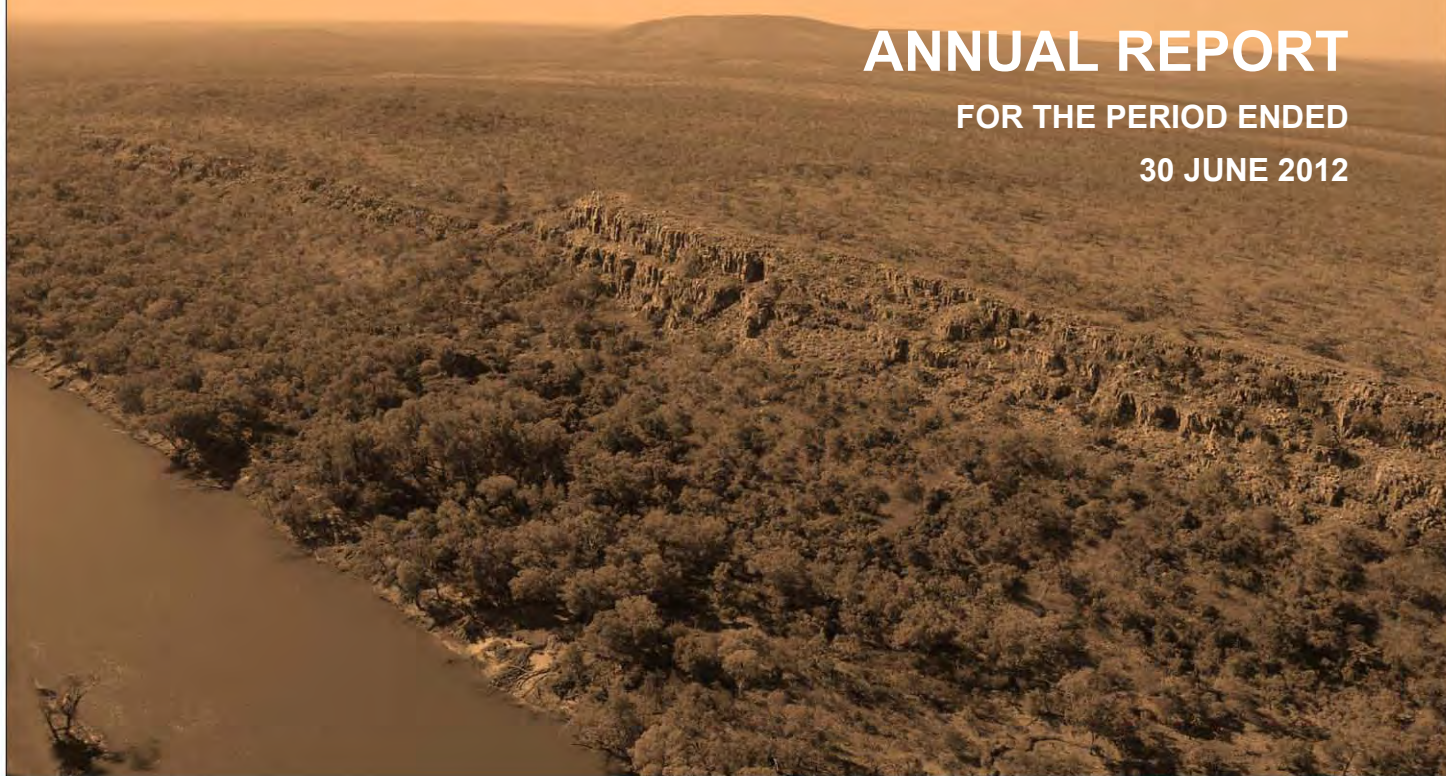


NORTHERN TERRITORY OF AUSTRALIA
ABORIGINAL AREAS PROTECTION AUTHORITY

ANNUAL REPORT

FOR THE PERIOD ENDED
30 JUNE 2012



**Aboriginal Areas
Protection Authority**
protecting sacred sites across the territory

© Aboriginal Areas Protection Authority

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www.aapant.org.au

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Disclaimer

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Aboriginal and Torres Strait Island readers and viewers should be aware that this material may contain images or names of deceased persons.



**Aboriginal Areas
Protection Authority**
protecting sacred sites across the territory

The Hon Alison Anderson MLA
Minister for Indigenous Advancement
DARWIN NT 0800

28 November 2012

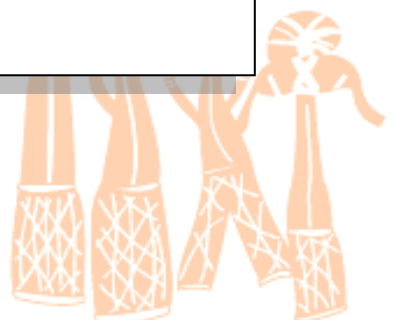
Dear Minister

I have the pleasure to submit to you, in accordance with the provisions of Section 14(1) of the *Northern Territory Aboriginal Sacred Sites Act 1989*, the Annual Report for the Aboriginal Areas Protection Authority for the financial period 1 July 2011 to 30 June 2012.

The Report refers to the twenty-third year of operation of the Aboriginal Areas Protection Authority.

Yours sincerely

BERNARD ABBOTT
Chairman





The Hon Alison Anderson MLA
Minister for Indigenous Advancement
DARWIN NT 0800



**Aboriginal Areas
Protection Authority**
protecting sacred sites across the territory

28 November 2012

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The Report refers to the twenty-third year of operation of the Aboriginal Areas Protection Authority and to the best of my knowledge and belief as Accountable Officer, pursuant to section 13 of the *Financial Management Act*, the system of internal control and audit provides reasonable assurance that:

- a) proper records of all transactions affecting the agency are kept and that the department's employees observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions;
- b) Authority procedures provide proper internal control and a current description of those procedures is recorded in the Accounting and Property Manual, which has been prepared in accordance with the requirements of the *Financial Management Act*;
- c) no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists;
- d) in accordance with the requirements of section 15 of the *Financial Management Act*, the internal audit capacity available to the Authority is adequate and the results of internal audits have been reported to me; and
- e) the financial statements in this annual report have been prepared from proper accounts and records and are in accordance with the Treasurer's Directions.

Yours sincerely

Dr Benedict Scambary
Chief Executive Officer





PURPOSE OF THE REPORT

This is a report on the administration and operation of the Authority for the 2011-12 Financial Year. This report includes the Authority's Financial Statements and shows compliance with standards of internal control in accordance with the reporting requirements of the *Financial Management Act*, the Treasurer's Directions and the policies of the Northern Territory Government.

It also provides the Northern Territory Legislative Assembly and the public with an account of the performance, responsibilities and activities of the Authority.

TARGET AUDIENCE

This report seeks to inform interested parties amongst our diverse range of stakeholders of Aboriginal custodians, Government agencies and users of land across the Territory of our objectives and performance during the 2011-12 financial year as well as our business direction for the year to come.

This report will also be available electronically on our website at www.aapant.org.au. Further information on the services of the Authority can be found there or by contacting the Authority directly. Contact details for the Authority are listed on the back cover of this report.





INTRODUCTION

Introduction

Chairman's Report	2
Deputy Chairman's Report	3
Chief Executive Officer's Report	4

Overview

Functions of the Aboriginal Areas Protection Authority	6
The Role and Vision of the Aboriginal Areas Protection Authority	7
Key Services Provided	8
2011-2012 Highlights	9
Challenges and Directions in 2012-2013	13

Performance Reporting

Authority Certificates	15
Register of Sacred Sites	20
Requests for Information	21
Advice to the Broader Community and Clients	22
Sacred Site Damage	22
Ancestral Remains	23

Corporate Governance

Authority Board	24
Authority Operations	26
Legislation and Policy	30

Managing Our People

Staffing Summary	32
Equal Employment Opportunity	32
Staff Training and Development	33

Financial Report

Financial Statement Overview	36
Certification of the Financial Statements	36
Financial Report 2011-12	38

Contact Details

Contact Details and office hours	
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Back Cover



INTRODUCTION

CHAIRMAN'S REPORT

I am pleased to report that in 2011-12 the Aboriginal Areas Protection Authority has continued to work with our stakeholders, Aboriginal custodians and users of land across the Territory, to effectively protect Aboriginal sacred sites, including from site damage.

The Authority issues Authority Certificates to provide certainty for Aboriginal custodians and land users. This year the Authority completed a significant and complex project in providing Authority Certificates for the upgrade of town camps in Alice Springs and Tennant Creek.

Eighteen per cent of Certificates issued in the past year have been for mining-related activity, and mining is an important part of the Territory's economic development, with potential benefits for all Territorians. However, due to the often large-scale and landscape-altering nature of mining activities, a key area of concern for custodians and for members of the Authority is the protection of sacred sites on land and sea where mining is occurring.

This year the Authority has carefully and at length considered the damage to a sacred site that occurred in 2011 at the Bootu Creek mine, north of Tennant Creek. One of our fellow Board members, Pepy Simpson, is a custodian for this site. The Board has endorsed the considerable work that staff have done to investigate the damage to the sacred site. The Authority has approved the laying of charges against the mine's operators OM (Manganese) under the offence provisions of the Sacred Sites Act, and it is likely that the matter will be brought to court in the next year.

In March 2012, the Authority was tasked with a review of mechanisms to protect sacred sites in the case of seabed mining. With many members being 'saltwater people', the Authority developed a comprehensive terms of reference and will progress the review as appropriate in the coming year.

In June I was privileged to convene a meeting of artists and senior men from the Western desert, to discuss the report of the Authority on the sacred and ceremonial nature of the Papunya Boards collection of the Museums and Art Galleries of the NT. This project recommends a resolution that addresses the concerns of artists and custodians about the viewing of certain Papunya Boards by persons without the cultural authority to do so, and I look forward to presenting the report to the Minister.

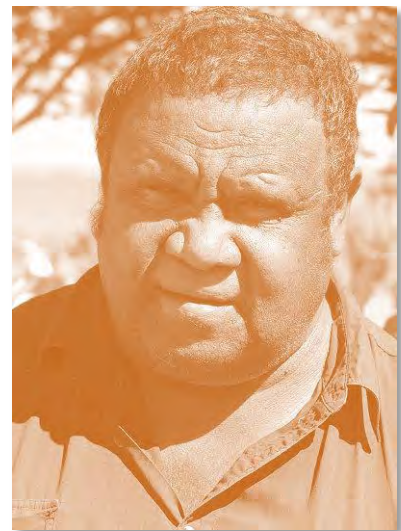
Finally, I would like to thank the CEO, Dr Ben Scambary, and the staff for their outstanding work in support of the Board and the protection of sacred sites across the Territory.



BERNARD ABBOTT

Chairman

16 November 2012



INTRODUCTION

DEPUTY CHAIRMAN'S REPORT

All members of the Authority are proud of the Authority's work in supporting custodians through the registration of sites on the Register of Sacred Sites. This year the Authority registered 21 sacred sites, from East Arnhem to Ti Tree and Yuendumu to Ngukurr, ensuring that these sacred places are fully documented and protected to the full extent of the Sacred Sites Act.

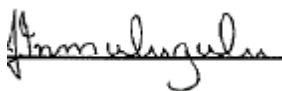
Sacred sites are of vital cultural importance to Aboriginal people, and particularly to Aboriginal custodians. Entry or works, desecration or damage to a sacred site not only causes personal distress to that site's traditional custodians, but may also have repercussions for them due to their traditional cultural responsibilities for looking after the site and keeping the related ceremony and tradition strong. The Authority members are very aware that the site damage at Bootu Creek has caused great distress and cultural hurt to the Warumungu and Warlmanpa people who speak for that site.

The importance of sacred sites to our young people is an issue that concerns Aboriginal custodians across the Territory. The Authority members keep looking for ways to better engage with young people in our own communities. This year we have discussed possible roles that the Authority might take to provide support and work with other agencies to build the contemporary knowledge and understanding of sacred sites amongst young people.

Our sacred sites and cultural matters are often depicted or referred to in the art produced by traditional custodians and others, right across the Territory. Many of the Authority members are artists. All Authority members were happy to see strong evidence of culture and care for sacred sites when we had opportunities at our Board meetings to attend some exhibitions.

At our meeting in Alice Springs in March we visited the Punu-nguru (from the trees) exhibition which highlighted the sacred nature of trees for Anangu. In 2011, the MAGNT gave us a tour of the 2011 National Aboriginal and Torres Strait Islander Exhibition. We were also fortunate to have one of our members, Banduk Marika, a senior custodian from Yirrkala, to take us through the Yalangbara exhibition, which tells the stories associated with Yalangbara, a major sacred site for the Yolgnu of East Arnhem.

There are many ways that Aboriginal people show their pride in their culture and their respect for sacred sites, and as Authority members we support this cultural strength.



JENNY INMULUGULU

(Former) Deputy Chairman

16 November 2012



INTRODUCTION

CHIEF EXECUTIVE OFFICER'S REPORT

The Sacred Sites Act has consistently provided the Northern Territory with a solid base for the protection of sacred sites. The work of the Authority in implementing the Act uses that strong base as a platform from which to improve understanding of sacred sites and the delivery of sacred site protection mechanisms for both custodians and users of land.

This year has seen a significant consolidation of organisation improvements within the Authority. These improvements have enhanced our capacity to both protect sacred sites and meet the demands from developers and users of land for information and advice to assist with avoidance of illegal sacred site entry works, desecration or damage.



The Authority is confident that the improvements in processes and interactions have been well-received by custodians and land users, with our research and technical staff in particular providing more responsive and timely services.

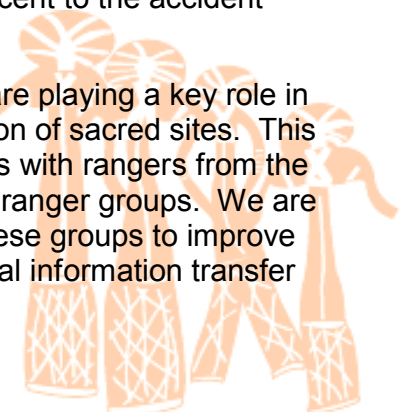
A particular area where the Authority has acted in the past year to improve its capacity and performance has been in response to damage or interference with sacred sites, and the monitoring of compliance with offence provisions of the Sacred Sites Act. Although the Authority Certificate and other advisory functions of the Authority focus on encouraging avoidance of sacred sites, there have been times where proponents have failed to comply with that advice or the Sacred Sites Act which in turn has required further investigation, and potentially, legal action.

This year the Authority has successfully prosecuted a commercial fisher for a (second) offence of illegal entry into and work on a sacred site at Blyth River. The Authority has also investigated and laid charges regarding damage and desecration of a sacred site at the Bootu Creek mine, and has commenced investigation of other sacred site offences.

Again this year the Authority has processed a large number of Authority Certificates and Requests for Information from our records, providing valuable decision-making information over sacred site avoidance to users and developers of land. There have been some significant projects that we have assisted with Authority Certificates, including the Falcon Oil and Gas exploration program in the Beetaloo basin, where we worked collaboratively with the Northern Land Council. Around Darwin, Certificates have been issued for current and future works supporting the Inpex development.

Following the train derailment at Edith River Bridge, Authority staff worked quickly with custodians to ensure that clean up and repair works could have certainty regarding the avoidance of a significant registered sacred site immediately adjacent to the accident area.

It is important to note that Aboriginal people across the Territory are playing a key role in managing natural resources and in the management and protection of sacred sites. This year AAPA staff conducted ranger training and support workshops with rangers from the Gumur Marthakal, Djelk, Wanga Djakamirr and Crocodile Islands ranger groups. We are excited by the potential for targeted sharing of information with these groups to improve both sacred site protection and management, using selected digital information transfer such as the developing Cyber-Tracker project.



INTRODUCTION

We were saddened by the passing in 2011-2012 of custodians: Ms McGregor from Adelaide River; Mrs Smith from Atitjere Community; Mr Joy and Mr Lansen from Borroloola; Mr Na Godjok Nayinggul and Mr Kalarriya Naminyilk from West Arnhem Land; Ms Alderson from Kakadu; and Mr Kwementyaye McMillan from Alice Springs. For many years these custodians worked with the Authority in protecting sacred sites in their country.

The Authority was also saddened by the passing of Mr George Chaloupka who's tireless research made a significant contribution to the understanding and significance of rock art.

I commend both the staff and the Board of the Authority for meeting the challenges presented by the significant demand for the services of the Authority during the reporting period. Our success in 2011-12 would not be possible without the efforts of our most valuable resource, the staff and the Board of the Authority.



DR BENEDICT SCAMBARY
Chief Executive Officer

16 November 2012



OVERVIEW

FUNCTIONS OF THE ABORIGINAL AREAS PROTECTION AUTHORITY

The Aboriginal Areas Protection Authority is a statutory authority established under the *Northern Territory Aboriginal Sacred Sites Act* to administer sacred site protection in the Northern Territory.

The functions of the Authority are set out in Section 10 of the Sacred Sites Act. They relate to the protection of Aboriginal sacred sites in the Northern Territory and may be summarised as follows:

- Respond to requests for site protection from Aboriginal custodians, including documenting sacred site information, implementing protection measures for sites and maintaining confidential records of traditional information.
- Establish and maintain a Register of Sacred Sites and such other registers and records as required by or under the Sacred Sites Act.
- Make available for public inspection the Register and records of all agreements, Certificates and refusals, except to the extent that such availability would disclose sensitive commercial information or matters required by Aboriginal tradition to be kept secret.
- Carry out surveys and consultations with custodians to determine the constraints, if any, imposed by the existence of sacred sites on work on land anywhere in the Northern Territory, and where possible, issue Authority Certificates (with any required conditions) for the proposed works to proceed.
- As required under the Sacred Sites Act undertake mechanisms of accountability, referral and review of the Authority's actions and decisions.
- Enforce the Sacred Sites Act, including undertaking prosecutions for offences.



OUR ROLE

The protection of Aboriginal sacred sites is recognised by the Northern Territory Government and the broader Territory community as an important element in the preservation of the Territory's cultural heritage for the benefit of all Territorians.

The Authority provides the means by which Aboriginal sacred sites are protected through:

- *The registration of Aboriginal sacred sites;*
- *Sacred site avoidance surveys (Authority Certificates) through consultation with custodians over development proposals; and*
- *The provision of information to the public about sacred site protection.*

In all circumstances the Authority strives to achieve practical outcomes in its operations by recognizing, respecting and balancing the interests of site custodians, landowners and developers.

OUR VISION

- *Better protection for sacred sites.*
- *Minimising unnecessary controversy over the existence of sacred sites.*
- *Better relations between Aboriginal custodians and other Territorians over sacred sites.*
- *Everyone knowing more about what they can and cannot do when there are sacred sites nearby.*

OVERVIEW

KEY SERVICES PROVIDED BY THE AUTHORITY

AUTHORITY CERTIFICATES

People proposing to use or work on land in the Northern Territory may apply to the Authority for an Authority Certificate to cover their proposed activities. An Authority Certificate provides a statutory indemnity against prosecution in relation to the works or uses covered by the Certificate provided the applicant complies with any conditions imposed to protect sacred sites. Moreover, the process provides an opportunity for applicants to work together with custodians to reach a mutually acceptable resolution of issues, so that the end result reflects the agreement of all involved.

An Authority Certificate provides certainty that the proposed use or work can proceed without the risk of damage to a sacred site.

The Authority determines Authority Certificate applications only after it has consulted the relevant Aboriginal custodians and conducted on-ground surveys to identify any sites. An Authority Certificate will be issued to the applicant if the works can proceed without damage to, or interference with, any sacred sites on or in the vicinity of the land. There may be conditions imposed within the Certificate to ensure that sites are not damaged. Within the Authority Certificate process, applicants can ask the Authority to arrange a conference with custodians. This provides an avenue for direct detailed discussions between developers and affected custodians.

The Sacred Sites Act and the Authority have earned the confidence of the wider community through the Authority's transparent, consistent and timely responses to applications for Authority Certificates.

REQUESTS FOR INFORMATION

Members of the public may seek advice on registered sacred sites by requesting access to the Register of Sacred Sites. The Register of Authority Certificates is also a public Register.

In addition to the Register, the Authority also maintains records of sacred sites that have been brought to its attention by custodians. These additional records are separate from the Register, and details of these records are available to the public only at the discretion of the Authority. Custodians have provided much of this information to the Authority as the basis (and justification) for conditions on proposed works or use of land imposed by Authority Certificates.

The public may also request access to other relevant information concerning sites, including records of any agreements. However, such access is subject to restrictions to protect knowledge, required by Aboriginal tradition to be kept secret, and information of a personal or sensitive commercial nature.

When members of the public are provided information about the location of sacred sites, they are informed that they may not carry out works on these sacred sites without an Authority Certificate. Providing sacred site information to members of the public ensures that the sacred sites will not be inadvertently damaged and that any development proposals take into account the existence of sacred sites.

REGISTRATION OF SACRED SITES

Custodians of sacred sites may apply to have their sites registered under Part III Division 2 of the Sacred Sites Act. The Authority will then conduct research into the site to determine the location, extent and traditional significance of the site. Upon registration this information is recorded on the Register of Sacred Sites.

The registration process also provides an opportunity for the landowner(s) to discuss practical issues about the site. Prior to considering a request for registration the Authority will invite the landowner(s) to comment about the impact that registration may have on their interests in land.

Registration in itself does not confer extra protection on the site, as all sites in the Northern Territory are protected under the Sacred Sites Act. However, registration is relevant to the enforcement of protection of the site in that, under the Sacred Sites Act, the Register of Sacred Sites is accessible to the public (Section 48), and proof of registration shall be accepted by courts as prima facie evidence that a site is a sacred site (Section 45).

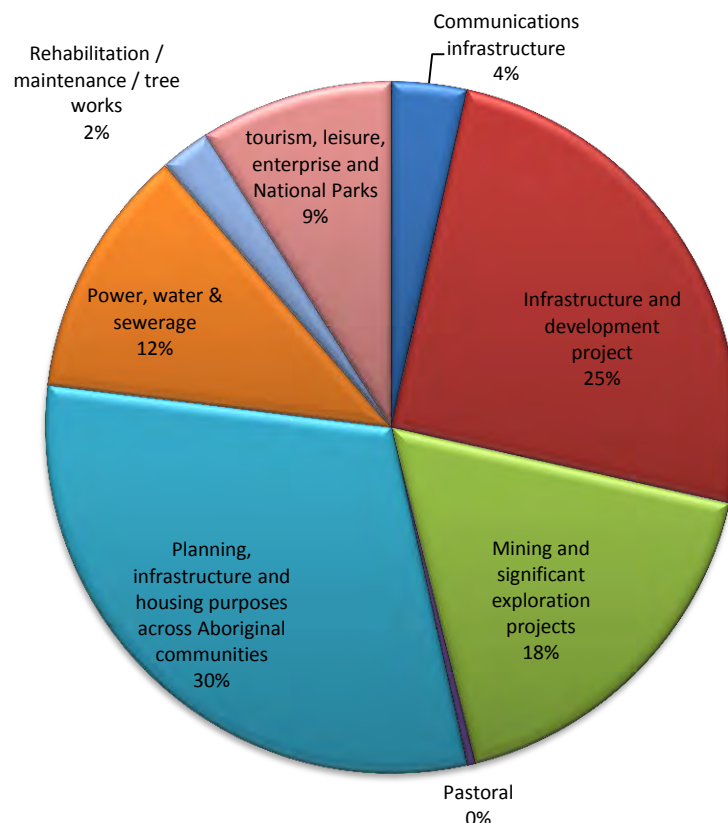
OVERVIEW

2011-12 HIGHLIGHTS

The Authority is associated with providing sacred site protection for all major projects in the Northern Territory. As per the preamble of the Sacred Sites Act, the Authority mediates Indigenous concerns about sacred site protection with economic, cultural and social developments.

In 2011-12 the Authority:

- Received 352 new applications for Authority Certificates.
- Issued a total of 256 Authority Certificates in relation to current and proposed works across the Territory.
- Major projects included:
 - Coordinated research and issuing of Authority Certificates in support of the Strategic Indigenous Housing & Infrastructure Program (SIHIP) and other significant Government investment in infrastructure on Aboriginal communities. This included the issuing of Authority Certificates for Ampilatwatja, Nganmarriyanga, Waruwi, Nguui, Pmara Jujunta, Nturiya, Borroloola, Belyuen, Amoonguna, Areyonga and Kybrook Farm townships.
 - Town Camp infrastructure and development in Alice Springs;
 - Road works upgrade and maintenance throughout the NT including for Tanami, Wooliana, Jenkins, Redbank Gorge and Santa Teresa roads as well as numerous urban roads and various sections along Stuart Highway;
 - Infrastructure and monitoring projects associated with Inpex; and
 - Falcon Oil and Gas exploration in Tennant Creek region.
- Overall the distribution of issued Authority Certificates across industry and/or project areas can be summarised as follows for 2011-12:



OVERVIEW

Where the Authority is not satisfied that sacred sites can be protected from damage the Authority can refuse to issue a Certificate however in 2011-12 there were no Authority Certificates refused.

During the year 59 Authority Certificate applications were withdrawn (only a slight decrease from 60 in 2010-11 but a significant decrease from 130 withdrawn Authority Certificates in 2009-10). As the Authority may have been progressing certificate applications when the proponent has withdrawn them, they represent a discrete component of the Authority's workload. Withdrawn applications can occur due to a lack of information from the applicant, a lack of acceptance of the requirement to pay costs for non-standard certificates, or a lapsing of the proposed project or use of land.

In 2011-12, the Authority progressed (issued, refused or withdrew) a total of 315 Authority Certificate applications. This is a 15 *per cent* decrease from 2010-11.

SACRED SITE REGISTRATIONS

The Authority entered 21 sacred sites into the Register of Sacred Sites, compared to 41 sites entered the previous year. These registered sacred sites included sites in:

- East Arnhem Land;
- Kakadu and Cobourg Peninsula;
- Katherine region;
- Daly River region;
- Barkly region
- Ti Tree and Alice Springs region;
- Yuendumu region; and
- Uluru region.

The Authority also ratified amended details of 3 sacred sites, which had been previously registered. In total 313 new sites were recorded during the year (a 16 *per cent* increase from 2010-11).

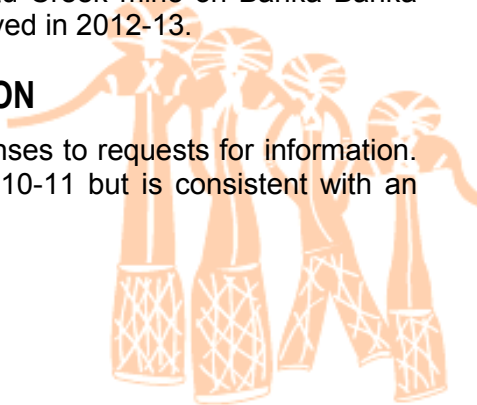
SACRED SITE DAMAGE

Compliance was a key focus for the Authority in 2011-12 and therefore a significant component of the Authority's workload. Investigations were undertaken for a total of 53 reports of illegal entry, illegal works, desecration and sacred site damage. 45 cases were resolved and/or closed by the end of the financial year, leaving eight cases still active. Two of these progressed to prosecution in 2011-12:

- Prosecution was commenced against a fisherman for entering and working on a sacred site in the Blyth River. This case was still in progress at the end of the financial year with expected resolution in early 2012-13.
- Prosecution was commenced against OM Manganese for breach of Authority Certificate and desecration of a sacred site at the company's Bootu Creek mine on Banka Banka Station. This case is ongoing and is expected to be resolved in 2012-13.

REQUEST FOR INFORMATION

Overall, in 2011-12 the Authority provided 565 formal responses to requests for information. This is slightly less than the 603 responses provided in 2010-11 but is consistent with an expected trend of returning to a lower average around 550.



COORDINATED COMMUNITY AUTHORITY CERTIFICATES

Throughout the reporting period the Authority continued the coordinated linkages with Territory Government agencies to establish clear procedures in relation to sacred site protection for major work projects.

A particular highlight continues to be the successfully negotiated arrangement with the Departments of Planning and Infrastructure, and Local Government and Housing, and the Power and Water Corporation, for the issuing of Coordinated Community Authority Certificates for 73 Aboriginal communities over a 3.5 year period. This co-ordinated arrangement has supported the roll-out of infrastructure and housing development on Aboriginal communities, with particular reference to the Strategic Indigenous Housing and Infrastructure Program (SIHIP). The arrangement was due to be completed by 30 June 2012 but the Authority and the three partner agencies have successfully negotiated a three year extension to the project to accommodate an ongoing requirement for advice as proposed works on communities are refined.

Through the coordinated issuing of Authority Certificates, all 3 participating agencies and their contractors have certainty over the conditions which apply for the protection of sacred sites, and sacred sites in and around the communities are protected according to custodians' wishes.

MANAGEMENT DIRECTIONS

During this financial year, the Authority continued significant internal change in order to improve the effectiveness of its operations. Key areas included:

- Strengthening of the Authority's capacity to enforce the Sacred Sites Act with the engagement of a Compliance Officer.
- Review of the Authority's IT requirements and development of an improved Electronic Data Management System commenced. This system will adequately support the Authority's needs into the future as well as enable better access and services to stakeholders.
- Commencement of a review of cost recovery charges and processes.
- Review of the Authority's project management capacity.
- Implementation of a Secretariat unit to oversee and manage governance matters and drive organisational change.

The Authority also reviewed its Strategic Priorities in early 2012.



OVERVIEW



CHALLENGES AND DIRECTIONS 2012-2013

- Continue to work with Government agencies in developing and implementing effective sacred site avoidance procedures.
- Investigate reports of breaches of the offence provisions of the Sacred Sites Act.
- Continue to meet the demand for Authority Certificates and requests for information by implementing the strategic priorities of the Authority and monitor trends in applications.
- Continue the preparation of advice under the current Moratorium on Exploration and Mining in Coastal Waters of the Northern Territory to advise the Northern Territory Government on appropriate measures to ensure the avoidance of sacred sites and protection of sacred sites as a part of any exploration and/or mining of seabed mineral resources.
- Implement improved mechanisms for protecting sacred sites at risk, and increasing the number of sacred sites entered into the Register of Sacred Sites by the Authority Board.
- Finalise substantial Authority Certificates for the management of the Todd River; a sacred site management program in Alice Springs as part of an agreement between Alice Springs Custodians and Olive Pink Botanic Gardens; tree management in Alice Springs; numerous road network and infrastructure projects across the NT; and for significant areas of mining and mineral exploration.
- Continue to develop and implement coordination mechanisms, progress issuing of Certificates for phase two of the Coordinated Community Authority Certificate Project (CCAC) to ensure effective sacred site protection in and around communities as projects for individual communities continue to be refined.
- Progress amendments to the Sacred Sites Act to ensure appropriate legislative mechanisms for the protection of sacred sites.
- Build on relationships established with key industry bodies across the Northern Territory.
- Develop strategies to maintain Indigenous cultural knowledge in the Territory.
- Continue a broad program of consolidating organisational change to achieve increased efficiency in processes and excellence in the protection of sacred sites across the Northern Territory.
- Expand partnerships and collaborations with Indigenous organisations in the protection of sacred sites.
- Complete a report on the secret and sacred nature of Papunya Boards collection held by the Museum and Art Gallery of the Northern Territory.

PERFORMANCE REPORTING

PROTECTION OF SACRED SITES AND PERFORMANCE

The Authority's overarching responsibility is to protect sacred sites. The Sacred Sites Act provides for the protection of sacred sites through the registration of sites, provision of sacred sites information in response to requests, and through consultations with custodians to develop sacred site avoidance procedures (Authority Certificates) relating to the use and development of land in the Northern Territory. Overall performance in a financial year is quantified by: the requests for information (Registers and other archives); and the number of Authority Certificate applications completed.

Quality is reflected in the number of statutory appeals on Authority decisions under Part III Division 3 of the Sacred Sites Act or Section 9 of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Commonwealth).

Timeliness is assessed as the average/mean number of days between application and completion of Authority Certificates and the average/mean response time to requests for information from the Register and Archives of the Authority.

OUTPUT GROUP

The Output Group for the Aboriginal Areas Protection Authority is *Protection of Sacred Sites*.

OUTCOME

Increased certainty and protection of sacred sites for users of land and for Aboriginal custodians, by identifying potential constraints on land-use.

OUTPUT PERFORMANCE

The Authority reports against agreed performance measures as part of its Output Performance. These performance measures provide an indication of the current workload and performance of the Authority.

Performance measures	Actual 2010-11	Target 2011-12	Actual 2011-12
- Quantity -			
Authority Certificates issued	309	270	256
Requests for information completed	603	500	565
- Timeliness -			
Average time between receiving Authority Certificate applications and completing service	132 days	100 days	135 days
Average time between receiving request for information and completing service	3.8 days	8 days	5.7 days
- Quality -			
Statutory appeals	<1%	<1%	<1%

PERFORMANCE REPORTING

In 2011-12, the Authority's overall workload, as measured by the aggregate of all sacred site information requests completed, remained high and the Authority delivered well above its target of 770 (Authority Certificate and Request for information targets combined). The Authority continued to deliver quality outcomes, with less than 1 *per cent* of Authority Certificates being subject to statutory appeals.

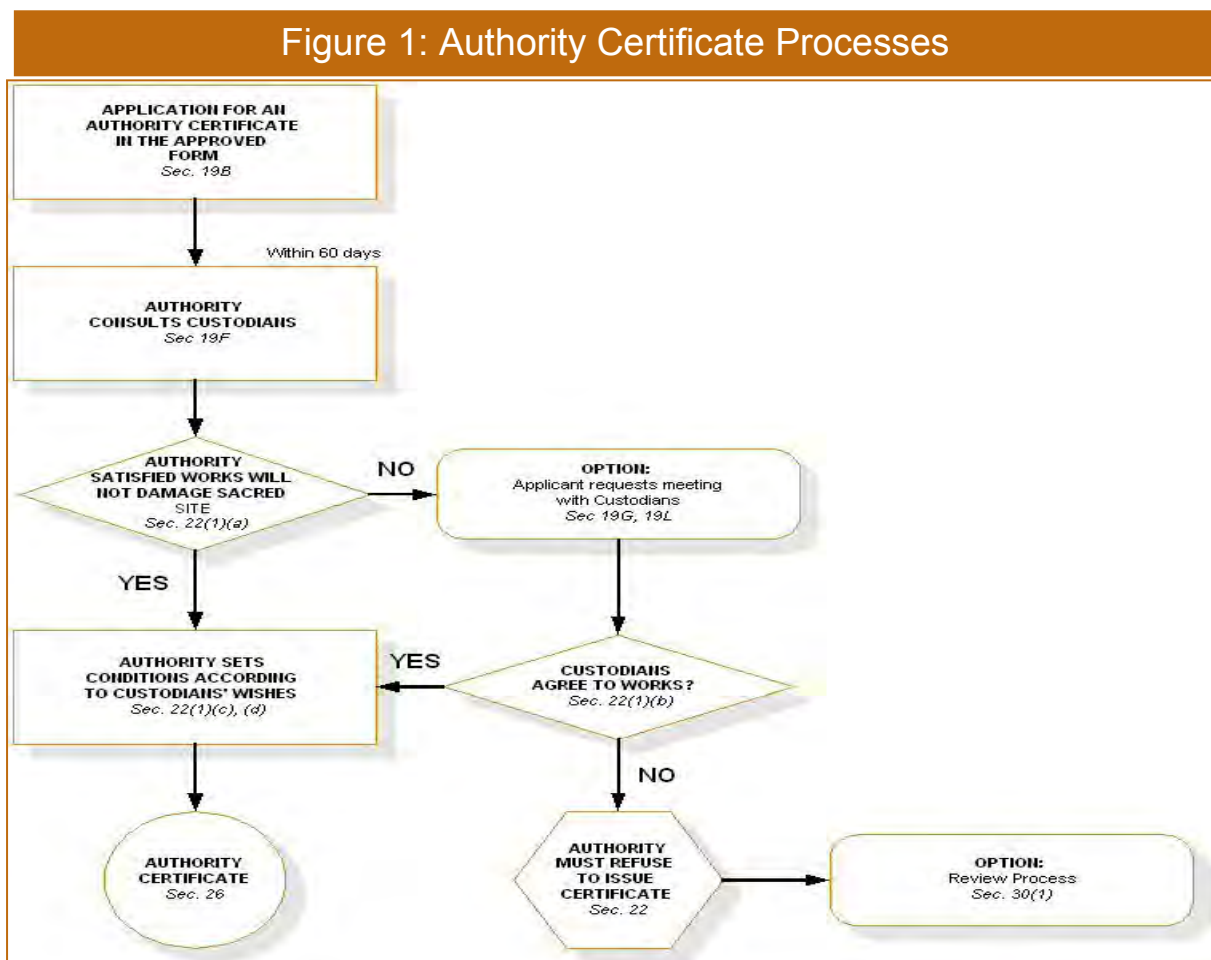
There were no statutory appeals received in 2011-12.

During 2011-12 significant resources were committed to address the large number of Authority Certificate applications through the engagement of consultants to assist the Authority address its workload and maintain timely delivery of Certificates. The timeliness of applications increased marginally by 3 days from the previous reporting period. This increase can be attributed to data entry issues associated with the processing of consultant reports. Average timeliness continues to be an issue, with occasional requirements for large areas of land to be surveyed for sacred sites, and complex consultations with custodians. The Authority is continually focused on reducing timeframes for the issue of Authority Certificates and it is expected that the Authority's focus on improving internal processes will affect its capacity to process applications with increasing efficiency over the next four years. A key factor in this will be the re-development of the Authority's Enterprise Data Management System.

AUTHORITY CERTIFICATES

APPLICATIONS AND ISSUES

Authority Certificates are instruments of sacred site avoidance under the Sacred Sites Act. The steps involved in processing applications for Authority Certificates are represented in Figure 1.



PERFORMANCE REPORTING

In any financial year the number of applications and the number of Authority Certificates issued are likely to differ because of the time elapsing between the application date and the date of issue. In 2011-12 there were 352 Authority Certificate applications received. This is a slight increase from 2010-11 where 346 applications were received but considerably less than the 476 applications received in 2009-10.

The Authority experienced an increase in applications for Authority Certificates from 2008-09 associated with infrastructure development initiatives arising either directly or indirectly from the Northern Territory Emergency Response. The numbers of Authority Certificate applications received in 2011-12 reflect a stabilising of numbers of applications consistent with the trend in the last reporting period. However, applications received in 2011-12 remain at higher levels than years preceding the Northern Territory Emergency Response. This indicates that workloads can be expected to remain steady for the 2012-13 financial year.

There continues to be high levels of demand for Authority Certificates in the Alice Springs town and Darwin and its hinterland regions. Major infrastructure projects have partially resulted in high workloads in these areas. For Alice Springs the increased demand has also been largely due to the Alice Springs Town Camp developments. Additionally, demand was particularly high across eastern Arnhem Land but also in the regions of Katherine, Victoria River and Roper Basins, and Borroloola in the Top End, and in the Plenty River Basin and Tennant Creek Hinterland of Central Australia.

For administrative purposes the Authority divides the Territory into 21 regions. Figure 2 shows the breakdown of Authority Certificates issued by region.

Figure 2: Regional distribution of Authority Certificates issued and applications received in 2011-12

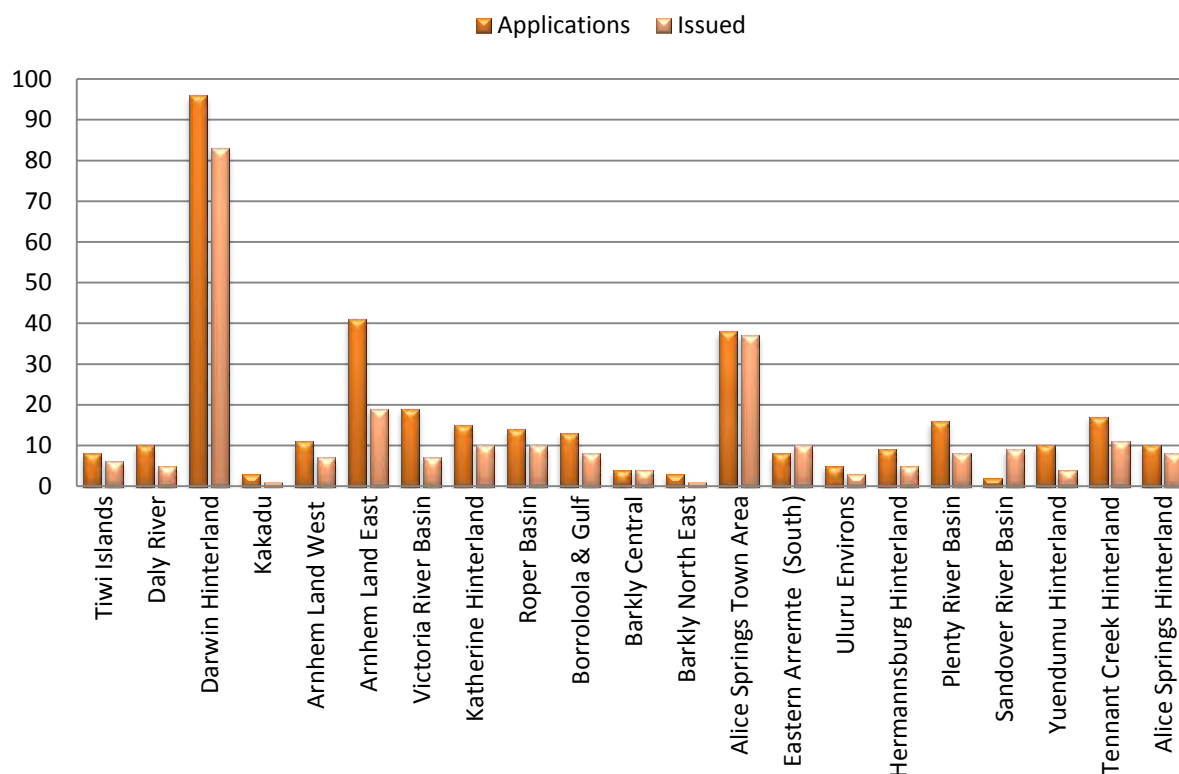


Figure 3 shows the number of Authority Certificate applications issued or refused by the Authority, or withdrawn by the applicant. In the past year, the Authority has responded to a considerable workload as well as addressed a substantial amount of outstanding applications carried over from the previous reporting period. Areas for which there was an increase in

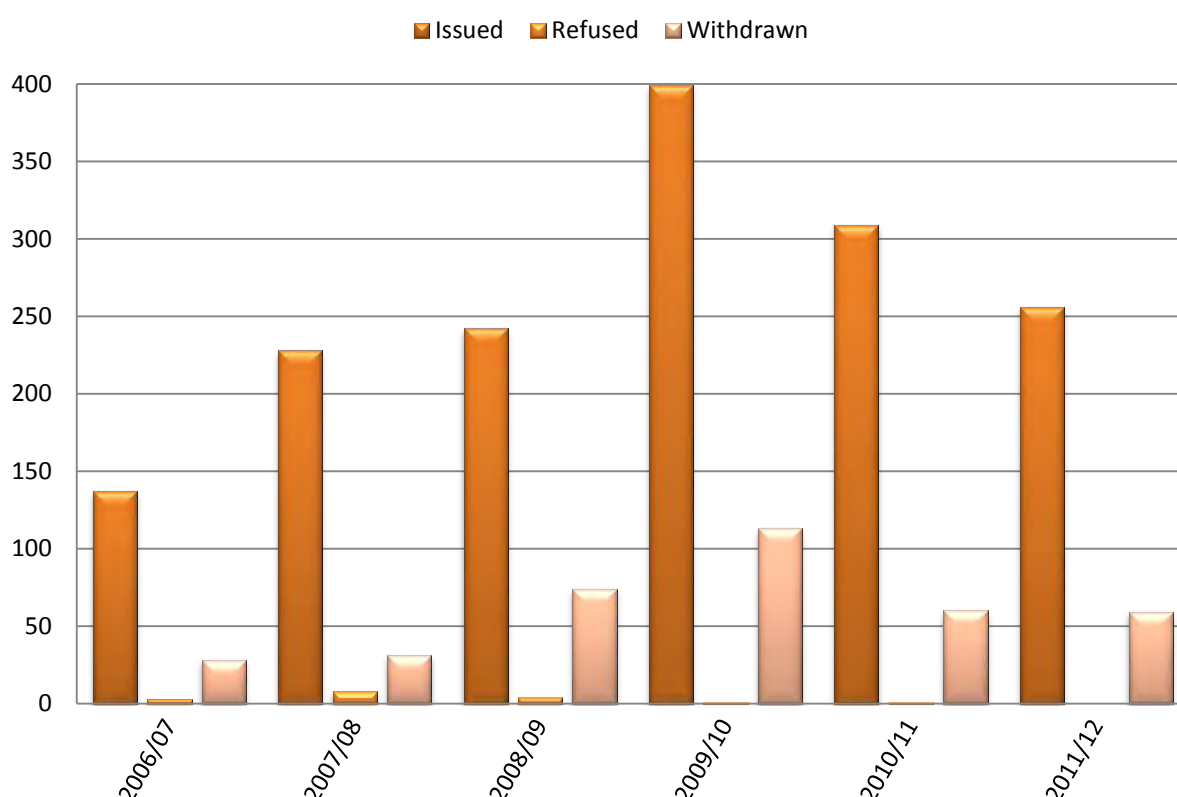
PERFORMANCE REPORTING

applications included mining and tourism related ventures.

In 2011-12 of the 315 completed Authority Certificate applications, 256 were issued (81.3 *per cent*), 59 were withdrawn (18.7 *per cent*). There were no Authority Certificates refused. This compares with 2010-11, when 370 Authority Certificate applications were completed, with 309 issued (83.5 *per cent*), 60 withdrawn (16.2 *per cent*) and 1 refused (0.3 *per cent*). It is notable that there were 266 completed applications in 2007-08 which were followed by significant increases in 2008-09 (309 completed applications) and 2009-10 (503 completed applications). As mentioned previously, increases in 2008 through to 2010 can be attributed to development initiatives arising from the Northern Territory Emergency Response.

In the current reporting period 59 Authority Certificate applications were withdrawn. The percentage of withdrawn applications has remained consistently around 16-20 *per cent* of completed applications since 2009-10.

Figure 3: Authority Certificates issued, withdrawn or refused during 2011-12

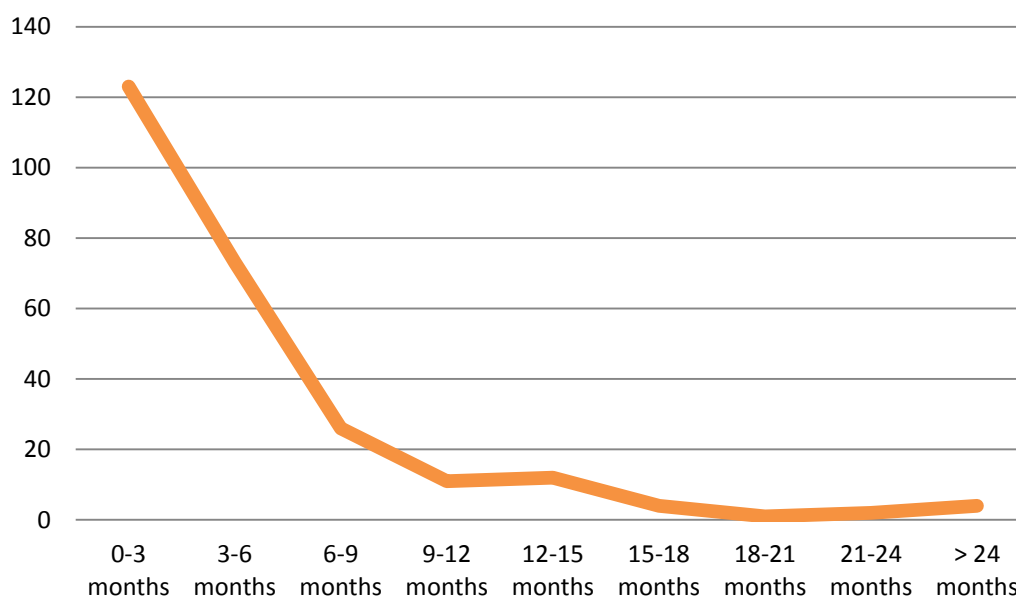


Of this workload, approximately 71 *per cent* can be attributed to applications from the Territory and Australian Governments and associated statutory bodies for purposes such as roads; community services; community and town camp infrastructure and housing; defence services; power, water and sewage infrastructure and services; and land development. With particular reference to all Government's priorities in relation to Indigenous development, it can be expected that this level of workload will continue for some time. The number of applications have remained consistent for the Mining sector, accounting for 18 *per cent* (14 *per cent* for 2010-11) of the Authority Certificate workload this year with other private sector (tourism, development, energy, pastoral and communications) Authority Certificates making up a further 11 *per cent* of the workload.

TIMELINESS—AUTHORITY CERTIFICATES

In 2011-12, completion of Authority Certificate applications took an average of 135 days, in comparison to 132 days in 2010-11 and 125 days in 2009-10 (Figure 5). Of all applications, 50 *per cent* (the median) were issued within 97 days, compared to 106 days last year, and 25 *per cent* of all applications (the 75th percentile) took longer than 175 days to issue, compared to 188 days in the 2010-11 reporting period. 77 *per cent* of Authority Certificate applications were issued within six months with 48 per cent issued within 3 months of the application being accepted by the Authority (Figure 4).

Figure 4: Issued Authority Certificates versus time taken to issue in 2011-12



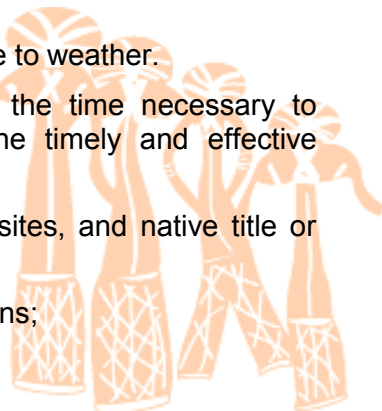
The average time for the completion of Authority Certificate applications in 2011-12 was affected by the Authority addressing a number of complex applications of which many required the services of consultants for the Authority to be able to meet the requirements and deadlines of a number of major projects. Consultants provided valued expertise to these projects however it was also found that the use of consultants added pressure on limited Authority staff resources to provide administrative support. This will be addressed in 2012-13 through improved processes.

In addition to limited administrative resources, the timeframe in 2011-12 for completing consultations with custodians was significantly impacted by various factors including:

- The increased complexity of project proposals and land tenure due to significant cultural transitions resulting from deaths of senior or knowledgeable custodians;
- The increased mobility of Indigenous custodians; and
- The remoteness of applications areas and associated access due to weather.

Between 2001-02 and 2008-09 there was a steady increase in the time necessary to complete consultations for Authority Certificate applications. The timely and effective completion of Authority Certificates is dependent upon:

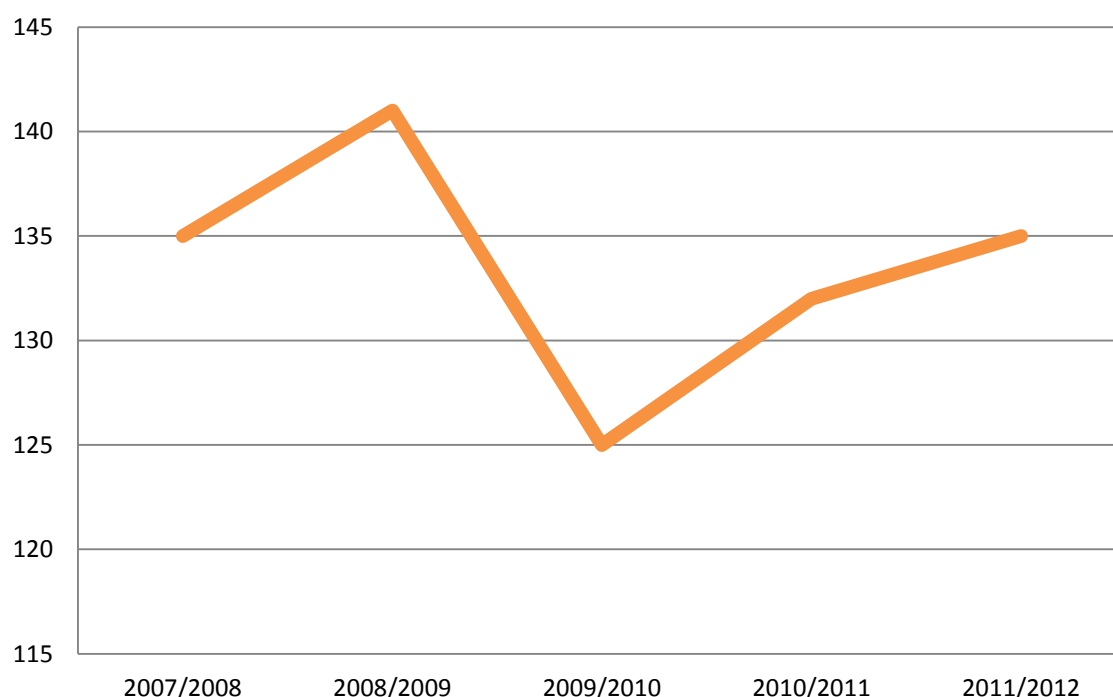
- The nature of the land involved, including numbers of sacred sites, and native title or Aboriginal land issues;
- The area of land, often significant in mining exploration applications;



PERFORMANCE REPORTING

- The clarity of the works proposed by the applicant, and of the application details;
- The number of custodian and other Aboriginal groups with an interest in the land;
- The certainty of custodian knowledge and of the records of sacred sites held by AAPA;
- The availability of sufficiently experienced anthropological research staff/consultants, within the resources available to AAPA; and
- The overall workload of the Authority and the capacity to prioritise within this workload.

Figure 5: Average days to process Authority Certificate applications in 2011-12



The high number of Certificate applications in Alice Springs and the Darwin hinterland continues to place significant pressures on custodians in these regions to work with the Authority in documenting sites.

It is expected that the ongoing improvement of internal mechanisms to coordinate applications across the Northern Territory will result in reducing average timeframes further over the next four years.



PERFORMANCE REPORTING

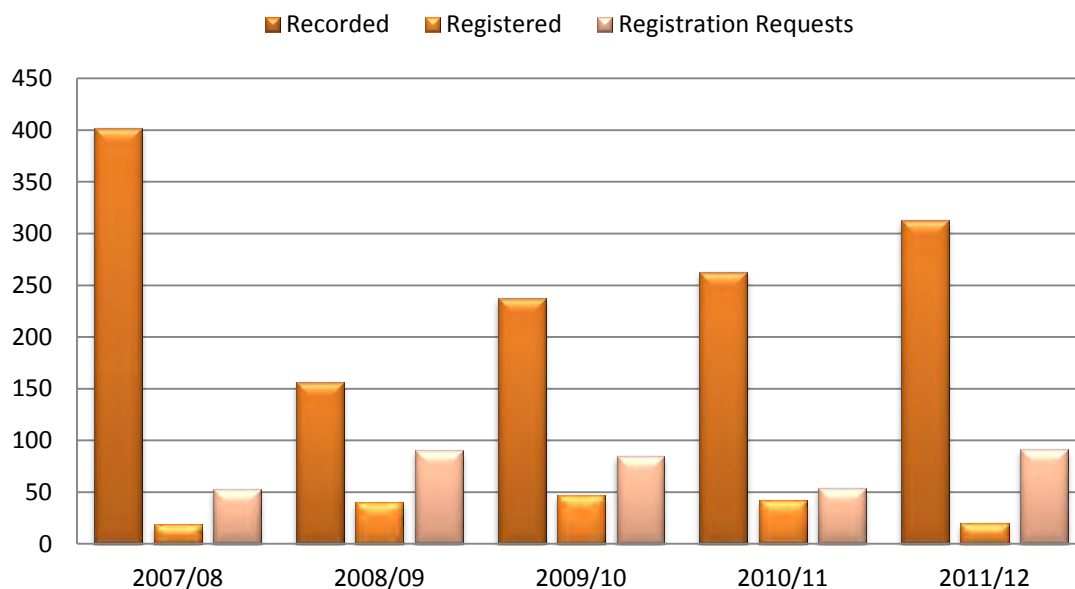
REGISTER OF SACRED SITES

Registration of sacred sites provides a clear and strong basis for the protection of the site, and for users of land to have information regarding the site's location. For Aboriginal custodians, registration of a sacred site provides the strongest possible protection for the site, with it being accepted as *prima facie* evidence in a court.

There were 91 sites requested for registration by custodians in 2011-12. This is a significant increase from 54 sites requested in 2010-11. The number of sites registered by the Authority decreased from 41 to 21. However, the number of new sites recorded has continually increased on an annual basis from 156 recorded sites in 2008-09 to 313 in 2011-12.

There remains a significant backlog of registration requests, with more than 400 requests outstanding. The Authority has established priorities for addressing registration requests, based around threats of damage or desecration, or arising from cultural transformation associated with generational change. Nevertheless, the backlog can only be addressed on an *ad hoc* basis and even then only if there is a capacity to undertake registration research without impacting on the timeframes and resources available for Authority Certificate research. The Authority has continued the development of processes to combine the registration of sacred sites with the conduct of research for Authority Certificates. The Authority Board has placed a priority on the registration of sacred sites and it is expected that there will be a gradual increase in the numbers of sacred sites registered over the next four years.

Figure 6: Sacred site registrations, requests for registration and new sites recorded in 2011-12

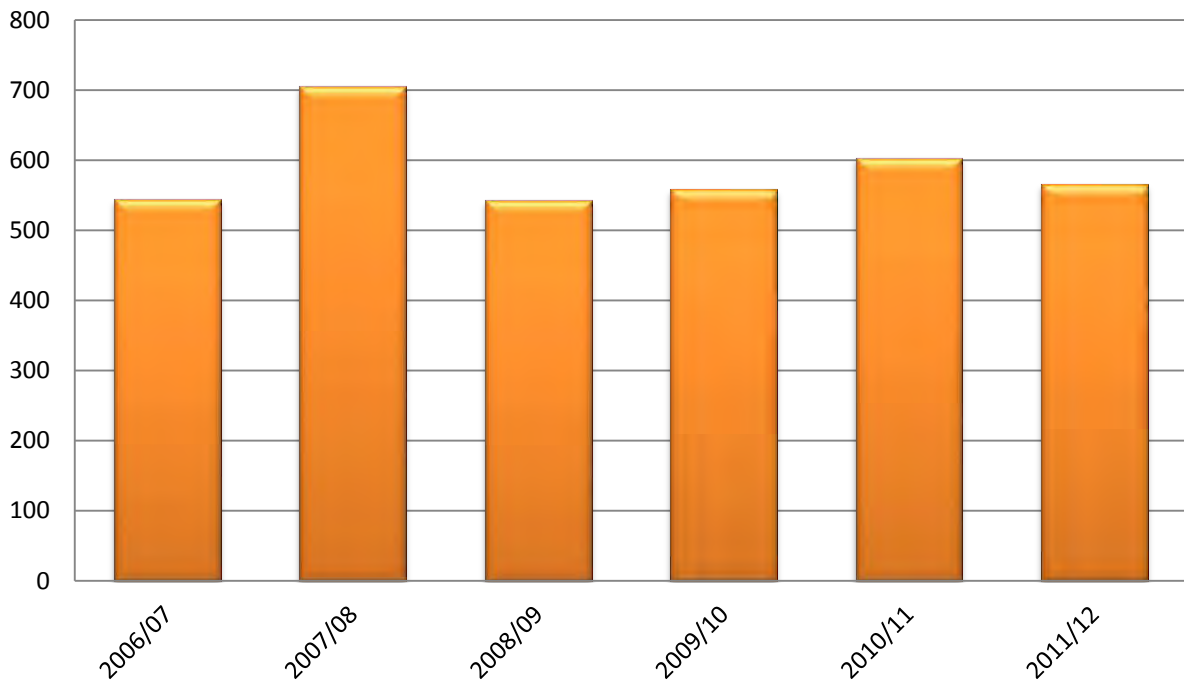


PERFORMANCE REPORTING

REQUESTS FOR INFORMATION

In 2011-12 the Authority responded to 565 formal requests for information from the Register of Sacred Sites. This was a slight decrease of 6.3 *per cent* from 603 formal requests in 2010-11.

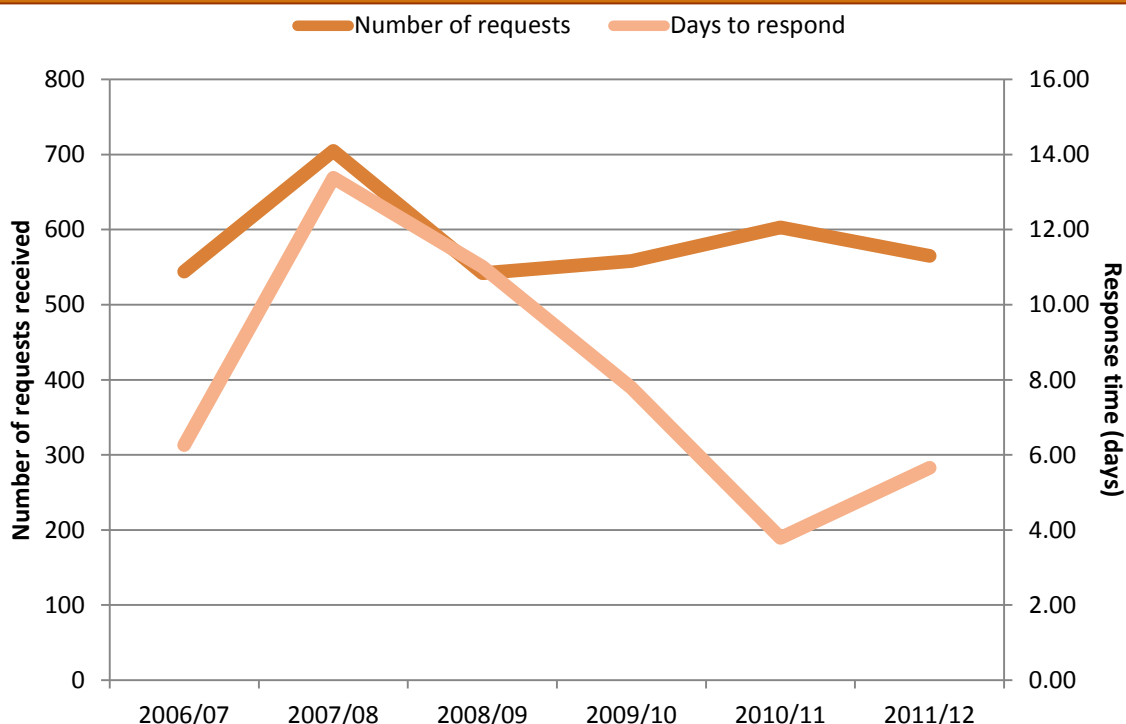
Figure 7: Formal requests for information from the register of sacred sites and sites archives



The average time taken to complete requests for information was 5.7 days, a slight increase of 1.9 days from the previous year (Figure 8). In 2011-12 work continued on processes for requests from the register, archives and other records to further improve the considerable streamlining which had already been achieved since 2009-10. These processes were instigated following internal reviews conducted during 2007-08 and has resulted in continuing improvement to services to applicants and more accurate tracking and recording of formal and informal sacred sites information. Further improvements to automated processes within the Authority's Enterprise Data Management System will positively impact on timeframes for requests for information about sacred sites.



Figure 8: Number of requests for information from the sacred sites register and response times in 2011-12



ADVICE TO CLIENTS AND THE BROADER COMMUNITY

In addition to formal requests to inspect the Register of Sacred Sites and the Register of Authority Certificates, the Authority also deals with numerous requests for information relating to site protection in the Northern Territory. The provision of information and advice to the public is a significant element of the Authority's responsibility in carrying out its functions. In the current reporting period the Authority received ongoing and daily requests for information pertaining to sacred site protection. This has included many informal requests for information from Territory Government agencies, industry, and the general public.

DAMAGE TO SACRED SITES

Under the *Northern Territory Aboriginal Sacred Sites Act* it is an offence to enter and remain on a sacred site or carry out work on or desecrate a sacred site. In recent years the Authority has responded to a large number of reports of illegal entry, illegal works, desecration and sacred site damage and has undertaken investigations and negotiations over each report.

Because of the sensitive nature of such matters, and the need to ensure that appropriate action can be taken, including prosecution where necessary, site damage matters are resource intensive.

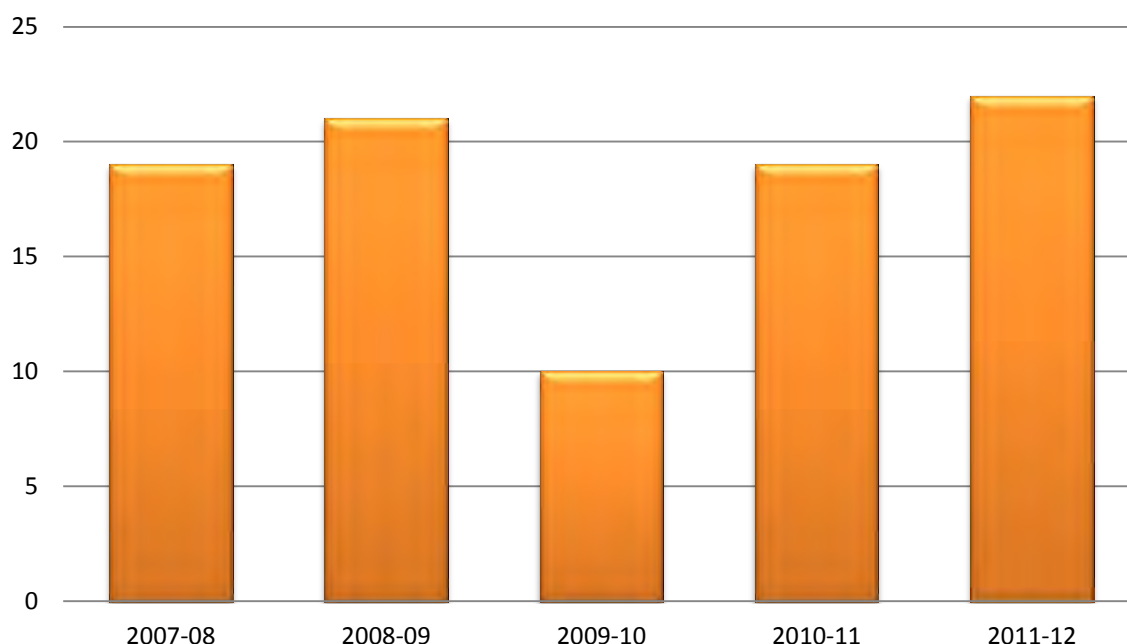
In 2011-12 the Authority focused on improving its capacity to enforce the Sacred Sites Act and to deal more effectively with reports of site damage. A Compliance Officer was engaged to assess and, where necessary, investigate a backlog of 31 reports of alleged breaches of the Act. The Compliance Officer was also tasked with assessing and implementing improvements to the Authority's processes for managing site damage matters and prosecutions. During 2011-12 there were 22 new reports of alleged damage. A total of 45 reports have been completed and closed by the 30 June 2012 leaving eight reports still active. This is a significant result compared to previous years.

PERFORMANCE REPORTING

During 2011-12 two reports of site damage progressed to prosecution following investigation. Prosecution was commenced against a fisherman for entering and working upon a sacred site in the Blyth River. This case was still in progress at the end of the financial year with expected resolution in early 2012-13.

In a separate matter OM Manganese was charged for breach of an Authority Certificate and desecration of a sacred site at the company's Bootu Creek mine on Banka Banka Station. This case is ongoing and expected to conclude in 2012-13.

Figure 9: Number of reports of alleged site damage received



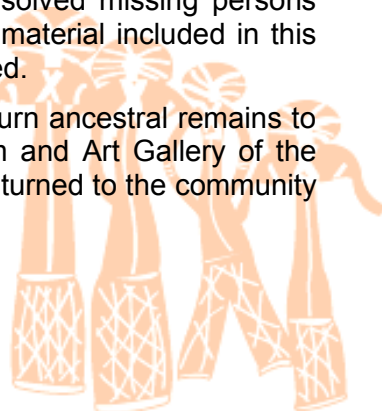
ANCESTRAL SKELETAL REMAINS

Responsibilities delegated under the *Heritage Conservation Act* can result in a number of requests associated with both forensic enquiries and the repatriation of skeletal remains.

In 2009-10 the Authority received five requests for forensic assistance on the discovery of skeletal remains in the Northern Territory. The Authority's timely response to these requests continued to strengthen the Authority's successful work with NT Police and the Coroner's Office to ensure that traditional ancestral remains are not unnecessarily disturbed.

The Authority has continued to work with the Coroner's Office on a project to conduct DNA and medical analyses on a number of the remains held by the Authority for repatriation. The aim of this project is to explore further avenues of inquiry in unresolved missing persons cases. The Coroner has requested that all repatriations of skeletal material included in this project is suspended until the DNA and medical analyses is concluded.

In July 2011 the Authority participated in a repatriation project to return ancestral remains to Gunbalanya. Ancestral remains held by the Authority, the Museum and Art Gallery of the Northern Territory and the Smithsonian Institute were successfully returned to the community and reburied.



GOVERNANCE

AUTHORITY BOARD

MEMBERSHIP AND MEETINGS

The Authority Board comprises twelve members, ten of whom are nominated by the Northern Territory Land Councils in equal numbers (five) of males and females. To fill vacancies for Aboriginal custodian members, the Land Councils are requested to nominate a panel of twice the number of custodians of the relevant gender. The Administrator of the Northern Territory appoints members by notice in the *Northern Territory Government Gazette*.

Custodian members of the Authority have been appointed from different regions of the Territory to generally provide a geographic and representative balance for the Authority.

The Administrator also appoints Aboriginal members as the Chairman and Deputy Chairman, who must be of opposite gender, based on nominations from the Authority.

The Authority meets at least four times each calendar year, often in different parts of the Northern Territory. The Authority attempts to meet in locations outside of Darwin at least once per year.

APPOINTMENTS

On 6 February 2012 Ms Lynette Granites and Ms Carol Christophersen were reappointed to the Board. The terms for the remaining members of the Board expired on 18 May 2012 and remained unresolved until 31 July 2012.

MEMBERS OF THE ABORIGINAL AREAS PROTECTION AUTHORITY

Name	Date appointed/ Re-appointed	Nominated by
Mr Thomas Amagula	2/9/2009	Anindilyakwa Land Council
Mr Bernard Abbott	18/5/2009	Central Land Council
Ms Lynette Granites	6/2/2012	Central Land Council
Ms Lena Pula	18/5/2009	Central Land Council
Mr Pepy Simpson	18/5/2009	Central Land Council
Ms Carol Christophersen	6/2/2012	Government nominee
Mr Michael Gillam	18/5/2009	Government nominee
Mr Captain Woditj	2/9/2009	Northern Land Council
Ms Banduk Marika	2/9/2009	Northern Land Council
Ms Jenny Inmulugulu	2/9/2009	Northern Land Council
Ms Nancy McDinny	2/9/2009	Northern Land Council
Mr Robert Tipungwuti	18/5/2009	Tiwi Land Council



GOVERNANCE

AUTHORITY MEETINGS

Section 12 of the Sacred Sites Act provides that the Chairman “shall call such meetings of the Authority and committees of the Authority as are necessary for the performance and functions of the Authority” and that “the Chairman shall call not less than four meetings of the Authority in each full calendar year of its operation”. Below is an outline of dates, venues and attendances at meetings called by the Chairman for the 2011-12 Financial Year:

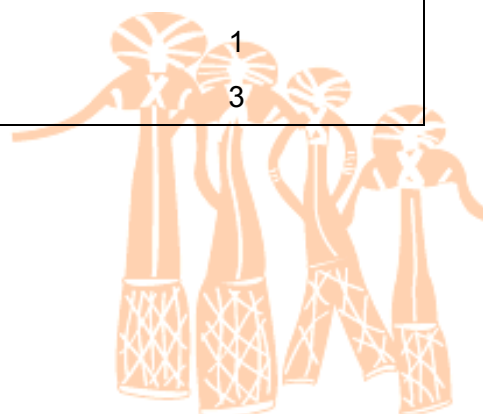
September	2011	Darwin
November / December	2011	Darwin
March	2012	Alice Springs

The Board achieved its required four meetings during calendar year 2011.

In order to deal more effectively with the breadth of issues before it, and where time permits, the Board of the Authority has held its meetings for up to three days. This extra time has allowed more time for the Board to become familiar with the issues and to give them adequate time for their full consideration.

SUMMARY OF ATTENDANCES AT MEETINGS OF THE AUTHORITY BOARD, 2011-12

Name	Meetings attended
Mr Bernard Abbott (Chairman)	3
Ms Jenny Inmulugulu (Deputy Chairman)	3
Ms Carol Christophersen	1
Mr Michael Gillam	3
Ms Lynette Granites	2
Ms Nancy McDinny	3
Mr Thomas Amagula	3
Ms Banduk Marika	3
Ms Lena Pula	2
Mr Pepy Simpson	3
Mr Robert Tipungwuti	3
Mr Captain Woditj	1
Dr Ben Scambary (CEO), Non Board Member	3



AUTHORITY OPERATIONS

PRINCIPLES OF GOVERNANCE

The Authority's governance framework aims to ensure that the Authority carries out its functions in an effective and efficient manner, in accordance with its responsibilities under the Sacred Sites Act. This includes:

- Effective Human Resources Management Practices
- Quality Control for Data and Outputs
- Development of Risk Management Strategies
- Planning and Development of a Strategic Plan

HOW AAPA IS GOVERNED

The primary policy and decision-making body is the Authority established at Section 5 of the Sacred Sites Act. Section 15 of the Act requires that "The Administrator shall appoint a Chief Executive Officer (CEO) of the Authority who shall be charged with carrying out the decisions of the Authority." All other staff of the Authority are employed directly by the Authority, under Section 17 of the Sacred Sites Act.

Section 19 provides for the Authority to delegate certain powers or functions. The CEO holds various such delegations and is responsible for the overall operation of the Authority. The CEO also exercises responsibilities under the *Heritage Conservation Act* and the *Financial Management Act* and complies with the principles of the *Public Sector Employment and Management Act*, though the Authority is not an 'Agency' under this Act.

HOW AAPA IS MANAGED

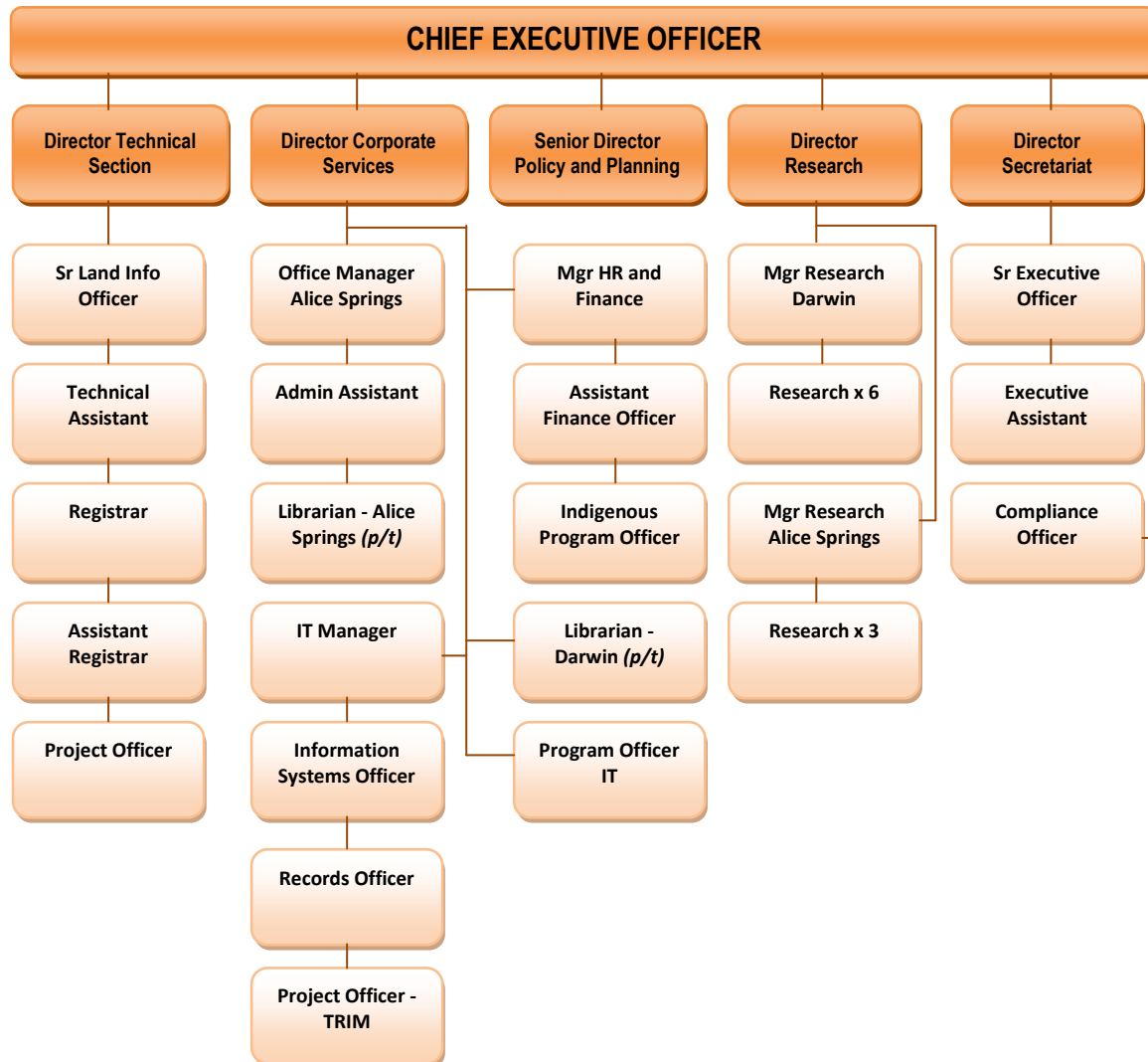
The CEO maintains overall responsibility for the day-to-day operation of the Authority. To ensure the smooth functioning of the offices, the CEO chairs weekly Executive Management Group meetings with senior managers of the Authority's operational groups. Each operational group also meets regularly to ensure an effective flow of information.

The Authority's operational groups comprise: Technical Section, Corporate Services, Policy and Planning, Research, and Secretariat (Figure 10).

The Authority's Audit Committee functions as an advisory body to the CEO, assisting the CEO in monitoring internal control systems and advises on how such systems may be improved. During 2011-12 the Audit Committee focused on issues surrounding risk management, delegations and management of critical information. Recommendations made by the Audit Committee on improved management of accountable forms were implemented in 2011-12 along with controls for fixed assets.



Figure 10: Operating structure



STRATEGIC PRIORITIES DEVELOPMENT

The Authority's core business is the protection of sacred sites across the Northern Territory under the Sacred Sites Act. Following a major increase in demand for services in 2008 there has been a sustained high level of demand for Authority Certificates and Requests for Information from the Authority's Records. To meet the challenges of this significant increase in demand for services the Authority has been refining its processes and increasing capacity. In 2012 the Authority reviewed its strategic plan. Achievements against the six key priorities of the Authority's strategic plan during 2011-12 have included:

- Protection of Sacred Sites in the NT
 - Registration of sacred sites in areas of changed or increased activity and further research regarding coastal sacred sites and trees in Alice Springs;
 - Workshops with Indigenous Ranger groups; and
 - Amendments to the *Sacred Sites Regulations* came into effect in August 2011.
- Quality Research



- Improved business systems support for the identification and protection of sites.
- Information Management
 - Following the completion of an extensive review, the development commenced on improving the Authority's information and communications technology and systems;
 - Completion of an improved records management system – TRIM; and
 - Training and support during the implementation of the new records management system.
- Our Message
 - Significant collaboration with natural and cultural resource management organizations to improve sacred site protection and compliance outcomes.
- Our People
 - Clarified higher level requirements for the Authority's core business and implemented structural improvements to meet those needs;
 - Continued a process of role and accountability clarification for all staff; and
 - Provided training and development for all staff, with an expenditure of nearly twice the amount spent the previous year and totaling a record 4.5 *per cent* of the Authority's budget.
- Financial Resources
 - Continued to refine the Authority's principles and mechanisms for recovery of allowable costs under the Sacred Sites regulations; and

KEY EXTERNAL RELATIONSHIPS

In order to ensure effective protection of sacred sites across the Territory during this year the Authority continued to develop key external relationships:

- Continued to develop linkages with Indigenous ranger and land management organisations such as Djelk Rangers, Gumur Marthakal Rangers, Wanga Djakamirr Rangers and Crocodile Island Rangers over sacred site and cultural heritage management issues;
- Workshops were run with Djelk, Wanga Djakamirr and Crocodile Island Rangers in 2011-12 following on from a successful trial sacred sites training workshop with Gumur Marthakal Rangers in 2010-11 and
- Met regularly with Alice Springs Town Council staff and elected members.

Meetings occurred throughout the year with the two large Land Councils in relation to sacred site protection matters. The Authority Board has re-affirmed that the Sacred Sites Act applies across all land in the Northern Territory, and the Authority will continue to respond to custodians and applicants in order to protect sacred sites and work cooperatively with Land Councils wherever possible.

The Authority also met with Anindilyakwa, Northern and Tiwi Land Councils for initial discussions as part of the Authority's review under the moratorium on exploration and mining in Northern Territory waters.

This year the Authority worked to improve relationships with key Government agencies. The Authority held regular meetings with senior staff at the Departments of Lands and Planning; Construction and Infrastructure; Natural Resources Environment the Arts and Sport; Housing, Local Government and Regional Services; Chief Minister; and Resources

(including both Fisheries and Mineral Titles) for the purpose of discussing matters of common interest and the protection of sacred sites.

The Authority held information stands at the NT Resources Week in Darwin in October 2011 and at the Mining Industry Expo which occurred in conjunction with the Annual Geological and Exploration Seminar (AGES) in Alice Springs in March 2012. Ongoing development of relations with the mining industry is a key activity for the Authority.

The Authority is represented on the Heritage Advisory Council. This is important for ensuring that heritage and sacred site protection continues to operate in a complementary fashion across the Northern Territory.

The work of the Authority is of central importance to the maintenance of Indigenous cultural values across the Northern Territory through its primary function of protecting sacred sites. The Authority has continued to promote the centrality of sacred sites to the cultural life of the Northern Territory through continued outreach with custodians of sacred sites across the NT, and with a range of regional and remote Indigenous organisations.

In addition, the Authority is active in working with Indigenous organisations to promote economic development outcomes. Examples include collaboration with land and sea rangers in the protection of sacred sites through assistance in developing cultural heritage management plans, provision of investigator training and the design and implementation of programs of sacred site registration.

This work recognises that sacred sites are integral to Indigenous knowledge systems that are increasingly being drawn upon to achieve the dual outcomes of maintaining biodiversity and promoting economic development. Supporting the skills base of Indigenous rangers is one way that AAPA can assist in Indigenous economic development.

The Authority has continued discussions with the Djelk, Wanga Djakamirr and Crocodile Island Rangers in developing skills associated with cultural heritage management. These collaborations are important, not only in terms of the potential economic development consequences of skill development and increased employment, but also in terms of enhancing the protection of sacred sites. These collaborations are emphasizing the empowerment of sacred site custodians through the ranger program to not only protect their sacred sites but also to engage in formal planning processes and to actively participate in the investigation of site damage incidents.

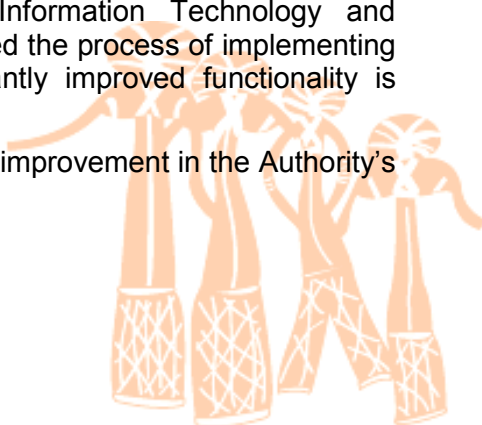
The Authority is represented on the steering committee of the 'People on Country, Healthy Landscapes and Indigenous Economic Futures Research Project' being conducted by the Centre for Aboriginal Economic Policy Research at the Australian National University. This project is examining the utilization of Indigenous knowledge in alleviating poverty.

INFORMATION MANAGEMENT

The Authority continued to progress the development of an effective and secure approach to the provision of sacred site information.

Development of an improved records and information management system was successfully completed during 2011-12. The Authority completed work on the transfer of records management from an in-house system across to the TRIM system. Following the completion of an external review of the Authority's Information Technology and Communications business systems, the Authority commenced the process of implementing the recommendations. The updated system with significantly improved functionality is expected to be in place in 2014-15.

This improved system will provide a strong base for ongoing improvement in the Authority's services to custodians, applicants and the public.



LEGISLATION AND POLICY

ABORIGINAL SACRED SITE PROTECTION IN THE NORTHERN TERRITORY

ABORIGINAL SACRED SITES

Sacred sites are places within the landscape that have a special significance under Aboriginal tradition. Hills, rocks, waterholes, trees, plains and other natural features may be sacred sites. In coastal and sea areas, sacred sites may include features which lie both above and below the water. Sacred sites are significant because of their association with key events and stories of Aboriginal spiritual ancestors credited with creating the landscape.

Aboriginal people know that sacred sites are powerful places. They are concerned to protect all people, including non-Aboriginals, from the consequences that inappropriate contact with such places may entail. Some activities, such as lopping a sacred tree or digging into sacred ground, may disturb the spirit ancestors, with grave consequences both for the person causing the disturbance and for the Aboriginal people who are custodians of that place.

According to Aboriginal law, each sacred site is the responsibility of recognised custodians. They must ensure that sacred sites are kept safe and that they are used properly. Aboriginal law dictates that if custodians of sacred sites allow a site to be damaged, other Aboriginal people will hold them responsible. This can lead to retribution or sanctions within Aboriginal society. It can also lead to recriminations against non-Aboriginal people who damage such places.

This is why Aboriginal sacred sites are recognised and protected as an integral part of Northern Territory and Australian cultural heritage under both The Commonwealth's *Aboriginal Land Rights (Northern Territory) Act 1976 (Land Rights Act)* and the *Northern Territory Aboriginal Sacred Sites Act 1989*. Both of these Acts define a sacred site as:

...a site that is sacred to Aboriginals or is otherwise of significance according to Aboriginal tradition...

COMMONWEALTH AND NORTHERN TERRITORY LAWS

The establishment of the Sacred Sites Act by the Northern Territory Government was enabled by Section 73 of the *Land Rights Act* which gives the Northern Territory Legislative Assembly power to enact laws for:

...the protection of, and the prevention of the desecration of, sacred sites in the Northern Territory...

The Sacred Sites Act was passed under this power to establish procedures for the protection and registration of sacred sites and the avoidance of sacred sites in the development and use of land.

The protection of sacred sites in the Territory is furthermore aided by Section 69 of the *Land Rights Act* which broadly prohibits entry and remaining on any land in the Northern Territory that is a sacred site, unless a law of the Northern Territory specifies otherwise.

LANDOWNERS AND DEVELOPERS

The Authority strives to achieve practical outcomes in its operations by respecting the interests of site custodians, landowners and developers. Often custodians, landowners and developers have diverging interests in land. However there is usually substantial overlap between these interests. In most cases, the Authority's challenge is to accommodate new uses of land with the need to protect sacred sites, thus preserving and enhancing Aboriginal tradition in a changing social environment.

Landowners and developers are afforded certain rights under the Sacred Sites Act.

- Section 28 provides the opportunity for landowners to make representations on the prospective registration of a sacred site.

- Section 44 of the Sacred Sites Act explicitly deals with landowners' rights to use land comprised in a sacred site consistent with the protection of sacred sites. Authority Certificates provide a legal instrument to accommodate such land-use.
- Further under Section 48A, if the application of the Sacred Sites Act in a particular case would result in an acquisition of property other than on just terms, then the person affected is entitled to such compensation as a court may decide.

As well as protecting the fabric of sacred sites in the context of land ownership and development, the Sacred Sites Act provides for Aboriginal people to have access to sacred sites "in accordance with Aboriginal tradition".

In accordance with the Sacred Sites Act all sacred sites are protected regardless of underlying land title, registration status or whether or not they are known to the Authority. The specific sections of the Sacred Sites Act relevant to the protection of sacred sites are Sections 33 (unauthorised entry), 34 (unauthorised works or uses) and 35 (deseccration), which set out the various offences in relation to sacred sites.

RESPONSIBILITIES UNDER THE *HERITAGE CONSERVATION ACT 1991*

Section 10(j) of the Sacred Sites Act specifies that one of the functions of the Authority is "to perform such other functions as are imposed on it by or under this or any other Act, ...". This includes the *Heritage Conservation Act 1991* under which the following duties are placed on the Authority:

- Under Section 8(d) of the *Heritage Conservation Act*, the Authority is required to nominate a representative to the Heritage Advisory Council.
- The Minister for Natural Resources, Environment and Heritage has delegated his powers and functions under Section 29 of the *Heritage Conservation Act* in relation to human remains and burial artefacts to the CEO of the Authority. As a consequence of these delegations the Authority responds to requests from the Coroner's office for advice on whether skeletal remains found in the Northern Territory are likely to be part of a traditional Aboriginal burial.
- Under Section 29(2) to consult with Custodians on issues relating to objects sacred according to Aboriginal tradition for the purposes of providing advice to the Minister.



OVERVIEW

The principles of human resource management contained in the *Public Sector Employment and Management Act* inform the human resource management policy and procedures of the Authority although the Authority is not an ‘agency’ under the Act. The Authority complies with provisions of anti-discrimination legislation, in particular, the Northern Territory’s *Anti-Discrimination Act*. The Authority provides a safe and healthy working environment and safe plant and equipment by maintaining a Work Health and Safety Program in which all employees are actively encouraged to participate to ensure compliance with the *Northern Territory Work Health Act*.

STAFFING

As at 30 June 2012 there were 34 positions in the Aboriginal Areas Protection Authority. This is consistent with previous years.

TERMS AND CONDITIONS OF EMPLOYMENT

The Authority employs staff under the relevant provisions of the Sacred Sites Act. As a consequence, the Authority is not a prescribed agency within the meaning of the *Public Sector Employment and Management Act 1993*. On 5 May 2004 the Commissioner for Public Employment approved terms and conditions for staff employed by the Authority as required by the Sacred Sites Act.

EQUAL EMPLOYMENT OPPORTUNITY

POLICY OBJECTIVES

The Authority aims to ensure that all staff regardless of gender, race, disability, religion, political belief or marital status are able to fully and equally:

- Develop their abilities and potential;
- Contribute to the success of the Authority’s objectives; and
- Share in the benefits of employment according to their contribution.

To achieve these objectives the Authority provides Equal Employment Opportunity Awareness Sessions for management and the dissemination of information relating to equality of opportunity and prevention of discrimination to all staff. In addition, the Authority provides a process for resolving any staff grievances as well as specific mechanisms for dealing with incidents of workplace harassment. These last two areas are outlined under their respective headings below.

INTERNAL GRIEVANCE PROCEDURES

The Authority’s resolution procedures for internal grievances emphasise conciliation. The procedures were adopted after extensive consultation with stakeholders including staff, Unions, Commissioner for Public Employment and the Office of Anti-Discrimination.

There were no grievances arising from Authority staff within the period under report.

WORKPLACE HARASSMENT

The objective of this policy is to provide guidance for employees on the prevention and elimination of any form of harassment of employees within the Authority. It also provides procedures for the resolution of both formal and informal complaints. Staff with managerial

HUMAN RESOURCES—MANAGING OUR PEOPLE

responsibilities are made aware of the Authority's obligations under the *Anti-Discrimination Act* and the principles of equity and merit that underpin the Authority's Equal Employment Opportunity objectives.

There were no allegations of workplace harassment made within the period of the report.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The Authority's EAP is an external program providing professional and confidential counseling for all employees and their immediate family members.

WORK HEALTH AND SAFETY

The Authority continues to be committed to providing a safe workplace for all its employees and consultants. The Authority encourages the participation of every staff member in achieving a healthy and safe working environment.

This commitment is demonstrated by its high emphasis on fieldwork safety and training at both the Darwin and Alice Springs offices. Members of staff are encouraged to raise any issues with the nominated WH&S officer and are assured of a prompt response.

WH&S is a standing item on the agenda for the "All Staff" meetings usually conducted once every fortnight.

WORKER'S COMPENSATION

There were no workers compensation claims made within the period of the report.

STAFF TRAINING AND DEVELOPMENT

Training and Development focuses on providing the skills and competencies necessary for staff to perform the tasks involved in achieving the desired outcomes of the Authority. The Authority recognises that training is a continuous process integrated with, and running parallel to work.

Courses included:

- Professional Development allowance;
- Continued professional development support through study leave;
- All staff and follow up Senior Management Workshop;
- Future Leaders Program;
- Machinery of Government;
- Defensive four wheel driving;
- First aid;
- Cultural awareness; and
- MapInfo and project management.

The Authority spent \$86 000 on training programs in 2011-12 representing 4.5 *per cent* of expenditure for goods and services.

STUDY ASSISTANCE PROGRAM

The Aboriginal Areas Protection Authority values its staff as its greatest resource. We are committed to providing support for formal education as a learning opportunity enabling staff



HUMAN RESOURCES—MANAGING OUR PEOPLE

to progress in their careers and increase the Authority's overall skill base.

STAFF DEVELOPMENT FRAMEWORK

The purpose of the Aboriginal Areas Protection Authority's Staff Development Framework is to provide a process for staff throughout the organisation to:

- Understand their role and contribution within the organisation;
- Realise their potential within the context of their work roles;
- Ensure they have the appropriate skills to undertake their existing and future work requirements;
- Consider their long-term work needs within the Authority; and
- Give and receive feedback about themselves and their managers.

SUPPORTING AND VALUING OUR PEOPLE

- Continued the support of staff and family who wished to access the Employee Assistance Program through two local service providers; and
- Accommodated those staff who wished to access the "Flexible working arrangements" whilst considering the operational requirements of the Authority.



FINANCIAL REPORT

PREScribed FORMAT OF AGENCY FINANCIAL STATEMENTS

Consistent with the requirements of Treasurer's Directions Section R2.1 this report provides Agencies with the prescribed format for Agency financial statements for 20011-12 and future financial years (unless amended).

Although the prescribed format has been developed to cover a wide range of Agency circumstances and situations, in some situations Agencies may need to include additional financial information and/or disclosures. Treasurer's Directions Section R2.1 and this report provide this flexibility in certain circumstances. In this regard, Agencies should refer to italicised comments within the prescribed format.



FINANCIAL REPORT

FINANCIAL STATEMENT OVERVIEW

For the Year Ended 30 June 2012

The Aboriginal Areas Protection Authority is a statutory authority established under the *Northern Territory Aboriginal Sacred Sites Act 1989* to administer sacred site protection in the Northern Territory. The Administrator of the Northern Territory appoints Board members of the Authority. The Authority is constituted under Section 5, and staff are employed under Section 17 of the Act. This provides for the Authority to administer the Act at arm's length from the day-to-day operations of the Northern Territory Government.

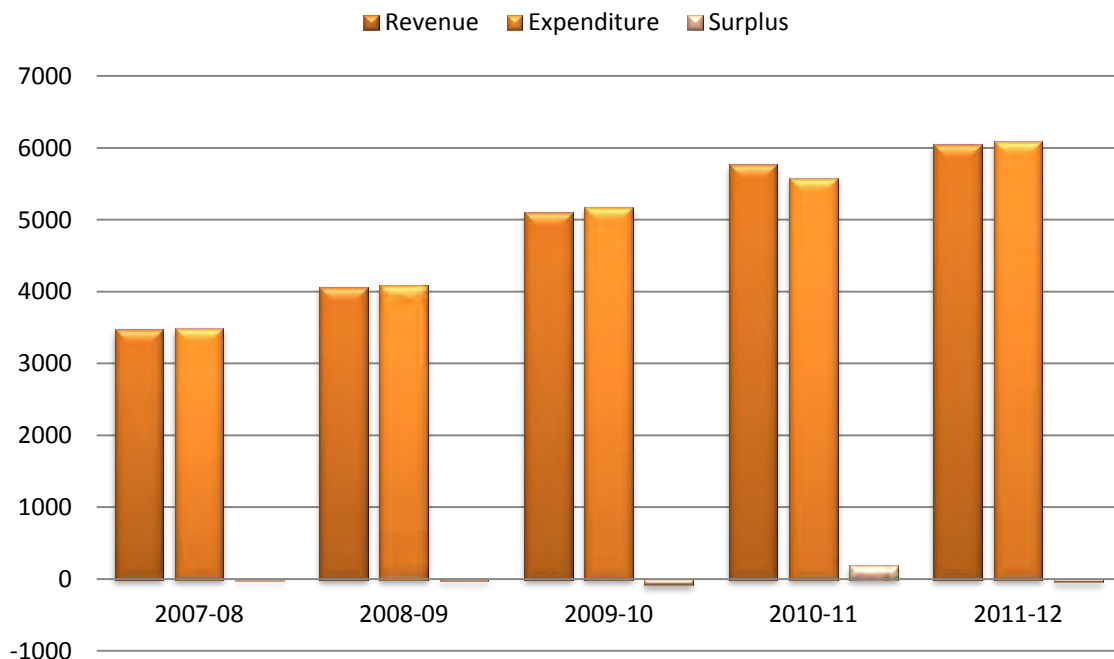
The Aboriginal Areas Protection Authority received the majority of their funding through Output Appropriation \$3 616 000 with the remaining through Agency Revenue \$1 736 000.

The Authority recorded a deficit of \$42 000 for the 2011-12 financial year. The outcome can be attributed to the demand for Authority Certificate applications, and for inspections of the register and records of sacred sites.

The Authority is required to disclose the dollar amount expended on Insurance Policies. For the financial year 2011-12 the amount is as follows:

■ General Property Insurance	\$4 166.45
■ Motor Vehicle Insurance	\$9 419.32
■ Workers Compensation Insurance	\$34 727.00

Figure 11: Operating results



CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Aboriginal Areas Protection Authority have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2012 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



.....
Dr. Ben Scambary

CHIEF EXECUTIVE OFFICER

30 August 2012



.....
Clive Naylor

DIRECTOR CORPORATE SERVICES

30 August 2012



COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2012

	NOTE	2012 \$'000	2011 \$'000
INCOME			
Appropriation			
Output		3 616	3 116
Sales of Goods and Services		1 736	1 967
Goods and Services Received Free of Charge	4	697	689
Miscellaneous Revenue		3	1
TOTAL INCOME	3	6 052	5 772
EXPENSES			
Employee Expenses		3 293	2 847
<i>Administrative Expenses</i>			
Purchases of Goods and Services	5	1 923	1 945
Repairs and Maintenance		1	1
Property Management		61	65
Depreciation and Amortisation	8	20	37
Other Administrative Expenses ⁽¹⁾		795	689
TOTAL EXPENSES	3	6 094	5 584
NET SURPLUS/(DEFICIT)		(42)	189
COMPREHENSIVE RESULT		(42)	189

¹ Includes DBE service charges.

The Comprehensive Operating Statement is to be read in conjunction with the notes to the financial statements.



BALANCE SHEET

As at 30 June 2012

	NOTE	2012 \$'000	2011 \$'000
ASSETS			
Current Assets			
Cash and deposits	6	397	262
Receivables	7	413	239
Other Receivables		5	
Prepayments		10	8
Total Current Assets		825	509
Non-Current Assets			
Receivables	7		
Property, plant and equipment	8	18	155
Total Non-Current Assets		18	155
TOTAL ASSETS		842	664
LIABILITIES			
Current Liabilities			
Deposits held			
Payables	9	(115)	(99)
Provisions	10	(364)	(219)
Total Current Liabilities		(479)	(318)
Non-Current Liabilities			
Provisions	10	(84)	(63)
Other liabilities			
Total Non-Current Liabilities		(84)	(63)
TOTAL LIABILITIES		(563)	(381)
NET ASSETS		280	283
EQUITY			
Current Year Surplus/Deficit		(280)	(283)
Capital		(307)	(269)
Accumulated funds		27	(14)
TOTAL EQUITY		280	283

The Balance Sheet is to be read in conjunction with the notes to the financial statements.



STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2012

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
2011-12					
Accumulated Funds		14	(42)		(28)
		14	(42)		(28)
Capital – Transactions with Owners		269			269
Equity injections					
Capital appropriation				38	38
		269		38	307
Total Equity at End of Financial Year		283	(42)	38	280
2010-11					
Accumulated Funds		(175)	189		14
		(175)	189		14
Capital – Transactions with Owners		231			231
Equity injections					
Capital appropriation				38	38
		231		38	269
Total Equity at End of Financial Year		56	189	38	283

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.



CASH FLOW STATEMENT

For the year ended 30 June 2012

	Note	2012 \$000	2011 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts			
Appropriation			
Output		3 616	3 116
Receipts from sales of goods and services		1 692	1 982
Total Operating Receipts		5 308	5 098
Operating Payments			
Payments to employees		3 105	2 955
Payments for goods and services		2 125	2 089
Total Operating Payments		5 230	5 043
Net Cash From/(Used in) Operating Activities	11	78	54
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Payments			
Purchases of assets		19	18
Total Investing Payments		19	18
Net Cash From/(Used in) Investing Activities		19	18
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Capital appropriation		38	38
Total Financing Receipts			
Financing Payments			
Total Financing Payments		38	38
Net Cash From/(Used in) Financing Activities		38	38
Net increase/(decrease) in cash held		135	74
Cash at beginning of financial year		262	188
CASH AT END OF FINANCIAL YEAR	6	397	262

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

INDEX OF NOTES TO THE FINANCIAL STATEMENTS

Note

1. Objectives and Funding
2. Statement of Significant Accounting Policies
3. Comprehensive Operating Statement by Output Group
- INCOME**
4. Goods and Services Received Free of Charge
- EXPENSES**
5. Purchases of Goods and Services
- ASSETS**
6. Cash and Deposits
7. Receivables
8. Property, Plant and Equipment
- LIABILITIES**
9. Payables
10. Provisions
- OTHER DISCLOSURES**
11. Notes to the Cash Flow Statement
12. Financial Instruments
13. Commitments
14. Contingent Liabilities and Contingent Assets
15. Events Subsequent to Balance Date
16. Write-offs, Postponements, Waivers, Gifts and Ex Gratia Payments
17. Schedule of Territory Items



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

1. OBJECTIVES AND FUNDING

The task given to the Aboriginal Areas Protection Authority (the 'Authority') by the Northern Territory Government is to implement the *Northern Territory Aboriginal Sacred Sites Act*.

The Authority is predominantly funded by, and is dependent on the receipt of Parliamentary appropriations. The financial statements encompass all funds through which the Authority controls resources to carry on its functions and deliver output. Note 3 provides summary financial information in the form of an Operating Statement by Output Group.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Aboriginal Areas Protection Authority to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of Authority financial statements is to include:

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intra-agency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the Authority financial statements is also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated. The Standards and Interpretations and their impacts are:

AASB 124 Related Party Disclosures (December 2009), AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]

The Standards amend the requirements of the previous version of AASB 124 to clarify the definition of a related party, provide a partial exemption from related party disclosure requirements for government-related entities and include an explicit requirement to disclose commitments involving related parties. The Standards do not impact the financial statements.

AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, 7, 101 & 134 and Interpretation 13]

The Standard amends a number of pronouncements as a result of the IASB's 2008-2010 cycle of annual improvements. Key amendments include clarification of content of statement of changes in equity (AASB 101) and financial instrument disclosures (AASB 7). The Standard does not impact the financial statements.

AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]

The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard does not impact the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & 7]

The Standard makes amendments to AASB 7 *Financial Instruments: Disclosures* resulting from the IASB's comprehensive review of off balance sheet activities. The amendments introduce additional disclosures, designed to allow users of financial statements to improve their understanding of transfer transactions of financial assets, including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The Standard does not impact the financial statements.

b) Australian Accounting Standards and Interpretations Issued but not yet Effective

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Summary	Effective for annual reporting periods beginning on or after	Impact on financial statements
AASB 2011-9 <i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income</i> [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]	Requires entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.	1 July 2012	Minimal

c) Agency and Territory Items

The financial statements of the Aboriginal Areas Protection Authority include income, expenses, assets, liabilities and equity over which the Aboriginal Areas Protection Authority has control (Agency items). Certain items, while managed by the Authority, are controlled and recorded by the Territory rather than the Authority (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the Government's ownership interest in Government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the Government and managed by the Authority on behalf of the Government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

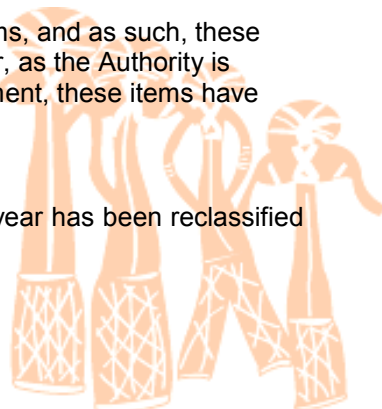
The Central Holding Authority also holds certain Territory assets not assigned to the Authority as well as certain Territory liabilities that are not practical or effective to assign to the Authority such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the Authority's financial statements. However, as the Authority is accountable for certain Territory items managed on behalf of Government, these items have been separately disclosed in Note 17 – Schedule of Territory Items.

d) Comparatives

Where necessary, comparative information for the 2010-11 financial year has been reclassified to provide consistency with current year disclosures.

e) Presentation and Rounding of Amounts



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero.

f) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2011-12 as a result of management decisions.

g) Accounting Judgments and Estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgments and estimates are:

- Employee Benefits – Note 2(v) and Note 9: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Contingent Liabilities – Note 14: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year Government bond rate.
- Depreciation and Amortisation – Note 2(k), Note 8: Property, Plant and Equipment.

h) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

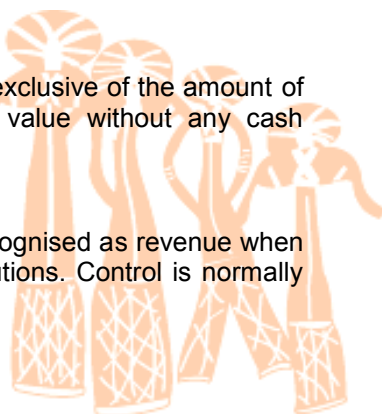
i) Income Recognition

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Authority obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Appropriation

Output appropriation is the operating payment to the Authority for the outputs it provides and is calculated as the net cost of Authority outputs after taking into account funding from Authority income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Special Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by Treasury on behalf of the Central Holding Authority and then on-passed to the Authority as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the Authority gains control of the funds.

Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- the Authority retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the Authority; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Interest Revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Goods and Services Received Free of Charge

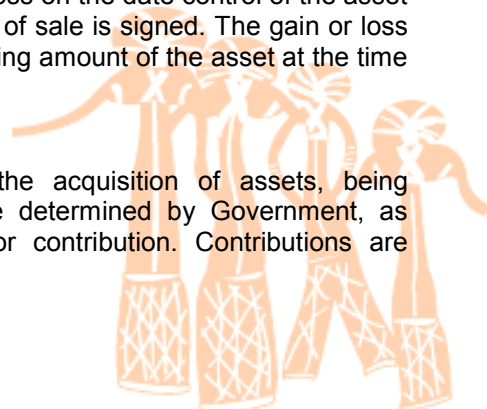
Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

Disposal of Assets

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the Authority obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

j) Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with Authority assets as part of output revenue. Costs associated with repairs and maintenance works on Authority assets are expensed as incurred.

k) Depreciation and Amortisation Expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2012	2011
Plant and Equipment	2-4 years	2-4 years
Computer Equipment	5 years	5 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

l) Interest Expense

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

m) Cash and Deposits

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner.

n) Inventories

Inventories include assets held either for sale (general inventories) or for distribution at no or nominal consideration in the ordinary course of business operations.

General inventories are valued at the lower of cost and net realisable value, while those held for distribution are carried at the lower of cost and current replacement cost. Cost of inventories includes all costs associated with bringing the inventories to their present location and condition. When inventories are acquired at no or nominal consideration, the cost will be the current replacement cost at date of acquisition.

The cost of inventories are assigned using a mixture of first-in, first out or weighted average cost formula or using specific identification of their individual costs.

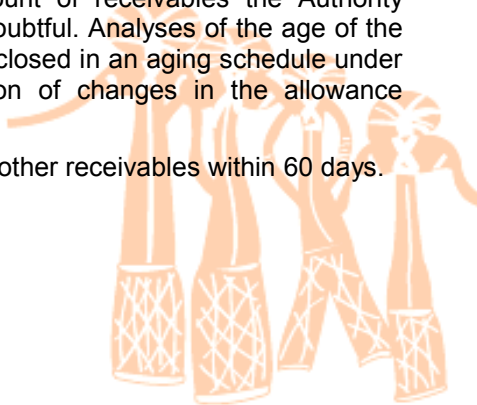
Inventory held for distribution is regularly assessed for obsolescence and loss.

o) Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the Authority estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 12 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days and other receivables within 60 days.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

p) Property, Plant and Equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex Assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent Additional Costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

Construction (Work in Progress)

As part of the financial management framework, the Department of Construction and Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for all Authority capital works is provided directly to the Department of Construction and Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the Authority.

q) Revaluations and Impairment

Revaluation of Assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- intangibles

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms-length transaction.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements.

Impairment of Assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible Authority assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the Authority determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus.

r) Assets Held for Sale

Assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, and their sale is highly probable within the next twelve months.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

s) Leased Assets

Leases under which the Authority assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Finance Leases

Finance leases are capitalised. A leased asset and a lease liability equal to the present value of the minimum lease payments are recognised at the inception of the lease.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

t) Payables

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Authority. Accounts payable are normally settled within 30 days.

u) Employee Benefits

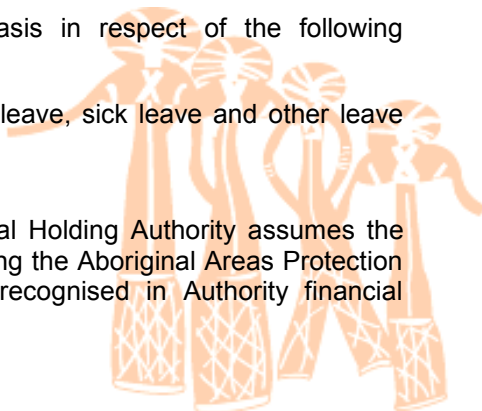
Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave, sick leave and other leave entitlements; and
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the Aboriginal Areas Protection Authority and as such no long service leave liability is recognised in Authority financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

v) Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); or
- non-government employee-nominated schemes for those employees commencing on or after 10 August 1999.

The Authority makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in Authority financial statements.

w) Contributions by and Distributions to Government

The Authority may receive contributions from Government where the Government is acting as owner of the Authority. Conversely, the Authority may make distributions to Government. In accordance with the *Financial Management Act* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, Government. These designated contributions and distributions are treated by the Authority as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, Government.

x) Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 13.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

		Protection of Scared Sites		Total	
	Note	2012	2011	2012	2011
		\$000	\$000	\$000	\$000
INCOME					
Output		3 616	3 116	3 616	3 116
Commonwealth					
Sales of goods and services		1 736	1 967	1 736	1 967
Interest revenue					
Goods and services received free of charge	4	697	689	697	689
Miscellaneous Revenue		3	1	3	1
TOTAL INCOME		6 052	5 772	6 052	5 772
EXPENSES					
Employee expenses		3 293	2 847	3 293	2 847
Administrative expenses					
Purchases of goods and services	5	1 923	1 945	1 923	1 945
Repairs and maintenance		1	1	1	1
Property Management		61	65	61	65
Depreciation and amortisation	8	20	37	20	37
Other administrative expenses ¹		796	689	796	689
TOTAL EXPENSES		6 094	5 584	6 094	5 584
NET SURPLUS/(DEFICIT)		42	189	42	189
COMPREHENSIVE RESULT		42	189	42	189

¹ Includes DBE service charges.

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

	2012 \$000	2011 \$000
4. GOODS AND SERVICES RECEIVED FREE OF CHARGE		
Corporate and information services	697	689
	697	689
5. PURCHASES OF GOODS AND SERVICES		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
Goods and services expenses:		
Consultants	786	787
Advertising	0	1
Marketing and promotion	17	15
Document production	7	3
Legal expenses	21	25
Recruitment	9	17
Training and study	86	79
Official duty fares	152	87
Travelling allowance	39	32
	1 119	1 046
6. CASH AND DEPOSITS		
Cash on hand	1	1
Cash at bank	396	262
	397	262
	2012	2011
	\$000	\$000
7. RECEIVABLES		
Current		
Accounts receivable	418	222
Less: Allowance for impairment losses	(5)	(5)
GST receivables	5	22
Non-Current		
Other receivables	0	0
Total Receivables	418	239



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

8. PROPERTY, PLANT AND EQUIPMENT

	2012 \$000	2011 \$000
Construction (Work in Progress)		
At capitalised cost	0	98
Plant and Equipment		
At fair value	66	85
Less: Accumulated depreciation	(61)	(54)
	<u>5</u>	<u>31</u>
Computer Software		
At cost	40	40
Less: Accumulated depreciation	(40)	(36)
	<u>0</u>	<u>3</u>
Computer Hardware		
At cost	131	131
Less: Accumulated depreciation	(118)	(109)
	<u>13</u>	<u>23</u>
Total Property, Plant and Equipment	<u>18</u>	<u>155</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

8. PROPERTY, PLANT AND EQUIPMENT (continued)

2012 Property, Plant and Equipment Reconciliations

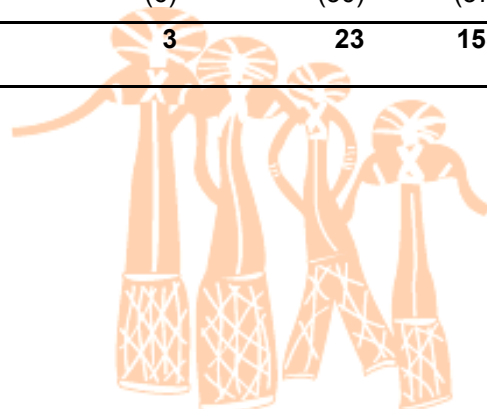
A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2011-12 is set out below:

	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Total
	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2011	98	31	3	23	155
Additions	(98)	(19)			(19)
Disposals					
Depreciation		(7)	(3)	(10)	(20)
Additions (Disposals from Asset Trfs)					(98)
Carrying Amount as at 30 June 2012	0	5	0	13	18

2011 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2010-11 is set out below:

	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Total
	\$000	\$000	\$000	\$000	\$000
Carrying Amount as at 1 July 2010	98	21	9	46	173
Additions		11		7	18
Disposals					
Depreciation		(1)	(6)	(30)	(37)
Carrying Amount as at 30 June 2011	98	31	3	23	155



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

	2012 \$000	2011 \$000
9. PAYABLES		
Accounts payable	48	32
Accrued expenses	66	68
Other payables		
Total Payables	115	99
10. PROVISIONS		
Current		
<i>Employee benefits</i>		
Recreation leave	236	144
Leave loading	44	28
Other employee benefits	23	13
<i>Other current provisions</i>		
Other provisions	60	35
	364	219
Non-Current		
<i>Employee benefits</i>		
Recreation leave	84	63
Other employee benefits		
<i>Other non-current provisions</i>		
Other provisions		
	84	63
Total Provisions	448	282

The Agency employed 34 employees as at 30 June 2012 (compared to 34 employees as at 30 June 2011).



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

11. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Cash

The total of Authority 'Cash and deposits' of \$397,000 recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

Reconciliation of Net Surplus/(Deficit) to Net Cash from Operating Activities

	2012	2011
	\$000	\$000
Net Surplus/(Deficit)	(42)	189
<i>Non-cash items:</i>		
Depreciation and amortisation	20	37
Decrease/(Increase) in receivables	(179)	(86)
Decrease/(Increase) in prepayments	(2)	4
Decrease/(Increase) in payables	15	17
Decrease/(Increase) in provision for employee benefits	141	(107)
Decrease/(Increase) in other provisions	26	1
Net Cash from Operating Activities	78	54

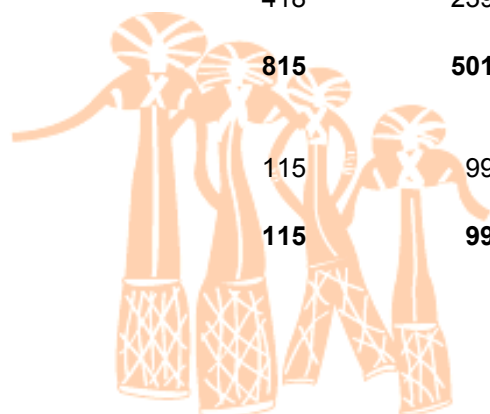
12. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments held by the Aboriginal Areas Protection Authority include cash and deposits, receivables and payables. The Authority has limited exposure to financial risks as discussed below.

a) Categorisation of Financial Instruments

The carrying amounts of the Authority's financial assets and liabilities by category are disclosed in the table below.

	2012	2011
	\$000	\$000
Financial Assets		
Cash and deposits	397	262
Receivables	418	239
Total Financial Assets	815	501
Financial Liabilities		
Payables	115	99
Total Financial Liabilities	115	99



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

b) Credit Risk

The Authority has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the Authority has adopted a policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Authority's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

	Aging of Receivables \$000	Aging of Impaired Receivables \$000	Net Receivables \$000
2011-12			
Not overdue	28		28
Overdue for less than 30 days	65		65
Overdue for 30 to 60 days	29		29
Overdue for more than 60 days	292		292
Total	414		414

Reconciliation of the Allowance for Impairment Losses ^(a)

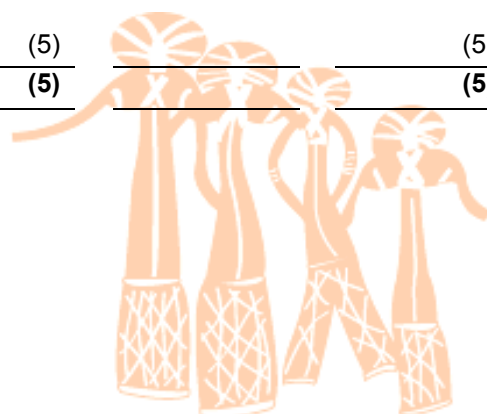
Opening	(5)		(5)
Total	(5)		(5)

2010-11

Not overdue	111		111
Overdue for less than 30 days	14		14
Overdue for 30 to 60 days	36		36
Overdue for more than 60 days	107		107
Total	268		268

Reconciliation of the Allowance for Impairment Losses ^(a)

Opening	(5)		(5)
Total	(5)		(5)



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

c) Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the Authority's remaining contractual maturity for its financial assets and liabilities. It should be noted that these values are undiscounted, and consequently totals may not reconcile to the carrying amounts presented in the Balance Sheet.

2012 Maturity analysis for financial assets and liabilities

		Interest Bearing				Total	Weighted Average
	Fixed or Variable	Less than a Year	1 to 5 Years	More than 5 Years	Non Interest Bearing		
		\$000	\$000	\$000	\$000	\$000	%
Assets							
	Cash and deposits				397	397	0
	Receivables				418	418	0
Total	Financial Assets				815	815	0
Liabilities							
	Payables				115	115	0
Total	Financial Liabilities				115	115	0

2011 Maturity analysis for financial assets and liabilities

		Interest Bearing				Total	Weighted Average
	Fixed or Variable	Less than a Year	1 to 5 Years	More than 5 Years	Non Interest Bearing		
		\$000	\$000	\$000	\$000	\$000	%
Assets							
	Cash and deposits				262	262	0
	Receivables				239	239	0
Total	Financial Assets				501	501	0
Liabilities							
	Payables				99	99	0
Total	Financial Liabilities				99	99	0

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

d) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest Rate Risk

The Aboriginal Areas Protection Authority is not exposed to interest rate risk as Authority financial assets and financial liabilities which are non-interest bearing.

(ii) Price Risk

The Aboriginal Areas Protection Authority is not exposed to price risk as the Authority does not hold units in unit trusts.

(iii) Currency Risk

The Aboriginal Areas Protection Authority is not exposed to currency risk as the Authority does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

13. COMMITMENTS

Operating Lease Commitments

The Authority leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the Authority with a right of renewal at which time all lease terms are renegotiated. The Authority also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

	2012	2011
	\$000	\$000
Within one year	6	2
Later than one year and not later than five years	30	18
Later than five years	0	0
	<u>36</u>	<u>20</u>



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- a) **Contingent Liabilities** - The Authority had no contingent liabilities as at 30 June 2012 or 30 June 2011.
- b) **Contingent Assets** - The Authority had no contingent assets as at 30 June 2012 or 30 June 2011.

15. EVENTS SUBSEQUENT TO BALANCE DATE

No events have arisen between the end of the financial year and the date of this report that require adjustment to, or disclosure in these financial statements.

16. WRITE-OFFS, POSTPONEMENTS, WAIVERS, GIFTS AND EX GRATIA PAYMENTS

The Authority had no write offs, postponements or waivers in 2011-12 and 2010-11.

17. SCHEDULE OF TERRITORY ITEMS

The following Territory items are managed by the Authority on behalf of the Government and are recorded in the Central Holding Authority (refer Note 2(c)).

	2012	2011
	\$000	\$000
TERRITORY INCOME AND EXPENSES		
Income		
Fees from regulatory services	47	32
Royalties and rents		
Other income		
Total Income	47	32
Expenses		
Other administrative expenses	47	32
Total Expenses	47	32







CONTACT DETAILS

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