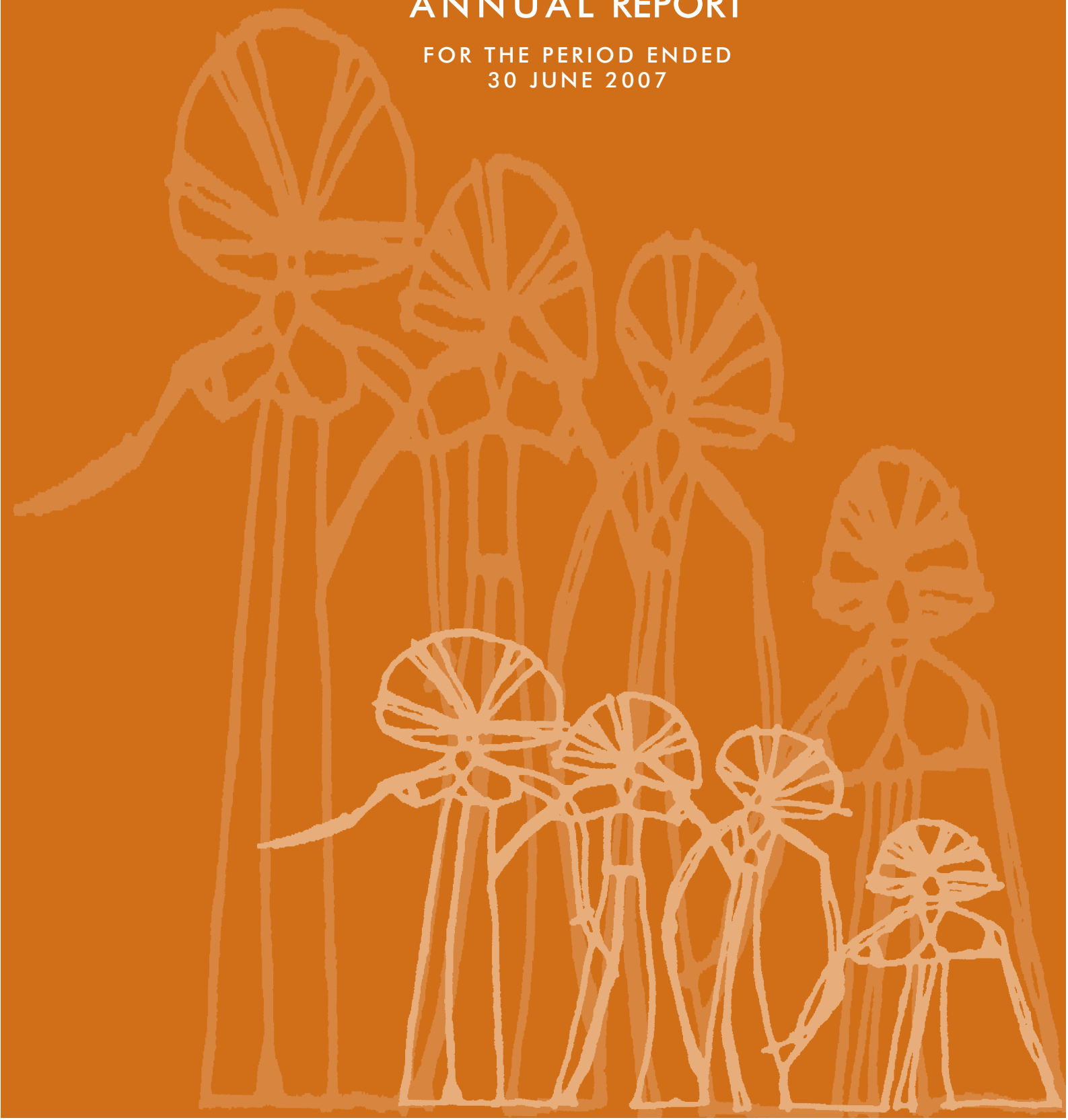


NORTHERN TERRITORY OF AUSTRALIA
ABORIGINAL AREAS PROTECTION AUTHORITY

ANNUAL REPORT

FOR THE PERIOD ENDED
30 JUNE 2007





ABORIGINAL AREAS PROTECTION AUTHORITY

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30 November 2007

The Hon Marion Scrymgour MLA
Minister for Indigenous Policy
DARWIN NT 0800

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 2006 to 30 June 2007.

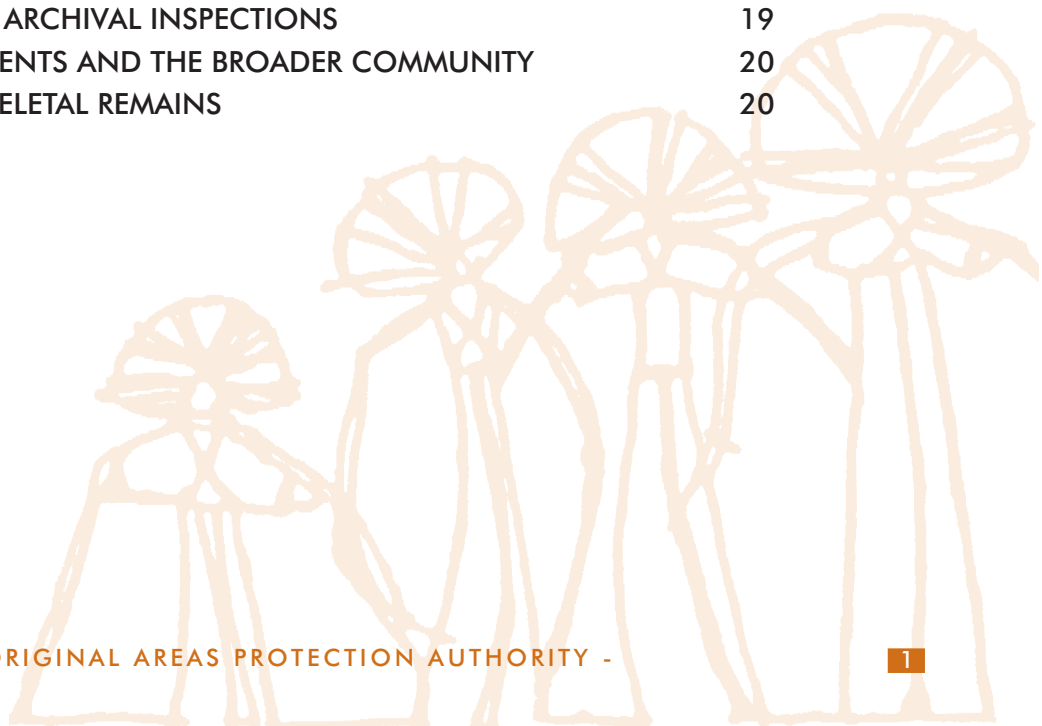
The Report refers to the eighteenth year of operation of the Aboriginal Areas Protection Authority.

Yours sincerely

MILIWANGA SANDY
Chairman

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HOW TO CONTACT US

The Aboriginal Areas Protection Authority maintains a central office in Darwin and a regional office in Alice Springs.

Office hours are 8.00 am to 4.21 pm Monday to Friday and the locations are:

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PO Box 3656
ALICE SPRINGS NT 0871



INTRODUCTION



FROM THE CHAIRMAN

I am pleased to have been appointed as the Chairman of the Aboriginal Areas Protection Authority. I look forward to working with fellow Authority members and staff in protecting Aboriginal sacred sites.

Our culture and ceremonies are all associated with sacred sites and to keep these strong, sites require protection. All Authority members and Aboriginal custodians see registration of sacred sites as important in providing long-term protection. It is also important that Authority members and staff maintain communication with land users and Government departments to ensure that best practice site procedures are developed.

The Authority will continue to meet with these land users and Government Departments during 2007-08.

This year the Authority has provided Authority Certificates for major works, road projects, mining and industrial developments and I would like to express our thanks and appreciation for the dedicated and professional work of Authority staff.

I would particularly like to thank and acknowledge Mr Roy Hammer, the previous Chairman. Roy's contribution to the Authority and site protection has been enormous.

I look forward to working with staff and custodians during the next year.

A handwritten signature in black ink that reads "Miliwanga Sandy".

MILIWANGA SANDY
Chairman

INTRODUCTION

FROM THE DEPUTY CHAIRMAN

I wish to thank fellow Authority members for election as Deputy Chairman. This is an important position. Aboriginal laws and customs about sacred sites in the Northern Territory have been operating for thousands of years.

The work of the Aboriginal Areas Protection Authority brings together these laws and customs and the *Northern Territory Aboriginal Sacred Sites Act* ensures that sacred sites are protected and developments can proceed.

I see my position as assisting the Authority to bring together Aboriginal people and all Territorians, while protecting and supporting Aboriginal culture and sacred sites.

I want to particularly acknowledge the long-serving contribution of our former Chairman, Mr Roy Hammer.



A handwritten signature in black ink that reads "Bernard Abbott". The signature is written in a cursive, flowing style.

BERNARD ABBOTT
Deputy Chairman



INTRODUCTION

CHIEF EXECUTIVE OFFICER'S FOREWORD

This Annual Report, along with fulfilling the Authority's reporting requirements, attempts to provide the public with an understanding of the principles behind the work of the Authority and an account of the Authority's activities.

Sacred sites are the vital cultural and spiritual places which link Aboriginal people to their land and associated cultural traditions. Northern Territory Aboriginal people have cultural traditions and practices going back for tens of thousands of years. Approximately 30% of the population is Indigenous and 50% of the land controlled by Aboriginal people. The economy of the Northern Territory is strongly land-based with a need to access and develop land and sea for mining, agriculture, fishing, tourism and pastoral industries.

All sacred sites in the Northern Territory are protected. The Aboriginal Areas Protection Authority is established under the *Northern Territory Aboriginal Sacred Sites Act 1989*. It plays an important role in bringing about solutions to often complex and diverse issues of protection of sacred sites and use of land on, or near, sacred sites.

In 2003, the Authority embarked on negotiations with the larger Land Councils, primarily to develop protocols to clarify the role of Land Councils in site protection.

These protocol discussions have not been successful. Unfortunately, the larger Land Councils have continued their long term approach of establishing site protection regimes not connected to the processes and procedures under the NTASSA.

This is resulting in process duplication, confusion over sacred site protection responsibility and developing perceptions that the sacred site protection role of the larger Land Councils conflicts with their other roles associated with land access and financial benefit.

The failure of four years of 'protocol discussions' to clarify the role of the larger Land Councils' function in site protection, ensures that other means of clarification require implementation, including the review of relevant legislation (eg *Aboriginal Land Rights (NT) Act*, *Native Title Act* and *Aboriginal & Torres Strait Islander Heritage Protection Act*) and the provision of more detailed information to potential land users and the Government departments which service them.

J Stead

JEFFERY STEAD
Chief Executive Officer



INTRODUCTION

PURPOSE OF THE REPORT

This is the eighteenth Annual Report of the Aboriginal Areas Protection Authority pursuant to Section 14(1) of the *Northern Territory Aboriginal Sacred Sites Act 1989* (hereafter the *Sacred Sites Act*).

This is a report on the administration and operation of the Authority for the 2006-07 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 1995*, the Treasurer's Directions and the Northern Territory Government's Working for Outcomes policy.

It also provides the Northern Territory Legislative Assembly with an account of the performance of the Authority.



OVERVIEW

THE ABORIGINAL AREAS PROTECTION AUTHORITY

The Aboriginal Areas Protection Authority is a statutory authority established under the *Sacred Sites Act* to administer sacred site protection in the Northern Territory. The Administrator of the Northern Territory appoints members to the Authority. The Aboriginal Areas Protection Authority is constituted under Section 6, and staff are employed under Section 17 of the *Sacred Sites Act*. This provides for the Authority to administer the Act at arms-length from the day-to-day operations of the Northern Territory Government.

FUNCTIONS

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

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



OVERVIEW

AAPA'S ROLE AND VISION

The work of the Authority follows the Authority's Business Plan, including the Authority's Main Job and Vision (adopted in 2006).

THE AUTHORITY'S JOB

Working with Aboriginal people to protect sacred sites.

THE AUTHORITY'S VISION

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

The protection of Aboriginal sacred sites is recognised by the Northern Territory Government and the broader Territory community as an important element in the preservation of the Territory's cultural heritage for the benefit of all Territorians. The Authority provides the means by which Aboriginal sacred sites are protected through:

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

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

KEY WORK AREAS

REGISTRATION OF SACRED SITES

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

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

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

OVERVIEW

SITE AVOIDANCE PROCEDURES—AUTHORITY CERTIFICATES

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

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

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

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

INSPECTIONS OF THE SACRED SITES REGISTER AND AUTHORITY CERTIFICATES REGISTER

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

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

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

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

OVERVIEW

2006-2007 HIGHLIGHTS

This year was the twenty-seventh year of operation of sacred sites legislation in the Northern Territory.

Throughout the reporting period the Authority:

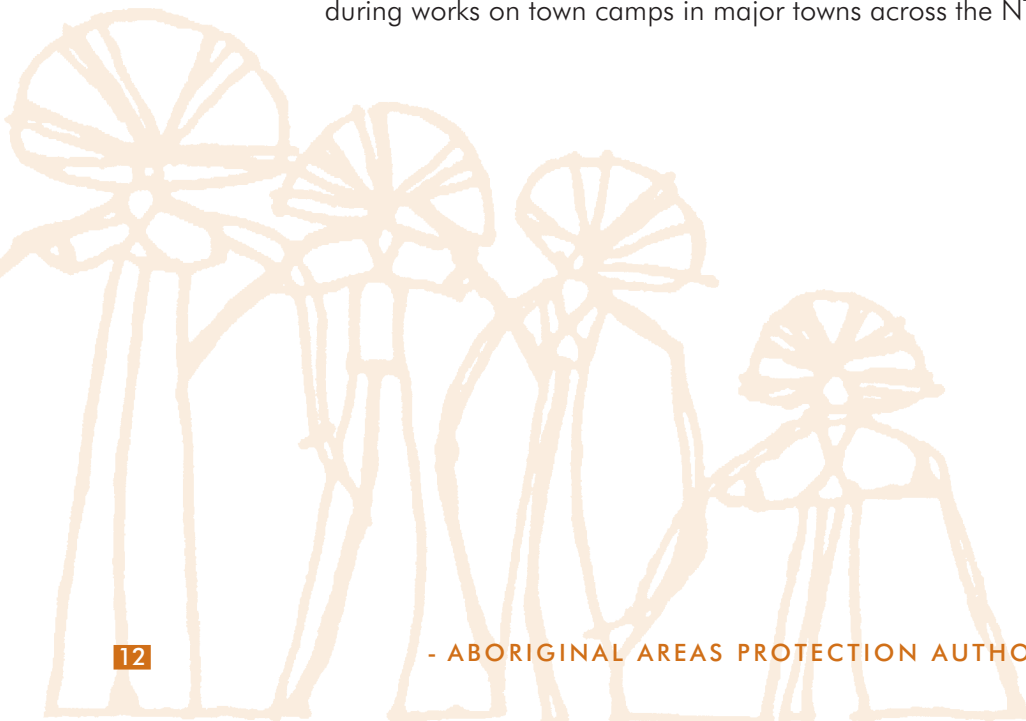
- Maintained links with Territory Government agencies to establish clear procedures in relation to sacred site protection for major works projects;
- Issued 129 Authority Certificates in relation to current and proposed works across the Territory. Significant projects for which Certificates were issued included:
 - airstrips at a number of communities including Yuelamu, Pigeon Hole, and Harts Range;
 - road, utilities and associated community works in a variety of locations, including Victoria Highway, Nhulunbuy area, West MacDonnells, Borroloola, Daly River Reserve, Batchelor and Adelaide River, Daly Waters, Mataranka, Groote Eylandt, Plenty Highway, Alcoota, Ulpanyali, Alice Springs, Kalkarindji and Santa Teresa;
 - enterprise, tourism and national park related projects throughout the Northern Territory including Tiwi Islands, Mindil and Vestey's beaches, Howard Springs, Gregory National Park, Redbank Gorge, Gunlom and Katherine;
 - Bonaparte Gas Pipeline Project route survey access;
 - mining and significant exploration activities across the Territory including in the areas of the Plenty Highway, Pine Creek and Frances Creek, Rum Jungle, Nhulunbuy, Newcastle Waters and Camfield Station; and
 - various locations within Alice Springs, providing certainty for Alice Springs Town Council in carrying out projects.
- Refused to issue 9 Authority Certificates where the Authority was not satisfied that sacred sites could be protected from damage, including at Dalgety Road, Alice Springs;
- Entered 33 sites into the Register of Sacred Sites including:
 - Four sites in Maningrida, eight sites in the VRD area, and eight sites in West Arnhem; and
 - Three sites in Alice Springs and hinterland and two sites at Aileron
- Ratified amendments to the Register for 16 sacred sites;
- Developed protocols with the Northern Land Council for the protection of sacred sites during the construction of the Bonaparte Gas Pipeline;
- Concluded discussions with Land Councils on protocols and cooperative operational arrangements;
- Responded to 26 new reports of sacred site damage, undertaking investigations and negotiations over each report;

OVERVIEW

- Resolved 11 instances of site damage through consultations with custodians and landowners or developers; and planned action on 21 unresolved site damage reports, including seeking legal advice on three reports (as at 30 June 2007);
- Completed a successful prosecution against the Arrernte Council for site damage;
- Supervised Northern Land Council site protection field work on the Bonaparte Gas Pipeline;
- Met with the Alice Springs Town Council; and
- Responded to 1076 information requests regarding sacred sites.

CHALLENGES AND DIRECTIONS 2007-2008

- Continue to work with Government agencies in developing and implementing effective sacred site avoidance procedures;
- Discuss with the Northern Territory Government possible means of clarifying the role of the major Land Councils in site protection;
- Finalise substantial Authority Certificates for the Central Arnhem Highway road corridor and the Telstra cable from Jabiru to Nhulunbuy;
- Build on relationships established with key industry bodies across the Northern Territory;
- Issue Authority Certificates for the Bonaparte Gas Pipeline;
- Develop strategies to maintain Indigenous cultural knowledge in the Territory;
- Consider mechanisms to provide possible compensation for damage to sacred sites;
- Provide Authority Certificates to protect sites and for works occurring as a result of the Australian Government's amendments to the *Aboriginal Land Rights Act* and emergency intervention; and
- Continue to work cooperatively with all stakeholders in protecting sacred sites during works on town camps in major towns across the NT.



PERFORMANCE REPORTING

PROTECTION OF SITES

The Authority's overarching responsibility is to protect sacred sites. The *Sacred Sites Act* provides for the protection of sacred sites through the Registration of sites and Inspections of the Register of Sacred Sites, and through consultations with custodians to develop sacred site avoidance procedures (Authority Certificates) relating to the use and development of land in the Northern Territory.

Overall performance in a financial year is quantified by the number of sites registered; the requests for inspections of the Register (and other archives); and the number of Authority Certificate applications completed.

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

Timeliness is assessed as the average period between application and completion of Authority Certificates.

OUTPUT GROUP

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

OUTCOME

Enhanced relations between Indigenous custodians of sacred sites and the wider Territory population by increasing the level of certainty when identifying constraints on land-use, if any, arising from the existence of sacred sites.

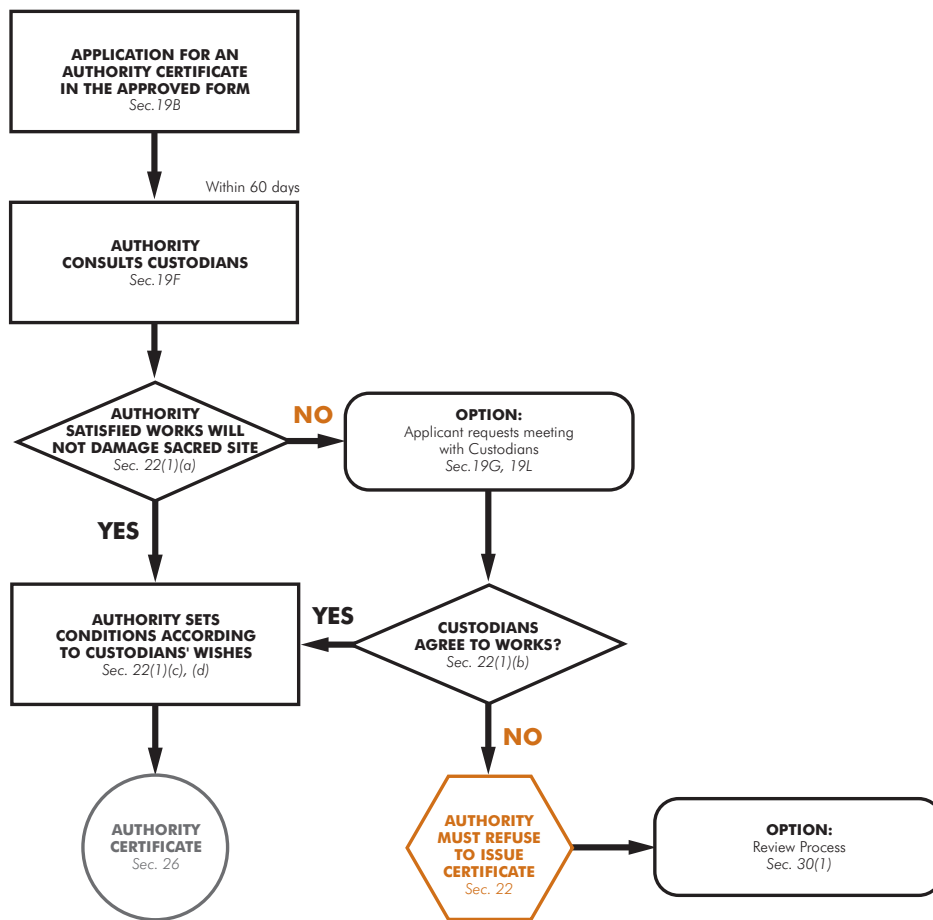
PERFORMANCE MEASURES	ACTUAL 2005-2006	TARGET 2006-2007	ACTUAL 2006-2007
- Quantity - Requests for Register inspections, sites recorded and applications for Authority Certificates completed	1,026	850	1076
- Quality - Statutory appeals minimised	<1%	<1%	<1%
- Timeliness - Average elapsed time between request and completion of [Authority Certificate] service	123 days	100 days	127 days

PERFORMANCE REPORTING

AUTHORITY CERTIFICATES APPLICATIONS AND ISSUES

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

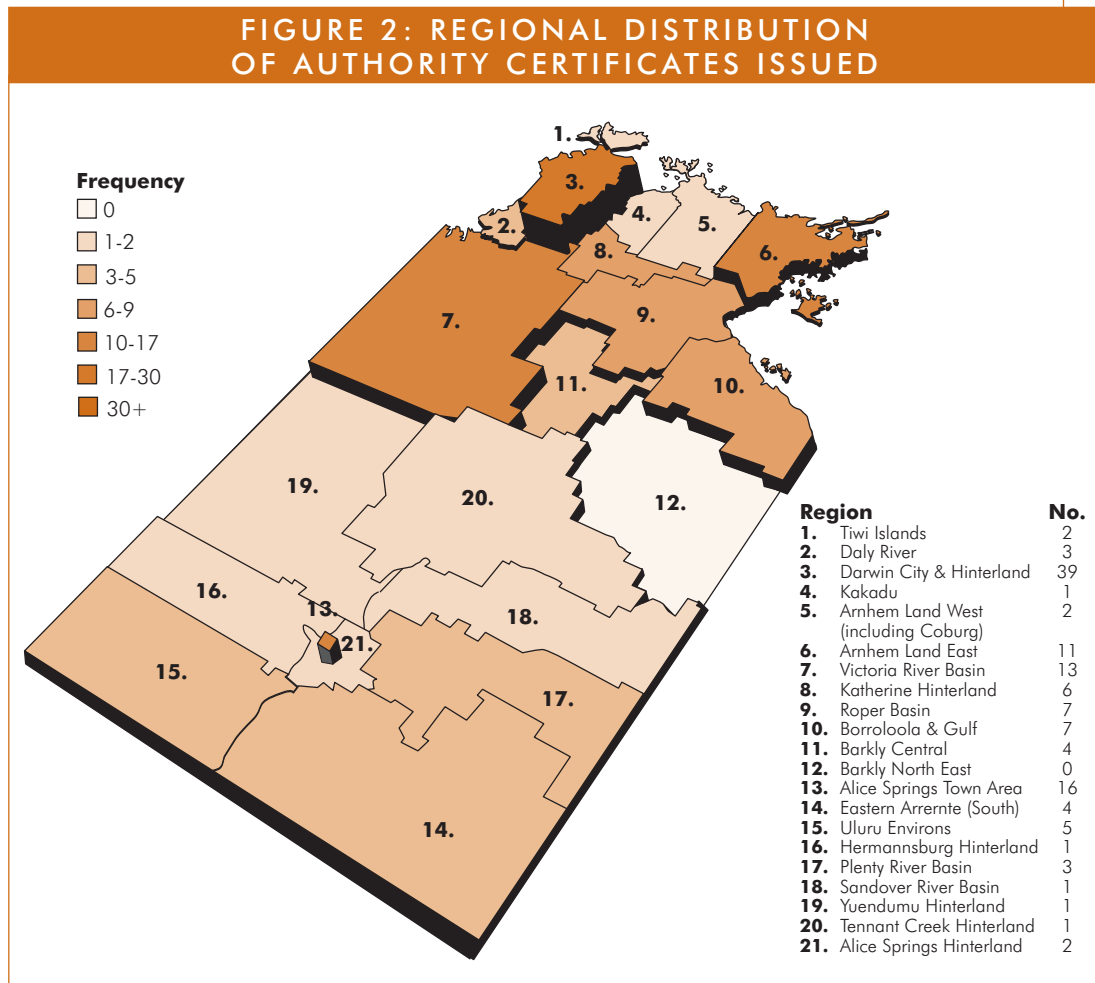
FIGURE 1: AUTHORITY CERTIFICATE PROCESSES



In any financial year the number of applications and the number of Authority Certificates issued are likely to differ because of the time elapsing between the application date and the date of issue. In 2006-07 there were 184 Authority Certificate applications received. This compares with 179 applications received in 2005-06, and indicates a possible trend of increased applications for Authority Certificates.

PERFORMANCE REPORTING

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

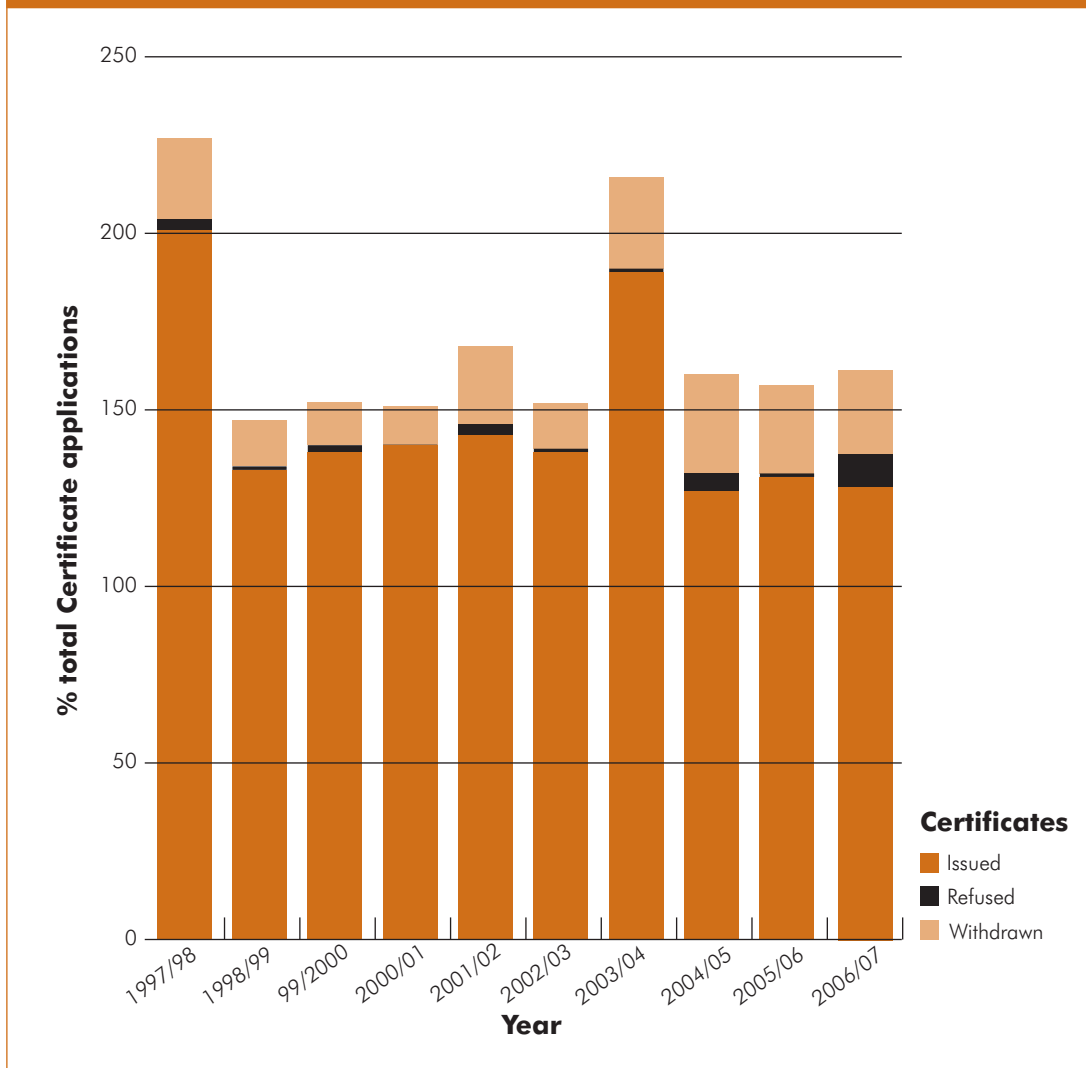


It can be seen that there are consistent levels of demand for Authority Certificates in the Alice Springs Town and Darwin and Hinterland regions. Additionally, major infrastructure projects have resulted in high workloads in those areas.

Figure 3 shows the numbers of Authority Certificate applications issued or refused by the Authority, or withdrawn by the applicant. In 2006-2007, of the 162 completed Authority Certificate applications, 129 (80%) were issued, 24 (15%) withdrawn and 9 (5%) refused. This compares with 130 (83%) issued, 25 (16%) withdrawn and 1 (1%) refused, from 156 completed applications in 2005-2006.

PERFORMANCE REPORTING

**FIGURE 3:
AUTHORITY CERTIFICATES ISSUED, WITHDRAWN OR REFUSED**



TIMELINESS – AUTHORITY CERTIFICATES

In 2006-07, completion of Authority Certificate applications took an average of 127 days (Figure 4).

Since 2001-2002 there has been a steady increase in the time necessary to complete consultations for Authority Certificate applications. The timely and effective completion of Authority Certificates is dependent upon:

- The nature of the land involved, including numbers of sacred sites, and native title or Aboriginal land issues;
- The number of custodian and other Aboriginal groups with an interest in the land;
- The certainty of custodian knowledge;
- The certainty provided by the records of sacred sites held by AAPA; and
- The availability of sufficiently experienced anthropological research staff/consultants, within the resources available to AAPA.

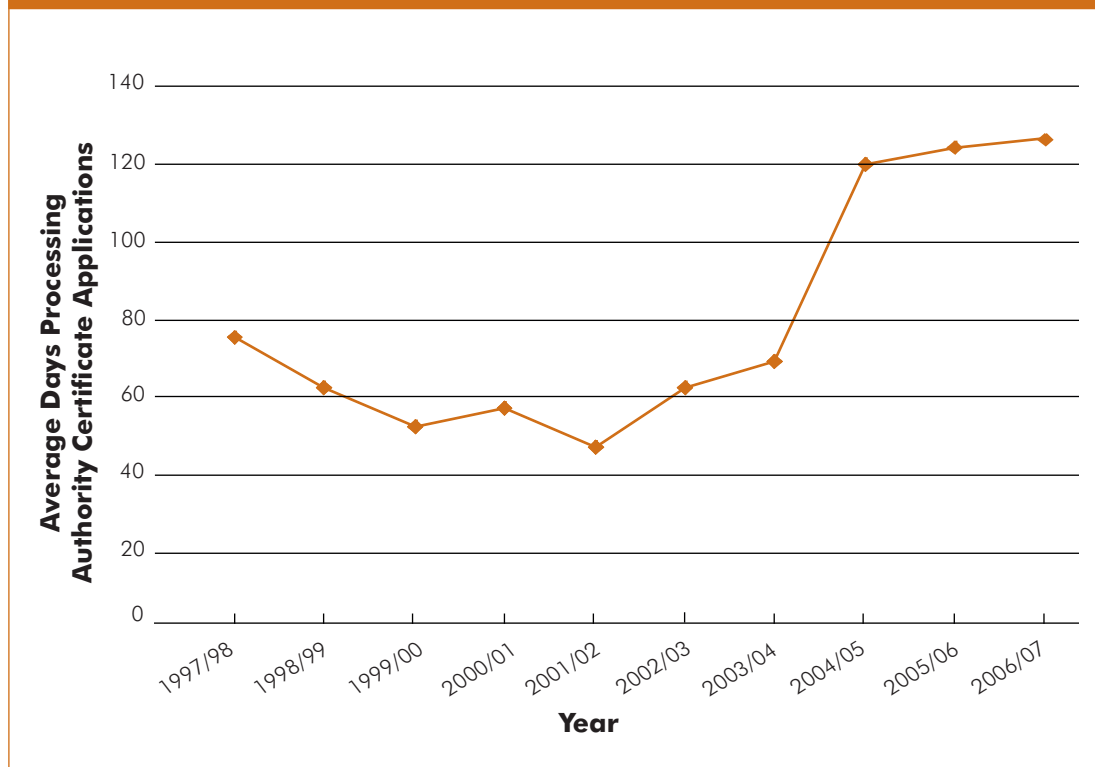
PERFORMANCE REPORTING

Consultations have been delayed due to factors including an increasing complexity of project proposals and land tenure, and difficulty getting a consistent and timely custodian response. The deaths of senior custodians result in the continuing scattering of traditional knowledge and create a subsequent need for the Authority to consult with a greater range of custodians to obtain the cultural knowledge and certainty about sites that had formerly been held by senior custodians.

The high number of Certificate applications in Alice Springs and the Darwin hinterland continues to place significant pressures on custodians in these regions to work with the Authority in documenting sites. The high pressure of applications in these areas highlights the urgent need for resources to update the Authority's sites records.

In 2006-07 a number of Authority Certificate applications were outsourced to the Northern Land Council, as a means to encourage a more effective working relationship. Unfortunately the Authority had to resume responsibility for these applications after several months had lapsed.

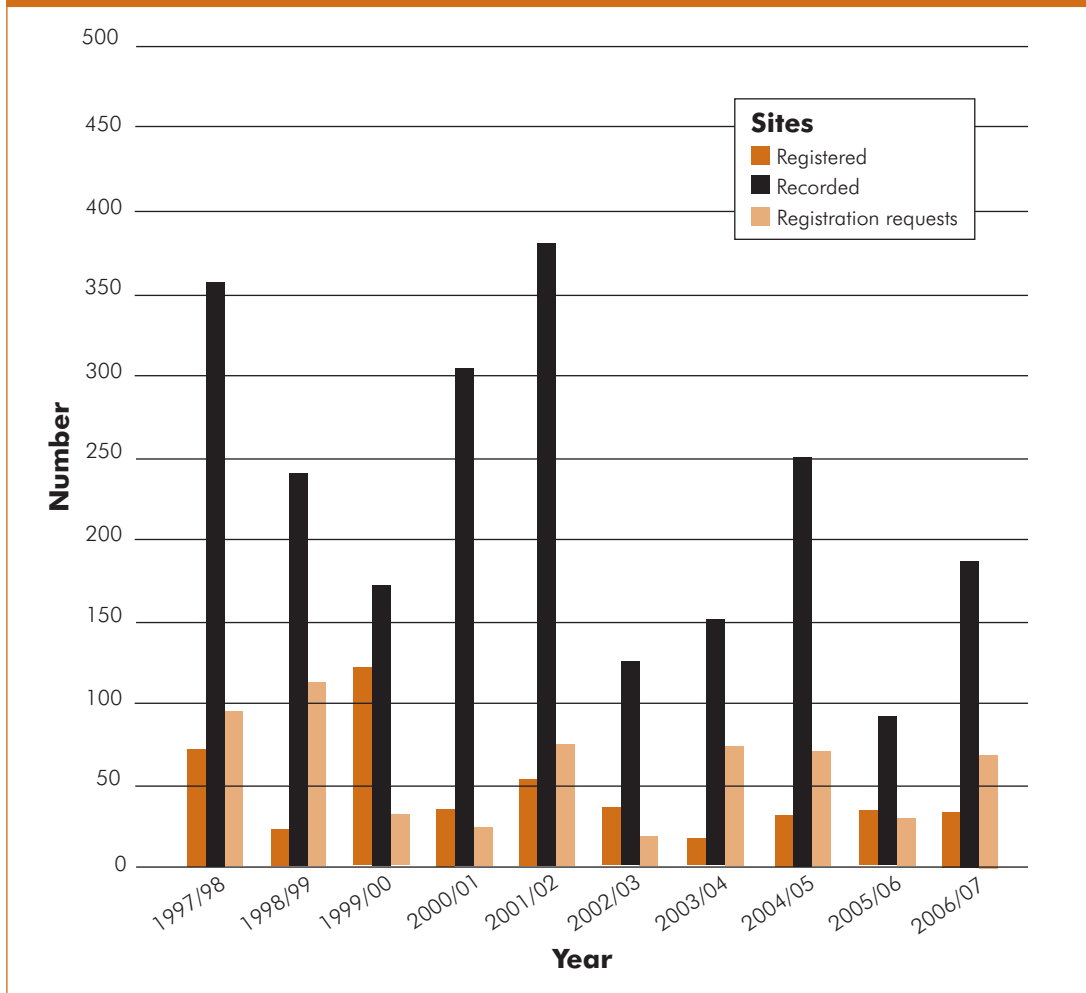
**FIGURE 4:
TIME TO PROCESS AUTHORITY CERTIFICATE APPLICATIONS**



PERFORMANCE REPORTING

REGISTER OF SACRED SITES

**FIGURE 5:
SITES RECORDED, REGISTERED AND REQUESTS FOR REGISTRATION**



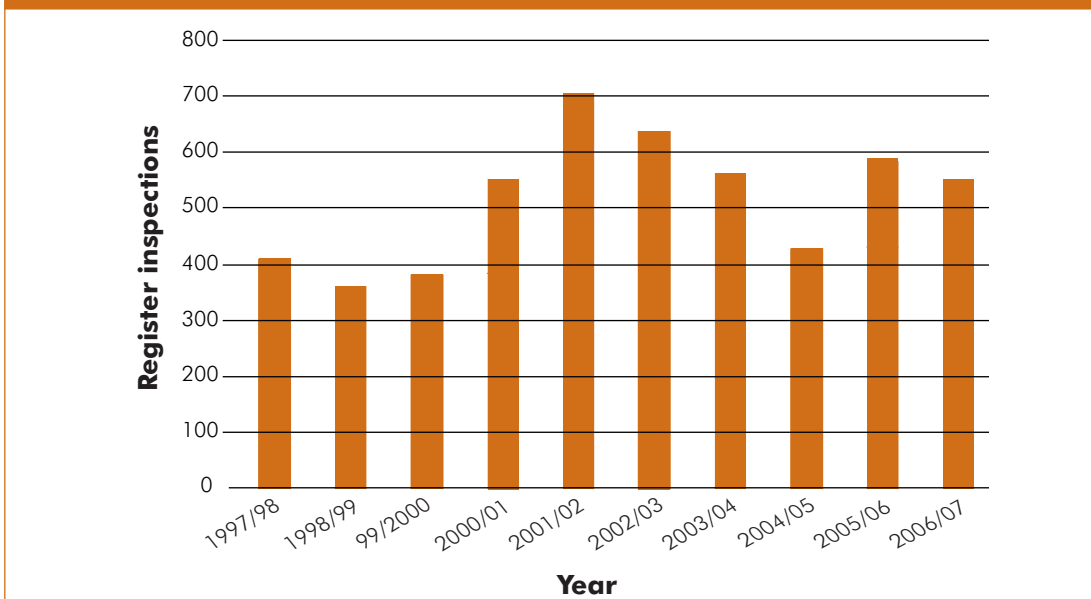
The number of sites requested by custodians for registration increased from 29 in 2005-06 to 66 in 2006-07. The number of sites registered by the Authority decreased from 34 to 33. However, there remains a significant backlog of registration requests, with an estimated more than 400 requests outstanding. The Authority has established priorities for addressing registration requests, based around threats of damage or desecration, or loss of knowledge. Nevertheless, the backlog can only be addressed on an ad hoc basis and even then only if there is a capacity to undertake registration research without impacting on the timeframes and resources available for Authority Certificate research.

PERFORMANCE REPORTING

REGISTER AND ARCHIVAL INSPECTIONS

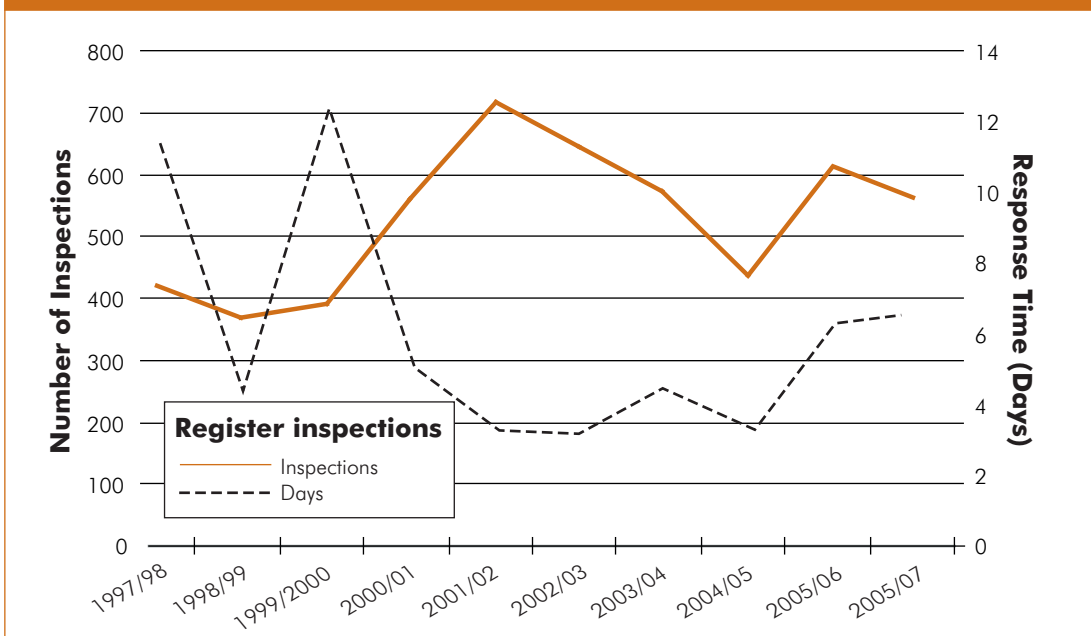
In 2006-2007, the Authority responded to 657 requests for inspections across the Register of Sacred Sites and other Authority sacred site Registers and archives. This includes 551 formal Inspection Requests of the Register of Sacred Sites. This compares with 640 requests across the Authority's registers and archives, and 588 formal Inspection Requests in 2005-2006

**FIGURE 6:
FORMAL INSPECTIONS OF THE REGISTER OF SACRED SITES
AND SITES ARCHIVES**



In 2006-07, the average time taken to complete Register Inspection requests was 6 days, the same as 6 days in 2005-2006.

**FIGURE 7:
NUMBER OF REQUESTS TO INSPECT THE REGISTER
AND RESPONSE TIMES**



PERFORMANCE REPORTING

ADVICE TO CLIENTS AND THE BROADER COMMUNITY

In addition to formal requests to inspect the Register of Sacred Sites and Register of Authority Certificates the Authority also deals with numerous requests for information relating to site protection in the Territory. The provision of information and advice to the public is a very significant element of the Authority's responsibility in carrying out its functions. In the current reporting period the Authority received ongoing and daily requests for information from the Register.

ANCESTRAL SKELETAL REMAINS

Responsibilities acquired under the *Heritage Conservation Act 1991* can also result in a number of requests associated with both forensic enquiries and the repatriation of skeletal remains.

In 2006-07 the Authority received four requests for forensic assistance on the discovery of skeletal remains in the Northern Territory. The responses required for these discoveries took some considerable time, and met the Authority's obligations to work with NT Police and the Coroner's Office to ensure that traditional ancestral remains are not unnecessarily disturbed. The Authority also responded with regard to remains which were uncovered at the Museum of Natural History in Vienna, Austria.

The Authority also took into safe-keeping two sets of remains for future repatriation.

During 2006-07 the Authority continued consultations with four communities and custodian groups across the Territory over the repatriation of 9 sets of Aboriginal ancestral skeletal remains. Many custodian groups are still considering their desired outcomes for repatriation of ancestral remains. However, remains were repatriated to the community at Galiwink'u.

The Authority participated in hearings at the Coroner's Court over remains discovered in Kakadu in 2005-06. The Coroner found that these remains while unidentified, were traditional in nature, and the Authority will now seek to return them to country, through consultations with local traditional owners and custodians.

In the year the Authority also carried out training for all research staff in the identification and care of discovered human remains, to assist in the work which is required under delegations from the *Heritage Conservation Act 1991*.



GOVERNANCE

AUTHORITY BOARD

MEMBERSHIP AND MEETINGS

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

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

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

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

APPOINTMENTS

This reporting period saw the resignation of Ms Olga Havnen.

On 16 May 2007 the Administrator appointed Ms Miliwanga Sandy as Chairman of the Authority and Mr Bernard Abbott was appointed as Deputy Chairman.



Aboriginal Areas Protection Authority Members, June 2006

GOVERNANCE

MEMBERS OF THE ABORIGINAL AREAS PROTECTION AUTHORITY

Name	Date appointed/ Re-appointed	Nominated by
Ms Miliwanga Sandy (Chairman)	26/4/2006	Northern Land Council
Mr Captain Woditj	26/4/2006	Northern Land Council
Ms Banduk Marika	26/4/2006	Northern Land Council
Ms Jenny Inmulugulu	26/4/2006	Northern Land Council
Mr Roy Hammer	28/2/2007	Northern Land Council
Mr Bernard Abbott (Deputy Chairman)	26/4/2006	Central Land Council
Ms Lynette Granites	18/5/2005	Central Land Council
Ms Lena Pula	26/4/2006	Central Land Council
Mr Pepy Simpson	26/4/2006	Central Land Council
Mr Robert Tipungwuti	26/4/2006	Tiwi Land Council
Ms Olga Havnen (Resignation accepted 23/5/2007)	18/5/2005	Government nominee
Mr Dick Kimber	26/4/2006	Government nominee

AUTHORITY MEETINGS

Section 12 of the *Sacred Sites Act* provides that the Chairman “shall call such meetings of the Authority and committees of the Authority as are necessary for the performance and functions of the Authority” and that “the Chairman shall call not less than four meetings of the Authority in each full calendar year of its operation”. This requirement was met for calendar year 2006.

Below is an outline of dates, venues and attendances at meetings called by the Chairman for the 2006-07 Financial Year:

September 26-28	2006	Tennant Creek
December 5-7	2006	Darwin
March 6-8	2007	Alice Springs
April 30 – May 1	2007	Darwin
June 13-15	2007	Darwin

In order to more effectively deal with the breadth of issues before it, in the past two years the Board of the Authority has extended its usual meetings from two to three days. This extra time has allowed more time for the Board to become familiar with the issues and to give them a full consideration.

GOVERNANCE

SUMMARY OF ATTENDANCES AT MEETINGS OF THE AUTHORITY BOARD, 2006-07

Name	Meetings attended
Ms Miliwanga Sandy (Chairman)	3
Mr Bernard Abbott (Deputy Chairman)	5
Mr Captain Woditj	3
Ms Banduk Marika	2
Ms Jenny Inmulugulu	5
Mr Roy Hammer	3
Ms Lynette Granites	3
Ms Lena Pula	5
Mr Pepy Simpson	5
Mr Robert Tipungwuti	2
Mr Dick Kimber	3
Ms Olga Havnen	2
Mr Jeffery Stead (CEO, Non Board Member)	5

AUTHORITY OPERATIONS

PRINCIPLES OF GOVERNANCE

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

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

HOW AAPA IS GOVERNED

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

Section 19 provides for the Authority to delegate certain powers or functions. The CEO holds various such delegations and is responsible for the overall operation of the Authority. The CEO also exercises responsibilities under the *Public Sector Employment and Management Act* and *Heritage Conservation Act*.

GOVERNANCE

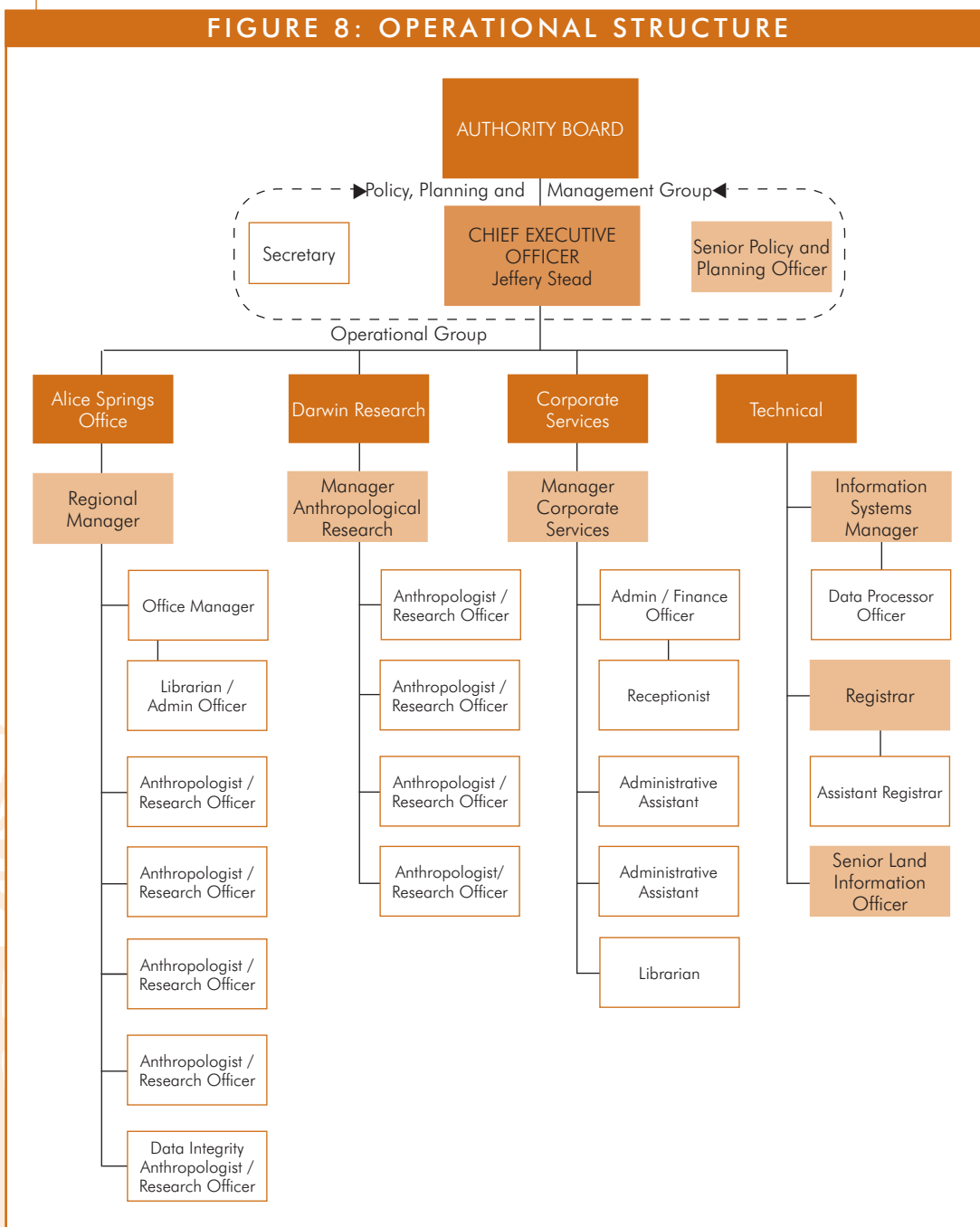
HOW AAPA IS MANAGED

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

The Authority’s operational groups comprise: Darwin Research, Corporate Services, Technical and Registry and the Alice Springs Regional office.

Administratively, the Authority divides the Northern Territory into northern and southern regions. The CEO, Senior Policy and Planning Officer, Corporate Services Manager, Manager Anthropological Research and Technical/Registry section are all located in the Darwin office. The Regional Manager and staff are located in the Alice Springs office.

FIGURE 8: OPERATIONAL STRUCTURE



GOVERNANCE

BUSINESS PLAN AND DEVELOPMENT

At its meeting in June 2005 the Authority resolved to adopt a draft High Level Business Plan. The Authority adopted a detailed Business Plan at its March 2006 meeting. The plan sets out the guiding principles and business and operational direction for the organisation until 2008.

KEY EXTERNAL RELATIONSHIPS

Meetings occurred throughout the year with the two large Land Councils. Issues under discussion included jurisdiction, cooperation on major projects and possible joint approaches to damage to sacred sites. No progress was made on the clarification of sacred sites protection roles on and off Aboriginal land.

The Authority has committed to establishing relationships with key industry bodies across the NT. The CEO and staff also liaised with other organizations, such as Lhere Artepe (Alice Springs Native Title Body Corporate), Dhimurru Land Management, Larrakia Nation and the Jawoyn Association. The Authority also continued regular meetings with senior staff at the Departments of Planning and Infrastructure (DPI); Natural Resources Environment and the Arts; and Primary Industries, Fisheries and Mines for the purpose of discussing matters of common interest.

INFORMATION MANAGEMENT

The Authority continued to progress the development of an effective and secure approach to the provision of sacred site information in conjunction with the register of administrative interests, through the Territory Government's Integrated Land Information System (ILIS).

LEGISLATION AND POLICY

ABORIGINAL SACRED SITE PROTECTION IN THE NORTHERN TERRITORY

ABORIGINAL SACRED SITES

Sacred sites are features of the landscape that hold specific meanings and importance in the traditions of Aboriginal communities. They may include features such as hills, waterholes, rocks, trees and sea features. They may also include rock art or other human artefacts. However, it is usually the natural features that are of most significance according to the body of Aboriginal tradition about how the world was shaped. Ceremony grounds and traditional burial grounds may also be sacred sites according to Aboriginal tradition.

The protection of Aboriginal sacred sites is an integral part of the Northern Territory Aboriginal land rights package under the Commonwealth's *Aboriginal Land Rights (Northern Territory) Act 1976 (Land Rights Act)*. Under the *Land Rights Act* a sacred site is defined as:

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

The *Sacred Sites Act* uses the same definition as the *Land Rights Act*.

GOVERNANCE

COMMONWEALTH AND NORTHERN TERRITORY LAWS

Section 69 of the *Land Rights Act* broadly prohibits entry and remaining on any land in the Northern Territory that is a sacred site, except under a law of the Northern Territory. Section 73 of the *Land Rights Act* gives the Northern Territory Legislative Assembly power to enact laws for:

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

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

LANDOWNERS AND DEVELOPERS

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

Landowners and developers are afforded certain rights under the *Sacred Sites Act*. Section 28 provides the opportunity for landowners to make representations on the prospective registration of a sacred site. Section 44 of the *Sacred Sites Act* explicitly deals with landowners' rights to use land comprised in a sacred site consistent with the protection of sacred sites. Authority Certificates provide a legal instrument to accommodate such land-use. Further under Section 48A, if the application of the *Sacred Sites Act* in a particular case would result in an acquisition of property other than on just terms, then the person effected 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".

Under the sacred sites laws applying in the Northern Territory, all sacred sites are protected regardless of underlying land title, whether they are registered or not, or even if they are not known to the Authority. They are protected particularly by Sections 33 (unauthorised entry), 34 (unauthorised works or uses) and 35 (desecration) of the *Sacred Sites Act*, which set out various offences in relation to sacred sites.

Prosecutions may only be brought by the Authority and custodians' views must be taken into account whenever the Authority exercises such powers under the *Sacred Sites Act*.

GOVERNANCE

RESPONSIBILITIES UNDER THE HERITAGE CONSERVATION ACT 1991

Section 10(i) of the *Sacred Sites Act* specifies that one of the functions of the Authority is “to perform such other functions as are imposed on it by or under this or any other Act, ...”. The *Heritage Conservation Act 1991* (*Heritage Conservation Act*) places a number of additional duties on the Authority.

Firstly, the *Heritage Conservation Act*, Section 8(d), provides for the Authority to nominate a representative to the Heritage Advisory Council. Regional Manager Alice Springs, Mr Andrew Allan, represented the Authority throughout the reporting period.

Secondly, Section 29(2) of the *Heritage Conservation Act* states:

The Minister or the Minister’s delegate shall not permit an action in relation to an archaeological object prescribed for the purposes of Part 6 which is sacred according to Aboriginal tradition unless he or she has sought and taken into account the advice, if any, of the Aboriginal Areas Protection Authority established by the Northern Territory Aboriginal Sacred Sites Act given after consultation with those Aboriginals it considers to be the traditional owners of the object.

Lastly, the CEO of the Authority holds two delegations from the Minister for Conservation relating to the *Heritage Conservation Act*. The first enables the CEO to make decisions about what may happen on an Aboriginal burial site. The second delegation makes the CEO a person who should be advised of the discovery of an Aboriginal burial site or skeletal remains. As a consequence of these delegations the Authority responds to requests from the Coroner’s office for advice on whether skeletal remains found in the Northern Territory are likely to be part of a traditional Aboriginal burial. The Authority also acts as a receiving agency and temporary repository in the Northern Territory for skeletal remains repatriated to Aboriginal communities from museums in Australia and overseas.

OVERVIEW

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

STAFFING

As at 30 June 2007 there were 27 positions in the Aboriginal Areas Protection Authority.

TERMS AND CONDITIONS OF EMPLOYMENT

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

EQUAL EMPLOYMENT OPPORTUNITY

POLICY OBJECTIVES

The Authority focuses on the following objectives.

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

- develop their abilities and potential;
- contribute to the success of the Authority's objectives; and
- share in the benefits of employment according to their contribution.

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

INTERNAL GRIEVANCE PROCEDURES

Procedures for the resolution of grievances arising in the workplace emphasise conciliation. The procedures were adopted after extensive consultation with stakeholders including staff, Unions, Commissioner for Public Employment and Office of Anti-Discrimination.

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

WORKPLACE HARASSMENT

The objective of this policy is to provide guidance for employees on the prevention and elimination of any form of harassment of employees within the Aboriginal Areas Protection Authority. It also provides procedures for the resolution of both formal and informal complaints. Staff with managerial responsibilities are made aware of the Authority's obligations under the *Anti-Discrimination Act* and the principles of equity and merit which underpin the Authority's Equal Employment Opportunity objectives.

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

EMPLOYEE ASSISTANCE PROGRAM (EAP)

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

OCCUPATIONAL HEALTH AND SAFETY

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

This commitment is demonstrated by its high emphasis on fieldwork safety and training at both the Darwin and Alice Springs offices. Staff feel they are free to raise any issues with the nominated OH&S officer and receive a prompt response.

OH&S is a standing item on the agenda for the "All Staff" meetings usually conducted once per month.

WORKER'S COMPENSATION

There were no worker's compensation claims made within the period of the report.

STAFF TRAINING AND DEVELOPMENT

Training and Development focuses on providing the skills and competencies necessary for staff to perform the tasks involved in achieving the desired outcomes of the Authority. The Authority recognises that training is a continuous process integrated with, and running parallel to, work. Sixty percent of all employees attended some form of training or accreditation during the year.

Courses included:

- Public Sector Management Course;
- Continued professional development support through study leave;
- Provided training in Mediation and Negotiation Skills Training Workshop;
- Skeletal Remains Workshop/Training;
- Defensive four wheel driving;
- First aid;
- Procure goods and services;
- First time manager;
- Associated Indigenous Community Management;
- Women and Leadership; and
- MapInfo and project management.

The Authority spent \$23,000 on training programs in 2006-2007 representing 2% of expenditure for goods and services.

HUMAN RESOURCES—MANAGING OUR PEOPLE

STUDY ASSISTANCE PROGRAM

The Aboriginal Areas Protection Authority values its staff as its greatest resource. We are committed to providing support for formal education as a learning opportunity enabling staff to progress in their careers and increase the Authority's overall skill base.

STAFF DEVELOPMENT FRAMEWORK

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

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

SUPPORTING AND VALUING OUR PEOPLE

- Supported the participation in the Corporate Sports events run by "Life Be In It";
- Supported the secondment of staff to Sport and Recreation for the Arafura Games; and
- Continued the support of staff and family to access the Employee Assistance Program through two local service providers.

OFFICE ACCOMMODATION

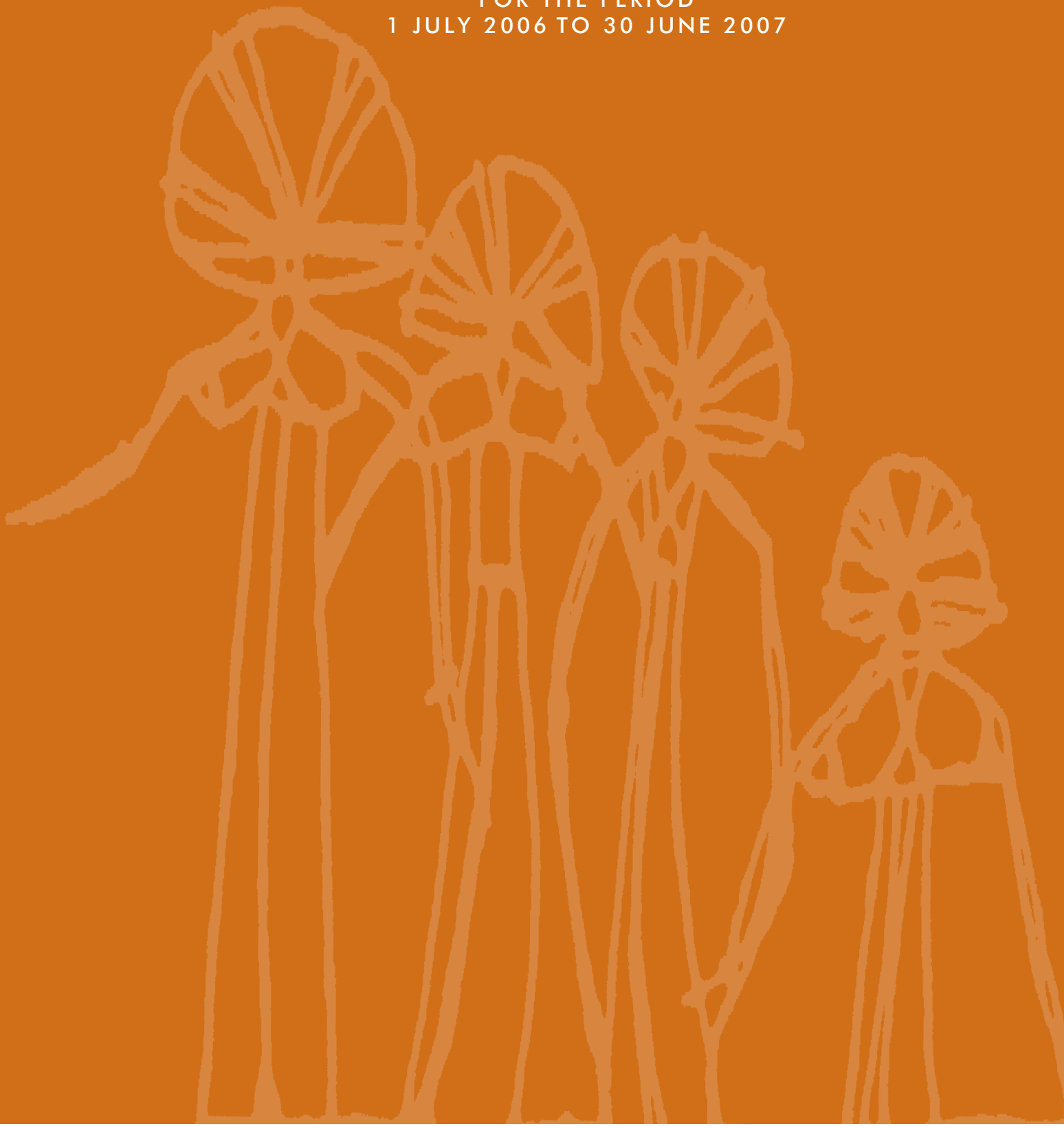
When the current lease is due for renewal in November 2008 the Authority will be seeking more suitable accommodation that will house the entire staff of the Darwin office. A Budget submission has been submitted to Northern Territory Treasury as part of the 2008/2009 bid to secure funding to assist with moving to a more suitable location for the Darwin office.



ABORIGINAL AREAS PROTECTION AUTHORITY

FINANCIAL STATEMENTS

FOR THE PERIOD
1 JULY 2006 TO 30 JUNE 2007





ABORIGINAL AREAS PROTECTION AUTHORITY

GPO BOX 1890
DARWIN NT 0801
TELEPHONE: (08) 8981 4700
FACSIMILE: (08) 8981 4169

30 January 2008

The Hon Marion Scrymgour MLA
Minister for Indigenous Policy
Parliament House
DARWIN NT 0800

Dear Minister

In accordance with the provisions of Section 14 (1) of the *Northern Territory Aboriginal Sacred Sites Act 1989* and Treasurer's Direction R2.1.6, I am pleased to submit the Annual Report for the Aboriginal Areas Protection Authority for the Financial Year, 1 July 2006 to 30 June 2007.

The report refers to the eighteenth year of operation of the Aboriginal Areas Protection Authority.

To the best of my knowledge and belief, the system of internal control provides assurance that:

- a) proper records of all transactions affecting the Authority are kept and that employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions;
- b) procedures within the Authority 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 Authority 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) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied.

Yours sincerely

JEFFERY STEAD
Chief Executive Officer

CERTIFICATION OF THE FINANCIAL STATEMENTS

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

We further state that the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2007 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.

J. Stead

.....
JEFFERY STEAD
CHIEF EXECUTIVE OFFICER
31/08/07

Clive Naylor

.....
CLIVE NAYLOR
MANAGER CORPORATE SERVICES
31/08/07



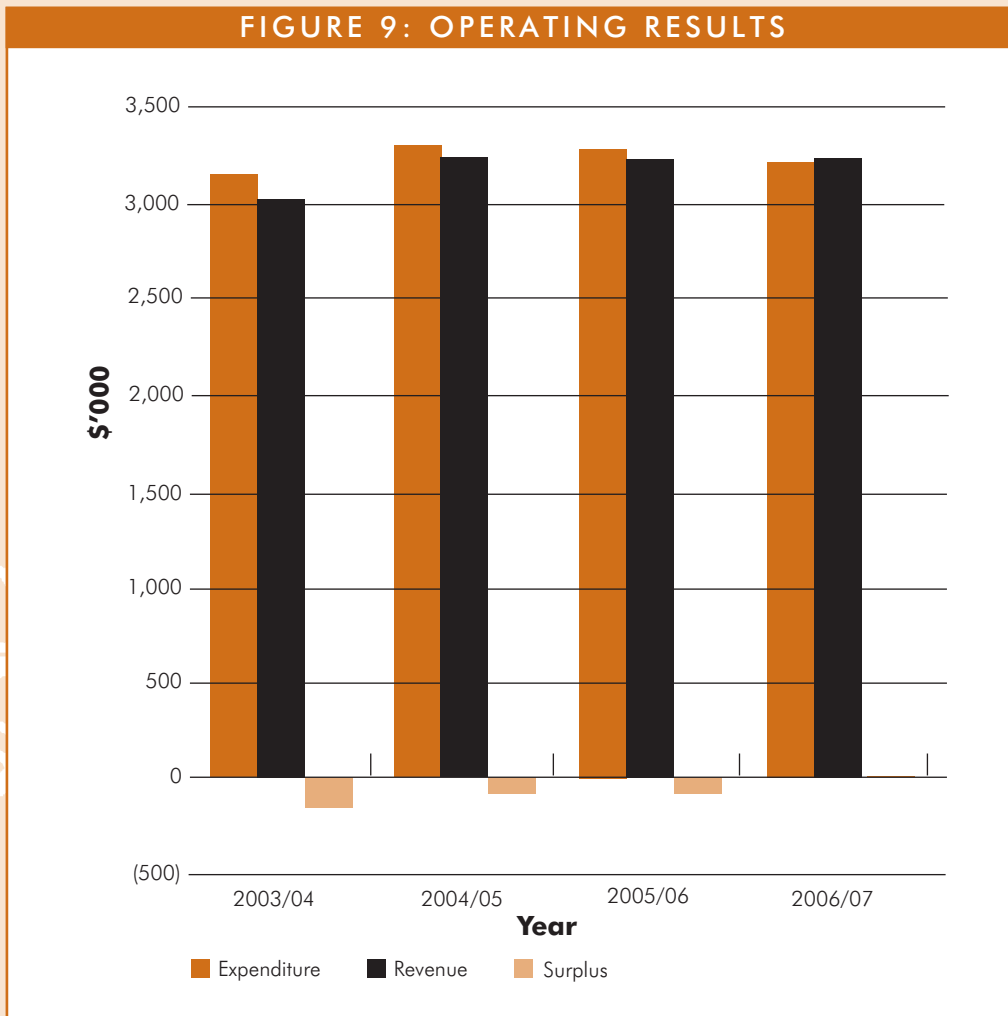
**FINANCIAL STATEMENT OVERVIEW
FOR THE YEAR ENDED 30 JUNE 2007**

The Aboriginal Areas Protection Authority (AAPA) is a statutory authority established under the *Sacred Sites Act* to administer sacred site protection in the Northern Territory. The Administrator of the Northern Territory appoints members of the Authority. The AAPA is constituted under Section 6, and staff are employed under Section 17 of the *Sacred Sites Act*. This provides for the Authority to administer the Act at arms-length from the day-to-day operations of the Northern Territory Government.

The Authority recorded a surplus of \$14 000 for the 2006-07 financial year compared to a deficit of \$63 000 in the 2005-06 financial year. The positive outcome is due to a significant increase in revenue from the Sale of Goods and Services of \$610 000 in 2006-07 compared with \$429 000 in 2005-06, directly due to an increase in complex applications for Authority Certificates.

The net asset position of the Authority improved in 2006-07 with a negative \$60 000 outcome. This compares to the 2005-06 financial year negative asset position of \$112 000. The overall improvement of \$52 000 is primarily due to the reduction in liabilities, combined with adjustments in assets to reflect increased receivables and the purchase of software licences for Mapinfo to increase long-term efficiencies in operations.

FIGURE 9: OPERATING RESULTS



ABORIGINAL AREAS PROTECTION AUTHORITY

OPERATING STATEMENT FOR YEAR ENDED 30 JUNE 2007

INCOME			
	NOTE	2007 \$'000	2006 \$'000
Output Revenue		2,339	2,502
Sales of Goods and Services ^(B)		610	429
Goods and Services Received Free of Charge	4	291	30
TOTAL INCOME	3	3,240	3,232
EXPENSES			
Employee Expenses		1,963	1,887
<i>Administrative Expenses</i>			
Purchases of Goods and Services	5	947	1,091
Repairs and Maintenance		7	1
Depreciation and Amortisation	8	13	16
Other Administrative Expenses ⁽¹⁾		291	300
<i>Grants and Subsidies Expenses</i>			
Current		5	-
TOTAL EXPENSES	3	3,226	3,295
NET OPERATING SURPLUS/(DEFICIT)	11	14	(63)

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

¹ Includes DCIS service charges.

ABORIGINAL AREAS PROTECTION AUTHORITY

BALANCE SHEET FOR YEAR ENDED 30 JUNE 2007

ASSETS			
	NOTE	2007 \$'000	2006 \$'000
Current Assets			
Cash and Deposits	6	118	201
Receivables	7	78	39
Prepayments		11	11
Total Current Assets		207	251
Non-current Assets			
Property, Plant and Equipment	8	43	23
Total Non-Current Assets		43	23
TOTAL ASSETS		250	274
LIABILITIES			
Current Liabilities			
Payables	9	38	118
Provisions	10	201	205
Total Current Liabilities		239	323
Non-Current Liabilities			
Provisions	10	71	63
Total Non-Current Liabilities		71	63
TOTAL LIABILITIES		310	386
NET ASSETS		(60)	(112)
EQUITY			
	11		
Capital		(4)	(42)
Accumulated Funds		(56)	(70)
TOTAL EQUITY		(60)	(112)

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



STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2007

BALANCE OF EQUITY			
	NOTE	2007 \$'000	2006 \$'000
BALANCE OF EQUITY AT 1 JULY		(112)	(87)
<i>Capital</i>	11		
Balance at 1 July		(42)	(80)
Equity Injections		38	38
Equity Withdrawals		-	-
Balance at 30 June		(4)	(42)
<i>Accumulated Funds</i>	11		
Balance at 1 July		(70)	(7)
Surplus/(Deficit) for the Period		14	(63)
Balance at 30 June		(56)	(70)
BALANCE OF EQUITY AT 30 JUNE		(60)	(112)

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



ABORIGINAL AREAS PROTECTION AUTHORITY

CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2007

CASH FLOWS FROM OPERATING ACTIVITIES			
	NOTE	2007 \$'000 (OUTFLOWS) INFLOWS	2006 \$'000 (OUTFLOWS) INFLOWS
Operating Receipts			
Output Revenue Received		2,339	2,502
Receipts From Sales of Goods And Services		561	435
GST Receipts on Sales		59	38
GST Receipts from Australian Taxation Office		36	45
Total Operating Receipts		2,995	3,020
Operating Payments			
Payments to Employees		1,958	1,915
Payments for Goods and Services		1,038	1,013
GST Payments on purchases		82	81
Grants and Subsidies Paid			
Current		5	-
Total Operating Payments		3,083	3,010
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	12	(88)	11
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Payments			
Purchases of Assets	8	(33)	-
Total Investing Payments		(33)	-
(1) NET CASH FROM/(USED IN) INVESTING ACTIVITIES		33	
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Capital Appropriation		38	38
Total Financing Receipts		38	38
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		38	38
Net Increase/(Decrease) in Cash Held		(83)	49
Cash at Beginning of Financial Year		201	152
CASH AT END OF FINANCIAL YEAR	6	118	201

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

INDEX OF NOTES TO THE FINANCIAL STATEMENTS

1. OBJECTIVES AND FUNDING
2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
3. OPERATING STATEMENT BY OUTPUT GROUP

INCOME

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

EXPENSES

5. PURCHASES OF GOODS AND SERVICES

ASSETS

6. CASH AND DEPOSITS
7. RECEIVABLES
8. PROPERTY, PLANT AND EQUIPMENT

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9. PAYABLES
10. PROVISIONS

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11. EQUITY

OTHER DISCLOSURES

12. NOTES TO THE CASH FLOW STATEMENT
13. FINANCIAL INSTRUMENTS
14. COMMITMENTS
15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS
16. EVENTS SUBSEQUENT TO BALANCE DATE
17. SCHEDULE OF TERRITORY ITEMS



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

1: OBJECTIVES AND FUNDING

The task given to the Aboriginal Areas Protection Authority by the Northern Territory Parliament is to implement the *Northern Territory Aboriginal Sacred Sites Act*.

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

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) an 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 form of Agency financial statements is consistent with the accrual budget format and the requirements of Australian Accounting Standards, including AASB 101, AASB 107 and AAS 29. The format also requires additional disclosures specific to Territory Government entities.

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

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

(b) 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. However, as the Agency is accountable for certain Territory items managed on behalf of Government, these items have been separately disclosed in note 17 - Schedule of Territory Items.

(c) Comparatives

Where necessary, comparative information for the 2005-06 financial year has been reclassified to provide consistency with current year disclosures.

(d) 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.

(e) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2006-07 as a result of management decisions.

(f) 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.

(g) Income Recognition

Income encompasses both revenue and gains.

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

Output Revenue

Output revenue represents Government funding for Authority operations and is calculated as the net cost of Agency outputs after taking into account funding from Authority income. The net cost of Authority outputs for Output Appropriation purposes does not include any allowance for major non-cash costs such as depreciation.

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

Grants and Other Contributions

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

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

Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer and specified conditions associated with the sale have been satisfied.

Rendering of Services

Revenue from rendering services is recognised on a stage of completion basis.

Interest Revenue

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

Disposal of Assets

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

Contributions of Assets

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

(h) Repairs and Maintenance Expenses

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

(i) Interest Expenses

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

(j) 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.

(k) Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for uncollectible amounts. The collectibility of receivables is reviewed regularly, and part of this process is to assess, at reporting date, whether an allowance for doubtful debts is required.

Accounts receivable are generally settled within 30 days and other receivables within the same time frame.

(l) Property, Plant and Equipment

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$5,000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$5,000 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 Authority 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.

Revaluations

Plant and equipment are carried at cost.

Depreciation and Amortisation

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:

	2007	2006
Plant and Equipment	2-4 Years	2-4 Years
Computer Equipment	5 Years	5 Years

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

Assets Held for Sale

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

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

Impairment of Assets

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

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

Impairment losses are recognised in the Operating Statement 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 Reserve for that class of asset to the extent that an available balance exists in the Asset Revaluation Reserve.

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 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 Reserve.

(m) Leased Assets

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

Finance Leases

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

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

Operating Leases

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

However as the lease expenses are generally paid by the Department of Corporate and Information Services on behalf of Agencies the lease incentive is recognised as a lease incentive benefit (revenue) over the term of the lease.

(n) Payables

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

(o) 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 and 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 Aboriginal Areas Protection Authority and as such no long service leave liability is recognised in Authority financial statements.

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(p) Superannuation

Employees' superannuation entitlements are provided through the:

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

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

(q) Contributions by and Distributions to Government

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

The Statement of Changes in Equity and note 11 provide additional information in relation to contributions by, and distributions to, Government.

3. OPERATING STATEMENT BY OUTPUT GROUP

	NOTE	PROTECTION OF SACRED SITES		TOTAL	
		2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
INCOME					
Output Revenue		2,339	2,502	2,339	2,502
Sales of Goods and Services		610	429	610	429
Goods and Services Received Free of Charge	4	291	301	291	301
Total Income		3,240	3,232	3,240	3,232
EXPENSES					
Employee Expenses		1,963	1,887	1,963	1,887
Administrative Expenses					
Purchases of Goods and Services	5	947	1,091	947	1,091
Repairs and Maintenance		7	1	7	1
Depreciation and Amortisation	8	13	16	13	16
Other Administrative Expenses ⁽¹⁾		291	300	291	300
Grants and Subsidies Expenses					
Current		5	-	5	-
Total Expenses		3,226	3,295	3,226	3,295
NET SURPLUS/(DEFICIT)	11	14	(63)	14	(63)

This Operating Statement by Output Group is to be read in conjunction with the notes to the financial statements. ¹ Includes DCIS service charges.

ABORIGINAL AREAS PROTECTION AUTHORITY

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2007 \$'000	2006 \$'000
Corporate and Information Services	291	301
	291	301

5. PURCHASES OF GOODS AND SERVICES

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

Goods and Services Expenses:

Consultants ⁽¹⁾	209	193
Advertising ⁽²⁾	1	1
Marketing and Promotion ⁽³⁾	1	2
Document Production	12	11
Legal Expenses ⁽⁴⁾	40	18
Recruitment ⁽⁵⁾	13	16
Training and Study	23	23
Official Duty Fares	35	34
Travelling Allowance	24	20

⁽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.

6. CASH AND DEPOSITS

Cash on Hand	32	32
Cash at Bank	86	169
	118	201

7. RECEIVABLES

Current		
Accounts Receivable	83	35
Less: Allowance for Doubtful Accounts Receivable	(5)	(5)
	78	30
GST Receivables		9
TOTAL RECEIVABLES	78	39

ABORIGINAL AREAS PROTECTION AUTHORITY

8. PROPERTY, PLANT AND EQUIPMENT

	2007 \$'000	2006 \$'000
Plant and Equipment		
At Cost	54	49
Less: Accumulated Depreciation	(40)	(33)
	14	16
Computer Hardware		
At Cost	48	48
Less: Accumulated Depreciation	(45)	(41)
	3	7
Computer Software		
At Cost	28	-
Less: Accumulated Depreciation	(2)	-
	26	-
TOTAL PROPERTY, PLANT AND EQUIPMENT	43	23

Property, Plant and Equipment Valuations

The fair value of these assets was determined based on any existing restrictions on asset use. Where reliable market values were not available, the fair value of Authority assets was based on their depreciated replacement cost.

Impairment of Property, Plant and Equipment

Authority property, plant and equipment assets were assessed for impairment as at 30 June 2007. No impairment adjustments were required as a result of this review.

Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2006-07 is set out below:

	PLANT & EQUIPMENT \$'000	COMPUTER HARDWARE \$'000	COMPUTER SOFTWARE \$'000	TOTAL \$'000
Carrying Amount as at 1 July 2006	16	7	-	23
Additions	5	-	28	33
Disposals	-	-	-	-
Depreciation and Amortisation	(7)	(4)	(2)	(13)
Carrying Amount as at 30 June 2007	14	3	26	43

Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2005-06 is set out below:

Carrying Amount as at 1 July 2005	23	16	-	39
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation and Amortisation	(7)	(9)	-	(15)
Carrying Amount as at 30 June 2006	16	7	-	23

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9. PAYABLES

	2007 \$'000	2006 \$'000
Accounts Payable	26	25
Accrued Expenses	12	93
	38	118

10. PROVISIONS

Current		
Employee Benefits		
Recreation Leave	140	135
Leave Loading	27	25
Recreation Leave Fares	8	22
Other Current Provisions		
Other Provisions	26	23
	201	205
Non-Current		
Employee Benefits		
Recreation Leave	71	63
	71	63
TOTAL PROVISIONS	272	268

The Authority employed 27 employees as at 30 June 2007 (28 employees as at 30 June 2006).

11. EQUITY

Equity represents the residual interest in the net assets of the Aboriginal Areas Protection Authority. The Government's ownership interest in the Aboriginal Areas Protection Authority is held in the Central Holding Authority as described in note 2(b).

Capital

Balance as at 1 July	42	(80)
Equity Injections		
Capital Appropriation	38	38
Equity Transfers In	-	-
Balance as at 30 June	(4)	(42)
Accumulated Funds		
Balance as at 1 July	(70)	(7)
Surplus /(Deficit) for the Period	(14)	(63)
Balance as at 30 June	(56)	(70)

ABORIGINAL AREAS PROTECTION AUTHORITY

12. NOTES TO THE CASH FLOW STATEMENT

	2007 \$'000	2006 \$'000
Reconciliation of Cash		
The total of Authority Cash and Deposits of \$118,000 recorded in the Balance Sheet is consistent with that recorded as 'cash' in the Cash Flow Statement.		
Reconciliation of Net Surplus/(Deficit) to Net Cash from Operating Activities		
Net Surplus/(Deficit)	14	(63)
Non-Cash Items:		
Depreciation and Amortisation	13	16
Changes in Assets and Liabilities:		
Decrease/(Increase) in Receivables	(36)	7
Decrease/(Increase) in Prepayments	-	6
(Decrease)/Increase in Payables	(83)	78
(Decrease)/Increase in Provision for Employee Benefits	2	(27)
(Decrease)/Increase in Other Provisions	2	(6)
NET CASH FROM OPERATING ACTIVITIES	(88)	11

Non-Cash Financing and Investing Activities

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) Credit Risk

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

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

(b) Net Fair Value

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

(c) Interest Rate Risk

The Aboriginal Areas Protection Authority has limited exposure to interest rate risk as Authority financial assets and financial liabilities, with the exception of a portion of the bank account are non-interest bearing. Aboriginal Areas Protection Authority exposure to interest rate risk and the average interest rate for classes of financial assets and financial liabilities is set out in the following tables. The average interest rate is based on the outstanding balance at the start of the year.

ABORIGINAL AREAS PROTECTION AUTHORITY

13. FINANCIAL INSTRUMENTS continued...

	Weighted Average interest rate %	Variable Interest \$'000	Fixed Interest Maturity			Non- Interest bearing \$'000	Total \$'000
			Under 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000		
2007 Financial Assets							
Cash and Deposits			-	-	-	118	118
Receivables			-	-	-	78	78
Total Financial Assets:			-	-	-	196	196
Financial Liabilities							
Payables			-	-	-	38	38
Employee Provisions			-	-	-	201	201
Total Financial Liabilities:			-	-	-	239	239
NET FINANCIAL ASSETS/(LIABILITIES):						(43)	(43)
2006 Financial Assets							
Cash and Deposits			-	-	-	201	201
Receivables			-	-	-	39	39
Total Financial Assets:			-	-	-	240	240
Financial Liabilities							
Payables			-	-	-	118	118
Employee Provisions			-	-	-	205	205
Total Financial Liabilities:			-	-	-	323	323
NET FINANCIAL ASSETS/(LIABILITIES):						(83)	(83)

14. COMMITMENTS

	NOTE	2007 \$'000	2006 \$'000
(i) Capital Expenditure Commitments		0	0
(ii) Other Expenditure Commitments		0	0
(iii) Operating Lease Commitments			
The Authority leases property under non-cancellable operating leases expiring from 0 to 5 years. Leases generally provide the Authority with a right of renewal at which time all lease terms are renegotiated.			
Within one year		2	2
Later than one year and not later than five years		18	18
(iv) Finance Lease Commitments			
Total Finance Lease Liabilities		0	0
Current	12	0	0
Non-Current	12	0	0
Total Finance Lease Liabilities		0	0

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15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Contingent liabilities

Agreements for leases or licenses of property, plant or equipment generally contain standard indemnity provisions covering the lessor or licensor for any losses suffered as a result of the lease or license arrangement. The contingent liabilities resulting from the indemnities are unquantifiable. There are no reportable contingent liabilities in this category

b) Contingent assets

Aboriginal Areas Protection Authority had no contingent assets as at 30 June 2007 or 30 June 2006.

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. SCHEDULE OF TERRITORY ITEMS

	2007 \$'000	2006 \$'000
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(b)).		
TERRITORY INCOME AND EXPENSES		
<i>Income</i>		
Fees from Regulatory Services	21	16
Total Income	21	16
<i>Expenses</i>		
Central Holding Authority Income Transferred	21	16
Total Expenses	21	16
TERRITORY INCOME LESS EXPENSES	-	-
TERRITORY ASSETS AND LIABILITIES		
<i>Assets</i>		
Other Receivables	-	-
Total Assets	-	-
<i>Liabilities</i>		
Central Holding Authority Income Payable	-	-
Total Liabilities	-	-
NET ASSETS	-	-

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