



Native Title Services Victoria Ltd
Annual Report 2010 / 2011

Office Information |

Address

642 Queensberry Street
North Melbourne
Victoria 3051
Melways ref 43 DS

Mail

PO Box 431
North Melbourne
Victoria 3051

Web site

www.ntsv.com.au

Telecommunications

Telephone 03 9321 5300
Toll free 1800 791 779
Fax 03 9326 4075

Published by Native Title Services Victoria Ltd
642 Queensberry Street
(PO Box 431)
North Melbourne, Victoria 3051
Tel: 03 9321 5300
Fax: 03 9326 4075
www.ntsv.com.au

© Native Title Services Victoria Ltd

Front cover: Smoking ceremony, Gunaikurnai Consent Determination.
Design taken from photo by Todd Condie.

This work is copyright. Apart from any use permitted under the Copyright Act 1968, no part may be reproduced by any process without written permission from the Chief Executive Officer, Native Title Services Victoria Ltd

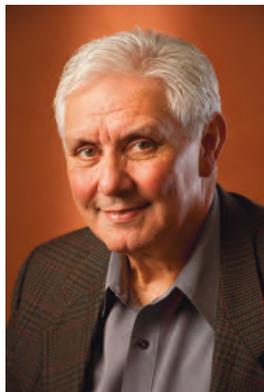
Printed October 2011

Table of Contents

Report by Chairman	3
Report by Chief Executive Officer (CEO)	5
Overview	9
Vision, Mission and Values	9
Strategies	9
Client Services	10
Setting of Priorities	10
Facilitation and Assistance	10
Summary of Native Title Progress in 2010-11	11
Gunaikurnai Claim	11
State Framework Implementation	11
Victorian Traditional Owner Land Justice Group	12
Dja Dja Wurrung	13
Gunditjmara related matters	14
Wamba Wamba, Barapa Barapa and Wadi Wadi peoples	14
Robinvale	14
Taungurung	15
Wimmera (including Yupagulk)	15
South West	15
Future Acts	15
National Native Title Council	17
Latji Latji	17
Dja Dja Wurrung Clans Aboriginal Corporation	17
Natural Resource Management	17
Financial Overview	18
Corporate Governance	20
Legislative Framework	20
NTSV's Constitution	20
Board of Directors	20
The Chief Executive Officer and Senior Management Team	22
External Monitoring and Reporting	22
External Auditor and Audit Committee	23
Indigenous Programs Branch, Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA)	23
Risk Management	23
Insurance	23

Ethical Standards, Policies and Procedures	23
Management of Human Resources.....	24
Organisation Chart.....	27
Staff Statistics.....	28
Staff Profile	28
Commencements & Departures	28
Consultants	28
Employment in the Native Title Environment.....	28
Financial Statements for the Year Ended 30 June 2011	29
Directors' Report	30
Auditor's Independence Declaration	35
Statement of Comprehensive Income.....	36
Statement of Financial Position.....	37
Statement of Changes in Equity.....	38
Cash Flow Statement.....	39
Notes to the Financial Statements	40
Directors' Declaration.....	49
Independent Auditor's Report	50
Glossary of Terms.....	52

Report by Chairman



As Chairman of Native Title Services Victoria (NTSV) I can report that the financial year 2010/11 has been a great year for native title resolution in Victoria. In support of this statement I will briefly cite three significant

pointers to native title progress.

Firstly, the passage of the *Traditional Owner Settlement Act* in September 2010 was a milestone that I found profoundly satisfying, having been not only Chairman of NTSV, but also one of the Co-Chairs of the Victorian Traditional Owners Land Justice Group. The partnership that both bodies brought to the process of engaging with the State Government in relation to the Act was wonderfully productive. We now have in this State an alternative framework for native title resolution that gives legislative recognition to the land-related aspirations of Victorian traditional owners.

Secondly, the Gunaikurnai native title outcome in October 2010 represented a high water mark for the resolution of native title in settled Australia and the Board was proud of NTSV's effort in assisting the Gunaikurnai people to achieve that outcome. I also want to acknowledge that both the Act and the subsequent Gunaikurnai suite of agreements owe a great deal to the commitment and championing by key Ministers in the former Labor government –

in particular Attorney-General Rob Hulls and Ministers Gavin Jennings and Richard Wynne. To them we are truly grateful.

Having said that, the third key element of NTSV's strong year has been the development of a good working relationship with the Baillieu Government and in particular with Attorney-General Robert Clark. We have appreciated the considered and respectful approach that the Attorney has brought to native title discussions and his support for the application of the *Traditional Owner Settlement Act*.

On behalf of the Board I acknowledge the strong work of the staff team throughout the financial year and, in particular, the continuing leadership of CEO Chris Marshall through another year of negotiating the challenges of a complex working environment. Chris gave the Board one year's notice in December 2010 and the issue of his succession has been a focus of Board planning. The 2011-14 Strategic Plan sets out the overall vision for NTSV as it enters a new phase with a new CEO – a vision of continuing to turn the tide of history for Victorian traditional owners.

The Board takes very seriously its corporate responsibilities and my fellow Directors and I are confident that NTSV has competently performed its core functions and prudently managed its financial resources during financial year 2010/11.

A handwritten signature in black ink, appearing to read 'Graham Atkinson'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Graham Atkinson
Chairman

Report by Chief Executive Officer (CEO)



The financial year 2010/11 was a year of significant achievement for NTSV and in some respects marked a high water mark for the organisation.

In September 2010 the Victorian Parliament passed the *Traditional*

Owner Settlement Act – an alternative means of resolving native title, designed to suit the Victorian circumstances of extreme dispossession whilst still using the native title process as a means of delivering a measure of land justice to Victorian traditional owner groups. This legislation was a wonderful outcome of a long and somewhat tortuous process of engagement with the State Government and facilitation by NTSV in support of Land Justice Group objectives.

In October 2010 the long running Gunaikurnai native title claim was resolved by a consent determination declaration of the Federal Court, along with a suite of ancillary agreements negotiated pursuant to the *Traditional Owner Settlement Act*. This also represented a major achievement and set a new benchmark for native title agreement making in Victoria. Along with the positive native title determination by the Court, the State government transferred title of ten significant Crown land parcels to the Gunaikurnai Land and Waters Aboriginal Corporation, with joint management rights, and entered into a funding agreement

designed to secure in perpetuity the capacity of the Corporation to operate as the corporate face of the traditional owners of Gippsland.

For me these events marked the end of a significant phase of NTSV activity and in December 2010 I gave the Board twelve months' notice of my intention to resign, effective December 2011. As NTSV enters a new phase of service delivery to Victorian traditional owners and their corporations, so will it have a new CEO to lead it into that new phase.

In this my final annual report I want to adopt the format offered by the so-called Balanced Scorecard framework in describing NTSV's organisational performance during the financial year 2010/11. In doing so I will structure my report under the following four headings:

- Client services and stakeholder engagement
- Financial performance
- Internal NTSV processes
- Development, growth and future direction.

Client Services and Stakeholder Engagement

In terms of Client Services I have already referred to the significant outcome for the Gunaikurnai claim group. With this being the top priority matter on our Operational Plan, an intensive allocation of human and financial services to resolution of the claim was a feature of the early months of the financial year.

Moreover, subsequent to the October 2010 outcomes, NTSV staff have continued to work closely with the Gunaikurnai Land and Waters Aboriginal Corporation in establishing governance arrangements and in providing the necessary advice and support in relation to the implementation of their agreements with the State of Victoria.

Other priority matters in the NTSV Operational Plan were also progressed. In particular, significant effort was invested in assisting the Dja Dja Wurrung people of central Victoria, who during the course of the financial year established their own office in Bendigo and engaged their own administrative and executive staff, notwithstanding that the November 2010 State election meant that to some extent progress towards settlement of their claim was necessarily suspended. With a change of government occurring at the election, it was not until late in the financial year that negotiations were able to continue, and as at 30 June 2011 there had still been no final resolution.

Likewise the progress of the Wamba Wamba, Barapa Barapa and Wadi Wadi peoples' claim toward resolution was subject to the hiatus bought about by the change of government and the new Government's need for a period of policy evaluation before negotiations could be fully resumed.

The resolution of Gunditjmara Part B – that part of the original Gunditjmara claim that had been warehoused at the time of the consent determination of native title in March 2007 – proceeded toward resolution and as at the 30 June 2011 a further consent determination was imminent.

Financial Performance

Due to the operational realities described above – with intensive resource allocation to the Gunaikurnai claim, followed by a period of operational hiatus following the change of government at the November state election, the financial trajectory of NTSV in 2010/11 was something of a roller-coaster. There was a necessary but worrying level of over-budget expenditure in the early months of the financial year, but this was offset by a dramatic expenditure curtailment for some months from November, with the happy outcome of a balanced budget and a break even result as at the 30 June 2011.

I take this opportunity to acknowledge the effort and commitment of our Corporate Services Manager and Finance Officer in attending to the difficult issues of financial management in the context of marked variation in expenditure levels through the course of the financial year. I also want to acknowledge the ongoing support of our major funding body, the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and of the committed and supportive FaHCSIA staff. Mention should also be made of the financial support provided by the Victorian Department of Justice, whose Native Title Unit has consistently brought professionalism and a constructive engagement to its dealings with NTSV and with our client groups.

Internal NTSV Processes

During the financial year a new management position was created within NTSV – that of Operations Planning Manager, with the specific function of facilitating better planning of our operational activities and a greater

emphasis on teamwork in relation to all the activities on the Operational Plan. Ms Christy Hawker has done an excellent job in this new position, with the result that NTSV's internal processes have been greatly enhanced by what amounts to a matrix approach to the design of management arrangements.

Mention must also be made of the continuing governance strength of NTSV that arises directly from its excellent Board made up of seven (7) Victorian traditional owners with skill and experience in corporate governance and community leadership. There was only one change at Board level during the financial year and the Board continues to be marked by an unusual degree of continuity and strength.

The Management Team met weekly throughout the year and this too has augmented significantly the co-ordination and management strength of the overall organisational effort.

Development, Growth and Future Direction

A staged consultative process involving all NTSV staff and the NTSV Board was undertaken early in the first half of calendar year 2011, leading to the development of a new NTSV Strategic Plan 2011-2014.

The new Plan confirms and builds on the vision and mission statements that have informed NTSV's activities in recent years, with the Board confirming that NTSV is "turning the tide of history for traditional owners in Victoria".

The Strategic Plan commits NTSV to the ongoing objective of using native title and alternative settlement legislative options to establish strong and sustainable traditional

owner entities across Victoria – each with its own suite of agreements with the State. To achieve this, NTSV will be undertaking its own further workforce planning initiatives in order to ensure it is well placed to achieve that objective in the years ahead.

In addition, NTSV's constitution has been subject to substantial revision and as at the end of the financial year it was envisaged that a general meeting of the members would now proceed to adopt the revised and improved constitution as a strong platform for the organisation going forward.

The commitment to making NTSV a learning organisation by the continuous development of its staff capabilities is clear. With regard to the staff, I take this opportunity to acknowledge the unstinting commitment of NTSV staff during the financial year.

I am grateful to the Board for the opportunity to have served NTSV and the traditional owners of Victoria through another financial year and, indeed, through the eight years that I have been in this role since NTSV's formation in 2003. It has been a great privilege.



Chris Marshall
CEO

Native Title Services Victoria Limited's (NTSV) purpose is to represent native title claimants in Victoria and to ensure that native title rights and interests are recognised and protected. We perform the functions of a native title representative body, as set out in the *Native Title Act 1993* (Cth).

NTSV was registered as a public company limited by guarantee under the *Corporations Act 2001* (Cth) on 12th August 2003.

The Australian Government Department of Families, Housing, Community Services and Indigenous Affairs provides the majority of our funding. We also secure funding from the State Government for specific purposes from time to time.

NTSV is governed by a Board of Directors comprised of seven Indigenous persons who are all traditional owners of Victoria. The Chief Executive Officer (CEO) manages the day-to-day operations of the organisation, which employs lawyers, researchers and administrative personnel.

Vision, Mission and Values

Our Vision

Our Vision is: We will turn the tide of history for land justice in Victoria.

Our Mission

Our Mission is: We provide sustainable native title and land justice solutions for traditional owners in Victoria.

Our Values

Our Values are:

- Respect and support for the autonomy of native title groups
- Respect, honesty and integrity in all our dealings
- Transparency, accountability and fairness in our decision making
- Professionalism, reliable and timely service delivery
- Valuing our staff and provision of a diverse and supportive workplace
- Displaying cultural sensitivity and awareness.

Strategies

Our strategic themes are focused on the organisation:

- Performing strongly in terms of successful determinations, settlements and agreements
- Influencing policy and legislative framework reform (primarily at State level)
- Facilitating and supporting sustainable traditional owner organisations
- Ensuring NTSV strength, security and capability.

NTSV has detailed its objectives and strategies in its Strategic Plan for the period 2008-2011.

Setting of Priorities

In order to reflect the requirements of the *Native Title Act* and the funding agreement to which NTSV is a party, the NTSV Board is required to set priorities for the provision of professional services to client groups. These priorities are set out in our Operational Plan for 2010-11 and reflect the fact that NTSV has more requests for assistance from native title groups than it is able to meet at any given time. During the year the Operational Plan guides the direction of resources and assists the Board and the Senior Management Team to monitor our progress.

Facilitation and Assistance

NTSV continues to implement the “Guidelines for Assistance” Policy in assessing requests for assistance from native title groups.

In accordance with these guidelines assessment research is conducted as the first step in providing assistance with new claims, to enable preliminary legal advice to be provided to native title groups before any new native title application is filed. Legal and research assistance are only provided in accordance with the priorities set by the NTSV Board each year and reflected in the Operational Plan approved by FaHCSIA.



Gunditjmarakarween Dance Group. Back Row: (Left to Right) Bluegum Cooper (Gunaikurnai), Lowell Hunter. Front Row: (Left to Right) Adeline McDonald (Gunaikurnai), Carol Wright (Gunaikurnai), Katrina Henderson, Sandra Burrows.

Summary of Native Title Progress in 2010-11

Gunaikurnai Claim

The Gunaikurnai native title claims were NTSV's first priority claim in the 2010/11 financial year. After intensive negotiations in the early part of the financial year, agreement in principle was reached with the State and settlement negotiations were finalised.

A native title consent determination was made by the Federal Court on country at The Knob Reserve, Stratford, on 22 October 2010. At a ceremony immediately following the hearing, an Indigenous Land Use Agreement ('ILUA') and the first Recognition and Settlement Agreement ('RSA') under the *Traditional Owner Settlement Act 2010* (Vic) were signed by claimants and the Victorian Attorney-General.

This outcome sets a new benchmark in Victoria for the resolution of native title. The native title determination and the RSA recognised the traditional interests of the Gunaikurnai across 22,000 square kilometres of Gippsland.

Significantly, for the first time in Victoria, the agreement with the State provided for the grant of Aboriginal title to a Traditional Owner Group. This consisted of title to ten culturally significant parks and reserves, to be managed jointly by the Gunaikurnai and the State. The rights of Gunaikurnai people to access and use other Crown land for traditional purposes were also recognised.

In addition, the settlement included a financial package with funds provided by the State and Commonwealth Governments that made resources available for the implementation of the settlement



Gunaikurnai elders with their consent determination 22 Oct 2010. Left to right: Aunty Rita Watkins, Aunty Gwen Atkinson, Uncle Albert Mullett, Aunty Margaret Donnelly. Photo by Todd Condie.

agreements, the ongoing operation of the Gunaikurnai Land & Waters Aboriginal Corporation ('GLaWAC'), and the realisation of the economic and cultural aspirations of the Gunaikurnai.

In the months since the determination, NTSV has worked closely with the State and GLaWAC, to assist the corporation become established and begin the task of implementing the settlement agreements.

State Framework Implementation

The culmination of several years of intensive policy engagement by NTSV and the Victorian Traditional Owner Land Justice Group ('LJG') with the State Government was realised on 23 September when the *Traditional Owner Settlement Act* came into effect.

This historic legislation provides a framework under Victorian State law for the resolution of native title claims and Traditional Owner Group aspirations for land justice through the negotiation of settlement agreements with the State Government. As noted above, one month later on 22 October, the first RSA under this legislation was entered into with the Gunaikurnai.

On 27 November 2010 there was a change of government in Victoria. Since then, NTSV has been working to build a collaborative and constructive relationship with the new Government to promote and facilitate the use of the *Traditional Owner Settlement Act* and broader Framework policy to resolve native title and land justice issues in Victoria. This work includes the development of templates for the various components of a settlement agreement, the development of

threshold statements, the implementation of the *Right People for Country Project* and the development of a management regime for access to natural resources including a free-standing statutory right for traditional owners to have non-commercial access to, and use of, natural resources.

Victorian Traditional Owner Land Justice Group

NTSV continues to provide secretariat support and policy/strategic advice to the Traditional Owner Land Justice Group (LJG), assisting with correspondence, briefings and meeting arrangements. This role is generously supported with funding from the Victorian Department of Justice, as well as from our principal funder FaHCSIA.



Land Justice Group Meeting, with visitors from the Victorian Aboriginal Heritage Council.

The LJG was formed in 2005 as an unincorporated coalition of representatives of traditional owner groups across Victoria. It is primarily an advocacy body and continues a long tradition of traditional owner activism working for land justice in Victoria. Membership is open to one representative, and a deputy, from each traditional owner group. The aim of the LJG is to lobby government for improvements to policy, legislation and practice, to provide a forum for the discussion of relevant statewide issues, and to engage with various agencies and bodies in relation to the interests of Victorian first nations. It meets approximately three times each year and also hosts an annual statewide land justice summit.

The co-chairs over the past year were Bobby Nicholls, Graham Atkinson, Melissa Jones and Annette Xiberras.

The *Traditional Owner Settlement Act*, was a significant milestone for the LJG, providing new options and an alternative mechanism for traditional owners to resolve their native title claims. The LJG continues to participate in the ongoing implementation of the Native Title Settlement Framework, and actively lobbies and engages with the State Government to promote the implementation of the core principles set out in the 2008 Report of the Steering Committee.

Throughout the year, independent legal advice was provided to the LJG by barrister David Yarrow, and its activities were comprehensively supported by NTSV staff, on the basis that it is committed to an alternative, and very innovative, approach to the resolution of native title – an approach specifically tailored to the social and political realities of Victoria.

Dja Dja Wurrung

The Dja Dja Wurrung native title claims were priority claims for NTSV in 2010/11. As noted in last year's annual report, the State informed the Dja Dja Wurrung in June 2010 that it was no longer in a position to make a settlement offer in the 2009/10 financial year.

Negotiations towards reaching agreement in principle on fundamental settlement issues continued until shortly before the State election in November 2010, but were ultimately unsuccessful.

In the absence of clear policy direction following the election of the new State Government, NTSV continued to work with the Dja Dja Wurrung to develop their corporate and negotiation capacity.



Dja Dja Wurrung Clans Aboriginal Corporation Board of Directors and Negotiating Team. Left to Right: Rodney Carter, Wendy Berick, Ricky Kerr, Aunty Fay Carter, Graham Atkinson, Vicki Nicholson-Brown, William Patten, Rebecca Phillips, Bobby Nicholls and Drew Berick.

On 21 June 2011 the State advised of its intention to recommence negotiations with the Dja Dja Wurrung on all agreement making options that had become available following the commencement of the *Traditional Owner Settlement Act*. It is anticipated that in principle settlement agreements will be finalised in 2012.

Gunditjmara related matters

In the 2010/11 financial year, the Gunditjmara native title claim group continued to progress negotiations with the State regarding the Part B area of the Gunditjmara applications, getting close to achieving agreement on a consent determination of native title. A consent determination has been set down to be heard on country on 27 July 2011.

The Gunditjmara people continue to meet monthly through meetings of the Gunditj Mirring Traditional Owners Aboriginal Corporation RNTBC. Gunditj Mirring continued its work on progressing the renegotiation of its 2007 settlement ILUA with the State. It attempted to reach agreement with the State on important renegotiation issues prior to the State election, but was unable to achieve a satisfactory outcome in the time available.

Following the change of State Government in November 2010, the State has yet to re-engage in active negotiations regarding the 2007 settlement ILUA.

Wamba Wamba, Barapa Barapa and Wadi Wadi peoples

Following the November 2010 State elections, negotiations between the State and the Wamba Wamba, Barapa Barapa and Wadi Wadi peoples were suspended while the new Government determined its approach to resolving native title claims in Victoria. In late June 2011 the State confirmed its commitment to making full use of the agreement making options available under the *Traditional Owner Settlement Act* in future negotiations with the group. These negotiations are expected to resume early in the new financial year.

Negotiations with the State continue to be mediated by the National Native Title Tribunal (NNTT). An agreed timetable has been developed by the NNTT and it is anticipated that in-principle settlement agreements will be reached in 2012.

Robinvale

A comprehensive review of the legal and anthropological basis of the Robinvale claim has been undertaken during the 2010/11 year. This review is being conducted as part of the Central Murray Research project.

It is anticipated that the Central Murray Research findings will assist in the identification of the native title holders within the claim areas and provide a basis for the resolution of the outstanding issues between the Robinvale and Latji Latji claimants and the State currently being mediated by the NNTT.

Taungurung

During the 2010/11 year further research was undertaken to clarify outstanding issues. It is proposed to convene further meetings with the group in the new financial year to progress Taungurung aspirations.

Wimmera (including Yupagulk)

The Yupagulk application continued in mediation in 2010/11. NTSV has continued to work with Yupagulk claimants and representatives of the Barengi Gadjin Land Council to address matters that need to be resolved to facilitate resolution of this claim.

South West

The South West group is now known as “Eastern Maar”. Representation of the Eastern Maar was briefed out to consultant lawyers, Chalk & Fitzgerald, in 2009/10. Significant work has been undertaken since that time in advancing the native title aspirations of the group in the Part B area of the Gunditjmarra applications.

A consent determination has been set down to be heard on country on 27 July 2011 to recognise the native title rights and interests of the Eastern Maar and the Gunditjmarra in the Part B area.

Future Acts

NTSV provides assistance to Victorian Native Title Groups in their negotiations with project proponents.

During the financial year, eleven agreements concerning future act activities were executed.

There was one Deed of Assumption signed under the Wamba/Barapa/Wadi Regional Indigenous Land Use Agreement for Exploration, as follows:

BTB Mining Pty Ltd Exploration Licence 5268, on 28 July 2010

There were three Deeds of Assumption signed under the Dja Dja Wurrung Regional Indigenous Land Use Agreement for Small-scale Mining, as follows:

1. Valeri Borodinov for Mining Licence 5466, on 28 August 2010
2. Dunolly Gold Developments Pty Ltd for Mining Licence 5508, on 28 July 2010
3. Dunolly Gold Developments Pty Ltd for Mining Licence 5499, on 28 July 2010.

There was one other (individual) ILUA executed during the year by the Gunaikurnai Native Title Group and proponent, as follows:

Stan Wassylko for Exploration Licence 5229, on 17 March 2011

There were five other agreements executed during the period which were negotiated under the Right To Negotiate provisions, as follows:

1. Rocky Mining Pty Ltd and the Gunaikurnai Native Title Group for Exploration Licence 5124, on 13 October 2010
2. South East Gippsland Resources NL and the Gunaikurnai Native Title Group for Exploration Licence EL5237, on 13 October 2010

3. Pacific Minerals Pty Ltd and the Gunaikurnai Native Title Group for Exploration Licence 5005, on 3 September 2010
4. Pacific Minerals Pty Ltd and the Gunaikurnai Native Title Group for Exploration Licence 4885, on 3 September 2010

5. Mantle Mining Corporation Ltd and the Gunaikurnai Native Title Group for Mining Licence 5505, on 7 July 2010.

There was one commercial agreement involving Jabiru Metals Ltd and the Gunaikurnai Native Title Group for Mining Licence 5523, 26 October 2010.

Future Act Notifications Information for the 2010/11 Financial Year

	Section 24	Section 24 KA	Section 29	ILUA	General notification	Total
BGLC			2			2
Bidawal	8	3				11
Boonerwung	30	2			1	33
Dhuudhora	33		4			37
Dja Dja Wurrung	19	1	13	3		36
Eastern Maar	14		2		2	18
Gunaikurnai	53	3	12			68
Gunditjmara	6	3	3		1	13
Latji Latji						0
Latji Wergaia	5					5
Robinvale	4					4
Taungurung	33		13	1		47
Wamba Barapa Wadi	4			1		5
Wathuarong	14	1	9		4	28
WJJWJ	5		1			6
Wurundjeri	24	1				25
Yorta Yorta			1			1
Yupagulk						0
Total	252	14	60	5	8	339

National Native Title Council

NTSV continues to be a member of the National Native Title Council (NNTC) and, together with other Native Title bodies makes a financial contribution to its advocacy activities. The NTSV Chairman and CEO are on the Board of the NNTC. NTSV has provided office facilities and support for the NNTC and Chris Marshall has continued to undertake the role of Company Secretary through the year.

Latji Latji

NTSV continued to provide assistance to the Latji Latji through their legal representatives to resolve outstanding issues with the Robinvale claimants and the State. The Latji Latji are participating in the Central Murray Research project (see Robinvale above). Mediation by the NNTT is ongoing between the State, the Latji Latji and the Robinvale claimants.

Dja Dja Wurrung Clans Aboriginal Corporation

Funds provided by the Native Title unit of the Department of Justice provided significant funds to enable the Dja Dja Wurrung Clans Aboriginal Corporation to establish their corporate infrastructure.

This funding has been used to employ a full time executive officer, a full time administration officer and for the establishment of an office in Bendigo.

Natural Resource Management

In April 2011, using funds provided by the Department of Sustainability and Environment, NTSV created the new role of Indigenous Partnership Officer. The primary function of this position is to build partnerships with relevant agencies to maximise traditional owners' participation in natural resource management. This position will also support Traditional Owner groups in their negotiations with government under the *Traditional Owner Settlement Act*.



Hopkins River, looking south from Hopkins Falls (near Framlingham), Western District, Victoria.

Financial Overview

A summary of the operating result reported to FaHCSIA is given below:

Note that this table is prepared in accordance with the FaHCSIA funding agreement and is not in accordance with accounting standards.

NTRB Functions (Funds utilized under Native Title Program Funding Agreement)	(1) Actual 2009-10 \$'000	(2) Budget 2010-11 \$'000	(3) Actual 2010-11 \$'000	(4) Variation (column 3 minus column 2)
- Capital	43	126	30	(96)
- Activities	4,051	3,303	3,125	(178)
- Corporate	1,230	1,240	1,272	32
Total	5,324	4,669	4,427	(242)
Income				
FaCHSIA	4,640	4,176	4,176	-
Activity Generated Income	611	473	481	8
Other Income	24	20	42	22
Total	5,275	4,669	4,699	30
Surplus/(Deficit)	(49)	-	272	272

Additional capital expenditure funds were provided by FaHCSIA in June 2011 and a program of expenditure will be rolled out in the new financial year. The under expenditure in activities occurred in the period after the State elections where most claim negotiations were delayed until the Department of Justice received policy guidance from the new State Government.

A summary of the operating expenditure for the 12 months to 30 June 2011 reported to FaHCSIA is given below:

Activity Name	\$'000
Gunaikurnai	629
State Framework Implementation	336
Dja Dja Wurrung	433
Gunditjmara	211
Gunditjmara Review	37
Wamba Wamba, Barapa Barapa and Wadi Wadi	551
Robinvale	215
Taungurong	46
Wimmera (incl Yupagulk)	59
South West	165
Assessment Research	16
Future Acts	259
National Native Title Council	20
Latji Latji	15
Dja Dja Wurrung Corporation	108
Natural Resource Management	25
Governance and Administration	1,344
TOTAL	4,469

The NSTV governance framework comprises the following elements: -

- Legislative framework (NTA provisions);
- NSTV's Constitution
- Board of Directors
- CEO and Senior Management Team
- External monitoring and reporting
- Risk Management
- Insurance and
- Ethical Standards, Policies and Procedures.

Legislative Framework

The three principal statutes that relate to NSTV's work are:

Native Title Act 1993 (Cth)

Corporations Act 2001 (Cth)

Traditional Owner Settlement Act 2010 (Vic)

Native Title Act 1993 (Cth)

NSTV is funded by the Commonwealth to perform the functions of a native title body as set out in the *Native Title Act 1993* (Cth) (NTA). Part 11, Division 3 Section 203B (1) of the NTA define the general functions and powers of representative bodies as follows: -

- a) the facilitation and assistance functions referred to in section 203BB
- b) the certification functions referred to in section 203BE
- c) the dispute resolution functions referred to in section 203BF
- d) the notification functions referred to in section 203BG
- e) the agreement making functions referred to in section 203BH
- f) the internal review functions referred to in section 203BI

- g) the functions referred to in section 203BJ and such other functions as are conferred on representative bodies by this Act.

Corporations Act 2001 (Cth)

NSTV was registered on 12th August 2003 as a public company limited by guarantee under the *Corporations Act 2001* (Cth). Accordingly, our corporate governance and financial reporting practices align to, and comply with, this Act.

Many of NSTV's constitutional elements and operational practices are determined by this Act.

Traditional Owner Settlement Act 2010 (Vic)

The Traditional Owner Settlement Act 2010 (Vic) will provide an alternative way to resolve native title claims in Victoria that will deliver better outcomes in relation to traditional owner use, management and ownership of State land in Victoria.

NSTV's Constitution

NSTV's objectives, functions, powers and governance structure are set out in its Constitution. The members agreed to amend the Constitution and created a selection panel that will have the responsibility for appointing new directors to the company.

Board of Directors

The governance of NSTV is by a Board of Directors consisting of seven Victorian Traditional Owners.

The Directors at 30 June 2011 are: -

Name	Position	Appointed
Mr Graham Atkinson	Chair	18 November 2003
Ms Daphne Milward	Deputy	18 November 2003
Ms Eleanor Bourke	Director	18 November 2003
Mr Michael Harding	Director	18 November 2003
Mr Damein Bell	Director	18 November 2003
Ms Eileen Alberts	Director	28 September 2008
Ms Aileen Blackburn	Director	24 May 2011

(For further details of the Directors refer to the Directors' Report accompanying the audited Financial Statements for 2011.)



Land Justice Group Co-Chairs and members on the steps of Parliament house with State & Commonwealth Ministers and others for the introduction of the Traditional Owner Settlement Bill 2010 into Parliament, 28 July 2010.

The Chief Executive Officer and Senior Management Team

Mr Chris Marshall, as the Chief Executive Officer (CEO), has the delegated authority to manage NTSV. He is assisted by a management team consisting of the Principal Legal Officer, Operations Planning Manager, Research Manager and Corporate Services Manager. This team has met at regular intervals throughout the year to discuss operational matters, monitor performance and to co-ordinate activities.

External Monitoring and Reporting

The key mechanisms of external monitoring and reporting of our activities for the year are as follows: -

- the audit function (External Auditor and Audit Committee) and
- the Indigenous Programs Branch, Department of Families, Housing, Community Services and Indigenous Affairs.



Current Board Members with senior staff (left to right); Christy Hawker (Operations Planning Manager), Damein Bell, Eileen Alberts, Austin Sweeney (Principal Legal Officer), Daphne Milward (Deputy Chair), Chris Marshall (CEO), Graham Atkinson (Chairman), Mick Harding, Aileen Blackburn, Kim Robinson (Corporate Services Manager), Eleanor Bourke (absent: Tatiana Romanovsky, Research Manager).

External Auditor and Audit Committee

The external audit function is provided by McLean, Delmo Hall Chadwick (MDHC Audit Assurance Pty Ltd). The duties and obligations of the external auditor are set out in Section 307 of the *Corporations Act* and further obligations are detailed in the Letter of Engagement. The Auditor's report accompanies the Financial Statements for 2010-11 and is included in this Annual Report (refer Page 50).

The functions of the Audit Committee are performed by the Board of Directors. These functions included reviewing internal operating controls, ensuring our resources are well managed and secured, and assessing the quality and adequacy of financial systems and reports.

The Board has met with the auditor and are pleased to report that there were no significant audit concerns.

Indigenous Programs Branch, Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

To perform the functions of native title service delivery in Victoria, NTSV annually enters into a Program Funding Agreement (PFA) with the Land Branch of the Department of Families, Housing, Community Services and Indigenous Affairs. The terms and conditions of the PFA are detailed in a booklet titled 'General Terms and Conditions Relating to Native Title Program Funding Agreements'. The PFA and accompanying General Terms and Conditions are comprehensive and hold to account NTSV's Board and its Management.

The reporting and acquittals framework ensure FaHCSIA are regularly apprised of our activities.

To the best of our knowledge we have met all of our obligations under the PFA. We acknowledge and value our good working relationship with FaHCSIA.

Risk Management

Risk management is also 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 2010-11.

Insurance

NTSV has insurance cover for its assets and activities. These include work cover, business (fire, burglary, money, public and products liability and general property), motor vehicle, professional indemnity and directors & officers insurance. There were no outstanding claims in 2010-11 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. There were no serious breaches of our ethical standards, policies and procedures in 2010-11.

Management of Human Resources

NTSV's operations consist of four sections: -

- Legal
- Operations Planning
- Research and
- Corporate.

These sections are managed by well experienced and qualified persons who together with the Chief Executive Officer form the senior management team.

The Chief Executive Officer is also supported by a Policy Officer and Executive Assistant.

The **Legal Section** is headed by Austin Sweeney and supported by a team of legal officers, and a legal secretary. This team provides legal and strategic advice to NTSV and native title holders including the preparation of claims for mediation and hearing; managing the process of native title claims through the Federal Court and representing claimants in mediation, negotiations and legal proceedings.

A further management position of **Operations Planning Manager** was created during the year and Christy Hawker was recruited to perform the role on a part time basis (three days per week). The key functions are project planning and co-ordination, provision of strategic advice on operational matters and the management of the community liaison officer team.

The **Research Section** is headed by Tatiana Romanvosky. Her team consists of senior anthropologists, and research officers. They conduct genealogical, anthropological, historical and archaeological research, analysis and interpretation. They provide integral support to the Legal Section.

The **Corporate Section** is headed by Kim Robinson. His team includes an accountant, administrative officers and two receptionists (both part time). This section is responsible for providing finance, human resources, information technology and administrative services across NTSV.

Chief Executive Officer and Senior Management Team

Chief Executive Officer - Chris Marshall

Chris Marshall has been the Chief Executive Officer since July 2004. Prior to this appointment, as a consultant he managed the transfer of operations from the former NTRB for Victoria, Mirimbiak Nations Aboriginal Corporation, to NTSV. Chris has extensive experience as a community development practitioner, and in government program administration and policy development. Prior to his appointment with NTSV he was involved in organisational restructuring in a change management capacity with several native title representative bodies around the country. He has tertiary qualifications in Management, Aboriginal Studies (Anthropology), and Community Work, and is currently studying for a Masters of Business Administration with the University of New England.

Principal Legal Officer – Austin Sweeney

Austin Sweeney commenced with NTSV at the end of April 2009. He has over 20 years experience as a lawyer, and in that time has worked in commercial legal practice, and as a consultant. He has particular expertise and experience working in the area of native title and land rights law, having worked in Central Australia for many years as a lawyer and senior legal officer with the Central Land Council.

Operations and Planning Manager – Christy Hawker

Christy Hawker was appointed to this newly created position in October 2010. Christy has over a decade of experience in native title and alternative dispute resolution, and has worked in program management and policy advisory roles in government and non-government organisation in Western Australia and Victoria.

Research Manager – Tatiana Romanvosky

NTSV Research Manager Belinda Guest commenced maternity leave in July 2010 and Tatiana Romanovsky was employed to head the Research Department during Belinda's leave. Tatiana has 14 years' experience working in project and program management roles in Australia and overseas. Her work has been in a variety of sectors within the development field such as welfare, education and health. She has had experience working with funding agents which have included Australian and overseas government bodies as well as overseas private industries. Tatiana holds a Masters of Applied Anthropology and Participatory Development.

Corporate Services Manager / Company Secretary – Kim Robinson

Kim Robinson commenced with the Company in 2008. He has extensive experience in Administration, Finance, and Human Resource Management and has been the Company Secretary in commercial, government and not-for-profit organisations. Kim is a qualified accountant and FCPA.

Training and Development

The organisation places a high value on continuing professional development and training and all staff are encouraged to

undergo training on a regular basis.

This year, NTSV spent \$ 53,990 on training and professional development.

Legal and Research staff participated in various training programs delivered by the Aurora Project who are providers of specialised Native Title training packages. Other training offered by Leo Cussen Institute, Law Institute of Victoria and the Australian Anthropological Society was also undertaken. The National Native Title Conference is a key part of NTSV's Professional Development calendar and this year's conference, held in Brisbane, was attended by nine staff members.

Professional memberships and mandatory training programs, as in past years, were once again a sizeable component of our expenditure this year.

Occupational Health and Safety

NTSV complies with the legislation requirements of the *Occupational Health and Safety Act 2004*. Our policies and procedures promote a safe and healthy work environment. In 2010-11 there were no recorded injuries and/or claims for compensation.

Each year our staff travel over 90,000 kilometers on Victorian roads and we have had another incident free year and have maintained our good record of safe driving.

Workplace health checks were carried out by WorkSafe Victoria and over 20 staff took advantage of this program. As a follow up, four staff members undertook the Australian Red Cross basic first aid training and two staff participated in an advanced course.

Terms & Conditions of Employment

Staff are employed under a standard set of terms and conditions which are revised to comply with industrial relations legislation. We annually benchmark our pay rates to federal and state government departments and agencies delivering similar services and to the labour market in general. Given our limited funding, we are not always able to match what is on offer elsewhere, particularly in the general market. Every effort is made to compensate staff by offering them flexible working arrangements and the tax advantage that is available to us as a public benevolent institution. It is essential that we retain this tax privilege in order to attract and retain quality staff. The contents of the agreement were subject to close review during the year to ensure compliance with the *Fair Work Act 2009*.

NTSV continued to offer such additional benefits as study leave, lifestyle leave, extended parental leave entitlements and other flexible work agreements to provide a suite of benefits to staff.

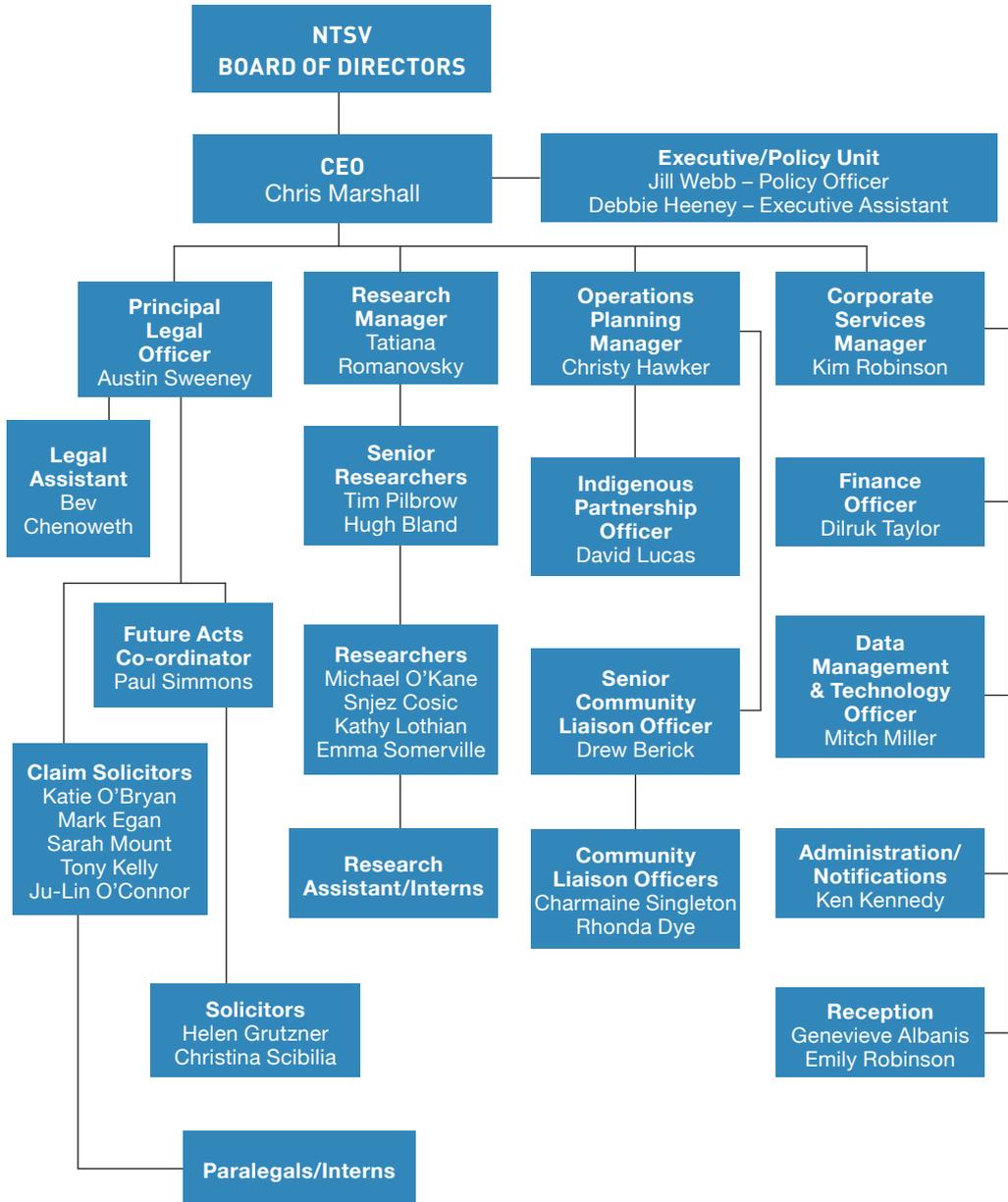
This organisation has continued to provide opportunities to legal and research interns to support its projects. NTSV values the internship arrangements with Aurora and the University of Melbourne. Our thanks go to those individuals who participated in the program. Several of these interns were subsequently employed on a casual or part time basis on completion of their internship.

To improve the physical working conditions for staff, NTSV leased the adjoining building at 638 Queensberry Street. Building works were necessary to create an access from the first floor of 642 Queensberry Street for staff and communications. The NNTC has sublet part of this new space for their Melbourne office.



Scoria cones and crater lakes are significant landscape features on the plains of the Western District. View west from Red Rock (near Colac).

Organisation Chart as at 30 June 2011



Staff Statistics

Staff Profile

The following is NTSV's staff profile as at 30 June 2011: -

Equivalent Full-Time	Indigenous		Non-indigenous		Total	
	30/06/11	30/06/10	30/06/11	30/06/10	30/06/11	30/06/10
Female	2.60	1.00	13.05	14.65	15.65	15.65
Male	3.40	4.60	9.00	7.80	12.40	12.40
Total	6.00	5.60	22.05	22.45	28.05	28.05

The above statistics are staff numbers based on equivalent full-time hour per week (37.5 hours). The actual number of staff is greater, for instance as at 30 June 2011 NTSV employed 42 (which translated to 28.05 total equivalent full-time staff as noted above).

NTSV is proud of its quality and dedicated staff. As part of affirmative action, our policy when recruiting is to favour Indigenous persons.

Commencements & Departures

During the 2010-11 year we had 11 commencements and 9 departures, along with changes to individual time fractions; the net effect on the equivalent full-time staff total was 0.

Consultants

In 2010-11 NTSV engaged a number of consultants to undertake work primarily in its legal and research areas.

The following is a summary of the number and expenditure on consultancies: -

Type	Number	Expenditure
Legal	14	\$ 639,475
Research	4	\$ 29,036
Others	10	\$ 44,819
Total		\$ 713,330

Employment in the Native Title Environment

As an employer, NTSV faces a number of challenges: the uncertainty of native title, the specialized nature of the work, employment insecurity, and stressful working conditions that commonly result in short-term tenures. Management seeks to support staff by adopting flexible work arrangements, providing relevant training programs and relying on our tax privileges. Nevertheless, we are thankful to people who have worked and continue to work for NTSV and acknowledge their commitment to issues of social justice and Indigenous rights.

Financial Statements
for the Year Ended 30 June 2011

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2011.

Directors

The names of the directors in office at any time during or since the end of the financial year are:

Graham Atkinson
Daphne Milward
Eleanor Bourke
Trevor Edwards – resigned 10 December 2010
Michael Harding
Damein Bell
Eileen Alberts
Aileen Blackburn – appointed 24 May 2011

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

Information on Directors

Graham Atkinson	Chairperson (appointed 18 November 2003)
Qualifications	Master of Business Administration (RMIT University), Bachelor of Arts and Bachelor of Social Work.
Experience	A director of a consultancy firm, with many years experience in senior management roles. Mr Atkinson is a Dja Dja Wurrung and Yorta Yorta man.
Daphne Milward	Deputy Chairperson (appointed 18 November 2003)
Experience	Former owner and operator of a consultancy firm with extensive experience in management. Ms Milward has considerable community involvement. She is a Yorta Yorta woman.
Eleanor Bourke	Director (appointed 18 November 2003)
Qualifications	M. Ed Studies; B.A. (Professional Writing); Dip Arts Adjunct Professor at Ballarat University
Experience	Held numerous positions with Government departments and community organisations over the course of a long and distinguished career. Professor Bourke is a Wergaia and Wamba Wamba woman.

DIRECTORS' REPORT

Trevor Edwards Experience	Director (appointed 12 August 2003, resigned 10 December 2010) A founding member, Chairperson for a number of years and former CEO of Wathaurong Aboriginal Co-operative and an Executive member of the Victorian Aboriginal Housing Board with many years of experience in corporate governance. Mr Edwards is of Wathaurong and Gundijtmara descent.
Michael Harding Experience	Director (appointed 18 November 2003) An Indigenous artist with a background of extensive community involvement. Mr Harding is of Taungurung descent, from the Yeerun Illam Baluk and Yowung Illam Baluk clans.
Damein Bell Qualifications Experience	Director (appointed 18 November 2003) Graduate Diploma in Natural Resources Management. Mr Bell is the Chief Executive Officer for the Gunditj Mirring Traditional Owners Aboriginal Corporation RNTBC. He is a Member of the Parks Victoria Board of Management and a member of the Indigenous Advisory Committee for the Department of Sustainability Environment, Water, Populations and Communities. Damein Bell is part of the Gunditjmara Nation.
Eileen Alberts Experience	Director (appointed 28 September 2009) Ms Alberts is currently working as the Cultural Heritage Officer of the Gunditj Mirring Traditional Owner Aboriginal Corporation. She has many years experience in Aboriginal health and education and has also been a field officer in native title. Ms Alberts is a Gunditjmara woman.
Aileen Blackburn Qualifications Experience	Director (appointed 24 May 2011) Bachelor of Arts and Graduate Bachelor of Laws. Ms Blackburn is a strong advocate for Indigenous women and family rights, and is involved in several grass roots community organisations including the East Gippsland National Park Reference Group, the East Gippsland Aboriginal Aquaculture Cooperative and the Victorian Alps Traditional Owner Reference Group. Ms Blackburn is a descendent of the Southern Monero people.

DIRECTORS' REPORT

Meeting of Directors

During the financial year, 5 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Graham Atkinson	5	5
Daphne Milward	5	5
Eleanor Bourke	5	4
Trevor Edwards	1	0
Michael Harding	5	5
Damein Bell	5	4
Eileen Alberts	5	5
Aileen Blackburn	1	1

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:

- 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. performing strongly in terms of successful determinations, settlements and agreements
 - develop a clear plan for each priority matter, identifying major tasks, timeliness and resources
 - build and maintain key external relationships
 - build engagement with community and capacity in claimant groups
 - build internal capacity in relation to claim-specific activities.

DIRECTORS' REPORT

2. influencing policy and legislative framework reform (primarily at State level)
 - articulate and communicate the issues that currently present the greatest policy impediments
 - build the Land Justice Group's and other negotiation teams' autonomous capacity to engage
 - build influence with legislators and policy makers
 - build support for reform with NGOs and the public.
3. facilitating and supporting sustainable traditional owner organisations
 - ensure adequate support to PBCs and other TO organisations
 - utilise skills in mediation and dispute resolution
 - create better mechanisms for information flow
 - evaluation and action the options for a TO support body (in liaison with the LJG, the State and the Commonwealth).
4. ensuring NTSV strength, security and capability
 - build funding security
 - clarify governance arrangements
 - match skills to evolving activities
 - create supportive workplace
 - promote NTSV's achievements.

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 incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. As at 30 June 2011 there were 9 members (2010: 7).

DIRECTORS' REPORT

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on the following page.

Signed in accordance with a resolution of the Board of Directors

Director



Graham Atkinson

Director



Daphne Milward

Dated in Melbourne on 26 September 2011



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF NATIVE TITLE SERVICES VICTORIA LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'MDHC Audit Assurance Pty Ltd'.

MDHC Audit Assurance Pty Ltd

A handwritten signature in black ink that reads 'Graeme A. Marriott'.

Graeme A. Marriott
Director

Hawthorn
26 September 2011

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
INCOME		
Revenue from government	3,903,819	4,594,960
Interest	42,574	24,673
Other income	481,517	611,100
	4,427,910	5,230,733
EXPENSES		
Employee benefits expense	2,393,709	2,389,333
Consultants	713,330	1,285,879
Leasehold property	209,274	174,224
Other occupancy expenses	66,638	65,760
Office expenses	224,555	287,640
Depreciation expense	71,624	134,655
Claimant meeting expenses	516,429	765,555
Motor vehicle expenses	77,428	107,437
Other expenses	196,290	205,656
	4,469,277	5,416,139
Deficit for the year	(41,367)	(185,406)
Total comprehensive income for the year	(41,367)	(185,406)

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	2	696,799	848,635
Trade and other receivables	3	193,634	139,938
Other financial assets	4	1,927,083	1,496,008
Prepayments		33,395	53,174
Total current assets		2,850,91	2,537,755
NON-CURRENT ASSETS			
Plant and equipment	5	125,056	166,423
Total non-current assets		125,056	166,423
TOTAL ASSETS		2,975,96	2,704,178
CURRENT LIABILITIES			
Trade and other payables	6	2,210,84	2,142,639
Deferred income – unexpended grants	7	451,788	232,448
Provisions	8	226,953	203,955
Total current liabilities		2,889,58	2,579,042
NON-CURRENT LIABILITIES			
Provisions	8	94,671	92,054
Total non-current liabilities		94,671	92,054
TOTAL LIABILITIES		2,984,25	2,671,096
NET ASSETS (NET LIABILITIES)		(8,285)	33,082
EQUITY			
Retained surplus (accumulated deficit)		(8,285)	33,082
TOTAL EQUITY (CAPITAL DEFICIENCY)		(8,285)	33,082

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2011

	Retained Surplus (Accumulated Deficit)
	\$
Balance at 1 July 2009	218,488
Deficit for the year	(185,406)
Balance at 30 June 2010	33,082
Deficit for the year	(41,367)
Balance at 30 June 2011	(8,285)

The accompanying notes form part of these financial statements

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from course of operations		4,550,980	4,785,241
Payments in course of operations		(4,667,868)	(5,122,850)
Receipts from trust funds		383,810	403,331
Interest received		42,574	24,673
Net cash provided by operating activities		309,496	90,395
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for investments		(431,075)	(426,595)
Payment for plant and equipment		(30,257)	(28,645)
Net cash used in investing activities		(461,332)	(455,240)
Net decrease in cash held		(151,836)	(364,845)
Cash and cash equivalents at the beginning of the year		848,635	1,213,480
Cash and cash equivalents at the end of the year	2	696,799	848,635

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Native Title Services Victoria Ltd has elected to early adopt the AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

Accounting Policies

(a) Income Tax

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

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(c) Plant and Equipment

Plant and equipment is measured on the cost basis less accumulated depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Plant and Equipment (Cont'd)

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rates
Office Fit Out	20%
Computer Equipment	40%
Plant and Equipment	25%
Motor Vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

Loans and receivables

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

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in profit or loss.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired.

(e) Impairment of Assets

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(h) Provisions

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

(i) Government Grants

Government grants are recognised as revenue when the entity 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. All grants are stated net of the amount of GST.

(j) Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Critical Accounting Estimates and Judgments

The directors' evaluations, estimates and judgments incorporated into the financial report were 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.

Key estimates – impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. No impairment has been recognised in respect of plant and equipment for the year ended 30 June 2011.

The financial report was authorised for issue on 26 September 2011 by the Board of Directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 2: CASH AND CASH EQUIVALENTS

	2011 \$	2010 \$
Cash on hand	500	620
Deposits held at call with bank:		
- Cash at bank	671,707	790,796
- Cash held for third parties in NTSV account	24,592	57,219
	696,799	848,635

NOTE 3: TRADE AND OTHER RECEIVABLES

CURRENT

Trade receivables	142,937	77,213
Other receivables	50,697	62,725
	193,634	139,938

NOTE 4: OTHER FINANCIAL ASSETS

CURRENT

Term deposits held for third parties	1,927,083	1,496,008
--------------------------------------	-----------	-----------

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
NOTE 5: PLANT AND EQUIPMENT		
Office fit out – at cost	453,398	453,398
Less accumulated depreciation	(434,169)	(392,540)
	19,229	60,858
Plant and equipment – at cost	113,650	113,650
Less accumulated depreciation	(107,023)	(101,452)
	6,627	12,198
Computers – at cost	252,426	222,168
Less accumulated depreciation	(210,069)	(204,609)
	42,357	17,559
Motor vehicles – at cost	94,825	94,825
Less accumulated depreciation	(37,982)	(19,017)
	56,843	75,808
Total plant and equipment	125,056	166,423

Movements in Carrying Amounts

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

	Office fit out \$	Plant and equipment \$	Computers \$	Motor vehicles \$	Total \$
Balance at 1 July 2010	60,858	12,198	17,559	75,808	166,423
Additions	-	-	30,257	-	30,257
Depreciation expense	(41,629)	(5,571)	(5,459)	(18,965)	(71,624)
Balance at 30 June 2011	19,229	6,627	42,357	56,843	125,056

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
NOTE 6: TRADE AND OTHER PAYABLES		
CURRENT		
Trade creditors	86,632	319,711
Cash held for third parties (Note 11)	1,994,104	1,610,294
Sundry creditors and accruals	130,104	212,634
	2,210,840	2,142,639
NOTE 7: DEFERRED INCOME		
CURRENT		
Unexpended grants – Federal	273,210	44,829
Unexpended grants – State	178,578	187,619
	451,788	232,448
NOTE 8: PROVISIONS		
CURRENT		
Employee benefits	226,953	203,955
NON-CURRENT		
Employee benefits	94,671	92,054
NOTE 9: OPERATING LEASE COMMITMENTS		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- not later than one year	224,218	202,264
- later than one year but not later than five years	319,020	522,981
	543,238	725,245

These commitments relate to the office building occupied by Native Title Services Victoria Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
NOTE 10: KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation	585,883	509,692

Number of key management staff 5, last year 4.

NOTE 11: RELATED PARTY TRANSACTIONS

During the year out of pocket expenses and compensations were paid to directors totalling \$31,925 (2010: \$30,287).

The company also held in trust balances for Dja Dja Wurrung, Taungurung, Wauthurong, Gunditjmara, Kirrae Whurrung, Wotjabaluk and Wadi Wamba Barapa.

NOTE 12: ECONOMIC DEPENDENCE

To the extent that the company performs functions prescribed by the *Native Title Act 1993* (Cth) it is dependent on the continued funding of its operations by the federal authority.

NOTE 13: GOING CONCERN BASIS

Although the company has negative net assets as at 30 June 2011, the directors are of the opinion that the going concern assumption is still appropriate. Significant funds for future operations have already been received from FaHCSIA at the date of this report.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001, and:
 - a) give a true and fair view of the financial position of the company as at 30 June 2011 and of its performance for the financial year ended on that date; and
 - b) comply with Australian Accounting Standards and the Corporations Regulations 2001.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

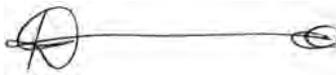
This declaration is made in accordance with a resolution of the Board of Directors.

Director _____



Graham Atkinson

Director _____



Daphne Milward

Dated in Melbourne on 26 September 2011



Independent Auditor's Report to the Members of Native Title Services Victoria Ltd

Report on the Financial Report

We have audited the accompanying financial report of Native Title Services Victoria Ltd, which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility 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 and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.



Opinion

In our opinion, the financial report of Native Title Services Victoria Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2011, and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

A handwritten signature in black ink that reads "MDHC Audit Assurance Pty Ltd".

MDHC Audit Assurance Pty Ltd

A handwritten signature in black ink, appearing to read "Graeme A. Marriott".

Graeme A. Marriott
Director

Hawthorn
26 September 2011

Glossary of Terms

Board	The governing Board of Native Title Services Victoria Ltd
CEO	Chief Executive Officer
Consultants	An entity (an individual, a partnership or a corporation) engaged to provide professional, independent and expert advice or services
DoJ	Department of Justice
DSE	Department of Sustainability and Environment
FaHCSIA	Land Branch, Australian Government Department of Families, Housing, Community Services and Indigenous Affairs
GLaWAC	Gunnaikurnai Land and Waters Aboriginal Corporation
ILUA	Indigenous Land Use Agreement – voluntary legally binding agreement about the use and management of land or water, made between one or more native title groups and others, such as miners, pastoralists, and governments
LJG	Victorian Traditional Owners Land Justice Group
NGO	Non Government Organisation
NNTC	National Native Title Council
NTA	Native Title Act
NTSV	Native Title Services Victoria Ltd
NNTT	National Native Title Tribunal
PBC	Prescribed Body Corporate
PFA	Program Funding Agreement
RNTBC	Registered Native Title Body Corporate
RSA	Recognition and Settlement Agreement
State	State Government of Victoria
TO	Traditional Owner



RECYCLED CONTENT

Printed on 250gsm and 130gsm Monza Recycled Satin FSC.

Monza Recycled is Certified Carbon Neutral by The Carbon Reduction Institute (CRI) in accordance with the global Greenhouse Gas Protocol and ISO 14040 framework. Monza

Recycled contains 55% recycled fibre (25% post consumer and 30% pre consumer) and 45% elemental chlorine free pulp. All virgin pulp is derived from well-managed forests and controlled sources. It is manufactured by an ISO 14001 certified mill.

Design and layout by Will Tennent Design.

