



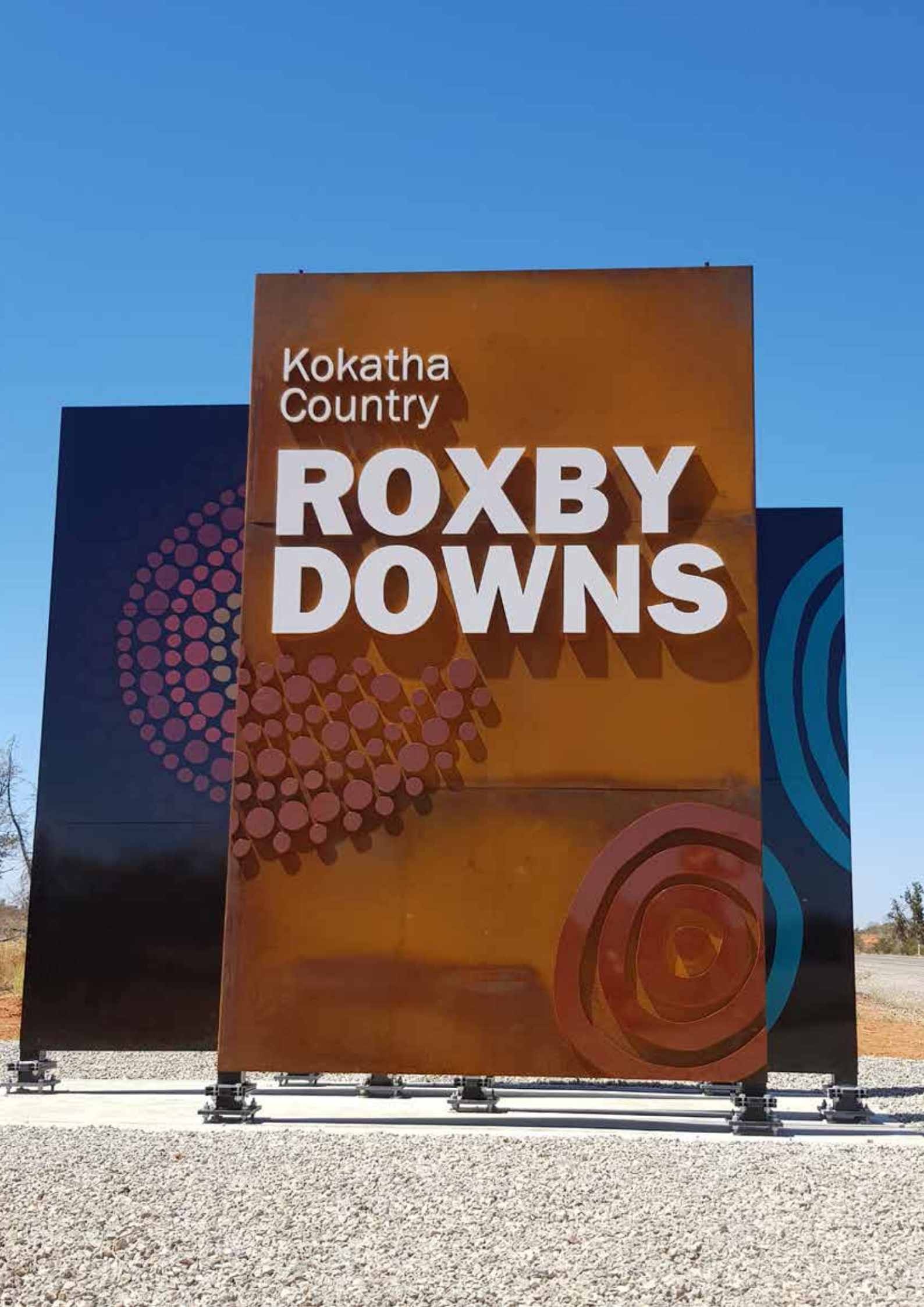
# KOKATHA ANNUAL REPORT 2019/2020



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Kokatha  
Country

# ROXBY DOWNS





# KOKATHA ANNUAL REPORT 2019/20

## TABLE OF CONTENTS

Board Report	6
New Corporate Structure	9
CEO Report	10
Heritage Report	12
Enterprise Report	13
Employment & Training Report	14
Pastoral Report	15
Keeping our Community Safe during COVID-19	16
Protecting Our People	17
2019/2020 Highlights	18
Kokatha Trusts	20
Organisational Chart	22
Financial Statements	25





**In September last year The Registrar of the Office of the Registrar of Indigenous Corporations placed the corporation under special administration for a period of six months from Monday 23 September 2019 and appointing Peter McQuoid as the special administrator. As a result, the sitting Board was removed. They have all since been deemed ineligible to sit on the KAC Board until October 2024.**

On the 27 March 2020 and 10 July 2020 the Registrar extended the period of special administration by three months, concluding on 9 October 2020.

During this time, the Special Administrator:

- Acted as the Board and chaired 10 Corporate Advisory Group Meetings
- Settled approximately \$250,000 in outstanding litigation between former Directors and members of the corporation
- Standardised the eligibility criteria for all support available under the Kokatha Charitable Trust and its administration
- Changed the name of Kokatha Mining Services to Kokatha Enterprises Pty Ltd (KE) and prepared for the amalgamation of KE and Kokatha Pastoral Pty Ltd
- Worked with the CHC to agree a Terms of Reference for the committee which has been incorporated into the Rule book
- Implemented a restructure of the corporation (see more on page 9)
- Conducted the 2019 AGM and community information meetings

- Introduced a zero tolerance - Code of Conduct for staff, members and visitors
- Introduced standardised Board governance frameworks
- In consultation with CAG members, members, staff and other interested parties prepared and lodged a new rule book for the corporation with the Registrar.

The new board of directors have now been appointed and the corporation has returned to the control of the members.

## MEET THE BOARD

In 2019 all members voted on the appointment of Kokatha people to the Corporation Advisory Group; leading on 9 October to the following Directors:

- Tenna Frankiw
- Kahlia Gibson
- Tanya Gill
- Elaine Moosha
- Daniel Ramm
- Jessica Reid
- Sabrina Starkey
- Tanya Swales

The member directors of KAC will be supported by two experienced independent directors recruited for their board governance and sector expertise - Paul Lucas and Raelene Webb.

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Kahlia Gibson



Sabrina Starkey



Tanya Swales



Elaine Moosha



Daniel Ramm



Trena Frankiw



Tania Gill



Jessica Reid



Paul Lucas\*



Raelene Webb\*



## INDEPENDENT DIRECTORS\*

**Paul Lucas** was chair of the Queensland Cross River Rail Delivery Authority and non-executive director (and Audit & Risk Committee member) of the Institute for Urban Indigenous Health. He also provides strategy, infrastructure and governance consulting services to the private sector, industry bodies and non-government organisations and is an adjunct professor in law and business for Bond University and Australian Catholic University. Mr Lucas was Deputy Premier of the government of Queensland from 2007 to 2011, Minister of several portfolios from 2001 to 2012 and the Member of Parliament for Lytton for 16 years. Paul has a Master of Business Administration (MBA), a Master of Urban & Regional Planning, Bachelor of Laws and a Bachelor of Economics. He is admitted as a solicitor to the Supreme Court of Queensland and High Court of Australia. He is also a fellow of the Australian Institute of Company Directors.

**Raelene Webb** is an independent director of Western Deserts Aboriginal Lands Corporation. In 2018, she completed her five-year term as president of the National Native Title Tribunal, the independent statutory agency established under the Native Title Act 1993. She has also served as chair of Bunuwal Investments (the investment arm of Rirratjingu Aboriginal Corporation) and independent director of North Australia Aboriginal Corporation. Ms Webb is a faculty member of the Australian Institute of Company Directors, facilitating legal training for the AICD company directors course. She was appointed as Queen's counsel in 2004 and admitted as barrister to the Supreme Court of the Northern Territory and the High Court of Australia in 1992. She has a Bachelor of Laws and a Bachelor of Science, is a fellow of the Australian Academy of Law, member of the Australasian Institute of Judicial Administration and graduate of the Australian Institute of Company Directors.



## MEET THE KOKATHA ENTERPRISE & PASTORAL SUBSIDIARY BOARD

Nominations for Directors were received from members in 2020. Like the KAC Board, this subsidiary Board is skills based and the successful candidates were:

- Amanda Dempsey
- Kim Edwards
- Nina Starkey
- Aaron Thomas

The Kokatha directors of KE & KP will be supported by two experienced independent directors recruited for their governance and sector expertise.

- Nic Kentish
- Deborah Di Natale

- **Nic Kentish** is senior advisor with Resource Consulting Services (RCS) and has worked closely with the Indigenous Land and Sea Corporation (ILSC) on initiatives to build Aboriginal expertise and opportunity in managing rural land and pastoral operations. With 35+ years pastoral and agribusiness experience, he is a fourth-generation pastoralist and secretary of the family business Greenbanks Farms in Mount Gambier. Nic has served on many rural and agriculture boards and committees. He has an advanced diploma in agriculture and is a graduate of the Australian Rural Leadership Program.
- **Deborah Di Natale** is currently CEO of Northern Territory Council of Social Service and has experience as an independent director of Marra Worra Worra Aboriginal Corporation in Fitzroy Crossing and as principal lawyer for the North Australian Aboriginal Family Legal Service in Darwin. She has a Bachelor of Arts, Bachelor of Laws and Master of Public Administration and is a graduate of the Australian Institute of Company Directors.

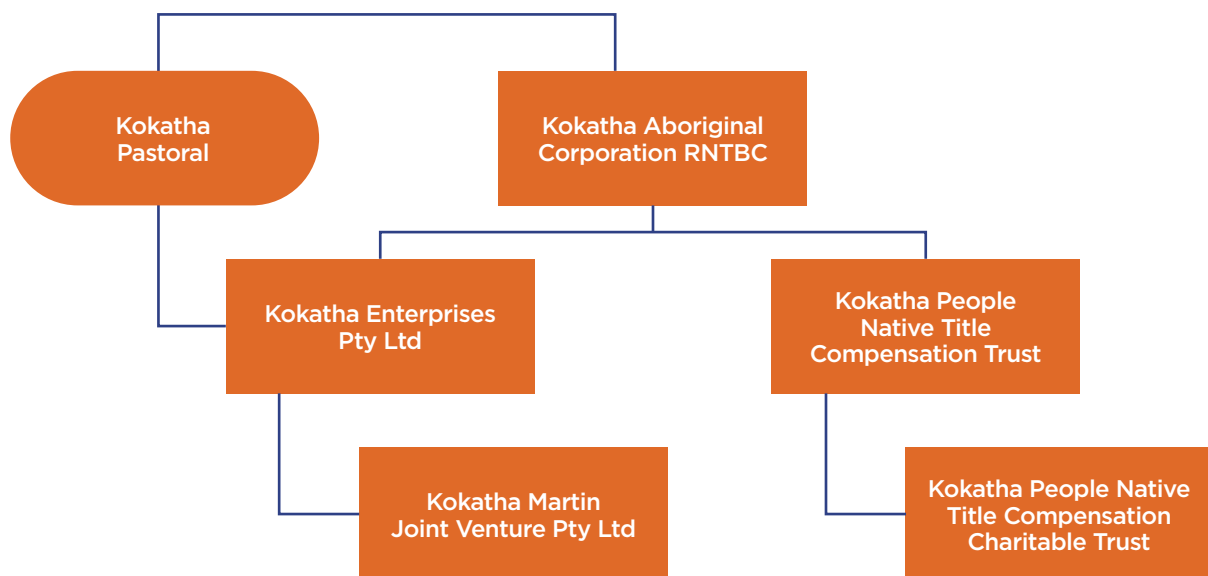
## MEET THE KOKATHA CULTURE AND HERITAGE COMMITTEE

All members had the opportunity at the end of 2019 to select their family group representative for the Culture and Heritage Committee. These elections will take place at each AGM. The KAC members selected for 2020 were:

- Diana Allen (Allen Family)
- Paul Dingaman (Dingaman Family)
- Valerie Gibson (Turner Family)
- Melissa Horace (Baker Family)
- Karen Joslyn (Dare Family)
- Elaine Kite (Kite Family)
- Chris Larkin (Larkins Family)
- Kenneth Smith (Smith Family)
- Andrew Starkey (Starkey Family)
- Paul Strangways (Strangways Family)
- Tanya Van Horen (Fatt Family)
- Vernon Warren Snr (Davis Family)
- Dianne Welgraven (Thomas Family)
- Maxwell Reid (Reid Family)
- Glen Wingfield (Wingfield Family)

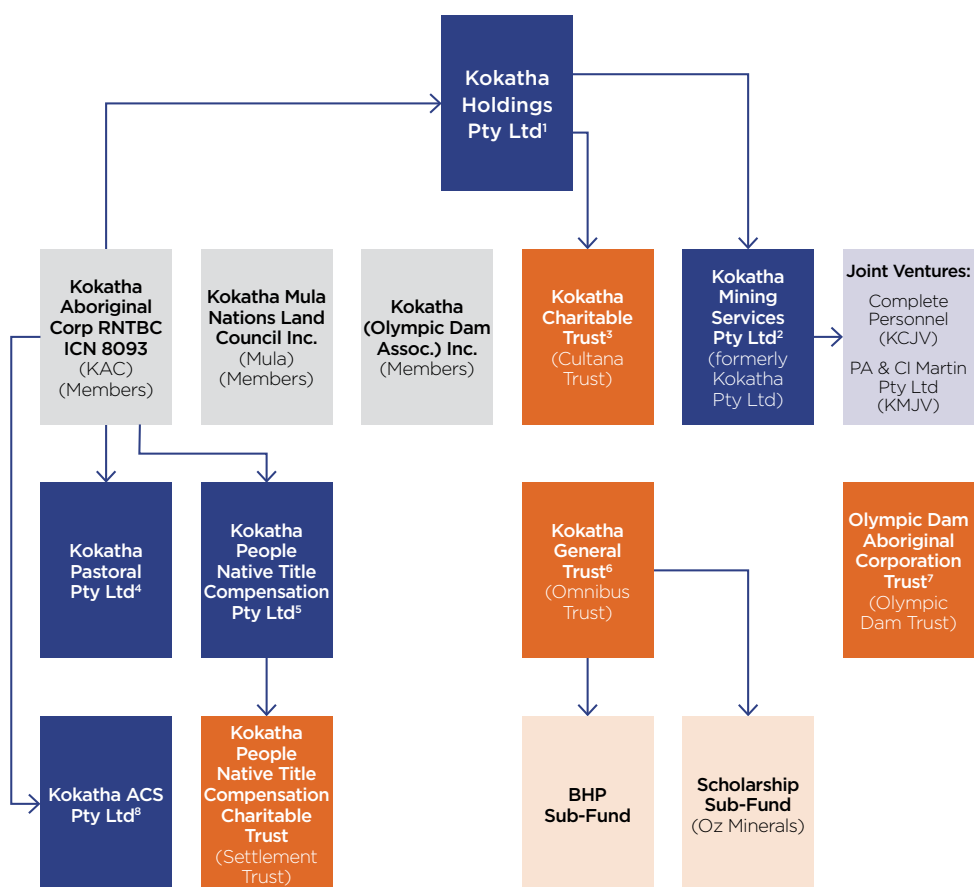
The Terms of Reference for this vital committee are on our website and embedded in the Rule Book. The purpose of the Culture & Heritage Committee (CHC) is to ensure connection between Kokatha culture and the activity of the Kokatha Aboriginal Corporation (KAC) by providing advice to the KAC board on culture and heritage matters. While CHC members are appointed as representatives of their family groups, the Culture & Heritage Committee acts in the interests of the Kokatha people as a whole. If CHC members are not Kokatha Lore holders, it is their responsibility to ensure relevant Lore is represented to the Committee through personal consultation with appropriate Kokatha Elders and Lore holders.

# NEW CORPORATE STRUCTURE



## PREVIOUS STRUCTURE

for the year ended 30 June 2019





**The 2019-20 financial year has been one of enormous activity, change, growth and challenges for Kokatha Aboriginal Corporation (KAC). It has been my privilege to provide guidance and leadership through this period with the assistance and support of so many community, staff and stakeholder members.**

In September 2019 we entered a period of Special Administration as a result of the examination into the impact of poor governance and disruption at a Board level on the corporation and the community by the Office of the Registrar of Indigenous Corporations (ORIC). Over the next 12 months:

- KAC's **corporate and organisational structures** were simplified and strengthened;
- policies and budgets, protocols and strategies, processes and practices were established and formalised;
- services and service providers were evaluated for best community value and impact and where deemed lacking, were changed;
- Membership growth increased from previous year by 10% to 837 members despite the suspension of applications being considered for 11 months under Special Administration
- community communication, consultation and transparency was prioritised....and then COVID-19 hit!

KAC was fortunate that by March, the Corporation Advisory Group (CAG) elected by KAC members was in place and providing great support. Together we tackled these new challenges, always centred on keeping people safe first, and employed where possible. Unfortunately our casual Heritage Services team was stood down as safe workplaces could not be guaranteed, but we were able to maintain all other staff through our COVID safe and working from home plans (**including BHP funded technology supports**). Our communication strategies also helped - upgraded, active website, monthly communiques including a summary of Board decisions and activities, and an SMS alert system but there is nothing like being in a room together regularly to talk things out.

In response to the COVID crisis we were also able to secure funding from the Kokatha General Trust to administer over \$67,000 of grocery support directly to 147 Kokatha Elders (KAC members over the age of 50) and over \$68,400 worth of grocery support from Kokatha Mining Service profits to 345 Kokatha families (KAC members under the age of 50).

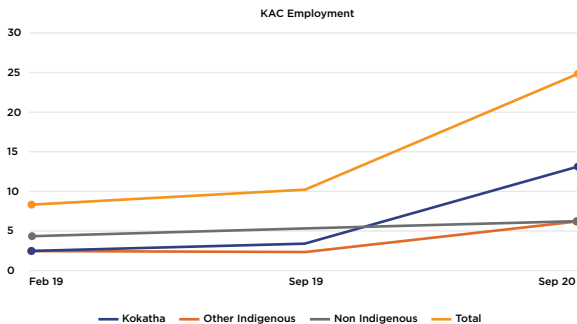
The Kokatha Peoples Native Title Compensation Trust also provided an additional \$100,000 to the Kokatha Charitable Trust at this time to directly support the health of the community, and BHP Vital Resource Funding (VRF) made the award winning Protecting our People (POP) possible.

Despite COVID we still got the biggest commercial contract in KAC's history (so far) started in March when the Southern Access Road Maintenance Contract began and joined our Lab Courier Run Service to employ nine Kokatha Mining Services (KMS) employees including five KAC members and two other local Aboriginal men - through our Recruitment policy process.

These teams are going great guns, with all their contract performance targets being exceeded every month since they started and proactive measures to keep all services and positions in place during COVID restrictions successful.



We have also used that Recruitment Policy to engage an additional seven KAC members and three local Aboriginal people across our pastoral and corporate staff this year. By the end of the financial year, our employment trends were right on track with that policy which prioritises the employment and support of Kokatha people. Despite COVID employees engagement by KAC increased from 77 in 2019 to 93 in 2020.



These outcomes included employment on our Pastoral properties which started aligning their activity to a business plan developed in consultation with Kokatha and local stakeholders. This business plan includes a clear pathway to generating income that does not depend on rain or high numbers of stock that can damage the country.

Funding plans for the refurbishment of Roxby Downs, Purple Downs and Andamooka Homesteads have been developed and submitted to BHP for approval.

A cultural tourism feasibility study and adjustment agreement have also been provided to the new Kokatha Enterprises Board, and major fencing and dam infrastructure works have been completed with the help of Kokatha station hands.

And whilst members voted at the 2019 AGM not to provide funds to Kokatha people for health, funeral, cultural activities and educational expenses through the Charitable Trust, KAC still managed to distributed \$829,000 through the trust including \$75,000 in back to schools support payments.

KAC continued through this time of transformation to build and strengthen key partnerships and see real deliverables from these relationships. The closing of the Woomera Golf Course due to its cultural significance to Kokatha women for example was long overdue, but the renewal of the Woomera Prohibited Area Heritage Management Plan also set a course for more positive outcomes in the future, both cultural and subsequently commercial (including employment and contracting opportunities). And the strong partnership between KAC and OZ Minerals continued to ensure positive results - from the Carrapateena Kokatha Art Competition to the support of the incoming KAC Board and new members of the Partnering Management Committee (which oversees the successful implementation of the KAC/OZM Native Title Mining Agreement).

There have been expected and unexpected challenges this financial year, and there will continue to be in such a dynamic space of opportunity and growth. I am proud of how KAC has responded to these - with a new phase of developing maturity and capacity that can match our purpose in this rapidly changing world. I am grateful and excited to work with our new Board of Directors from the 2020-21 financial year and develop a new Strategic Plan to guide KAC from this year's fresh start to the next chapter. KAC is better placed to ensure the advancement of Kokatha people than it was a year ago, and that progress will continue with the support of the new Boards and Committees, simplified structures and policies, strengthen partnerships and agreements, committed strategies and priorities, dedicated staff and community leaders.

Thank you to everyone who has supported KAC through this transformative year - especially those dedicated staff and community leaders. You make this vital work possible. Now let's build on this foundation together and create more results for the Kokatha community that we can all be proud of.

**Cate Ballantyne**  
CEO, Kokatha Aboriginal Corporation



**Kokatha Heritage Services' role is to protect heritage sites throughout Kokatha's Native Title footprint. They deliver heritage survey and monitoring services as well as providing on country cultural awareness and understanding. This team of Kokatha people has grown this year following the development of a pre-employment process for increasing the pool of people ready and able to go out and complete this vital cultural work.**

While these services were suspended during 2020 by COVID-19 restrictions, survey work was completed and recorded in approved reports for companies including Vulcan North, Coda Minerals, Tasman Resources, DGO Gold and Argonaut. Members of Kokatha Heritage Services (KHS) also participated in key survey and monitoring work at Olympic Dam and Carrapateena.

Additionally, with the support of the 2019 Lore and Culture Committee, Woomera Prohibited Area Kokatha Heritage Management Plan updated were negotiated with Department of Defence (DoD) and provided to the 2020 KAC Culture and Heritage Committee. This is a significant source of Kokatha Heritage protection through agreed mutual rights and responsibilities. Subsequently DoD agreed to close Woomera Golf Course due to ongoing community concerns about this inappropriateness of the structure at a women's cultural site. Remediation is now taking place in consultation with the Heritage Services Manager, appropriate Kokatha Women and the site card holders.

**"Culture and heritage continues to be one of the most important things we, as Kokatha people, can do."**

**- Glen Wingfield**



The KHS team members have also been instrumental in working with our Community Support Officer to promote Kokatha artwork and installations at Carrapateena and also Roxby Downs including their new town signage. Team members even found time to create Welcome to Country resources for a number of key stakeholders.

The Heritage Services Manager has also led the development of a Heritage Survey Access Policy to provide culturally appropriate access to KAC Heritage surveys and recruited extra Kokatha people into the Heritage team to develop management, coordination and administration skills and experience.

Most significantly given its scope, he has overseen the protection Kokatha heritage along of the entire 220km Hill to Hill transmission line construction section on Kokatha country. This huge undertaking has been rightly identified by agencies like Aboriginal Affairs as an example of best practice partnership work in action.

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**Kokatha Aboriginal Corporation's (KAC) commercial enterprises, which operate through Kokatha Mining Services Pty Ltd, have progressed steadily for the year ended 30 June 2020. Consistent with the previous year Carrapateena has been the primary focus which saw the execution of the Road Maintenance Agreement and the Courier Service Agreement.**

At the beginning of the year Kokatha Mining Services continued with the dust suppression Agreement to run a heavy rigid 15 KL water truck on the roads around the mining operations, employing two Indigenous operators (1 week on/1 week off). The Kokatha Water Truck has performed well over the past 12 months at Carrapateena and operational issue with the truck were quickly attended to through a local partnership arrangement.

This agreement continued until March 2020 when the recently executed Road Maintenance Agreement for the Southern Access Road became operational. At this time, the dust suppression Agreement ended and was integrated into the new Road Maintenance Agreement (RMA).

Prior to the RMA, extensive consultation occurred between Kokatha Aboriginal Corporation (KAC) and OZ Minerals (OZM). A Business Plan was completed and then updated when the Scope of Works was reviewed to include 'As Required' additional machinery, including dozers, excavators and a tandem tipper.

The process included applying to the Kokatha General Trust by Kokatha Mining Services (KMS) to fund the purchases of capital plant of \$700,000 and to provide operating capital of \$300,000 for three months of operational expenses.

The necessary plant and machinery were purchased, four operators were recruited a grader operator/leading hand, a roller operator and two water tanker operators. Of the four operators three were Indigenous. It seemed like an historic event when the trucks and the motor vehicles drove out of the Yon Street yard and headed to Carrapateena mine to start the largest single contract for the corporation through KMS.

KMS scrambled to arrange operations to maintain an effective workforce at Carrapateena during the COVID19 crisis starting in March 2020. Site restriction meant the southern road access maintenance crew started their day from Port Augusta, at the KMS Yon Street Depot. Only essential personnel were admitted to site which meant the courier drivers and the dust suppression water truck operators switched to a 2 week on/2 week off roster.



During this period KMS met all its obligations under both agreements and met all key performance indicators. Covid19 planning by KMS and KAC, and OZM was effective with no recorded cases onsite or in KAC's administration.

The Carrapateena Courier Service (LCS) provides daily service running from the mine to Whyalla and Port Augusta is gaining a reputation for reliability and we see this business growing in the next 12 months.

Prior to the start of the RMA and the LCS commencing, KMS carried out a minor civil works project within the Woomera Defence area over a 14-day period.

The Kokatha Martin Joint Venture (KMJV) continued to maintain the southern access road until KMS started in March. The Joint Venture continued to support KMS operations at Carrapateena with as required work.

The KMJV also contributed from the net operations to fund training and the creation of job opportunities to Kokatha people. This is a valuable contribution the KAC's ability to build its capability for future works and will continue to allocate funds for training and employment.

In summary, KMS revenue is sourced through a number of income streams. KMS will continue to monitor and review its operations and pursue other commercial opportunities in the resources and defence sectors. Success as always will depend on our strategic planning to be ready structurally and financially, to take advantage of identified opportunities.

**Giac Consalvo,**  
*KAC Business Manager*

# EMPLOYMENT & TRAINING REPORT



Like other parts of the corporation, there has been a lot of change, growth and opportunity develop in our Employment and Training services during the 2019-20 financial year. Mr Jonathan Fatt-Clifton left KAC in January after serving in the position of Employment and Training Coordinator for 12 months. During that time Jonathan worked closely with OZ Minerals and TAFE SA to provide training opportunities with direct employment outcomes, including Carrapateena Camp Services employment with ISS. He also supported initiatives to improve retention rates onsite such as the Aboriginal Support Officer positions.

The development of KAC recruitment policy has enabled a clear and transparent process for employing high quality candidates within a clear mandated priority order for qualified employment of

1. Kokatha people
2. Indigenous people
3. Local non-Indigenous people

Following one such rigorous recruitment process, KAC was fortunate to appoint Tania Solar into the coordinator role. Whilst COVID restrictions have prevented her travelling to sites to date, Tania has revamped the Kokatha Work Ready database and already used its information to inform significant employment and training outcomes for Kokatha Pastoral, Exact, OZ Minerals and Kokatha Mining. She has also provided direct operational support to the KMS crew and set to work on developing a budgeted and targeted training program to ensure that the many local job opportunities arising can be filled by work ready Kokatha people.

Additionally, Tania has taken on the vital task as Secretariat of the newly appointed Kokatha Enterprise and Kokatha Pastoral Boards. She also represents KAC on the Carrapateena Employment Working Party. Tania's experience in this field, her capacity to develop clear systems and processes have already proven invaluable in a short period of time. We are looking ahead with excitement for the results she will lead over the next 12 months.

## CELEBRATING EMPLOYMENT SUCCESS

We are so pleased to share the stories of Hakeem Dodd and Luke Wingfield, two recent graduates of OZM Indigenous pre-employment program with TAFE and KAC.

Hakeem and Luke were employed in a contract role when two permanent positions within the processing department were advertised. Both Hakeem and Luke applied and they interviewed as the best candidates for the roles. As a result of their success, Hakeem and Luke are now employed as processing technicians in permanent, full time roles at OZ Minerals.

Hakeem says it has always been a dream of his to work in the mining industry and he is really enjoying his time at Carrapateena. He hopes to eventually move up in his department and get more experience in other areas of the business.



Luke has spent plenty of time at Carrapateena over the years, having worked as a field technician and doing heritage work before construction began. He says it was an awesome decision to join up to the pre-employment program and loves working with his current team.



**This year saw the development of Business Plan for the Pastoral company to address the levels of financial support required from KAC to keep Kokatha Pastoral (KP) operational.**

This plan drew on the many studies, reports and ideas discussed for many years. It collated them into a five year plan of action to make KP profitable by 2025 by ensuring drought resistant income could be annually generated without damaging the land or restricting access to country for Kokatha people. This plan was developed by the KP Board with input from stakeholders during a two day workshop at Roxby Downs Station.

As a result, a new station management position was recruited (with the help of McMurtrie Consulting Services), a new infrastructure work plan was begun (with BHP ILUA funding) and a new Kokatha employment strategy was implemented (with the support of the Indigenous Land and Sea Corporation). This allowed boundary, dam and kangaroo proof fencing to be completed. It meant the onsite visitor accommodation complex has been finished (and became a source of income pre COVID). It meant a cultural tourism feasibility study was completed and is now seeking funding approvals from outside agencies. It meant the refurbishment of the Roxby Downs, Purple Downs and Andamooka homesteads was scoped for completion with Kokatha training and employment opportunities built in (with the first homestead funding from BHP recently approved). It meant that up to eight Kokatha station hands received training and employment opportunities

And following the complete de-stocking of the properties in 2019 due to the drought, with recent rains, cattle have been able to return to the stations and with them some income to invest building a profitable future for KP. With a new Board in place and the ongoing support of key stakeholders the next year is full of possibilities for Kokatha Pastoral.



## KAC'S COVID-19 RESPONSE

**When COVID-19 hit Australia early in 2020, Kokatha Aboriginal Corporation acted quickly to keep our staff and community safe.**

KAC management met and determined that the organisation would follow the advice of the South Australian and Australian Governments, ensuring our staff could work from home in a safe manner.

In March 2020, the KAC office closed in line with Government advice. At the same time, schools and day care facilities also closed, adding an additional stress for our staff with children.

With support from BHP's Vital Resources Fund, KAC was able to equip the team with new iPhones and iPads to help them work from home and facilitate virtual meetings.

Throughout the pandemic KAC developed COVID Safe Plans, a Work from Home Strategy, Community COVID response updates, the Stay Home Stay Healthy Program (Grocery Support) and the Protecting Our People program.

## COVID SUPPORT

**The restrictions introduced by the South Australian Government in response to the coronavirus had a big impact on the Kokatha community. KAC set about securing additional funding to help people through the pandemic.**

Funding was received from Kokatha General Trust of \$100,000 to help community members affected by the coronavirus restrictions. Members aged over 50 received grocery support through a Kokatha Aboriginal Corporation initiative Stay Home, Stay Healthy.

Stay Home, Stay Healthy, in accordance with the funding agreement assisted 147 KAC members during the pandemic. Kokatha Mining Services matched the funding to provide \$100,000 for grocery support for members under 50.

The gift cards were delivered by registered post and the accompanying letter recognised that this support was only possible due the generous funding and support of the Kokatha General Trust.



## KOKATHA CHARITABLE TRUST DISTRIBUTION

**The pandemic did require an extraordinary response, but not at the expense of regular community support provided by the Kokatha Charitable Trust.**

During the year, more than \$126,000 was allocated by the Trust for funeral expenses and a further \$100,000 was allocated by KPNTC for funeral support during COVID.

During the year KAC loaned \$100,000 to the Trust to assist with education support in the form of back to school funding support.

The Trust also provided more than \$486,000 for Wellbeing activities and more than \$139,000 for health/medical expenses.

Additionally, Trust staff facilitated the updating of member contact details, providing a direct contact between the Kokatha community and KAC staff while they were working from home rather than in the office during the COVID restrictions. The special efforts of KAC administrative staff is acknowledged, led by Alison Mundy, during our office COVID shutdown to coordinate this vital community support provided during the pandemic.

**Carly Chamberlain**  
*Trust Secretariat*

# PROTECTING OUR PEOPLE



## **Family, culture and keeping people safe and healthy were the main goals of an Aboriginal community led COVID-19 Emergency Response Plan, called Protecting Our People (POP).**

In March 2020, three native title holder communities, Kokatha, Barngala and Kuyani joined forces to save lives and culture by establishing a quarantine camp at Camp Willochra, near Melrose.

It was the only camp of its type – run by Aboriginal people, for Aboriginal people.

BHP funded the project through its Vital Resource Funding (VRF).

Facilitated by KAC and coordinated by a project team led by David Kelly, Glen Wingfield, Lavene Ngatokorua and Linda Dare, the project was designed to support Kokatha, Barngarla and Kuyani community members to stay safe and healthy during COVID-19 restrictions. People from designated Biosecurity Areas like the APY Lands, were also able to access the program which helped people to isolate and provided food, medical or accommodation support or assistance to get back on Country.

In its first three months over 250 Kokatha, Barngarla and Kuyani community members were supported, including approximately 80 people over the age of 50 and 185 people with health issues or disabilities, and around \$125,000 was spent in the local economy.

The camp was dubbed “Camp Beautiful” by some of the women from APY Lands who stayed on site while waiting for their communities to reopen.

The objectives of the project are to:

- prevent and minimise COVID-19 cases, transmission, morbidity and mortality rates
- support vulnerable people – those suffering poor health, violence and homelessness
- reduce the burden on already stretched public and private support systems
- minimise detrimental social, cultural and economic impacts
- protect Indigenous communities.

The project relied on volunteers to help with cooking, cleaning, transport and on-site security.

Over 900 local people were assisted during this three months with food deliveries, household items and accommodation assistance. Another \$230,000 was also spent in the local economy.

The project team worked closely with the Vulnerable People and Complex Needs Program (VNF), The Salvation Army (breakfast program), Port Augusta Child and Family Safety Network, National Indigenous Australians Agency, SA Police and Housing.

The success of the project resulted in national stories broadcast by SBS Television and NITV; a 20-minute radio interview on Koori Radio; a press article in The Transcontinental and articles in the Department of Prime Minister and Cabinet's Indigenous website.

# 2019/20 HIGHLIGHTS

## PROTECTING OUR PEOPLE!

OVER 1200 PEOPLE SUPPORTED THROUGH THE 6 MONTH COVID-19

KOKATHA PASTORAL 2020-25 BUSINESS PLAN DEVELOPED AT KP BOARD AND STAKEHOLDER 2 DAY WORKSHOP

FINANCIAL ASSISTANCE TO MEMBERS INCREASED BY 285% ON THE PREVIOUS YEAR (TO OVER \$835,000)

492 KAC MEMBERS RECEIVED GROCERY CARDS WORTH OVER \$135,000 BETWEEN APRIL AND JUNE

EMPLOYEES SUPPORTED 2019 - 77; 2020-93

ALL KAC STAFF KEPT SAFE AND EMPLOYED DURING COVID-19 OUTBREAKS

ALL NEW DIRECTORS AND CORPORATE STAFF HAVE PARTICIPATED IN (THE SAME) GOVERNANCE TRAINING



EIGHT KOKATHA  
MINING STAFF  
EMPLOYED

TWO KOKATHA  
TRAINEES EMPLOYED  
IN THE KAC OFFICE

2 BUDGETS, 9  
POLICIES PLUS VARIOUS  
PROCEDURES AND  
PROTOCOLS APPROVED  
AND IMPLEMENTED  
BY THE BOARD

MEMBERSHIP GROWTH  
2019 - 754;  
2020 - 837

16 NEW STAFF  
RECRUITED  
11 KOKATHA  
MEMBERS, 3 LOCAL  
INDIGENOUS

NEW ACCOUNTANTS  
AND LAWYERS  
APPOINTED

2 NEW BOARDS  
AND AN ADVISORY  
COMMITTEE  
ESTABLISHED



## KOKATHA PEOPLE NATIVE TITLE COMPENSATION CHARITABLE TRUST

### Directors

Christopher Larkin - 10/2015

Lynette Strangways - 10/2015

Glen Wingfield (Secretary) - 10/2015

Khatija Thomas - 11/2016

Sabrina Starkey - 04/2018. Resigned 08/2020

Michael Turner - 04/2018

Andrew Thomas - 04/2018

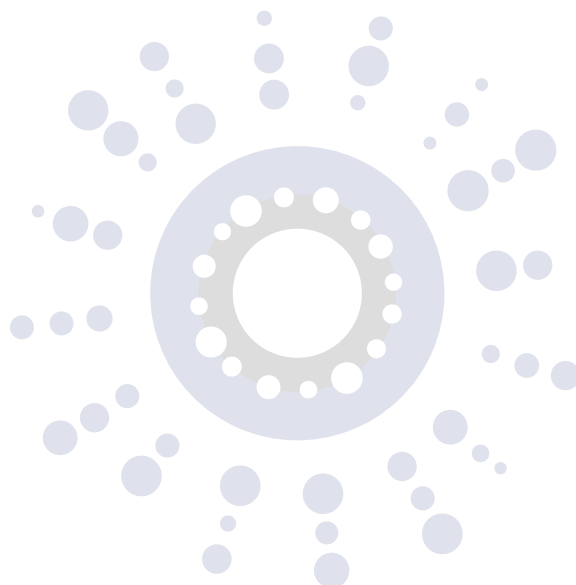
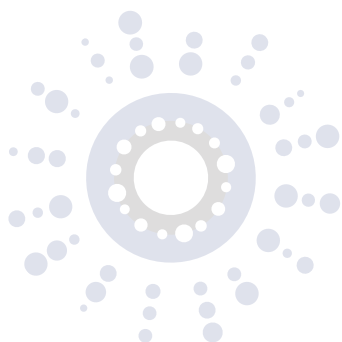
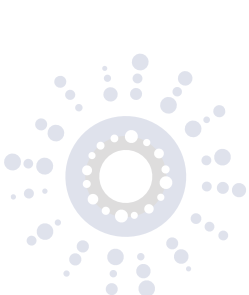
Shaun Berg - 10/2015

John Hender - 10/2015

The Kokatha People Native Title Compensation Pty Ltd (KPNTC) is a company established to act as the corporate trustee of the Kokatha People Native Title Compensation Trust (Trust). The Trust was the recipient of compensation monies paid by the State of South Australia to KAC pursuant to KAC's Native Title claim. The sole shareholder of the KPNTC is KAC. The Trust invests the compensation monies and distributes the interest earned on those monies in accordance with its trust deed. The Trust is permitted to distribute up to 50% of the income earned on the fund. Each year the trustee of the Trust seeks permission at the KAC AGM to distribute in excess of 50% of the income generated by the fund. Last year this request was rejected. This rejection has meant limited funds will be available for supporting Kokatha Common Law Holders. The KPNTC normally funds the various support programmes offered by the Kokatha Charitable Trust. The KPNTC is required to report at least annually to KAC on the following activities during the preceding year on applications made to the Trustee for funds; distributions of funds made including names, amounts and purpose; and the Trustee's reasons for making the above distributions and if they were in accordance with the distribution policy.

## KOKATHA GENERAL TRUST

- Perpetual Trustee Co is the Trustee
- The Kokatha General Trust (KGT) was established in 2016 as a charitable trust for the benefit of the Kokatha People
- The KGT Trust receives annual contributions from BHP and Oz Minerals (for the purpose of providing scholarships and education to Kokatha People). The BHP Billiton Sub Fund Agreement is dated 22 July 2016. The OZ Minerals Scholarship Sub-Fund Agreement on 30 November 2018.
- This year a significant contribution was made to Kokatha Aboriginal Corporation subsidiary Kokatha Mining Services (KMS) which enabled the purchase of essential plant, equipment and funds for operating expenses. This funding enabled KMS to commence a road maintenance contract with OZ Minerals Carapateena Mine and provide lasting employment opportunities to members of the Kokatha Aboriginal Corporation. Importantly this contract has also led to additional commercial opportunities for KMS, leading to more revenue and job opportunities.
- The Trust also provided funding to Kokatha Aboriginal Corporation to support members through the 'Stay Home Stay Healthy' initiative in response to the COVID-19 pandemic. This program assisted 147 Kokatha members aged over 50 with groceries and home essentials enabling them to stay at home during the pandemic.

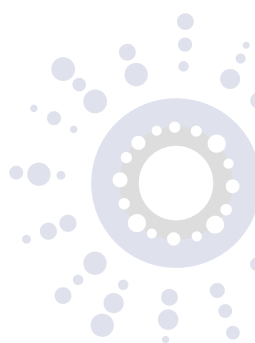
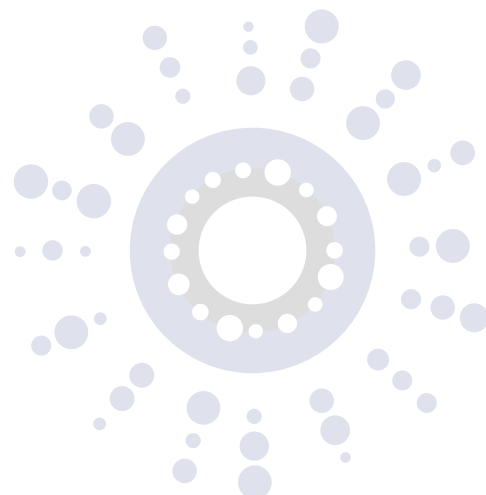
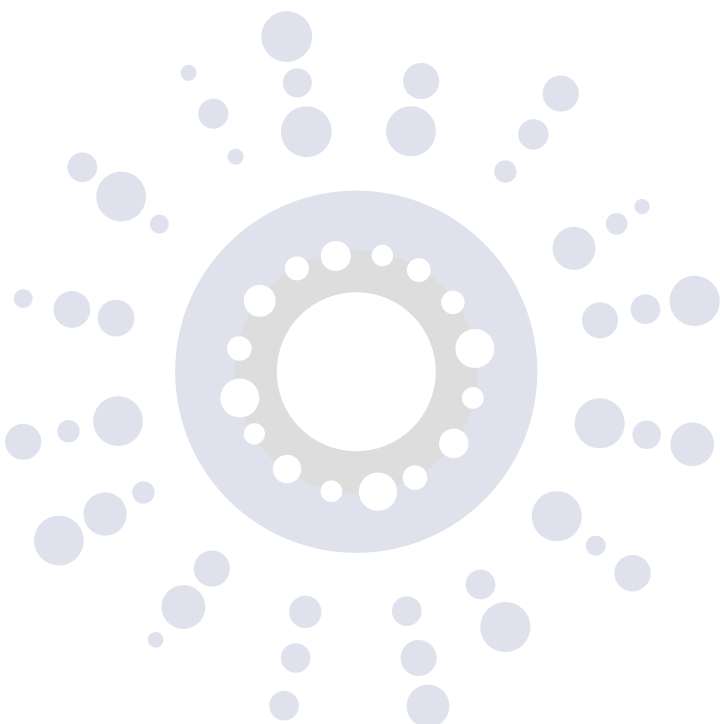




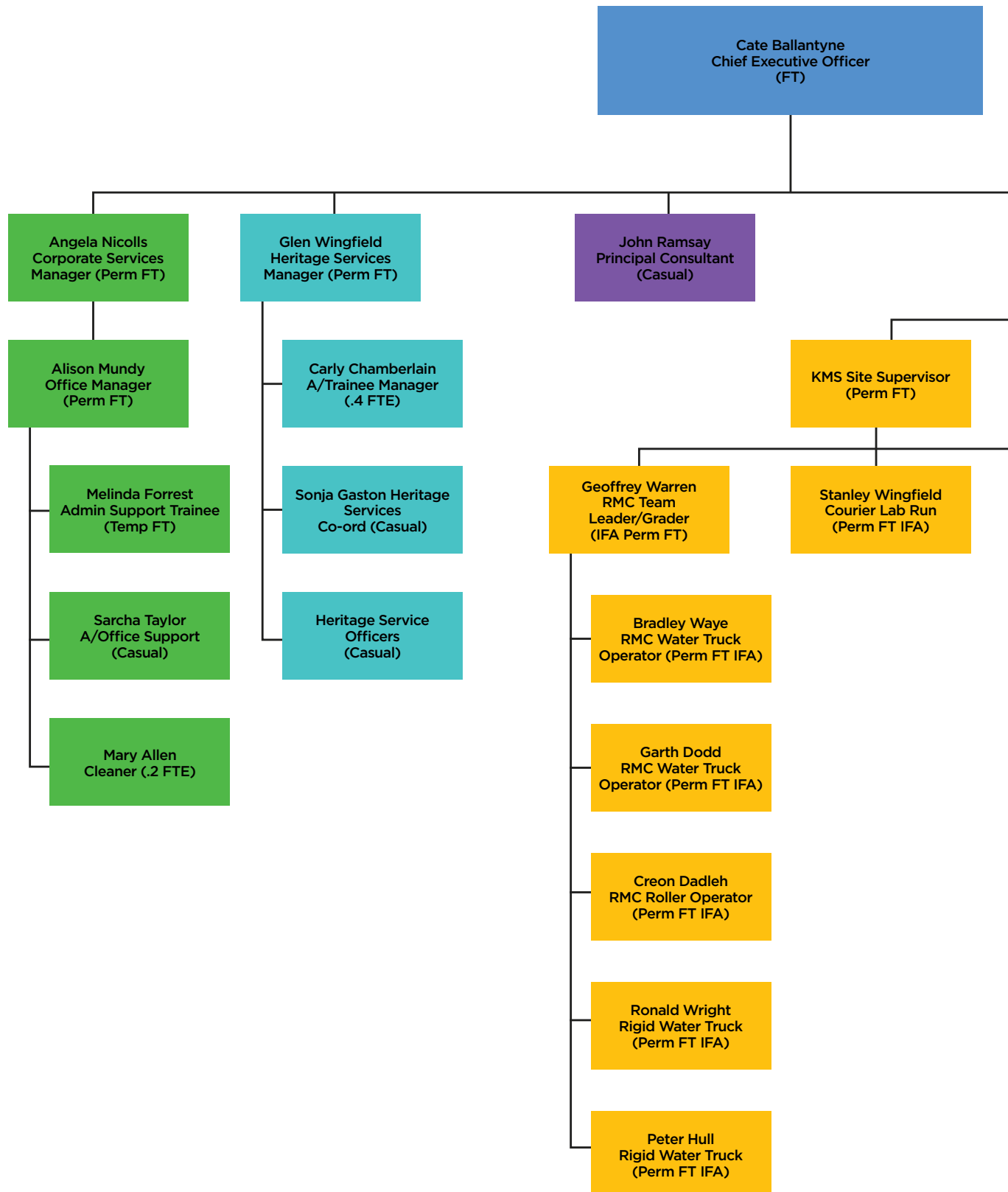
- Scholarship Sub-Fund Agreement on 30 November 2018. The Advisory Committee has an important role working alongside the Trustee in relation to the administration and management of the Trust. The Advisory Committee is currently comprised of between 4 to 8 members of the Kokatha People which are nominated by the Kokatha People at a meeting of Kokatha Common Law Holders and appointed by the Trustee for the term of 2 years to advise the Trust with respect to the Trust Strategic Plan, Investment Policy and Distribution Policy.
- Advisory Group Members appointed 1 July 2018:
  - Christopher Larkin (Chairperson)
  - Glen Wingfield
  - Khatija Thomas
  - Michael Turner
- This year, the COVID-19 pandemic interrupted plans of the Trustee to meet with the Kokatha Common Law Holders. In accordance with the Trust Deed, Advisory Committee members appointments were extended until the next meeting of the Kokatha Common Law Holders – currently scheduled for March 2021.

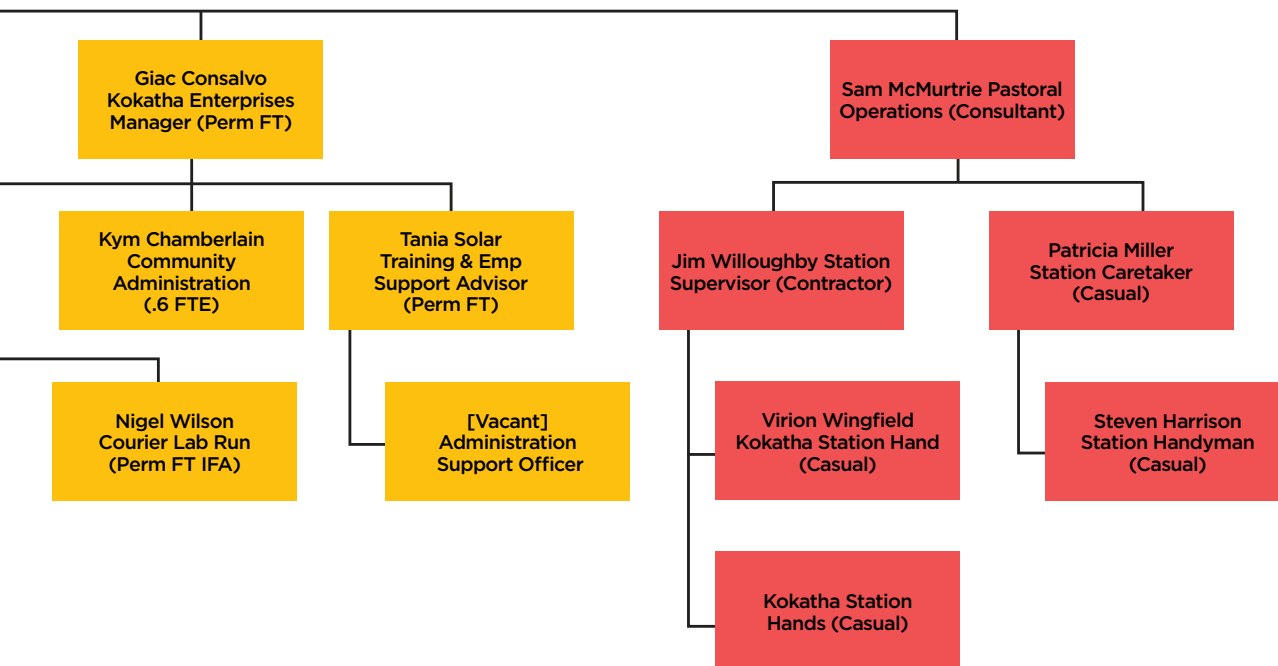
## KOKATHA CHARITABLE TRUST

- The Kokatha Charitable Trust (KCT) was established in November 2014
- Perpetual Trustee Co is the Trustee
- The purpose is for which the Trust was established to support Kokatha Common Law Holders and covers the following areas:
  1. the relief of poverty
  2. the promotion, preservation and teaching of Kokatha culture, heritage and traditions
  3. assistance to meet the costs of funerals
  4. help with education and employment costs
  5. assistance with housing and transport
  6. help with matter arising from Native Title
  7. objects that advance the health, education and welfare of the Kokatha People
- This year due to the KAC member decision at the 2019 AGM not to approve funding, the KCT Trustee has allocated the limited funds to support items 2,3,4- funding for health, funeral costs, back to school and cultural activities costs.
- The trustee has also set criteria and limits for each KCT budget to be administered and distributed by KAC staff. These are available at <https://kokatha.com.au/member-services/financial-support/>. The full deed for the Charitable Trust can also be viewed and downloaded at that website.



# ORGANISATIONAL CHART





*This chart represents the Organisational Structure as at 30 September 2020.*

# FINANCIAL REPORT HIGHLIGHTS

The Corporation is currently worth \$6,069,518 which is an increased value of 6 % from the 2019 (of \$5,693,426) [\*that is \$7,046,150 in cash and other assets minus \$976,632 in liabilities]

The net cash generated by operational activities has almost trebled- 293% increase (from \$549,680 in 2019 to \$1,612,974 in 2020)

The cash at bank is \$2,056,811, a 31 % increase over the 2019 balance of \$1,415,924

The cost of board meetings has halved from \$302,176 in 2019 to \$145,422 in 2020

Income available from Native Title compensation agreements halved (from \$1.6 million in 2019) as COVID prevented community meetings being held.

Financial assistance to members increased from \$292,748 in 2019 to \$835,001 in 2020. This is almost a three fold increase in support to Kokatha people (285%)

The corporation made a profit of \$1,167,112 in 2020 compared to \$153,006 in 2019. This is an exceptional result being almost an eight fold increase (763%)

## **KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**

**ABN: 17 649 502 722**

**Financial Report For The Year Ended  
30 June 2020**



## TABLE OF CONTENTS

Director's Report	27
Auditor's Independence Declaration	28
Statement of Consolidated Profit and Loss	29
Statement of Financial Position	30
Statement of Changes in Equity	21
Statement of Cash Flows	32
Notes to the Financial Statements	33
Statement of the Board of Directors	48
Independent Auditor's Report	49

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**DIRECTOR'S REPORT**

Your board of directors submit the financial report of the Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities for the financial year ended 30 June 2020.

**Board of Directors**

The names of the directors who have been a director during the year and to the date of this report are:

Chris Larkin automatically removed 23.9.2019  
Glen Wingfield automatically removed 23.9.2019  
Michael Turner Jnr automatically removed 23.9.2019  
Lynnette Strangways automatically removed  
Barbara Amos automatically removed 23.9.2019  
Elaine Kite automatically removed 23.9.2019  
Jennifer Williams automatically removed 23.9.2019  
Dianna Allen automatically removed 23.9.2019  
Max Reid automatically removed 23.9.2019  
Anne Strzelecki resigned 6.7.2019  
Karen Joslyn resigned 6.7.2019  
Andrew Starkey automatically removed 23.9.2019  
Andrew Thomas automatically removed 23.9.2019  
Derryn Gibson resigned 6.7.2019  
Grant Warren automatically removed 23.9.2019  
Nina Turner resigned 6.7.2019  
Valerie Cox automatically removed 23.9.2019  
Raymond Wingfield automatically removed  
Kenneth Smith automatically removed 23.9.2019  
Trenna Frankiw appointed 9.10.2020  
Kahlia Gibson appointed 9.10.2020  
Tanya Gill appointed 9.10.2020  
Elaine Moosha appointed 9.10.2020  
Daniel Ramm appointed 9.10.2020  
Jessica Reid appointed 9.10.2020  
Sabrina Starkey appointed 9.10.2020  
Tanya Swales appointed 9.10.2020

Directors were automatically removed from office as the corporation was placed under special administration on 23rd September 2019. Special administration ceased on 9th October 2020 and a new board was appointed.


**Principal Activities**

The principal activity of the entity during the financial year was:

Kokatha people have had their native title rights and interests recognised in respect of land or waters which comprise or form part of the Kokatha Lands.

This directors' report is signed in accordance with a resolution of the Directors of the Corporation

Director

  
Elaine Moosha

Dated this

11

day of

December 2020

# AUDITOR'S INDEPENDENCE DECLARATION

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN: 8093  
AND CONTROLLED ENTITIES**

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60-40 AUSTRALIAN  
CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 AND THE  
CORPORATIONS (ABORIGINAL AND TORRES STRAIT ISLANDER) ACT 2006  
(CATSI ACT)**

**To the Board of Directors of Kokatha Aboriginal Corporation RNTBC ICN:8093**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



**T A Basso - Director  
Basso Newman Audit Pty Ltd  
Chartered Accountants  
286 Flinders Street, Adelaide  
Dated this 11<sup>th</sup> day of December 2020**

**basso  
newman**  
audit  
chartered  
accountants

Basso Newman Audit Pty Ltd  
ABN 98 618 562 824  
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"Liability limited by a scheme  
approved under Professional  
Standards Legislation"

# STATEMENT OF CONSOLIDATED PROFIT AND LOSS

## KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES

ABN: 17 649 502 722

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	2	2,162,588	2,868,616
Other income	2	4,118,861	3,348,779
Employee benefits expense	3	(1,904,376)	(1,695,800)
Depreciation and amortisation expense		(321,613)	(302,380)
Motor vehicle expenses		(171,487)	(248,790)
Accountancy Fees		(203,801)	(159,976)
Advertising expenses		-	(3,523)
Agistment costs		-	(293)
Audit, Legal and consultancy fees		(675,485)	(593,470)
Bank Charges		(2,280)	(2,162)
Board Meetings & Costs		(145,422)	(302,176)
Cleaning		(1,090)	-
Clearances		(103,863)	(266,955)
Computer Expenses		(48,065)	(16,959)
Contract Work		(384,120)	(401,091)
Donations		-	(2,000)
Electricity		(4,417)	-
Fees Expense		(29,933)	-
Freight		(1,773)	-
Insurance		(50,404)	(55,717)
Leasing Fee		(9,263)	-
Member Assistance		(835,001)	(292,748)
Permits, Licences & Fees		(2,613)	(3,433)
Printing & Stationery		(38,762)	(11,219)
Program expenses		(250,053)	(127,403)
Property Improvements		(58,489)	(29,046)
Provision for Contract Liability		(321,123)	(59,329)
Rates & Taxes		(7,721)	(7,994)
Recruitment		(4,178)	-
Repairs & Maintenance		(176,047)	-
Staff Training and Welfare		(35,775)	(46,186)
Subscriptions		-	(1,133)
Sundry expenses		(32,879)	(14,818)
Telephone		(25,684)	(15,595)
Travelling Expenses		(6,317)	(28,642)
<b>Current year surplus/(deficit) before income tax</b>		<b>429,415</b>	<b>1,528,557</b>
Income tax expense		(53,323)	(101,649)
<b>Net current year surplus</b>		<b>376,092</b>	<b>1,426,908</b>
<b>Other comprehensive income</b>			
<b>Total other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		<b>376,092</b>	<b>1,426,908</b>
Surplus attributable to members of the entity		376,092	1,426,908
Total comprehensive income attributable to members of the entity		376,092	1,426,908

The accompanying notes form part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

## KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES

ABN: 17 649 502 722

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	2,056,811	1,415,924
Trade and other receivables	5	1,039,467	1,900,622
Other current assets	6	63,982	41,852
<b>TOTAL CURRENT ASSETS</b>		<u>3,160,260</u>	<u>3,358,398</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	<u>3,885,890</u>	<u>3,252,385</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>3,885,890</u>	<u>3,252,385</u>
<b>TOTAL ASSETS</b>		<u>7,046,150</u>	<u>6,610,783</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	456,755	598,109
Employee provisions	9	86,102	32,612
Income in Advance		-	60,440
Contract Liability		380,452	59,329
Provision for Income Tax		<u>53,323</u>	<u>166,867</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>976,632</u>	<u>917,357</u>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>976,632</u>	<u>917,357</u>
<b>NET ASSETS</b>		<u>6,069,518</u>	<u>5,693,426</u>
<b>EQUITY</b>			
Retained surplus		<u>6,069,518</u>	<u>5,693,426</u>
<b>TOTAL EQUITY</b>		<u>6,069,518</u>	<u>5,693,426</u>

The accompanying notes form part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Retained Surplus \$	Total \$
<b>Balance at 1 July 2018</b>		4,266,518	4,266,518
<b>Comprehensive Income</b>			
Surplus for the year attributable to owners of the entity		1,426,908	1,426,908
<b>Total comprehensive income attributable to owners of the entity</b>		<u>1,426,908</u>	<u>1,426,908</u>
<b>Balance at 30 June 2019</b>		<u>5,693,426</u>	<u>5,693,426</u>
<b>Balance at 1 July 2019</b>		5,693,426	5,693,426
<b>Comprehensive Income</b>			
Surplus for the year attributable to owners of the entity		376,092	376,092
<b>Balance at 30 June 2020</b>		<u><u>6,069,518</u></u>	<u><u>6,069,518</u></u>

The accompanying notes form part of these financial statements.

# STATEMENT OF CASH FLOWS

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Government grants received		40,000	183,798
Receipts from customers		3,792,417	594,102
Payments to suppliers and employees		(5,317,637)	(4,148,483)
Interest received		1,553	3,413
Other income received		3,263,508	3,916,850
Income taxes paid		(166,867)	-
Net cash generated from operating activities	14	<u>1,612,974</u>	<u>549,680</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		19,545	-
Payment for property, plant and equipment		(991,632)	(312,496)
Capital Grants		-	200,000
Net cash used in investing activities		<u>(972,087)</u>	<u>(112,496)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		640,887	437,184
Cash on hand at beginning of the financial year		<u>1,415,924</u>	<u>978,740</u>
Cash on hand at end of the financial year	4	<u><u>2,056,811</u></u>	<u><u>1,415,924</u></u>

The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The entity is incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) and is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue by the directors of the Corporation.

**Accounting Policies**

**(a) Revenue**

**Revenue recognition**

The Entity has applied AASB 15: *Revenue from Contracts with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of changes is disclosed in Note 1.

**In the current year**

**Contributed Assets**

If the entity receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the Entity recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The Entity recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amounts.

**Operating Grants, Donations and Bequests**

When the entity receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

**Capital Grant**

When the Entity receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under terms of the grant.

**Interest Income**

Interest income is recognised using the effective interest method.

**Dividend Income**

The Entity recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

All revenue is stated net of the amount of goods and services tax.

**In the comparative period**

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

If grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax.

**(b) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

**Freehold Property**

Freehold land and buildings are shown at their fair value based on periodic, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Depreciation**

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(c) Leases**

**The Entity as lessee**

At inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Entity where the Entity is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

**Concessionary Leases**

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the temporary relief under AASB 2018-823 and measures the right of use assets at cost on initial recognition.

**The Entity as lessor**

Upon entering into each contract as a lessor, the Entity assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (for example legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Rental income due under finance leases are recognised as receivables at the amount of the Entity's net investment in the leases.

When a contract is determined to include lease and non-lease components, the Entity applies AASB 15 to allocate the consideration under the contract to each component.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**(d) Financial Instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

**Classification and subsequent measurement**

*Financial liabilities*

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over its profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

A financial liability cannot be reclassified.

*Financial assets*

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

***Equity instruments***

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the company's accounting policy.

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

***Derecognition of financial liabilities***

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

***Derecognition of financial assets***

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. has no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the entity elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

The entity recognised a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity recognised a loss allowance for expected credit losses on:

- the general approach;
- the simplified approach;
- the purchased or originated credit-impaired approach; and
- low credit risk operational simplification.

*General approach*

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- if there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

*Simplified approach*

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc.).

*Purchased or originated credit-impaired approach*

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the entity measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

*Low credit risk operational simplification approach*

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

**Recognition of expected credit losses in financial statements**

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

**(e) Impairment of Assets**

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

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

**(f) Employee Benefits**

**Short-term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**Retirement benefit obligations**

*Defined contribution superannuation benefits*

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**(h) Trade and Other Debtors**

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

**(i) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(j) Income Tax**

Kokatha Mining Services Pty Ltd and Kokatha Holdings Pty Ltd are taxed as companies per the Income tax Assessment Act 1997. Kokatha Pastoral Pty Ltd has been self assessed as tax exempt. However Kokatha Aboriginal Corporation RNTBC ICN:8093 is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

**(k) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(l) Comparative Figures**

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

**(m) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**(n) Economic Dependence**

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities is not dependent on the Federal and State Governments for the majority of its revenue used to operate the business. At the date of this report the directors has no reason to believe the corporation will be reliant upon future government funding.

**(o) Fair Value of Assets and Liabilities**

The entity measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

**(p) Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 16.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

**Note 2 Revenue and Other Income**

	2020	2019
<b>Revenue from Contract with Customers</b>	\$	\$
— Government grants	40,000	183,799
— Project Generated Income	1,318,137	1,348,460
— Clear & Monitoring	804,451	1,336,357
<b>Total revenue from contract with customers</b>	<b>2,162,588</b>	<b>2,868,616</b>
<b>Other income</b>		
— Interest received	1,553	3,413
— Other Income	3,166,442	1,530,527
— Fuel Tax Credit	-	5,591
— Investment Income	-	151,705
— Compensation	800,000	1,600,000
— Franking Credits Refund	166,867	57,543
— Profit (Loss) on Sale of Non-Current Assets	(16,001)	-
<b>Total other income</b>	<b>4,118,861</b>	<b>3,348,779</b>
<b>Total revenue and other income</b>	<b>6,281,449</b>	<b>6,217,395</b>



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 3 Surplus for the year**

	2020	2019
	\$	\$
<b>a. Expenses</b>		
Employee benefits expense:		
— Superannuation	151,828	140,806
— Wages	1,659,433	1,516,557
— Workcover	26,954	22,386
— Provision for Annual Leave	53,490	(4,369)
— Staff Amenities	7,778	10,635
— Fringe Benefits Tax	4,893	9,785
Total employee benefits expense	<u>1,904,376</u>	<u>1,695,800</u>

**Note 4 Cash and Cash Equivalents**

	2020	2019
	\$	\$
CURRENT		
Cash at bank	2,056,807	1,415,920
Cash on Hand	4	4
Total cash and cash equivalents	<u>2,056,811</u>	<u>1,415,924</u>

**Note 5 Trade and Other Receivables**

	2020	2019
	\$	\$
CURRENT		
Trade receivables	872,600	1,843,079
Franking Credits Receivable	166,867	57,543
Total current accounts receivable and other debtors	<u>1,039,467</u>	<u>1,900,622</u>

The entity's normal credit term is 30 days.

**Note 6 Other Assets**

	2020	2019
	\$	\$
Prepayments	<u>63,982</u>	<u>41,852</u>
	<u>63,982</u>	<u>41,852</u>

**Note 7 Property, Plant and Equipment**

	2020	2019
	\$	\$
<b>LAND AND BUILDINGS</b>		
Freehold land at fair value:		
— Directors valuation in 2019	270,000	270,000
Total land	<u>270,000</u>	<u>270,000</u>
Buildings at fair value:		
— Directors valuation in 2019	719,947	719,947
Less accumulated depreciation	(48,832)	(30,833)
Total buildings	<u>671,115</u>	<u>689,114</u>
Total land and buildings	<u>941,115</u>	<u>959,114</u>
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment:		
At cost	949,927	803,947
Less accumulated depreciation	(215,144)	(144,637)
	<u>734,783</u>	<u>659,310</u>
Motor Vehicles		
At Cost	578,961	485,075
Less accumulated depreciation	(160,429)	(111,950)
	<u>418,532</u>	<u>373,125</u>



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

Homestead assets		
At Cost	507,883	475,906
Less Accumulated Depreciation	(104,008)	(65,600)
	<u>403,875</u>	<u>410,306</u>
Kokatha Mining Assets		
At Cost	1,852,933	1,180,415
Less Accumulated Depreciation	(465,348)	(329,885)
	<u>1,387,585</u>	<u>850,530</u>
Total plant and equipment	<u>2,944,775</u>	<u>2,293,271</u>
Total property, plant and equipment	<u>3,885,890</u>	<u>3,252,385</u>

**Movements in Carrying Amounts**

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

	Land and Buildings \$	KMS Plant \$	Pastoral Building Assets \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
<b>2019</b>						
Balance at the beginning of the year	977,113	993,325	349,398	415,755	505,711	3,241,302
Additions at cost	-	-	93,903	-	219,561	313,464
Depreciation expense	(17,999)	(142,795)	(32,995)	(42,630)	(65,962)	(302,381)
Carrying amount at the end of the year	<u>959,114</u>	<u>850,530</u>	<u>410,306</u>	<u>373,125</u>	<u>659,310</u>	<u>3,252,385</u>
<b>2020</b>						
Balance at the beginning of the year	959,114	850,530	410,306	373,125	659,310	3,252,385
Additions at cost	-	672,517	37,066	124,818	156,263	990,664
Disposals	-	-	(2,632)	(26,800)	(6,115)	(35,547)
Depreciation expense	(17,999)	(135,462)	(40,865)	(52,611)	(74,675)	(321,612)
Carrying amount at the end of the year	<u>941,115</u>	<u>1,387,585</u>	<u>403,875</u>	<u>418,532</u>	<u>734,783</u>	<u>3,885,890</u>

**Note 8 Trade and Other Payables**

	Note	2020 \$	2019 \$
<b>CURRENT</b>			
Trade payables		267,877	127,659
Net GST Payable/(Refundable)		99,259	159,159
Amounts Withheld		37,200	33,164
Superannuation Payable		21,996	-
Accrued Expenses		29,607	278,127
Employee Entitlements		816	-
	8a	<u>456,755</u>	<u>598,109</u>
		2020 \$	2019 \$
<b>a Financial liabilities at amortised cost classified as accounts payable and other payables</b>			
Accounts payable and other payables:			
— Total current		<u>456,755</u>	<u>598,109</u>
		<u>456,755</u>	<u>598,109</u>



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 9 Provisions**

	2020	2019
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	86,102	32,612
	<u>86,102</u>	<u>32,612</u>
<b>Analysis of total provisions:</b>		
Opening balance at 1 July 2019	32,612	36,981
Additional provisions raised during the year	79,030	43,051
Amounts used	<u>(25,540)</u>	<u>(47,420)</u>
Balance at 30 June 2020	<u>86,102</u>	<u>32,612</u>

**Provision for employee benefits**

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**Note 10 Contingent Liabilities and Contingent Assets**

In the opinion of the directors, the Corporation did not have any contingencies at 30 June 2020.

**Note 11 Events After the Reporting Period**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while there has been no significant impact for the corporation up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the corporation's operations, the results of those operations, or the corporation's state of affairs in future financial years.

**Note 12 Key Management Personnel Compensation**

**Key Management Personnel**

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2020	2019
	\$	\$
KMP compensation:		
— short-term employee benefits	149,517	511,304
— post-employment benefits	11,769	47,625
— other long-term benefits	709	-
	<u>161,995</u>	<u>558,929</u>

**Note 13 Financial Risk Management**

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2020	2019
	\$	\$
<b>Financial assets at amortised cost:</b>		
— cash and cash equivalents	4	2,056,811
— trade and other receivables	5	1,039,467
<b>Total financial assets</b>	<u>3,096,278</u>	<u>3,316,546</u>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost:		
— trade and other payables	8a	456,755
<b>Total financial liabilities</b>	<u>456,755</u>	<u>598,109</u>



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 14 Cash Flow Information**

	Consolidated 2020 \$	Consolidated 2019 \$
<b>Reconciliation of Cash Flows from Operating Activities with Net</b>		
Net current year surplus	376,092	1,426,909
Adjustment for:		
Depreciation and amortisation expense	321,613	302,380
Charges to Provisions	374,613	156,343
Capital Grants	-	(200,000)
Profit on Sale of Non-Current Assets	16,001	-
 (Increase)/decrease in accounts receivable and other debtors	447,009	(1,427,062)
Increase/(decrease) in accounts payable and other payables	631,603	85,820
Increase/(decrease) in accrued charges	(248,520)	228,776
Increase/(decrease) in income in advance	(60,440)	-
(Increase)/decrease in prepayments	(22,130)	(23,486)
(Increase)/decrease in accrued income	(109,324)	-
Increase/(decrease) in provision for income	(113,544)	-
	<u>1,612,974</u>	<u>549,680</u>

**Note 15 Parent Information**

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian

	2020 \$	2019 \$
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>ASSETS</b>		
Current Assets	2,243,740	1,767,177
Non-current Assets	2,684,945	2,090,471
<b>TOTAL ASSETS</b>	<u>4,928,685</u>	<u>3,857,648</u>
 <b>LIABILITIES</b>		
Current Liabilities	446,026	542,101
<b>TOTAL LIABILITIES</b>	<u>446,026</u>	<u>542,101</u>
 <b>EQUITY</b>		
Issued Capital		
Retained earnings	4,482,659	3,315,547
<b>TOTAL EQUITY</b>	<u>4,482,659</u>	<u>3,315,547</u>
 <b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>		
Total profit	<u>1,167,112</u>	<u>153,006</u>
 Total comprehensive income	<u>1,167,112</u>	<u>153,006</u>

**Guarantees**

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 16 Interest in Subsidiaries**

**a. Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of subsidiary	Principal place of business	No of Shares	Ownership interest held by the Group		Proportion of non-controlling interests	
			2020 (%)	2019 (%)	2020 (%)	2019 (%)
Kokatha Pastoral Pty Ltd	35 Flinders Terrace	1	100%	100%	0%	0%
Kokatha Mining Services Pty Ltd	35 Flinders Terrace	1	100%	100%	0%	0%
Kokatha Holdings Pty Ltd	35 Flinders Terrace	2	100%	100%	0%	0%

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

**b. Significant Restrictions**

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

**c. Interest in other controlled entities**

Name of entity	Principal place of business
Kokatha Holdings Pty Ltd as trustee of the Kokatha Charitable Trust	35 Flinders Street, Port Augusta

Pursuant to AASB10 an assessment of control was performed by Kokatha Aboriginal Corporation based on whether Kokatha Aboriginal Corporation has the practical ability to direct the relevant activities of the trust unilaterally. On assessment of the trust deed and of the operations of the trust Kokatha Aboriginal Corporation believes it has control over the activities of the Trust and hence it considers it has control of the Trust. As a controlled entity it has been included in the consolidated financial statements.

**d. Interest in other non-controlled entities**

Name of entity	Principal place of business
Kokatha Peoples Native Title Compensation Pty Ltd as trustee of the Kokatha People Native Title Compensation Charitable Trust	35 Flinders Street, Port Augusta
Perpetual Trustee Company Ltd as trustee of the Kokatha General Trust	Level 12/123 Pitt Street, Sydney
Kokatha Holdings Pty Ltd as trustee of the Kokatha Community Trust	35 Flinders Street, Port Augusta

Pursuant to AASB10 an assessment of control was performed by Kokatha Aboriginal Corporation based on whether Kokatha Aboriginal Corporation has the practical ability to direct the relevant activities of the trusts unilaterally. On assessment of the trust deed and of the operations of the trusts Kokatha Aboriginal Corporation believes it does not have control over the activities of the Trusts and hence it considers it does not have control of the Trusts. As these entities are not considered controlled entities they have not been included in the consolidated financial statements.



**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES**  
**ABN: 17 649 502 722**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**Note 17            Entity Details**

The registered office of the entity is:

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities  
35 Flinders Terrace  
PORT AUGUSTA  
SA 5700

The principal place of business is:

Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities  
35 Flinders Terrace  
PORT AUGUSTA  
SA 5700

# STATEMENT BY BOARD OF DIRECTORS

## KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 & CONTROLLED ENTITIES

ABN: 17 649 502 722

### STATEMENT BY BOARD OF DIRECTORS

The board of directors declare that, in the board's opinion:

1. The financial statements and notes, as set out on the preceeding pages are in accordance with *the Corporations (Aboriginal and Torres Strait Islander) Act 2006* and:

- a. comply with Australian Accounting Standards - Reduced Disclosure Requirements ; and the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) and the Corporation (Aboriginal and Torres Strait Islander) Regulations 2017 (CATSI Regulations).
- b. give a true and fair view of the financial position of Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities as at 30 June 2020 and of its performance for the year ended on that date.

2. There are reasonable grounds to believe that Kokatha Aboriginal Corporation RNTBC ICN:8093 & Controlled Entities will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and by resolution of the board:

  
Signed: Elaine Moosha

Dated: 11/Dec/2020

  
Signed: Daniel Ramm

Dated: 11/12/20

# INDEPENDENT AUDITOR'S REPORT

## KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093 AND CONTROLLED ENTITIES

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093

#### Opinion

We have audited the financial report of Kokatha Aboriginal Corporation RNTBC ICN:8093 and controlled entities ("the group") which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the statement by Board of Directors.

In our opinion the accompanying financial report of the group is in accordance with Div 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations (Aboriginal and Torres Strait Islander) Act 2006 including:

- (a) giving a true and fair view of the group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards-Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards-Reduced Disclosure Requirements, the Corporations (Aboriginal and Torres Strait Islander) Act 2006 and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the group's financial reporting process.

**basso  
newman**  
audit  
chartered  
accountants

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**KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093  
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
KOKATHA ABORIGINAL CORPORATION RNTBC ICN:8093**

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Trevor Basso - Director**  
**Basso Newman Audit Pty Ltd**  
**Chartered Accountants**  
**286 Flinders Street, Adelaide**  
**Dated this 11<sup>th</sup> day of December 2020**

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accountants



**Travel Safe**  
**#Roxby5725**

The image shows three large, vertical panels standing on a gravel base in a dry, open landscape. The central panel is dark brown and features the text 'Travel Safe' and '#Roxby5725' in white. It also has a large, faint Indigenous-style concentric circle design. To its left is a dark blue panel with a blue and white concentric circle design. To its right is a dark blue panel with a pattern of small, overlapping circles in red, orange, and yellow. The background shows a clear blue sky and sparse, dry vegetation.



Kokatha Aboriginal Corporation RNTBC

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