

## **Requested documents**

- (a) annual income and expense report;
- (b) balance sheet;
- (c) profit and loss account;
- (d) audit report.

As recorded in CLC Annual Reports for the years 2002-3 to 2007-8. Each annual report contains the documents requested by the Committee in the above categories for the relevant year:

**Request for documents : - Senate Finance and Public Administration References Committee**

	CLC Annual Report 2002/2003	CLC Annual Report 2003/2004	CLC Annual Report 2004/2005	CLC Annual Report 2005/2006	CLC Annual Report 2006/2007	CLC Annual Report 2007/2008	CLC Annual Report 2008/2009
a) annual income and expense reports	Page 79	Page 74	Page 70	Page 74	Page 78	Page 111	N/A*
b) balance sheets	Page 80	Page 75	Page 71	Page 75	Page 79	Page 112	N/A*
c) profit and loss accounts	Page 79	Page 74	Page 70	Page 74	Page 78	Page 111	N/A*
d) audit reports	Pages 76 & 77	Pages 71 & 72	Pages 67 & 68	Pages 71 & 72	Pages 75 & 76	Pages 108 & 109	N/A*
h) any other documents or evidence of entitlement to or ownership of assets, real or personal property or financial asset, held by or under the control of the Central Land Council**	Note 14 – pages 96 & 97	Note 8 – pages 90 & 91	Note 8 – pages 85 & 86	Note 7 – pages 91 & 92	Note 7 – pages 95 & 96	Note 7 – pages 134 – 137	N/A*

\* - 2008/2009 Annual Report in production, due September 2009

\*\* - References are to Financial Statement Notes (re: Financial & Non-Financial assets) as audited annually by ANAO. These form part of evidence / entitlement to assets

**CENTRAL LAND COUNCIL  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2003**

	NOTES	2003 \$	2002 \$
<b>Revenues from ordinary activities</b>			
Revenues - Government & grants	3(a)	14,259,891	11,273,778
Sale of Goods & Services	3(b)	1,806,312	1,840,126
Interest	3(c)	146,523	100,884
Net gains from the sale of assets	3(d)	<u>200,363</u>	<u>145,548</u>
<b>Total revenues from ordinary activities</b>		<u><u>16,413,089</u></u>	<u><u>13,360,336</u></u>
<b>Expenses from ordinary activities</b>			
Employees and council members	4(a)	7,849,408	7,554,573
Suppliers	4(b)	5,472,811	5,347,612
Depreciation	4(c)	<u>1,056,932</u>	<u>928,200</u>
<b>Total expenses from ordinary activities</b>		<u><u>14,379,151</u></u>	<u><u>13,830,385</u></u>
<b>Net operating surplus / (deficit) from ordinary activities</b>		<u><u>2,033,938</u></u>	<u><u>(470,049)</u></u>
<b>Net surplus / (deficit)</b>		<u><u>2,033,938</u></u>	<u><u>(470,049)</u></u>
<b>Net surplus / (deficit) attributable to the Commonwealth</b>		<u><u>2,033,938</u></u>	<u><u>(470,049)</u></u>
<b>Total changes in equity other than those resulting from transactions with the Commonwealth as owners</b>		<u><u>2,033,938</u></u>	<u><u>(470,049)</u></u>

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

**CENTRAL LAND COUNCIL  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2003**

	NOTES	2003 \$	2002 \$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	6	1,883,330	1,640,924
Receivables	7	2,359,869	804,046
Investments	9	4	4
<b>Total financial assets</b>		<u>4,243,203</u>	<u>2,444,974</u>
<b>Non-financial Assets</b>			
Land and buildings	14(a)	3,004,938	3,064,382
Infrastructure, plant and equipment	14(b)	2,024,773	2,020,368
Inventories	8	21,270	13,898
<b>Total non-financial assets</b>		<u>5,050,981</u>	<u>5,098,648</u>
<b>Total assets</b>		<u><u>9,294,184</u></u>	<u><u>7,543,622</u></u>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Employees	11	1,370,482	1,431,007
<b>Total provisions</b>		<u>1,370,482</u>	<u>1,431,007</u>
<b>Payables</b>			
Suppliers	10	1,167,058	1,321,780
Special Purpose Grants	10(a)	848,152	916,272
<b>Total payables</b>		<u>2,015,210</u>	<u>2,238,052</u>
<b>Total liabilities</b>		<u><u>3,385,692</u></u>	<u><u>3,669,059</u></u>
<b>NET ASSETS</b>		<u><u>5,908,492</u></u>	<u><u>3,874,563</u></u>
<b>EQUITY</b>			
Asset revaluation reserve		55,073	55,073
Accumulated surplus		5,853,419	3,819,481
<b>Total equity</b>	17	<u><u>5,908,492</u></u>	<u><u>3,874,554</u></u>
<b>Current assets</b>		4,264,473	2,458,872
<b>Non-current assets</b>		5,029,711	5,084,750
<b>Current liabilities</b>		2,948,229	3,182,455
<b>Non-current liabilities</b>		437,463	486,604

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

**CENTRAL LAND COUNCIL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2003**

	Notes	2003 \$	2002 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Revenue from Government & grants		12,235,027	11,762,117
Sales of goods and services		1,806,312	1,296,686
GST received		616,205	-
Interest		146,523	100,884
<b>Total cash received</b>		<b>14,804,067</b>	<b>13,159,687</b>
<b>Cash used</b>			
Employees		7,909,933	6,978,121
Suppliers		5,791,006	4,590,700
GST paid		59,183	45,510
<b>Total cash used</b>		<b>13,760,122</b>	<b>11,614,331</b>
<b>Net cash from operating activities</b>	15	<b>1,043,945</b>	<b>1,545,356</b>
<b>INVESTING ACTIVITIES</b>			
<b>Total cash received</b>			
-			
<b>Cash used</b>			
Purchase of property, plant & equipment		1,150,759	1,242,849
Proceeds from sales of property, plant & equipment		(349,228)	(237,303)
<b>Total cash used</b>		<b>801,531</b>	<b>1,005,546</b>
<b>Net cash used in investing activities</b>		<b>801,531</b>	<b>1,005,546</b>
Net increase in cash held		242,406	539,810
Cash at the beginning of the reporting period		1,640,924	1,101,114
<b>Cash at the end of the reporting period</b>	6	<b>1,883,330</b>	<b>1,640,924</b>

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

CENTRAL LAND COUNCIL  
 SCHEDULE OF COMMITMENTS  
 AS AT 30 JUNE 2003

	2003 \$	2002 \$
<b>BY TYPE</b>		
<b>Capital Commitments</b>		
Buildings	-	-
Plant and equipment	-	92,830
<b>Total capital commitments</b>	<u>-</u>	<u>92,830</u>
<b>Other Commitments</b>		
Operating leases	24,909	88,101
Other commitments	-	-
<b>Total other commitments</b>	<u>24,909</u>	<u>88,101</u>
<b>Commitments receivable</b>	-	-
<b>Net Commitments</b>	<u>24,909</u>	<u>180,931</u>
<b>BY MATURITY</b>		
<b>All net commitments</b>		
One year or less	24,909	180,931
From one to five years	-	-
Over five years	-	-
<b>Net commitments</b>	<u>24,909</u>	<u>180,931</u>
<b>Operating lease commitments</b>		
One year or less	24,909	88,101
From one to five years	-	-
Over five years	-	-
<b>Net operating lease commitments</b>	<u>24,909</u>	<u>88,101</u>

The above schedule should be read in conjunction with the accompanying notes.

**CENTRAL LAND COUNCIL  
SCHEDULE OF CONTINGENCIES  
AS AT 30 JUNE 2003**

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	2003	2002
	\$	\$
<b>Contingent Liabilities</b>		
Doubtful grants	-	301,013
<b>Total contingent liabilities</b>	-	301,013
<b>Net contingent liabilities</b>	<u>-</u>	<u>301,013</u>

**Legal Actions**

The CLC is currently involved in litigation as reported last year. The case, Turner & another v ALC, CLC and others, was heard by the Chief Justice of the NT Supreme Court who gave judgment in favor of the defendants (CLC and others) on all issues.

The plaintiffs then appealed to the NT Court of Appeal and the appeal was heard on 13, 14 and 15 May 2003. Judgment pending on 30 June 2003.

26 August 2003 judgment with costs handed down in favour of CLC and others.  
A further appeal is possible. If the CLC lost there is potential for a costs order against it.

The above schedule should be read in conjunction with the accompanying notes.



## INDEPENDENT AUDIT REPORT

To the Minister for Immigration and Multicultural and Indigenous Affairs

### Scope

I have audited the financial statements of the Central Land Council for the year ended 30 June 2003. The financial statements comprise:

- Statement by Directors;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments and Contingencies; and
- Notes to and forming part of the Financial Statements.

The members of the Central Land Council are responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of the financial statements in order to express an opinion on them to you.

The audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with my understanding of the Central Land Council's financial position, its financial performance and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

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BARTON ACT  
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## Audit Opinion

In my opinion the financial statements:

- (i) have been prepared in accordance with Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*; and
- (ii) give a true and fair view, in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Finance Minister's Orders, of the financial position of the Central Land Council as at 30 June 2003, and its financial performance and cash flows for the year then ended.

Australian National Audit Office

Mark A Moloney  
Senior Director

Delegate of the Auditor-General

Canberra

26 September 2003

**CENTRAL LAND COUNCIL  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

	2003	2002
	\$	\$
<b>Note 14: NON FINANCIAL ASSETS</b>		
<b>Note 14(a) – Land and Buildings</b>		
Freehold land - at independent valuation 2000 (1)	<u>1,075,000</u>	<u>1,075,000</u>
Total Land	<u>1,075,000</u>	<u>1,075,000</u>
Buildings on freehold land - at 1999-2000 valuation (1)	1,244,000	1,244,000
Accumulated depreciation	<u>(107,343)</u>	<u>(71,562)</u>
	<u>1,136,657</u>	<u>1,172,438</u>
Buildings on freehold land - at directors' valuation (2)	579,770	579,770
Accumulated depreciation	<u>(50,028)</u>	<u>(33,352)</u>
	<u>529,742</u>	<u>546,418</u>
Buildings on freehold land - at directors' valuation (2)	43,000	43,000
Accumulated depreciation	<u>(3,711)</u>	<u>(2,474)</u>
	<u>39,289</u>	<u>40,526</u>
Buildings - at cost	230,000	230,000
Accumulated depreciation	<u>(5,750)</u>	<u></u>
	<u>224,250</u>	<u>230,000</u>
Total Buildings	<u>1,929,938</u>	<u>1,989,382</u>
Total Land and Buildings	<u>3,004,938</u>	<u>3,064,382</u>

(1) Independent valuer Terry Weeks, Licensed valuer, revalued these assets at 30 June 2000 based on deprival methodology.

(2) In regards to the valuation of remote offices it was cost prohibitive to send an independent valuer to these remote offices. Therefore, the Land Council determined a Directors' valuation in accordance with the deprival method of valuation. To complete this valuation the Land Council's management met with a certified valuer to discuss the structures in place at each regional office and establish a deprival value for inclusion in these accounts. A number of factors were considered in reaching realistic deprival values for the regional offices. A total deprival value of approximately \$374,000 was given to the Land Council's remote demountable structures based on the local quotes received from demountable providers and historical experience of cost such as freight and installation needed to set up structures similar to the demountables now in service. A directors' valuation of approximately \$205,000 was given to the Harts Range office as construction was completed near year-end and those costs represent its deprival value.

**Note 14(b) - Infrastructure, Plant and Equipment**

Motor vehicles - at cost	2,696,149	2,697,715
Accumulated depreciation	<u>(1,406,471)</u>	<u>(1,437,608)</u>
	<u>1,289,678</u>	<u>1,260,107</u>
Plant, furniture and equipment - at cost	666,337	405,619
Accumulated depreciation	<u>(301,500)</u>	<u>(138,067)</u>
	<u>364,837</u>	<u>267,552</u>
Plant, furniture and equipment - at valuation 1999-2000 (1)	524,006	525,799
Accumulated depreciation	<u>(390,079)</u>	<u>(261,089)</u>
	<u>133,927</u>	<u>264,710</u>
Library at cost	41,456	33,124
Library at independent valuation 2000 (1)	<u>194,875</u>	<u>194,875</u>
	<u>236,331</u>	<u>227,999</u>

(1) At 30 June 2000 an independent valuation on these assets was completed by Michael Pankhurst, Senior Valuer, Rodney Hyman Asset Services.

CENTRAL LAND COUNCIL  
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 14 (d) – Analysis of Property, Plant and Equipment

Item	Land \$	Buildings \$	Total Land & Buildings \$	Motor Vehicles \$	Plant & Equipment \$	Library \$	TOTAL \$
Gross value as at 1 July 2002	1,075,000	2,096,770	3,171,770	2,697,715	931,418	227,999	7,028,903
Additions - purchase of assets			-	870,814	271,612	8,333	1,150,759
Disposals			-	874,674	10,394		885,067
Transfers				2,293	- 2,293		-
<b>Gross value as at 30 June 2003</b>	<b>1,075,000</b>	<b>2,096,770</b>	<b>3,171,770</b>	<b>2,696,149</b>	<b>1,190,343</b>	<b>236,332</b>	<b>7,294,594</b>
Accumulated depreciation as at 1 July 2002	n/a	107,389	107,389	1,437,608	399,156	-	1,944,153
Depreciation of assets held at 1 July 2002	n/a	59,444	59,444	550,093	245,960	-	855,497
Depreciation on additions	n/a		-	152,912	48,523	-	201,435
Disposals	n/a			735,433	770	-	736,202
Transfers	n/a			1,290	- 1,290		-
<b>Accumulated depreciation as at 30 June 2003</b>	<b>n/a</b>	<b>166,833</b>	<b>166,833</b>	<b>1,406,471</b>	<b>691,579</b>	<b>-</b>	<b>2,264,883</b>
<b>Net book value as at 30 June 2003</b>	<b>1,075,000</b>	<b>1,929,937</b>	<b>3,004,937</b>	<b>1,289,678</b>	<b>498,764</b>	<b>236,332</b>	<b>5,029,711</b>
Net book value as at 30 June 2002	1,075,000	1,989,382	3,064,382	1,260,107	532,262	227,999	5,084,750

**CENTRAL LAND COUNCIL  
STATEMENT OF FINANCIAL PERFORMANCE  
for the year ended 30 June 2004**

	NOTES	2004 \$	2003 \$
<b>REVENUE</b>			
<b>Revenues from ordinary activities</b>			
Revenues - Government & grants	4(a)	12,430,567	14,259,891
Goods & Services	4(b)	3,807,734	1,806,312
Interest	4(c)	167,090	146,523
Net gains from the sale of assets	4(d)	289,228	200,363
<b>Revenues from ordinary activities</b>		<u><b>16,694,619</b></u>	<u><b>16,413,089</b></u>
<b>EXPENSE</b>			
<b>Expenses from ordinary activities</b>			
Employees and council members	5(a)	7,779,392	7,849,408
Suppliers	5(b)	6,562,420	5,472,811
Depreciation	5(c)	1,029,919	1,056,932
<b>Expenses from ordinary activities</b>		<u><b>15,371,731</b></u>	<u><b>14,379,151</b></u>
<b>Operating surplus from ordinary activities</b>		<u><b>1,322,889</b></u>	<u><b>2,033,938</b></u>
<b>Net surplus</b>		<u><b>1,322,889</b></u>	<u><b>2,033,938</b></u>
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>1,292,977</b>	
<b>Total changes in equity other than those resulting from transactions with the Australian Government as owners</b>		<u><b>2,615,866</b></u>	<u><b>2,033,938</b></u>

The above statement should be read in conjunction with the accompanying notes

CENTRAL LAND COUNCIL  
STATEMENT OF FINANCIAL POSITION  
as at 30 June 2004

	NOTES	2004 \$	2003 \$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	7(a)	3,708,906	1,883,330
Receivables	7(b)	2,517,986	2,359,869
Investments	7(c)	<u>4</u>	<u>4</u>
<b>Total financial assets</b>		<u>6,226,896</u>	<u>4,243,203</u>
<b>Non-financial Assets</b>			
Land and buildings	8(a)	4,244,000	3,004,938
Infrastructure, plant and equipment	8(b)	2,077,462	2,024,773
Inventories	8(d)	<u>17,487</u>	<u>21,270</u>
<b>Total non-financial assets</b>		<u>6,338,949</u>	<u>5,050,981</u>
<b>Total assets</b>		<u>12,565,845</u>	<u>9,294,184</u>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Employees	9(a)	<u>1,572,631</u>	<u>1,370,482</u>
<b>Total provisions</b>		<u>1,572,631</u>	<u>1,370,482</u>
<b>Payables</b>			
Suppliers	10(a)	1,645,217	1,167,058
Special Purpose Grants	10(b)	<u>823,640</u>	<u>848,152</u>
<b>Total payables</b>		<u>2,468,857</u>	<u>2,015,210</u>
<b>Total liabilities</b>		<u>4,041,488</u>	<u>3,385,692</u>
<b>NET ASSETS</b>		<u>8,524,357</u>	<u>5,908,492</u>
<b>EQUITY</b>			
Asset revaluation reserve	11	55,073	55,073
Accumulated surplus	11	<u>8,469,284</u>	<u>5,853,419</u>
<b>Total equity</b>	11	<u>8,524,357</u>	<u>5,908,492</u>
<b>Current assets</b>		6,244,383	4,264,473
<b>Non-current assets</b>		6,321,462	5,029,711
<b>Current liabilities</b>		3,369,627	2,948,229
<b>Non-current liabilities</b>		671,861	437,463

The above statement should be read in conjunction with the accompanying notes

**CENTRAL LAND COUNCIL  
STATEMENT OF CASH FLOWS  
for the year ended 30 June 2004**

	Notes	2004 \$	2003 \$
<b>Operating activities</b>			
<b>Cash received</b>			
Revenue from Government & grants			
Sales of goods and services		12,216,680	12,235,027
GST received		3,807,734	1,806,312
Interest		649,640	616,205
		<u>167,090</u>	<u>146,523</u>
<b>Total cash received</b>		<b>16,843,144</b>	<b>14,804,067</b>
<b>Cash used</b>			
Employees			
Suppliers		7,577,243	7,909,933
GST paid		6,616,945	5,791,006
		<u>83,914</u>	<u>59,183</u>
<b>Total cash used</b>		<b>14,278,102</b>	<b>13,760,122</b>
<b>Net cash from operating activities</b>	12	<b>2,565,042</b>	<b>1,043,945</b>
<b>Investing activities</b>			
<b>Total cash received</b>		-	-
<b>Cash used</b>			
Purchase of property, plant & equipment		1,131,557	1,150,759
Proceeds from sales of property, plant & equipment		(392,093)	(349,228)
<b>Total cash used</b>		<u>739,464</u>	<u>801,531</u>
<b>Net cash from investing activities</b>		<b>739,464</b>	<b>801,531</b>
<b>Net increase in cash held</b>		<b>1,825,576</b>	<b>242,406</b>
Cash at the beginning of the reporting period		<u>1,883,330</u>	<u>1,640,924</u>
<b>Cash at the end of the reporting period</b>	7(a)	<u><u>3,708,906</u></u>	<u><u>1,883,330</u></u>

The above statement should be read in conjunction with the accompanying notes

**CENTRAL LAND COUNCIL**  
**SCHEDULE OF COMMITMENTS**  
as at 30 June 2004

	2004	2003
	\$	\$
<b>BY TYPE</b>		
<b>Capital Commitments</b>		
Buildings	-	-
Plant and equipment	-	-
<b>Total capital commitments</b>	<u>-</u>	<u>-</u>
<b>Other Commitments</b>		
Operating leases	90,040	22,645
Other commitments	-	-
<b>Total other commitments</b>	<u>90,040</u>	<u>22,645</u>
<b>Commitments receivable</b>	<u>9,004</u>	<u>2,264</u>
<b>Net Commitments</b>	<u><u>99,044</u></u>	<u><u>24,909</u></u>
<b>BY MATURITY</b>		
<b>All net commitments</b>		
One year or less	99,044	24,909
From one to five years	-	-
Over five years	-	-
<b>Net commitments</b>	<u>99,044</u>	<u>24,909</u>
<b>Operating lease commitments</b>		
One year or less	99,044	24,909
From one to five years	-	-
Over five years	-	-
<b>Total operating lease commitments</b>	<u>99,044</u>	<u>24,909</u>
<b>Commitments receivable</b>	<u>9,004</u>	<u>2,264</u>
<b>Net Commitments</b>	<u><u>99,044</u></u>	<u><u>24,909</u></u>

NB: Commitments are GST inclusive where relevant.  
Operating leases included are effectively non-cancellable and comprise:

Name of lease	General description of leasing arrangement
Rental lease	Office Space rental lease

The above statement should be read in conjunction with the accompanying notes

CENTRAL LAND COUNCIL  
SCHEDULE OF CONTINGENCIES  
as at 30 June 2004

	2004	2003
Contingent Liabilities	\$	\$
Doubtful grants	-	-
Total contingent liabilities	-	-
Net contingent liabilities	-	-

The above statement should be read in conjunction with the accompanying notes





## INDEPENDENT AUDIT REPORT

To the Minister for Immigration and Multicultural and Indigenous Affairs

### Scope

*The financial statements and members' responsibility*

The financial statements comprise:

- Statement by Directors;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments, Contingencies and Administered Items; and
- Notes to and forming part of the Financial Statements

of the Central Land Council for the year ended 30 June 2004.

The members of the Central Land Council are responsible for the preparation and true and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

### *Audit approach*

I have conducted an independent audit of the financial statements in order to express an opinion on them to you. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing and Assurance Standards, in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive, rather than conclusive, evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

While the effectiveness of management's internal controls over financial reporting was considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

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Centenary House 19 National Circuit  
BARTON ACT

I have performed procedures to assess whether, in all material respects, the financial statements present fairly, in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the Council's financial position, and of its performance as represented by the statements of financial performance, and cash flows.

The audit opinion is formed on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements; and
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the Board.

### Independence

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate Australian professional ethical pronouncements.

### Audit Opinion

In my opinion, the financial statements:

- (i) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997* and applicable Accounting Standards; and
- (ii) give a true and fair view, of the matters required by applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the Finance Minister's Orders, of the financial of position the Central Land Council as at 30 June 2004, and of its performance and cash flows for the year then ended.

Australian National Audit Office

  
Mark A. Moloney  
Acting Executive Director

Delegate of the Auditor-General

Canberra  
21 September 2004

CENTRAL LAND COUNCIL  
Notes to and Forming Part of the Financial Statements

	2004 \$	2003 \$
<b>Note 8: NON FINANCIAL ASSETS</b>		
<b>Note 8(a) - Land and Buildings</b>		
Freehold land - at unimproved capital value	1,267,000	-
Freehold land at independent valuation 2000	-	1,075,000
<b>Total Land</b>	<b>1,267,000</b>	<b>1,075,000</b>
Buildings on freehold land - at 2003-2004 valuation (fair value)	2,977,000	-
Buildings on freehold land - at 2002-2003 valuation (deprival value)	-	1,244,000
Accumulated depreciation	-	(107,343)
	<u>2,977,000</u>	<u>1,136,657</u>
<b>Total Buildings</b>	<b>2,977,000</b>	<b>1,929,938</b>
<b>Total Land and Buildings</b>	<b>4,244,000</b>	<b>3,004,938</b>

(1) Independent valuer Terry Weeks, Licensed valuer, revalued these assets at 30 June 2004 based on deprival methodology.

**Note 8(b) - Infrastructure, Plant and Equipment**

Motor vehicles - at cost	2,776,077	2,696,149
Accumulated depreciation	(1,601,809)	(1,406,471)
	<u>1,274,468</u>	<u>1,289,678</u>
Plant, furniture and equipment - at cost	119,390	666,337
Accumulated depreciation	-	(361,500)
	<u>119,390</u>	<u>304,837</u>
Plant, furniture and equipment - at valuation 2003-2004 (fair value)	469,200	-
Plant, furniture and equipment - at valuation 1999-2000 (deprival value)	-	624,006
Accumulated depreciation	-	(390,079)
	<u>469,200</u>	<u>133,927</u>
Library at cost	41	41,456
Library at independent valuation 2003-2004 (fair value)	214,363	-
Library at valuation 2000	-	194,675
	<u>214,404</u>	<u>236,331</u>
<b>Total infrastructure, plant and equipment</b>	<b>2,077,462</b>	<b>2,024,773</b>

(1) At 30 June 2004 an independent valuation on these assets was completed by Michael Parkhurst, Senior Valuer, Rodney Hyman Asset Services.

**Note 8(c) - Analysis of Property, Plant and Equipment**

Item	Land \$	Buildings \$	Total Land & Buildings \$	Motor Vehicles \$	Plant & Equipment \$	Library \$	TOTAL \$
As at 1 July 2003							
Gross book value	1,075,000	2,096,770	3,171,770	2,696,149	1,190,343	236,332	7,294,594
Accumulated depreciation/amortisation	-	(166,833)	(166,833)	(1,406,471)	(691,579)	-	(2,264,883)
<b>Net book value</b>	<b>1,075,000</b>	<b>1,929,937</b>	<b>3,004,937</b>	<b>1,289,678</b>	<b>498,764</b>	<b>236,332</b>	<b>5,029,711</b>
<b>Additions</b>							
By purchase	-	-	-	796,422	328,211	6,924	1,131,557
Net revaluation/increment/decrement	192,000	1,106,507	1,298,507	-	23,322	(28,852)	1,292,977
Depreciation/amortisation expense	-	(59,444)	(59,444)	(745,492)	(224,983)	-	(1,029,919)
Recoverable Amount write-downs	-	-	-	-	-	-	-
<b>Disposals</b>							
Other disposals	-	-	-	(66,140)	(36,734)	-	(102,874)
<b>As at 30 June 2004</b>							
Gross book value	1,267,000	2,977,000	4,244,000	1,274,468	588,590	214,404	6,321,462
Accumulated depreciation/amortisation	-	-	-	-	-	-	-
<b>Net book value</b>	<b>1,267,000</b>	<b>2,977,000</b>	<b>4,244,000</b>	<b>1,274,468</b>	<b>588,590</b>	<b>214,404</b>	<b>6,321,462</b>

Note 8(d): INVENTORY

Fuel	4,916	1,861
Promotional merchandise	-	7,406
Tyres	12,571	12,409
<b>Total inventories</b>	<b>17,487</b>	<b>21,270</b>

All inventories are current assets.

Note 9: PROVISIONS

Note 9(a): EMPLOYEE LIABILITIES

Salaries and wages	125,758	87,864
Leave	1,436,170	1,275,117
Superannuation	10,703	7,501
<b>Aggregate employee entitlement liability</b>	<b>1,572,631</b>	<b>1,370,482</b>

Employee provisions are categorised as follows:

Current	900,770	837,654
Non-current	671,861	532,828
	<b>1,572,631</b>	<b>1,370,482</b>

Note 10: PAYABLES

Note 10(a): SUPPLIER LIABILITIES

Trade creditors	503,268	792,659
Sundry creditors and accruals	1,141,949	374,399
<b>Total supplier liabilities</b>	<b>1,645,217</b>	<b>1,167,058</b>

All suppliers payable are current

Note 10(b): Special Purpose Grants

Grants in advance	823,640	848,152
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All grants in advance are current

Note 11: EQUITY

Item	Accumulated results		Asset revaluation reserve		TOTAL EQUITY	
	2004	2003	2004	2003	2004	2003
	\$	\$	\$	\$	\$	\$
Opening balance as at 1 July	5,853,418	3,819,481	55,073	55,073	5,908,491	3,874,554
Operating result	1,322,889	2,033,938	-	-	1,322,889	2,033,938
Increase in accumulated results on application of transitional provisions in Accounting Standard AASB 1041, <i>Revaluation of non-current assets</i>	1,292,977	-	-	-	1,292,977	-
Closing balance as at 30 June	8,469,284	5,853,419	55,073	55,073	8,524,357	5,908,492

**CENTRAL LAND COUNCIL**

Notes to and Forming Part of the Financial Statements

2004  
\$

2003  
\$

Note 12 - CASH FLOW RECONCILIATION

Reconciliation of operating surplus to net cash from operating activities

Operating surplus / (deficit) before extraordinary items	1,322,889	2,033,938
<i>Non-Cash Items</i>		
Depreciation of plant & equipment	1,029,919	1,056,932
Gain on disposal of assets	(289,228)	(200,363)
<i>Changes in Assets and Liabilities</i>		
Decrease / (increase) in receivables	(150,117)	(1,555,823)
Decrease / (increase) in inventory	3,783	(7,372)
Increase / (decrease) in employee liabilities	202,149	(60,525)
Increase / (decrease) in liability to suppliers	493,547	(222,842)
<b>Net cash from operating activities</b>	<b>2,565,042</b>	<b>1,043,945</b>

CENTRAL LAND COUNCIL  
 STATEMENT OF FINANCIAL PERFORMANCE  
 for the year ended 30 June 2005

	NOTES	2005 \$	2004 \$
<i>REVENUE</i>			
<b>Revenues from ordinary activities</b>			
Revenues - Government & grants	4(a)	12,939,934	12,430,567
Goods & Services	4(b)	2,614,366	3,807,734
Interest	4(c)	217,165	167,090
Revenue from the sale of assets	4(d)	260,691	392,093
<b>Revenues from ordinary activities</b>		<u>16,032,156</u>	<u>16,797,484</u>
<i>EXPENSE</i>			
<b>Expenses from ordinary activities</b>			
Employees and council members	5(a)	8,123,362	7,779,392
Suppliers	5(b)	6,373,610	6,562,420
Depreciation	5(c)	990,626	1,029,919
Value of assets sold	4(d)	15,102	102,864
<b>Expenses from ordinary activities</b>		<u>15,502,700</u>	<u>15,474,595</u>
<b>Operating surplus from ordinary activities</b>		<u>529,456</u>	<u>1,322,889</u>
<b>Net surplus</b>		<u>529,456</u>	<u>1,322,889</u>
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>	8	-	1,292,977
<b>Total changes in equity other than those resulting from transactions with the Australian Government as owners</b>		<u>529,456</u>	<u>2,615,866</u>

The above statement should be read in conjunction with the accompanying notes

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CENTRAL LAND COUNCIL  
STATEMENT OF FINANCIAL POSITION  
as at 30 June 2005

	NOTES	2005 \$	2004 \$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash	12(b)	2,309,376	3,708,906
Receivables	7(a)	2,094,638	2,517,986
Investments	7(b)	4	4
<b>Total financial assets</b>		<u>4,404,018</u>	<u>6,226,896</u>
<b>Non-financial Assets</b>			
Land and buildings	8(a)	5,833,285	4,244,000
Infrastructure, plant and equipment	8(b)	2,084,732	2,077,462
Inventories	8(d)	6,696	17,487
<b>Total non-financial assets</b>		<u>7,924,713</u>	<u>6,338,949</u>
<b>Total assets</b>		<u><u>12,328,731</u></u>	<u><u>12,565,845</u></u>
<b>LIABILITIES</b>			
<b>Provisions</b>			
Employees	9(a)	1,741,174	1,572,631
<b>Total provisions</b>		<u>1,741,174</u>	<u>1,572,631</u>
<b>Payables</b>			
Suppliers	10(a)	739,482	1,645,217
Special Purpose Grants	10(b)	794,262	823,640
<b>Total payables</b>		<u>1,533,744</u>	<u>2,468,857</u>
<b>Total liabilities</b>		<u><u>3,274,918</u></u>	<u><u>4,041,488</u></u>
<b>NET ASSETS</b>		<u><u>9,053,813</u></u>	<u><u>8,524,357</u></u>
<b>EQUITY</b>			
Asset revaluation reserve	11	55,073	55,073
Accumulated surplus	11	8,998,740	8,469,284
<b>Total equity</b>	11	<u><u>9,053,813</u></u>	<u><u>8,524,357</u></u>
<b>Current assets</b>		4,410,714	6,244,383
<b>Non-current assets</b>		7,918,017	6,321,462
<b>Current liabilities</b>		2,313,330	3,369,627
<b>Non-current liabilities</b>		961,588	671,861

The above statement should be read in conjunction with the accompanying notes

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CENTRAL LAND COUNCIL  
STATEMENT OF CASH FLOWS  
for the year ended 30 June 2005

	Notes	2005 \$	2004 \$
<b>Operating activities</b>			
<b>Cash received</b>			
Revenue from Government & grants		13,289,700	12,218,680
Goods and services		2,614,366	3,807,734
GST received from ATO		307,113	565,726
Interest		217,165	167,090
<b>Total cash received</b>		<b>16,428,344</b>	<b>16,759,230</b>
<b>Cash used</b>			
Employees		7,954,819	7,577,243
Suppliers		7,531,463	6,616,945
<b>Total cash used</b>		<b>15,486,282</b>	<b>14,194,188</b>
<b>Net cash from operating activities</b>	12	<b>942,062</b>	<b>2,565,042</b>
<b>Investing activities</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant & equipment		260,691	392,093
<b>Total cash received</b>		<b>260,691</b>	<b>392,093</b>
<b>Cash used</b>			
Purchase of property, plant & equipment		2,602,283	1,131,557
<b>Total cash used</b>		<b>2,602,283</b>	<b>1,131,557</b>
<b>Net cash from investing activities</b>		<b>2,341,592</b>	<b>739,464</b>
<b>Net increase/(decrease) in cash held</b>		<b>(1,399,530)</b>	<b>1,825,576</b>
Cash at the beginning of the reporting period		3,708,906	1,883,330
<b>Cash at the end of the reporting period</b>	15(b)	<b>2,309,376</b>	<b>3,708,906</b>

The above statement should be read in conjunction with the accompanying notes

4

CENTRAL LAND COUNCIL  
 SCHEDULE OF COMMITMENTS  
 as at 30 June 2005

	2005 \$	2004 \$
<b>BY TYPE</b>		
<b>Capital Commitments</b>		
Buildings	-	-
Plant and equipment	-	-
<b>Total capital commitments</b>	-	-
<b>Other Commitments</b>		
Operating leases	112,450	90,040
<b>Total other commitments</b>	112,450	90,040
<b>Commitments receivable</b>	11,245	9,004
<b>Net Commitments by Type</b>	<u>123,695</u>	<u>99,044</u>
<b>BY MATURITY</b>		
<b>Capital commitments</b>		
One year or less	123,695	99,044
From one to five years	-	-
Over five years	-	-
<b>Total capital commitments</b>	<u>123,695</u>	<u>99,044</u>
<b>Operating lease commitments</b>		
One year or less	123,695	99,044
From one to five years	-	-
Over five years	-	-
<b>Total operating lease commitments</b>	<u>123,695</u>	<u>99,044</u>
<b>Commitments receivable</b>	11,245	9,004
<b>Net Commitments by Maturity</b>	<u>123,695</u>	<u>99,044</u>

NB: Commitments are GST inclusive where relevant.  
 Operating leases included are effectively non-cancellable and comprise:

Name of lease	General description of leasing arrangement
Leases for office accomodation	Lease payments are subject to annual increase in accordance with upwards movements in the Consumer Price index. The initial periods of office accomodation leases are still current and each may be renewed for up to three years at the Authority's option.

The above schedule should be read in conjunction with the accompanying notes

5



CENTRAL LAND COUNCIL  
SCHEDULE OF CONTINGENCIES  
as at 30 June 2005

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	2005 \$	2004 \$
Contingent liabilities		
Doubtful grants	<u>-</u>	<u>-</u>
Total contingent liabilities	<u>-</u>	<u>-</u>
Net contingent liabilities	<u><u>-</u></u>	<u><u>-</u></u>

The above schedule should be read in conjunction with the accompanying notes

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## INDEPENDENT AUDIT REPORT

To the Minister for Immigration and Multicultural and Indigenous Affairs

### Scope

#### *The financial statements and directors' responsibility*

The financial statements comprise:

- Statement by Directors;
- Statements of Financial Performance, Financial Position and Cash Flows;
- Schedules of Commitments, Contingencies; and
- Notes to and forming part of the Financial Statements

of the Central Land Council for the year ended 30 June 2005.

The members of the Executive of the Central Land Council are responsible for preparing the financial statements that give a true and fair view of the financial position and performance of the Council, and that comply with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, accounting standards and other mandatory financial reporting requirements in Australia. The members of the Executive of the Central Land Council are also responsible for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

#### *Audit approach*

I have conducted an independent audit of the financial statements in order to express an opinion on them to you. My audit has been conducted in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing and Assurance Standards, in order to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive, rather than conclusive, evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

While the effectiveness of management's internal controls over financial reporting was considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

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I have performed procedures to assess whether, in all material respects, the financial statements present fairly, in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*, including accounting standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the Council's financial position, and of its performance as represented by the statements of financial performance and cash flows.

The audit opinion is formed on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial statements; and
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members of the Executive of the Central Land Council.

#### ***Independence***

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the ethical requirements of the Australian accounting profession.

#### **Audit Opinion**

In my opinion, the financial statements of the Central Land Council:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Commonwealth Authorities and Companies Act 1997*; and
- (b) give a true and fair view of the Central Land Council's financial position as at 30 June 2005 and of its performance and cash flows for the year then ended, in accordance with:
  - (i) the matters required by the Finance Minister's Orders; and
  - (ii) applicable accounting standards and other mandatory financial reporting requirements in Australia.

Australian National Audit Office

Mark Moloney  
Senior Director

Canberra

2 September 2005