

Annual Report 2015-2016



Aboriginal Areas
Protection Authority



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Published September 2016 by the Aboriginal Areas Protection Authority, a statutory authority of the Northern Territory Government.

ISSN 2205-5177 (Online)

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Board members Veronica Lynch, Walter Kerinauia Junior and Leah Clifford attending an Authority Board meeting in Darwin.

The Hon Lauren Moss MLA
Minister for Environment and Natural Resources
DARWIN NT 0800


30 September 2016

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 2015 to 30 June 2016.

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

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jenny Inmulugulu'.

Jenny Inmulugulu
Chairman

The Hon Lauren Moss MLA
Minister for Environment and Natural Resources
DARWIN NT 0800

30 September 2016

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 2015 to 30 June 2016.

The Report refers to the twenty-seventh 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 employees under their control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions;
- b) procedures within the Agency afford proper internal control and a current description of such 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 Agency is adequate and the results of internal audits have been reported to me;
- e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions; and
- f) the Agency is working in compliance with the *Information Act*.

Yours sincerely



Dr Benedict Scambary
Chief Executive Officer

1 Introduction



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Authority CEO Dr Benedict Scambary and Board Deputy Chairman Philip Wilyuka attending an Authority Board meeting in Darwin.

Purpose of the Report

This is a report on the administration and operation of the Aboriginal Areas Protection Authority (the Authority) for the 2015-16 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 Treasure'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 performances, 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 2015-16 financial year, as well as our business direction for the year to come.

View above Barrkmalam (Jim Jim falls) from the helicopter during fieldwork in the Jim Jim/Twin Falls area in Kakadu National Park.



CHAIRMAN'S REPORT

Since the late 1970s sacred sites in the Northern Territory have been protected by law, first by *Aboriginal Sacred Sites Act (NT) 1978*, and later by the *Northern Territory Aboriginal Sacred Sites Act 1989* (the Sacred Sites Act). This law is significant in its recognition of the importance of sacred sites. Sacred sites connect people with ceremony, law and traditions, across time and generations. They are part of Aboriginal people's living culture, and an integral part of the Northern Territory's and Australia's cultural heritage.

The *Northern Territory Aboriginal Sacred Sites Act* balances the protection of sacred sites with the use or development of land or sea across the Territory. Through consultations with Aboriginal custodians, the Authority seeks to understand the heritage and stories of the land and record information about sacred sites and custodianship. These consultations serve to negotiate ways in which land users or developers can proceed with projects whilst managing their liabilities.

As the newly appointed chairman of the Board, it gives me great pride to lead and be part of an organisation that works to protect sacred sites for current and future generations. In the last 12 months the membership of the Board has changed substantially due to many Board members retiring at the end of their three-year terms. The retiring Board members are: Mr Bernard Abbott, Ms Banduk Marika, Mr Captain Woditj, Ms Lena Pula, Mr Pepy Simpson, Mr Thomas Amgula, Mr John Rawnsley and Ms Nancy McDinny. I wholeheartedly thank these members for their contribution and dedication to the Authority. Notably Mr Bernard Abbott had served as a Board member for 20 years, and Ms Banduk Marika had served for nine years. During their time on the Board these members brought a new level of understanding and awareness of the importance of sacred sites.

I welcome back Lynette Granites, who has been reappointed for another three years to the Board, and I also welcome our new ten members who come from around the Territory and who bring with them a wealth of experience and knowledge about sacred sites, as well as policy and public sector administration.

Throughout this year the Board and I have focussed on building good relationships with custodians and stakeholders who rely on the advice and knowledge of the Authority. Talking to stakeholders about sacred sites and about how we can achieve positive outcomes for both custodians and developers is one of the most important things we do. In 2015-16 the Board met with a number of key people and organisations including: The Honourable Bess Price, MLA, Minister for Community Services; Price WaterHouse Coopers Indigenous Consulting and the Power and Water Corporation.

In 2015 the Northern Territory Government commissioned an Independent Review of the *Northern Territory Aboriginal Sacred Sites Act* to examine its scope and operation. As the current *Sacred Sites Act* has only undergone minor changes since 1989, the Board welcomed this timely announcement and believe the review is an opportunity to identify improvements to help strengthen the capacity of the *Sacred Sites Act* to protect sacred sites, and meet the needs of all Territorians.

Prior to the Review the Board had been keenly aware of the limitations of the current *Sacred Sites Act* and had supported past attempts by the Authority to amend its legislation. Around the time of the change in Government in 2012 the Board had endorsed a proposed suite of legislative changes to the *Sacred Sites Act* which focussed mainly on achieving administrative efficiencies in the operation of the Act. However in 2013, following the appointment of a new Minister for Local Government and Community Services, the motivation, scope and intention of these amendments were subjected to change.

At that time it became apparent to the Board that the Minister's intention for legislative changes were motivated by a need to create greater economic activity and to reduce red tape for businesses engaging with the *Sacred Sites Act*. The Board felt that its purpose to protect sacred sites and its independence did not sit comfortably with the Government's intentions.

In October 2014, the Commonwealth Government announced an investigation into Indigenous land administration and use, which eventually led to the establishment of the Northern Territory Government's Aboriginal Land Strategic Policy (ALSP) unit. The group, located within the Department of the Chief Minister, was tasked with reviewing legislation relevant to Aboriginal Land Administration with a view of improving legislative and administrative systems to support Indigenous land use. An apparent dis-connect between the proposed changes to the *Sacred Sites Act* and the ALSP's broader project was addressed by a review of the *Northern Territory Aboriginal Sacred Sites Act* commissioned by the ALSP. As at the end of this financial year, the Board and staff of the Authority have worked closely with the review team for several months and hope that the review will soon lead to a better, stronger and more enduring *Sacred Sites Act*.

Sadly, during these last 12 months, a number of custodians who have worked closely with the Authority have passed away. On behalf of the Board I would like to acknowledge these custodians and their important contribution to the protection of sacred sites.

Finally I thank the Chief Executive Officer, Dr Ben Scambary, and the staff of the Authority for their support and commitment to the Board and the protection of sacred sites.

Jenny Inmulugulu
Chairman
 30 September 2016



CHIEF EXECUTIVE OFFICER'S REPORT

The Aboriginal Areas Protection Authority has been in existence in one form or another for the past 35 years with the primary function of protecting sacred sites in the Northern Territory. Through its administration of the Sacred Sites Act, the Authority provides an important regulatory function to preserve cultural values in the Northern Territory, whilst maintaining a balance with the economic and social aspirations of all Territorians.

For more than three decades the *Sacred Sites Act* has minimised conflict through careful mediation of development and sacred site protection and has emerged as a successful risk management tool for both developers and custodians of sacred sites. Since 1989 the Authority has delivered certainty for thousands of projects across the Territory, whilst protecting sacred sites.

During this period the *Sacred Sites Act* has undergone only minimal amendments against a backdrop of considerable economic, political and social change in the Northern Territory. In 2015 the Northern Territory Government announced that it was conducting a review of the Act to investigate the extent to which the *Sacred Sites Act* supports economic development in the Northern Territory, and how protection of sacred sites could be strengthened. As part of the review's terms of references it will examine the scope and operation of the *Sacred Sites Act* as well as the strategic and day-to-day operations of the Authority.

The Board of the Authority and I have welcomed the review as an opportunity to ensure the *Sacred Sites Act* remains effective and relevant in achieving its purpose. In the last months we have worked closely with the review team from Price Waterhouse Coopers Indigenous Consulting and we look forward to seeing the report and its recommendations in 2016-2017.

I commend the team from Price Waterhouse Coopers Indigenous Consulting for their approach and commitment to the review. I hope the review will raise questions and ideas about how the role of the *Sacred Sites Act* should develop to meet changing circumstances and challenges. It is likely that once the review is released next year, it will strongly inform the future work program of the Authority.

Throughout 2015-16 the Authority has focussed on the Government's red tape reduction program through enhancements to its information technology and business systems, and adjustments to its internal processes. A critical issue to the Authority is the replacement of its key business system Administrative Research Management System (ARMS). Since the late 1990s the Research Management System (ARMS) has been used to record and manage its sacred site information. ARMS was the first Oracle database developed in the Northern Territory Government environment and, due to technological and licensing changes, it is now out-dated and needs replacing.

After considerable commitment and resources from the Authority, I am pleased to report that the Authority is now close to finalising the first phase of its IT Project, a partial redevelopment of its sacred sites database. The new system will enable the online lodgement and receipt of Authority Certificates and Abstracts of Records, as well as enable applicants to track the progress of their applications. As at the end of 2015-2016, the Authority was in the final stages of programming and internal testing. Next financial year the Authority expects to carry out testing in the live IT environment with selected clients, before rolling out the new system to the wider population.

The project will lead to significant benefits for stakeholders and the Authority, including faster application times, real-time status updates, a reduction of paperwork and telephone enquiries, and better information management due to improved control processes.

As part the cutting red tape program, the Authority continued its focus on streamlining its internal processes to improve the quality of its services to stakeholders and to reduce timeframes. This has resulted in the Authority reducing its turnaround time for Authority Certificates from 126 days in 2014-15 to 114 days in 2015-16. This reduction in timeframes for clearances has helped support the progress of a wide range of development proposals.

In the context of current Government priorities to develop the north and other major developments in the Northern Territory, the Authority has always been uniquely placed to support these priorities.

The Authority has worked with custodians and developers to achieve sacred site protection and provide clearances for 242 projects across the Northern Territory, including those relating to infrastructure development, housing, social projects, tourism, defence, mining and agriculture.

Looking ahead, the key focus in 2016-17 will be the development and implementation of a new strategic plan for the Authority, rolling out the new IT system, and implementing the recommendations of the Review once it has been released.

The Authority has achieved a great deal this year. This has only been possible due to the good work of the Authority's Board and staff, and the support of many custodians and stakeholders who believe in the importance of what we do. I look forward to continuing our work in 2016-17.

Dr Benedict Scamby
Chief Executive Officer
30 September 2016



DEPUTY CHAIRMAN'S REPORT

It was a privilege to be appointed to the Board this year. I have enjoyed and learned so much from my fellow members and was honoured to be elected as the Board's Deputy Chairman.

I would like to thank the outgoing Board members for the legacy of sacred site protection they leave behind. As a new member to the Board, I hope to continue the good work of my predecessors. In particular the Board is very supportive of the on-going review of the *Sacred Sites Act* and looks forward to reviewing and implementing its recommendation in the year ahead.

The Board values the importance of development for the social and economic benefit of all people and seeks to facilitate development projects, while recognising the need to protect sacred sites. During 2015-16 the Board has worked hard to help Aboriginal people and land users achieve their aspirations for sacred site protection and land use.

One of the central duties of the Board is to consider proposals for the registering of a sacred site into the Authority's sacred site register. The process of registering a site helps custodians provide a greater level of protection to a sacred site. For any member of the public viewing the register of sacred sites, they will be made aware of the location and boundary of that site. This year the Board approved the registration of three sacred sites. The recent changes to the membership of the Board had temporarily disrupted the Authority's capacity to progress sacred site registrations. However now that the Board is now mostly appointed, it is expected that the number of registration proposals presented to the Board will steadily increase.

In recognition of the value the Board places on sacred site registrations, the Authority has also focused on refining its internal processes for registrations. It is expected that these improvements will lead to a more efficient registration process and improved communications with stakeholders.

The Board and I look forward to seeing more sacred sites registered in the coming year.

Philip Wilyuka
Deputy Chairman
30 September 2016

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Our Organisation



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Authority staff, Park staff and custodians crossing Jim Jim Creek in Kakadu National Park.

Role and Function

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 functions of the Authority are set out in Section 10 of the *Sacred Sites Act*. 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 seeks to strike a balance between the protection of sacred sites and development in the Northern Territory.

Our History

The Authority has existed in one form or another for the past 35 years with the primary function of protecting sacred sites in the Northern Territory. Its history is entwined with that of the *Aboriginal Land Rights (NT) Act 1976*, the legislation that gives rise to the *Northern Territory Aboriginal Sacred Sites Act 1989*.



Authority staff and custodians carrying out consultations in Alice Springs.

Its predecessor, the *Aboriginal Sacred Sites (NT) Act 1978*, was one of the first pieces of legislation passed by the Northern Territory Government after self-government was granted in 1978. The new law was significant in its recognition of Aboriginal culture by actively empowering Aboriginal people to protect their sites of cultural significance and allowing their sites to be recorded, registered and protected in the context of development. Under the new law it became an offence to enter, remain, carry out works on or desecrate sacred sites anywhere in the Northern Territory. Other enduring aspects of today's legal protection were also established, such as a Board largely made up of Aboriginal custodians, nominated by Land Councils, and a clear definition of a sacred site.

The early years brought some controversy between the Authority, the Government and proponents of development. The notion of sacred sites and their meaning and importance to Aboriginal people were poorly understood by the wider community. Under the strong leadership of senior Aboriginal Chairmen, including Mr Raphael Apuatimi OAM and Mr Wenten Rubuntja AM, the Authority worked hard to bridge this gap by engaging with Government and developers to negotiate workable solutions.

Throughout the 1980s there were numerous proposals to amend the *Aboriginal Sacred Sites (NT) Act 1978*. In 1988 the Northern Territory Government introduced the Aboriginal Areas Protection Bill (NT) in an attempt to strike a more effective balance between the protection of sacred sites and the development of the Territory, its people and resources. However the Bill did not proceed due to concerns that it was incompatible with Section 73(1) of the *Aboriginal Land Rights Act*.

The Government continued negotiations with the Authority and Land Councils over amendments to the sacred sites legislation, which led to the current *Northern Territory Aboriginal Sacred Sites Act 1989* and established the Aboriginal Areas Protection Authority. For the last 26 years the *Sacred Sites Act* has established a framework based on voluntary engagement and has emerged as a successful risk management tool for developers and custodians of sacred sites alike.

The current *Sacred Sites Act* has been subject to only minor changes in the last 26 years and in late 2015 the Northern Territory Government announced an independent review of the *Sacred Sites Act*.

Mission Statement

To protect sacred sites in the Northern Territory by recognising and respecting the interests of custodians of sacred sites, landowners and developers, for the benefit of all Territorians.

Vision

- Achieve practical outcomes by recognising and respecting the interests of Aboriginal sacred site custodians, landowners and developers.
- Minimise controversy over the existence of sacred sites.
- Provide sound and timely protection of sacred sites in the Northern Territory.
- Foster understanding and enhance relations between Aboriginal custodians and other Territorians about sacred sites.
- Provide clear and practical instructions for the protection of sacred sites.

Key Services provided by the Authority

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

- Sacred site avoidance surveys and the issuing of Authority Certificates for any proposals of development;
- The provision of information to the public about existing sacred sites data through abstracts of Authority records and access to the Registers maintained by the Authority; and
- The registration of Aboriginal sacred sites.

▲ Authority Certificates

Anyone 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. Such Certificates are based on consultations with custodians and provide clear instructions on what can and can't be done in and around sacred sites. 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. Certificates are voluntary and provide an effective risk management tool for developers and act as site protection measures for custodians.

▲ Requests for Information

Members of the public may seek advice on registered sacred sites by requesting access to the Register of Sacred Sites. The Authority provides **abstracts of information** to advise the public where sacred sites are known to exist so that they are not inadvertently damaged and provide advice where sacred sites are likely to be at risk if works were to be carried out without more detailed information being sought first. The Authority may advise that they should not carry out works on these sacred sites without an Authority Certificate and that any development proposals take into account their existence.

▲ The Registration of Aboriginal 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 significance of the site. In accordance with the *Sacred Sites Act*, the Authority ensures that sufficiently detailed documentation about specific sacred sites is recorded to warrant their inclusion by the Board and that landowners are given an opportunity to comment.

Our Stakeholders

The Authority serves a diverse range of stakeholders, including Territory and Commonwealth Government agencies, Aboriginal custodians and traditional owners, industry groups (including the oil, gas and mining, and pastoral industries), the Defence Force, Land Councils, Local Governments and Shires, communication network companies, food producers, tourism operators, environmental managers (including Indigenous Rangers) home owners, real estate agencies and a range of private and non-government organisations who use land across the Territory. The Authority strives to meet the needs of all stakeholders in order to protect sacred sites.

Highlights for 2015-2016

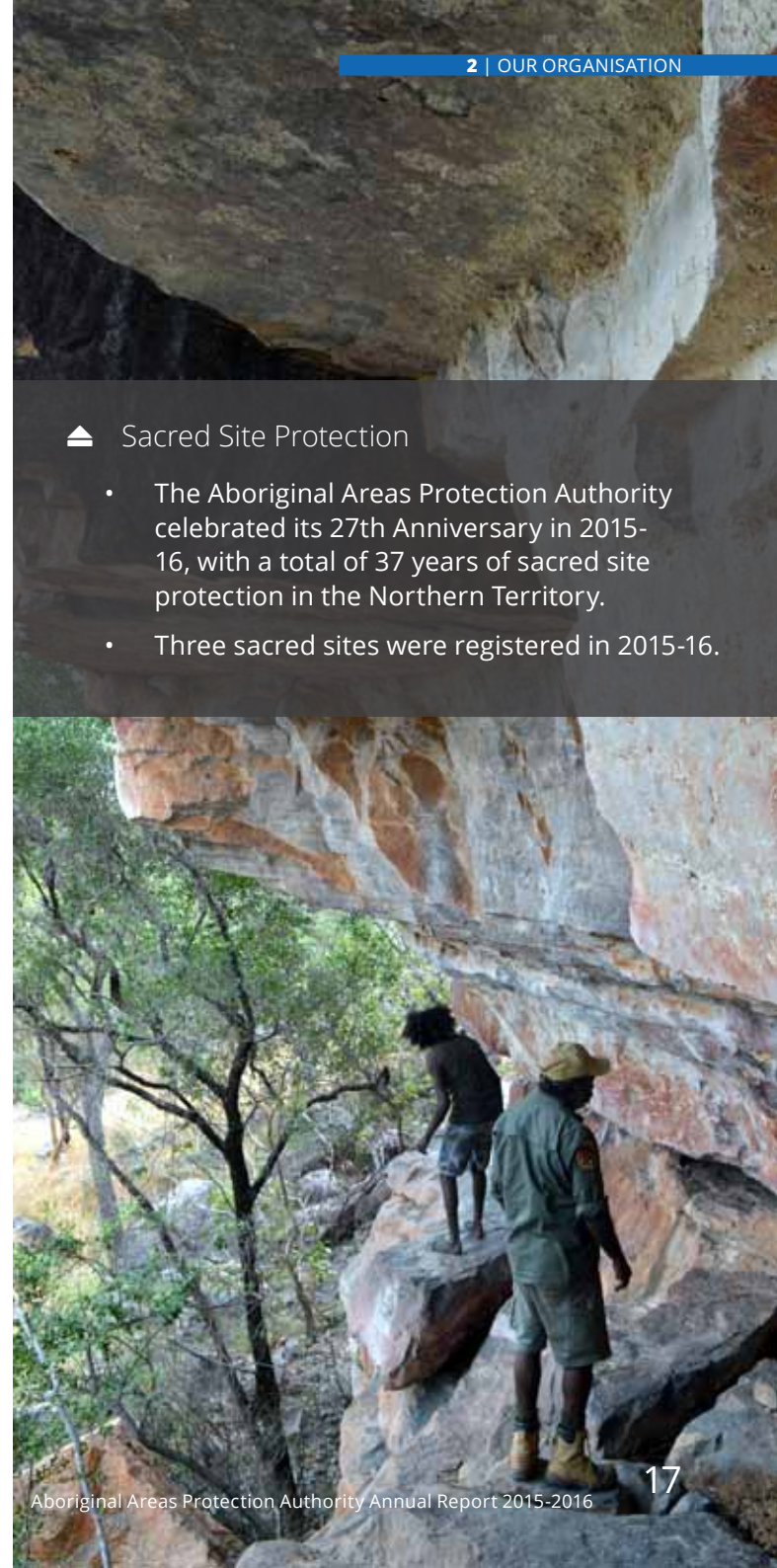
▲ Statistics at a Glance

- In 2015-16, the Authority issued 242 Authority Certificates, an increase of 37% from the previous reporting period.
- The Authority reduced the average time-frame for Authority Certificates from 126 days in 2014-15 to 114 days in 2015-16.
- Governments (Northern Territory, Commonwealth, Local, other) are the largest client group for Authority Certificates.
- Infrastructure related projects (planning and infrastructure, housing development, power, water and sewage) represented 46 per cent (or 111) of Authority Certificate issued in 2015-16.
- In 2015-16, the Authority completed 636 formal requests for information from its publically available Registers.

▲ Sacred Site Protection

- The Aboriginal Areas Protection Authority celebrated its 27th Anniversary in 2015-16, with a total of 37 years of sacred site protection in the Northern Territory.
- Three sacred sites were registered in 2015-16.

Custodians Jeff Lee and Courtney Nadjermerrek during fieldwork in Kakadu National Park.



Development Projects the Authority has issued Authority Certificates for included:

▲ Construction projects

- Nightcliff Foreshore seawall
- Construction of Braitling and Larapinta Primary Schools, Alice Springs
- Construction of Police Workshop Stores Complex, Alice Springs
- Construction of Marine Industry Park, East Arm

▲ Essential services:

- Construction of solar arrays at the communities of Minyerri, Arlparra, Wurrumiyanga (Cape Fourcroy), Maningrida, Milikapiti and Pirlangimpi.
- Construction of high voltage powerline from Wadeye to Peppimenarti
- Flood mitigation works for Rapid Creek, Ludmilla, Yarrowonga and Wadham Lagoon
- Water drilling at Engawala community
- Construction and maintenance of water and sewer rising main, Katherine



Kadeem May and custodian Anthony Sullivan boarding a helicopter during fieldwork in Kakadu National Park.

▲ Major road upgrades

- Upgrade and sealing of Tanami Road
- Carpentaria Highway
- Buchanan Highway from Coolibah Creek to Stuart Highway
- Bridgeworks at the Victoria Highway crossing Saddle Creek
- Amanbidji Road
- Bullita Road, Timber Creek
- Lajamanu Road
- Plenty Highway
- Big Horse Creek Bridge and Little Horse Creek Bridge construction and realignment of Victoria Highway
- Raymingirr Access Road upgrade, East Arnhem Land

▲ Tourism and visitor experience projects

- Works to boat ramps and nearby facilities at Big Horse Creek, Dundee Beach and Batten Road
- Maintenance and upgrade works at Litchfield National Park
- Construction of a Todd River walkway from Tuncks Road to Stott Terrace
- Upgrade of Mataranka Thermal Pool
- Upgrade of Kings Canyon visitor area, Watarrka National Park
- Repair, upgrade and maintenance of walking tracks at Ormiston Gorge
- Construction of walking track shelters along Larapinta Trail, West MacDonnell National Park
- Construction and upgrade of George Brown Darwin Botanical Gardens
- Renewal of infrastructure services and facilities within Black Jungle / Lambells Lagoon Management Area and Holmes Jungle Nature Park
- Construction of a Netball Stadium in Alice Springs
- Upgrade of Arunga Park Speedway, Alice Springs

Financial highlights

- The Authority's strong organisational performance during the year resulted in revenue growing by more than 11% to \$5.93M.
- This increased activity also impacted on expenditure which grew by 8%, mainly in personnel costs. The impact of this growth was a surplus of \$0.483M, a rise of 66%.



View across the Jim Jim/Twin Falls area in Kakadu National Park.

Human Resources highlights

- The Authority had a total of 29.73 full time equivalent (FTE) staff members in 2015-16, down from 31.13 FTE the previous year.
- 18.2% of employees identify as Indigenous and 81.8 % as non-Indigenous.
- The gender distribution of staff of the Authority is 64.70% female and 35.30% male, an increase in the employment of females from the previous year.
- The Authority spent \$23,745 on training programs and associated expenses.

3 Governance



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Board Chairman Jenny Inmulugulu and Board member Lynette Granites attending an Authority Board meeting in Darwin.

Authority Board

▲ Membership and meetings

The Authority Board comprises twelve members, ten of whom are nominated by Northern Territory Land Councils in equal numbers (five) of males and females, and two of whom are nominated by the Minister for Local Government and Community Services as Government representatives. 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*. Board members of the Authority are sacred site custodians who have been appointed from different regions of the Territory to provide a geographically representative balance for the Authority. To fill the two vacancies for Government representatives, the Minister for Local Government and Community Services nominates representatives who provide sound administrative experience.

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

▲ Authority Board Meetings

Under the *Sacred Sites Act*, the Authority meets four times each calendar year.

In the 2015-16 financial year the Chairman called the following meetings:

106th Board Meeting	8 December 2015	Darwin
107th Board Meeting	9 December 2015	Darwin
108th Board Meeting	6-7 April 2016	Darwin

▲ Appointments

The terms of nine Board members expired in 2015. After years of dedicated service Mr Bernard Abbott, Ms Banduk Marika, Mr Captain Woditj, Ms Lena Pula, Mr Pepy Simpson, Mr Thomas Amagula, Mr John Rawnsley, Ms Nancy McDinny retired from the Board.

Ms Jenny Inmulugulu was reappointed to the Board on 29 September 2015.

From August to December 2015 the Authority welcomed seven new members to its Board:

- Ms Leah Clifford (appointed 1 August 2015)
- Mr Walter Kerinauia Jnr (appointed 31 August 2015)
- Mr Phillip Mamarika (appointed 31 August 2015)
- Mr Jack Green (appointed 29 September 2015)
- Ms Bobby Nungumarjbarr (appointed 29 September 2015)
- Ms Veronica Lynch (appointed 14 December 2015)
- Mr Philip Wilyuka (appointed 14 December 2015).

As at the end of June 2016 ten members [see following] had been appointed to the Authority's Board. The remaining two vacancies were in the process of being filled.



▲ Ms Jenny Inmulugulu, Chairman
Ms Inmulugulu is a traditional owner of Warruwi on South Goulburn Island. She has been a member of the Aboriginal Areas Protection Authority since 2006 and served as Deputy Chair on the Board from 2008-2012. Ms Inmulugulu is a senior woman for her clan and a strong advocate for her community and the Northern Land Council's regional council.

Nominated by: Northern Land Council
Date re-appointed: 29 September 2015
First appointed in: 2006
Meetings attended in 2015-16: 3



▲ Mr Philip Wilyuka – Deputy Chairman
Mr Wilyuka is a Pitjanjatjara/ Yankunytjatjara man from the community of Titjikala. Mr Wilyuka currently works as a Lutheran pastor at Titjikala and has been involved with the Central Land Council (CLC) for many years. In 2012-2013 he served as Chair of the CLC and has also been a CLC member for the Alice Springs Region. In April 2016 Mr Wilyuka was elected by the CLC for the Aboriginal Benefit Account (ABA) Advisory Committee.

Nominated by: Central Land Council
Date appointed: 14 December 2015
Meetings attended in 2015-16: 3



▲ Ms Leah Clifford
Ms Clifford is currently the Chief Executive Officer of the Northern Territory Department of Housing and has previously held senior positions within the Northern Territory Government, including in the Department of Lands, Planning and the Environment. She brings specialist professional skills in the area of land policy and administration to the Authority Board membership.

Nominated by: Northern Territory Government
Date appointed: 1 August 2015
Meetings attended in 2015-16: 3



▲ Mr Walter Kerinauia Junior
Mr Walter Kerinauia Junior is one of the senior 'culture men' on the Tiwi Islands. He is a past member of the Tiwi Islands Regional Council/Tiwi Islands Local Government. He has been the long-time Trustee of the Mantiyupwi land owning group which takes in southern parts of both Bathurst and Melville Islands. He is also a past Director of Mantiyupwi Pty Ltd.

Nominated by: Tiwi Land Council
Date appointed: 31 August 2015
Meetings attended in 2015-16: 3



▲ Mr Jack Green
Mr Jack Green is from Borroloola. He is a Senior Cultural Advisor to the Garawa and Waanyi/ Garawa Ranger programs in the Gulf region of the Northern Territory. He is a member of the Borroloola Aboriginal Peoples and has contributed significantly to Aboriginal community-based development programs in remote regions of Australia. Mr Green is a strong supporter of the maintenance of Aboriginal connection to the land.

Nominated by: Northern Land Council
Date appointed: 29 September 2015
Meetings attended in 2015-16: 3



▲ Ms Lynette Granites

Ms Granites is a highly respected senior Walpiri woman from Yuendumu. She has been a member of the Aboriginal Areas Protection Authority Board since 2005. Ms Granites is well known for her knowledge in women's law and culture and has worked closely with the Authority on many sacred site registrations and Authority Certificate consultations. She has worked as a health worker for many years and is a renowned artist in her community.

Nominated by: Central Land Council
Date re-appointed: 14 April 2015
First appointed in: 2005
Meetings attended in 2015-16: 3



▲ Ms Veronica Lynch

Ms Lynch is from Black Tank Community Outstation and was a founding member of the Indigenous tourism venture Black Tank Tour Experiences which provided guests with insight into local Arrente culture. She has also been involved with the Central Land Council for a number of years and was a member of the CLC representing Ingkerreke Outstation from 2013-2016. During this period she also held a position on the Aboriginals Benefit Account (ABA) Advisory Committee and provided advice to the Minister for Indigenous Affairs on ABA grant applications.

Nominated by: Central Land Council
Date appointed: 14 December 2015
Meetings attended in 2015-16: 1



▲ Mr Michael Tennant

Mr Tennant has been the Chief Executive Officer of the Department of Business since October 2014. Prior to this role Mr Tennant was the Deputy Chief Executive Officer of the Northern Territory Department of the Chief Minister and also worked in the Queensland Public Service in a range of senior executive leadership roles across a range of public sector agencies. He is an experienced public sector administration professional and has his tertiary qualifications in law and economics.

Nominated by: Northern Territory Government
Date appointed: 12 May 2015
Meetings attended in 2015-16: 2



▲ Mr Bobby Nunggumarjbar

Mr Bobby Nunggumarjbar is a senior Nunggubuyu man from Numbulwar in South-East Arnhem Land. He has had a long and distinguished career in public administration in the region as Town Clerk of Angurugu on Groote Eylandt, and has held various positions on the Yugul Mangi Community Government Council in Ngukurr and more recently the Roper Gulf Shire. Mr Nunggumarjbar is

widely respected for his knowledge and authority across South-East and Central Arnhem Land. Mr Nunggumarjbar has also been the Senior Project Officer in charge of the Northern Land Council's Ngukurr office for the past 15 years, and more recently as a Director for Arnhem Frontier and Civil Construction.

Nominated by: Northern Land Council
Date appointed: 29 September 2015
Meetings attended in 2015-16: 3



▲ Mr Phillip Mamarika

Mr Phillip Mamarika is a respected elder of the Mamarika Clan of Umbakumba on Groote Eylandt. He currently works as a Senior Ranger with the Anindilyakwa Land and Sea Rangers, providing on-the-ground leadership and mentoring to ten staff concerning traditional land and sea country. Mr Mamarika represents the Anindilyakwa Land and Sea Rangers

at the Anindilyakwa Indigenous Protected Area Advisory Committee and the Learning on Country Steering Committee. His role also extends to general community liaison and he is a strong conduit between the Land and Sea Rangers and the Anindilyakwa Land Council Head Office.

Nominated by: Anindilyakwa Land Council
Date appointed: 31 August 2015
Meetings attended in 2015-16: 1

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; and
- planning and development of a strategic plan.

How the Authority is Governed

The primary policy and decision-making body is the Authority (the Board) established under Section 5 of the *Sacred Sites Act*. Section 15 of the *Sacred Sites Act* requires that "The Administrator shall appoint a Chief Executive Officer 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 Chief Executive Officer holds various such delegations and is responsible for the overall operation of the Authority. The CEO also exercises responsibilities under the *Financial Management Act* and complies with the principles of the *Public Sector Employment and Management Act*.

How the Authority is Managed

The Chief Executive Officer maintains overall responsibility for the day-to-day operation of the Authority. To ensure the smooth functioning of the office, the Chief Executive Officer chairs weekly Executive Management Group meetings. Each operational group also meets regularly to ensure an effective flow of information.

The Authority's operational groups comprise: Sacred Sites Research and Information, Corporate Services, and Policy and Governance.



An internal audit function is being implemented by the Policy and Governance unit to assist the Chief Executive Officer, as the Accountable Officer, in fulfilling his responsibility. In doing so, an internal audit will assist by ensuring that:

- Systems and processes comply with appropriate procedures, policies, standards, legislation and other regulatory requirements.
- Appropriate internal controls exist and are operative.
- An appropriate risk management framework is operational in all areas of the business.
- Special inquiries are conducted for the Chief Executive Officer into any matter or activity affecting the interests and operating efficiency of the department, where required.

The Risk Management and Audit Committee monitors and provides advice on matters related to risk management policies, procedures, action plans and internal controls.

Legislation and Policy

▲ Aboriginal Sacred Site Protection in the Northern Territory

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 (NT) 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:

73(1)(a) laws providing for the protection of, and the prevention of the desecration of, sacred sites in the Northern Territory, including sacred sites on Aboriginal land, and, in particular, laws regulating or authorising the entry of persons on those sites, but so that any such laws shall provide for the right of Aboriginals to have access to those sites in accordance with Aboriginal tradition and shall take into account the wishes of Aboriginals relating to the extent to which those sites should be protected;

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 balancing the interests of site custodians, landowners and developers. Often custodians, landowners and developers have divergent interests in land. There is usually substantial overlap between these interests. In most cases, the Authority's challenge is to accommodate new uses and development of land with the need to protect sacred sites, thus preserving and enhancing Aboriginal tradition in a changing social, economic and cultural 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.
- 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 (desecration), which set out the various offences in relation to sacred sites.

▲ Responsibilities under Northern Territory Heritage Legislation

Section 128 (2)(b) of the *Heritage Act 2011* states that the Authority must have a representative on the Heritage Advisory Council.

Executive Management Group (EMG)

The Authority's Executive Management Group comprises senior managers from the organisation's operational areas and is chaired by the Chief Executive Officer.

The purpose of the Executive Management Group is to provide the Chief Executive Officer with advice and support in relation to a range of strategic and operational matters. The group's key functions include monitoring the organisation's performance, setting the Authority's strategic direction and priorities, developing and implementing the Strategic Plan and addressing critical issues facing the organisation.

The EMG members are:

- Dr Ben Scambary, Chief Executive Officer.
- Mr Maurice Sacilotto, A/ Director Corporate Services.
- Ms Malene Bjornskov, Director Policy and Governance.
- Dr Sophie Creighton, Director Sacred Site Research and Information Unit.

Committees

▲ Risk Management and Risk Audit Committee

In accordance with section 13(2) of the *Financial Management Act*, the CEO must ensure that appropriate internal control procedures are in place. As such, the Authority Risk Management and Audit Committee exists to provide advice to the Chief Executive Officer on matters associated with risk management, internal controls, reviews and audit within the Authority. These matters may include:

- Endorse and monitor the Risk Management Plan (RMP) for the Authority.
- Monitor external audit program outcomes and the implementation of audit recommendations.
- Monitor the development of review programs and internal audit.
- Review progress and findings of process reviews and monitor the implementation of findings.
- Consider the adequacy of the internal control environment, including the effectiveness of internal controls on key risks, such as fraud, Information and Communications Technology (ICT) governance and systems for ensuring compliance with legal and regulatory requirements.
- Consider financial reports of the Authority, particularly the narrative summaries and statements included in the annual report, with respect to risk management and internal controls.
- Within the context of the Committee's primary purpose, undertake other functions and activities as determined from time to time by the Chief Executive Officer.

The Committee is made up of an Independent Chair from the Northern Territory Public Service, Authority staff and at least one external senior Northern Territory Public Service officer.

▲ Research Management Group (RMG)

The purpose of this committee is to consider complex issues on matters affecting sacred sites and, where appropriate, develop and update policies and procedures or provide advice to EMG. The committee is made up of members from the Sacred Site Research and Information Unit and Compliance, and is chaired by the Director Sacred Site Research and Information Unit. All policies and procedures developed by the Committee are presented to EMG for approval and publishing.

▲ HR Policies and Procedures Committee

The purpose of this committee is to identify, develop and update operational policies and procedures. The committee is made up of members from Corporate Services and the Sacred Site Research and Information Unit. All policies and procedures developed by the Committee are presented to EMG for approval and publishing.

Strategic Priorities 2015-2016

Strategic Directions Business Priorities

1 Protection of Sacred Sites in the Northern Territory

Ensuring the protection of Aboriginal Sacred Sites whilst supporting economic development and reflecting the on-going development of the Northern Territory

- Ensure the *Sacred Sites Act* evolves to reflect cultural, legal, political and environmental changes in the Northern Territory
- Ensure the Authority and staff are equipped to administer the Sacred Sites Act's legal requirements and deliver its functions
- Maintain cross-government communication and provide high level advice to Ministers and Parliament
- Ensure strategic communication is maintained with all stakeholders across the Territory

2 Quality Research

Providing timely detailed and up-to-date research around Sacred Site issues based on on-going relationships with Custodians and Traditional Owner and reflecting the latest developments in anthropological research

- Undertake professional anthropological field research in order to collect, store and report on information relating to sacred sites and their protection
- Ensure Authority research methodology and principles are consistent and meet the needs of the Authority

3 Information management

Information management meets evolving requirements of Authority and stakeholders

- Maintain existing information management systems to ensure functionality and viability
- Develop new information systems to reflect changes in technology and new functionality

4 Our People

Ensure Authority has the most appropriate staff with up-to-date tools and resources to fulfil their work roles

- Provide leadership to ensure all staff are able to actively contribute to developing Authority priorities
- Build capabilities of Authority staff
- Maintain the Authority's Indigenous Employment Strategy

5 Financial Resources

Financial compliance and controls meet best practice guidelines

- Ensure financial management complies with wider Northern Territory Government Treasury Directions, Appropriation Requirements and Australian Accounting Standards
- Financial management processes meet operational requirements of the Authority

The Authority is currently reviewing its priorities and plans to implement a new Strategic Plan In 2016-17.

4 Initiatives and Projects 2015-2016



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Wild buffaloes travelling through Kakadu National Park.

The Authority continues to work with the Northern Territory Government, industry groups and private and public organisations to protect sacred sites and raise the profile of sacred site protection in the Northern Territory. Our unique role and experience means the Authority is ideally placed to support these priorities through its work in protecting sacred sites, while facilitating development projects across the Territory, particularly in the context of current Commonwealth and Territory Government priorities to develop the north and deliver major projects in the Territory.

In the past twelve months, the Authority has worked with proponents of major developments in the Northern Territory to achieve significant outcomes in sacred site protection.

Notable Authority Certificates

▲ Tanami Road Upgrade

As part of the Pivot North – Inquiry into the Development of Northern Australia, the report contained priority recommendations that target the development of infrastructure, including major roads, that are critical to the economic and social development of Northern Australia. A major project identified in the report was the sealing of the Tanami Road. In September 2015 the Authority completed an Authority Certificate to provide clear advice on sacred sites in relation to upgrades and sealing for the entire Tanami Road from Alice Springs to Halls Creeks. The Tanami Road, which stretches for just over 1000 kilometres, was a substantial undertaking for the Authority, which involved extensive fieldwork and consultations across vast areas of land. This major road upgrade will lead to improved access in remote areas.

▲ Upgrade and repair of Woolianna School

To support the Northern Territory Government's investment into schools and education, the Authority carried out several clearances relating to upgrades in remote schools including Woolianna in Nauiyi Nambiyu community (Daly River). After carrying out consultations with custodians an Authority Certificate was issued in May 2016 which protected sacred sites and also facilitated the proposed repair and upgrade of the School.

▲ Sea Dragon Project

In July 2015 the project to construct a 10,000 hectare prawn farm on Legune Station was awarded major project status by the Northern Territory Government. In 2016 the company Seafarms Proprietary Limited lodged an application for an Authority Certificate with the Authority. The Authority, in collaboration with the Northern Land Council (NLC) is currently carrying out research and consultation to progress this application.

Working relationships

▲ National Broadband Network Company (NBNCo)

In August 2015 the Authority completed its program of Authority Certificate clearances for the National Broadband Network (NBN) across the Territory. Over the years the Authority has worked closely with the NBN to ensure a smooth rollout of the broadband network in towns and regions of the Northern Territory including Alice Springs, Tennant Creek, Katherine, Nhulunbuy and Darwin. This involved detailed planning and project management by both Authority staff and NBN colleagues and was one of the biggest work projects ever undertaken by the Authority. This level of collaboration resulted in numerous Authority Certificates being issued in a timely manner and NBN staff being well informed on how to work in and around sacred sites, through jointly arranged training sessions.

In the township of Alice Springs, careful planning between the Authority and NBN allowed the Authority to facilitate the rolling out of the NBN, and at the same time develop a legacy of knowledge of sacred sites in the town that will support development in Alice Springs for many years to come.

In February 2016 the Authority delivered a 'Sacred Sites Workplace Induction' also known as a 'Toolbox Talk' to new NBNCo staff. These talks outlined the cultural significance of sacred sites and their protection by the Authority. The talks were very successful and helped guide NBN Co staff in their work around sacred sites and were an effective forum for staff of NBN Co to seek clarification of sacred sites matters.



▲ Department of Infrastructure (DoI)

The Authority continues to build upon its close working relationship with DoI. The ongoing successful collaboration between the two organisations has resulted in numerous Authority Certificates being issued in a timely manner. This relationship has included improved capacity to clarify issues onsite during the Authority's consultation process with Aboriginal custodians and has resulted in significant time being saved in the overall application process for DoI. In the last twelve months the Authority has issued Authority Certificate clearances for a wide range of projects including road upgrade and maintenance works, essential services works and school upgrade works.

The Authority also participated in workshop briefings to DoI staff on protecting sacred sites in the context of development. The Authority's talks provided DoI staff with information about the Authority, including its processes, how to read certificates and the conduct of 'work with care' in the vicinity of sacred sites in accordance with certificate conditions.

▲ Digital Data Exchange

The Authority maintains a database which contains information relating to sacred sites across the Territory. Through the exchange of digital data the Authority has maintained key strategic relationships with Northern Territory Government departments and other key organisations to enable streamlined access to sacred site protection services. Digital data partnerships such as these contribute to increased inter-agency efficiency and ultimately reduce costs and timeframes associated with the processes of sacred site protection.

Authority staff attending a media conference about the rollout of the NBN network in Alice Springs.

Community Outreach

▲ Training for Northern Territory Emergency Services (NTES)

To help build good relationships with stakeholders the Authority provided information and training sessions to groups, organisations and businesses who wished to learn more about sacred sites and the work of the Authority. In May 2016 the Authority provided training to Northern Territory Emergency Staff (NTES) and volunteers to raise awareness and understanding of sacred sites protection. In this session the Authority provided NTES staff and volunteers with training about the carrying out of emergency works on sacred sites in Central Australia.

▲ Northern Territory Government Municipal Services Conference

In October 2015 the Northern Territory Government held its inaugural Municipal Works Conference in Alice Springs. The Authority was invited to speak to council workers about the role of the Authority in the Northern Territory and its working relationships with local councils. Council workers at the conference received information about the Authority and its key services, and an introduction to the *Sacred Sites Act*. They were also given examples of previous 'whole of community' Authority Certificates that were relevant to the wide range of works carried out by council worker in communities. The talk was well received and provided a good opportunity for the Authority to showcase its good working relationship with the Alice Springs Town Council.

▲ East Arnhem Rangers Forum

In June 2016, two Authority staff attended the East Arnhem Rangers Forum in Gulkula which brought together Ranger groups and partner organisations from across Arnhem Land and beyond. The forum was designed to share land and sea management knowledge and information within the region, and examine ways in which best practice information could be shared and improved. The Authority gave a presentation on the work of the Authority in partnership with Mr Thomas Amagula, forum organiser and former Authority Board member.

Authority Certificate consultation with Mitmitjuh Nurruwuthun at the Badaybaday site, East Arnhem Land.



Special Projects

Information Technology and Database Review

AAPA will shortly be completing phase 1 of its IT project. The project will lead to the partial replacement of Authority ARMS (Administrative Research Management System) database, which contains 30 years' of sacred site data collected by the Authority. AAPA has developed an online, web-based IT system, which links in with the Northern Territory Government's ILIS (Integrated Land Information System) program, and will provide easy access via the internet to a range of information about land and property in the Northern Territory. The project will allow applicants to apply online for Authority Certificates and Requests for Inspection of the Sacred Site Register.

The system will also provide a detailed tracking system to show progress of applications as well as online payments. The new system will assist in speeding up application times and reduce red tape. At the end of 2015-16 the Authority had completed the bulk of programming and was in the final stages of internal testing. It is expected that live testing and full implementation of the system will occur next financial year.

Karrabing Research Project

The Karrabing Film Collective is made up of a group based mostly in Belyuen who produce films about being on country and have received numerous awards in Australia and overseas for their work. In collaboration with the Authority, the Karrabing Film Collective has begun carrying out fieldwork to register a number of sacred sites around the Anson Bay region. At the end of the project, the Authority will receive multimedia material, featuring Dreaming stories and sacred site information that will be used to register sacred sites.

Members of the Karrabing Research Project filming on the Cox Peninsula

Kakadu National Park

The Authority was approached by Kakadu National Park in 2012-13 to provide specialist advice on sacred sites that would contribute to the Park's development of a Jim Jim/Twin Falls Precinct Plan. The Authority undertook research and fieldwork on behalf of Kakadu National Park and Kakadu Aboriginal custodians during 2013-14.

Since 2014 the Authority has carried out fieldwork in the Jim Jim/Twin Falls area. The process of recording and registering sacred sites in this spectacular and highly visited area is currently in its final stages and is expected to be completed in 2016-17. The finished project will inform and enhance Park management as well as contribute to the maintenance and inter-generational transfer of cultural knowledge in the region.



5 Performance Report 2015-2016



Protection of Sacred Sites and Performance	35
Authority Certificates	37
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Register of Sacred Sites	45
Damage to Sacred Sites	45

The role of the Authority is to protect sacred sites through the administration of the *Sacred Sites Act*. The *Sacred Sites Act* provides for the protection of sacred sites through the provision of sacred sites information and responding to requests from stakeholders and the registration of sites. Importantly, in consultations with custodians, the Authority develops sacred site protection procedures through 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.

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

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* (Cth).

Output Group: Protection of Sacred Sites

Provide statutory services for the protection and registration of sacred sites and the avoidance of sacred sites in the development and use of land.

Outcome:

Enhanced relations between Aboriginal custodians and the wider Territory community by increasing the level of certainty when identifying constraints, if any, on land and sea use proposals from the existence of sacred sites.

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		2013-14		2014-15		2015-16	
		Target	Actual	Target	Actual	Target	Actual
Quantity	Authority Certificates issued	250	208	240	177	250	242
	Requests for information completed	500	555	500	513	500	636
Timeliness	Average time between receiving Authority Certificate applications and completing service	125 days	138 days	125 days	126 days	125 days	114 days
	Average time between receiving request for information and completing service	8 days	3.9 days	3.9 days	2.9 days	4 days	4.6 days
Quality	Statutory appeals	<1%	<1%	<1%	<1%	<1%	<1%

The Authority also reports on the Output Group — Corporate Services. Information on Corporate Services can be found at note 3 of the Financial Report.

For administrative purposes the Authority divides the Territory into 21 regions.

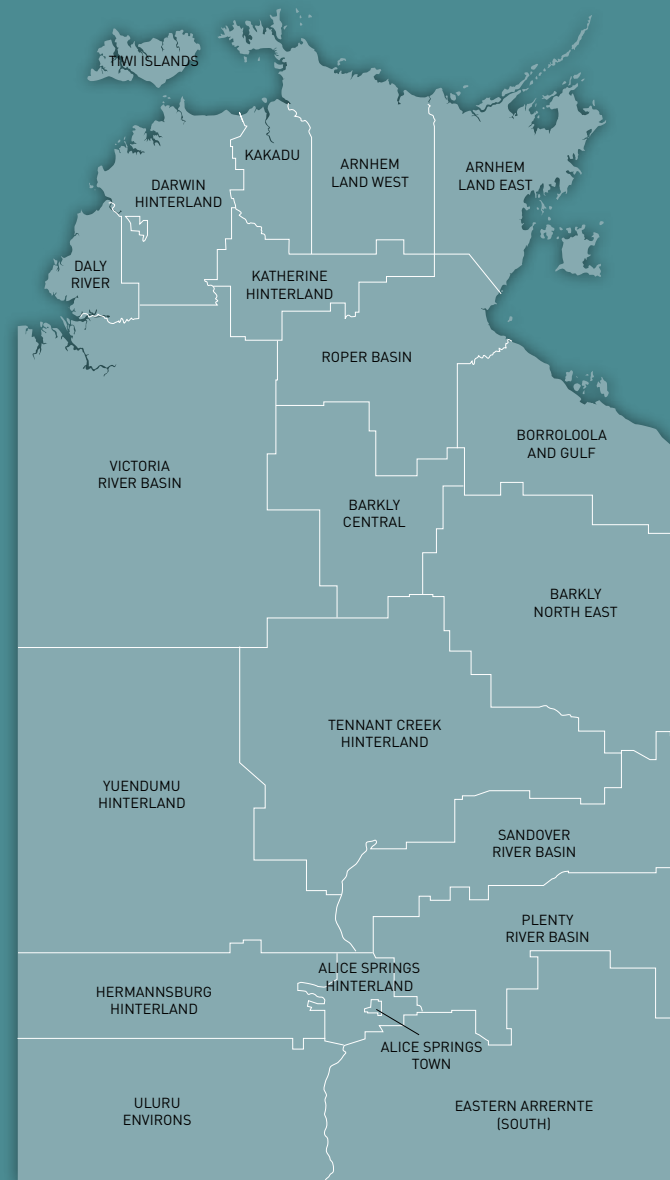


Figure 1: Map of the Authority's region

Authority Certificates

▲ Quantity

In 2015-16 the Authority issued 242 Certificates, which is a marked increase from the previous year's total of 177 Certificates. The Authority received 244 requests for Certificates, with 51 applications withdrawn. All completed applications had successfully negotiated outcomes and no Authority Certificates were refused.

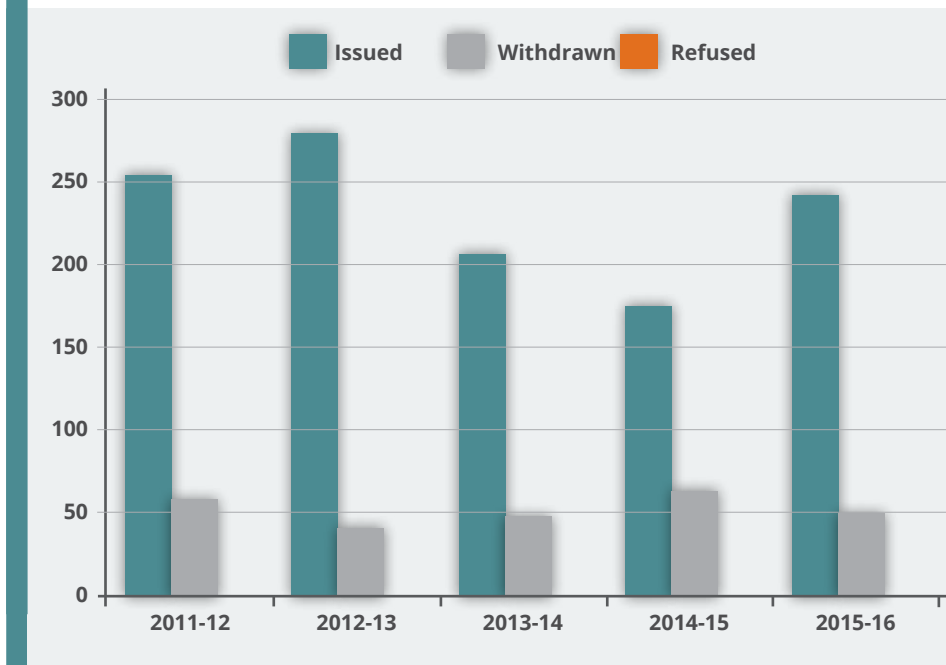


Figure 2: Authority Certificates issued, withdrawn or refused between 1 July 2011 and 30 June 2016

The Authority's services and outputs are demand driven and are reflective of broader Northern Territory and national economic trends. Over the last five years the demand for Authority Certificates has remained relatively stable. In 2015-16 the Authority saw a noticeable increase in road works, due mainly to investments by the Commonwealth and Territory Governments in infrastructure across the Territory.

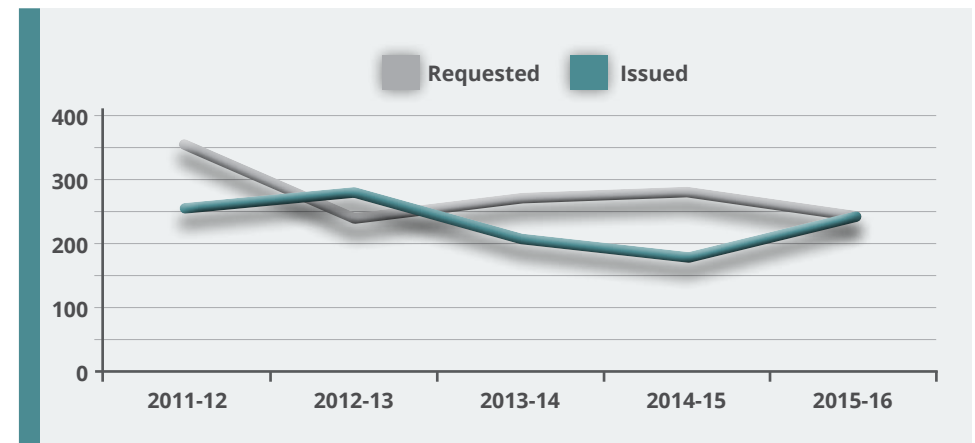


Figure 3: Authority Certificates requested and issued between 1 July 2011 and 30 June 2016

▲ Regional Picture

There continues to be high levels of demand for Authority Certificates in the major population centres of Darwin Hinterland and Alice Springs. From the previous reporting period, there has been an increase in the number of Authority Certificates for the regions around the Katherine Hinterland, Tennant Creek Hinterland and the Roper Basin region. In the region of Katherine, this is largely due to applications for Northern Territory Government projects including roadworks, construction and maintenance. Other applications were for Defence-related works and also from mining and exploration companies.

In Tennant Creek, the majority of applications came from the Northern Territory Government projects including roadworks, environmental management programs and construction. Other applications came from local government for construction and maintenance works, and also from mining and exploration companies. In the region of the Roper Basin, a number of applications were for Northern Territory Government projects, including essential services, roadworks and maintenance as well as applications from mining and exploration companies

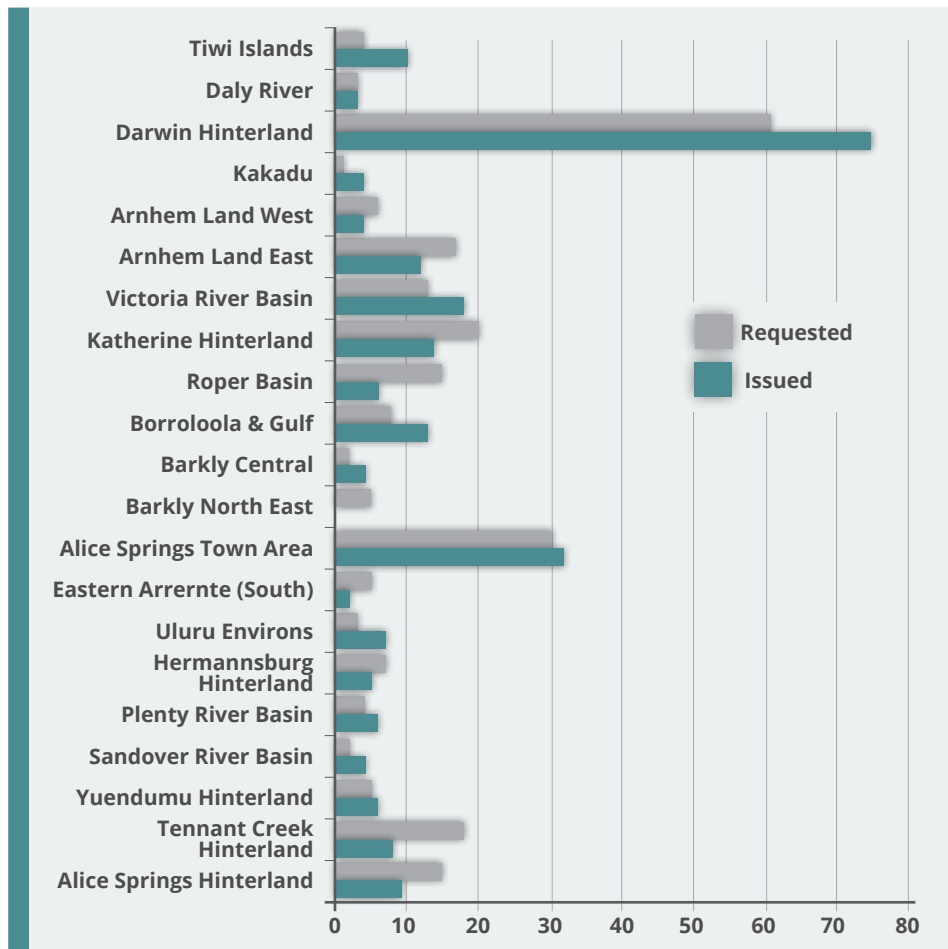


Figure 4: Authority Certificates requested and issued by region in 2015-16

▲ Services Users and Project Types

Collectively the Territory, Commonwealth and Local governments form the largest group of users that are issued Authority Certificates, with construction and maintenance representing the largest categories of projects. Typically such projects included road works, housing, power, water and sewage works.

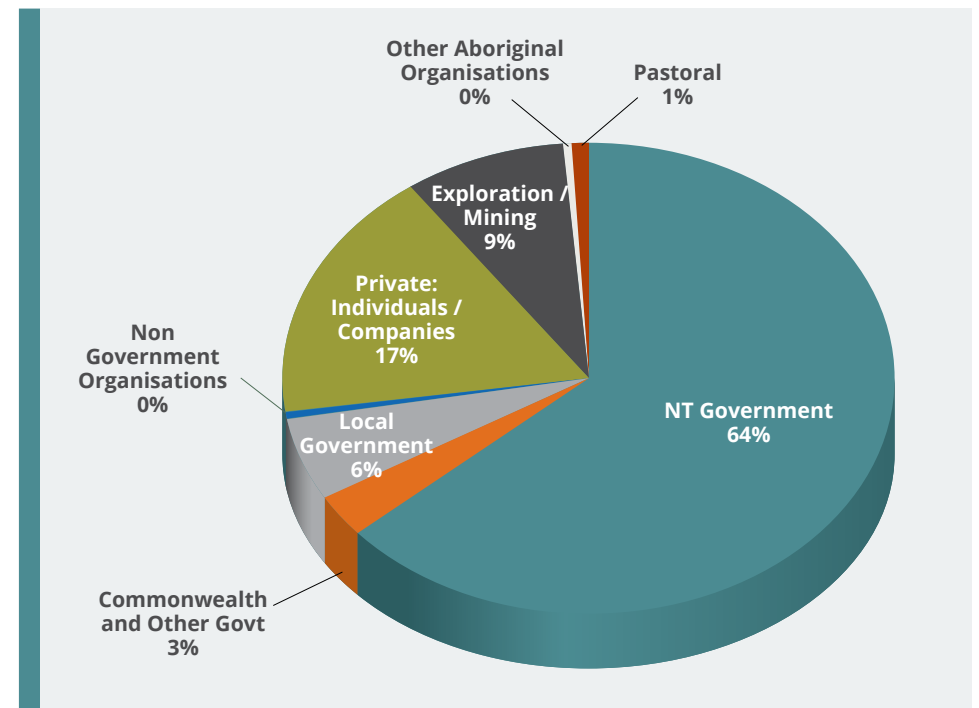


Figure 5: Users of Authority Certificates in 2015-16

▲ Timeliness

Timeliness remains an important performance measure for the Authority. Timeframes for the issuing of Authority Certificates are largely affected by staff resources and completing consultations with Aboriginal custodians. This continues to be impacted by factors such as:

- The increased complexity of project proposals;
- Changes to traditional land tenure due to cultural transitions that result from the generational changes of custodians;
- The increased mobility of Indigenous custodians; and
- The remoteness of application areas and the associated access due to the weather.

The Authority continues to engage positively with large user groups of Authority Certificates such as the Department of Infrastructure. This has helped maintain productive working relationships because staff of the Authority have increased their understanding of the types of works performed by these client groups, opened effective communication channels and allowed for improved translation of custodian instructions into sacred site protection measures that are easily understandable to applicants.

In 2015-16, the completion of Authority Certificates took an average of 114 days, which is well below the estimated target dates of 125 days, and the lowest average for the last five years. The Authority's reduced timeframes are due to its improved internal Certificate process and good working relationships with large government agencies, to ensure the efficient and effective resolution of sacred site issues.

The benefits of reduced timeframes have allowed stakeholders to devote more attention to their projects and keep costs down.

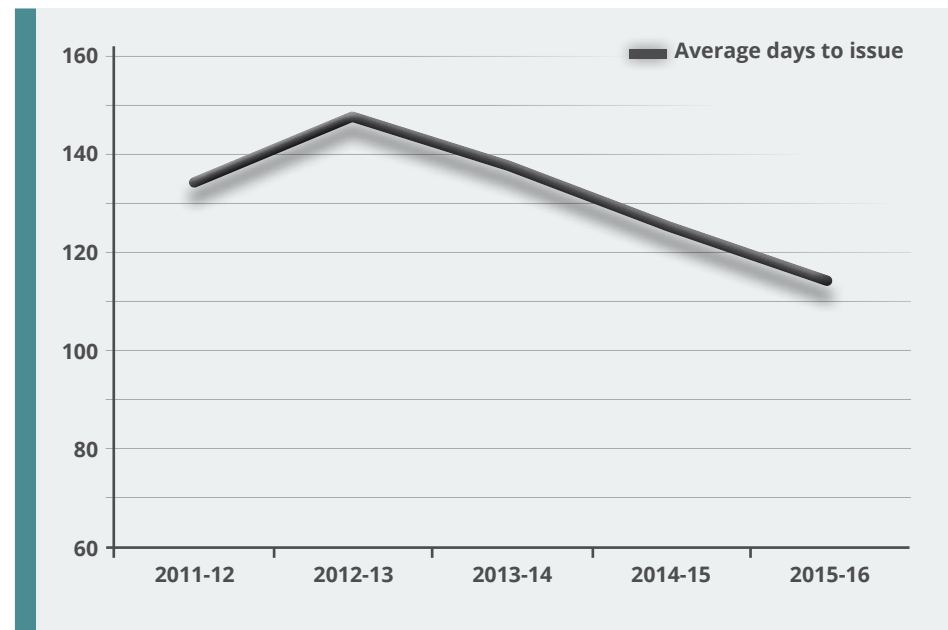


Figure 8: Average number of days to issue Authority Certificates from 2011 through to 2016

In 2015-16 the Authority completed a number of large and complex projects, at times engaging consultant anthropologists to assist staff in fieldwork and custodian consultations. The Authority also worked collaboratively with land councils to consult with and, where appropriate, share information to issue Authority Certificates in accordance with Section 22.1b of the *Sacred Sites Act*.

The largest and one of the most complex projects for the Authority was the Tanami Road Seal and Upgrade. This project involved massive fieldwork across large areas of land and on-going negotiations with DoI. The Authority completed the major project in less than 100 working days and issued an Authority Certificate in late 2015. The completion of this clearance represented a key part of the approval process. Once completed, the road upgrade will provide safer and better access for communities, tourists and businesses travelling on the Tanami.

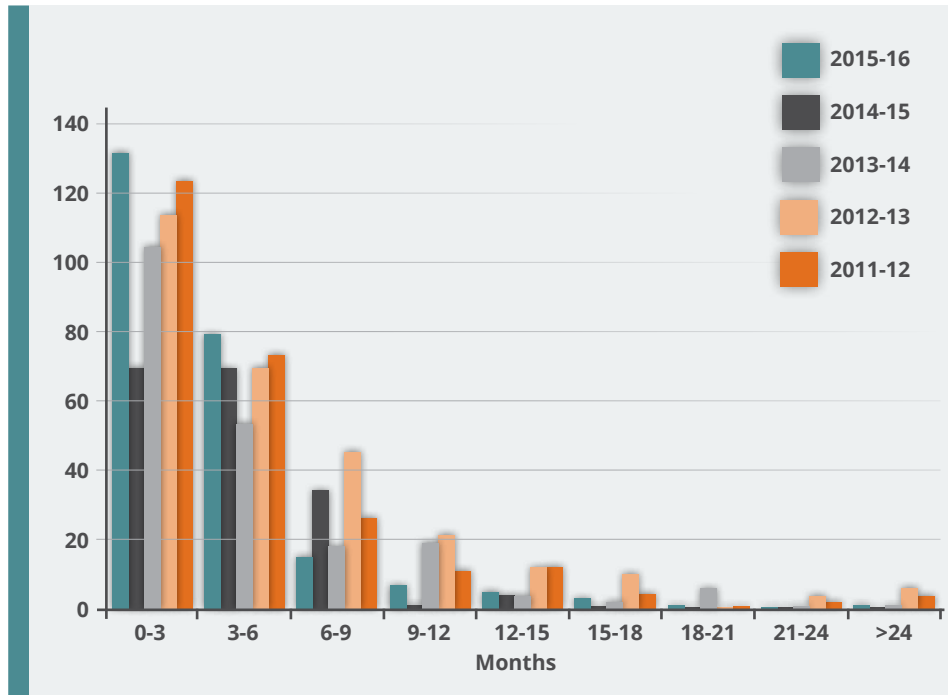


Figure 9: Authority Certificate timeframes to issue between 1 July 2015 and 30 June 2016

In 2015-16, 58% of Authority Certificates were issued within 100 days. This represents an increase from the last reporting period when 43% were issued within 100 days, and in 2013-14 where 53% were issued within 100 days. In the 2015-16 reporting period 87% (or 210) of Authority Certificates were issued within 6 months.

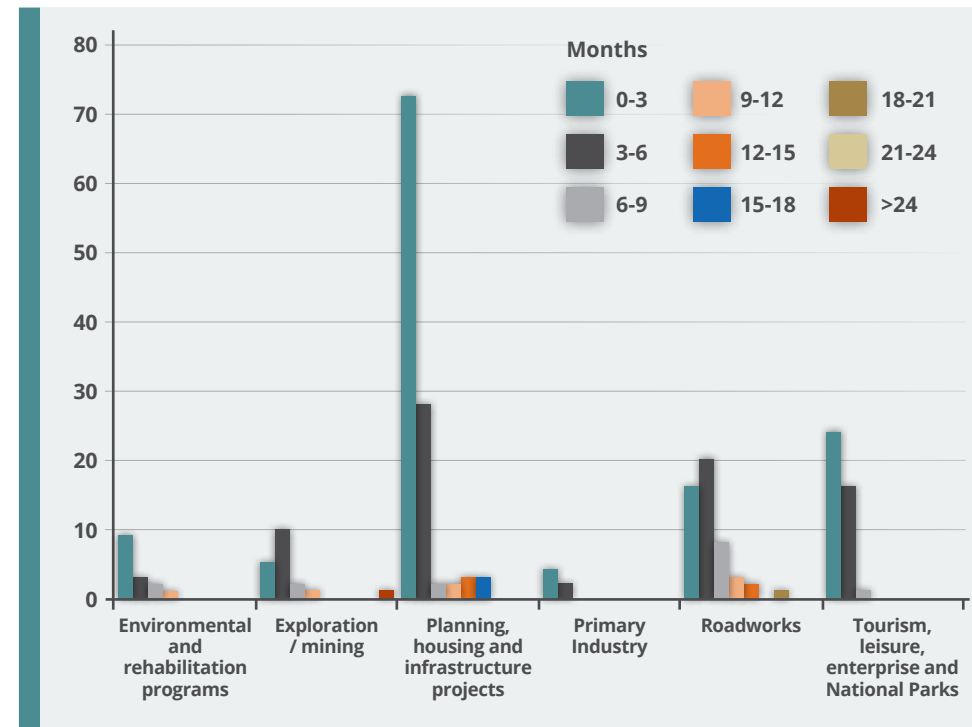
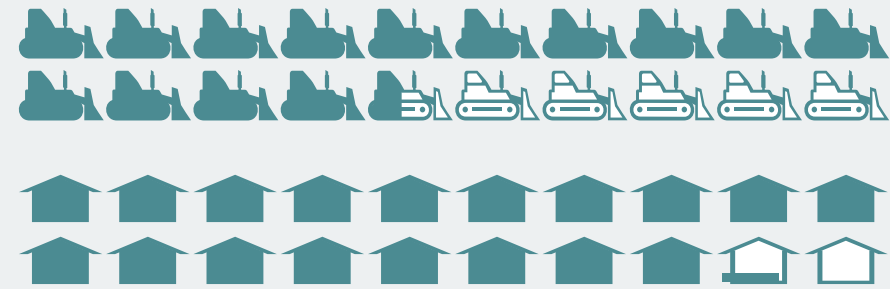


Figure 10: Timeframes to issue Authority Certificates by project type in 2015-16

In 2015-16, 72% of road works (36) and 91% of infrastructure projects (101) were resolved within 6 months.



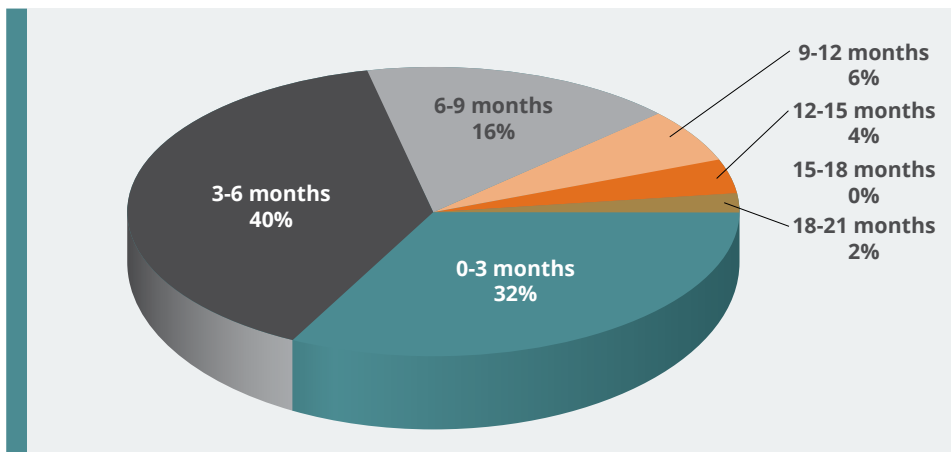


Figure 11: Timeframes for the issuing of Authority Certificates in 2015-16 for roadworks

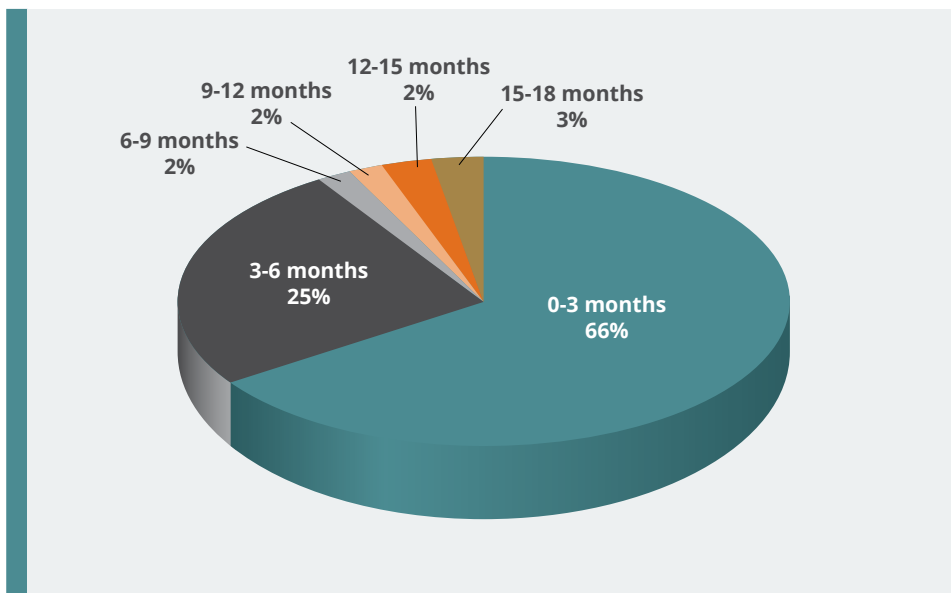


Figure 12: Timeframes for the issuing of Authority Certificates in 2015-16 for infrastructure projects

Requests for Information

▲ Quantity

In 2015-16 the Authority received and responded to 636 formal requests for information from the Register of Sacred Sites, an increase from 555 requests in 2014-15.

The majority of requests (87%) take the form of abstract of records. Other requests that the Authority receives are digital data requests, inspections of the Authority Certificate Register, inspections of Authority records and inspections of the Sacred Sites Register.

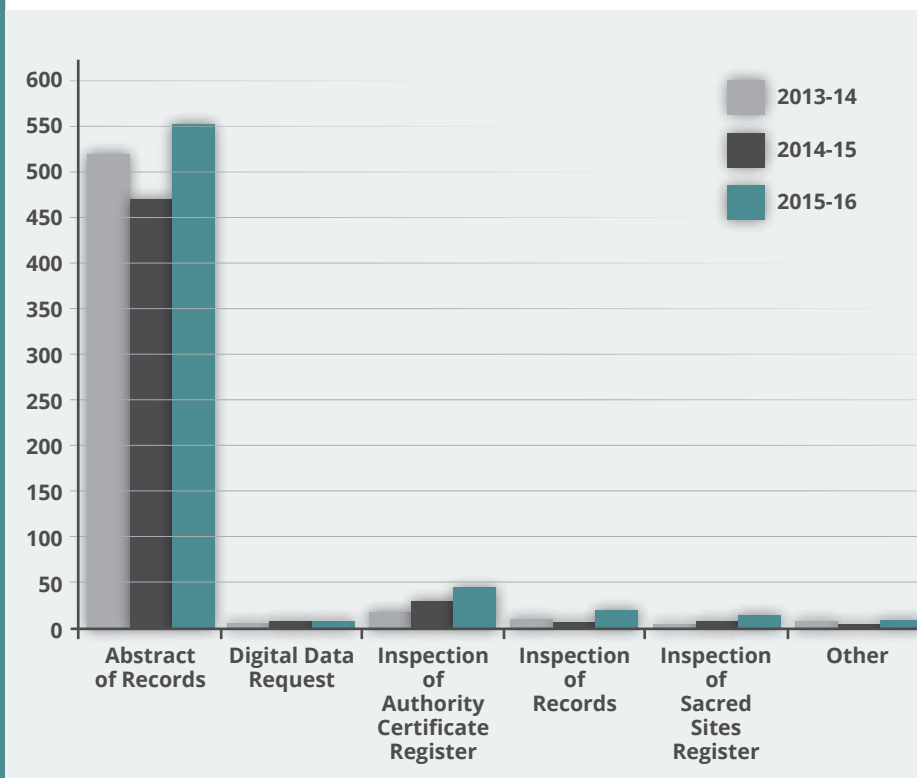


Figure 13: Quantity of requests for information by type between in 2013-14, 2014-15 and 2015-16

Regional Picture

Requests for information are highest in the Darwin Hinterland region (221). Alice Springs Town Area (62) is the next highest, followed by the Katherine Hinterland region (56), Alice Springs Hinterland region (35), the Roper Basin region (33) and the Tennant Creek Hinterland region (31).

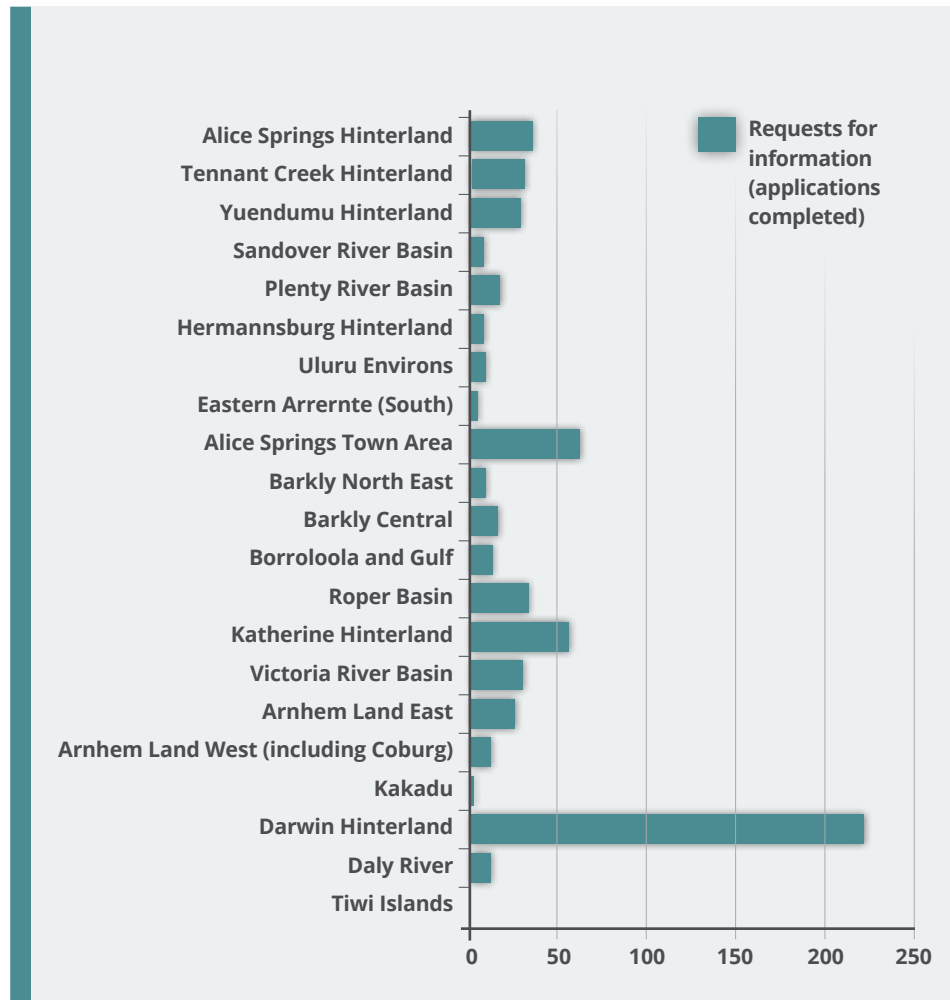


Figure 14: Regional areas and quantity of requests for information

Service Users and Project Types

Figure 15 displays the application groups who requested information, with the top three groups being: private individuals and companies, Northern Territory Government, Aboriginal Organisations (including Land Councils).

The demand from private individuals increased slightly from 318 in 2014-15 to 375 in 2015-16. A large proportion of requests for information came from conveyancing work and relate to the process of transferring property. There was a notable increase in requests for information from the Northern Territory Government from 68 in 2014-15 up to 98 requests in the past year. The majority of requests related to abstract of records (553) followed by Requests for Inspections of the Authority Certificate register. The increase in the Northern Territory Government's requests for information indicates a growing trend to rely on this service to assess risks associated with proposed projects.

In 2015-16 there was a decrease in the requests for information from the mining and exploration sector.

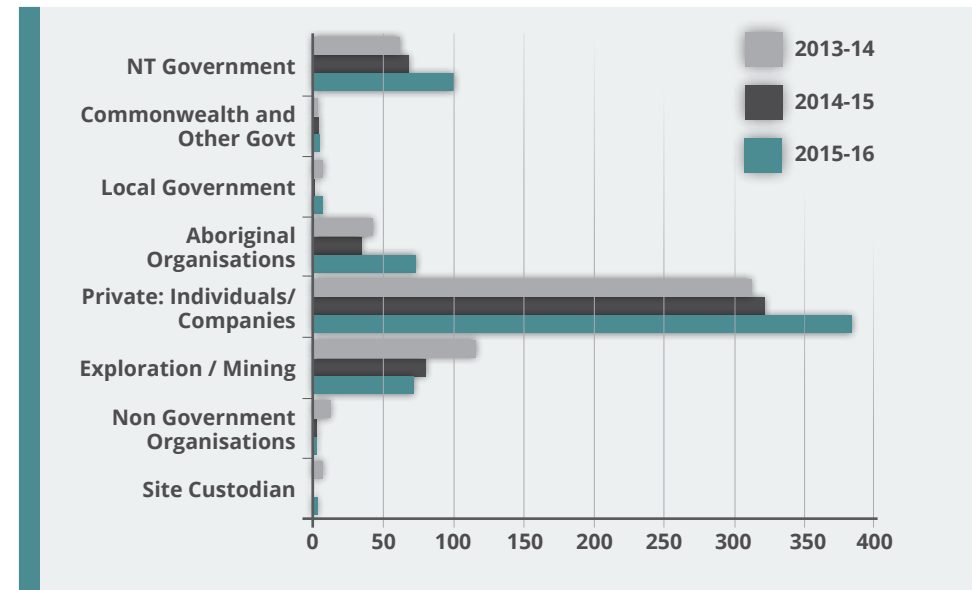


Figure 15: User groups of requests for information in 2013-14, 2014-15 and 2015-16

▲ Timeliness

The Average time in 2015-16 taken to complete all types of requests for information was 4.6 days, which is an increase from 2.9 days in 2014-15. A current project to redevelop the Authority’s database is expected to have a positive impact upon timeframes in the next financial reporting period.

While the average of all requests for information was 4.6 days, a total average for each type of request varied. Abstract of records, which represent 87% of requests received, took on average 4.1 days to complete, while other requests took on average 2.7 days. The more complex types of requests such as inspections of the Sacred Sites Register took on average 9.8 days, and inspections of Authority Certificates took on average 8.4 days.

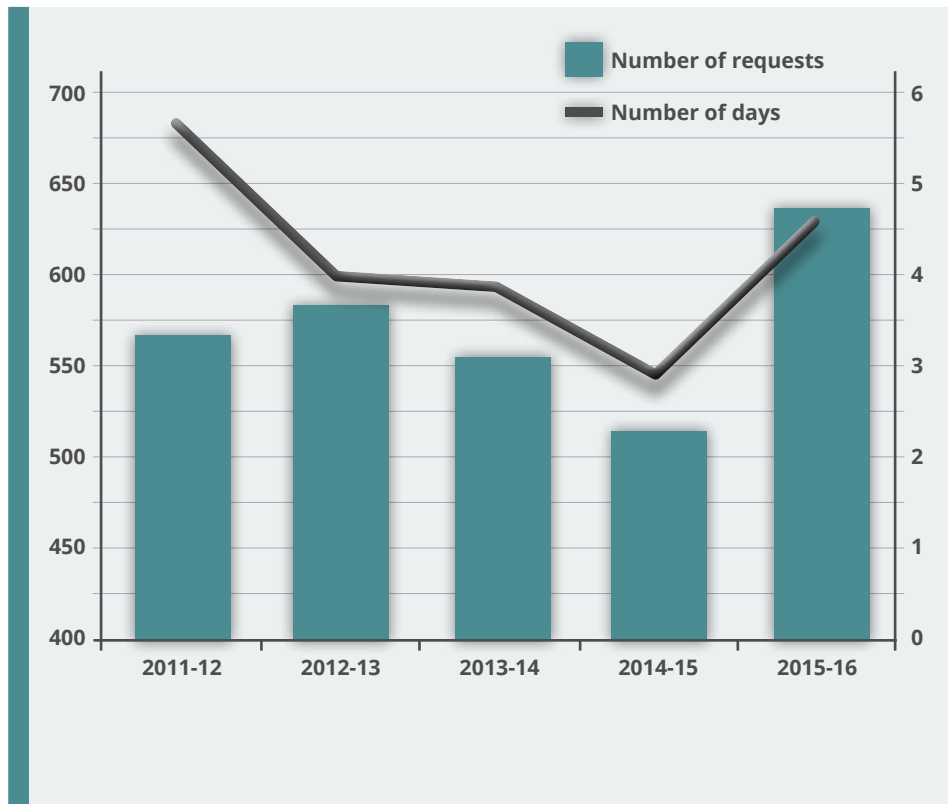


Figure 16: Total quantity of all requests for information and days to respond between July 2011 and 30 June 2016

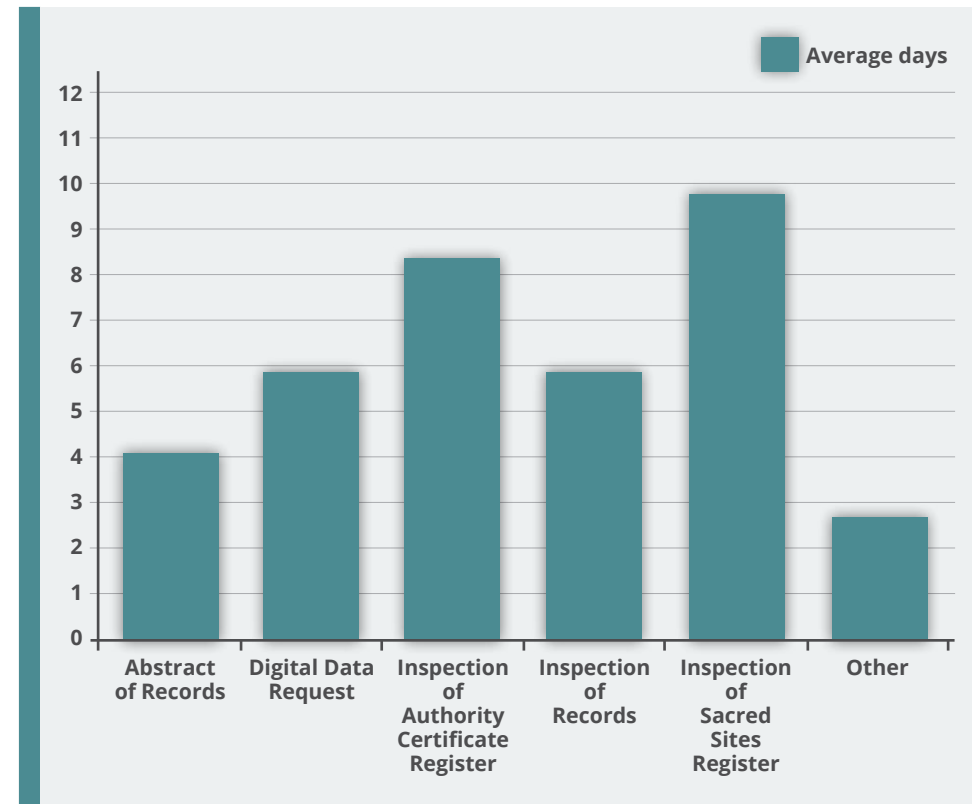


Figure 17: Breakdown of quantity of each type of request for information and days to respond in 2015-16.

Register of Sacred Sites

▲ Quantity

The registration of sacred sites is the highest level of protection that can be afforded to a site. Registration of a site also enables users of land to have the best possible information regarding the site's location and extent. For Aboriginal custodians, registration of a sacred site means that it will be accepted by a court as prima facie evidence that a place is a sacred site.

There were three sites registered by the Authority in 2015-16, down from 28 sites in 2014-15. Over the last several months the Authority focussed on improving its process for registering sacred sites. The Authority anticipates that a revised registration process will lead to an increase in the number of sacred sites registered.

In total 12 sites were requested for registration in 2015-16, compared to 17 sites for 2014-15.

159 sacred sites were recorded and identified in the course of the consultations for Authority Certificates and entered into the database of the Authority during 2015-16. The Authority has registered 2034 sacred sites, and 10,781 recorded sacred sites in its database, bringing the total number to 12,815 sacred sites documented in the Northern Territory.

▲ Timeliness

To date there remains a significant backlog of registration requests for sacred sites. Generally, this registration research work can only be addressed on an ad hoc basis when field work is being carried out near to a site requested for registration or in the conduct of work for current Authority Certificate applications. The Authority has established priorities for addressing registration requests, based around threats of damage or desecration. Some prioritised requests arise from senior custodian concerns that knowledge held about a sacred site is in danger of being lost due to generational change. The Authority is currently investigating ways it can resource a project to actively reduce the backlog of outstanding registration requests.

Damage to Sacred Sites

Under the *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 number of potential breaches of the offence provisions of the *Sacred Sites Act* and has undertaken investigations for each report.

In 2015-16 there were nine site damage matters carried over from previous years. During 2015-16 there were ten new reports of alleged damage. In total 15 reported cases were closed during 2015-16 and four remained open at the end of the reporting period.

Cases of reported site damage were investigated in numerous locations across the Northern Territory. The highest number of site damage matters (5) was located in the Borroloola and Gulf region.

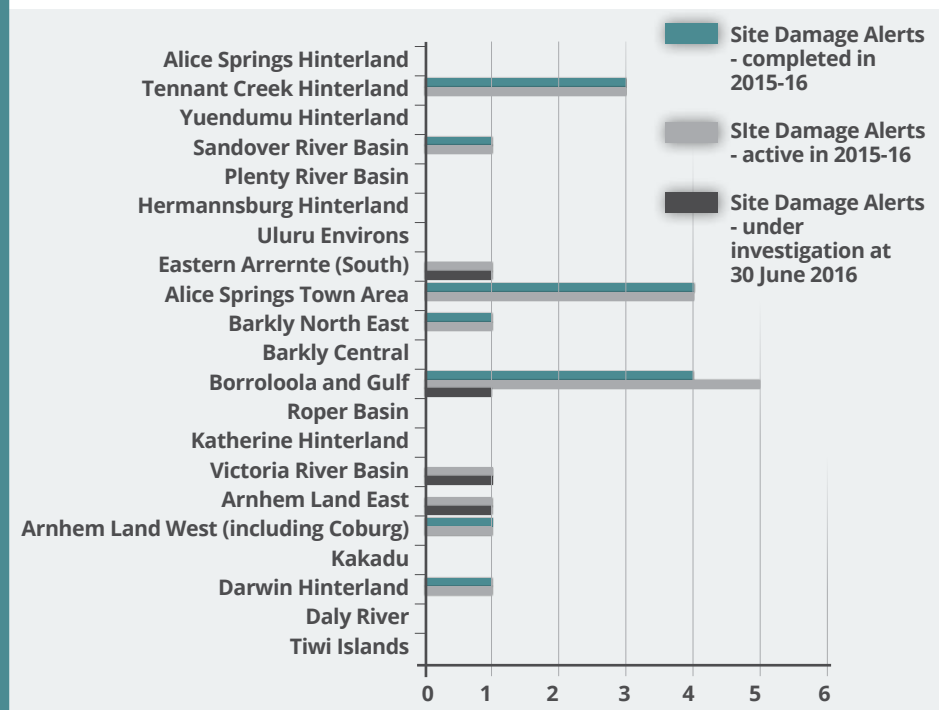


Figure 18: Quantity of sacred site damage cases active and completed in 2015-16 as well as sites still under investigation at 30 June 2016

6 Human Resources Managing Our People



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Authority Research Officer/Anthropologist Hannah Hueneke carrying out consultations with custodians in Alice Springs.

The Human Resource Management principle, the Merit principle, the Equality of Employment principle and the Performance and Conduct principle contained in the *Public Sector Employment and Management Act* inform the human resource management policy and procedures of the Authority, although it is worth noting that the Authority is not an 'agency' under this Act.

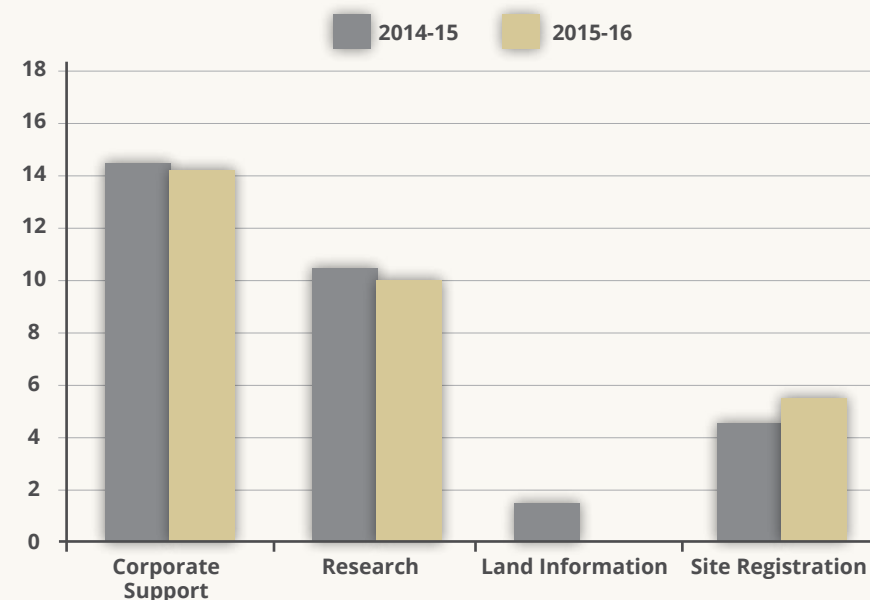
The Authority provides a safe and healthy working environment, ensuring we remain compliant with the Northern Territory's *Work Health and Safety (National Uniform Legislation) Act* and encouraging all employees to familiarise themselves with best practice work health and safety approaches.

The Staff of the Authority

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*. The Commissioner for Public Employment approved terms and conditions for staff employed by the Authority in line with the provisions of the *Sacred Sites Act* on 5 May 2004, resulting in an agreement for employees employed by the Authority to work under the Northern Territory of Australia Public Sector Employment and Management By-laws.

The Authority had a total of 29.73 full time equivalent (FTE) staff members as at 30 June 2016, down from 31.13 FTE the previous year. This was due to positions being vacant towards the end of the 2015 financial year that were undergoing evaluation to allow a recruitment process to be undertaken.

While there has been some on-going internal restructuring within the Authority during 2015-16 to meet changing demands, the overall number of staff has not changed significantly and most staff turnover is due to short-term contracts aligned to backfilling positions left vacant by employees accessing Parental Leave.



*note – graphs are made up from the formal cost code reporting that Finance has created for HR. These cost codes have been changed to reflect specific areas such as Governance and Policy, Research, Corporate Services, etc for financial year 2016-17 and ongoing.

Figure 19: Full time equivalent by cost coding structure in 2014-15 and 2015-16

Equity and Diversity

The Authority adheres to legislation in relation to providing a workplace free from discrimination and harassment and where employees are treated equally and their differences valued and respected in the workplace. The Authority also ensures that people are employed, trained and promoted fairly, on merit and to reflect the diverse nature of the NT community.

The Authority is committed to giving all employees access to training opportunities, fair working conditions and opportunities for promotion. The Authority aims to ensure that everyone has an equal opportunity to make the most of their talents and abilities in the workplace and 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.

In 2015-16 a total of 18.2% per cent of employees identified as Indigenous and 81.8% per cent as non-Indigenous. This is a slight improvement from the previous year, with the Authority recently moving towards recruitment strategies that encourage and promote the employment of Indigenous employees who are able to meet the requirement of the roles on offer.

Board members are not included in these figures.

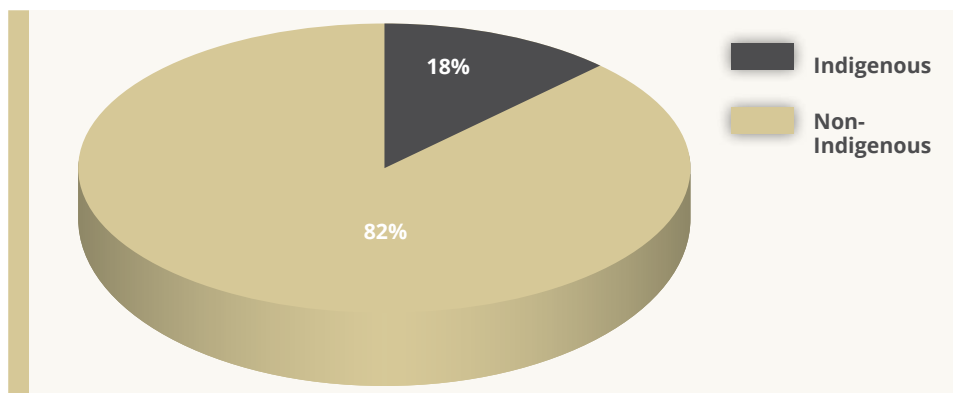


Figure 20: Indigenous and non-Indigenous employees (excluding Board members)

The gender distribution of the staff of the Authority at 30 June 2016 was 64.70% female and 35.30% male, an increase on the employment of females within the Authority's workforce from the previous year.

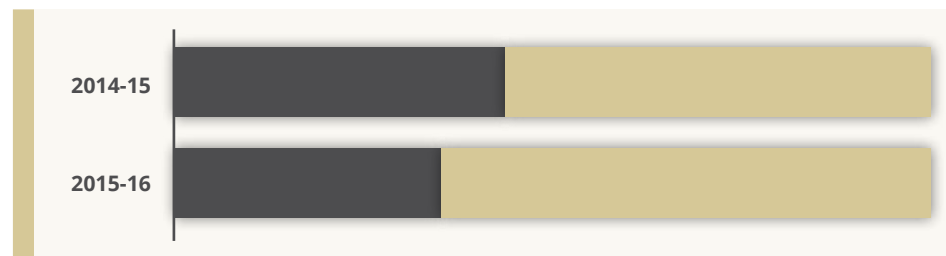


Figure 21: Authority staff (excluding Board members), gender comparison

About a quarter of staff (23.8%) fell into the age group of 35-44 year olds, or into the age group of 55-64 year olds. 21.4 per cent of staff was in the 25-34 year old group, 14.3% in the 45-54 year old group, 9.5% in the 15-24 year old group and 7.1% in the over-65 year old group.

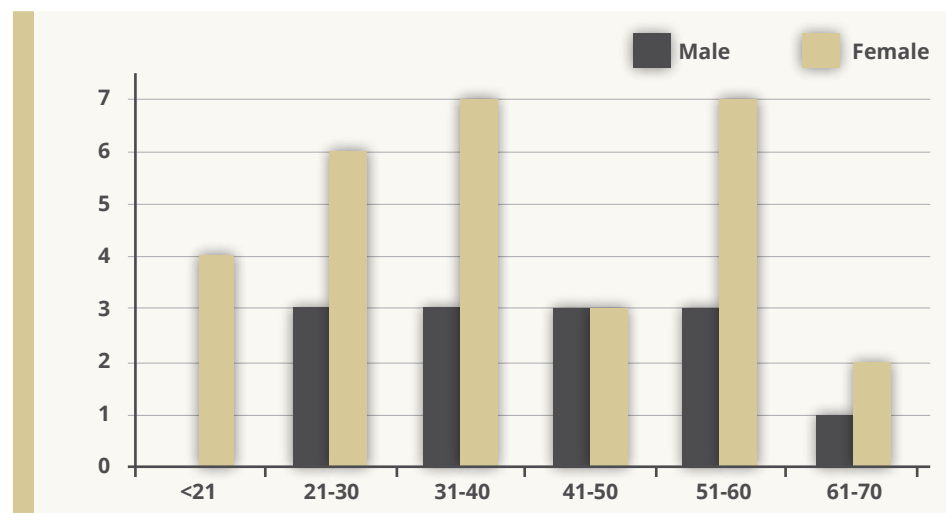


Figure 22: Authority staff (excluding Board members), gender and age groups

Workplace Policies

In ensuring that the Authority provides a structured, safe and procedurally fair approach, the Authority provides a process for employees to lodge a grievance should they feel that they have not been treated fairly in regards to any aspect of their employment.

The Authority adopted a grievance procedure after extensive consultation with stakeholders (including staff, Unions, Commissioner for Public Employment and the Office of Anti-Discrimination) in 2014 and this remains in place today.

The Authority also has a policy to provide guidance for employees on the prevention and elimination of any form of harassment of employees within the Authority. It includes procedures for the resolution of both formal and informal complaints.

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

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 our high emphasis on fieldwork safety and training at both the Darwin and Alice Springs offices. It was recently decided to assess and review all Human Resources policies and procedures to ensure that we continue to aim for a best practice approach and remain updated with all legislative requirements, as well as giving our staff clear and simple guidelines to follow. To assist with this, a Human Resources Policy and Procedures Committee was established, including employees from a variety of areas across the Authority. They will begin meeting at the end of September to review, update, create and implement the relevant HR policies and procedures.

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

The Authority has continued to work with and accommodate the requests, wherever possible, of staff who wish to access the "Flexible Work Agreement" provision, whilst considering the operational requirements of the Authority. The Flexible Work Agreement is part of the 'work life' balance initiative.

Employee Assistance Program

The Authority's Employee Assistance Program is an external program providing professional and confidential counselling for all employees and their immediate family members.

Throughout 2015-16 the Authority continued to offer support to staff and their immediate families by promoting access and information about the Employee Assistance Program through contracted service providers.

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, as well as building the knowledge, skills and attributes of the employee. The Authority recognises that training is a continuous process integrated with, and running parallel to, the tasks and roles that employees are recruited to undertake.

The Authority values its staff as its greatest resource and is committed to providing support for formal education as a learning opportunity to enable staff to progress in their careers and increase the Authority's overall skill base.

During 2015-16 various courses were undertaken by individual staff members to assist them in performing their roles and all staff went through cross-cultural awareness training. The Authority spent \$23 745 on training programs and associated expenses during this reporting period.

A recent decision to review all job descriptions in conjunction with the staff and align them to the roles of the new organisational structure will give the staff an opportunity to further develop their skills and for the Authority to provide enhanced opportunities for development and training.

Authority Director Sacred Site Research and Information Unit Dr Sophie Creighton talking to ABC News about the rollout of the NBN network in Alice Springs.



7 Sustainability



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**The Authority in the
Community** 52

Authority Director Sacred Site Research and Information Unit Dr Sophie Creighton talking to ABC News about the rollout of the NBN network in Alice Springs.

Sustainability

In its role of protecting sacred sites, the Authority helps deliver positive social outcomes through its key services: Authority Certificate clearances, Requests for Information and Registering of Sacred Sites. Through the provision of these services the Authority enhances relations between Aboriginal custodians and the wider Territory community by increasing the level of certainty when identifying the constraints, if any, on land use proposals arising from the existence of sacred sites.

In 2015-16 the Authority negotiated and issued 242 Authority Certificate clearances to protect sacred sites across the Northern Territory. The clearances provided protection to multiple sacred sites whilst facilitating development project.

The Authority issued 636 requests for information from its Register of Sacred Sites which provided the public with information about sacred sites known to the Authority and helped minimise the risk of inadvertent damage to the identified sites, and identified where sacred sites are likely to be at risk if works were to be carried out, without more detailed information being sought.

The Authority registered three sacred sites, providing the sites with the maximum protection afforded under the Act.

The Authority in the Community

▲ Community support

The Authority values the importance of giving back to the community by providing support for small businesses, organisations and or community activities. In 2015-16 the Authority supported nine applicants (from small business, NGOs, cultural organisations) by providing them with full or partial Authority Certificate waivers for their respective projects. The actual total cost of the nine clearances was \$40,550. The Authority provided partial or full waivers to a total of \$26,140.

7 Financial Report



Barrkmalam (Jim Jim Falls) from the helicopter during fieldwork in the Jim Jim/Twin Falls area in Kakadu National Park.

FINANCIAL STATEMENT OVERVIEW

For the Year Ended 30 June 2016

The Authority's strong organisational performance during the year resulted in revenue growing by more than 11% to \$5.93M. This increased activity also impacted on expenditure which grew by 8% mainly in personnel costs. The impact of this growth was a surplus of \$0.483M, a growth of 66%.

AAPA continued to upgrade the ARMS system, which is a database containing information related to key activities of the Authority. An additional \$0.187M was invested in the upgrade of this system which is an on-going project.

AAPA remains in a strong financial position with \$2.264M held in equity as at 30 June 2016.

Insurance Report

The Authority is required to disclose the dollar amount expended on Insurance policies. For the financial year 2015-16 the amount is as follows;

- Motor Vehicle Insurance \$8 634
- Workers Compensation \$30 586
- Combined \$5 434

Financial Report 2015-2016

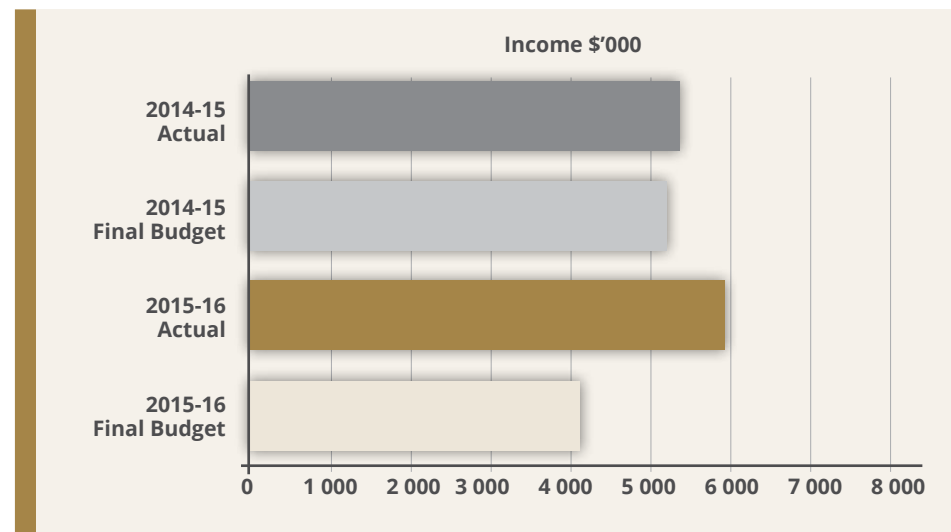
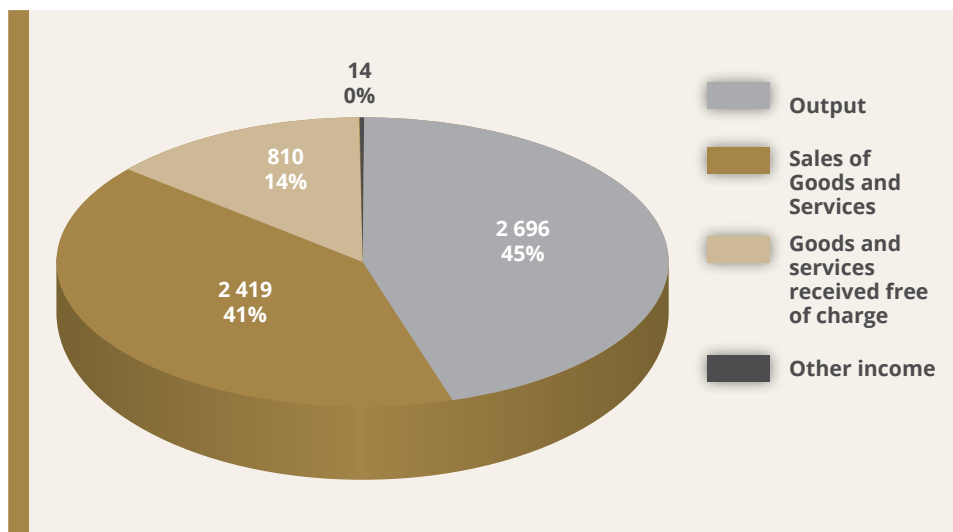
For the year ended 30 June 2016

▲ Income

The Authority is funded by a combination of NT Government appropriation, goods and services income, notional income derived from goods and services provided by the Department of Corporate and Information services free of charge, and some miscellaneous income. The graph below illustrates the relative value of each income category.

The total income is approximately \$1.78M (or 43%) more than budget. Output appropriation was in line with budget; however goods and services income was significantly higher than expected due to an increased demand for services.

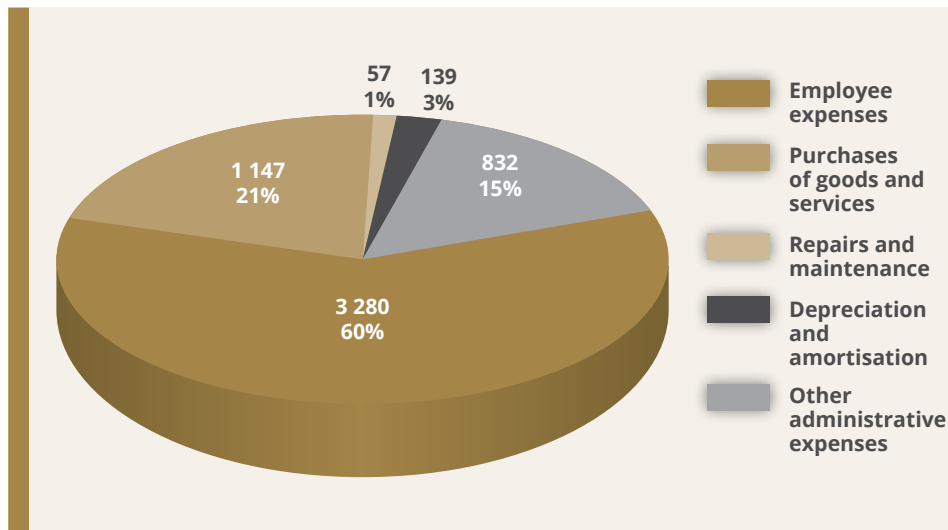
Income Category in \$'000'



▲ Expenditure

Total Expenditure is made up of five broad categories: - Employee, Purchase of goods and services, Depreciation, Repairs and maintenance and Other administrative expenses (i.e. additional DCIS services). The graph below illustrates the relative value of each expenditure category. Expenses rose by 8%, predominantly due to increased employee expenses.

Total Expenditure at \$5.45M was slightly over budget by \$838k. The result was also \$404k more than the previous year.



▲ Employees

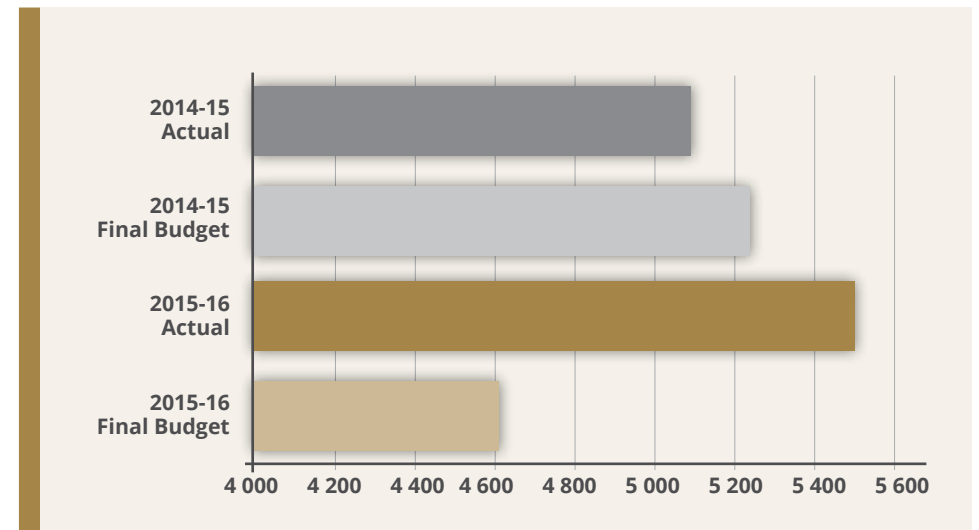
With an increase in staff due to a higher demand for services and a number of staff on maternity leave, Employee expenditure was \$506K over budget, which was \$404k more than last financial year.

▲ Purchase of Goods and Services

Total expenditure for goods and services at \$1.1M was slightly over budget by \$187K but in line with last financial year. The variable expenditure ratio of goods and services expenditure to income has remained the same as the previous year.

▲ Depreciation

Depreciation was \$60K less than budget, but remained the same from the previous financial year as the investment in new software was not finalised within the 2015/16 Financial year.

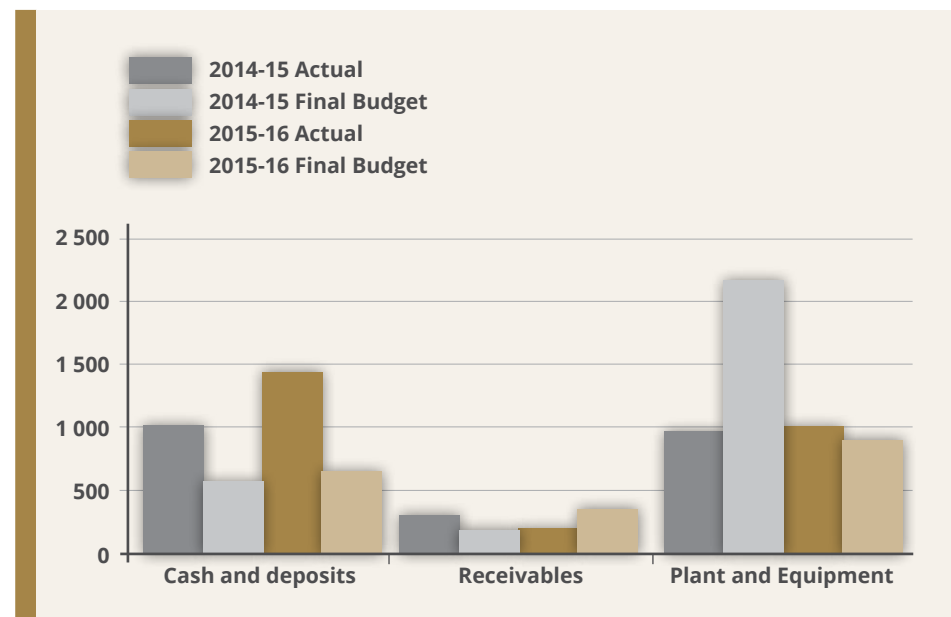


Balance Sheet

▲ Assets

Total assets are made up of three main categories: - cash and deposits, receivables and plant & equipment. The total of these assets has increased by \$361K to \$2.655M since the previous financial year. Cash and Deposits have increased by \$427K; this was due to the surplus achieved.

Receivables have decreased by \$113K and Plant & Equipment has increased by \$49K since last financial year due to additional software development.

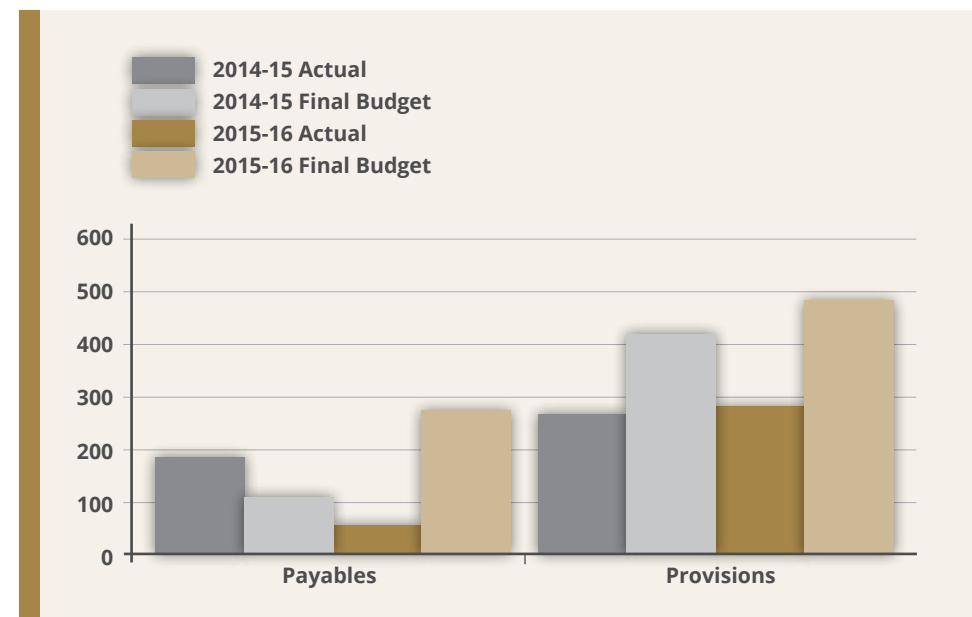


▲ Liabilities

Liabilities are made up of two main categories: - Payables and Provisions. Total liabilities have decreased by \$122K since last financial year (from \$513K to \$391K). Payables have decreased in line with government policy by \$141K and Provisions (which are predominantly employee provisions) have increased by \$14K.

▲ Equity

The increase in Assets, together with the decrease in liabilities, has resulted in an improved financial position for the Authority. Total equity has increased by \$483K to \$2.2M



▲ Statement of Changes in Equity

The statement of changes in equity presents the Authority's profit for the reporting period, items of income and expense recognised in other comprehensive income for the period, the effects of changes in accounting policies and corrections of errors recognised in the period. The statement of changes in equity shows the movement in equity from the previous financial year.

▲ Cash Flow Statement

The cash flow statement, details how changes in balance sheet and income affect cash held. The statement captures both the current operating results and the accompanying changes in the balance sheet and focuses on the sources and uses of cash through operating, investing and financing activities.

▲ Net cash from Operating Activities

A \$392K surplus of cash used for Operating activities was generated, compared to the previous reporting period from \$222K to \$614K.

▲ Net Cash from Investing Activities

\$187K was utilised for cash payments towards the IT enhancement project.

▲ Net Effect

The net effect of cash flow activities for the financial year, led to an increase in cash at bank by \$427K to \$1,444K.

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 Comprehensive 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 2016 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 Benedict Scambary
Chief Executive Officer
30 August 2016



Mr Alan Buckingham
Director Corporate Services/CFO
30 August 2016

COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2016

	Note	2016	2015
		\$000	\$000
INCOME			
Appropriation			
Output		2 696	2 681
Sales of goods and services ^(b)		2 419	1 844
Goods and services received free of charge	4	810	773
Other income ^(b)		14	44
TOTAL INCOME	3	5 938	5 342
EXPENSES			
Employee expenses		3 280	2 876
Administrative expenses			
Purchases of goods and services	5	1 147	1 152
Repairs and maintenance		57	96
Depreciation and amortisation		139	135
Other administrative expenses ¹		832	792
TOTAL EXPENSES	3	5 455	5 051
NET SURPLUS/(DEFICIT)		483	291

¹ Includes DCIS 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 2016

	Note	2016	2015
		\$000	\$000
ASSETS			
Current Assets			
Cash and deposits	6	1 444	1 017
Receivables	7	202	315
Prepayments		2	4
Total Current Assets		1 648	1 336
Non-Current Assets			
Receivables	7		
Advances and investments ^(a)			
Property, plant and equipment	9	1 007	958
Total Non-Current Assets		1 007	958
TOTAL ASSETS		2 655	2 294
LIABILITIES			
Current Liabilities			
Deposits held ^(a)			
Payables	11	55	196
Provisions	12	284	270
Total Current Liabilities		340	466
Non-Current Liabilities			
Provisions	12	51	47
Total Non-Current Liabilities		51	47
TOTAL LIABILITIES		391	513
NET ASSETS		2 264	1 781
EQUITY			
Capital		1 621	1 621
Accumulated funds		644	160
TOTAL EQUITY		2 264	1 781

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 2016

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
2015-16					
Accumulated Funds		(156)	(483)		(638)
Transfers from reserves		(5)	-	-	(5)
Total accumulated funds		(161)	(483)		(644)
Capital – Transactions with Owners					
Equity injections					
Capital appropriation		(564)	-	-	(564)
Equity transfers in		(1 195)	-	-	(1 195)
Other equity injections		(57)	-	-	(57)
Equity withdrawals					
Capital withdrawal (d)		195	-	-	195
		195	-	-	195
Total Equity at End of Financial Year		(1781)	(483)	-	(2 264)
2014-15					
Accumulated Funds		136	(291)	-	(156)
Transfers from reserves		(5)	-	-	(5)
Total accumulated funds		131	(291)	-	(161)
Capital – Transactions with Owners					
Equity injections					
Capital appropriation		(564)	-	-	(564)
Equity transfers in		(1 195)	-	-	(1 195)
Other equity injections		(57)	-	-	(57)
Equity withdrawals					
Capital withdrawal (d)		195	-	-	195
		195	-	-	195
Total Equity at End of Financial Year		(1 490)	(291)	-	(1 781)

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 2016

	Note	2016 \$000	2015 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts			
Appropriation			
Output		2 696	2 681
Receipts from sales of goods and services		2 583	1 998
Total Operating Receipts		5 279	4 679
Operating Payments			
Payments to employees		(3 404)	(3 017)
Payments for goods and services		(1 261)	(1 440)
Total Operating Payments		(4 665)	(4 497)
Net Cash From/(Used in) Operating Activities		614	222
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Receipts			
Total Investing Receipts			
Investing Payments			
Purchases of assets		(187)	(175)
Total Investing Payments		(187)	(175)
Net Cash From/(Used in) Investing Activities		(187)	(175)
Net increase/(decrease) in cash held		427	47
Cash at beginning of financial year		1 017	970
CASH AT END OF FINANCIAL YEAR	6	1 444	1 017

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

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1. OBJECTIVES AND FUNDING

The Aboriginal Areas Protection Authority's mission is to protect sacred sites in the Northern Territory by recognising and respecting the interests of custodians of sacred sites, landowners, and developers for the benefit of all Territorians.

Additional information in relation to the Aboriginal Areas Protection Authority's and its principal activities may be found in the introduction of the Annual Report.

The Authority is funded by, and is dependent on, the receipt of Parliamentary appropriations and goods and services revenue. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups. Note 3 provides summary financial information in the form of a Comprehensive 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 agency 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 intraagency 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 agency 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 following new and revised accounting standards and interpretations were effective for the first time in 2015-16:

AASB 1048 Interpretation of Standards

This reflects amended versions of Interpretations arising in relation to amendments to AASB 9 Financial Instruments and consequential amendments arising from the issuance of AASB 15 Revenue from Contracts with Customers. The standard does not impact the financial statements.

AASB 2013-9 Amendments to Australian Accounting Standards [Part C Financial Instruments]

Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge accounting and makes consequential amendments to AASB 9 and numerous other Standards. The standard does not impact the financial statements.

AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9

This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010). These amendments arise from the issuance of AASB 9 Financial Instruments in December 2014. The standard does not impact the financial statements.

AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality

The standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing the standard to effectively be withdrawn. The standard does not impact the financial statements.

AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

Amendments are made to AASB 128 Investments in Associates and Joint ventures to require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities. The standard does not impact the financial statements.

AASB 2014-1 Amendments to Australian Accounting Standards (Part E - Financial Instruments)

Part E of this Standard defers the application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. The standard does not impact the financial statements.

The following standards and interpretations are likely to have an insignificant impact on the financial statements for future reporting periods, but the exact impact is yet to be determined:

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments (December 2014), AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 January 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2018
AASB 1056 Superannuation Entities	1 July 2016
AASB 14 Regulatory Deferral Accounts	1 January 2016
AASB 1057 Application of Accounting Standards	1 January 2016
AASB 2014-1 Amendments to Australian Accounting Standards [Part D Consequential arising from AASB 14 Regulatory Deferral Accounts]	1 January 2016
AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11]	1 January 2016
AASB 2014-16 Amendments to Australian Accounting Standards - Agriculture: Bearer Plants [AASB 101,116, 117, 123, 136, 140 and 141]	1 January 2016
AASB 2015-5 Amendments to Australian Accounting Standards - Investment Entities: Applying the Consolidation Exception [AASB 10, 12 and 128]	1 January 2016
AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs [AASB 8, 133 and 1057]	1 January 2016
AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128	1 January 2016
AASB 2016-1 Amendments to Australian Accounting Standards-Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017

The following standards and interpretations are expected to have a potential impact on the financial statements for future reporting periods:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Impact
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 and 1049]	1 July 2016	New note disclosure to include remuneration of Key Management Personnel (KMP) and related party transactions.
2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	New disclosure on the reconciliation of the changes in liabilities arising from financing activities
AASB 16 Leases	1 January 2019	Reclassification of operating leases greater than 12 months to finance lease reporting requirements
AASB 9 Financial Instruments	1 January 2018	Simplified requirements for classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier as opposed to only when incurred
AASB 15 Revenue from Contracts with Customers	1 January 2018	Requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	1 January 2018	Amends various AASs to reflect the deferral of the mandatory application date of AASB 9
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 and AASB 138]	1 January 2016	Provides additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated and clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2017	Amends the measurement of trade receivables and the recognition of dividends.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	Amends various AASs to reflect the changes as a result of AASB 9
AASB 2014-9 Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 and 128]	1 January 2016	Allows an entity to account for investments in subsidiaries, joint ventures and associates in its separate financial statement at cost or using the equity method.
AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-14 Cycle [AASB 1, 2, 3,5, 7, 11, 110, 119, 121, 133, 134,137 and 140]	1 January 2016	The amendments include AASB 5 change in methods of disposal; AASB 7 Servicing contracts and applicability of the amendments to AASB 7 to condensed interim financial statements; AASB 119 Discount rate: regional market issue and AASB 134 Disclosure of information elsewhere in the interim financial report.

b. Reporting Entity

The financial statements cover the Authority as an individual reporting entity.

The Aboriginal Areas Protection Authority is a Northern Territory department established under the *Interpretation Act Administrative Arrangements Order*.

The principal place of business of the Department is:

**47 Mitchell St, 4th Floor RCG Centre,
Darwin NT 0801**

c. Agency and Territory Items

The financial statements of 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 agency, are controlled and recorded by the Territory rather than the agency (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 agencies 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 agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies 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 agency's financial statements.

d. Comparatives

Where necessary, comparative information for the 2014-15 financial year has been reclassified to provide consistency with current year disclosures.

e. Presentation and Rounding of Amounts

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 2015-16 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 on-going 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(s) and Note 12: 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.
- Property, Plant and Equipment – Note 2(o): The fair value of land, building, infrastructure and property, plant and equipment are determined on significant assumptions of the exit price and risks in the perspective market participant, using the best information available.

- Allowance for Impairment Losses – Note 2(p), Note 7: Receivables and Note 14: Financial Instruments. The allowance represents debts that are likely to be uncollectible and are considered doubtful. Debtors are grouped according to their aging profile and history of previous financial difficulties.
- Depreciation and Amortisation – Note 2(k), Note 8: Property, Plant and Equipment, and Note 10.

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.

Appropriation

Output appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from agency 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 Specific 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 the Department of Treasury and Finance on behalf of the Central Holding Authority and then passed on to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the agency 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 agency 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 agency; 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 nonreciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

j. Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with agency assets as part of output appropriation. Costs associated with repairs and maintenance works on agency 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:

	2016	2015
Buildings	10 years ^(a)	10 years
Plant and Equipment	2-5 years	2-5 years
Computer Software	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 – refer also to Note 6.

n. 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 agency 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 14 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

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

o. 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 Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore appropriation for capital works is provided directly to the Department of 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 agency.

p. 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:

- land;
- buildings;
- infrastructure assets;

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

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 agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency 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.

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. Note 10 provides additional information in relation to the asset revaluation surplus.

q. Leased Assets

Leases under which the agency 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 lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

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.

r. 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 agency. Accounts payable are normally settled within 30 days.

s. 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 agency financial statements.

t. 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 agency 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 agency financial statements.

u. Contributions by and Distributions to Government

The agency may receive contributions from Government where the Government is acting as owner of the agency. Conversely, the agency 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 agency as adjustments to equity.

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

v. Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 15.

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

w. 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 assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits; receivables; advances; investments, loans and placements; payables; advances received; borrowings and derivatives.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The agency's investments, loans and placements, and borrowings are predominantly managed through the NTTC adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

Classification of Financial Instruments

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- financial liabilities at fair value through profit or loss (FVTPL); and
- financial liabilities at amortised cost.

Financial Assets or Financial Liabilities at Fair Value through Profit or Loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit; or
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.
- Financial liabilities at fair value through profit or loss include deposits held excluding statutory deposits, accounts payable and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

x. Fair Value Measurement

Fair value is the price that would be received to sell an asset or is paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

	Note	Protection of Sacred Sites		Corporate Support		Total	
		2016	2015	2016	2015	2016	2015
		\$000	\$000	\$000	\$000	\$000	\$000
INCOME							
Appropriation							
Output		2 022	1 990	674	691	2 696	2 681
Sales of goods and services ^(b)		2 419	1 818		26	2 419	1 844
Goods and services received free of charge	4	607	574	203	199	810	773
Other income ^(b)		14	44			14	44
TOTAL INCOME		5 062	4 426	876	916	5 938	5 342
EXPENSES							
Employee expenses		2 038	1 786	1 242	1 090	3 280	2 877
Administrative expenses							
Purchases of goods and services	5	1 197	681	7	563	1 204	1 245
Repairs and maintenance			-		4		4
Depreciation and amortisation	13	100	100	39	35	139	135
Other administrative expenses ¹		622	633	210	159	832	792
TOTAL EXPENSES		3 956	3 200	1 499	1 851	5 455	5 051
NET SURPLUS/(DEFICIT)		1 105	1 226	(623)	(935)	483	291

¹ Includes DCIS service charges.

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

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2016	2015
	\$000	\$000
Corporate and information services	810	773
	810	773

5. PURCHASES OF GOODS AND SERVICES

The net surplus/(deficit) has been arrived at after charging the following expenses:

Goods and services expenses:	2016	2015
Consultants ⁽¹⁾	341	418
Advertising ⁽²⁾	-	3
Marketing and promotion ⁽³⁾	7	1
Document production	8	10
Legal expenses ⁽⁴⁾	19	17
Recruitment ⁽⁵⁾	14	12
Training and study	37	27
Official duty fares	66	36
Travelling allowance	28	21
Insurance premiums	43	58
Boards and Committees	50	62
IT Charges	181	189
	795	854

⁽¹⁾ Includes marketing, promotion and IT consultants.

⁽²⁾ Does not include recruitment, advertising or marketing and promotion advertising.

⁽³⁾ Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

⁽⁴⁾ Includes legal fees, claim and settlement costs.

⁽⁵⁾ Includes recruitment-related advertising costs.

	2016 \$000	2015 \$000
6. CASH AND DEPOSITS		
Cash on hand	1	1
Cash at bank	1 443	1 016
	1 444	1 017
7. RECEIVABLES		
Current		
Accounts receivable	222	334
Less: Allowance for impairment losses	(20)	(19)
Total Receivables	202	315
8. PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment		
At fair value	1 374	1 549
Less: Accumulated depreciation	(724)	(590)
	649	959
Computer Software		
At capitalised cost	418	56
Less: Accumulated depreciation	(61)	(56)
	358	-
Total Property, Plant and Equipment	1 007	959
Impairment of Property, Plant and Equipment		
Agency property, plant and equipment assets were assessed for impairment as at 30 June 2016. No impairment adjustments were required as a result of this review.		

8. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land \$000	Buildings \$000	Infrastructure \$000	Construction (Work in Progress) \$000	Plant and Equipment \$000	Computer Software \$000	Total \$000
2016 Property, Plant and Equipment Reconciliations							
A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2015-16 is set out below:							
Carrying Amount as at 1 July 2015					959		959
Additions					(175)	363	187
Disposals							
Depreciation					(134)	(5)	(139)
Carrying Amount as at 30 June 2016					649	358	1 007
2015 Property, Plant and Equipment Reconciliations							
A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2014-15 is set out below:							
Carrying Amount as at 1 July 2014					918	1	918
Additions				175			175
Depreciation					(134)	(1)	(135)
Carrying Amount as at 30 June 2015				175	783		959

9. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

a. Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
2015-16				
Asset Classes^(a)				
Plant and equipment				1 007
Total				1 007
2014-15				
Asset Classes^(a)				
Construction			175	
Plant and Equipment			783	
Total				958

There were no transfers between Level 1 and Levels 2 or 3 during 2015-16.

b. Reconciliation of Recurring Level 3 Fair Value Measurements

	Plant and equipment	Construction (Work in progress)	Total
	\$000	\$000	
2015-16			
Fair value as at 1 July 2015	959		
Additions	187		
Depreciation	(139)		
Fair value as at 30 June 2016	1 007		1 007
2014-15			
Fair value as at 1 July 2014	918		
Additions		175	
Depreciation	(135)		
Fair value as at 30 June 2015	783	175	958

10. PAYABLES

	2016	2015
	\$000	\$000
Accounts payable	4	4
Accrued expenses	52	181
Total Payables	55	186

11. PROVISIONS

	2016	2015
Current		
<i>Employee benefits</i>		
Recreation leave	181	169
Leave loading	51	48
Recreation Leave fares	4	4
Other current provisions	48	49
	284	270
Non-Current		
<i>Employee benefits</i>		
Recreation Leave	51	47
Total Provisions	336	317

The Agency employed 29.82 FTE employees as at 30 June 2016
The Agency employed 31.13 FTE employees as at 30 June 2015

12. NOTES TO THE CASH FLOW STATEMENT

	2016	2015
	\$000	\$000
Reconciliation of Cash		
The total of agency 'Cash and deposits' of \$1,444 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		
Net Surplus/(Deficit)	483	291
<i>Non-cash items:</i>	139	135
Depreciation and amortisation		
<i>Changes in assets and liabilities:</i>		
Decrease/(Increase) in receivables	104	60
Decrease/(Increase) in prepayments		4
(Decrease)/Increase in payables	(130)	(90)
(Decrease)/Increase in provision for employee benefits	20	(65)
(Decrease)/Increase in other provisions	(1)	(103)
(Decrease)/Increase in other liabilities		(9)
Net Cash from Operating Activities	614	223

13. 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, payables and finance leases. The Aboriginal Areas Protection Authority has limited exposure to financial risks as discussed below.

a. Categorisation of Financial Instruments

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

	2016	2015
	\$000	\$000
Financial Assets		
Cash and deposits	1,444	1,017
Receivables ¹	202	305
Financial Liabilities		
Payables	55	186

¹Total amounts exclude statutory amounts.

b. Credit Risk

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the agency 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 agency'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.

Internal Receivables ^(a)	Aging of Receivables \$000	Aging of Impaired Receivables \$000	Net Receivables \$000
2015-16			
Not overdue	41		41
Overdue for less than 30 days	10		10
Overdue for 30 to 60 days	9		9
Overdue for more than 60 days			
Total	60		60

Reconciliation of the Allowance for Impairment Losses ^(b)

Opening

Written off during the year
Recovered during the year
Increase/(Decrease) in allowance recognised in profit or loss

Total

2014-15

Not overdue	100		
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days	40		
Total	140		140

Reconciliation of the Allowance for Impairment Losses ^(b)

Opening
Written off during the year
Recovered during the year
Increase/(Decrease) in allowance recognised in profit or loss

Total

External Receivables ^(a)	Aging of Receivables \$000	Aging of Impaired Receivables \$000	Net Receivables \$000
2015-16			
Not overdue	70		
Overdue for less than 30 days	19		
Overdue for 30 to 60 days			
Overdue for more than 60 days	90	20	
Total	179	20	159

Reconciliation of the Allowance for Impairment Losses ^(b)

Opening
Written off during the year
Recovered during the year
Increase/(Decrease) in allowance recognised in profit or loss

Total

2014-15

Not overdue	107		
Overdue for less than 30 days			
Overdue for 30 to 60 days			
Overdue for more than 60 days	87	19	
Total	194	19	175

Reconciliation of the Allowance for Impairment Losses ^(b)

Opening
Increase/(Decrease) in allowance recognised in profit or loss

Total

c. Liquidity Risk

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

	Variable Interest Rate			Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
	Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years			
	\$000	\$000	\$000	\$000	\$000	\$000			
2016 Maturity analysis for financial assets and liabilities									
Assets									
Cash and deposits							1 444	1 444	
Receivables							202	202	
Total Financial Assets							1 646	1 646	
Liabilities									
Deposits held									
Payables							55	55	
Total Financial Liabilities							55	55	
2015 Maturity analysis for financial assets and liabilities									
Assets									
Cash and deposits							1 017	1 017	
Receivables							315	315	
Total Financial Assets							1 332	1 332	
Liabilities									
Payables							196	196	
Total Financial Liabilities							196	196	

	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$000	\$000	\$000	\$000	\$000
2016					
Financial Assets					
Cash and deposits	1 444	1 444			1 444
Receivables	202	202			202
Total Financial Assets	1 646	1 646			1 646
2015					
Financial Assets					
Cash and deposits	1 017	1 017			1 017
Receivables	315	315			315
Total Financial Assets	1 332	1 332			1 332
Financial Liabilities					
Payables	196	196			196
Total Financial Liabilities	196	196			196

The net fair value of the financial instruments above are based on level 1 method.

The carrying amount of these financial instruments recorded in the financial statements approximates their respective net fair values. Where differences exist, these are not material.

There were no changes in valuation techniques during the period.

14. Commitments

The Aboriginal Areas Protection Authority did not have any capital expenditure, operating leases or any further commitments

15. Contingent Liabilities and Contingent Assets

The Aboriginal Areas Protection Authority had no contingent liabilities or contingent assets as at 30 June 2016 or 30 June 2015

16. 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.

17. Write-Offs, Postponements, Waivers, Gifts and Ex Gratia Payments

	Agency		Agency	
	2016	No. of Trans.	2015	No. of Trans.
	\$000		\$000	
Write-offs, Postponements and Waivers Under the Financial Management Act and other Acts.	19	2		
Represented by:				
Amounts written off, postponed and waived by Delegates	2	2		
Irrecoverable amounts payable to the Territory or an agency written off				
Losses or deficiencies of money written off	18	2		
Public property written off				
Waiver or postponement of right to receive or recover money or property*			19	4
Total Written Off, Postponed and Waived by Delegates	20	4	19	4

*Waivers under the Northern Territory Aboriginal Sacred Sites Act

18. SCHEDULE OF ADMINISTERED TERRITORY ITEMS

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

	2016	2015
	\$000	\$000
TERRITORY INCOME AND EXPENSES		
Income		
Fees from regulatory services	49	43
Total Income	49	43

19. BUDGETARY INFORMATION

Comprehensive Operating Statement	2015-16	2015-16		Note ^(d)
	Actual ^(a)	Original Budget ^(b)	Variance ^(c)	
	\$000	\$000	\$000	
INCOME				
Appropriation				
Output	2 696	2 696	0	
Sales of goods and services	2 419	782	1 637	a)
Goods and services received free of charge	810	680	130	b)
Other income	14		14	c)
TOTAL INCOME	5 938	4 158	1 780	
EXPENSES				
Employee expenses	3 280	2 774	506	d)
Administrative expenses				
Purchases of goods and services	1 147	960	187	e)
Repairs and maintenance	57	4	53	
Depreciation and amortisation	139	199	(60)	
Other administrative expenses	832	680	152	b)
TOTAL EXPENSES	5 455	4 617	838	
NET SURPLUS/(DEFICIT)	483	(459)	942	

a) Variance due to increased demand for services

b) Additional DCIS services

c) Non-budgeted certificate fees

d) Additional staff required due to demand for services and covering staff on maternity leave

e) Additional good & services due to additional demand

Balance Sheet	2015-16	2015-16	Variance ^(c)	Note ^(d)
	Actual ^(a)	Original Budget ^(b)		
	\$000	\$000	\$000	
ASSETS				
Current assets				
Cash and deposits	1 444	648	796	a)
Receivables	202	365	(163)	b)
Prepayments	2	6	(4)	
Total current assets	1 648	1 019	629	
Non-current assets	1 007	906	101	
Property, plant and equipment				
Total non-current assets				
TOTAL ASSETS	2 665	1 925	740	
LIABILITIES				
Current liabilities				
Payables	55	275	(220)	b)
Provisions	284	485	(201)	c)
Other liabilities		9	9	
Total current liabilities	340	769	(392)	
Non-current liabilities				
Provisions	51	0	51	c)
Total non-current liabilities	51	0	51	
TOTAL LIABILITIES	391	769	(122)	
NET ASSETS	2 264	1 156	483	
EQUITY				
Capital	1 621	1 621		
Accumulated funds	644	(465)	1 109	
TOTAL EQUITY	2 264	1 156	1 109	a)

- a) Variance due to additional funds generated by increased activity.
b) Both receivables and payables declined due to management policy.
c) Provisions considered adequate for AAPA requirements.

Cash Flow Statement	2015-16	2015-16	Variance ^(c)	Note ^(d)
	Actual ^(a)	Original Budget ^(b)		
	\$000	\$000	\$000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating receipts				
Appropriation				
Output	2 696	2 696		a)
Receipts from sales of goods and services	2 583	782	1 801	
Total operating receipts	5 279	3 478	1 801	
Operating payments				
Payments to employees	(3 404)	(2 774)	(630)	b)
Payments for goods and services	(1 261)	(964)	(297)	
Total operating payments	(4 665)	(3 738)	(927)	
Net cash from/(used in) operating activities	614	(260)	874	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing payments				
Purchases of assets	(187)	-	(187)	c)
Advances and investing payments				
Total investing payments	(187)	(187)	(187)	
Net cash from/(used in) investing activities	(187)	(187)	(187)	
Total financing payments				
Net cash from/(used in) financing activities				
Net increase/(decrease) in cash held	427	(260)	687	
Cash at beginning of financial year	1 017	908	109	
CASH AT END OF FINANCIAL YEAR	1 444	648	796	

- a) Variance occurred due to increased activity
b) Increased staffing due to increased activity
c) Computer Software

20. ADMINISTERED TERRITORY ITEMS

In addition to the specific departmental operations which are included in the financial statements, the Department administers or manages other activities and resources on behalf of the Territory. The transactions relating to these activities are reported as administered items in this note.

Administered Territory Items	2015-16	2015-16		Note ^(d)
	Actual ^(a)	Original Budget ^(b)	Variance ^(c)	
	\$000	\$000	\$000	
TERRITORY INCOME AND EXPENSES				
Income				
Taxation revenue				
Grants and subsidies revenue				
Current				
Capital				
Fees from regulatory services	49	26	23	
Royalties and rents				
Other income				
Total income	49	26	23	