settlements. How can this Government talk about a Treaty when they can't acknowledge dispossession and reach agreement about land as a first step?

Victoria's Traditional Owners must be able to use the *Traditional Owner Settlement Act* to achieve outcomes before more of our Elders pass on without seeing land justice. We need to see real progress before sadness turns to anger. We need this for us; we need this for our children.

Aunty Di Kerr
Chairperson



REPORT FROM OUR CHIEF EXECUTIVE OFFICER

Despite the frustrations of not being able to report the finalisation of any comprehensive settlements within the reporting period, it was a busy and rewarding year.

Three matters of note deserve immediate mention. The first is the registration of a claim under the *Native Title Act* over Gariwerd (the Grampians National Park). The second is the constitutional integration of NTSV with the Federation of Victorian Traditional Owner Corporations (the Federation). The third is the introduction of new IT.

The Gariwerd native title claim was lodged in May 2016 and registered under the *Native Title Act* in September 2016. The registration of the claim gives Traditional Owners future act rights in respect of any development in the park. The Gariwerd claim is a big step towards the program of expediting claims in respect of National Parks that was initiated in response to the previous State Government's announced intention to undertake significant economic development programs in the State's National Parks. The State has committed to negotiating an Indigenous Land Use Agreement with Traditional Owners as part of future management arrangements in Gariwerd. This outcome is not only good for country and Traditional Owners but will mean that Gariwerd will ensure its place as a world-class park for its unique cultural and natural values and its progressive management regime.

Another example of Traditional Owners working together to protect country and for mutual benefit is the development of the Federation that has occurred over the reporting period. The Federation was first registered as a not-for-profit company in June 2013. In the intervening three years it has grown to be able to exert a significant and positive influence in a large range of state-wide policy areas. Water, fire policy, cultural heritage, government procurement and economic policy are some examples where the Federation has had a significant policy impact beyond that which any one Traditional Owner Corporation would be capable.

The Federation has also worked to provide advice and assistance to individual Traditional Owner Corporations around economic development activities and established its own successful business enterprises through its commercial arm, Federation Enterprises Pty Ltd.

One of these, Barpa Constructions – a joint venture company with Cockram Construction, has grown in a short time to be a nationally prominent construction firm with a growing Indigenous workforce and offices across the country. The other Federation subsidiary, On Country Heritage and Consulting -a joint venture with WA based Terra Rosa Consulting- was launched in February 2017. It is already a successful cultural heritage consultancy that offers Victoria's Traditional Owner community the ability to be involved at all stages of the cultural heritage protection process, not just at the approval stage.

The NTSV Board has always supported the development of the Federation and seen the need for greater cooperation and coordination between the two organisations. In October 2016 this cooperation was taken to a new level with the formal constitutional integration of NTSV and the Federation. Amendments were passed to the NTSV constitution that created the Federation as the sole member (or shareholder) of NTSV. The result of this integration is that the NTSV Board is responsible to the broader Traditional Owner community through the Federation for the efficient and independent discharge of its statutory responsibilities as a Service Provider under the *Native Title Act*. The constitutional change should also facilitate the possibility of NTSV undertaking more diverse activities in the future when funding under the *Native Title Act* is less certain.

The third matter of note is the introduction of new electronic document management and time recording software at NTSV. While this might not seem overly exciting at first blush, it represents a significant step into the future for the firm. Increasingly funding agencies such as the Department of Prime Minister and Cabinet are demanding concrete evidence to demonstrate performance against "milestones".

Further, it is quite conceivable that in a post-claim environment Commonwealth funding will flow directly to Traditional Owner Corporations who will then be at liberty to purchase the funded services on the open market. The introduction of efficient practice management software will allow NTSV not only to produce the evidence base demanded by funding agencies but also to compete with private sector suppliers of professional services.

Finally, I would like to express my thanks for their insight and support to all the NTSV staff and Board members. My particular thanks to the Board Chair, Aunty Di Kerr, the Director of Legal and Research Services, Austin Sweeney and to the new Director of Corporate Services, Dilruk Taylor. The former Director of Policy and Traditional Owner Corporation Development, Christy Hawker, returned to WA over the course of the reporting period and is sorely missed. However, I was lucky to have Tony Kelly, a Managing Lawyer at NTSV, return from a period of Leave Without Pay (spent in Mt Isa to be with family) return to take up the position in February 2017. NTSV would not have been able to achieve all that it has for Victoria's Traditional Owners without the contribution of these talented and committed senior staff.

Matthew Storey
Chief Executive Officer



OUR COMPANY: ABOUT NTSV

Background

NTSV was registered on 12 August 2003 as a public company limited by guarantee under the *Corporations Act 2001 (Cth)* and this shapes our corporate governance and financial reporting practices.

NTSV's organisational objectives and governance structure are set out in our constitution. As we are a charity registered with the Australian Charities and Not-for-Profit Commission (ACNC), a copy of our constitution is publicly available on the ACNC website.

The Company has Public Benevolent Institution and Deductible Gift Recipient (1) status and is accountable externally to regulators (the Australian Securities and Investment Commission, the ACNC and the Australian Taxation Office), to our funders (the Commonwealth Government and the Victorian Government) and to our clients.

Objects and functions

Our constitution directs us to work with Aboriginal Victorians to reverse the socio-economic disadvantage they experience as a result of progressive dispossession of their traditional lands and waters by assisting them to: regain recognition of their rights and interests in land and waters arising from traditional law and custom; regain access to those land and waters; have a voice in relation to the future use of those land and waters and to obtain compensation for past dispossession and future use of those lands and waters.

Directed by our constitution and by agreement with the Commonwealth Government, NTSV performs the functions of a Native Title Service Provider as set out in the *Native Title Act*, including:

- s203BB facilitation and assistance functions, including but not limited to, the research and preparation of native title claims, representation in native title proceedings before the Federal Court and the National Native Title Tribunal, representation in future act and Indigenous Land Use Agreement negotiations with the State and third parties, and the development and good governance of native title corporations;
- s203BE certification function in relation to native title claims and Indigenous Land Use Agreements;
- s203BF dispute resolution function to promote stability and certainty between and within native title claimant groups and corporations;
- s203BG notification functions to ensure native title holders are advised of and can respond to activities proposed for their traditional lands and waters;
- s203BH agreement making functions, participating as a party to Indigenous Land Use Agreements where appropriate and in line with client interests;
- s203BI internal review functions to ensure native title holders can seek review of our decisions and actions as a Native Title Service Provider; and

- s203BJ other functions including consulting with Aboriginal Victorians and cooperating with other Native Title Representative Bodies and Services providers to promote an effective, efficient and just native title sector.

The Victorian Context

The statutory framework we operate in is shaped primarily by the *Native Title Act* and the *Corporations Act 2001*. Although it does not confer formal functions or responsibilities directly on NTSV, the *Settlement Act* is an important feature of our operating environment and unique to Victoria.

The *Settlement Act* is the result of collaborative policy development between the State Government and the Victorian Traditional Owners and establishes an alternative way to resolve native title claims in Victoria. The *Settlement Act* provides for out-of-court settlements of native title and delivery of land justice by enabling the Victorian Government to make agreements that recognise Traditional Owners and their rights in Crown land in return for the settlement of current and future claims (including compensation claims) under the *Native Title Act*.

Under the *Settlement Act*, a settlement package can include:

- An Indigenous Land Use Agreement, which is required to ensure that the settlement is legally valid under the *Native Title Act*;
- A Recognition and Settlement Agreement, which recognises a Traditional Owner group as Traditional Owners for an area and certain Traditional Owner rights over Crown land;
- A Land Agreement, which provides for either or both grants of land in freehold title for cultural or economic purposes and grants of Aboriginal title over national parks and reserves to be jointly managed in partnership with the State;
- A Traditional Owner Land Management Agreement,

which provides for the joint management of national parks and reserves;

- A Land Use Activity Agreement, which grants to Traditional Owners certain procedural rights to comment on or negotiate and consent to certain activities on Crown land, including the payment of 'community benefits', or compensation, for some activities (the Land Use Activity Agreement replaces the future acts regime under the *Native Title Act*;
- A Funding Agreement to enable Traditional Owner corporations to manage their settlement obligations and to undertake economic development for financial self-sufficiency;
- A Natural Resource Agreement to recognise Traditional Owners' rights to take and use specified natural resources in the agreement area (including animals, plants and forest produce) and to participate in the State's management of land, waters and natural resources.

Strategy and Priorities

NTSV receives more requests for assistance from native title groups than it is able to meet at any given time and has a policy and planning framework in place to guide resource allocation.

Our current Strategic Plan 2014-17 was launched in December 2014. An excerpt of the strategic plan is shown on page 3 and the full document is available on our website.

The NTSV Board set out its priorities for the provision of professional services to client groups in its Operational Plan 2016-17. During the year the Operational Plan guided the direction of resources and assisted the Board and the Senior Management Team to monitor progress.

NTSV continues to implement our Guidelines for Assistance Policy in assessing requests for assistance from native title groups. Decisions made under these guidelines are reviewable.

The guidelines assist NTSV to allocate the funds it receives to facilitate native title matters in Victoria in a manner which:

- Advances the interests of Traditional Owners in accordance with NTSV's Operational Plan;
- Enables NTSV to manage the provision of assistance to native title groups effectively;
- Accords with the principles of procedural fairness;
- Complies with our funding terms and conditions; and
- Complies with the *Native Title Act*.

Services

In line with our objects, functions and current strategic plan, our current services to clients include:

- Legal representation and research assistance for native title claimants and corporations;
- Negotiation and agreement-making under the *Native Title Act* and the *Settlement Act*;
- Dispute resolution services;
- Professional services to support native title agreement-making, including technical advice and planning support in economic development, natural resource management, corporation development and governance; and
- Secretariat services, including policy and technical advice, to the Federation of Victorian Traditional Owner Corporations.

OUR PERFORMANCE

Highlights of the Year

Registration of Gariwerd Native Title Claim

A claim lodged by the Gariwerd Native Title Group was registered by the National Native Title Tribunal in September 2016 assuring the Traditional Owners involved in the claim will have their rights recognised in respect to the development in the Grampians, Victoria's fourth largest park.

Over 80% of Victoria's rock art sites are contained in Gariwerd, making it a significant place for Aboriginal culture. This registration affords Traditional Owners greater heritage protection at a time when the Government is making a major investment in a world-class, long distance walking experience and will ensure that the right people are advising on the most sustainable and sensitive ways to protect the park.

The Traditional Owners who claim rights and interests in the park are represented by the Barengi Gadjin Land Council, Gunditj Mirring Traditional Owner Aboriginal Corporation and Eastern Maar Aboriginal Corporation.

NTSV Restructures for Self-Determination

Over the past year, NTSV has continued to support the Federation of Victorian Traditional Owner Corporations as it has grown in membership, broadened its political engagement to include national policy issues, created new economic joint ventures and worked in partnership with government agencies to care for Country. Key successes include achieving a commitment from the Victorian State Government to fund the development of an Aboriginal Fire Strategy and acting as advisors on the State Government's inaugural Economic Development Board and Interim Treaty Working Group.

In December 2016, in recognition of the Federation's status in the Victorian Traditional Owner community, the NTSV Board took their support to a new level and voted unanimously for the Federation to become the sole shareholder of Native Title Services Victoria. Federation membership covers 70% of the State of Victoria and new corporations are expected to join shortly, increasing the coverage and ensuring NTSV will stay relevant to Victorian Traditional Owners by increasing its direct accountability to the people who use and require its services.

The Board's decision was taken after considerable due diligence and advice from leading independent lawyers.

Barpa staff on the job at Puckapunyal



Building Economic Opportunities

The Federation's considerable entrepreneurial success was seen as a key factor in the NTSV Board's decision to allow it to become an owner, particularly as the NTSV Board are keen to diversify income streams into the future as native title funding becomes less certain.

The Federation's first joint venture Barpa, an Aboriginal Construction Company, was nominated for a Supply Nation Award this year. The Federation launched its second joint venture, On Country Heritage and Consulting, with a leading cultural heritage company in February this year.

Professor Marcia Langton launching On Country Heritage & Consulting

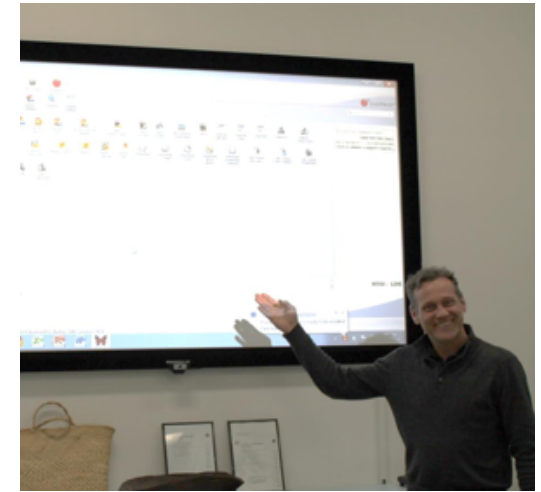


Fostering our Research Capacity

NTSV's Research Team continued to provide highly informed insight into Traditional Owner's connection to Country through primary anthropological and historical research. Over the year, staff commitment to progressing the field of native title research was evidenced by publication and peer-review in the Oral History Australia Journal and Australian Aboriginal Studies.

To broaden their skill base, staff attended a variety of professional development conferences and workshops including the Australian Anthropological Society Annual Conference, a Digital Storytelling Masterclass sponsored by the Professional Historians Association, and the Centre for Native Title Anthropology Annual Conference. In addition, NTSV research staff were invited to present at the Intangible Cultural Heritage Conference sponsored by On Country Heritage and Consulting and the Federation of Victorian Traditional Owner Corporations.

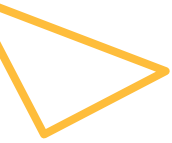
Data Management Officer, Mitch Miller, demonstrating the new IT system to staff.



IT Innovation

As Victoria moves into a post-claim environment, NTSV is preparing for an internal cultural shift away from claims work towards providing relevant services on a fee-for-service model to cope with the increased demand from clients. To facilitate this shift, NTSV made a major investment in a new financial and document management system that can accurately record the time spent on projects in order to bill future clients appropriately. The new system will also enable staff to improve the way they track their time and performance against milestones set by the Department of Prime Minister and Cabinet.

Mitch Miller our Data Management Officer, was our in-house IT liaison to ensure that the system would be fit for purpose and not be unnecessarily complex. Investing in staff is a core NTSV value, not only to build capacity but to reduce the need for expensive consultants. Each team across the organisation had a representative involved in the project to ensure their concerns were captured which in turn smoothed the roll-out process. The project was successfully delivered within the financial year and all staff are now recording the time they spend on projects which will allow for more transparent reporting and effective business planning.



Evidence of Success

In NTSV's Strategic Plan 2014-17, the Board set an ambitious program for the organisation to finally resolve native title claims in Victoria and ensure that the organisation's service capacity and reach meet the needs of Victorian Traditional Owner corporations in the post-settlement environment. In the final year of the strategy and with three new claims filed last year, NTSV has done all it can to resolve native title matters across the Victoria by 2018-2019.

NTSV has achieved or exceeded its targets in its performance framework, as outlined below, with the exception of the first two which were impacted by unanticipated delays in the threshold and negotiation stages and the *Settlement Act* processes.

The entrepreneurial success of the Federation has enabled a greater investment in Traditional Owner corporation development this year and led to exceptional levels of client satisfaction.

KEY PERFORMANCE INDICATOR	2015/16 ACTUAL	2016/17 TARGET	2016/17 ACTUAL	COMMENT
1. % Victoria covered by settlements and claims	66%	98%	66%	Not achieved The amount of land covered by settlements and claims has remained static at 66%. However, the amount of land that is now associated with active work by NTSV has increased considerably with 87% of the State being connected to NTSV services.
2. Ratio of land under claim: settlements	59%	98%	67%	Not achieved The increase in the number of claims in early stages of preparation and the lack of progress in the resolution of claims has meant that the ratio of land under claim to settlement has continued to rise over the last three years.
3. Timeliness of future act and land use activity agreements negotiated and finalised.	Future Acts 230 days	230 days	N/A	Not Applicable Negotiations are continuing on a number of future acts that were notified during 2016-17 and these agreements will be finalised in the next financial year. A number of negotiations were also conducted using the alternative future act processes under the Settlement Act.
	LUAA 137 days	137days	189 days	
4. Satisfaction with quality of future act and land use activity agreements	81%	82%	83%	Exceeded

KEY PERFORMANCE INDICATOR	2015/16 ACTUAL	2016/7 TARGET	2016/17 ACTUAL	COMMENT																								
5. Observed change in quality of agreements		N/A		<p>NTSV continued to work on improving the quality of agreements throughout the year with an emphasis on:</p> <ul style="list-style-type: none"> › Reviewing and improving the quality of commercial agreements › Developing new precedent agreements and documents › Obtaining specialist legal advice to improve the quality of agreements <p>This ongoing work has improved the quality and consistency of agreements that NTSV has developed for use in-house and for its client groups. This has enabled NTSV to perform its functions more efficiently and effectively and provide a higher standard of service for its clients groups.</p>																								
6. Change in corporate capacity measure	4.7%	5%	4.8%	<p>Not achieved Over the last three years the corporate capacity measure has showed a strong increase, with a continuing strengthening of the corporations in developing services (six of the seven corporations earned income through fee for services) and taking a strong approach to structured planning. While the number of employees (ORIC General Reports 2015/16) for the seven corporations was 56 (down from 86 in 2014/15), there was an increase in contracted staff.</p> <table border="1"> <caption>Employee Numbers by Corporation (2014/15 to 2016/17)</caption> <thead> <tr> <th>Corporation</th> <th>2014/15</th> <th>2015/16</th> <th>2016/17</th> </tr> </thead> <tbody> <tr> <td>Stewardship</td> <td>5.7</td> <td>6.0</td> <td>7.4</td> </tr> <tr> <td>Structure & Staff</td> <td>4.8</td> <td>6.3</td> <td>7.7</td> </tr> <tr> <td>Strategy & Planning</td> <td>3.5</td> <td>4.6</td> <td>6.5</td> </tr> <tr> <td>Sustainability</td> <td>3.5</td> <td>3.9</td> <td>4.8</td> </tr> <tr> <td>Stakeholder Management</td> <td>6.1</td> <td>6.1</td> <td>6.8</td> </tr> </tbody> </table>	Corporation	2014/15	2015/16	2016/17	Stewardship	5.7	6.0	7.4	Structure & Staff	4.8	6.3	7.7	Strategy & Planning	3.5	4.6	6.5	Sustainability	3.5	3.9	4.8	Stakeholder Management	6.1	6.1	6.8
Corporation	2014/15	2015/16	2016/17																									
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7. Client satisfaction with corporation development services	83%	85%	89%	Exceeded																								
8. FVTOC satisfaction with secretariat services	86%	85%	92%	Exceeded																								



KEY PERFORMANCE INDICATOR	2014/15 ACTUAL	2015/6 TARGET	2015/16 ACTUAL	COMMENT
9. Changes observed in policy and programs related to advocacy efforts				<p>NTSV has actively advocated for improvements to the processes for decision-making and resourcing at both State and Commonwealth agencies, where there have been impacts on the delivery of timely outcomes for Traditional Owners. The Commonwealth and State are both undertaking reviews of their processes.</p> <p>NTSV has also given support to the Federation's role in policy and program advocacy, to ensure that the policies, particularly for natural resources are aligned to the opportunities arising within the Settlement Act framework. This has included for example policy relating to Treaty, fire, water, biodiversity and hunting, where there is now a greater voice for Traditional Owners in guiding programs and in decision-making processes, and a greater level of acknowledgement of the role of Traditional Owner Corporations as the representative organisations in speaking for Country.</p>
10. \$ value of services supplied to Traditional Owner Corporations (FVTOC, NTSV and subsidiaries)	\$4.8m	\$5.2m	\$5.9m	Exceeded due to a dividend paid from Barpa Construction to the Federation of Victorian Traditional Owner Corporations
11. % funding split (FVTOC, NTSV and subsidiaries)				Exceeded. A clear ability to diversify funding streams is being achieved.
Government:	92%	85%	78%	
Fee-for-service:	8%	10%	20%	
Philanthropic:	0%	5%	2%	
12. Ratio (%) of professional development expenditure: salary expenditure	2.9%	3%	3.2%	Exceeded NTSV spent \$100,613 on professional development and training in the reporting period.

Future Act and Land Use Activity Notification Information for 2016-2017

	SECTION 24	SECTION 29	OTHER	LAND USE ACTIVITY NOTIFICATIONS	TOTAL
Bunurong/ Boonerwung	9		1		10
Dhuudhoroa	6	3			9
Dja Dja Wurrung			6	14	20
Eastern Maar	3		2		5
Far East Gippsland	4	2			6
FP Millewa-Mallee	5				5
Gariwerd			2		2
Gunaikurnai	9	6	4		19
Gunditjmara	1				1
Taungurung	16	11	5		32
Wadawurrung	6	2	11		19
Wadi Wamba Barapa	4	2			6
Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk	1	5			6
Wurundjeri	6	1	29		36
Yorta Yorta		1	9		10
Total	70	33	69	14	186

Financial Overview

A summary of the operating result reported to PM&C is given below:

NTRB Functions (Funds utilized under Native Title Program Funding Agreement)	(3) Actual 2015-16 \$'000	(2) Budget 2016-17 \$'000	(3) Actual 2016-17 \$'000	(4) Variation (column 3 minus column 2)
Capital	60	181	184	3
Prescribed Body Corporate Funding	124	103	100	(3)
Activities	2,604	2,727	2,384	(343)
Corporate	1,658	1,703	1,820	117
Total	4,446	4,714	4,488	(226)
Income				
PM & C Funding	4,428	4,396	4,396	-
PM & C Funding carried forward		280	280	-
Activity Generated Income	19	38	53	15
Other Income	279			-
Total	4,726	4,714	4,729	15
Surplus/(Deficit)	280	-	241	241

Note that this table is prepared in accordance with the funding agreement which is prepared on a modified cash basis and is not in accordance with accounting standards.

The surplus of \$241K indicated in this table arises from unspent funds committed to the financial year 2017-18.

Financial Overview (continued)

A summary of the operating expenditure for the 12 months to 30 June 2017, by activity is shown in the table below:

ACTIVITY NAME	\$'000
Assessment Research	680
Barengi Gadjin	247
Barengi Gadjin Land Council	40
Dja Dja Wurrung	23
Eastern Maar	269
Eastern Maar Aboriginal Corporation	60
First Peoples of the Millewa Mallee	243
Gariwerd	96
Governance and Administration	2,005
Gunditjmara	181
Gunaikurnai	109
Taungurung	303
Wamba Barapa	14
Wilsons Promontory	41
Wurundjeri	177
TOTAL	4,488

Little Desert Park



The Mallee



Smoking ceremony, Dja Dja Wurrung Country



Our clients

Barengj Gadjin Land Council (BGLC)

Over the past year, the BGLC has continued to engage and consult with the broader native title group to strengthen its capacity to renegotiate the 2005 agreements under the *Settlement Act*. To demonstrate negotiation readiness, the native title holders authorised a Part B Threshold Statement in November 2016 and the State advised that the Part B Thresholds had been met in April 2017. Following Cabinet approval, it is anticipated that negotiations will commence in the second half of 2017.

In preparation for negotiations, a Country Planning process has been completed and a finalised plan is being prepared for publication. NTSV continues to provide advice and support to boundary negotiations and issues of group composition. On-going support and assistance has been provided to BGLC on governance, communications, economic development and future act matters.

First Peoples of the Millewa Mallee (FPMM)

The FPMM are actively involved in the threshold process under the *Settlement Act*. In November 2016, following authorisation from the full group of the FPMM, a revised Part A Threshold Statement was lodged with the State. Since that time formal evaluation has been undertaken by the State and the FPMM have provided extensive supplementary information. It is anticipated that the FPMM will move to threshold notification and finalise Part B of the Threshold Statement, which demonstrates negotiation readiness, in the second half of 2017.

The FPMM have a registered Native Title claim in the Federal Court and attended a case management conference before Justice Mortimer in June 2017.

The FPMM also put forward a Registered Aboriginal Party application to the Victorian Aboriginal Heritage Council and are developing an operational plan, policies and procedures to support the corporation to undertake cultural heritage work.

During the reporting period, funds were secured from the Department of Environment, Land, Water & Planning, Mallee Catchment Management Authority and Parks Victoria for the FPMM Aboriginal Corporation to commence country planning.

Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC)

Dja Dja Wurrung was the second group to achieve a comprehensive settlement with the State of Victoria under the *Settlement Act*, signing a Recognition and Settlement agreement in 2013.

DDWCAC continues to oversee and implement the terms of the settlement, including managing all work and activity which takes place on Crown land within its settlement area. These works are overseen by the Board, which is regularly able to negotiate community benefits, including payments and access to contracts for its enterprise arm.

In addition, the corporation continues to negotiate with the State with regards to the implementation of the settlement and to ensure compliance and the workability of its terms. The corporation also manages a Natural Resource Management business and strives to provide planning for joint management of parks subject to Aboriginal title within its settlement area.

Great Ocean Road



Gariwerd



Mount Eccles



Lake Eildon



Our clients (continued)

Eastern Maar Aboriginal Corporation (EMAC)

Over the past year NTSV and EMAC have continued discussions with the State with respect to commencing negotiations under the *Settlement Act* for settlement of their native title claim, and these negotiations are expected to be formally underway within the next few months.

EMAC has also continued to build its capacity, appointing a permanent General Manager, and for the first time appointing a Cultural Heritage Manager to oversee its Registered Aboriginal Party functions under the *Aboriginal Heritage Act 2006 (Vic)*.

Over the course of the next twelve months the Eastern Maar looks forward to significantly advancing its negotiations with the State, and with the assistance of NTSV has already begun various streams of economic, social and strategic planning so that it is well placed to efficiently negotiate and achieve a comprehensive and sustainable settlement outcome.

Gariwerd Native Title Group

On 2 September 2016 the Gariwerd Native Title Claim was entered on the register of native title claims maintained by the National Native Title Tribunal. This claim, over the Grampians National Park, has been brought on behalf of the Wotjobaluk, Jaadwa, Jadawadjali, Wergaia, Jupagalk People, the Gunditjmara People and the Eastern Maar People.

The native title claim group and the state have committed to negotiating an Indigenous Land Use Agreement over park with a view to entering into joint management arrangements. The native title claim and the joint management arrangements will ensure the Traditional Owners are actively involved in the significant cultural heritage, conservation and economic development opportunities available through the investment in the Grampians Peaks Trail.

NTSV is currently assisting the claim group establish a Traditional Owner Corporation to manage their rights and interests in the area of the park and also draft a threshold statement so as to be able to enter into settlement negotiations with the State under the *Settlement Act*.

Gunditj Mirring Traditional Owners Aboriginal Corporation (GMTOAC)

GMTOAC continues to carry out the functions of a registered native title body corporate and registered Aboriginal party in south-west Victoria, and NTSV is continuing to provide ongoing advice and assistance to the corporation in native title and related matters. Settlement renegotiations with the State resumed under the *Settlement Act* during the year and these should enable the corporation to finalise new agreements and secure long term funding to support its core operational activities.

Notably, in April 2016 the Victorian Government announced that it would provide \$8 million in funding to GMTOAC to assist Gunditjmara Traditional Owners progress the Budj Bim UNESCO World Heritage listing. It is expected that a World Heritage listing will ultimately see the establishment of a significant and sustainable tourist destination in this unique landscape in south-west Victoria.

Taungurung

The Taungurung and the State have been in substantive negotiation under the *Settlement Act* since 2015.

In November 2016 the Taungurung negotiating team submitted a comprehensive offer of financial settlement to the State, and in February 2017 an economic report detailing estimates of compensation payable under the *Native Title Act 1993 (Cth)*.

The Taungurung are yet to receive a response from the State with respect to their offer; however the negotiation team has continued to meet regularly to assess all components of a potential settlement, including the preparation of a draft Recognition Statement, and a review of the legal documentation associated with a settlement.

In discussion with the State the Taungurung has been assured that its settlement position is being assessed, and that a fulsome response will be provided by the State shortly, following which it is hopefully a final settlement position can be reached.

NTSV has also continued to assist Taungurung Clans Aboriginal Corporation, the corporate expression of the Taungurung peoples, with respect to various corporate governance and commercial matters.

OUR PERFORMANCE

Snowy River



Barmah



Tarra Bulga National Park



Yarra City Council marker, Melbourne



Our clients (continued)

Far East Gippsland

This year, NTSV initiated research and preliminary engagement with Traditional Owners of the region that lies approximately between the Snowy River and the NSW/Victorian border bounded by the Tasman Sea.

Far East Gippsland is one of the remaining parts of Victoria which does not have a claim underway, so this work will involve collecting information from Traditional Owners and the investigation of historical and other sources of material.

Yorta Yorta Nations Aboriginal Corporation

NTSV and the Yorta Yorta Nations Aboriginal Corporation signed an agreement facilitating access to the archived material from the original litigation of their claim, for the purpose of analysis and further consideration of options for Yorta Yorta people under the *Settlement Act*.

There is an enormous amount of archived information from the litigation and this work is in its infancy.

Gunaikurnai Land & Waters Aboriginal Corporation (GLaWAC)

The Gunaikurnai Land and Waters Aboriginal Corporation has a new board following a six month special administration under the *Corporations Aboriginal and Torres Strait Islander Act 2006* (Cth), initiated in response to governance issues. However, GLaWAC continued to implement its native title settlement agreements, grow substantially and create employment for Gunaikurnai people. NTSV worked to support the new GLaWAC Board in the development and implementation of new strategies and plans and to expand upon their already considerable presence in the Gippsland community.

Additionally, NTSV assisted in the progress of negotiations with land developers, including exploration and mining companies on Gunaikurnai country and furthering the native title claim over Wilsons Promontory.

Wurundjeri/Woiwurrung

In late 2015, a Threshold Statement (Part A) was lodged with the State by the Wurundjeri/Woiwurrung Traditional Owner group over Melbourne and surrounds. NTSV is working with the Wurundjeri/Woiwurrung community as they navigate through the current threshold process with the State with a view to assisting them with their negotiations with the State under the *Settlement Act*. In relation to this, NTSV is also providing support in relation to boundary negotiations with neighbouring groups.

Whole of Country and economic development planning to inform and complement negotiations will commence shortly, as will negotiation about the finalisation of the "Part B" section of the Threshold Statement.

OUR GOVERNANCE

Corporate Governance

The NTSV governance framework comprises the legislative framework governing the organisation, our constitution, Board of Directors, Board sub-committees, the CEO and Senior Management Team and the management team.

The Management Team

The Chief Executive Officer leads NTSV through its day to day operations. During the reporting period he was assisted by four senior managers:

- Austin Sweeney, Director of Legal & Research
- Dilruk Taylor, Director of Corporate Services
- Christy Hawker, Manager of Policy & Development (resigned)
- Tony Kelly, Director of Policy & Traditional Owner Corporation Development

The management team meets every fortnight to plan, discuss and review operational performance and, during the year, was variously comprised of:

- CEO and senior managers;
- Dr Tim Pilbrow, Research Manager
- Daniel Kelly, Managing Lawyer
- Ju-Lin O'Connor, Managing Lawyer
- Catherine Wilson, Managing Lawyer
- Drew Berick, Senior Community Liaison Officer/ Executive Officer



Matthew Storey, CEO

Matthew was appointed CEO in January 2012.

Originally from Victoria, Matthew is a former Associate Professor and Head of Law at Charles Darwin University in the Northern Territory. Most recently, Matthew held a senior position in the Northern Territory administration; with particular responsibility for Indigenous land tenures, encompassing native title, economic development, environmental and natural resources law.

Matthew was also President of the Law Society of the Northern Territory for two years.



Austin Sweeney, Director of Legal & Research

Austin Sweeney joined NTSV as Principal Legal Officer in April 2009. He is a lawyer and mediator, and originally practiced in the area of commercial law. He has extensive experience having worked on land rights and native title matters in different parts of Australia for over 20 years, both as a lawyer for native title representative bodies and as a consultant.



Dilruk Taylor, Director of Corporate Services & Company Director

Dilruk Taylor joined NTSV as an accountant in June 2005 and was appointed as the Director of Corporate Services in November 2016.

Dilruk is a qualified accountant – Certified Practicing Accountant Australia and Fellow member of Chartered Institute of Management Accountants UK. She has over 30 years of experience in finance in not-for-profit and commercial sector organisations in Australia and Sri Lanka.

Dilruk holds a Master of Management (Monash University).



Tony Kelly, Director of Policy & Traditional Owner Corporation Development

Tony has worked at NTSV since 2010. He has extensive experience in community engagement and development having worked as a social worker for over 20 years in Queensland, Northern Territory and Victoria.

Tony also has a legal and environmental science background and brings these combined skills to bear on his native title and development work with Victorian Traditional Owners. Tony was promoted to the role of Director in February 2017.



Dr Tim Pilbrow, Research Manager

Tim Pilbrow joined NTSV in October 2006 as Senior Anthropologist and became Research Manager in August 2014.

Tim has over 20 years of professional experience in anthropological research focusing on group-level identity processes, both in Australia and overseas. He has also taught anthropology at tertiary level. Alongside his credentials and experience in native title settlement research in Victoria, Tim brings to the Research Manager's role considerable experience in research design, grant funding and program administration.

Tim holds a PhD in anthropology (New York University), and a BA (Honours) in Slavic languages and linguistics (Monash University). He is also an accredited mediator.



Ju-Lin O'Connor, Managing Lawyer

Ju-Lin was appointed Managing Lawyer in 2012.

After working in commercial litigation at Gilbert and Tobin in Sydney, Ju-Lin moved to Alice Springs where she worked in law, and film and television production with Aboriginal communities. She has over a decade's experience working as a lawyer in native title and land rights in Victoria and the Northern Territory.



Drew Berick, Executive Officer

Drew is a Dja Dja Wurrung Traditional Owner with a strong background in Aboriginal affairs gained from working in Aboriginal organisations over the past ten years.

He has considerable expertise in liaising between Aboriginal communities and stakeholders of all levels, including State and Federal Governments. He worked as a Senior Community Liaison Officer for the past five years and was promoted to Executive Officer this year.

Prior to joining NTSV in 2008, Drew worked as a Case Manager for the Aboriginal Community Elders Service in East Brunswick.



Daniel Kelly

He was admitted as a solicitor in 2005, and initially practiced in Sydney with commercial law firms M + K Lawyers and Norton White.

Most recently, Dan worked as a Senior Solicitor and Legal Practice Manager at the Central Land Council, in remote Central Australia where he advised Traditional Owners on the hand back of title for the West McDonnell and Watarrka National Parks and the ongoing joint management of national parks.

Dan is a founding member of Australian Lawyers for Remote Aboriginal Rights (ALRAR), and leads ALRAR's legal advocacy work. He holds a BA majoring in English and Political Science and an LLB from Western Sydney University.



Catherine Wilson

Catherine joined NTSV in 2014 as a Commercial Lawyer and was promoted into the role of Managing Lawyer for the Western Region in June 2016.

Following her admission in 2009, Catherine worked as a corporate and commercial lawyer in the Energy, Infrastructure and Resources team at K&L Gates in Melbourne (formerly Middletons). In addition to acting for a broad range of public and private sector clients in the transport, resources, health and pharmaceutical industries, she had a strong pro bono practice focussed on advising not-for-profit and indigenous organisations.

Before joining NTSV, Catherine also worked with Nyamba Buru Yawuru to provide governance and legal support to the native title holders in and around Broome.

Accountability

External Auditor and Audit Committee

The annual audit of NTSV was carried out by PricewaterhouseCoopers. Their report accompanies the financial statements for 2016-2017 and is included on page 65.

The Audit and Risk Committee (ARC) was formed in May 2012 and the Board approved the Charter (revised in February 2017) under which the Committee operates. The role of the ARC is to assist the Board in NTSV's governance and exercising of due care, diligence and skill in relation to reporting financial information to users of financial reports.

This includes consideration of accounting policies, financial management, internal control systems, risk management systems, protection of the company's assets and, acting as the Remuneration Committee to review the remuneration and performance of the CEO.

The Committee met on 23 August and 4 October 2016, and 14 February 2017. Agenda items considered by the committee included fraud, regulatory compliance, trust monies and annual accounts. The Committee meets annually with the auditors to discuss the financial reports and other relevant issues.

ARC reports and makes recommendations to the Board after each meeting.

Department of Prime Minister & Cabinet (PM&C)

To perform the functions of native title service delivery in Victoria, NTSV enters into an agreement with PM&C each year.

The obligations of the funding agreement are detailed in the 'Head Agreement for Indigenous Grants' and 'Project Agreement'. They are comprehensive and hold to account NTSV's Board and its management.

The reporting and acquittals framework ensure PM&C are apprised of NTSV's activities regularly. Half yearly reports – Operational Plan Performance Report and Financial Report - as at 31 December and 30 June - are tabled at relevant Board Meetings.

To the best of our knowledge we have met all our obligations under the funding agreement. We continue to have a good working relationship with PM&C.

Risk Management

Risk management is an integral part of effective corporate governance. It identifies and assesses risks and adopts appropriate practices to mitigate those risks. There were no matters of risk that presented a concern to NTSV in 2016-2017

Insurance

NTSV have comprehensive insurance cover for all assets and activities. This includes work cover, fire, burglary, money, public and products liability and general property, motor vehicle, professional indemnity and directors and officers insurance. There were no outstanding claims in 2016-2017 and we are not aware of any legal proceedings or material claims against us.

Ethical Standards, Policies and Procedures

Our Board, Management and staff are guided in their actions and duties by NTSV's Constitution and its policies and procedures, including Codes of Conduct. To ensure a fair and balanced prioritisation of our activities we have a well-documented internal review process.

We are pleased to report that there were no breaches of our ethical standards, policies and procedures in 2016-2017.

Consultants

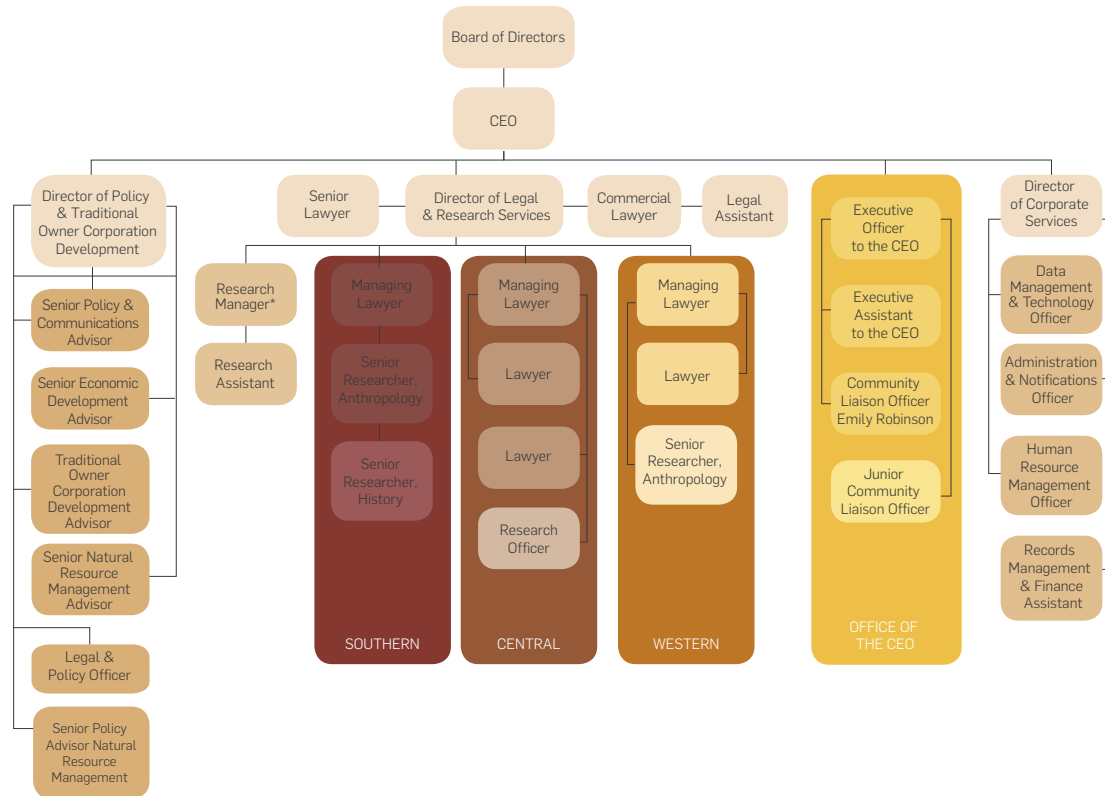
The following table is a summary of the number and expenditure on consultancies. In this context 'legal consultancies' include the briefing of Counsel.

Type	Number	Expenditure
Legal	3	\$7,146
Others	4	\$75,659
Total		\$82,805



OUR PEOPLE

NTSV Organisational Chart



*All Researchers have a secondary reporting line to Research Manager

Workforce Planning

NTSV has a number of initiatives in place which are designed to retain and attract highly qualified staff. These include flexible work arrangements with specific reference to family friendly work practices, regular team building and corporate fun days, an active social club, emphasis on professional development and training, access to salary sacrifice arrangements and tax benefits through our standing as a Public Benevolent Institution.

Additional benefits offered to employees include generous study leave and annual leave provisions and paid parental leave.

NTSV has strived to employ suitably qualified expert staff in line with its objective to move away from a reliance on external consultants and its commitment to broadening staff skills to improve service delivery.

Staff profile, Commencements and Departures

During the financial year we had 7 new starters and 8 departures, along with changes to individual time fractions; the net effect on the equivalent full time staff total was a decrease of 1 (see Staff Profile Table).

STAFF	INDIGENOUS		NON-INDIGENOUS		TOTAL	
	2017	2016	2017	2016	2017	2016
Female	2.00	2.00	13.00	18.00	15.00	19.00
Male	2.00	2.00	15.00	12.00	17.00	14.00
Total	4.00	4.00	28.00	30.00	32.00	33.00

The above statistics are inclusive of full time, part time, contract and casual staff. The total number of staff equals 32 staff, a decrease from 33 as of June 2016.

NTSV is proud of its dedicated staff and our policy when recruiting is to appoint Aboriginal people wherever possible.

Professional Development

As part of our strategy to ensure that NTSV is an organisation that values its staff and is able to deliver professional, reliable and timely service, staff are encouraged to plan, source and undertake relevant training on a regular basis.

NTSV spent \$100,613 on professional development and training in the last year.

Training providers include the University of Melbourne, Deakin University, Leo Cussen Institute, Law Institute Victoria, the Aurora Project, Australian Anthropological Society and the Victorian Employers' Chamber of Commerce and Industry. Some staff also attended the National Native Title Conference in Townsville during June 2017.

Enterprise Agreement

The NTSV Ltd Enterprise Agreement 2015-2018 came into effect on 13 July 2015. This agreement delivered improved terms and conditions of employment for staff.

Workplace Health and Safety

NTSV complies with the legislative requirements of the *Occupational Health and Safety Act 2004 (Vic)*. Our policies and procedures promote a safe and healthy work environment. In 2016-2017 there were no recorded injuries which required Worker's Compensation.

As part of normal operations our staff have travelled over 64,509 kilometres on Victoria's roads in the past year and we have had another incident free year and have maintained our good record of safe driving.

Interns

NTSV continues to nurture a strong, ongoing relationship with the Aurora Project and University of Melbourne Intern programs. Each year NTSV hosts a number of interns from legal, policy and research based disciplines. These interns are highly motivated and possess outstanding skills and academic records.

Over the financial year NTSV hosted 15 legal, research and policy interns.

Scholarships

NTSV continues to support two Aboriginal law students from the Institute of Koorie Education at Deakin University. Two students have been awarded the Bryan Wyatt Scholarship. These two students spend 6 weeks each year on placement at NTSV as part of their law studies.



FINANCIAL STATEMENTS





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These financial statements are the financial statements of Native Title Services Victoria Ltd as an individual entity. The financial statements are presented in the Australian dollar (\$).

The financial statements were authorised for issue by the directors on 15 September 2017. The directors have the power to amend and reissue the financial statements.

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2017.

Directors

The following persons were directors of Native Title Services Victoria Ltd during the whole of the financial year and up to the date of this report:



Diane Kerr



Kenneth Stewart



Paul Paton



Graham Atkinson



Eileen Alberts



Jeremy Clark



Darren Perry



Marcus Stewart

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

Information on Directors

Diane Kerr
Chairperson (re-appointed 11 October 2016)
Director (re-appointed 11 October 2016)

- Member and former Director of the Dandenong Aboriginal Co-operative
- Former Director of Narragot Housing (Koorie Housing Loans)
- Former Field Officer in native title
- Chairperson of Indigenous Advisory Committee at Royal Women's Hospital
- Member of Consumer Advisory Committee at Royal Women's Hospital
- Member of Indigenous Advisory Committee at Victorian Museum
- Ambassador of Indigenous Leadership Network Victoria
- Ms Kerr is a Wurrundjeri woman.

Kenneth Stewart
Deputy Chair (re-appointed 11 October 2016)
Director (re-appointed 11 October 2016)

- Extensive experience in corporate governance, native title, cultural heritage and natural resource management
- Member of the working group that established the Murray Lower Darling Indigenous Nations (MLDRIN)
- Worked with the North West Clans Aboriginal Corporation
- Current Living Murray Indigenous Facilitator with the Mallee Catchment Management Authority
- Mr Kenneth Stewart is a Wamba Wamba man.

Graham Atkinson
Director (re-appointed 11 October 2016)

Qualifications

- Master of Business Administration (RMIT University)
- Bachelor of Arts (University of Melbourne)
- Bachelor of Social Work (University of Melbourne)
- Graduate of Australian Institute of Company Directors' Program Accredited mediator NMAS

Experience

- Director, Federation of Victorian Traditional Owner Corporations Ltd, Federation Heritage Services Ply Ltd, Barpa Pty Ltd
- A Director of a consultancy firm with many years' experience in senior management roles
- Chairman of Dja Dja Wurrung Clans Aboriginal Corporation
- Board Member of the Indigenous Land Corporation
- Director of National Native Title Council
- Director of North Central Catchment Management Authority
- Director Djandak Enterprises P/L
- Chamber 2 Member, National Congress of Australia's First Peoples Mr Atkinson is a Dja Dja Wurrung and Yorta Yorta man.



Eileen Alberts
 Director (re-appointed 11 October 2016)

- Respected Elder of the Koori court
- Many years in Aboriginal health and education
- Former Field Officer in native title
- Former Cultural Heritage Officer with Gunditj Mirring Traditional Owner
- Mentor with the Budj Bim Rangers Land Management Team
- Member of Yulendj Mov
- Director at Winda Mara Aboriginal Corporation
- Vice Convenor Budj Bim Council
- Ms Alberts is a Gunditjmara woman

Darren Perry
 Director (re-appointed 11 October 2016)

- Involved in the field of Cultural Heritage Management in North-West Victoria for the last 27 years with the protection of the large cemeteries of the Ngintait People a strong focus over the last decade
- A strong desire to maintain and transmit the culture and knowledge of the Traditional Ancestors of the North-west Victorian Aboriginal People to the younger generations of Traditional Owners is what drives Darren to engage with native title. He sees that Native Title benefits can provide a platform to build a stronger connection to Country and Culture as well as lifting the living standards of Traditional Owners in North-West Victoria.
- Director, Federation of Victorian Traditional Owner Corporations Ltd Director, First People of the Millewa Mallee
- Mr Perry is a Ngintait, Ngarket, Jardwajali and Gunditjmara man

Marcus Stewart
 Director (re-appointed 11 October 2016)

- Diverse experience and insight encompassing strategic policy direction and Aboriginal program delivery and design
- CEO of the Taungurung Clans Aboriginal Corporation
- Deputy Chair of the Federation of Victorian Traditional Owner Corporations
- Mr Stewart is a Taungurung man from Central Victoria

Jeremy Clark
 Director (re-appointed 11 October 2016)

- Over 25 years' of experience in Aboriginal affairs; specialising in cultural heritage, native title and land management. He brings strong business experience to the board gained from his work with the Brambuk Cultural Centre in Gariwerd.
- General Manager of Barpa Construction Services and Executive Officer of the Federation of Victorian Traditional Owner Corporations
- Jeremy is the Managing Director of Federation Enterprises and Chair of On Country Heritage and Consulting
- Mr Clark is a Tjap/Peek Wurrung Traditional Owner from South West Victoria

Paul Paton
 Director (re-appointed 11 October 2016)

- Executive Officer of Victorian Aboriginal Corporation for Languages
- Director First Languages Australia and Ninde Ngujarn Monaro-Ngarigo Aboriginal Corporation
- Paul is a Sessional Teacher, co-teaching Masters of Landscape Architecture class on "Country, Language, Place and Identity" Committee Member, Research Unit for Indigenous Languages at Melbourne University
- Previous Chairperson, Indigenous Names Committee – Victorian Geographic Names Panel
- Mr Paton is of Gunai & Monero descent

Meeting of Directors

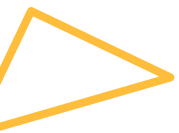
The numbers of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2017, and the numbers of meetings attended by each director were:

	Number eligible to attend	Number attended
Diane Kerr	5	1
Ken Stewart	5	5
Graham Atkinson	5	4
Eileen Alberts	5	5
Darren Perry	5	3
Marcus Stewart	5	5
Jeremy Clark	5	5
Paul Paton	5	4

Principal Activities

The principal activities of the company during the financial year were the provision of professional services to indigenous people in Victoria and to pursue the recognition and protection of native title under the *Native Title Act* in Victoria.





Objectives and Strategies

The company's long-term objectives are to:

- Develop long term, sustainable and economic land bases for the Aboriginal peoples of Victoria
- Assist in the development of a united, informed Aboriginal community in Victoria

The company's short-term objectives are to provide sustainable native title and land justice solutions for Traditional Owners in Victoria.

To achieve these objectives, the company has adopted the following strategic themes and the respective strategies:

1. Facilitate successful determinations, settlements and agreements

- Manage resource allocation to simultaneously settle priority claims and ready other claims to take on priority status
- Use cross-organisational project teams to progress activities on the operational plan
- Develop and implement a future acts assistance policy
- Develop and implement an external communications strategy
- Maintain collaborative relationships with all stakeholder agencies

2. Influence policy and legislative reform

- Conduct a sustained and persuasive dialogue with relevant state government ministers
- Provide timely and relevant policy and strategic advice to the Federation of Victorian Traditional Owner Cooperations limited
- Work with the Federation of Victorian Traditional Owner Cooperations limited to clarify its future role and relationship with NTSV

- Strengthen the alignment of cultural heritage and native title processes
 - Participate actively in the NNTC and contribute to its policy advocacy
- #### 3. Support Traditional Owners to develop sustainable organisations
- Provide legal and strategic advice to PBC's and other post-settlement organisations on request
 - Define NTSV's role in developing sustainable Traditional Owner organisations
 - Develop capacity building and agreement implementation support service model
 - Develop and participate in initiatives to resolve inter/intra-group conflict, including the Right People for Country project

4. Ensuring NTSV strength, security and capability

- Broaden staff skills mix to improve service delivery
- Enhance NTSV's financial administration and information management systems
- Enhance NTSV's performance management systems
- Strengthen NTSV's governance structure as necessary
- Develop and implement an indigenous employment strategy
- Strengthen NTSV's internal communications

Performance Measures

The company measures its performance by using the following success measures:

- The maximum number of positive native title outcomes, with the strongest possible recognition of rights and interests
- Traditional Owners shall have their land-related aspirations met
- Traditional Owners shall be recognised and respected throughout Victoria
- Legislation/policy reformed to allow for just settlement of native title
- There shall be effective mechanisms for dispute resolution within Traditional Owner groups
- Land justice outcomes shall maximise the number of strong incorporated organisations, with associated social improvements for Traditional Owners

Members' Liability

The company 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 \$1 each towards meeting any outstanding obligations of the company. As at 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$1 (2016: \$12).

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Event since the end of the financial year

No matter or circumstance has arisen since 30 June 2017 that has significantly affected the company's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

The directors expect that the company will continue to carry out its principal activities as detailed above. There are no other known or likely developments which the directors foresee which they wish to disclose at this time.

Environmental regulation

The company is not affected by any significant environmental regulation in respect of its operations.

Insurance of officers and indemnities

During the year, the company paid the a premium which provides indemnity for the directors.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60 - 40 of the *Australian Charities and Not-for-profit Commission (ACNC) Act 2012* is set out on page 49 and forms part of the Director's report.

This report is made in accordance with a resolution of directors.



Principal activities

The principal activities of the company during the financial year were the provision of professional services to indigenous people in Victoria and to pursue the recognition and protection of native title under the *Native Title Act 1993 (Cth)* in Victoria.

Objectives and strategies

The company's long-term objectives are to:

- (a) develop long term, sustainable and economic land bases for the Aboriginal peoples of Victoria
- (b) assist in the development of a united, informed Aboriginal community in Victoria

The company's short-term objectives are to provide sustainable native title and land justice solutions for traditional owners in Victoria.

To achieve these objectives, the company has adopted the following strategic themes and the respective strategies:

- (a) facilitate successful determinations, settlements and agreements
 - manage resource allocation to simultaneously settle priority claims and ready other claims to take on priority status
 - use cross-organisational project teams to progress activities on the Operational Plan
 - develop and implement a future acts assistance policy
 - develop and implement an external communications strategy
 - maintain collaborative relationships with all stakeholder agencies
- (b) influence policy and legislative reform
 - conduct a sustained and persuasive dialogue with relevant State Government Ministers
 - provide timely and relevant policy and strategic advice to the Federation of Victorian Traditional Owner Cooperation Limited
 - work with the Federation of Victorian Traditional Owner Cooperation Limited to clarify its future role and relationship with NTSV
 - strengthen the alignment of cultural heritage and native title processes
 - participate actively in the NNTC and contribute to its policy advocacy
- (c) support traditional owners to develop sustainable organisations
 - provide legal and strategic advice to PBC's and other post-settlement organisations on request
 - define NTSV's role in developing sustainable traditional owner organisations
 - develop capacity building and agreement implementation support service model
 - develop and participate in initiatives to resolve inter/intra- group conflict, including the Right People for Country project
- (d) ensuring NTSV strength, security and capability
 - broaden staff skills mix to improve service delivery
 - enhance NTSV's financial administration and information management systems
 - enhance NTSV's performance management systems
 - strengthen NTSV's governance structure as necessary
 - develop and implement an Indigenous employment strategy
 - strengthen NTSV's internal communications

Performance measures

The company measures its performance by using the following success measures:

- the maximum number of positive native title outcomes, with the strongest possible recognition of rights and interests
- traditional owners shall have their land-related aspirations met
- traditional owners shall be recognised and respected throughout Victoria

Performance measures (continued)

- legislation/policy reformed to allow for just settlement of native title
- there shall be effective mechanisms for dispute resolution within traditional owner groups
- land justice outcomes shall maximise the number of strong incorporated organisations, with associated social improvements for traditional owners

Members' liability

The company 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 \$1 each towards meeting any outstanding obligations of the company. As at 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$1 (2016: \$12).

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Event since the end of the financial year

No matter or circumstance has arisen since 30 June 2017 that has significantly affected the company's operations, results or state of affairs, or may do so in future years.

Likely developments and expected results of operations

The directors expect that the company will continue to carry out its principal activities as detailed above. There are no other known or likely developments which the directors foresee which they wish to disclose at this time.

Environmental regulation

The company is not affected by any significant environmental regulation in respect of its operations.

Insurance of officers and indemnities

During the year, the company paid the a premium which provides indemnity for the directors.

Proceedings on behalf of the company

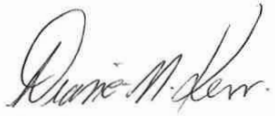
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60 - 40 of the *Australian Charities and Not-for-profit Commission (ACNC) Act 2012* is set out on page 7 and forms part of the Director's report.

This report is made in accordance with a resolution of directors.



Diane Kerr
Chairperson



Kenneth Stewart
Deputy chairperson

Melbourne
15 September 2017



Auditor's Independence Declaration

As lead auditor for the audit of Native Title Services Victoria Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profit Commission (ACNC) Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Native Title Services Victoria Ltd.



David Kennett
Partner
PricewaterhouseCoopers

Melbourne
15 September 2017

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	NOTES	2017 \$	2016 \$
INCOME			
Revenue from government		4,434,647	4,193,396
Interest		12,876	18,855
Other income		202,636	338,811
		4,650,159	4,551,062
EXPENSES			
Employee benefits expense	3	(3,305,480)	(3,148,682)
Depreciation expense	3	(214,404)	(173,185)
Consultants		(82,805)	(46,055)
Leasehold property rental		(192,459)	(192,459)
Other occupancy expenses		(49,199)	(98,964)
Office expenses		(383,641)	(298,603)
Claimant meeting expenses		(151,658)	(147,503)
Motor vehicle expenses		(29,998)	(41,321)
Other expenses		(407,323)	(365,489)
		(4,816,967)	(4,512,261)
(Deficit)/surplus for the year		(166,808)	38,801
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(166,808)	38,801

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	NOTES	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,032,718	1,000,201
Trade and other receivables	5	101,919	146,654
TOTAL CURRENT ASSETS		1,134,637	1,146,855
NON-CURRENT ASSETS			
Property, plant and equipment	6	472,856	563,190
TOTAL NON-CURRENT ASSETS		472,856	563,190
TOTAL ASSETS		1,607,493	1,710,045
CURRENT LIABILITIES			
Trade and other payables	7	343,178	380,702
Provisions	8	504,155	385,242
Deferred income	9	264,332	268,789
TOTAL CURRENT LIABILITIES		1,111,665	1,034,733
NON CURRENT LIABILITIES			
Trade and other payables	7	37,143	-
Provisions	11	103,486	153,305
TOTAL NON CURRENT LIABILITIES		140,629	153,305
TOTAL LIABILITIES		1,252,294	1,188,038
NET ASSETS / (LIABILITIES)		355,199	522,007
EQUITY			
Accumulated surplus (deficit)	12	355,199	522,007
TOTAL EQUITY (CAPITAL DEFICIENCY)		355,199	522,007

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated surplus \$	Total equity \$
Balance at 1 July 2015	483,206	483,206
Surplus/(deficit) for the year	38,801	38,801
Total comprehensive surplus for the year	38,801	38,801
Balance at 30 June 2016	522,007	522,007
Balance at 30 June 2016	522,007	522,007
Surplus/(deficit) for the year	(166,808)	(166,808)
Total comprehensive surplus for the year	(166,808)	(166,808)
Balance at 30 June 2017	355,199	355,199

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	NOTES	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from course of operations		5,128,187	5,179,848
Payments to suppliers and employees		(4,984,476)	(5,306,376)
		143,711	(126,528)
Interest received		12,876	18,855
Net cash inflow (outflow) from operating activities		156,587	(107,673)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(124,070)	(40,572)
Net cash (outflow) from investing activities		(124,070)	(40,572)
Net cash inflow (outflow) from financing activities		-	-
Net increase (decrease) in cash and cash equivalents		32,517	(148,245)
Cash and cash equivalents at the beginning of the financial year		1,000,201	1,148,446
Cash and cash equivalents at the end of the year	4	1,032,718	1,000,201

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Note 1: Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Native Title Services Victoria Ltd.

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Australian Charities and Not-for-Profits Commission Act 2012*. Native Title Services Victoria Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

Native Title Services Victoria Ltd is a public company limited by guarantee, incorporated and domiciled in Australia. The sole member of the company is Federation of Victorian Traditional Owner Corporations Ltd.

- **Compliance with Australian Accounting Standards Reduced Disclosure Requirements**
The financial statements of the Native Title Services Victoria Ltd comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).
- **Historical cost convention**
These financial statements have been prepared under the historical cost basis.
- **New and amended standards adopted by the company**
None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2016 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

The Company has elected not to apply any pronouncements to the annual reporting period beginning 1 July 2016.

- **New standards and interpretations not yet adopted**
Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the company. The company's assessment of the impact of these new standards and interpretations is set out below.

› AASB 9 Financial Instruments

AASB 9 is mandatory for financial years commencing on or after 1 January 2018, and the company has not chosen to early adopt. The company does not expect the effect of the new rules on the company's financial statements to be material.

› AASB 1058 Income of Not-for-Profit Entities

AASB 1058 is mandatory for financial years commencing on or after 1 January 2019, and the company has not chosen to early adopt. At this stage the company is not able to estimate the effect of the new rules on the company's financial statements, however does not expect it to be material. The company will make more detailed assessment of the effect prior to application of the standard.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

› AASB 16 Leases

AASB 16 was issued in February 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the company's operating leases. As at the reporting date, the company has non-cancellable operating lease commitments of \$420k, see note 15. However, the company has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the company's profit and classification of cash flows. At this stage, the company does not intend to adopt the standard before its effective date. The standard is mandatory for financial year commencing on or after 1 January 2019.

› Critical accounting estimates

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities using the methods outlined below.

- **Government grants**
Government grants are recognised as revenue when the company obtains control over the assets comprising the contributions.

Control over granted assets is normally obtained upon their receipt and the timing of commencement of control depends upon the arrangements that exist between the grantor and the entity. Where the company considers the grant to be reciprocal in nature, the grant will be treated as deferred income and the grant will be progressively brought to account as revenue in the statement of comprehensive income over the period.

- **Services**
Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
- **Interest income**
Interest income is recognised using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount.

(c) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(d) Leases

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases (note 15). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(e) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year.

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(h) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Class of fixed asset	Depreciation rate
Office Fit Out	20%
Computers	40%
Plant and Equipment	20%
Motor Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(e)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is company policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(j) Employee benefits

• Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

• Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting year using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting year of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(l) Economic dependence

To the extent that the company performs functions prescribed by the *Native Title Act* it is dependent on the continued funding of its operations by the federal authority.

(m) Deferred income

The liability for deferred income is the unutilised amounts of grants reearned on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided on the conditions usually fulfilled within 12 months of receipt of the grant.

Note 2: Financial risk management

The entity's activities exposes it to a variety of financial risk; foreign exchange risk, credit risk and liquidity risk. The entity's overall risk management and strategy and framework recognises the unpredictability of financial markets and seeks to minimise the potential adverse effects on the financial performance and future financial security of the entity.

(a) Market risk

Foreign exchange risk

The company predominantly receives funding in Australian Dollars (AUD) and all the program commitments are in AUD hence, there is no foreign currency risk.

(b) Credit risk

Impaired trade receivables

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount directly. The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified. For these receivables the estimated impairment losses are recognised in a separate provision for impairment.

The Company considers that there is evidence of impairment if any of the following indicators are present:

- Significant financial difficulties of the debtor
- Probability that the debtor will enter bankruptcy or financial reorganisation, and
- Default or delinquency in payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses.

Subsequent recoveries of amounts previously written off are credited against other expenses. No impairment has been recognised at 30 June 2017 (2016: \$nil).

(c) Liquidity risk

Liquidity risk arises from the financial liabilities of the entity and its ability to meet its obligations to repay these liabilities as and when they fall due. The company manages its liquidity risk by monitoring total cash inflows and outflows expected on a monthly basis and maintaining sufficient cash and liquid investments to meet its operating requirements.

Note 3: Expenses

	2017 \$	2016 \$
EMPLOYEE COSTS		
Wages and salaries	3,009,457	2,855,129
Superannuation	279,633	271,582
Other	16,389	21,971
DEPRECIATION		
Plant and equipment	214,404	173,185

Note 4: Current assets Cash and cash equivalents

	2017 \$	2016 \$
Cash at bank	1,032,718	1,000,201

The cash at bank includes monies held for third parties of \$38,505 (2016:\$33,354)

Note 5: Current assets Trade and other receivables

	2017 \$	2016 \$
Trade receivables	64,590	23,338
Other receivables	3,353	51,922
Other receivables for third parties	-	38,931
Prepayments	33,976	32,463
	101,919	146,654

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Note 6: Non-current assets - Property, plant and equipment

	Plant and equipment \$	Office fit out \$	Motor vehicles \$	Computers \$	Total \$
At 30 June 2016					
Cost	102,107	707,921	91,787	405,859	1,307,674
Accumulated depreciation	(102,107)	(265,470)	(9,999)	(366,908)	(744,484)
Net book amount	-	442,451	81,788	38,951	563,190
Year ended 30 June 2017					
Opening net book amount	-	442,451	81,788	38,951	563,190
Additions	-	-	-	124,070	124,070
Depreciation charge	-	(141,584)	(9,163)	(63,657)	(214,404)
Closing net book amount	-	300,867	72,625	99,364	472,856
At 30 June 2017					
Cost	-	707,921	91,787	529,929	1,329,637
Accumulated depreciation	-	(407,054)	(19,162)	(430,565)	(856,781)
Net book amount	-	300,867	72,625	99,364	472,856

Note 7: Current liabilities - Trade and other payables

	2017 \$	2016 \$
Trade payables	136,265	53,320
Sundry creditors and accruals	124,167	327,382
Straight line lease adjustment	44,241	-
Payable to other third parties (cash held on deposit - refer to note 4)	38,505	-
	343,178	380,702

Note 8: Current liabilities - Provisions

	2017 \$	2016 \$
Employee benefits	504,155	385,242

Note 9: Current liabilities - Deferred income - unexpended grants

	2017 \$	2016 \$
Unexpended grants - Federal	264,406	234,583
Unexpended grants - State	17,926	34,206
	264,332	268,789

Note 10: Non-current liabilities - Trade and other payables

	2017 \$	2016 \$
Straight line lease adjustment	37,143	-

Note 11: Non-current liabilities - Provisions

	2017 \$	2016 \$
Employee benefits - long service leave	103,486	153,305

Note 12: Accumulated surplus

	2017 \$	2016 \$
<i>Movements in accumulated surplus were as follows:</i>		
Balance 1 July	522,007	483,206
Net (deficit)/surplus for the year	(166,808)	38,801
Balance 30 June	355,199	522,007

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

Note 13: Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

PwC Australia	2017 \$	2016 \$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	19,130	17,200
Total remuneration for audit and other assurance services	19,130	17,200

Note 14: Contingent liabilities and contingent assets

The company had no contingent liabilities at 30 June 2017 (2016: nil).

Note 15: Commitments

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting year but not recognised as liabilities is as follows:

	2017 \$	2016 \$
Legal Practice Management Software	-	107,454

b) Lease commitments: group as lessee

Non-cancellable operating leases

The property lease is a non-cancellable lease with a five-year term, with rent payable monthly in advance after the rent free period of ten months. Rental to be increased by 3% on each anniversary of commencement save for in years in which there is a market review. An option exists to renew the lease at the end of the five-year term for an additional three terms of five years each.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2017 \$	2016 \$
Within one year	236,698	193,877
Later than one year but not later than five years	182,849	336,803
	419,547	530,680

Note 16: Related party transactions

(a) Key management personnel compensation

	2017 \$	2016 \$
Total compensation	904,915	888,053

The number of key management personnel included is 9 (2016: 12)

(b) Transactions with other related parties

During the year consultancy fees were paid to entities controlled by the directors totalling \$nil (2016: \$1,442).

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

The company also holds money for Taungurung, Wauthurong, Gunditjmara, Wotjobaluk, Wadi Wamba Barapa, Eastern Maar (refer to note 4 and 7)

Note: 17 Events occurring after the reporting period

No matters or circumstances have occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company or economic entity in subsequent financial years.

Note: 18 Financial assets held in trust

The organisation holds cash on deposit for a number of third parties in trust. These assets are not recognised in the statement of financial position as in substance they are owned by third parties. The amounts held in trust on behalf of these third parties are as follows:

	2017 \$	2016 \$
Liability to third parties	621,363	1,450,741
<i>Represented by:</i>		
Term deposits	553,610	1,468,216
Net transactions entered into by Native Title Services Victoria on behalf of the third parties	67,753	(17,457)
	621,363	1,450,759

Included in \$67,753 is the monies held for third parties of \$38,505 held within the company's bank account (refer to note 4).

Native Title Services Victoria Ltd
Directors' declaration
30 June 2017

In the directors' opinion:

- (a) the financial statements and notes set out on pages 8 to 23 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
- (i) complying with Accounting Standards - Reduced Disclosure Requirements, and
 - (ii) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date, and
- (b) 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 directors.



Diane Kerr
Chairperson



Kenneth Stewart
Deputy chairperson

Melbourne
15 SEPTEMBER 2017



Independent auditor's report

To the members of Native Title Services Victoria Ltd

Our opinion

In our opinion:

The accompanying financial report of Native Title Services Victoria Ltd (the Company) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2017
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the Directors' report included in the Annual Report, but does not include the financial report and our auditor's report thereon.

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Independent auditor's report (continued)

To the members of Native Title Services Victoria Ltd (continued)

Other information (continued)

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



Independent auditor's report (continued)

To the members of Native Title Services Victoria Ltd (continued)

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Native Title Services Victoria Ltd for the year ended 30 June 2017 included on Native Title Services Victoria Ltd's web site. The directors of the Company are responsible for the integrity of Native Title Services Victoria Ltd's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.


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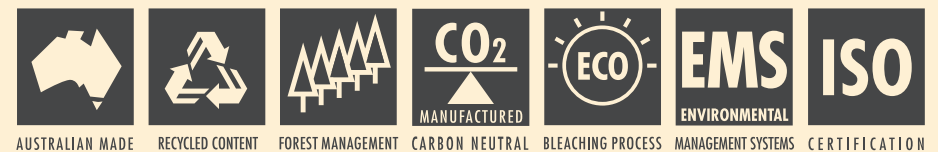


David Kennett
Partner

Melbourne
15 September 2017

GLOSSARY

ALRAR	Australian Lawyers for Remote Aboriginal Rights
ARC	Audit and Risk Committee
BGLC	Barengi Gadjin Land Council
Board	The governing Board of Native Title Services Victoria Ltd
CEO	Chief Executive Officer
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
Cth	Commonwealth
DDWCAC	Dja Dja Wurrung Clans Aboriginal Corporation
EMAC	Eastern Maar Aboriginal Corporation
FCPA	Fellow Certified Practising Accountant
Federation/FVTOC	The Federation of Victorian Traditional Owner Corporations
FPMM	First Peoples of the Millewa Mallee
GLaWAC	Gunaikurnai Land and Waters Aboriginal Corporation
GMTOAC	Gunditj Mirring Traditional Owner Aboriginal Corporation
ILUA	Indigenous Land Use Agreement
LUAA	Land Use Activity Agreement
Native Title Act	<i>Native Title Act 1993 (Cth)</i>
NNTC	National Native Title Council
NNTT	National Native Title Tribunal
NRM	Natural Resource Management
NTSV	Native Title Services Victoria Ltd
PBC	Prescribed Body Corporate
PFA	Program Funding Agreement
PM&C	Prime Minister & Cabinet
RAP	Reconciliation Action Plan
Settlement Act	<i>Traditional Owner Settlement Act 2010 (Vic)</i>
YYNAC	Yorta Yorta Nations Aboriginal Corporation



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